

DEFENSE

Research and Development Projects

**Memorandum of Understanding
Between the
UNITED STATES OF AMERICA
and the UNITED KINGDOM OF
GREAT BRITAIN AND
NORTHERN IRELAND**

Signed at Washington April 11 and 26, 2000

with

Annexes

and

Appendix



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.”

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND**

Defense: Research and Development Projects

*Memorandum of understanding signed at
Washington April 11 and 26, 2000;
Entered into force April 26, 2000.
With annexes.
And appendix.*

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE SECRETARY OF DEFENSE

ON BEHALF OF THE DEPARTMENT OF DEFENSE

OF THE UNITED STATES OF AMERICA

AND

THE SECRETARY OF STATE FOR DEFENCE OF THE UNITED KINGDOM

OF GREAT BRITAIN AND NORTHERN IRELAND

CONCERNING

COOPERATIVE PARTICIPATION IN

RESEARCH AND DEVELOPMENT PROJECTS

Dated _____

TABLE OF CONTENTS

INTRODUCTION	4
SECTION I	
DEFINITIONS	5
SECTION II	
OBJECTIVE	7
SECTION III	
SCOPE OF WORK	8
SECTION IV	
MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)	9
SECTION V	
FINANCIAL ARRANGEMENTS	11
SECTION VI	
CONTRACTUAL ARRANGEMENTS	13
SECTION VII	
PROJECT EQUIPMENT	15
SECTION VIII	
DISCLOSURE AND USE OF PROJECT INFORMATION	17
SECTION IX	
CONTROLLED UNCLASSIFIED INFORMATION	20
SECTION X	
VISITS TO ESTABLISHMENTS	21
SECTION XI	
SECURITY	22
SECTION XII	
THIRD PARTY SALES AND TRANSFERS	25
SECTION XIII	
LIABILITY AND CLAIMS	26
SECTION XIV	
CUSTOMS DUTIES, TAXES AND SIMILAR CHARGES	27
SECTION XV	
SETTLEMENT OF DISPUTES	28

SECTION XVI	
GENERAL PROVISIONS	29
ANNEX A	
SAMPLE PROJECT ARRANGEMENT	A-1
ANNEX B	
COOPERATIVE PROJECT PERSONNEL	B-1

INTRODUCTION

The Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, hereinafter referred to as the "Participants:"

Having a common interest in defense;

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

Seeking to make the best use of their respective research and technology development capacities, eliminate unnecessary duplication of work and obtain the most efficient and cost-effective results through cooperation in Research and Development Projects (RDP);

Recognizing the need to collectively develop emerging technologies to field technologically superior weapons;

Recognizing the successful cooperation that has been accomplished under Project Arrangements (PAs) to the Technology Research and Development Projects Memorandum of Understanding (MOU) of 18 November 1994;

Recognizing the Agreement Concerning Defense Cooperation Arrangements of 27 May 1993 between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland will apply to this MOU;

Recognizing the Memorandum of Understanding between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland Relating to the Principles Governing Cooperation in Research and Development, Production, Procurement, and Logistics Support of Defence Equipment, dated 13 December 1994; and

Recognizing the Declaration of Principles for Defense Equipment and Industrial Co-operation of 5 February 2000 between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland;

Have reached the following understandings:

**SECTION I
DEFINITIONS**

The Participants have decided upon the following definitions for terms used in this MOU:

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.
Contract	Any mutually binding legal relationship under national laws which obligates a Contractor under a Project to furnish supplies or services, and obligates one or both of the Participants to pay for them.
Contracting	The obtaining of supplies or services by Contract from sources outside the government organizations of the Participants. Contracting includes description (but not determination) of supplies and services required, solicitation and selection of sources, and preparation and award of Contracts, and all phases of Contract administration.
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 under a Project by a Participant's Contracting Agency.
Controlled Unclassified Information	Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. Whether the information is provided or generated under this MOU, the information will be marked to identify its "in confidence" nature. It could include information which has been declassified, but remains controlled.
Defense Purposes	Manufacture or other use in any part of the world by or for the armed forces of either Participant.
Designated Security Authority (DSA)	The security office approved by national authorities to be responsible for the security aspects of this MOU.
Patent	Legal protection of the right to exclude 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, petty Patents, utility models, appearance design Patents, registered designs, and inventor certificates or like statutory protection as well as divisions, reissues, continuations, renewals, and extensions of any of these.

Project	Specific collaborative activity described in a Project Arrangement.
Project Arrangement (PA)	An implementing arrangement, added after the MOU has come into effect, which specifically details the terms of collaboration on a specific Project.
Project Background Information	Information not generated in the performance of a Project.
Project Equipment	Any material, equipment, end item, subsystem, component, special tooling or test equipment jointly acquired or provided for use in a Project.
Project Foreground Information	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 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 copyrights, Patents, or other legal protection.
Project Invention	Any invention or discovery formulated or made (conceived or “first actually reduced to practice”) in the course of work performed under a Project. The term “first actually reduced to practice “means the first demonstration, sufficient to establish to one skilled in the art to which the invention pertains, of the operability of an invention for its intended purpose and in its intended environment.
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.

SECTION II OBJECTIVE

2.1 The objective of this MOU is to define and establish the general principles which will apply to the initiation, conduct, and management of Projects established by separate Project Arrangements (PAs) between representatives of the Participants authorized in accordance with national procedures of the Participants. These PAs will be entered into pursuant to this MOU and will incorporate by reference the provisions of this MOU.

2.2 Each PA will include specific provisions, consistent with this MOU, concerning the objectives, scope of work, sharing of tasks, management structure, financial arrangements, contractual arrangements (if required) security classification and other provisions as required, in accordance with the format detailed in Annex A. In the event of a conflict between the provisions of this MOU and any PA, the MOU will govern.

SECTION III SCOPE OF WORK

3.1 The scope of work for this MOU encompasses collaboration on basic research, applied research, advanced technology development, concept exploration, and program definition and risk reduction. Project Arrangements (PAs) may include cooperation on one or more of these defined program development phases. Cooperation on full development or engineering and manufacturing development, fielding/deployment, and operational support is outside the scope of this MOU.

3.2 Information exchange specifically for the purpose of harmonizing the Participant's RDP requirements for formulating, developing, and negotiating PAs is permitted under this MOU.

