

AGREEMENT

BETWEEN

THE DEPARTMENT OF DEFENSE

OF THE UNITED STATES OF AMERICA

AND

THE MINISTER OF DEFENSE

OF THE FRENCH REPUBLIC

FOR

RESEARCH, DEVELOPMENT, TESTING, AND EVALUATION PROJECTS

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PREAMBLE

The Department of Defense of the United States of America and the Minister of Defense of the French Republic, hereinafter referred to as the "Parties":

Recognizing the Agreement between the Parties to the North Atlantic Treaty Regarding the Status of their Forces, signed in London on June 19, 1951 (NATO SOFA);

Recognizing the Agreement Approving the Procedures for Reciprocal Filing of Classified Patent Applications in the United States of America and France of July 10, 1959;

Recognizing the NATO Agreement on the Communication of Technical Information for Defense Purposes of October 19, 1970, and its Implementing Procedures of January 1, 1971;

Recognizing the General Security of Information Agreement between the Government of the United States of America and the Republic of France of September 7, 1977;

Recognizing the Memorandum of Understanding between the Government of the United States of America and the Government of the French Republic Concerning the Principles Governing Reciprocal Purchases of Defense Equipment of May 22, 1978, as amended;

Recognizing the Industrial Security Procedures between the Secretary of Defense of the United States and the French Minister of Defense of May 21, 1985;

Having a common interest in defense;

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

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

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

Have agreed as follows:

ARTICLE I
DEFINITIONS

For the purposes of this Agreement and any of its specific Project Agreements (PAs) and Equipment and Material Transfer Agreements (E&MTAs), the following definitions shall apply:

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. It may be in oral, visual, magnetic, or documentary form, or in the form of equipment or technology.
Contract	Any mutually binding legal relationship under national law that obligates a Contractor to furnish supplies or services, and obligates one or both of the Parties to pay for them.
Contracting	The obtaining of supplies or services by Contract from sources outside the government organizations of the Parties. Contracting includes description (but not determination) of supplies and services required, solicitation and selection of sources, preparation and award of Contracts, and all phases of Contract administration.
Contracting Agency	The entity within the government organization of a Party that has authority to enter into, administer, and/or terminate Contracts.
Contracting Officer	A person representing a Contracting Agency of a Party who has the authority to enter into, administer, and/or terminate Contracts.
Contractor	Any entity awarded a Contract by a Party's Contracting Agency.
Contractor Support Personnel	Persons specifically identified as providing administrative, managerial, scientific, or technical support services to a Party under a support Contract.
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 (CPP)	Military members or civilian employees of a Party assigned to the joint program office or the other Party's facilities who perform managerial, engineering, technical, administrative, Contracting, logistics, financial, planning, or other functions in furtherance of a Project Agreement.
Defense Purposes	Manufacture or other use in any part of the world by or for the armed forces of either Party.
Designated Security Authority (DSA)	The security office approved by national authorities to be responsible for the security aspects of this Agreement.
Equipment and Material	Any material, equipment, end item, subsystem, component, special tooling or test equipment jointly acquired or provided for use in a PA or an Equipment and Material Transfer Agreement (E&MTA).
Equipment and Material Transfer Agreements (E&MTA)	An implementing agreement under this Agreement that specifies the terms of collaboration on a specific Equipment and Material transfer not part of a specific PA.
Financial Costs	PA/E&MTA costs met with monetary contributions.
Information	Any information provided to, generated in, or used in the performance of a PA/E&MTA or exchanged under this Agreement, 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 other legal protection.
Non-Financial Costs	PA/E&MTA costs met with non-monetary contributions.
Party	A signatory to this Agreement or in the case of PAs/E&MTAs, a signatory to a PA or E&MTA under this Agreement represented by its military or civilian personnel. Contractors and Contractor Support Personnel shall not be representatives of a Party under this Agreement or PAs/E&MTAs under this Agreement.
Patent	Legal protection of the right to exclude others from making, using, or selling an invention

Project	Specific collaborative activity described in a PA.
Project Agreement (PA)	An implementing agreement under this Agreement that details the terms of collaboration on a specific Project.
Project Background Information	Information not generated in the performance of a specific PA/E&MTA.
Project Foreground Information	Information generated in the performance of a specific PA/E&MTA.
Project Invention	Any invention or discovery formulated or made in the course of work performed under a PA.
Prospective Contractor	Any entity that seeks to enter into a Contract to be awarded by a Party'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 Party and any person or other entity whose government is not the government of a Party.

ARTICLE II

OBJECTIVES

2.1. The objective of this Agreement is to define and establish the general terms and conditions which shall apply to the initiation, conduct, and management of research, development, test, and evaluation projects detailed in separate Project Agreements (PAs) or Equipment and Material Transfer Agreements (E&MTAs) between representatives authorized in accordance with national procedures of the Parties. These PAs/E&MTAs shall be entered into pursuant to this Agreement and shall incorporate by reference the terms of this Agreement. Additionally, this Agreement shall allow the exchange of Information for the purposes of attempting to harmonize the Parties' military requirements to assist in better defining potential future cooperative efforts under this Agreement.

2.2. Detailed terms and conditions of each individual PA/E&MTA shall be consistent with this Agreement. Each PA/E&MTA shall include specific provisions concerning the objectives, scope of work, sharing of work, management structure, financial arrangements and classification for the applicable PA/E&MTA in accordance with the formats set forth in Annexes A and B, to the extent applicable and practical.

ARTICLE III

SCOPE OF WORK

3.1. The scope of work for this Agreement shall encompass collaboration in research, development, testing, and evaluation potentially leading to new or improved military capability. PAs may encompass one or more of the following activities: basic research; applied research; advanced technology development; concept of operation studies and analysis; advanced concept technology demonstrations; system prototypes; system development and demonstration (engineering and manufacturing development); loan of materials, supplies, or equipment for the purposes of research, development, test, or evaluation; developmental test and evaluation of system/subsystem efforts and evolutionary acquisition/spiral development efforts associated with low rate initial production or production programs. The Parties also recognize it may be necessary to transfer Equipment and Material for the purpose of implementing this Agreement, but not for the purposes of a specific PA. In such cases, the Parties shall execute an Equipment and Material Transfer Agreement (E&MTA) using the format as set forth in Annex B to the extent practical.

3.2. Information may be exchanged to attempt to harmonize the Parties' requirements to assist in formulating, developing, and negotiating potential PAs/E&MTAs under this Agreement. Information exchanged shall take place on an equitable basis, but need not necessarily coincide in time, technical field, or form of the Information. If Information is exchanged but no PA/E&MTA is signed, or Information is exchanged before a PA/E&MTA is signed, the receiving Party shall use such exchanged Information only for information and evaluation purposes and shall not disclose or transfer such exchanged Information to a Third Party. The receiving Party shall not disclose such Information to Contractors or any other persons, other than its Contractor Support Personnel, without the specific prior written consent of the furnishing Party.

3.3. Working Groups (WGs) may be established to attempt to harmonize the Parties' research, development, test, and evaluation requirements. WGs normally shall be limited in scope to a well-defined area and shall endeavor to assess issues based on Information provided by both Parties in such a way as to arrive at a jointly determined position within a set time period. WGs shall have their own written terms of reference (TOR) using the format set out in Annex C (Model Working Group Terms of Reference). Unless and until Information exchanged in WGs is used in a PA/E&MTA, the receiving Party shall use such Information only for information and evaluation purposes and shall not disclose or transfer such exchanged Information to a Third Party. The receiving Party shall not disclose such Information to Contractors or any other persons, other than its Contractor Support Personnel, without the specific prior written consent of the furnishing Party.

3.4. This Agreement does not preclude the Parties from entering into any other agreement in the area of research and development.

ARTICLE IV

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

4.1. The Director for International Cooperation, Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) (or his/her successor in the event of reorganization) is designated U.S. Agreement Director (U.S. AD). The Directeur des Systèmes de Forces et des Stratégies Industrielle, Technologique et de Coopération (DGA/D4S) (or his/her successor in the event of reorganization) is designated the French Agreement Director (FR AD). The Agreement Directors (ADs) shall be responsible for:

- 4.1.1. monitoring implementation of this Agreement and exercising executive-level oversight;
- 4.1.2. monitoring the overall use and effectiveness of the Agreement;
- 4.1.3. recommending amendments to this Agreement to the Parties; and
- 4.1.4. resolving issues brought forth by the Management Agents.

