

DEFENSE

Research and Development

**Memorandum of Understanding Between the
UNITED STATES OF AMERICA
and OTHER GOVERNMENTS**

Signed at Bonn, Washington, The Hague, Ottawa,
Copenhagen, Canberra, Seoul, Bristol, Rome, and
Stockholm February 15, February 21, March 1,
March 7, April 3, April 13, April 16, April 20,
April 30, 2007, and March 7, 2008

with

Annexes



NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89—497, approved July 8, 1966
(80 Stat. 271; 1 U.S.C. 113)—

“ . . . the Treaties and Other International Acts Series issued under the authority of the Secretary of State shall be competent evidence . . . of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and international agreements other than treaties, as the case may be, therein contained, in all the courts of law and equity and of maritime jurisdiction, and in all the tribunals and public offices of the United States, and of the several States, without any further proof or authentication thereof.”

MULTILATERAL

Defense: Research and Development

*Memorandum of understanding signed at
Bonn, Washington, The Hague, Ottawa,
Copenhagen, Canberra, Seoul, Bristol,
Rome, and Stockholm February 15,
February 21, March 1, March 7,
April 3, April 13, April 16, April 20,
April 30, 2007, and March 7, 2008;
Entered into force April 3, 2007.
With annexes.*

MEMORANDUM OF UNDERSTANDING

AMONG

THE DEPARTMENT OF DEFENCE OF AUSTRALIA
AND
THE MINISTRY OF DEFENCE OF THE KINGDOM OF BELGIUM
AND
THE DEPARTMENT OF NATIONAL DEFENCE OF CANADA
AND
THE MINISTRY OF DEFENCE OF THE KINGDOM OF DENMARK
AND
THE MINISTER OF DEFENCE OF THE FRENCH REPUBLIC
AND
THE FEDERAL MINISTRY OF DEFENCE OF THE FEDERAL REPUBLIC OF GERMANY
AND
THE MINISTRY OF DEFENCE OF THE ITALIAN REPUBLIC
AND
THE MINISTRY OF NATIONAL DEFENSE OF THE REPUBLIC OF KOREA
AND
THE MINISTRY OF DEFENCE OF THE KINGDOM OF THE NETHERLANDS
AND
THE MINISTRY OF DEFENCE OF THE KINGDOM OF NORWAY
AND
THE MINISTRY OF DEFENCE OF THE KINGDOM OF SPAIN
AND
THE MINISTRY OF DEFENSE OF THE KINGDOM OF SWEDEN
AND
THE SECRETARY OF STATE FOR DEFENCE OF THE UNITED KINGDOM OF GREAT
BRITAIN AND NORTHERN IRELAND
AND
THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

FOR THE

COOPERATION IN GLOBAL POSITIONING SYSTEM AND NAVIGATION WARFARE
RESEARCH, DEVELOPMENT, TEST AND EVALUATION

SHORT TITLE: GPS AND NAVWAR RDT&E MOU

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INTRODUCTION

The Department of Defence of Australia, the Ministry of Defence of the Kingdom of Belgium, the Department of National Defence of Canada, the Ministry of Defence of the Kingdom of Denmark, the Minister of Defence of the French Republic, the Federal Ministry of Defence of the Federal Republic of Germany, the Ministry of Defence of the Italian Republic, the Ministry of National Defense of the Republic of Korea, the Ministry of Defence of the Kingdom of the Netherlands, the Ministry of Defence of the Kingdom of Norway, the Ministry of Defence of the Kingdom of Spain, and the Ministry of Defense of the Kingdom of Sweden, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Department of Defense of the United States of America, hereinafter referred to as the Participants:

Recognizing the benefits to be obtained from standardization, rationalization, and interoperability of military equipment;

Desiring to improve their mutual conventional defense capabilities through the application of emerging technology;

Having a mutual need for the cooperation in Global Positioning System (GPS) and Navigation Warfare (Navwar) research, development, test, and evaluation (RDT&E) to satisfy common operational requirements; and

Recognizing the benefits of cooperation in GPS and Navwar;

Have reached the following understandings:

SECTION I

DEFINITIONS AND ACRONYMS

1.1. The Participants have jointly decided upon the following definitions for terms used in this Memorandum of Understanding (MOU) and its Project Arrangements (PA's) As:

Classified Information Official information that requires protection in the interests of national security and is so designated by the application of a security classification marking. This information may be in oral, visual, magnetic or documentary form or in the form of equipment or technology. With respect to oral information that is classified, the fact that the information to be imparted is classified will be communicated at the time the oral information is provided.

Concept Exploration	The first acquisition phase, which typically consists of competitive, parallel short-term concept definition studies. The focus of these efforts is to define and evaluate the feasibility of alternative concepts and to provide a basis for assessing the relative merits (e.g. advantages and disadvantages, degree of risk, etc.) of these concepts at the next milestone decision point.
Contract	Any mutually binding legal relationship under national laws, which obligates a Contractor to furnish supplies and/or services, and obligates one or more of the Participants to pay for them.
Contracting Agency	The entity within the government organization of a Participant, which has authority to enter into, administer, or terminate Contracts.
Contracting Officer	A person representing a Contracting Agency of a Participant who has the authority to enter into, administer, or terminate Contracts.
Contractor	Any entity awarded a Contract by a Participant's Contracting Agency.
Contractor Support Personnel	Persons specifically identified as providing administrative, managerial, scientific, or technical support services to a Participant under a support Contract.
Contributing Participants	Those Participants who are signatories to a particular PA to this MOU.
Controlled Unclassified Information	Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. It includes information that has been declassified but remains controlled.
Cooperative Project Personnel	Military members or civilian employees of a Participant assigned to the facilities of another Participant who perform managerial, engineering, technical, administrative, contracting, logistics, financial, planning or other functions.
Defense Purposes	Manufacture or other use in any part of the world by or for the armed forces of any Participant. This does not include sales or transfer to Third Parties.
Designated Security Authority	The security office approved by national authorities to be responsible for the security aspects of this MOU.

Financial Management and Procedures Document (FMPD)	The implementing document describing the financial management procedures for a Project Arrangement wherein the transfer of funds from one Participant to another or the incurring of contractual or other commitments by one Participant on behalf of another.
Host Participant	The Participant whose nation serves as the location of the Project office.
National Security Authority	A Participant's government entity responsible for national security policy.
Navigation Warfare (Navwar)	Prevention of the hostile use of positioning, navigation, and timing while protecting the unimpeded use of the information by combined forces and preserving peaceful use of the information outside the area of operations.
Non-financial Costs	Project costs met by non-monetary contributions.
Parent Participant	A Participant that sends personnel to another Participant's facility.
Participant	A signatory to this MOU represented by its military or civilian personnel. Contractors and Contractor Support Personnel will not be representatives of a Participant under this MOU.
Patent	The recorded legal right to prevent others from making, using, or selling an invention. The term refers to any and all patents including, but not limited to, patents of implementation, improvement or addition, utility models, appearance design patents, registered designs, and inventor certificates or like statutory protection as well as divisions, reissues, continuations, renewals, extensions of any of these.
Program Definition and Risk Reduction	The phase in the acquisition process wherein the program will become defined in terms of one or more concepts, design approaches, and/or parallel technologies and to be pursued as warranted. Assessments of the advantages and disadvantages of alternative concepts will be refined. Prototyping, demonstrations, and early operational assessments will be considered and included as necessary to reduce risk so that technology, manufacturing, and support risks are well in hand before the next decision point.
Project	Specific collaborative activity that is described in a Project Arrangement to this MOU.

Project Arrangement	An implementing arrangement in the format at Annex A to this MOU that specifically details the arrangements for collaboration on a specific Project.
Project Background Information	Information not generated in the performance of a Project but used in the performance of a Project.
Project Equipment	Any materiel, equipment, end item, subsystem, component, special tooling or test equipment jointly acquired or provided for use under a PA to this MOU.
Project Foreground Information	Project Information generated in the performance of a Project.
Project Information	Any information provided to, generated in, or used in a Project regardless of form or type, including, but not limited to, that of a scientific, technical, business, or financial nature, and also including photographs, reports, manuals, threat data, experimental data, test data, designs, specifications, processes, techniques, inventions, drawings, technical writings, sound recordings, pictorial representations, and other graphical presentations, whether in magnetic tape, computer memory, or any other form and whether or not subject to copyright, Patent, or any other legal protection.
Project Invention	Any invention or discovery formulated or made, in the course of work performed under a Project.
Project Plan	A plan that provides a description of the Project's delivery requirements and milestones.
Project Purposes	Any use of Project Information by or on behalf of a Contributing Participant relating to a Project.
Prospective Contractor	Any entity that seeks to enter into a Contract to be awarded by a Participant's Contracting Agency and that, in the case of a solicitation involving the release of export-controlled information, is eligible to receive such information.
Third Party	A government other than the Government of a Participant and any person or other entity whose government is not the Government of a Participant.

