

The "TAA" is a subcontract or a technology transfer agreement between the FC and the domestic company involved, which is drawn up for the purpose of specifying offset obligations and their fulfilment.

The "MOU" is a document specifying the rights and obligations between the FC and the domestic company with respect to the offset program.

PROCEDURES FOR DEFENCE PROCUREMENT FROM A FOREIGN SUPPLIER	
MND	Provides to DLA master plan for offset program and general guidelines for MND's offset requirements
DLA	Issues Request for Proposal to foreign contractors
FC	Submits an outline of offset proposal and recommendation of domestic company
DLA	Notifies FC of the domestic company selected by MND upon DLA's recommendations
KIP	Notifies selected domestic company of MND's offset requirements and outline of offset proposal
FC	Surveys domestic company selected by MND and submits following for negotiations: (1) MOA with detailed offset proposal; (2) one copy of main contract quotation; and (3) desirable dates for negotiations
KIP	Submits master plan for offset participation to DLA
DLA/KIP /FC	Negotiate on MOA and offset proposal
FC	Submits MOU made between FC and domestic company to DLA
DLA	Reports the results of negotiations to Working Level Committee for Offset Evaluation
	Reports to MND the evaluation results with initialled MOA, attached proposal and MOU
MND	Analyzes the evaluation results with regard to selection of equipment and approves the MOA
DLA	Signs MOA and notifies FC and the party concerned (end-user and KIP)
FC	Submits TAA to DLA
FC/KIP/ END- USER	Reports quarterly the results of performance to DLA
DLA	Notifies the Confirmation of Performance report to FC and to domestic company