4.2. The appropriate U.S. Service Acquisition Executive or Defense Agency Director, or his/her designee, is designated U.S. Management Agent (U.S. MA) for those Projects within his/her respective Military Department or Defense Agency. The Directeur du Service des Recherches et Technologies de défense (SRTS/D) (or his/her designee) is designated French Management Agent (FR MA). The Management Agents (MAs) shall be responsible for:

- 4.2.1. establishing PAs/E&MTAs in accordance with this Agreement and national policies and procedures;
- 4.2.2. establishing a management structure for each PA considering its scope and the requirement for a Steering Committee (SC);
- 4.2.3. appointing Project Officers (POs), and, as appropriate, SC members;
- 4.2.4. giving administrative direction to appropriate SCs, if established, or POs appointed to their Projects;
- 4.2.5. designating a point of contact for exchange of Information to harmonize requirements for the development and negotiation of potential PAs/E&MTAs, in accordance with paragraph 3.2. of Article III (Scope of Work);
- 4.2.6. approving and signing TORs for WGs in accordance with paragraph 3.3. of Article III (Scope of Work);

- 4.2.7. resolving issues brought forth by the SC or, if no SC is established, by the POs; and
 - 4.2.8 forwarding issues, when necessary, to the ADs for resolution.
- 4.3. If an SC is established under a particular PA, it shall be responsible for:
- 4.3.1. providing policy and management direction to the POs during PA execution;
 - 4.3.2. monitoring overall PA implementation, including technical, cost, and schedule performance against requirements;
 - 4.3.3. approving plans for transfers of Equipment and Material or disposal of jointly acquired Equipment and Material, in accordance with Article VII (Third Party Sales and Transfers);
 - 4.3.4. resolving issues brought forth by the POs;
 - 4.3.5. maintaining oversight of the security aspects of a Project;
 - 4.3.6. approving assignment of personnel working on a Project at the other Party's facilities in accordance with the provisions set out in Appendix (1) to Annex A;
 - 4.3.7. appointing a Project security officer;
 - 4.3.8. establishing the detailed financial procedures of a PA in the event that one Party contracts on behalf of the other Party or on behalf of both Parties;
 - 4.3.9. reporting status and activity of assigned PAs on an annual basis to the MAs and ADs; and
 - 4.3.10. employing its best efforts to resolve, in consultation with the export control authorities of the Parties, any export control issues raised by the POs in accordance with paragraph 4.4. or raised by a Party's SC representative in accordance with paragraph 4.6.

4.4. In accordance with the terms of the PA, the POs shall have primary responsibility for effective implementation, efficient management and direction of their assigned PA including technical, cost, and schedule performance against requirements. The POs shall monitor export control arrangements required to implement any PA/E&MTA and, if applicable, shall immediately refer to the SC any export control issues that could adversely affect the implementation of the PA/E&MTA. Additionally, the POs shall have the responsibilities under paragraph 4.3. if no SC is established for their PA, except that the MA shall be responsible for resolving issues brought forth by the POs. The POs shall also maintain a list of all Equipment and Material transferred by either of the Parties.

4.5. In accordance with the terms of an approved PA and with the provisions set out in Appendix (1) to Annex A of this Agreement attached to the approved PA, a Party may assign Cooperative Project Personnel (CPP) to the joint project office (JPO) or the other Party's facilities to assist in the implementation of an approved PA.

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

4.7. The MAs, SCs and POs shall meet as required, alternately in the United States and France. The Chairman for each meeting shall be the senior official of the host Party. During such meetings, all decisions shall be made unanimously with each Party having one vote. In the event that the Parties are unable to reach a timely decision on an issue, each Party shall refer the issue to its higher authority for resolution. In the meantime, the approved PA shall continue to be implemented without interruption under the direction of the POs while the issue is being resolved by higher authority.

ARTICLE V

FINANCIAL ARRANGEMENTS

5.1. Each Party shall contribute its equitable share of the full Financial and Non-financial Costs of each PA, including overhead costs, administrative costs and cost of claims, and shall receive an equitable share of the results of each PA.

5.2. The financial and non-financial arrangements for a PA, including the total cost of the PA and each Party's share of the total cost, shall be included in the PA.

5.3. For each PA, the POs shall be responsible for establishing the detailed financial management procedures under which the Project shall operate. Where necessary, these procedures shall be detailed in a financial management procedures document (FMPD) proposed by the POs and subject to the approval of the SC, if one is established.

5.4. Both Parties shall perform, or have performed, their tasks and shall use their best efforts to perform the tasks within the cost estimates specified in each PA. Both Parties shall bear the full costs they incur for performing, managing, and administering their own activities under this Agreement and participation in each PA, including their share of the costs of any Contracts under paragraph 5.10.

5.5. The following costs shall be borne entirely by the Party incurring the costs or on whose behalf the costs are incurred:

5.5.1. costs associated with any unique national requirements identified by a Party;
and

5.5.2. any other costs not expressly stated as shared costs or any other costs outside the scope of this Agreement and its PAs.

5.6. For PAs with shared costs that involve the establishment of a JPO with CPP assignments to the other Party's facilities or the JPO, the PA shall address the financial and non-financial contributions required for JPO administration and associated support services including, but not limited to, JPO costs of travel incurred in support of Project efforts, JPO training costs, Contract award, Contract administration, office space, security services, information technology services, communications services, and supplies.

5.7. In addition to the shared costs of JPO administration and associated support services costs described in paragraph 5.6., the cost of CPP in the JPO or assigned to the other Party's facilities shall be borne as follows:

5.7.1. The host Party shall bear the costs of all pay and allowances of host Party personnel assigned to the JPO.

5.7.2. The parent Party shall bear the following CPP-related costs:

5.7.2.1. All pay and allowances.

5.7.2.2. Transportation of the CPP, the CPP's dependents, and their personal property to the place of assignment in the host Party's nation prior to the CPP's commencement of a tour of duty in the JPO or field activity, and return transportation of the foregoing from the place of assignment in the host Party's nation upon completion or termination of the tour of duty.

5.7.2.3. Compensation for loss of, or damage to, the personal property of CPP or the CPP's dependents, subject to the parent Party's laws and regulations.

5.7.2.4. Preparation and shipment of remains and funeral expenses in the event of the death of the CPP or the CPP's dependents.

5.8. For PAs without shared costs that involve the assignment of one Party's CPP to the facilities of the other Party, the Parties shall bear the costs as set forth in paragraph 5.7. except that the host Party shall also bear the assignment-related administrative and support costs such as CPP costs of travel incurred in support of a PA, CPP-related training, office space, security services, information technology services, communications services, and supplies.

5.9. A Party shall promptly notify the other Party if available funds will not be adequate to fulfill its obligations as agreed under a PA, or if it appears that the cost estimates in a PA will be exceeded, and both Parties shall immediately consult with a view toward continuation on a modified basis.

5.10. If one Party contracts on behalf of the other Party or on behalf of both Parties, each Party shall make funds available in the amounts and at the times set forth in the estimated schedule for monetary contributions, as specified in the FMPD.

5.11. The Parties recognize that, in performing Contracting responsibilities on behalf of the other Party, it may become necessary for the Contracting Party to incur contractual or other obligations for the benefit of the other Party prior to the receipt of the other Party's funds. In such event, the other Party shall make such funds available in such amounts and at such times as required by the Contract or other obligation and shall pay any damages and costs that may accrue from the performance or cancellation of the Contract or other obligation in advance of the time such payments, damages, or costs are due.

5.12. Each Party shall be responsible for the audit of its activities or its Contractors' activities pursuant to a PA. A Party's audits shall be in accordance with its own national practices and the FMPD. For PA efforts where funds are transferred between the Parties, the receiving Party shall

be responsible for the internal audit regarding administration of the other Party's funds in accordance with the receiving Party's national practices. Audit reports of such funds shall be made available promptly by the receiving Party to the other Party.

ARTICLE VI

CONTRACTUAL ARRANGEMENTS

6.1. If either Party determines that Contracting is necessary to fulfill its obligations under the scope of work of a PA, that Party shall contract in accordance with its respective national laws, regulations and procedures. When applicable, Contract administration services shall be performed in accordance with the Memorandum of Understanding between the Government of the United States of America and the Government of the French Republic concerning the Principles Governing Reciprocal Purchases of Defense Equipment of May 22, 1978, as amended.

6.2. When one Party individually contracts to carry out a task under a PA, it shall be solely responsible for its own Contracting, and the other Party shall not be subject to any liability arising from such Contracts without its written consent.

6.3. The Parties may also determine that one Party's Contracting Agency should enter into a Contract to fulfill their joint PA obligations or the PA obligations of the non-contracting Party. That Contracting Agency shall contract for both Parties in accordance with its national laws, regulations, and procedures. If appropriate to meet the requirements of a PA, the U.S. DoD's Contracting Officer or the French MoD Contracting Agency may seek deviations from national regulations and procedures wherever practicable. Sources from both Parties' industries shall be allowed to compete on an equal basis for such Contracts. The U.S. DoD Contracting Officer or the French MoD Contracting Agency shall be the exclusive source for providing contractual direction and instructions to Contractors for Contracts awarded by that Party.