1.2. The following acronyms are used in this MOU

CPP	Cooperative Project Personnel
DSA	Designated Security Authorities
EU	European Union
FMPD	Financial Management Procedures Document
GPS	Global Positioning System
MC	Managing Committee
MOU	Memorandum of Understanding
NSA	National Security Authority
PA	Project Arrangement
PO	Project Officers
PSI	Project Security Instruction
RDT&E	Research, Development, Test & Evaluation
SC	Steering Committee
SCG	Security Classification Guide

SECTION II

OBJECTIVES

2.1. The objectives of this MOU are to define and establish the general principles that will apply to the initiation, conduct, and management of RDT&E cooperation in GPS and Navwar for specific Project Arrangements (PAs) under this MOU. Cooperative development work conducted under this MOU will contribute to the interoperability of the Participants' defense forces with respect to the employment of GPS in coalition operations.

2.2. Participation in a PA is voluntary. A PA requires the signature of at least two Contributing Participants. The provisions of this MOU will be incorporated by reference in each PA. Detailed provisions of each PA will be consistent with this MOU and will identify Contributing Participants to the Project, and will include provisions concerning objectives, scope of work, management structure, sharing of tasks, financial arrangements, including cost shares, contractual arrangements, security classification, and other provisions, as required, in accordance with the format attached as Annex A to this MOU.

SECTION III

SCOPE OF WORK

3.1. The overall work to be carried out under this MOU includes:

3.1.1. Cooperative RDT&E and demonstration of GPS capabilities.

3.1.2. Cooperative RDT&E and demonstration of Navwar capabilities.

3.1.3. Cooperative RDT&E and demonstration of tactics, techniques, procedures, and concepts of operations for GPS and Navwar capabilities.

3.2. Exchange of Project Information and the loan of Project Equipment specifically for the purposes of evaluation and harmonization of the Contributing Participants' respective GPS equipment and Navwar RDT&E requirements and for formulating, developing and negotiating PAs are permitted under this MOU.

3.3. Exchange of information for any purpose including harmonizing the Participants' respective requirements and furthering interoperability among the Participants need not necessarily coincide in time, technical field, or in the form of information. Information exchanges outside of Projects will take place on an equitable basis.

3.4. Cooperation on production programs, which may evolve from collaboration under one or more PAs to this MOU is outside the scope of this MOU and requires the conclusion of separate written arrangements.

3.5. This MOU does not preclude the Participants from entering into any other arrangements in the area of RDT&E of GPS and Navwar basic, exploratory or advanced technology.

SECTION IV

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

4.1. This MOU and its PAs will be directed and administered on behalf of the Participants by an organization consisting of a Steering Committee (SC). Each PA will be directed by a Managing Committee (MC) and Project Officers (POs).

4.2. The SC will consist of a representative appointed by each Participant. The SC will only meet on an as-needed basis, with sessions held at the request of any representative. The representative of the Participant hosting the meeting will chair the meeting of the SC. In the event that the SC is unable to reach a timely decision on an issue, each SC representative will refer the issue to its authorities for resolution. Decisions will be made unanimously. In particular, the SC will:

4.2.1. Exercise oversight of the implementation of the MOU, subject to subparagraph 4.2.9. below;

4.2.2. Consider international cooperative opportunities as candidate projects under this MOU;

4.2.3. Propose, review and forward to Participants for approval recommended amendments to this MOU and its Annexes;

- 4.2.4. Subject to subparagraph 4.2.9. below, maintain oversight of the security aspects of this MOU and its PAs in accordance with Section XI (SECURITY);
- 4.2.5. Establish and approve the Terms of Reference for the SC;
- 4.2.6. Resolve general MOU issues;
- 4.2.7. Subject to subparagraph 4.2.9. below, establish working groups to explore and develop proposals for potential PAs; and
- 4.2.8. Provide recommendations to the Participants for the addition of new Participants in accordance with Section XIV (Participation of Additional Nations);
- 4.2.9. Contributing Participants' SC representatives will:
 - 4.2.9.1. Determine if the existence and/or related activities of a PA are to be reported to the full SC (noting that some PAs may involve only some of the Participants and, in some cases, there may be need-to-know limitations regarding the activities of a particular PA);
 - 4.2.9.2. Propose, review, and forward to the Contributing Participants for approval draft PAs;
 - 4.2.9.3. Approve the Terms of Reference for the MC;
 - 4.2.9.4. Propose, review, and forward to Contributing Participants for approval recommended amendments to a PA and/or its Annexes;
 - 4.2.9.5. Approve plans for disposal of jointly acquired Project Equipment in accordance with Section VII (Project Equipment);
 - 4.2.9.6. Approve the assignment of Cooperative Project Personnel (CPP) to facilities of the other Contributing Participant(s) to work on a PA in accordance with Section IX (Visit Establishments) and Annex B (Cooperative Project Personnel);
 - 4.2.9.7. Monitor Third Party sales and transfers in accordance with Section XII (Third Party Sales and Transfers);
 - 4.2.9.8. Resolve PA issues brought forth by the MC; and
 - 4.2.9.9. Employ its best efforts to resolve, in consultation with the export control authorities of the Contributing Participants concerned, any export control issues raised by the MC in accordance with paragraph 4.6. below or raised by a

Contributing Participant's SC representative in accordance with subparagraph 4.3.11 below.

4.3. PAs will be administered by a PA MC, which will include representatives of the Contributing Participants of the particular PA. The MC will only meet on an as needed basis, with sessions held at the request of any Contributing Participant representative. The representative of the Contributing Participant hosting the meeting will chair the meeting of the MC. In the event that the MC is unable to reach a timely decision on an issue, the MC will refer the issue to the Contributing Participants' SC representatives for resolution. Decisions will be made unanimously. In particular, the MC will:

- 4.3.1. Provide policy and management direction to the POs as required during PA execution;
- 4.3.2. Approve the Project Plan and proposed changes to the Project Plan;
- 4.3.3. Approve for a PA (where necessary) the Financial Management and Procedures Document (FMPD);
- 4.3.4. Monitor overall implementation of the PA, including technical, financial, and schedule performance against requirements;
- 4.3.5. Resolve issues brought forth by the POs;
- 4.3.6. Review status reports submitted by the POs;
- 4.3.7. Approve the loan of Project Equipment under the PA in accordance with Section VII (Project Equipment) in accordance with national policies and procedures;
- 4.3.8. Maintain oversight of the security aspects of the PA including reviewing and obtaining approval from the respective national authorities through the appropriate National Security Authority (NSA)/Designated Security Authority (DSA) of Projects Security Instructions and Security Classification Guides prior to the transfer of Classified Information or Controlled Unclassified Information in accordance with Section XI (Security);
- 4.3.9. Recommend to the Contributing Participants' SC representatives amendments to the PA for consideration;
- 4.3.10. Determine if sole source contracting is appropriate, and if so the MC representatives will pursue approval through respective national authorities to confirm sole source approval; and
- 4.3.11. Monitor export control arrangements required to implement the PA and, if applicable, refer immediately to the Contributing Participants' SC representatives

any export control issues that could adversely affect the implementation of the PA.

4.4. Project Officers will be appointed by each Contributing Participant. In particular, the POs will:

- 4.4.1. Manage the cost, schedule, performance requirements, technical, and financial aspects of the Project;
- 4.4.2. Execute the approved Project Plan;
- 4.4.3. Develop and submit any required changes to the approved Project Plan to the MC for approval;
- 4.4.4. Execute the financial aspects of the Project in accordance with Section V (Financial Provisions) of this MOU;
- 4.4.5. Refer issues to the MC that cannot be resolved by the POs;
- 4.4.6. Develop and recommend to the MC amendments to a PA to the MC;
- 4.4.7. Propose plans for MC approval to manage and control the transfer of Project Equipment provided by any Contributing Participant in accordance with Section VII (Project Equipment);
- 4.4.8. Develop and maintain a list of Project Equipment for use in a PA;
- 4.4.9. Implement SC-approved plans for the disposal of jointly acquired Project Equipment under a PA in accordance with Section VII (Project Equipment);
- 4.4.10. Provide status reports prior to SC and MC meetings;
- 4.4.11. Develop and forward to the MC a PSI and SCG as required under this MOU;
- 4.4.12. Develop and forward to the MC when necessary, a PA FMPD;
- 4.4.13. Forward recommendations to the MC for the addition of new Contributing Participants; and
- 4.4.14. Monitor export control arrangements required to implement the PA and, if applicable, refer immediately to the MC any export control issues that could adversely affect the implementation of the PA.

4.5. The Participants may place CPP's in the facilities of another Participant subject to the respective Participants' mutual consent. Terms and conditions for the CPP assigned to Participant facilities are set out in Annex B (Cooperative Project Personnel).

4.6. If a Contributing Participant finds it necessary to exercise a restriction on the retransfer of export-controlled information as set out in paragraph 8.1.2. of Section VIII (Disclosure and Use of Project Information), it will promptly inform the other Contributing Participants. If a restriction is then exercised and an affected Contributing Participant objects, that Contributing Participant's SC representative will promptly notify the other Contributing Participants' Steering Committee representatives and they will immediately consult in order to discuss ways to resolve such issues or mitigate any adverse effects.