3.3 This MOU does not preclude the Participants entering into any other arrangements in the areas of research and development..

SECTION IV
MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

4.1. The following, or equivalent in the event of reorganization, are designated as MOU Principals (MPs): the Deputy Under Secretary of Defense (International Programs) (DUSD(IP)) (DOD RDP/MP) and the Deputy Under Secretary of State (Science and Technology) (MOD RDP/MP). The RDP/MPs will be responsible for:

4.1.1. implementing this MOU and exercising executive-level oversight;

4.1.2. holding meetings, at the request of either Participant, to review current and planned activities conducted under this MOU;

4.1.3. monitoring overall use and effectiveness of the MOU; and

4.1.4. recommending amendments to this MOU to the Participants.

4.2. The appropriate DOD Service Acquisition Executive or Defense Agency Director, or their designees, are designated DOD RDP Executive Agents (DOD RDP/EAs) for those projects within their respective military service or defense/defence agency. The Director General (Research and Technology) or his designee is designated MOD RDP Executive Agent (MOD RDP/EA). The RDP/EAs will be responsible for:

4.2.1. entering into appropriate PAs in accordance with this MOU and national policies and procedures;

4.2.2. establishing an appropriate management structure for each PA considering its scope and the requirement for a Steering Committee (SC);

4.2.3. appointing SC members when deemed necessary, and Project Officers (POs);

4.2.4. giving administrative direction to appropriate SCs, if established, or POs appointed to their Projects.

4.2.5. approving plans for disposal of jointly acquired Project Equipment if an SC is not established;

4.2.6. reviewing and forwarding to the MPs amendments to the MOU in accordance with Section XVI, Amendment, Termination, Entry Into Effect, And Duration;

4.2.7. approving, after having secured appropriate national approval, amendments to PAs;

4.2.8. approving loans of Project Equipment in accordance with Section VII and the terms of the PA; and

4.2.9. monitoring Third Party sales and transfers in accordance with Section XII.

4.3. The SC, if established, will be responsible for:

4.3.1. providing policy and management direction to the POs during PA execution;

4.3.2. monitoring overall implementation, including technical cost, and schedule performance against requirements;

4.3.3. approving plans for disposal of jointly acquired Project Equipment;

4.3.4. reporting status and activity of assigned PAs on an annual basis to the RDP/EAs and RDP/MPs.

4.3.5. resolving issues brought forth by the POs;

4.3.6. maintaining oversight of the security aspects of the Projects, including reviewing and attaining approval from the Designated Security Authority of the Project Security Instruction and a Classification Guide prior to the transfer of Classified Information or Controlled Unclassified Information;

4.3.7. approving the assignment of Project personnel to facilities of the other Participant to work on a Project; and

4.3.8. appointing a Project security officer.

4.4. The POs will have primary responsibilities for effective implementation, efficient management and direction of their assigned PA including financial, technical, security, cost, and schedule performance against requirements. The POs will also be responsible for reporting to the SC on the status of the Project as required but at least annually; developing and recommending amendments to the PA; referring issues that cannot be resolved by them to the SC or EA if no SC is established; developing and implementing approved loans of Project Equipment; developing and implementing approved plans for disposal of jointly acquired Project Equipment; and developing and forwarding to the SC a Project Security Instruction and a Classification Guide for a Project involving the generation or exchange of Classified Information within three months after PA signature and implementing them upon final approval. Additionally, the POs will have the responsibilities under paragraph 4.3 not assigned to the RTP/EAs when no SC is established for their assigned PA. Either Participant may provide Project personnel to the other Participant's facilities to work on a specific Project. Provisions for the assignment of Project personnel are set out in Annex B.

4.5. The RDP/EAs and SCs will meet as required, on a regular basis, alternately in the United States and the United Kingdom. The chairman for each meeting will be the senior official of the host nation. During such meetings, all decisions will be made unanimously, each Participant having one vote.

SECTION V FINANCIAL ARRANGEMENTS

5.1. Each Participant will contribute its equitable share of the full financial costs and non-financial costs incurred in performing, managing, and administering its responsibilities under this MOU and each PA, including overhead costs, administrative costs, and costs of claims, and each Participant will receive an equitable share of the results. The tasks to be performed by each Participant will be established in each PA. The assignment of tasks will represent an equitable sharing of the costs of work to be performed under the PA.

5.2. Each Participant will promptly notify the other Participant if available funds are not adequate to fulfill its financial responsibilities under this MOU or its PAs, and will immediately consult on the course of action to be taken with a view toward continuation on a changed or reduced basis.

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

5.4. The Participants will endeavor to perform, or have performed, work specified in each PA within the costs specified in each PA.

5.5. Each 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 Contracts let under the provisions of paragraph 5.7 below.

5.6. The following costs will be borne entirely by the Participant incurring the costs:

5.6.1. costs associated with any unique national requirements identified by a Participant; and

5.6.2. any other costs outside the scope of this MOU and its PAs.

5.7. Under a PA, the Participants may decide that it is necessary for one Participant to incur contractual or other obligations on behalf of the other Participant. In the event one Participant incurs such obligations, the other Participant will pay its equitable share of such obligations, make funds available in such amounts and at such times as may be required by the obligations, or pay any damages and costs that may accrue from the performance of or cancellation of the obligation in advance of the time such payments, damages, or costs are due.

5.8. For each PA, the POs will be responsible for establishing the detailed financial management procedures under which the Project will operate. Where necessary, these procedures will be detailed in a financial management procedures document proposed by the POs and subject to the approval of the RDP EAs or SC, as appropriate.

5.9. Each Participant will provide funds for each Project in accordance with the estimated schedule of financial contributions contained in the financial management procedures document.

5.10. Each Participant will be responsible for the audit of the activities for which it is responsible pursuant to a PA in accordance with its own national practices. For PAs where funds are transferred from one Participant to another Participant, the receiving Participant will be responsible for the internal audit regarding administration of the other Participant's funds in accordance with national practices. Audit reports of such funds will be promptly made available by the receiving Participant to the other Participant.

SECTION VI
CONTRACTUAL ARRANGEMENTS

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

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

6.3. If the Participants determine that it is necessary under a PA that one Participant contract on behalf of the other Participant for tasks under that PA, the 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 both Participants' industries will be allowed to compete on an equal basis for such Contracts. 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 this MOU and its PAs 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 also keep the POs advised of all financial arrangements with Contractors.