6.4. For all Contracting activities performed by either Party, the POs shall, upon request, be provided a copy of all statements of work prior to the development of solicitations to ensure that they are consistent with the provisions of this Agreement and the applicable PA.

6.5. For all Contracting activities performed by either Party, each Party's Contracting Agency shall negotiate to obtain the rights to use and disclose Project Information required by Article VIII (Disclosure and Use of Project Information). During the Contracting process, each Party's Contracting Officer shall advise prospective Contractors of their obligation to notify the Contracting Agency immediately if they are subject to any license or agreement that will restrict that Party's freedom to disclose Project Information or permit its use. The Contracting Officer shall also advise prospective Contractors to employ their best efforts not to enter into any new agreement or arrangement that will result in such restrictions.

6.6. In the event a Party's Contracting Agency is unable to secure adequate rights to use and disclose Project Information as required by Article VIII (Disclosure and Use of Project Information), or is notified by Contractors or prospective Contractors of any restrictions on the disclosure and use of Project Information, that Party's PO shall notify the other Party's PO of the restriction(s).

6.7. Each Party's Contracting Agency shall insert into its prospective Contracts (and require its Contractors to insert in subcontracts) provisions that satisfy the requirements of this Agreement, including Article VIII (Disclosure and Use of Project Information), Article IX (Controlled Unclassified Information), Article XI (Security), Article XII (Third Party Sales and Transfers), and Article XVII (Amendment, Termination, Entry Into Force, and Duration), and including the export control provisions in accordance with this Agreement, in particular paragraphs 6.8. and 6.9.

6.8. Each Party shall legally bind its Contractors to a requirement that the Contractor shall not retransfer or otherwise use export-controlled Information furnished by the other Party for any purpose other than the purposes authorized under this Agreement or PAs/E&MTAs under this Agreement. The Contractor shall 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 Agreement or PAs/E&MTAs under this Agreement. Export-controlled Information furnished by one Party under this Agreement or PAs/E&MTAs under this Agreement may only be retransferred by the other Party to its Contractors if the legal arrangements required by this paragraph have been established.

6.9. Each Party shall legally bind its Prospective Contractors to a requirement that the Prospective Contractor shall not retransfer or otherwise use export-controlled Information furnished by the other Party for any purpose other than responding to a solicitation issued in furtherance of the purposes authorized under this Agreement or a PA/E&MTA under this Agreement. Prospective Contractors shall not be authorized use for any other purpose if they are not awarded a Contract. The Prospective Contractors shall 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 Party under this Agreement or a PA/E&MTA under this Agreement may only be retransferred by the other Party to its Prospective Contractors if the legal arrangements required by this paragraph have been established. Upon request by the furnishing Party, the receiving Party shall identify its Prospective Contractors and prospective subcontractors receiving such export-controlled Information.

6.10. Each Party's PO shall promptly advise the other Party's PO of any cost growth, schedule delay, or performance problems of any Contractor for which its Contracting Agency is responsible.

6.11. No requirement shall be imposed by either Party for worksharing or other industrial or commercial compensation in connection with this Agreement that is not in accordance with this Agreement.

ARTICLE VII

EQUIPMENT AND MATERIAL

7.1. Each Party may provide, in accordance with its laws, regulations, and policies, Equipment and Material identified as being necessary for executing a specific PA to the other Party. Such Equipment and Material shall remain the property of the furnishing Party. A list of all Equipment and Material provided by one Party to another Party shall be developed, maintained, approved, and amended by the POs and shall be included in an annex to each PA. In addition and following the format of Annex B (Model Equipment and Material Transfer Project Agreement), Equipment and Material may be transferred from one Party to the other Party for testing purposes. In the event a Equipment and Material Transfer Agreement is used, the receiving Party shall provide the furnishing Party a final report, as reflected in Annex B (Model Equipment and Material Transfer Project Agreement).

7.2. The receiving Party shall maintain any such Equipment and Material in good order, repair, and operable condition. Unless the furnishing Party has authorized the Equipment and Material to be expended or otherwise consumed without reimbursement to the furnishing Party, the receiving Party shall return the Equipment and Material to the furnishing Party in as good condition as received, normal wear and tear excepted, or return the Equipment and Material and pay the cost to restore it. If the Equipment and Material is damaged beyond economical repair, the receiving Party shall return the Equipment and Material to the furnishing Party (unless otherwise specified in writing by the furnishing Party) and pay its replacement value as computed pursuant to the furnishing Party's national laws and regulations. If the Equipment and Material is lost while in the custody of the receiving Party, the receiving Party shall issue a certificate of loss to the furnishing Party and pay the replacement value as computed pursuant to the furnishing Party's national laws and regulations. If known at the time of entry into force, the replacement value of the Equipment and Material shall be specified in the PA/E&MTA.

7.3. All Equipment and Material that is transferred shall be used by the receiving Party only for the purposes of carrying out the activities under a PA/E&MTA. In addition, in accordance with Article XII (Third Party Sales and Transfers) Equipment and Material shall not be re-transferred to a Third Party without the prior written consent of the furnishing Party.

7.4. The furnishing Party shall deliver Equipment and Material to the receiving Party at a mutually agreed location. Possession of the Equipment and Material shall pass from the furnishing Party to the receiving Party at the time of receipt of the Equipment and Material. Any further transportation is the responsibility of the receiving Party unless otherwise specified in the appropriate PA/E&MTA.

7.5. Equipment and Material transferred to one Party under a PA/E&MTA shall be returned to the furnishing Party prior to the termination or expiration of that PA/E&MTA.

7.6. Any Equipment and Material which is jointly acquired on behalf of both Parties for use under a PA shall be disposed of during the PA or when the PA ceases, as agreed or directed by the Steering Committee or, if no Steering Committee is established, the POs.

7.7. Disposal of jointly acquired Equipment and Material may include a transfer of the interest of one Party in the Equipment and Material to the other Party, or the sale of such Equipment and Material to a Third Party in accordance with Article XII (Third Party Sales and Transfers). The Parties shall share the consideration from jointly acquired Equipment and Material transferred or sold to a Third Party in the same ratio as Financial Costs and Non-Financial Costs are shared under the appropriate PA or in a manner they determine to be fair at that time.

ARTICLE VIII

DISCLOSURE AND USE OF PROJECT INFORMATION

8.1. General

- 8.1.1. Both Parties recognize that successful collaboration depends on full and prompt exchange of Information necessary for carrying out each PA/E&MTA. The Parties intend to acquire sufficient Information and rights to use such Information to enable collaboration on basic, exploratory, and advanced technologies the maturation of which may lead to the development of technologically superior systems. The nature and amount of Information to be acquired shall be consistent with the objectives stated in Article II (Objectives), Article III (Scope), and Article VI (Contractual Arrangements) of this Agreement and the objectives and scope of PAs/E&MTAs under this Agreement.
- 8.1.2. Transfer of Information shall be consistent with the furnishing Party's applicable export control laws and regulations. Unless otherwise restricted by duly authorized officials of the furnishing Party at the time of transfer to the other Party, all export-controlled Information furnished by that Party to the other Party may be retransferred to the other Party's Contractors, subcontractors, Prospective Contractors, and prospective subcontractors, subject to the requirements of paragraphs 6.8. and 6.9. of Article VI (Contractual Arrangements). Export-controlled Information may be furnished by Contractors, subcontractors, Prospective Contractors, and prospective subcontractors of one Party's nation to Contractors, subcontractors, Prospective Contractors, and prospective subcontractors of the other Party's nation pursuant to this Agreement or a PA/E&MTA under this Agreement subject to the conditions established in licenses or other approvals issued by the government of the former Party in accordance with its applicable export control laws and regulations.
- 8.1.3. For Information exchanged pursuant to paragraphs 3.2. and 3.3. of Article III (Scope of Work), the Party furnishing such Information shall clearly indicate to the receiving Party that, unless and until such exchanged Information is used in a PA, such exchanged Information shall only be used for information and evaluation purposes and shall not be disclosed or transferred to a Third Party. The receiving Party shall not disclose such Information to its Contractors or any other persons, other than its Contractor Support Personnel, without the specific prior written consent of the furnishing Party.