SECTION V

FINANCIAL PROVISIONS

5.1. This MOU in and of itself creates no financial responsibilities or non-financial responsibilities. Detailed descriptions of the financial arrangements for a specific Project, including, at a minimum, the total cost of the Project, currency valuations, and each Contributing Participant's share, will be contained in the PA.

5.2. The financial responsibilities of the Contributing Participants will be subject to the availability of funds for such purposes. Each Contributing Participant will promptly notify the other Contributing Participants if available funds are not adequate to fulfill such responsibilities under the PAs. The Contributing Participants will immediately consult on the course of action to be taken with a view toward continuation on a changed or reduced basis.

5.3. Each Contributing Participant will contribute its equitable share of the full financial and Non-Financial Costs incurred in performing, managing, and administering its responsibilities under each PA, including overhead costs and administrative costs, and each Contributing Participant will receive an equitable share of the results. For the purposes of this MOU, equitable share of the results means receiving Project Information in accordance with Section VIII (Disclosure and Use of Project Information) and as described in a PA. The tasks to be performed by each Contributing Participant will be established in each PA.

5.4. Each Contributing Participant will bear the full costs it incurs for performing, managing, and administering its activities under this MOU and participation in each PA, including its share of the costs of any Contract under the auspices of paragraph 5.6 below.

5.5. Costs associated with any unique national requirements will be borne entirely by the Contributing Participant incurring the costs.

5.6. Under a PA, the Contributing Participants may decide that it is necessary for one Contributing Participant, in accordance with its national laws, to incur contractual or other commitments for the benefit of the other Contributing Participants. When so determined in a PA, in the event one Contributing Participant incurs such commitments for the benefit of the other Contributing Participants, each Contributing Participant will pay its equitable share of such commitments and make funds available in such amounts and at such times as defined in the PA

and subsequently required in the Contract. Under a PA, the Contributing Participants will be responsible for their equitable share of damages and costs that may accrue from the performance of or cancellation of the Contract or other commitment in advance of the time such payments, damages, or costs are due. If the implementation costs of a PA exceed the Contributing Participants respective cost ceiling stated in the PA, the additional funding will be subject to amendment of the PA.

5.7. For each PA, the POs will be responsible for establishing, when necessary, the detailed financial management procedures under which the Project will operate. These procedures will be proposed by the POs, subject to the approval of the MC, detailed in an FMPD, and will be in accordance with national accounting and audit requirements of the Contributing Participants.

5.8. Each Contributing Participant will provide funds for each Project in accordance with the estimated schedule of financial contributions, which will be consistent with paragraph 5.6 above.

5.9. Each Contributing Participant will be responsible for internal review and auditing of Project activities carried out by it in accordance with its own national practices.

5.10. For PAs in which funds are transferred between Contributing Participants, the Contributing Participant receiving the funds will be responsible for the auditing regarding administration of those funds in accordance with its own national practices. Audit reports of such funds will be promptly made available to the other Contributing Participants. Additional data will be provided to the auditors of another Contributing Participant that may need it in order to fulfill its own national obligations. Details of such provision will be subject to mutual agreement.

SECTION VI

CONTRACTUAL ARRANGEMENTS

6.1. If a Contributing Participant determines that contracting is necessary to fulfill its responsibilities under a PA, that Participant will contract in accordance with its respective national laws, regulations, and procedures.

6.2. When one Contributing Participant individually Contracts to perform a task under a PA, it will be solely responsible for its own contracting and the other Contributing Participants will not be subject to any liability arising from such Contracts without their prior written consent.

6.3. If the Contributing Participants determine that it is necessary under a PA that one Participant contracts on behalf of the other Contributing Participants for tasks under a PA, that Participant will contract in accordance with its respective national laws, regulations, and procedures. Such contractual arrangements will be detailed in the particular PA. Sources from all Contributing Participants' industries will be allowed to compete on an equal basis for such Contracts, unless the MC confirms a sole source decision, subject to paragraph 6.1 above. The Contracting Officer

will be the exclusive source for providing contractual direction and instructions to Contractors. The POs will be responsible for the coordination of activities relating to the PA and will cooperate with the Contracting Officer in the areas of Contract procedures, Contract negotiation, evaluation of offers, and Contract award. The Contracting Officer will keep the POs advised of substantive developments, taking their consultation into account before changes are made to the Contract.

6.4. For all contracting activities performed by a Contributing Participant under a Project, the POs will, upon request, be provided a copy of all statements of work for information prior to the issuance of invitations to bid.

6.5. Each Participant's Contracting Agency will insert into its prospective Contracts (and require its Contractors to insert in subcontracts) provisions that satisfy the requirements of this MOU, including Section VIII (Disclosure and Use of Project Information), Section IX (Controlled Unclassified Information), Section XI (Security), Section XII (Third Party Sales and Transfers), and Section XVII (Withdrawal and Termination), and Section XVIII (General Provisions) including the export control provisions in accordance with this MOU, in particular paragraphs 6.8 and 6.9 below.

6.6. During the contracting process, each Contributing Participant's Contracting Officer will advise prospective Contractors of their responsibility to immediately notify the Contracting Agency, before Contract award, if they are subject to any license, agreement, or arrangement that will restrict that Participant's freedom to disclose information or permit its use. The Contracting Officer will also advise prospective Contractors to employ their best efforts not to enter into any new agreement or arrangement that will result in restrictions.

6.7. In the event a Contributing Participant's Contracting Agency is unable to secure adequate rights to use and disclose Project Information as required by Section VIII (Disclosure and Use of Project Information), or is notified by Contractors or prospective Contractors of any restrictions on the disclosure and use of information, that Participant's PO will notify the other Participant's PO of the restriction(s). The POs will immediately determine whether this matter will be referred to the SC for consideration of the consequences and resolution of the way ahead.

6.8. Each Participant will legally bind its Contractors to a requirement that the Contractor will not retransfer or otherwise use export-controlled information furnished by another Participant for any purpose other than the purposes authorized under this MOU. The Contractor will also be legally bound not to retransfer the export-controlled information to another Contractor or subcontractor unless that Contractor or subcontractor has been legally bound to limit use of the information to the purposes authorized under this MOU. Export-controlled information furnished by one Participant under this MOU may only be retransferred by another Participant to its Contractors if the legal arrangements required by this paragraph have been established.

6.9. Each Participant will legally bind its Prospective Contractors to a requirement that the Prospective Contractor will not retransfer or otherwise use export-controlled information furnished by another Participant for any purpose other than responding to a solicitation issued in furtherance of the purposes authorized under this MOU. Prospective Contractors will not be

authorized use for any other purpose if they are not awarded a Contract. The Prospective Contractors will also be legally bound not to retransfer the export-controlled information to a prospective subcontractor unless that prospective subcontractor has been legally bound to limit use of the export-controlled information for the purpose of responding to the solicitation. Export-controlled information furnished by one Participant under this MOU may only be retransferred by another Participant to its Prospective Contractors if the legal arrangements required by this paragraph have been established. Upon request by the furnishing Participant, the receiving Participant will identify its Prospective Contractors and prospective subcontractors receiving such export-controlled information.

6.10. POs will promptly advise each other of any cost growth, schedule changes, delay, or performance problems of any Contractor for which its Contracting Agency is responsible pursuant to a PA.

6.11. Contract administrative services support will be provided in accordance with applicable arrangements between the Participants concerned. Should price or cost investigation services be required, such services will be obtained through the responsible national authorities of the Participant within whose territory the performing Contractor or subcontractor is located consistent with any existing arrangements between the Participants in that regard.

6.12. No requirement will be imposed by a Participant for work sharing or other industrial or commercial compensation in connection with this MOU and any PA that is not in accordance with this MOU.

SECTION VII

PROJECT EQUIPMENT

7.1. Each Contributing Participant may provide, in accordance with its national laws and regulations, Project Equipment identified as being necessary for executing a PA to another Contributing Participant. Project Equipment will remain the property of the providing Participant. A list of all Project Equipment provided by one Contributing Participant to another Contributing Participant will be developed and maintained and approved by the MC, pursuant to subparagraph 4.3.7 above.

7.2. The Contributing Participants will make every effort to ensure that the Project Equipment is furnished in a servicable and operable condition according to its intended purpose. However, the providing Participant gives no assurance of fitness of the Project Equipment for a particular purpose or use, and makes no commitment to alter, improve, or adapt the Project Equipment or any part thereof.

7.3. The receiving Participant(s) will maintain any such Project Equipment in good order, repair, and operable condition. Unless the providing Participant has authorized the Project Equipment to be expended or otherwise consumed without reimbursement to the providing Participant, the

receiving Participant will return the Project Equipment to the providing Participant in as good condition as received, normal wear and tear excepted, or return the Project Equipment and pay the cost to restore it. If the Project Equipment is damaged beyond economical repair, the receiving Participant will return the Project Equipment to the providing Participant (unless otherwise specified in writing by the providing Participant) and pay the replacement value specified as computed pursuant to the providing Participant's national laws and regulations. If the Project Equipment is lost while in the custody of the receiving Participant(s), the receiving Participant(s) will issue a certificate of loss to the providing Participant and will pay the replacement value as computed pursuant to the providing Participant's national laws and regulations. The replacement value of the Project Equipment will be specified under the relevant PA.