6.4. For all contracting activities performed by either Participant, the POs will, upon request, be provided a copy of all statements of work prior to the development of solicitations.

6.5. Each Participant's Contracting Agency will negotiate to obtain the rights to use and disclose Project Information required by Section VIII (Disclosure and use of Project Information). Each Participant's Contracting Agency will insert into its prospective Contracts (and require its Contractors to insert in subcontracts) suitable terms and conditions to satisfy the requirements of this MOU, including Section VIII (Disclosure and Use of Project Information), Section IX (Controlled Unclassified Information), Section XI (Security) and Section XII (Third Party Sales and Transfers) of this MOU. During the contracting process, each Participant's Contracting Officer will advise prospective Contractors of their obligation to notify the Contracting Agency immediately 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.

6.6. In the event a 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 potential 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).

6.7. Each Participant's PO will promptly advise the other Participant's PO of any schedule delay or other performance problems of any Contractor in connection with a Contract placed by its Contracting Agency pursuant to a PA.

6.8. 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. For the purpose of carrying out a PA, each Participant may loan without charge to the other Participant such Project Equipment identified in the PA as being necessary for the corresponding Project. While such loans will be based on the principle of reciprocity, exact item for item exchanges are not required.

7.2. Project Equipment loaned will be used by the receiving Participant only for the purposes of that Project. Project Equipment will remain the property of the providing Participant. In addition, the receiving Participant will maintain Project Equipment in good order, repair, and operable condition and will return it in operable condition and in as good condition as received, normal wear and tear excepted, unless the providing Participant has approved in the PA the expenditure or consumption of Project Equipment as necessary for the purposes of the PA. Such expenditure or consumption will be without reimbursement to the providing Participant. However, the receiving Participant will bear the cost of any damage to (other than normal wear and tear) or loss of Project Equipment loaned to it that is not approved for expenditure or consumption. In no event will such cost exceed replacement cost less an amount determined to represent reasonable wear and tear, unless otherwise consented to in writing by the providing Participant.

7.3. A PA will provide specific details of any loan of Project Equipment. Project Equipment identified at the time of PA signature will be detailed in the PA as set out in Annex A. Project Equipment which cannot be identified at the time of PA signature will be documented in a list to be developed and maintained by the POs in the format at Annex A. Approval for all loans will be in accordance with national procedures.

7.4. The Participants will make every effort to ensure that the Project Equipment is furnished in a serviceable and usable condition according to its intended purpose. However, the providing Participant makes no warranty or guarantee 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.

7.5. The providing Participant will transfer the Project Equipment for the approved loan period, unless extended by written amendment, provided that the duration may not exceed the effective period of the PA.

7.6. The providing Participant, at its expense, will deliver the Project Equipment to the receiving Participant at the location(s) mutually approved by the POs. Responsibility for Project Equipment will pass from the providing Participant to the receiving Participant at time of receipt. Any further transportation is the responsibility of the receiving Participant.

7.7. The providing Participant will furnish the receiving Participant such information as is necessary to enable the Project Equipment to be used.

7.8. The receiving Participant will inspect and inventory the Project Equipment upon receipt. The receiving Participant will also inspect and inventory the Project Equipment prior to its return (unless the Project Equipment is to be expended or consumed).

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

7.10. The receiving Participant will provide written notice of consumption or expenditure of Project Equipment approved for such consumption or expenditure. In the event the intended consumption or expenditure does not occur, the receiving Participant will, unless otherwise determined by the providing Participant, return the Project Equipment to the providing Participant to the location mutually approved by the POs. Any further transportation is the responsibility of the providing Participant.

7.11. The Participants will ensure, by all reasonable means, the protection of intellectual property rights in Project Equipment.

7.12. Any Project Equipment which is jointly acquired on behalf of the Participants for use under this MOU and any PA will be disposed of as mutually approved by the Participants during the applicable Project or when the Project ends as decided by the SC or EA.

7.13. Disposal of jointly acquired Project Equipment may include 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). 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 applicable PA.

SECTION VIII
DISCLOSURE AND USE OF PROJECT INFORMATION

8.1. General

Both Participants recognize that successful collaboration depends on full and prompt exchange of information necessary for carrying out this MOU and its PAs. The nature and amount of Project Information to be acquired will be consistent with the objectives stated in Section II (Objective), Section III (Scope of Work), Section VI (Contractual Arrangements) and the applicable PA.

8.2. Government Project Foreground Information

8.2.1. Disclosure: Project Foreground Information generated by a Participant's military or civilian employees will be disclosed without charge to both Participants.

8.2.2. Use: Each Participant may use all Government Project Foreground Information without charge for its Defense Purposes. The Participant generating Government Project Foreground Information will also retain its rights of use thereto. Any sale or other transfer to a Third Party will be subject to the provisions of Section XII (Third Party Sales and Transfers) of this MOU.

8.3. Government Project Background Information

8.3.1. Disclosure: Each Participant, upon request, will disclose to the other Participant any relevant Government Project Background Information generated by its military or civilian employees provided that:

8.3.1.1. such Project Background Information is necessary to or useful in the Project, with the Participant in possession of the information determining whether it is "necessary to" or "useful in" the Project;

8.3.1.2. such Project Background Information may be made available without incurring liability to holders of proprietary rights; and

8.3.1.3. disclosure is consistent with national disclosure policies and regulations of the furnishing Participant.

8.3.2. Use: Government Project Background Information disclosed by one Participant to the other may be used without charge by the other Participant for Project purposes; however, the furnishing Participant will retain all its rights with respect to such Project Background Information. Where 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, 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 both Participants.

8.4.2. Use: Each Participant may use without charge for its Defense Purposes all Contractor Project Foreground Information generated and delivered by Contractors of the other Participant. The Participant whose Contractors generate and deliver Contractor Project Foreground Information will also retain 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) of this MOU.

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 Participant provided the following conditions are met:

8.5.1.1. such Project Background Information is necessary to or useful in the Project, with the 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; and

8.5.1.3. disclosure is consistent with national disclosure policies and regulations of the furnishing Participant.

