

Client Alert

25th Anniversary Version Of FMF Guidelines -- No Celebration For It Companies

September 10, 2009

On August 31, 2009, the Defense Security Cooperation Agency released a revised set of *Guidelines for Foreign Military Financing of Direct Commercial Contracts* and *Contractor's Certification & Agreement with DSCA* which are to be implemented no later than October 1, 2009. The principal changes focus on the difficult compliance issue of identifying non-U.S. content in the products and underscore DSCA's increasingly inflexible approach to that issue, including determination whether spares and post-delivery warranty or maintenance effort constitute non-U.S. content ineligible for financing, a problem that has been particularly troubling for companies furnishing information technology products to the Government of Israel under the FMF program.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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