7.4. The providing Participant, at its expense, will deliver the Project Equipment to the receiving Participant(s) at the location(s) mutually approved. Possession of the Project Equipment will pass from the providing Participant to the receiving Participant(s) at the time of receipt of the Project Equipment. Any further transportation is the responsibility of the receiving Participant(s). The providing Participant will furnish the receiving Participant(s) such information as necessary to enable the Project Equipment to be used.

7.5. All Project Equipment that is transferred will be used by the receiving Participant(s) only for the purposes of carrying out an individual PA, unless otherwise consented to in writing, by the providing Participant. In addition, in accordance with Section XII (Third Party Sales and Transfers), Project Equipment will not be re-transferred to a Third Party without the prior written consent of the providing Participant.

7.6. Upon expiration or termination of the loan period (taking into account any extension), the receiving Participant(s) will return the Project Equipment, at its expense, to the providing Participant at the location mutually approved. Any further transportation is the responsibility of the providing Participant.

7.7. Any Project Equipment that is jointly acquired on behalf of all the Contributing Participants for use under any PA to this MOU will be disposed of as mutually approved by those Contributing Participants during the applicable Project or when the Project ends, as determined by the MC.

7.8. Disposal of jointly acquired equipment may include, as mutually determined, a transfer of the interest of the Participants in such Project Equipment to one Participant, or the sale of such Project Equipment to a Third Party in accordance with Section XII (Third Party Sales and Transfers) of this MOU. The Participants will share the consideration from jointly acquired Project Equipment transferred or sold to a Third Party in the same ratio as costs are shared under the PA for the purposes of which the equipment was acquired.

SECTION VIII

DISCLOSURE AND USE OF PROJECT INFORMATION

8.1. General

- 8.1.1. The Participants recognize that successful collaboration depends on full and prompt exchange of information necessary to carry out this MOU. Information may be exchanged for any purpose consistent with the scope of this MOU, including but not limited to establishing and implementing a PA and in relation to the use of Project Equipment loaned under a PA. The Participants intend to exchange and acquire sufficient Project Information and rights to use such information to enable the research, development, test and evaluation of GPS and Navwar capabilities. The nature and amount of Project Information to be exchanged and/or acquired will be in accordance with Section II (Objectives), Section III (Scope of Work), Section VI (Contractual Arrangements) and the PAs to this MOU. Transfer of such Information to Contractors and Prospective Contractors will be consistent with the provisions of paragraph 6.8 and 6.9 above. If all Participants do not enter into a particular PA, then the Contributing Participants to a PA will determine what information may be released to the non-Contributing Participants about that Project. In the absence of such determination, a Contributing Participant will not disclose any Project Information to a non-Contributing Participant. However, a Contributing Participant may disclose its own solely generated Project Foreground Information and Project Background Information or Project Foreground Information and Project Background Information generated solely by its Contractors, to a Participant that is not a Contributing Participant.
- 8.1.2. Transfer of Project Information will be consistent with the furnishing Participant's applicable export control laws and regulations. Unless otherwise restricted by duly authorized officials of the furnishing Participant at the time of transfer to another Participant, all export-controlled information furnished by that Participant to another Participant may be retransferred to the other Participant's Contractors, subcontractors, Prospective Contractors, and prospective subcontractors, subject to the requirements of paragraphs 6.8. and 6.9. of Section VI (Contracting Provisions). Export-controlled information may be furnished by Contractors, subcontractors, Prospective Contractors, and prospective subcontractors of one Participant's nation to the Contractors, subcontractors, Prospective Contractors, and prospective subcontractors of another Participant's nation pursuant to this MOU subject to the conditions established in licenses or other approvals issued by the Government of the furnishing Participant in accordance with its applicable export control laws and regulations.
- 8.1.3. Notwithstanding the provisions of this MOU that relate to the protection of information, particularly Section VIII (Disclosure and Use of Project Information), Section IX (Controlled Unclassified Information), Section XI (Security), and Section XII (Third Party Sales and Transfers), the specific export control provisions set out in Section VI (Contracting Provisions) and this Section will not apply to transfers of information amongst non-U.S. Participants when such exchanges do not include U.S. export-controlled information.

8.2. Government Project Foreground Information.

- 8.2.1. Disclosure: Project Foreground Information generated by a Contributing Participant's military or civilian employees will be disclosed without charge to each Contributing Participant.
- 8.2.2. Use: Each Contributing Participant may use all Government Project Foreground Information without charge for Defense Purposes. The Contributing Participant generating Government Project Foreground Information will also retain its rights of use thereto. Any sale or other transfer of Government Project Foreground Information to a Third Party will be subject to the provisions of Section XII (Third Party Sales and Transfers).

8.3. Government Project Background Information

- 8.3.1. Disclosure: Each Contributing Participant, upon request, will disclose, without charge, to the other Contributing Participant(s) for the purposes of a PA, any relevant Government Project Background Information generated by its military or civilian employees, provided that:
 - 8.3.1.1. Such Government Project Background Information is necessary to or useful in the Project, with the Contributing Participant in possession of the information determining whether it is "necessary to" or "useful in" the Project;
 - 8.3.1.2. Such Government Project Background Information may be made available without incurring liability to holders of proprietary rights;
 - 8.3.1.3. Disclosure is consistent with national disclosure policies and regulations of the furnishing Contributing Participant; and
 - 8.3.1.4. Any disclosure or transfer of such Government Project Background Information to Contractors is consistent with the provisions of paragraphs 6.8., 6.9., and 8.1 above.
- 8.3.2. Use: Government Project Background Information disclosed by one Contributing Participant to the other Contributing Participant(s) may be used without charge by the other Contributing Participant(s) only for Project Purposes. However, the furnishing Contributing Participant will also retain its rights with respect to such Government Project Background Information. When the use of Government Project Background Information is necessary to enable the use of Project Foreground Information, such Project Background Information may be used for Defense Purposes, in association with that Project Foreground Information, unless the provisions of the applicable PA limit such use of the Project Background Information.

8.4. Contractor Project Foreground Information

- 8.4.1. Disclosure: Project Foreground Information generated and delivered by Contractors will be disclosed without charge to each Contributing Participant.
- 8.4.2. Use: Each Contributing Participant may use, or have used, without charge for its Defense Purposes all Contractor Project Foreground Information generated and delivered by Contractors of the other Contributing Participant(s). The Contributing Participant whose Contractors generate and deliver Contractor Project Foreground Information will also retain its rights of use thereto in accordance with the applicable Contract(s). Any sale or other transfer to a Third Party of Contractor Project Foreground Information will be subject to the provisions of Section XII (Third Party Sales and Transfers).

8.5. Contractor Project Background Information

- 8.5.1. Disclosure: Any Project Background Information (including information subject to proprietary rights) generated and delivered by Contractors will be made available to the other Contributing Participant(s) provided the following provisions are met:
 - 8.5.1.1. Such Project Background Information is necessary to or useful in the Project, with the Contributing Participant in possession of the information determining whether it is "necessary to" or "useful in" the Project;
 - 8.5.1.2. Such Project Background Information may be made available without incurring liability to holders of proprietary rights;
 - 8.5.1.3. Disclosure is consistent with national disclosure policies and regulations of the furnishing Participant; and
 - 8.5.1.4. Any disclosure or transfer of such Project Background Information to Contractors is consistent with the provisions of paragraphs 6.8., 6.9., and 8.1 above.
- 8.5.2. Use: Contractor Project Background Information furnished by one Contributing Participant's Contractors and disclosed to the other Contributing Participant(s) may be used without charge by the other Contributing Participant(s) for Project Purposes only, and may be subject to further restrictions by holders of proprietary rights; however, the furnishing Contributing Participant will retain all its rights with respect to such Project Background Information.

8.6. Alternative Uses of Project Information

- 8.6.1. Any Project Background Information provided by one Contributing Participant will be used by the other Contributing Participant(s) only for the purposes set forth in this MOU and its PAs, unless otherwise consented to in writing by the providing Contributing Participant.
- 8.6.2. The prior written consent of each Contributing Participant will be required for the use of Project Foreground Information for purposes other than those provided for in this MOU and its PAs.

8.7. Proprietary Project Information

- 8.7.1. All Project Information subject to proprietary interests will be identified and marked, and it will be handled as Controlled Unclassified Information subject to the provisions of Section XI (Security).