8.5.2. Use: Project Background Information furnished by one Participant's contractors and disclosed to the other Participant may be used without charge by the other Participant for Project purposes only, and may be subject to further restrictions by holders of proprietary rights; however, the furnishing Participant will retain all its rights with respect to such Project Background Information.

8.6. Project Information subject to proprietary rights:

8.6.1. All unclassified Project Information subject to proprietary rights will be identified, marked, and handled as Controlled Unclassified Information. All classified Project Information subject to proprietary rights will be so identified and marked.

8.6.2. The provisions of the NATO Agreement on the Communication of Technical Information for Defence Purposes of 19 October 1970, and its Implementing Procedures of 1 January 1971, will apply to this MOU.

8.7. Alternative Uses of Project Information

8.7.1. Any Project Background Information provided by one Participant will not be disclosed or used by the other Participant except for the purposes set forth in this MOU, unless otherwise consented to in writing by the providing Participant.

8.7.2. The prior written consent of the other Participant will be required for the disclosure or use of Project Foreground Information for purposes other than those provided for in this MOU.

8.8. Patents:

8.8.1. Each Participant will include in its Contracts a provision governing the disposition of rights in regard to Project Inventions and Patent rights relating thereto, which either:

8.8.1.1. provides that the Participant will hold title to all Project Inventions together with the right to make Patent application for the same, free of encumbrance from the Contractor; or

8.8.1.2. provides that the Contractor will hold title (or may elect to retain title) for Project Inventions together with the right to make Patent applications for the same, while securing for the Participant a license for the Project Inventions, and any Patents therefore, on terms in compliance with the provisions of paragraph 8.8.2 below.

8.8.2. In the event that a Contractor holds title (or elects to retain title) for a Project Invention, the contracting Participant will secure for the Participants non-exclusive, irrevocable, royalty-free licenses under all Patents secured for that invention, to practice or have practiced the patented Project Invention for Defense Purposes throughout the world.

8.8.3. The provisions of sub-paragraphs 8.8.4 through 8.8.7 below will apply in regard to Patent rights for all Project Inventions made by any Participants' military or civilian employees, including those within Government-owned facilities, and for all Project Inventions made by Contractors for which the contracting Participant holds title or is entitled to acquire title.

8.8.4. Where a Participant has or can secure the right to file a Patent application with regard to a Project Invention, that Participant will consult the other Participant regarding the filing of such Patent application. The Participant having such rights will in other countries, file, cause to be filed, or provide the other Participant with the opportunity to file on behalf of the Participant holding such rights, or its Contractors, as appropriate, Patent applications covering any such 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 Participant of that decision and permit the other Participant to continue the prosecution.

8.8.5. Each Participant will be furnished with copies of Patent applications filed and Patents granted with regard to Project Inventions.

8.8.6. Each Participant will grant to the other Participant a non-exclusive, irrevocable, royalty-free license under its Patents for Project Inventions, to practice or have practiced the Patent Project Invention for Defense Purposes throughout the world.

8.8.7. Patent applications which contain Classified Information, to be filed under this MOU, will be protected and safeguarded in accordance with the requirements contained in the NATO Agreement for the Mutual Safeguarding of Secrecy of Inventions Relating to Defence and for which Applications for Patents Have Been Made, signed on 21 September 1960, and its Implementing Procedures.

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); and

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 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. The Participants will decide, in advance and in writing, on the markings to be placed on the Controlled Unclassified Information. The appropriate markings will be defined in the Project Security Instruction for each PA to this MOU.

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.

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 visit is authorized by both Participants and the employees have appropriate security clearances and a need-to-know.

10.2. All visiting personnel will be required to comply with security regulations of the host 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 and will be submitted in accordance with the International Visit Request Procedures described in MISWG Document Number 7.

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 or material provided or generated pursuant to this MOU and any of its PAs will be stored, handled, transmitted, and safeguarded in accordance with the General Security Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America, dated 14 April 1961, as amended, including the Industrial Security Annex thereto, of 18 April 1984, as amended.

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

11.3. Each Participant will take all lawful steps available to it to ensure that 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 other 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; and

11.3.3. the recipient will comply with any distribution and access restrictions on information that is provided under the MOU.

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

11.5. The 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, or subcontractors of any Classified Information received under this MOU, the DSAs will:

11.5.1. ensure that such Contractor, prospective Contractor, or subcontractors and their facility(ies) have the capability to protect the information adequately;

11.5.2. grant a security clearance to the facility(ies), if appropriate;

11.5.3. grant a security clearance for all personnel whose duties require access to Classified Information, if appropriate;

11.5.4. 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 the provisions of this MOU;

11.5.5. carry out periodic security inspections of cleared facilities to ensure that the Classified Information is properly protected; and

11.5.6. ensure that access to the Classified Information is limited to those persons who have a need-to-know for purposes of the MOU.

11.6. The POs will prepare a Project Security Instruction and a Classification Guide for each PA involving the transfer of Classified Information or material. The Project Security Instruction and Classification Guide will describe the methods by which Project Information and material will be classified, marked, used, transmitted, and safeguarded. The appropriate Instruction and Guide will be developed by the POs within three months after signature of a PA. They will be reviewed and forwarded to the Participants' DSA's for approval and will be applicable to all government and Contractor personnel participating in the PA. Each Classification Guide will be subject to regular review and revision with the aim of downgrading the classification whenever this is appropriate. The Project Security Instruction and the Classification Guide will be approved by the appropriate DSAs prior to the transfer of any Classified Information or Controlled Unclassified Information.

11.7. Contractors, prospective Contractors, or subcontractors which are determined by 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 other Participant will be consulted for approval prior to permitting such access.

11.8. For any facility wherein Classified Information or material 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 or material pertaining to this MOU and any of its PAs. These officials will be responsible for limiting access to Classified Information or material 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 required security clearances and have a specific need for access to the information in order to participate in this MOU and any of its PAs.

11.10. Information or material provided or generated pursuant to this MOU and any of its PAs may be classified as high as SECRET, unless a PA specifically authorizes a higher classification. The existence of this MOU is Unclassified and the contents are Unclassified. The classification of a specific PA and its contents will be stated in the PA.

SECTION XII
THIRD PARTY SALES AND TRANSFERS

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

12.1.1. which is generated solely by either that Participant or that Participant's Contractors in the performance of that Participant's work allocation under a PA or Section III (Scope of Work); and

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

12.2. In the event questions arise 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 12.1. above, the matter will be brought to the immediate attention of the other Participant's PO. 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.