8.2. Government Project Foreground Information

- 8.2.1. Disclosure: Project Foreground Information generated in whole or in part by a Party's military or civilian employees shall be disclosed without charge to both Parties.
- 8.2.2. Use: Each Party may use or have used on its behalf all Government Project Foreground Information without charge for its Defense Purposes. The Party generating Government Project Foreground Information shall retain its rights of use thereto. Any sale or other transfer to a Third Party shall be subject to the provisions of Article XII (Third Party Sales and Transfers) of this Agreement.

8.3. Government Project Background Information

- 8.3.1. Disclosure: Each Party, upon request, shall disclose to the other Party 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 a specific PA. The Party in possession of the Information shall determine whether it is "necessary to" or "useful in" the specific PA;
 - 8.3.1.2. such Government 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 Party.
- 8.3.2. Use: Government Project Background Information disclosed by one Party to the other may be used without charge by the other Party only for the Project purposes of the particular PA for which it is necessary or useful. The furnishing Party shall retain its rights with respect to such Government Project Background Information.

8.4. Contractor Project Foreground Information

- 8.4.1. Disclosure: Project Foreground Information generated and delivered by Contractors shall be disclosed without charge to both Parties.
- 8.4.2. Use: Each Party may use or have used on its behalf without charge for its Defense Purposes all Contractor Project Foreground Information generated and delivered by Contractors of the other Party. The Party whose Contractors

generate and deliver Contractor Project Foreground Information shall 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, shall be subject to the provisions of Article XII (Third Party Sales and Transfers) of this Agreement.

8.5. Contractor Project Background Information

- 8.5.1. Disclosure: Any Contractor Project Background Information, (including Information subject to proprietary rights) generated and delivered by Contractors shall be made available to the other Party provided the following conditions are met:
- 8.5.1.1. such Contractor Project Background Information is necessary to or useful in a specific PA. The Party in possession of the Information shall determine whether it is "necessary to" or "useful in" the specific PA;
 - 8.5.1.2. such Contractor 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 Party.
- 8.5.2. Use: Contractor Project Background Information furnished by one Party's Contractors and disclosed to the other Party may be used without charge by the other Party only for the Project purposes of the particular PA for which it is necessary or useful, and it may also be subject to further restrictions by holders of proprietary rights. The furnishing Party shall retain its rights with respect to such Contractor Project Background Information.

8.6. Alternative Uses of Project Information

- 8.6.1. The prior written consent of each Party's government shall be required for the use of any Project Foreground Information for purposes other than those provided for in this Agreement or any PA under it.
- 8.6.2. Any Project Background Information provided by one Party shall be used by the other Party only for the purposes set forth in this Agreement or any PA under this Agreement, unless otherwise consented to in writing by the furnishing Party's government.

8.7. Proprietary Information

- 8.7.1. All unclassified Information subject to proprietary interests shall be identified and marked, and it shall be handled in accordance with Article IX (Controlled Unclassified Information). All Classified Information subject to proprietary rights shall be so identified and marked.
- 8.7.2. The provisions of the Agreement between the Government of the United States of America and the Government of France to Facilitate Interchange of Patent Rights and Technical Information for Defense Purposes, which was signed in Paris on March 12, 1957, shall apply to proprietary Information related to this Agreement and its PAs/E&MTAs.

8.8. Patents

- 8.8.1. Where a Party owns title to a Project Invention, or has the right to receive title to a Project Invention, that Party shall consult with the other Party regarding the filing of a Patent application for such Project Invention. The Party which has or receives title to such Project Invention shall, in other countries, file, cause to be filed, or provide the other Party with the opportunity to file on behalf of the Party holding title, or its Contractors, as appropriate, Patent applications covering that Project Invention. If a Party having filed or caused to be filed a Patent application decides to stop prosecution of the application, that Party shall notify the other Party of that decision and permit the other Party to continue the prosecution.
- 8.8.2. The other Party shall be furnished with copies of Patent applications filed and Patents granted with regard to Project Inventions.
- 8.8.3. The other Party shall acquire a non-exclusive, irrevocable, royalty-free license to practice or have practiced, by or on behalf of the Party, throughout the world for Defense Purposes, any Project Invention.
- 8.8.4. Patent Applications that contain Classified Information to be filed under this Agreement or any PA under it shall be protected and safeguarded in accordance with the requirements contained in the Agreement Approving the Procedures for Reciprocal Filing of Classified Patent Applications in the United States of America and France, of July 10, 1959, and its Implementing Procedures.
- 8.8.5. Each Party shall notify the other Party of any Patent infringement claims made in its territory arising in the course of work performed under any PA of this Agreement. Insofar as possible, the other Party shall provide Information available to it that may assist in defending the claim. Each Party shall be responsible for handling all Patent infringement claims made in its territory, and

shall consult with the other Party during the handling, and prior to any settlement, of such claims. The Parties shall 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 an alternative resolution. The Parties shall, in accordance with their respective national laws and practices, give their authorization and consent for all use and manufacture in the course of work performed under the project of any invention covered by a Patent issued by their respective countries.

ARTICLE IX

CONTROLLED UNCLASSIFIED INFORMATION

9.1. Except as otherwise provided in this Agreement or as authorized in writing by the originating Party, Controlled Unclassified Information provided or generated pursuant to this Agreement and any of its PAs/E&MTAs shall be controlled as follows:

- 9.1.1. Such Information shall be used only for the purposes authorized for use Information as specified in Article VIII (Disclosure and Use of Project Information).
- 9.1.2. Access to such Information shall be limited to personnel whose access is necessary for the permitted use under paragraph 9.1.1., and shall be subject to the provisions of Article XII (Third Party Sales and Transfers).
- 9.1.3. Each Party shall 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 paragraph 9.1.2., unless the originating Party 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 shall be given to the originating Party.

9.2. To assist in providing the appropriate controls, the originating Party shall ensure that Controlled Unclassified Information is appropriately marked to ensure its "in confidence" nature. The Parties' export-controlled Information shall be marked in accordance with the applicable Party's export control markings as documented in the Project Security Instruction. The Parties shall 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 Project Security Instruction.

9.3. Controlled Unclassified Information provided or generated pursuant to this Agreement and any of its PAs/E&MTAs shall 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 Parties shall ensure that the Contractors are legally bound to control such Information in accordance with the provisions of this Article.

ARTICLE X

VISITS TO ESTABLISHMENTS

10.1. Each Party shall permit visits to its government establishments, agencies and laboratories, and Contractor industrial facilities by employees of the other Party or by employees of the other Party's Contractor(s), provided that the visit is authorized by both Parties and the employees have any necessary and appropriate security clearances and a need to know.

10.2. All visiting personnel shall be required to comply with security regulations of the host Party. Any Information disclosed or made available to visitors shall be treated as if supplied to the Party sponsoring the visiting personnel, and shall be subject to the provisions of this Agreement.

10.3. Requests for visits by personnel of one Party to a facility of the other Party shall be coordinated through official channels, and shall conform to the established visit procedures of the host country. Requests for visits shall bear the name of this Agreement and the appropriate PA/E&MTA.

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

ARTICLE XI

SECURITY

11.1. All Classified Information provided or generated pursuant to this Agreement and any of its PAs/E&MTAs shall be stored, handled, transmitted, and safeguarded in accordance with the General Security of Information Agreement between the Government of the United States of America and Government of the Republic of France of September 7, 1977, and the Industrial Security Procedures between the Secretary of Defense of the United States and the French Minister of Defense of May 21, 1985.

11.2. Classified Information shall be transferred only through official government-to-government channels or through channels approved by the Designated Security Authorities (DSAs) of the Parties. Such Information shall bear the level of classification, denote the country of origin, the conditions of release, and the fact that the Information relates to this Agreement and the applicable PA/E&MTA.

11.3. Each Party shall take all lawful steps available to it to ensure that Information provided or generated pursuant to this Agreement and any of its PAs/E&MTAs is protected from further disclosure, except as permitted by paragraph 11.4., unless the other Party consents to such disclosure. Accordingly, each Party shall ensure that:

- 11.3.1. The recipient shall 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 Party in accordance with the procedures set forth in Article XII (Third Party Sales and Transfers).
- 11.3.2. The recipient shall not use the Classified Information for other than the purposes provided for in this Agreement and any of its PAs/E&MTAs.
- 11.3.3. The recipient shall comply with any distribution and access restrictions on Information that is provided under this Agreement and PAs/E&MTAs under this Agreement.