8.8. Patents

- 8.8.1. When a Participant owns title to a Project Invention, or has the right to receive title to a Project Invention, that Participant will consult with the other Participant regarding the filing of a Patent application for such Project Invention. The Participant which has or receives title to such Project Invention will, in other countries, file, cause to be filed, or provide the other Participants with the opportunity to file on behalf of the Participant holding title, or its Contractors, as appropriate, Patent applications covering that Project Invention. If a Participant having filed or caused to be filed a Patent application decides to stop prosecution of the application, that Participant will notify the other Participants of that decision and permit the other Participants to continue the prosecution.
- 8.8.2. The other Participants will be furnished with copies of Patent applications filed and Patents granted with regard to Project Inventions.
- 8.8.3. The other Participants will acquire a non-exclusive, irrevocable, royalty-free license to practice or have practiced, by or on behalf of the Participant, throughout the world for Defense Purposes, any Project Invention.
- 8.8.4. Patent applications to be filed under this MOU, which contain Classified Information, will be protected and safeguarded in accordance with the requirements contained in the Section XI (Security).
- 8.8.5. Each Participant will notify the other Participants of any Patent infringement claims made in its territory arising in the course of work performed under the Project. Insofar as possible, the other Participants

will provide information available to it that may assist in defending the claim. Each Participant will be responsible for handling all Patent infringement claims made in its territory, and will consult with the other Participants during the handling, and prior to any settlement, of such claims. The Participants will share the costs of resolving Patent infringement claims in the same percentage as they share the full financial costs and Non-financial Costs of the Project or mutually consent to alternative share. The Participants will, in accordance with their national laws and practices, give their authorization and consent for all use and manufacture in the course of work performed under a Project of any invention covered by a Patent issued by their respective countries.

8.9. Information exchange.

The disclosure and use provisions that govern the exchange of information authorized in paragraph 3.3. of this MOU are as follows:

- 8.9.1. Disclosure: At its discretion, the furnishing Participant may disclose information to the other Participant(s). Prior written permission from the furnishing Participant will be required for further disclosure of the information by the receiving Participant to any other entity, such as a Contractor. Such permission will not be required in the case of further disclosure to a receiving Participant's Contractor Support Personnel who are legally bound not to disclose such information.
- 8.9.2. Use: Use of information will be for information and evaluation purposes only. Written permission from the furnishing Participant will be required for any other use.

SECTION IX

CONTROLLED UNCLASSIFIED INFORMATION

9.1. Except as otherwise provided in this MOU or as authorized in writing by the originating Participant, Controlled Unclassified Information provided or generated pursuant to this MOU will be controlled as follows:

- 9.1.1. Such information will be used only for the purposes authorized for use of Project Information as specified in Section VIII (Disclosure and Use of Project Information).
- 9.1.2. Access to such information will be limited to personnel whose access is necessary for the permitted use under subparagraph 9.1.1. above, and will

be subject to the provisions of Section XII (Third Party Sales and Transfers).

9.1.3. Each Participant will take all lawful steps, which may include national classification, available to it to keep such information free from further disclosure (including requests under any legislative provisions), except as provided in subparagraph 9.1.2. above, unless the originating Participant consents to such disclosure. In the event of unauthorized disclosure, or if it becomes probable that the information may have to be further disclosed under any legislative provision, immediate notification will be given to the originating Participant.

9.2. To assist in providing the appropriate controls, the originating Participant will ensure that Controlled Unclassified Information is appropriately marked to ensure its "in confidence" nature. The Participants' export-controlled information will be marked in accordance with the applicable Participant's export control markings as documented in the PSI. The Participants will also decide, in advance and in writing, on the markings to be placed on any other types of Controlled Unclassified Information and describe such markings in the PSI.

9.3. Controlled Unclassified Information provided or generated pursuant to this MOU will be handled in a manner that ensures control as provided for in paragraph 9.1 above.

9.4. Prior to authorizing the release of Controlled Unclassified Information to Contractors, the Participants will ensure the Contractors are legally bound to control such information in accordance with the provisions of this Section.

SECTION X

VISITS TO ESTABLISHMENTS

10.1. Each Participant will permit visits to its Government establishments, agencies and laboratories, and Contractor industrial facilities by employees of the other Participant or by employees of the other Participant's Contractor(s), provided that the respective Participants authorize the visit and the employees have any necessary and appropriate security clearances and a need-to-know.

10.2. All visiting personnel will be required to comply with security regulations of the hosting Participant. Any information disclosed or made available to visitors will be treated as if supplied to the Participant sponsoring the visiting personnel, and will be subject to the provisions of this MOU.

10.3. Requests for visits by personnel of one Participant to a facility of the other Participant will be coordinated through official channels, and will conform with the established visit procedures

of the host country. Requests for visits will cite this MOU and the appropriate PA as the basis for the request.

10.4. Lists of personnel of each Participant required to visit, on a continuing basis, facilities of the other Participant will be submitted through official channels in accordance with recurring international visit procedures.

SECTION XI

SECURITY

11.1. All Classified Information provided or generated pursuant to this MOU and its PAs' will be stored, handled, transmitted, and safeguarded in accordance with applicable international agreements and arrangements between the Participants concerned and the Participants' national security laws and regulations.

11.2. Classified Information will be transferred only through official Government-to-Government channels or through channels approved by the National Security Authorities (NSAs)/Designated Security Authorities (DSAs) of the Participants. Such Classified Information will bear the level of classification; denote the country of origin, the provisions of release, and the fact that the information relates to this MOU and applicable PA.

11.3. Each Participant will take all appropriate lawful steps available to it to ensure that Classified Information provided or generated pursuant to this MOU and any of its PAs is protected from further disclosure, except as permitted by paragraph 11.8. below, unless the originating Participant consents to such disclosure. Accordingly, each Participant will ensure that:

- 11.3.1. The recipient will not release the Classified Information to any government, national organization, or other entity of a Third Party without the prior written consent of the originating Participant in accordance with the procedures set forth in Section XII (Third Party Sales and Transfers).
- 11.3.2. The recipient will not use the Classified Information for other than the purposes provided for in this MOU.
- 11.3.3. The recipient will comply with any distribution and access restrictions on information that is provided under this MOU.

11.4. The Participants will investigate all cases in which it is known or in which there are grounds for suspecting that Classified Information provided or generated pursuant to this MOU and any of its PAs has been lost or disclosed to unauthorized persons. Each Participant will promptly and fully inform the other Participants of the details of any such occurrences, of the final results of the investigation and of the corrective action taken to preclude recurrences.

11.5. The POs for each Project will prepare a PSI and an SCG. The PSI and the SCG will describe the methods by which Project Information will be classified, marked, used, transmitted, and safeguarded, and will require that markings for all export-controlled Classified Information also include the applicable export control markings identified in the PSI in accordance with paragraph 9.2 of this MOU. The PSI and SCG will be developed by the POs within three months after the PA enters into effect. They will be reviewed and forwarded to the Participants' NSAs/DSAs for approval and will be applicable to all government and Contractor personnel participating in the Project. The SCG will be subject to regular review and revision with the aim of downgrading the classification whenever this is appropriate. The PSI and the SCG will be approved by the appropriate NSAs/DSAs prior to the transfer of any Classified Information or Controlled Unclassified Information.

11.6. The NSA/DSA of the Participant in which a classified Contract is awarded will assume responsibility for administering within its territory security measures for the protection of the Classified Information, in accordance with its laws and regulations. Prior to the release to a Contractor, prospective Contractor, subcontractor, or prospective subcontractor of any Classified Information received under this MOU, the NSAs/DSAs will:

- 11.6.1. Ensure that such Contractor, Prospective Contractor, subcontractor or prospective subcontractors and their facility(ies) have the capability to protect the Classified Information adequately.
- 11.6.2. Grant a security clearance to the facility(ies), if appropriate.
- 11.6.3. Grant a security clearance for all personnel whose duties require access to Classified Information, if appropriate.
- 11.6.4. Ensure that all persons having access to the Classified Information are informed of their responsibilities to protect the Classified Information in accordance with national security laws and regulations, and provisions of this MOU.
- 11.6.5. Carry out periodic security inspections of cleared facilities to ensure that the Classified Information is properly protected.
- 11.6.6. Ensure that access to the Classified Information is limited to those persons who have a need-to-know for purposes of the MOU.

11.7. Contractors, Prospective Contractors, subcontractors or prospective subcontractors that are determined by NSAs/DSAs to be under financial, administrative, policy or management control of nationals or entities of a Third Party, may participate in a Contract or subcontract requiring access to Classified Information provided or generated pursuant to this MOU and any of its PAs only when enforceable measures are in effect to ensure that nationals or other entities of a Third Party will not have access to Classified Information. If enforceable measures are not in effect to preclude access by nationals or other entities of a Third Party, the appropriate Participants will be consulted for approval prior to permitting such access.

11.8. For any facility wherein Classified Information is to be used, the responsible Participant or Contractor will approve the appointment of a person or persons to exercise effectively the responsibilities for safeguarding at such facility the information pertaining to this MOU and any of its PAs. These officials will be responsible for limiting access to Classified Information involved in this MOU and any of its PAs to those persons who have been properly approved for access and have a need-to-know.

11.9. Each Participant will ensure that access to the Classified Information is limited to those persons who possess requisite security clearances and have a specific need for access to the Classified Information in order to participate in this MOU and any of its PAs.

11.10. Information provided or generated pursuant to this MOU may be classified as high as SECRET. The classification of a specific PA and its content will be stated in the PA. Classified Information classified up to SECRET may be provided or generated pursuant to specific PAs approved under this MOU and any additional security access and/or provisions addressed in the PA, and subject to all necessary security arrangements being in place prior to release of the information. The existence of this MOU is unclassified and the contents are unclassified.