12.3. Except to the extent permitted in paragraph 12.1 above, the Participants will not sell, transfer title to, disclose, or transfer possession of Project Foreground Information to any Third Party without the prior written consent of the other Participants. Furthermore, neither Participant will permit any such sale, disclosure, or transfer, including by the owner, without the prior written consent of the other Participant. Such consent will not be given unless the government of the intended recipient agrees in writing with the Participants that it will:

12.3.1. not retransfer, or permit the further retransfer of, any equipment or information provided; and

12.3.2. use, or permit the use of, the equipment or information provided only for the purposes specified by the Participants.

12.4. A Participant will not sell, transfer title to, disclose, or transfer possession of Project Equipment or Project Background Information provided by the other Participant to any Third Party without the prior written consent of the Participant which provided such equipment or information. The providing Participant will be solely responsible for authorizing such transfers and, as applicable, specifying the method and conditions for implementing such transfers.

12.5. Consent for Third Party sales and transfers of Project Foreground Information or jointly acquired Project Equipment, or any item produced either wholly or in part from Project Foreground Information will not be withheld except for reasons of foreign policy, national security, or national laws. A Participant will not refuse approval of such a sale or transfer to a Third Party when it would be willing to sell or transfer such equipment or information to the same Third Party.

**SECTION XIII
LIABILITY AND CLAIMS**

13.1. Claims arising under this MOU will be dealt with under paragraph 1 of the Agreement Concerning Defense Cooperation Arrangements of 27 May 1993. Any cost sharing arrangements under paragraph 1(b)(ii) will be in the same ratio as the cost sharing arrangements established in each individual PA to this MOU.

**SECTION XIV
CUSTOMS DUTIES, TAXES AND SIMILAR CHARGES**

14.1. 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 restrictions on imports and exports, are not imposed in connection with work carried out under each Project.

14.2. 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.

**SECTION XV
SETTLEMENT OF DISPUTES**

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

SECTION XVI
GENERAL PROVISIONS

16.1. All activities of the Participants under this MOU and its PAs will be carried out in accordance with their national laws. The responsibilities of the Participants will be subject to the availability of funds for such purposes.

16.2. This MOU may be amended only by the written approval of the Participants. Any of the PAs under this MOU may be amended only by the written approval of the Participants' RDP Executive Agents.

Termination

16.3. This MOU and any of its PAs may be terminated at any time upon the written approval of the Participants. In the event the Participants decide to terminate this MOU or any PA, the Participants will consult prior to the date of termination to ensure termination on the most economical and equitable terms.

16.4. Either Participant may terminate this MOU or any of its PAs upon 120 days written notification of its intent to terminate to the other Participant. To decide upon the appropriate course of action, such notice of termination will be the subject of immediate consultation by the MPs if concerning the MOU, or by the appropriate EAs if concerning a PA. In the event that the MOU or any of its PAs is terminated the following rules apply:

16.4.1 The terminating Participant will continue participation, financial or otherwise, up to the effective date of termination of its participation.

16.4.2 Except as to Contracts awarded on behalf of both Participants, each Participant will be responsible for its own costs associated with termination. For Contracts awarded on behalf of both Participants, the terminating Participant will pay all Contract modification or termination costs that would not otherwise have been incurred but for the decision to terminate; in no event, however, will a terminating Participant's total financial contribution, including Contract termination costs, exceed that Participant's total financial contribution as established in a PA.

16.4.3 All Project Information and rights therein received under the provisions of this MOU and any of its PAs prior to the termination of participation will be retained by the terminating Participant, subject to the provisions of this MOU.

16.4.4 Each Participant will make available to the other Participant all Project Foreground Information generated and delivered to it prior to termination of participation, and which has not been provided to the other Participant prior to the termination of participation.

16.4.5 If requested by the other Participant, the terminating Participant may continue to administer Project Contract(s), which it awarded on behalf of all the other Participant, on a reimbursable basis.

16.5. The respective rights 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), Section XIII (Liability and Claims), and Section XV (Settlement of Disputes) will continue to apply notwithstanding termination, expiration, or withdrawal from this MOU or any of its PAs.

Entry Into Effect And Duration

16.6. This MOU, which consists of sixteen (16) Sections and two (2) Annexes, will enter into effect upon signature by both Participants, and unless terminated or extended, will remain in effect for twenty-five (25) years. PAs will enter into effect upon signature by the Participants. All PAs will automatically terminate upon the termination or expiration of this MOU.

The foregoing represents the understandings reached between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland.

SIGNED in duplicate.

FOR THE SECRETARY OF DEFENSE
ON BEHALF OF THE DEPARTMENT OF
DEFENSE OF THE UNITED STATES OF
AMERICA:

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

A. Volkman
Signature

[Signature]
Signature

Alfred Volkman
Name

C. H. B. JORDAN
Name

Director, International Cooperation
Title

DUS(SPT)
Title

26 April 2000
Date

11th April 2000
Date

Washington, D.C.
Location

Washington
Location

ANNEX A
SAMPLE PROJECT ARRANGEMENT
TO THE
DOD-MOD RESEARCH AND DEVELOPMENT PROJECTS (RDP)
MEMORANDUM OF UNDERSTANDING
DATED MM/DD/YR
PROJECT ARRANGEMENT NO. _____ *

BETWEEN
THE SECRETARY OF DEFENSE
ON BEHALF OF THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA
AND
THE SECRETARY OF STATE FOR DEFENCE
OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
CONCERNING
(FULL TITLE OF THE PROJECT)

Project Arrangement Numbers will be structured as follows:

DOD-MOD-XX-NN-nnnn where XX is a U.S. Military Service or Defense Agency designator such as A for Army, D for Department of Defense, N for Navy, AF for Air Force; NN is the calendar year, and nnnn is a sequential number.