11.4. The Parties shall investigate all cases in which it is known or where there are grounds for suspecting that Classified Information provided or generated pursuant to this Agreement has been lost or disclosed to unauthorized persons or other entities. Each Party also shall promptly and fully inform the other Party 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 Designated Security Authority (DSA) of a Party that awards a classified Contract under this Agreement shall 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 subcontractor of any Classified Information provided or generated under this Agreement, the recipient Party shall:

- 11.5.1. Ensure that such Contractor, Prospective Contractor, or subcontractor and its facility(ies) has the capability to protect the Classified 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 the Classified Information, if appropriate.
- 11.5.4. Ensure that all persons having access to the Information are informed of their responsibilities to protect the Information in accordance with national security laws and regulations, and the provisions of this Agreement.
- 11.5.5. Carry out periodic security inspections of cleared facilities to ensure that the Classified Information is properly protected.
- 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 Project.

11.6. Information up to the level of SECRET may be exchanged under this Agreement in accordance with paragraphs 3.2. and 3.3. of Article III (Scope of Work) of this Agreement. When a PA/E&MTA contains provisions for the exchange of Classified Information or Equipment and Material, the POs shall prepare a Project Security Instruction and a Classification Guide for the PA/E&MTA. The Project Security Instruction and the Classification Guide shall describe the methods by which Information and material shall be classified, marked, used, transmitted, and safeguarded, and shall require that markings for all export-controlled Classified Information also include the applicable export control markings identified in the Project Security Instruction in accordance with paragraph 9.2. of Article IX (Controlled Unclassified Information) of this Agreement. The Project Security Instruction and Classification Guide shall be developed by the POs within three months after the PA/E&MTA enters into force. The Project Security Instruction and the Classification Guide shall be reviewed and forwarded to the appropriate DSA and shall be applicable to all government and Contractor personnel participating in the Project. The Classification Guide shall 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 shall be approved by the appropriate DSA prior to the transfer of any Classified Information, Equipment and Material, 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 or Equipment and Material provided or generated pursuant to this Agreement and any of its PAs/E&MTAs only when enforceable measures are in effect to ensure that nationals or other entities of a Third Party shall not have access to Classified Information or Equipment and Material.

If enforceable measures are not in effect to preclude access by nationals or other entities of a Third Party, the other Party shall be consulted for approval prior to permitting such access.

11.8. For any facility wherein Classified Information or Equipment and Material is to be used, the responsible Party or Contractor shall approve the appointment of a person or persons to exercise effectively the responsibilities for safeguarding at such facility the Information pertaining to this Agreement and any of its PAs/E&MTAs. These officials shall be responsible for limiting access to Classified Information or Equipment and Material involved in this Agreement and any of its PAs/E&MTAs to those persons who have been properly approved for access and have a need to know.

11.9. Each Party shall ensure that access to the Classified Information or Equipment and Material is limited to those persons who possess requisite security clearances and have a specific need for access to the Information in order to participate in this Agreement or any of its PAs/E&MTAs.

11.10. Information or Equipment and Material provided or generated pursuant to this Agreement or a PA/E&MTA under this Agreement may be classified as high as SECRET. The existence of this Agreement is UNCLASSIFIED and the contents are UNCLASSIFIED. The classification of the existence of any PA/E&MTA and its contents shall be stated in that PA/E&MTA.

ARTICLE XII

THIRD PARTY SALES AND TRANSFERS

12.1. Except to the extent permitted in paragraph 12.2., the Parties shall 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 Equipment and Material to any Third Party without the prior written consent of the other Party's government. Furthermore, neither Party shall permit any such sale, disclosure, or transfer, including by the owner of the item, without the prior written consent of the other Party's government. Such consent shall not be given unless the government of the intended recipient agrees in writing with the Parties that it shall:

- 12.1.1. not retransfer, or permit the further retransfer of, any Equipment and Material or Information provided; and
- 12.1.2. use, or permit the use of, the Equipment and Material or Information provided only for the purposes specified by the Parties.

12.2. Each Party shall retain the right to sell, transfer title to, disclose, or transfer possession of Project Foreground Information:

- 12.2.1. generated solely by either Party or that Party's Contractors in the performance of that Party's work allocation under a PA or Article III (Scope of Work); and
- 12.2.2. which does not include any Project Foreground Information or Project Background Information of the other Party and whose generation, test, or evaluation has not relied on the use of Equipment and Material of the other Party.

12.3. 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 Party intends to sell, transfer title to, disclose, or transfer possession of to a Third Party is within the scope of paragraph 12.2., the matter shall be brought to the immediate attention of the other Party's PO. The Parties shall 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 Party shall not sell, transfer title to, disclose, or transfer possession of Equipment and Material or Project Background Information provided by the other Party to any Third Party without the prior written consent of the Party's government that provided such Equipment and Material or Information. The furnishing Party shall be solely responsible for authorizing such transfers and, as applicable, specifying the method and conditions for implementing such transfers.

ARTICLE XIII

LIABILITY AND CLAIMS

13.1. With the exception of claims for loss of or damage to Equipment and Material under Article VII (Equipment and Material) of this Agreement, claims against either Party or its personnel shall be dealt with in accordance with Article VIII of the Agreement between the Parties to the North Atlantic Treaty Regarding the Status of their Forces, signed in London on June 19, 1951 (NATO SOFA). Employees and agents of Contractors shall not be considered to be civilian personnel employed by a Party.

13.2. When NATO SOFA is not applicable, the following provisions shall apply:

13.2.1. Each Party waives all claims against the other Party with respect to injury to or death of its military or civilian personnel and for damage to or loss of its property (including jointly acquired property) caused by such personnel (which do not include Contractors) of the other Party. If however, such injury, death, damage, or loss results from reckless acts or reckless omissions, willful misconduct, or gross negligence of a Party's personnel, the costs of any liability shall be borne by that Party alone, in accordance with its national laws and regulations. The Parties shall, however, mutually determine if such injury, death, damage, or loss resulted from reckless acts or reckless omissions, willful misconduct, or gross negligence of a Party.

13.2.2. Claims from any other persons for injury, death, damage, or loss of any kind caused by one of the Parties' personnel shall be processed by the most appropriate Party, as mutually determined by the Parties. The cost incurred in satisfying such claims shall be borne by the Parties in accordance with the cost sharing in the appropriate PA. If, however, such liability results from reckless acts or omissions, willful misconduct, or gross negligence of a Party's personnel, the costs of any liability shall be borne by that Party alone, in accordance with its national laws and regulations. The Parties shall, however, mutually determine if such injury, death, damage, or loss resulted from reckless acts or reckless omissions, willful misconduct, or gross negligence of a Party's personnel. The Parties shall not indemnify Contractors against liability claims by other persons.

13.3. Claims arising under or related to any Contract awarded pursuant to this Agreement shall be dealt with in accordance with the provisions of the Contract.

13.4. If a person or entity, other than the Party's military or civilian personnel, damages Project Equipment jointly acquired by the Parties, and the cost of making good such damage is not recoverable from such person or entity, such cost shall be borne by the Parties in the same ratios as their financial and non-financial contributions specified in this Agreement or the applicable PA.

ARTICLE XIV

CUSTOMS DUTIES, TAXES, AND SIMILAR CHARGES

14.1. Customs duties, import and export taxes, and similar charges shall be administered in accordance with each Party's respective laws and regulations. Insofar as existing national laws and regulations permit, the Parties shall 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 each PA/E&MTA under this Agreement.

14.2. Each Party shall use its best efforts to ensure that customs duties, import and export taxes, and similar charges are 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 Party in whose country they are levied shall bear such costs.

14.3. If it is necessary to levy duties in order to comply with European Union (EU) laws, regulations, or policies, then these duties shall be met by the EU member. To this end, parts or components of the equipment coming from outside the EU proceed to their final destination accompanied by the relevant customs document enabling settlement of duties to take place. The duties shall be levied as a cost over and above the EU member Party's shared cost of the PA.

ARTICLE XV

SETTLEMENT OF DISPUTES

15.1. Disputes between the Parties arising under or relating to this Agreement and any of its PAs/E&MTAs shall be resolved only by consultation between the Parties and shall not be referred to a national court, an international tribunal, or to any other person or entity for settlement.

ARTICLE XVI

LANGUAGE

16.1. The working language for this Agreement and its PAs/E&MTAs shall be the language of the Party in which the work is performed; working discussions may be conducted in either the English or French language.

16.2. Official decision sheets, meeting records, and official reports issued in the performance of a PA/E&MTA by SCs and POs shall be issued in the English and French languages.

16.3. Contracts shall be drawn up in the language of the Party awarding the Contract.

ARTICLE XVII

AMENDMENT, TERMINATION, ENTRY INTO FORCE, AND DURATION

17.1. All activities of the Parties under this Agreement and any PAs/E&MTAs under this Agreement shall be carried out in accordance with their respective national laws and regulations, including their respective export control laws and regulations. The obligations of the Parties shall be subject to the availability of funds for such purposes.