SECTION XII

THIRD PARTY SALES AND TRANSFERS

12.1. The Participants will not sell, transfer title to, disclose, or transfer possession of Project Foreground Information (or any item produced either wholly or in part from the Project Foreground Information) or jointly acquired or produced Project Equipment to any Third Party without the prior written consent of the Governments of the Contributing Participants. Furthermore, no Participant will permit any such sale, disclosure, or transfer, including by the owner of the item, without the prior written consent of the Governments of the Contributing Participants. Such consent will not be given unless the Government(s) of the intended recipient(s) consents in writing with the Contributing Participants that it will:

- 12.1.1. Not retransfer, or permit the further retransfer of, any equipment or information provided; and
- 12.1.2. Use, or permit the use of, the equipment or information provided only for the purposes specified by the Contributing Participants.

12.2. Each Contributing Participant will retain the right to sell, transfer title to, disclose, or transfer possession of Project Foreground Information:

- 12.2.1. That is generated solely by either that Participant or that Participant's Contractors in the performance of that Participant's work allocation under Section III (Scope of Work); and

12.2.2. That does not include any Project Foreground Information or Project Background Information of the other Participants, and whose generation, test, or evaluation has not relied on the use of Project Equipment of the other Participants.

12.3. In the event questions arise as to whether the Project Foreground Information (or any item produced either wholly or in part from the Project Foreground Information) that a Participant intends to sell, transfer title to, disclose, or transfer possession of to a Third Party is within the scope of paragraph 12.2. above, the matter will be brought to the immediate attention of the Contributing Participants' POs. The Participants will resolve the matter prior to any sale or other transfer of such Project Foreground Information (or any item produced either wholly or in part from the Project Foreground Information) to a Third Party.

12.4. A Participant will not sell, transfer title to, disclose, transfer possession, grant, donate or transfer usage rights of Project Equipment or Project Background Information provided by a Contributing Participant to any Third Party without the prior written consent of the Government of the Participant that provided such equipment or information. The providing Participant's Government will be solely responsible for authorizing such transfers and, as applicable, specifying the method and provisions for implementing such transfers.

SECTION XIII

LIABILITY AND CLAIMS

13.1. For liability arising out of, or in connection with, activities undertaken in the performance of official duty in the execution of this MOU and its PAs the following provisions will apply.

13.2. With the exception of claims for loss of or damage to Project Equipment for which Section VII (Project Equipment) of this MOU applies, each Participant waives all claims against the other Participants in respect to damage caused to its military or civilian personnel or damage caused to its property by personnel or agents (which do not include Contractors) of another Participant. If, however, the Participants mutually determine that such damage results from reckless acts or reckless omissions, wilful misconduct or gross negligence of a Participant, its personnel or agents, the costs of any liability will be borne by that Participant alone.

13.3. Claims from any other persons or parties for damage of any kind caused by one of the Participants' personnel or agents will be processed by the most appropriate Participant, as mutually determined by the Participants. Any costs incurred in satisfying such claims arising from activities pursuant to a PA will be shared by the Contributing Participants in proportion to financial contributions to the PA. Costs incurred outside of a PA, but pursuant to the MOU, will be borne by the responsible Participant(s) in a proportion agreed to by the concerned Participant(s). If, however, the Participants mutually determine that such liability results from the reckless acts or reckless omissions, wilful misconduct or gross negligence of a Participant's personnel or agents, the costs of any liability will be borne by that Participant alone. With

respect to loaned equipment the receiving Participant will be responsible for all costs except in case of defective equipment. In such cases the providing Participant will be responsible for costs of claims.

13.4. In the case of damage caused to or by jointly acquired property of the Participants, where the cost of such damage is not recoverable from other persons, such cost will be borne by the Participants in accordance with the cost sharing percentages of the applicable PA.

13.5. Claims arising under any Contract awarded pursuant to Section VI (Contractual Arrangements) will be resolved in accordance with the provisions of the Contract. In general, the Participants will not indemnify Contractors against any liability claims. However, in exceptional circumstances (e.g., circumstances involving certain nuclear activity or other unduly hazardous activity for which the cost of insurance is excessively high), the Participants may consider whether to indemnify Contractors against any liability claims.

SECTION XIV

PARTICIPATION OF ADDITIONAL GOVERNMENTAL NATIONAL DEFENSE ORGANIZATIONS

14.1. It is recognized that other governmental national defense organizations may wish to join this MOU.

14.2. Mutual consent of all the Participants will be required to conduct discussions with potential additional Participants. The Participants will discuss the arrangements under which another Participant might join this MOU, including the furnishing of releasable Project Information for evaluation prior to joining. If the disclosure of Project Information is necessary to conduct discussions, such disclosure will be in accordance with Section VIII (Disclosure and Use of Project Information), Section IX (Controlled Unclassified Information), Section XI (Security), and Section XII (Third Party Sales and Transfers).

14.3. The Participants will jointly formulate the provisions under which additional Participants might join the MOU. The addition of new Participants to the MOU will require amendment of this MOU.

SECTION XV

CUSTOMS DUTIES, TAXES, AND SIMILAR CHARGES

15.1. Customs duties import and export taxes, and similar charges will be administered in accordance with each Participant's respective laws and regulations. Insofar as existing national laws and regulations permit, the Participants will endeavor to ensure that such readily

identifiable duties, taxes and similar charges, as well as quantitative or other restrictions on imports and exports, are not imposed in connection with work carried out under this MOU and its PAs.

15.2. Each Participant will use its best efforts to ensure that customs duties import and export taxes, and similar charges are waived or otherwise administered in a manner favorable to the efficient and economical conduct of the work. If any such duties, taxes, or similar charges are levied, the Participant in whose country they are levied will bear such costs over and above that Participant's costs of the Project.

15.3. If, in order to apply European Union (EU) regulations, it is necessary to levy duties, then these will be met by the EU member end recipient. To this end, parts or components of the equipment coming from outside the EU will proceed to their final destination accompanied by the relevant customs document enabling settlement of duties to take place. Such parts and components will be levied as a cost over and above the relevant Participant(s)'s shared costs of the Project.

SECTION XVI

SETTLEMENT OF DISPUTES

16.1. Disputes between the Participants arising under or relating to this MOU will be resolved only by consultation between the Participants and for PAs will be resolved by consultation between the Contributing Participants and will not be referred to a national court, an international tribunal, or to any other person or entity for settlement.

SECTION XVII

WITHDRAWAL AND TERMINATION

17.1. A Participant's participation in this MOU or any of its PAs will cease upon 90 days written notification of its intent to withdraw to the other Participant(s). A Participant's withdrawal from this MOU constitutes its withdrawal from all PAs in which it is a Contributing Participant. Such notification will be the subject of immediate consultation among the Participants to decide upon the appropriate course of action. In the event of such withdrawal, the following rules apply:

- 17.1.1. The withdrawing Participant will continue participation, financial or otherwise, up to the effective date of withdrawal.
- 17.1.2. The remaining Participant(s) will decide whether they will continue to execute this MOU or PA on the basis of the reduced participation or terminate this MOU or PA.

- 17.1.3. Except as to Contracts awarded on behalf of all Contributing Participants, each Contributing Participant will be responsible for its own PA-related costs associated with withdrawal. For Contracts awarded on behalf of all Contributing Participants, the withdrawing Contributing Participant(s) will pay all Contract modification or termination costs that would not otherwise have been incurred but for the decision to withdraw; in no event, however, will a withdrawing Contributing Participant's total financial contribution, including Contract termination costs, exceed that Contributing Participant's total cost ceiling for financial contributions as established in the PA.
- 17.1.4. All Project Information and associated rights received under the provisions of this MOU and any of its PAs prior to withdrawal will be retained by the Contributing Participants, subject to the provisions of this MOU.
- 17.1.5. Each Contributing Participant will make available to the other Contributing Participant(s), its Participant and Contractor Project Foreground Information generated and delivered prior to withdrawal.
- 17.1.6. If requested by the other Contributing Participant(s), the withdrawing Contributing Participant may continue to administer Project Contract(s), that it awarded on behalf of all the Contributing Participants, on a reimbursable basis subject to appropriate arrangements.

17.2. This MOU may be terminated at any time upon the written consent of all Participants. Any PA may be terminated at any time upon the written consent of all Contributing Participants. In the event the concerned Participants consent to terminate this MOU or any of its PAs, the concerned Participants will consult prior to the date of termination to ensure termination on the most economical and equitable terms. In the event of MOU termination, all PAs will be automatically terminated.

SECTION XVIII

GENERAL PROVISIONS

18.1. All activities of the Participants under this MOU will be carried out in accordance with their respective national laws and regulations, including their respective export control laws and regulations.

18.2. In the event of a conflict between a Section of this MOU and a PA pursuant to this MOU, the MOU will take precedence.

18.3. This MOU may be amended by the written consent of all the Participants. Annexes A (Sample Project Arrangement) and B (Cooperative Project Personnel) of this MOU may be revised by the written approval of the SC, after having secured appropriate national approvals.