TABLE OF CONTENTS

SECTION		PAGE
I	INTRODUCTION	
II	DEFINITION OF TERMS AND ABBREVIATIONS	
III	OBJECTIVES	
IV	SCOPE OF WORK	
V	SHARING OF TASKS	
VI	BREAK DOWN AND SCHEDULE OF TASKS	
VII	MANAGEMENT	
VIII	FINANCIAL ARRANGEMENTS	
IX	SPECIAL ARRANGEMENTS	
X	LEVEL OF CLASSIFICATION	
XI	PRINCIPAL ORGANIZATIONS INVOLVED	
XII	LOAN OF PROJECT EQUIPMENT	
XIII	ENTRY INTO EFFECT, DURATION AND TERMINATION	

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

SECTION I
INTRODUCTION

This Project Arrangement (PA) is entered into pursuant to the Memorandum of Understanding between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland Concerning Participation in Research and Development Projects of April 26, 2000, the provisions of which are hereby incorporated by reference.

SECTION II
DEFINITION OF TERMS AND ABBREVIATIONS

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

SECTION III
OBJECTIVES

3.1. The objectives of this _____ Project are:

3.1.1. The development of _____
_____.

3.1.2. The improvement of _____
_____.

3.1.3. The investigation of _____
_____.

SECTION IV
SCOPE OF WORK

4.1. The following work will be carried out under this PA:

4.1.1. Research _____
_____.

4.1.2. Develop _____
_____.

4.1.3. Evaluate _____
_____.

4.1.4. Design, fabricate, and test _____.

SECTION V
SHARING OF TASKS

5.1. The sharing of tasks will be as follows:

5.1.1. The DOD will _____
_____.

5.1.2. The MOD will _____
_____.

5.1.3. DOD and MOD will jointly _____
_____.

SECTION VI
BREAK DOWN AND SCHEDULE OF TASKS
(OPTIONAL)

(When the tasks covered under this Project may be performed using multiple phases, requiring milestones or decision points)

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

Phase I	Start	End
Description of Phase 1	MM/YY	MM/YY

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

Phase 2	Start	End
Description of Phase 2	MM/YY	MM/YY

(Milestone 2) (e.g. Decision to proceed to Phase 3)

Phase 3	Start	End
Description of Phase 3	MM/YY	MM/YY

(Milestone 3) (e.g. Evaluation, analysis of results)

(Add as many phases as necessary)

6.2. The final report must be transmitted to the RDP/EAs six months before the termination date for this PA.

**SECTION VII
MANAGEMENT**

(It is anticipated that most Projects will not need the establishment of a Steering Committee; however, for such instances where a SC is deemed to be required, the following provides for the designation of SC members)

7.1. The following, or equivalent in the event of reorganization, are designated as Steering Committee Representatives:

7.1.1. DOD Co-Chairperson

Title/Position _____

Organization _____

Address _____

7.1.2. MOD Co-Chairperson

Title/Position _____

Organization _____

Address _____

7.2. The following, or equivalent in the event of reorganization, are designated as Project Officers:

7.2.1. DOD PO

Title/Position _____

Organization _____

Address _____

7.2.2. MOD PO

Title/Position _____

Organization _____

Address _____

7.3. Particular Management Procedures:

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

SECTION VIII
FINANCIAL ARRANGEMENTS

8.1. The Participants estimate that the cost of performance of the work under this PA will not exceed \$ _____.

8.1.1. The DOD tasks will not cost more than X DOD\$

8.1.2. The MOD tasks will not cost more than Y MOD £

8.2. Cooperative efforts of the 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.

SECTION IX
SPECIAL ARRANGEMENTS

(Optional - include any special contractual, intellectual property rights or other provisions relevant to the specific PA)

SECTION X
LEVEL OF CLASSIFICATION

Only one of the three following possibilities must be selected:

- a. No Classified Information will be exchanged under this PA;
- b. The highest level of Classified Information which may be exchanged under this PA is Confidential.
- c. The highest level of Classified Information which may be exchanged under this PA is Secret.

The existence of this PA is (unclassified)* and the contents are (unclassified)*.

*Revise where appropriate.

SECTION XI
PRINCIPAL ORGANIZATIONS INVOLVED

(List the government laboratories, research centers, etc. for the DOD and the MOD including full postal address.)

SECTION XII
LOAN OF PROJECT EQUIPMENT
(OPTIONAL)

12.1. The loan of the following Project Equipment is necessary for executing this PA.

Providing Participant	Receiving Participant	Qty	Description	Part/ Stock #	Consumable/ Non-Consumable	Approx Value	Loan Period
-----------------------	-----------------------	-----	-------------	---------------	----------------------------	--------------	-------------

(fill in as appropriate)

Alternate Paragraph 12.1:

12.1. Project Equipment to be loaned will be documented in a list to this PA in the following format.

Providing Participant	Receiving Participant	Qty	Description	Part/ Stock #	Consumable/ Non-Consumable	Approx Value	Loan Period
-----------------------	-----------------------	-----	-------------	---------------	----------------------------	--------------	-------------

The list will be prepared by the POs for signature by the SC or RDP/EA if no SC, after appropriate national approvals have been obtained. The list will be an integral part of this PA.

12.2. The providing Participant will loan the Project Equipment (for the loan period identified in paragraph 12.1 above.) Or [which is intended to be consumed/expended and not returned to the providing Participant.] **

**If Alternate Paragraph 12.1 is used, change Paragraph 12.2 as follows: The providing Participant will loan the Project Equipment for the loan period identified in -list.

SECTION XIII
ENTRY INTO EFFECT, DURATION AND TERMINATION

This _____ PA, a Project under the RDP Memorandum of Understanding between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, will enter into effect upon its signature, and will remain in effect for _____ years unless terminated by the Participants. It may be extended by written consent of the RDP MOU Executive Agents (EAs).

FOR THE SECRETARY OF DEFENSE
ON BEHALF OF THE DEPARTMENT OF
DEFENSE OF THE UNITED STATES OF
AMERICA:

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

Signature

Signature

Name

Name

Title

Title

Date

Date

Location

Location

ANNEX B
TO THE
US-UK RESEARCH AND DEVELOPMENT PROJECTS (RDP)
MEMORANDUM OF UNDERSTANDING
DATED MM/DD/YR
BETWEEN
THE SECRETARY OF DEFENSE
ON BEHALF OF THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA
AND
THE SECRETARY OF STATE FOR DEFENCE
OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
CONCERNING
COOPERATIVE PROJECT PERSONNEL

Text in Italics indicate instructions

ASSIGNMENT OF
[INSERT NAME OF PROJECT] PROJECT PERSONNEL

1.0. Definitions.

In addition to the definitions in Section I (Definitions) of this MOU the following definitions will apply:

1.1. “Host Organization” means the *[identify the Major Command]* to which *[name of Project]* Project Personnel are assigned for duty pursuant to the *[identify name of the applicable PA]*.