17.2. In the event of a conflict between an Article of this Agreement and any Annex to this Agreement, the Article shall control.

17.3. In the event of a conflict between the terms of this Agreement and any PA/E&MTA agreed to under its auspices, the Agreement shall govern.

17.4. This Agreement and its PAs may be amended by the mutual written consent of the Parties. Annexes to the PAs may be amended by the SC or, if there is no SC, the POs, except for Appendix (1) to Annex A (Assignment of Cooperative Project Personnel) to the Model Project Agreement which may be changed or amended only by the Parties.

17.5. This Agreement and its PAs may be terminated at any time by the written consent of the Parties. In the event both Parties consent to terminate this Agreement, or decide to terminate any PA, the Parties shall consult prior to the date of termination to ensure termination on the most economical and equitable terms.

17.6. Either Party may terminate this Agreement or any of its PAs upon 90 days written notice of its intent to terminate to the other Party. Such notice shall be the subject of immediate consultation by the ADs to decide upon the appropriate course of action to conclude the activities under this Agreement and the subject of immediate consultation by the MAs to discuss how to conclude any terminated PAs. In the event of such termination, the following rules apply:

17.6.1. The terminating Party shall continue participation, financial or otherwise, in all PAs/E&MTAs subject to the notice of termination, up to the effective date of termination.

17.6.2. Except as to Contracts awarded on behalf of both Parties, each Party shall be responsible for its own Project-related costs associated with termination of the Project. For Contracts awarded on behalf of both Parties, the terminating Party shall pay all Contract modification and termination costs that would not otherwise have been incurred but for the decision to terminate. However, in no event shall a terminating Party's total financial contribution, including contract termination costs, exceed that Party's total financial contribution for the PA being terminated.

- 17.6.3. All Information and rights therein received under the provisions of this Agreement or PAs prior to termination of the Agreement or its PAs shall be retained by the Parties, subject to the provisions of this Agreement and its PAs.
- 17.6.4. If requested by the other Party, the terminating Party may continue to administer the Project Contract(s) which it awarded on behalf of the other Party on a reimbursable basis.
- 17.6.5. Specific PA termination provisions consistent with this article may be established in the PA.

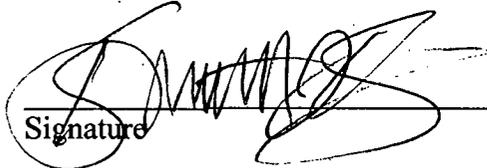
17.7. The respective rights and obligations of the Parties regarding Article VII (Equipment and Material), Article VIII (Disclosure and Use of Project Information), Article IX (Controlled Unclassified Information), Article XI (Security), Article XII (Third Party Sales and Transfers), Article XIII (Liability and Claims) and this Article XVII (Amendment, Termination Entry Into Force, and Duration) shall continue notwithstanding termination or expiration of this Agreement and any of its PAs/E&MTAs.

17.8. This Agreement, which consists of seventeen (17) Articles and three Annexes, shall enter into force upon signature by both Parties and shall remain in force for 15 years unless terminated by either Party. It may be extended by written agreement of the Parties. All PAs/E&MTAs shall terminate upon the termination or expiration of this Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorized representatives of the Parties, have signed this Agreement.

DONE, in duplicate, in the English and French languages, both texts being equally authentic.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA


Signature

Mr. Kenneth J. Krieg
Name

Under Secretary of Defense
(Acquisition, Technology & Logistics)
Title

19 MARCH 2007
Date

Washington, DC
Location

FOR THE MINISTER OF DEFENSE OF
THE FRENCH REPUBLIC


Signature

François LUREAU
Name

Délégué général
Title

30 MARS 2007
Date

PARIS
Location

ANNEX A

MODEL PROJECT AGREEMENT

TO THE

AGREEMENT BETWEEN THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA AND THE MINISTER OF DEFENSE OF THE FRENCH REPUBLIC FOR RESEARCH, DEVELOPMENT, TESTING, AND EVALUATION PROJECTS

(DATE)

PROJECT AGREEMENT NO. _____ *

BETWEEN

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

AND

THE MINISTER OF DEFENSE OF THE FRENCH REPUBLIC

CONCERNING

(FULL DESIGNATION OF THE PROJECT)

* **The Project Agreement Numbers shall be structured as follows:**

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

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(At a minimum, a PA should include the above Articles. If additional topics need to be addressed, articles, annexes, or special provisions should be included as necessary and appropriate.)

ARTICLE I

PREAMBLE

This Project Agreement is entered into pursuant to the Agreement between the Department of Defense of the United States of America (U.S. DoD) and the Minister of Defense of the French Republic (French MoD) concerning Research, Development, Testing, and Evaluation Projects (date).

ARTICLE II

DEFINITION OF TERMS AND ABBREVIATIONS

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

ARTICLE III

OBJECTIVES

The objectives of this _____ PA are:

- a. the development of _____
_____.
- b. the improvement of _____
_____.

ARTICLE IV

SCOPE OF WORK

The following work shall be undertaken under this PA.

- a. Develop _____
_____.
- b. Evaluate _____
_____.
- c. Design, fabricate and test _____

ARTICLE V

SHARING OF TASKS

The sharing of tasks shall be as follows:

- a. The U.S. DoD shall _____
_____.
- b. The French MoD shall _____
_____.
- c. U.S. DoD and French MoD shall jointly _____
_____.

ARTICLE VI

BREAKDOWN AND SCHEDULE OF TASKS
(OPTIONAL)

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

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

<u>Phase 1</u>	<u>Start</u>	<u>End</u>
Description of Phase 1	MM/DD/YY	MM/DD/YY

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

<u>Phase 2</u>	<u>Start</u>	<u>End</u>
Description of Phase 2	MM/DD/YY	MM/DD/YY

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

<u>Phase 3</u>	<u>Start</u>	<u>End</u>
Description of Phase 3	MM/DD/YY	MM/DD/YY

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

(Add as many phases as necessary.)

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

ARTICLE VII

MANAGEMENT

(If a PA does not require a Steering Committee, use the following format to set forth how the PA shall be managed.)

Alternative 1

1. This PA shall be directed and administered on behalf of the Parties by one Project Officer (PO) from each Party. The POs are:

U.S. PO	Title/Position	_____
	Organization	_____
	Address	_____ _____ _____
French PO	Title/Position	_____
	Organization	_____
	Address	_____ _____ _____

2. Project Offices shall be established in _____ (**name of U.S. location**) and in _____ (**name of French location**). The POs are responsible for management of those tasks listed as national responsibilities in Article V (Sharing of Tasks) in this PA.

3. Particular Management Procedures:

(Mention only those additional management responsibilities not covered under Article IV of the Agreement.)

(If a Project requires the establishment of a Steering Committee, use the following format to set forth how the Project shall be managed.)

Alternative 2

1. This PA shall be directed and administered on behalf of the Parties by an organization consisting of a Steering Committee (SC) and one Project Officer (PO) from each Party. The SC members are:

U.S. Co-Chairman Title/Position _____
Organization _____
Address _____

French Co-Chairman Title/Position _____
Organization _____
Address _____

2. The POs are:

U.S. PO Title/Position _____
Organization _____
Address _____

French PO	Title/Position _____
	Organization _____
	Address _____

3. Particular Management Procedures:

(Mention only those additional management responsibilities not covered under Article IV of the Agreement. For instance, if a PA shall be administered by one joint program office staffed by members from each Party, add the following paragraph:

4.X. Either Party may assign personnel to the JPO to assist in administering a PA. The host Party shall provide office space and administrative support to personnel of the other Party in accordance with the host Party's normal practice. A Party's assigned personnel shall be subject to the normal procedures and regulations of the host Party. Provisions for the personnel provided are described in Appendix (1) of this PA.)

ARTICLE VIII

FINANCIAL ARRANGEMENTS

The Parties estimate that the cost of performance of the tasks under this PA shall not exceed ____ U.S.\$/____ Euros.

Cooperative efforts of the Parties over and above the jointly agreed tasks set forth in the Scope of Work (Article IV), Sharing of Tasks (Article V), and Financial Arrangements (Article VIII) of this PA shall be subject to amendment to this PA or signature of a new PA.

(If a PA shall involve the assignment of CPP, the PA shall include a provision that refers to paragraphs 5.6. - 5.8. of the Agreement, identifies which Party is sending or hosting CPP, and specifies the number of CPP to be assigned. In addition, the PA shall include the amount of financial and non-financial contributions related to CPP in one of the two alternatives below in this Article.)