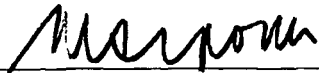
18.4. The respective benefits and responsibilities of the Participants regarding Section VII (Project Equipment), Section VIII (Disclosure and Use of Project Information), Section IX (Controlled Unclassified Information), Section XI (Security), Section XII (Third Party Sales and Transfers), and Section XIII (Liability and Claims), and this Section XVIII (General Provisions) will continue to apply notwithstanding withdrawal from, termination or expiration of this MOU or its PAs.

18.5. This MOU, which consists of eighteen Sections and two Annexes, will enter into effect among the signatory Participants upon signature of five Participants, and will remain in effect for 25 years. For each subsequent Participant, this MOU will take effect upon signature. The MOU may be extended by written amendment by the Participants. PAs will enter into effect upon signature by all Contributing Participants and will remain in effect as defined in the PAs.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE DEPARTMENT OF DEFENCE
OF AUSTRALIA



Signature

Rear Admiral

M. J. TRIPOVICH AM, CSC RAN

Name

Head Capability Systems

Title

16 APR 2007

Date

**Australian Defence Headquarters,
Russell Offices, Canberra, Australia**

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE MINISTRY OF DEFENCE OF
THE KINGDOM OF BELGIUM

Signature

Name

Title

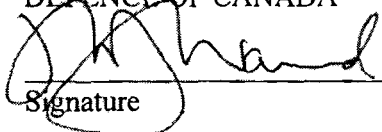
Date

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR DEPARTMENT OF NATIONAL
DEFENCE OF CANADA


Signature

M.J. Ward, MGen
Name

Chief Force Development
Title

3 April 2007
Date

Ottawa, Canada
Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE MINISTRY OF
DEFENCE OF THE KINGDOM OF
DENMARK

Lars Kragelund

Signature

Lars Kragelund

Name

Rear Admiral

Title

2007-04-13

Date

Copenhagen, Denmark

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE MINISTER OF DEFENCE OF
THE FRENCH REPUBLIC

Signature

Name

L'ingénieur général de l'armement Patrick Auroy,
Adjoint au délégué général pour l'armement,
directeur des systèmes de forces et
des stratégies industrielle, technologique et de coopération

Title

Date

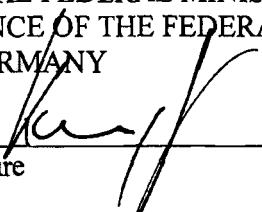
01 MAR 2007

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE FEDERAL MINISTRY OF
DEFENCE OF THE FEDERAL REPUBLIC
OF GERMANY



Signature

DR. JÖRG KAEMPF

Name

NATIONAL ARMAMENT DIRECTOR

Title

15.02.2007

Date

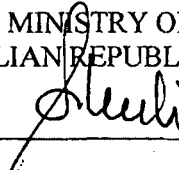
BONN

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE MINISTRY OF DEFENCE OF
THE ITALIAN REPUBLIC



Signature

GEN.

GIANNI BOTONDI

Name

NATIONAL ARMAMENT DIRECTOR

Title

30-4-2007

Date

ROMA

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

THE MINISTRY OF NATIONAL DEFENSE
OF THE REPUBLIC OF KOREA



Signature

JEONG, JIN TAEK

Name

DIRECTOR GENERAL
FOR ACQUISITION PLANNING BUREAU

Title

16 APRIL 2007

Date

SEOUL, KOREA

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE MINISTRY OF DEFENCE OF
THE KINGDOM OF THE NETHERLANDS

Signature

Mr. A.G.J van de Geijn

Name

Director Procurement

Title

07 March 2007

Date

The Hague

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE MINISTRY OF DEFENCE OF
THE KINGDOM OF NORWAY

Signature

Name

Title

Date

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE MINISTRY OF DEFENCE OF
THE KINGDOM OF SPAIN

Signature

Name

Title

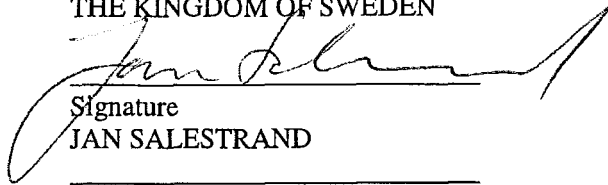
Date

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE MINISTRY OF DEFENSE OF
THE KINGDOM OF SWEDEN



Signature
JAN SALESTRAND

Name
Director of Armed Forces Training
And Procurement

Title
2008 - 7 march

Date
STOCKHOLM

Location

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE SECRETARY OF STATE FOR
DEFENCE OF THE UNITED KINGDOM
OF GREAT BRITAIN AND NORTHERN
IRELAND

Signature



Name

George Gardiner

Title

DGISTAR, UK Ministry of Defence

Date

20 April 2007

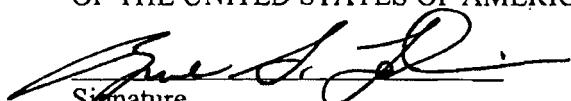
Location

DE&S, MOD, Abbey Wood, Bristol, UK

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this GPS & NAVWAR RDT&E MOU.

DONE, in 14 copies, in the English and French languages, each version having equal validity.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA



Signature

BRUCE S. LEMKIN

Name

DEPUTY UNDER SECRETARY
OF THE AIR FORCE
INTERNATIONAL AFFAIRS

Title

FEB 21 2007

Date

WASHINGTON, DC

Location

ANNEX A

****SAMPLE PROJECT ARRANGEMENT****
(Provided as guidance only)

(Insert Title of Project)

PROJECT ARRANGEMENT
BETWEEN

[IDENTIFY CONTRIBUTING PARTICIPANTS]

PURSUANT TO THE MEMORANDUM OF UNDERSTANDING

FOR THE

COOPERATION IN GLOBAL POSITIONING SYSTEM AND NAVIGATION WARFARE
RESEARCH, DEVELOPMENT, TEST AND EVALUATION

SHORT TITLE: GPS AND NAVWAR RDT&E MOU

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II	DEFINITION OF TERMS AND ABBREVIATIONS	
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IV	SCOPE OF WORK	
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VI	BREAK DOWN AND SCHEDULE OF TASKS (OPTIONAL)	
VII	MANAGEMENT	
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X	SPECIAL ARRANGEMENTS	
XI	LEVEL OF CLASSIFICATION	
XII	PRINCIPAL ORGANIZATIONS INVOLVED	
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XIV	ENTRY INTO EFFECT, DURATION AND TERMINATION	

SECTION I

INTRODUCTION

(Note: Number paragraphs sequentially, i.e., 1.1, 1.2, etc.)

This Project Arrangement (PA) is entered into between [identify the Contributing PA Participants] pursuant to the GPS and Navwar RDT&E MOU of (mm/dd/yy), hereafter referred to as the "MOU" the provisions of which are hereby incorporated by reference.

SECTION II

DEFINITION OF TERMS AND ACRONYMS

(Note: Define only those terms used in this PA that have not been defined in the MOU.)

SECTION III

OBJECTIVES

The objectives of this _____ Project are:

- a. The development of _____ -
_____.
- b. The improvement of _____ -
_____.
- c. The investigation of _____ -
_____.

SECTION IV

SCOPE OF WORK

The following work will be carried out under this PA.

- a. Research _____
_____.

b. Develop _____
_____.

c. Evaluate _____
_____.

d. Design, fabricate and test _____
_____.

SECTION V

SHARING OF TASKS

The sharing of tasks will be as follows:

a. The *(Contributing Participant)* will

_____.

b. The *(Contributing Participant)* ____ will

_____.

c. The *(Contributing Participant)* ____ will

_____.

d. The Contributing Participants will jointly _____
_____.

SECTION VI

BREAK DOWN AND SCHEDULE OF TASKS

The Project will proceed according to the following phases and schedule:

Phase 1	Start	End
<i>Description of Phase 1</i>	MM/YY	MM/YY

(Milestone 1) (e.g., Transmittal of Feasibility Report)

Phase 2	Start	End
---------	-------	-----

<i>Description of Phase 2</i>	MM/YY	MM/YY
(Milestone 2) (e.g., Decision to proceed to Phase 3) Phase 3	Start	End
<i>Description of Phase 3</i>	MM/YY	MM/YY
(Milestone 3) (e.g., Evaluation, analysis of results)		
<i>(Note: Add as many phases as necessary.)</i>		

The final report will be transmitted to the SC six months before the termination date for this PA.

SECTION VII
MANAGEMENT

7.1. This PA will be administered by a Managing Committee (MC), which consist of representatives of the Contributing Participants. The following members or their successors are designated as the MC:

The *Contributing Participant* MC member is:

 Title/Position: _____
 Organization: _____
 Address: _____

The *Contributing Participant* MC member is:

 Title/Position: _____
 Organization: _____
 Address: _____

7.2. The following or their successors are designated as Project Officers (POs):

The (*Contributing Participant*) PO is:

 Title/Position: _____
 Organization: _____
 Address: _____

The (*Contributing Participant*) PO is:

Title/Position: _____.
Organization: _____.
Address: _____.

7.3. Particular Management Procedures:

(Note: Mention only those additional management responsibilities not covered under Section IV of the MOU.)