1.2. “Host Participant” means the Department of Defense or Ministry of Defence (DoD/MoD) to which the Host Organization belongs.

1.3. “[*Project Name*] Project Personnel” means military or civilian employees of the Parent Organization of one Participant assigned to the Host Organization of the other who perform professional administrative, contracting, logistics, financial, planning or other support functions in furtherance of the *[name of Project]* Project.

1.4. “Parent Organization” means the DoD and MoD departments and agencies to which *[insert Project name]* Project Personnel belong.

1.5. “Parent Participant” means the DoD/MoD to which the Parent Organization belongs.

2.0. Purpose and Scope.

2.1. This Annex establishes the provision by which the Participants will assign *[Project name]* Project Personnel in support of the *[Project name]* Project from the other Participant. During the term of the RDP MOU, each Participant will be permitted to assign military or civilian employees of its DoD/MoD to serve as *[insert Project name]* Project Personnel to the Project Office run by the other Participant in accordance with the terms of this Annex. Commencement of such an assignment will be subject to any requirements that may be imposed by the other Participant or its government regarding approval of *[insert Project name]* Project Personnel. An individual may serve for any length of time up to the completion or termination of the *[insert Project name]* PA.

2.2. *[Insert Project name]* Project Personnel will not act in a liaison capacity. *[Insert Project name]* Project Personnel will perform duties as mutually determined by the Program Manager (PM) and Deputy PM.

3.0. Financial Arrangements

3.1. The Parent Participant's responsibility will include all costs and expenses of *[insert Project name]* Project Personnel, including, but not limited to:

3.1.1. All pay and allowances.

3.1.2. Travel to and from the country of the Host Participant, except for travel pursuant to paragraph 3.2.

3.1.3. All temporary duty costs, including travel costs, when such duty is carried out at the request of the Parent Participant.

3.1.4. Compensation for loss of, or damage to, the personal property of *[insert Project name]* Project Personnel, or the personal property of *[insert Project name]* Project Personnel dependents.

3.1.5. The movement of dependents and the household effects of *[insert Project name]* Project Personnel.

3.1.6. Preparation and shipment of remains and funeral expenses in the event of the death of *[insert Project name]* Project Personnel or their dependents.

3.1.7. All expenses in connection with the return of *[insert Project name]* Project Personnel whose assignment has been terminated, along with his or her dependents.

3.2. The Host Participant will be responsible for the following:

3.2.1. Travel and subsistence costs in connection with the performance of any duty carried out pursuant to a requirement of the Host Participant.

3.2.2. Costs incurred as a result of a change in location in work ordered by the Host Participant during the period of assignment.

3.3. The Host Participant will not charge for the use of facilities and equipment necessary for the performance of tasks assigned to *[insert Project name]* Project Personnel.

3.4. The Host Participant will not provide any supplies or services related to those costs that, pursuant to paragraph 3.1, are the responsibility of the Parent Participant. Accordingly, the Parent Participant will make arrangements to defray such costs directly through its personnel, rather than through reimbursement to the Host Participant.

4.0. Security.

4.1. The Participants will establish the maximum level of security clearance required, if any, to permit *[insert Project name]* Project Personnel to have access to Classified Information and work areas in accordance with the Project Security Instruction and Classification Guide. Access to Classified Information and facilities will be consistent with, and limited by, Section III (Scope of Work) of this MOU and will be kept to the minimum required to accomplish the work assignments.

4.2. Each Participant will cause security assurances to be filed through the U.S. Embassy in London, England in the case of United States personnel and through the British Embassy in Washington, D.C. in the case of United Kingdom personnel stating the security clearances for the *[insert Project name]* Project Personnel being assigned. The security assurances will be prepared and forwarded through prescribed channels in compliance with established Host Participant procedures.

4.3. The Host Organization and the Parent Organization will ensure that assigned *[insert Project name]* Project Personnel are fully cognizant of applicable laws and regulations concerning the protection of proprietary information (such as patents, copyrights, know-how, and trade secrets), Classified Information and Controlled Unclassified Information to which access might be gained under this Project both during and after termination of an assignment. Prior to taking up assigned duties, *[insert Project name]* Project Personnel will be required to sign the certification at Appendix 1.

4.4. *[Insert Project name]* Project Personnel will at all times be required to comply with the security laws, regulations and procedures of the government of the Host Participant. Any violation of security procedures by *[insert Project name]* Project Personnel during their assignment will be reported to the Parent Participant for appropriate action. *[Insert Project name]* Project Personnel committing willful 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 the Parent Participant.

4.5. All classified information made available to the *[insert Project name]* Project Personnel will be considered as Classified Information furnished to the Parent Participant and will be subject to all provisions and safeguards provided for in Section XII (Security) and the Project Security Instruction and Classification Guide.

4.6. *[Insert Project name]* Project Personnel will not take custody of Classified Information or Controlled Unclassified Information in tangible form (for example, documents or electronic files) unless approved by the *[insert Project name]* Project Office and as authorized by the Parent Participant on a case-by-case basis.

5.0. Technical and Administrative Matters.

5.1. To the extent authorized by the laws and regulations of the government of the Host Participant, the Host Organization will provide such administrative support as is necessary for *[insert Project name]* Project Personnel to perform their assigned tasks.

5.2. Consistent with the laws and regulations of the government of the Host Participant, *[insert Project name]* Project Personnel assigned under this MOU will be subject to the same restrictions, conditions, and privileges as Host Participant personnel of comparable rank and in comparable assignments. Further, to the extent authorized by the laws and regulations of the government of the Host Participant, *[insert Project name]* Project Personnel and their authorized dependents will be accorded on a reciprocal basis:

5.2.1. Exemption from any tax by the government of the Host Participant upon income received from the government of the Parent Participant.

5.2.2. Exemption from any customs and import duties or similar charges levied on items entering the country of the Host Participant for their official or personal use, including their baggage, household effects, and private motor vehicles. The foregoing will not in any way limit privileges set forth elsewhere in this MOU, or other privileges granted by the laws and regulations of the government of the Host Participant.