(If a PA shall not involve one Party contracting for the other or both Parties, and no funds shall be exchanged between the Parties, use the following format for the

Financial Arrangements. Both financial and non-financial contributions should be included in the total U.S. DoD and French MoD costs.)

Alternative 1

The U.S. DoD tasks shall not cost more than: _____ U.S. \$.

The French MoD tasks shall not cost more than: _____ Euros.

Or:

(If a PA shall involve one Party contracting for the other Party or both Parties, or the Parties shall transfer or exchange funds between them, use the following format for the Financial Arrangements.)

Alternative 2

(Cost of performance includes Financial and Non – financial Costs.)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
FR						
U.S.						

(Using the above table and whatever description is necessary, explain and demonstrate how the PA shall be funded. Identify both financial (funds) and non-financial (range time, use of Equipment and Material, etc.) contributions and identify the amount of funds to be transferred between the Parties.)

(The Financial Management Procedures Document (FMPD) should be developed by the POs and submitted to the SC (if appropriate) for approval. The FMPD should include as a minimum schedule, handling, funding levels by year, and auditing procedures for monetary contributions anticipated for this PA.)

ARTICLE IX

CLASSIFICATION

The existence of the PA and its contents are unclassified.

Only one of the three following possibilities must be selected:

- a. **No Classified Information shall be exchanged under this PA;**
- b. **The highest level of Classified Information exchanged under this PA is: Confidential; or**
- c. **The highest level of Classified Information exchanged under this PA is: Secret.**

ARTICLE X

PRINCIPAL ORGANIZATIONS INVOLVED

(List government laboratories, research centers, and other organizations for both the U.S. and France.)

ARTICLE XI

EQUIPMENT AND MATERIAL

NOTES:

1. In the event that the collaborative efforts under the PA require the provision of Equipment and Material to either Party, then a list of such Equipment and Material must be developed in accordance with the following table.

Furnishing Party	Receiving Party	QTY	Description	Part/ Stock #	Consumables\ Non-Consumables	Approx Value

2. If jointly acquired Equipment and Material is an aspect of the collaborative efforts under the PA, then terms and conditions for the disposal of such jointly acquired Equipment and Material must be included in the PA.

3. If Equipment and Material is to be loaned for the purposes of conducting research, development, test, or evaluation, the receiving Party shall supply the furnishing Party with a copy of the resulting test report or research results within an agreed to period of time following completion of the research, development, test, or evaluation. Procedural details pertaining to the transfer of loaned Equipment and Material (transfer of custody, delivery responsibilities, inventory and inspection responsibilities, return/consumption provisions,

procedures and responsibilities in the event Equipment and Material is lost, damaged, or destroyed, and provision of any Information necessary for the use or maintenance of the Equipment and Material, supplies or equipment) must be included in this Article.

ARTICLE XII

SPECIAL PROVISIONS

(Identify any procedures, specifications, or other necessary attributes of the Project not delineated in other Articles).

ARTICLE XII

ENTRY INTO FORCE, DURATION AND TERMINATION

This _____ PA, a Project under the Agreement between the Department of Defense of the United States of America and the Minister of Defense of the French Republic for Research, Development, Testing, and Evaluation Projects (date) shall enter into force upon signature by the Parties, and shall remain in force for _____ years unless terminated by either Party. It may be extended by written agreement of the Parties.

DONE, in duplicate, in the English and French languages, both texts being equally authentic.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA

FOR THE MINISTER OF DEFENSE OF
THE FRENCH REPUBLIC

Signature

Signature

Name

Name

Title

Title

Date

Date

Location

Location

APPENDIX (1)

ASSIGNMENT OF (INSERT NAME OF PROJECT) COOPERATIVE PROJECT PERSONNEL

1.0. Purpose and Scope.

- 1.1. This appendix to the Project Agreement (PA) establishes the provisions that shall govern the conduct of the French MoD or U.S. DoD Cooperative Project Personnel (CPP). During the term of the PA, each Party shall be permitted to assign military members or civilian employees of its French MoD/U.S. DoD to the Joint Project Office (JPO), or to French MoD or U.S. DoD field activities in accordance with this Appendix. CPP shall be able to perform all the responsibilities for the positions assigned to them under this PA. Commencement of assignments shall be subject to any requirements that may be imposed by the other Party or its government regarding acceptance of PA CPP, such as, but not limited to, visas and visit request documentation. The U.S. DoD and French MoD SC representatives or in the event no SC is established, the POs, shall determine the length of tour for the positions at the time of initial assignment.
- 1.2. CPP shall be assigned to the JPO or to U.S. DoD or French MoD field activities for Project work (including work at U.S. or French Contractor facilities) and shall report to their designated supervisor within those organizations regarding that work. The designated supervisor shall be responsible for the creation of a document describing the duties of each CPP position, which shall be subject to approval by the SC or, in the event no SC is established, the POs. CPP shall not act as liaison officers for their parent organizations or governments. However, such personnel may act from time to time on behalf of their SC representative (or PO as applicable), if the latter so authorizes in writing.
- 1.3. CPP shall 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 government.

2.0. Security.

- 2.1. The U.S. DoD and French MoD SC representatives (or POs as applicable) shall establish the maximum level of security clearance required, if any, to permit CPP to have access to Classified Information and facilities in which Classified Information is used in accordance with the Project Security Instruction (PSI) and Classification Guide (CG). Access to Classified Information and facilities in

which Classified Information is used shall be consistent with, and limited by, Article III (Objectives) and Article IV (Scope of Work) of this PA and the corresponding provisions of this Appendix, and shall be kept to the minimum required to accomplish the work assignments.

- 2.2. The parent Party shall file visit requests for the CPP through prescribed channels in compliance with the host Party's procedures. The Parties shall cause security assurances to be filed, through their respective embassies, specifying the security clearances for the CPP being assigned. The security assurances shall be prepared and forwarded through prescribed channels in compliance with established procedures.
- 2.3. The Parties shall ensure that both French MoD and U.S. DoD personnel assigned to the JPO or field activities are made aware of, and required to comply with, applicable laws and regulations as well as the requirements of Article VIII (Disclosure and Use of Project Information), Article IX (Controlled Unclassified Information), and Article XI (Security) of the Agreement, and the corresponding provisions of this Appendix, and the PSI and CG. Prior to commencing assigned duties, CPP shall, if required by the host Party's laws, regulations, policies, or procedures, sign a certification concerning the conditions and responsibilities of CPP.
- 2.4. CPP shall at all times be required to comply with the security and export-control laws, regulations, and procedures of the host Party's government, as briefed in accordance with paragraph 3.2 of this appendix. Any violation of security or export-control procedures by CPP during their assignment shall be reported to their parent organization and government for appropriate action. Cooperative Project Personnel committing willful violations of security or export laws, regulations, or procedures during their assignments shall be withdrawn from the Project with a view toward appropriate administrative or disciplinary action by their parent organization and government.
- 2.5. All Classified Information made available to Cooperative Project Personnel shall be considered as Classified Information furnished to the French MoD or U.S. DoD and shall be subject to all of the provisions and safeguards provided for in this PA, this Appendix, the Agreement, the PSI and the CG.
- 2.6. CPP shall not have personal custody of Classified Information or Controlled Unclassified Information, unless approved by the Project Office and as authorized by the parent organization. They shall be granted access to such Information in accordance with the provisions of the PSI during normal duty hours when access is necessary to perform Project work. They may not have

unsupervised access to classified libraries or operating centers, or to document catalogues, unless the Information therein is releasable to the public.

- 2.7. CPP shall not serve as a conduit between the U.S. DoD and the French MoD for requests for and/or transmission of Classified Information or Controlled Unclassified Information unless specifically authorized by the PSI.

3.0. Administrative Matters.

- 3.1. Consistent with the host Party's government's laws and regulations, and subject to applicable multilateral and bilateral treaties, agreements and arrangements, CPP shall be subject to the same restrictions, conditions, and privileges as host Party personnel of comparable rank and in comparable assignments. Further, to the extent authorized by the host Party's government's laws and regulations, CPP and their authorized dependents shall be accorded:

3.1.1. Exemption from any host Party government tax upon income received from their parent organization or government.

3.1.2. Exemption from any host Party 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.

- 3.2. Upon or shortly after arrival, CPP shall be informed by the PO or host Party field activities about applicable laws, orders, regulations, and customs and the need to comply with them. CPP shall also be provided briefings arranged by the PO or host Party field activities regarding applicable entitlements, privileges, and obligations such as:

3.2.1. Any medical or dental care that may be provided to CPP and their dependents at the host Party's medical facilities, subject to applicable laws and regulations, including reimbursement when required by such laws and regulations.