SECTION VIII

FINANCIAL ARRANGEMENTS

The cost of performance of the work under this PA will not exceed _____.

The *(Contributing Participant)* tasks will not exceed: ____

The *(Contributing Participant)* tasks will not exceed: ____

The *(Contributing Participant)* tasks will not exceed: ____

(Note: Optional text, "Detailed financial procedures, if required, are specified in the Financial Management Procedures Document (FMPD)".)

Cooperative efforts of the Contributing Participants over and above the jointly determined tasks detailed in the SCOPE OF WORK, SHARING OF TASKS and FINANCIAL ARRANGEMENTS Sections will be subject to amendment to this PA or signature of a new PA.

(Note: Revise where cost sharing percentages need to be identified.)

SECTION IX

CONTRACTUAL ARRANGEMENTS

(Note: Whether competitive or sole source and lead Contributing Participant, if any.)

SECTION X

SPECIAL ARRANGEMENTS

(Note: Add all special provisions as necessary)

SECTION XI

LEVEL OF CLASSIFICATION

(Note: Describe highest approved level of classification and include additional security provisions as necessary.)

SECTION XII

PRINCIPAL ORGANIZATIONS INVOLVED

(Note: List the government laboratories, research centers, acquisition organizations, etc., including full postal address.)

SECTION XIII

LOAN OF PROJECT EQUIPMENT
(OPTIONAL)

The Project Officer of the providing Contributing Participant is responsible for maintaining documentation of the loan of the Project Equipment consistent with the format in the PA Annex.

SECTION XIV

ENTRY INTO EFFECT, DURATION, AND AMENDMENT

14.1. This PA will enter into effect upon signature by all the Contributing Participants and will remain in effect for ____ years. It may be extended by written amendment by the Contributing Participants.

14.2. This PA may be amended by the written consent of all the Contributing Participants.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this PA.

DONE in ____ (XX) copies, in TBD languages, each version having equal validity.

FOR THE DEPARTMENT OF
DEFENCE OF (Contributing Participant)

FOR THE MINISTRY OF
DEFENCE OF (Contributing Participant)

Signature

Signature

Name

Name

Title

Title

Date

Date

ANNEX

LIST OF PROJECT EQUIPMENT LOANED

Providing Participant	Receiving Participant	Qty	Item Description/ Part/Stock Number #	Consumables/Non -Consumable	Replacement Value*	Loan Period

Loans will be implemented by exchange of letters between the providing and receiving Participants.

** Declared replacement value at time of loan approval by the MC.*

ANNEX B

COOPERATIVE PROJECT PERSONNEL

1. Purpose and Scope

1.1. This Annex establishes the terms and provisions for Cooperative Project Personnel (CPP) assigned for work in accordance with Section III (Scope of Work) of this MOU. CPP must be able to perform all responsibilities assigned to them under this MOU. Commencement of assignments will be subject to the requirements that may be imposed by the Host Participant or its Government regarding acceptance of CPP, such as, but not limited to, visas and visit request documentation. The Host Participant and Parent Participant will determine the length of tour for the position(s) at the time of initial assignment.

1.2. CPP will be assigned to work on specific activities related to this MOU and will report to a supervisor to be identified by the Host Participant. CPP will have a position description mutually determined by the Parent Participant and Host Participant before commencement of the assignment.

1.3. CPP will not be assigned to command or other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of the Host Participant's government.

2. Security

2.1. The Host Participant will establish the level of security clearance required, if any, to permit CPP to have access to Classified Information and facilities. Access to Classified Information and facilities in which Classified Information is used will be limited by Section III (Scope of Work) of this MOU.

2.2. The Parent Participant will file visit requests through prescribed channels in compliance with the Host Participant's procedures. As part of the visit request procedures, each Participant will cause security assurances to be filed, through its Embassy, specifying the security clearances for the CPP being assigned.

2.3. The Host and Parent Participant will use their best efforts to ensure that CPP assigned to a Host Participant's facility to conduct work under this MOU are aware of the security provisions of the MOU. On arrival, CPP and their dependents will be informed by the Host Participant's representative about applicable laws, orders, regulations, and customs and the need to comply with them. Prior to commencing assigned duties, CPP will, if required by the Host Participant's government laws, regulations, policies or procedures, sign a certification concerning the conditions and responsibilities of CPP.

2.4. CPP will at all times be required to comply with the security and export control laws, regulations, and procedures of the Host Participant's government. Any violation of security procedures by CPP during their assignment will be reported to the Parent Participant for

appropriate action. CPP committing significant violations of security laws, regulations, or procedures during their assignments will be withdrawn from the Project with a view toward appropriate administrative or disciplinary action by their Parent Participant.

2.5. All Classified Information made available to CPP will be considered as Classified Information furnished to the Parent Participant, and will be subject to all provisions and safeguards provided for in Section XI (Security).

2.6. CPP will not have personal custody of Classified Information or Controlled Unclassified Information unless approved by the Host Participant and as authorized by their Parent Participant. They will be granted access to such Information in accordance with Section IX (Controlled Unclassified Information), Section XI (Security), and the applicable PSI during normal duty hours and when access is necessary to perform work under this MOU.

3. Technical and Administrative Matters

3.1. When provided in applicable multilateral and bilateral treaties, agreements, and arrangements, in compliance with the Host Participant's domestic laws and regulations, of the governments of the Host Participant and Parent Participant, CPP and the CPP's dependants will be accorded:

- 3.1.1. Exemption from any Host Participant's government tax upon income received from the Parent Participant;
- 3.1.2. Exemption from any Host Participant's government customs and import duties or similar charges levied on items entering the country for their official or personal use, including their baggage, household effects, and private motor vehicles; and
- 3.1.3. Terms and Conditions for CPP and the CPP's dependents, for example concerning jurisdiction, can deviate from those in this Annex in case of bilateral agreements between the Host Participant and the Parent Participant.

3.2. On arrival, CPP and the CPP's dependents will be provided briefings arranged by the Host Participant's representative regarding (subject to applicable multilateral and bilateral agreements and applicable laws and regulations) entitlements, privileges, and obligations such as:

- 3.2.1. Any medical and dental care that may be provided to CPP and the CPP's dependents at local medical facilities, subject to the requirements of applicable laws and regulations, including reimbursement when required; and
- 3.2.2. Purchasing and patronage privileges at military commissaries, exchanges, theaters, and clubs for CPP and the CPP's dependents.

- 3.2.3. The Host Participant will provide, if available, housing and messing facilities for CPP and the CPP's dependents on the same basis and priority as for its own personnel. CPP will pay messing and housing charges to the same extent as Host Participant personnel. At locations where facilities are not provided by the Host Participant for its own personnel, the Parent Participant will make suitable arrangements for its CPP.
- 3.2.4. Responsibility of CPP and the CPP's accompanying dependents to obtain motor vehicle liability insurance coverage in accordance with the laws and regulations applicable in the area where they are residing. In case of claims involving the use of private motor vehicles by CPP, the recourse will be against such insurance.
- 3.2.5. The host Participant will provide, at its own cost, the necessary office space and administrative support for personnel assigned by other Participant(s) to its facilities.

3.3. The Host Participant will, in consultation with the CPP, establish standard operating procedures for CPP in the following areas:

- 3.3.1. Working hours, including holiday schedules;
- 3.3.2. Leave authorization, consistent to the extent possible with the military and civilian personnel regulations and practices of the Host Participant and Parent Participant;
- 3.3.3. Dress regulations, consistent to the extent possible with the military and civilian personnel regulations and practices of the Host Participant and Parent Participant; and
- 3.3.4. Performance evaluations, recognizing that such evaluations will be rendered in accordance with the Parent Participant's military or civilian personnel regulations and practices.

3.4. CPP committing an offense under the laws of the government of the Host Participant or Parent Participant may be withdrawn from the Project by the Parent Participant with a view toward further administrative or disciplinary action. Disciplinary action, however, will not be taken by the Host Participant against CPP, nor will CPP exercise disciplinary powers over the Host Participant's personnel. In accordance with Host Participant's Government laws and regulations, the Host Participant will assist the Parent Participant in carrying out investigations of offenses involving CPP.

3.5. During their assignment, CPP will not be placed in the following duty status or environments unless mutually decided by the Host Participant and Parent Participant:

- 3.5.1. Areas of political sensitivity where their presence may jeopardize the interests of either the Host Participant or Parent Participant, or where, in the normal course of their duty, they may become involved in activities that may embarrass either Participant;
- 3.5.2. Deployments in non-direct hostility situations, such as UN peacekeeping or multi-national operations, or in third countries; or
- 3.5.3. Duty assignments in which direct hostilities are likely. Should a Host Participant's facility become involved in hostilities unexpectedly, CPP assigned to that facility will not be involved in the hostilities. Any such CPP approved by the Host Participant and Parent Participant for involvement in hostilities will be given specific guidance as to the conditions under which the assignment will be carried out by the appropriate authorities of the Host Participant and Parent Participant.

3.6. The provisions of applicable international agreements regarding the rights of a Parent Participant's military and civilian personnel and their dependents present in the territory of the Host Participant will apply to CPP.