5.3. *[Insert Project name]* Project Personnel and their dependents will be informed by the Host Organization about applicable laws, orders, regulations, and customs and they will be required to comply with them. *[Insert Project name]* Project Personnel and their dependents also will be briefed by Host Organization personnel regarding their specific entitlements, privileges, and obligations upon their arrival in the country of the Host Organization.

5.4. *[Insert Project name]* Project Personnel may observe the holiday schedule of either the Parent Participant or the Host Participant as mutually acceptable.

5.5. The Participants will determine working hours for *[insert Project name]* Project Personnel that are consistent with the customs and requirements of both Participants. *[Insert Project name]* Project Personnel will have performance evaluations rendered in accordance with the applicable Parent Participant regulations.

5.6. *[Insert Project name]* Project Personnel committing an offense under the laws of the government of either the Parent Participant or the Host Participant may be withdrawn from this Project with a view toward further administrative or disciplinary action by the Parent Participant. Disciplinary action, however, will not be taken by the Host Participant against *[insert Project name]* Project Personnel and *[insert Project name]* Project Personnel will not exercise disciplinary powers over personnel of the Host Participant. The Participants will cooperate when legally possible in carrying out administrative or disciplinary action by the Parent Participant against its *[insert Project name]* Project Personnel.

5.7. Any medical and dental care that may be provided to *[insert Project name]* Project Personnel and their dependents at the Host Participant medical facilities, will be subject to the requirements of the laws and regulations of the government of the Host Participant, including reimbursement when required by such laws and regulations.

5.8. In no case will *[insert Project name]* Project Personnel be assigned to positions which would require exercise or command or be assigned to other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of the U.S. Government.

5.9. *[Insert Project name]* Project Personnel will not be placed on duty or in positions in areas of political sensitivity where their presence would jeopardize the interests of the Parent Participant, or where, in the normal course of their duty, they may become involved in activities which may embarrass the Parent Participant.

5.10. The Host Participant will not deploy *[insert Project name]* Project Personnel in non-direct hostility situations, such as UN peacekeeping or multi-national operations, without Parent Participant approval. Additionally, *[insert Project name]* Project Personnel will not be deployed to a third country without Parent Participant approval.

5.11. The Host Participant will not place *[insert Project name]* Project Personnel in duty assignments in which direct hostilities with forces of third states are likely. Should a unit in which *[insert Project name]* Project Personnel are assigned become involved in hostilities unexpectedly, *[insert Project name]* Project Personnel assigned to the unit will not be involved in the hostilities without authorization from the Parent Participant. *[Insert Project name]* Project Personnel approved by both the parent Participant and the Host Participant for involvement in hostilities will be given clear guidance on the Host Participant's interpretation of laws of war, to include the rules of engagement.

5.12. Purchasing and patronage privileges at military commissaries, exchanges, theaters and clubs will be extended to *[insert Project name]* Project Personnel and their dependents on the same basis as equivalent personnel of the Host Participant. This provision will not, however, limit privileges set forth elsewhere in this MOU or other privileges granted by the Host Participant, at its discretion, with the consent of the Parent Participant.

5.13. *[Insert Project name]* Project Personnel will be granted leave according to their entitlements under the regulations of the Parent Organization, subject to the approval of the appropriate authorities of the Host Organization.

5.14. *[Insert Project name]* Project Personnel will be required to comply with the dress regulations of the Parent Organization and will also wear such identification as may be necessary to identify the *[insert Project name]* Project Personnel's nationality, rank and status. The order of dress for any occasion will be that which most nearly conforms to

the order for the Host Organization with which they are serving. Customs of the Host Organization will be observed with respect to wearing of civilian clothes.

5.15. Consistent with the laws and regulations of the government of the Host Participant, and upon conditions of reciprocity, the Host Organization will provide, if available, housing and messing facilities for *[insert Project name]* Project Personnel and their dependents on the same basis and priority as for its own personnel. *[Insert Project name]* Project Personnel will pay messing and housing charges to the same extent as personnel of the Host Organization. At locations where facilities are not provided by the Host Organization for its own personnel, the Parent Organization will make suitable arrangements for *[insert Project name]* Project Personnel.

6.0. *[Insert Project name]* Project Personnel and those dependents accompanying them, must obtain motor vehicle liability insurance coverage in accordance with applicable laws and regulations of the government of the Host Participant, or its political subdivision, where they are located. In case of claims involving the use of private motor vehicles, the first recourse will be against such insurance.

7.0. The NATO Status of Forces agreement pertaining to rights and privileges of military and civilian personnel of a Participant while in the territory of the other Participant will apply to *[insert Project name]* Project Personnel and their dependents.

APPENDIX 1 TO ANNEX B

CERTIFICATION OF CONDITIONS AND RESPONSIBILITIES
FOR COOPERATIVE PROJECT PERSONNEL

I understand and acknowledge that I have been accepted for assignment to *(insert name and location of Project to which assigned)* pursuant to the Memorandum of Understanding (MOU) between the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland concerning Cooperative Participation in Research and Development Projects Capitalized terms in this certification have the meanings defined in the MOU. In connection with this assignment, I further understand, acknowledge, and certify that I shall comply with the following conditions and responsibilities:

1. The purpose of the assignment is to provide my expertise to the Project. There shall be no access to information except as required to perform the duties described in the position description (PD) of the position to which I am assigned, as determined by my designated supervisor.

2. I shall perform only functions which are properly assigned to me as described in the PD for my assignment and shall not act in any other capacity to the Host Participant on behalf of my government or my Parent Participant.

3. All Project Information to which I may have access during this assignment shall be treated as information provided to my government in confidence and shall not be further released or disclosed by me, except as authorized by the MOU.

4. When dealing with individuals outside of my immediate office of assignment on official matters, I shall inform such individuals that I am a foreign Cooperative Project Person.

5. I have been briefed on, understand, and shall comply with all applicable security regulations concerning the protection of proprietary information (such as Patents, copyrights, know-how and trade secrets), Classified Information and Controlled Unclassified Information.

6. I shall immediately report to my designated supervisor all attempts to obtain Classified, proprietary or Controlled Unclassified Information to which I may have access as a result of this assignment.

(Typed Name)

(Signature)

(Rank/Title)

(Date)