3.2.2. Purchasing and patronage privileges at military commissaries, exchanges, theaters, and clubs for CPP and their dependents, subject to applicable laws and regulations.

3.2.3. Responsibility of CPP and those dependents accompanying them to obtain motor vehicle liability insurance coverage in accordance with laws and regulations applicable in the area where they are residing.

In case of claims involving the use of private motor vehicles by CPP and their dependents, the recourse shall be against such insurance.

- 3.3. The POs, through the JPO and host Party field activities, shall 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 or civilian personnel regulations and practices of both Parties.
 - 3.3.3. Dress regulations, consistent to the extent possible with the military or civilian personnel regulations and practices of both Parties.
 - 3.3.4. Performance evaluations, recognizing that such evaluations must be rendered in accordance with the furnishing Party's military or civilian personnel regulations and practices.
- 3.4. CPP committing an offense under the laws of the government of either Party may be withdrawn from this Project with a view toward further administrative or disciplinary action by the providing Party. Disciplinary action, however, shall not be taken by the host Party against CPP from the furnishing Party, nor shall CPP from the furnishing Party exercise disciplinary authority over host Party personnel. In accordance with the host Party's laws, regulations, and procedures, the host Party shall assist the furnishing Party in carrying out investigations of offenses involving CPP.

ANNEX B

MODEL EQUIPMENT AND MATERIAL TRANSFER AGREEMENT (E&MTA)

TO THE

AGREEMENT BETWEEN THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF

AMERICA AND THE MINISTER OF DEFENSE OF THE FRENCH REPUBLIC FOR

RESEARCH, DEVELOPMENT, TESTING, AND EVALUATION

PROJECTS

(DATE)

EQUIPMENT AND MATERIAL TRANSFER AGREEMENT NUMBER _____*

BETWEEN

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

AND

THE MINISTER OF DEFENSE OF THE FRENCH REPUBLIC

FOR THE

(DATE)

* The U.S. DoD shall assign the Equipment and Material Transfer Agreement number.

INTRODUCTION

This Equipment and Material Transfer Agreement (E&MTA) is entered into pursuant to the Agreement Between the Department of Defense of the United States of America and the Minister of Defense of the French Republic for Research, Development, Testing, and Evaluation Projects (date) (Agreement).

ARTICLE I

DESCRIPTION AND QUANTITY

1.1 The following Equipment and Material shall be transferred by the furnishing Party to the receiving Party:

Furnishing Party	Receiving Party	QTY	Description	Part/ Stock #	Consumables/ Non-Consumables	Return Date	Estimated Replacement Value *
------------------	-----------------	-----	-------------	---------------	------------------------------	-------------	-------------------------------

(Fill in as appropriate)

* Estimated Replacement Value is a good faith estimate of the replacement value at the time of the E&MTA. Should a loss occur, the actual replacement value shall be determined by the furnishing Party in consultation with the receiving Party.

1.2 *(Choose one of the following alternatives, or use both if both situations apply.)*

Alternative A – Use when return of Equipment and Material is planned.

None of the Equipment and Material identified in paragraph 1.1 is intended to be consumed or expended during the course of the E&MTA activities described in paragraph 2.1.1.

Alternative B – Use when return of Equipment and Material is not planned due to its consumption during the activity.

The Equipment and Material (specify as appropriate by highlighting in paragraph 1.1) described in paragraph 1.1 is intended to be consumed or expended during the course of the E&MTA activities described in paragraph 2.1.1.

ARTICLE II

PURPOSE

2.1 The purpose of this Equipment and Material Transfer Agreement is to support the following activities.

2.1.1 (Fill in as appropriate)

ARTICLE III

MANAGEMENT AND RESPONSIBILITIES

3.1 Each Party shall establish a point of contact that shall be responsible for implementing this E&MTA.

3.1.1 For the furnishing Party the point of contact is *

3.1.2 For the receiving Party the point of contact is *

** Insert the appropriate names, title/office symbols, addresses, and telephone numbers of the individuals assigned to implement the E&MTA.*

3.2 Responsibilities of the furnishing Party:

3.2.1 Transfer of the Equipment and Material: The furnishing Party shall transfer the Equipment and Material listed above for the duration of the transfer period specified in paragraph 6.4 unless extended by mutual written consent.

3.2.2 Equipment and Material Delivery: The furnishing Party shall deliver the Equipment and Material (*specify arrangements*). Responsibility for the Equipment and Material shall pass from the furnishing Party to the receiving Party at the time of receipt of the Equipment and Material. Any further transportation is the responsibility of the receiving Party unless otherwise specified in this paragraph.

3.2.3 Information: The furnishing Party shall furnish the receiving Party such Information as is necessary to enable the Equipment and Material to be used in E&MTA activities described in paragraph 2.1.1 in accordance with Section VIII (Disclosure and Use of Information) of the Agreement.

3.3 Responsibilities of the receiving Party

3.3.1 Inspection and Inventory: The receiving Party shall inspect and inventory the Equipment and Material upon receipt. The receiving Party shall also inspect and inventory the Equipment and Material prior to its return to the furnishing Party, unless the Equipment and Material is consumed.

3.3.2 A final report shall be provided to the furnishing Party prior to the expiration of this E&MTA.

Alternative A – Use when return of Equipment and Material is planned.

Return of Equipment and Material: Upon expiration or termination of the transfer period specified in paragraph 6.4 (taking into account any approved extensions by the furnishing Party), the receiving Party shall return the Equipment and Material to the furnishing Party (**specify arrangements**). If the Equipment and Material is lost, unintentionally destroyed, or damaged beyond economical repair while in the custody of the receiving Party, the receiving Party shall issue a certificate of loss/destruction/irreparable damage to the furnishing Party.

Alternative B – Use when return of Equipment and Material is not planned due to its consumption during the activity.

Consumption of Equipment and Material: It is intended that the receiving Party shall consume the Equipment and Material specified in paragraph 1.1 during the course of the E&MTA activities described in paragraph 2.1.1. If this does occur, the receiving Party shall provide written notice of its consumption to the furnishing Party. In the event consumption does not occur prior to the end of the transfer period specified in paragraph 6.4, the receiving Party shall return the Equipment and Material to the furnishing Party (**specify arrangements**). If the Equipment and Material is lost, unintentionally destroyed, or damaged beyond repair prior to its intended consumption while in the custody of the receiving Party, the receiving Party shall issue a certificate of loss/destruction/irreparable damage to the furnishing Party.

- 3.4 This Equipment and Material Transfer Agreement provides only for transfer of Equipment and Material associated with E&MTA activities described in paragraph 2.1.1. Signature of this E&MTA does not imply any commitment by a Party to participate in any activities beyond those described herein.

ARTICLE IV

SPECIAL PROVISIONS (OPTIONAL)

- 4.1 ***(Insert any special provisions as required.)***

ARTICLE V

CLASSIFICATION

- 5.1 *(Insert only one of the two following paragraphs; note that one of these two options must be selected.)*

No classified Equipment and Material shall be transferred under this E&MTA.

or

The highest level of classified Equipment and Material under this E&MTA is *(insert level of classification)*.

ARTICLE VI

MODIFICATION AND TERMINATION

- 6.1 The provisions of this E&MTA may be modified or extended by written mutual consent of authorized representatives of the Parties in accordance with Section VII (Equipment and Material) of the Agreement.
- 6.2 The activities described in this E&MTA may be terminated at any time in accordance with the following provisions.
- 6.2.1 Through the mutual written consent of the authorized representatives of the Parties.
- 6.2.2 Unilaterally by the receiving Party on 60 days written notice to the furnishing Party.
- 6.2.3 Unilaterally by the furnishing Party at any time.
- 6.3 Responsibilities regarding security and protection against unauthorized use, disclosure, or transfer that accrued prior to termination or expiration of the transfer period shall continue to apply without limit of time in accordance with Section XVII (Amendment, Termination, Entry Into Force, and Duration) of the Agreement.

ARTICLE VII

ENTRY INTO FORCE AND DURATION

This _____ E&MTA, an E&MTA under the Agreement between the Department of Defense of the United States of America and the Minister of Defense of the French Republic for Research, Development, Testing, and Evaluation Projects (date) shall enter into force upon signature by the Parties, and shall remain in force for _____ years unless terminated by either Party. It may be extended by written agreement of the Parties.

DONE, in duplicate, in the English and French languages, both texts being equally authentic.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA

FOR THE MINISTER OF DEFENSE OF
THE FRENCH REPUBLIC

Signature

Signature

Name

Name

Title

Title

Date

Date

Location

Location

ANNEX C

MODEL WORKING GROUP (WG) TERMS OF REFERENCE (TOR)

(Insert name of WG) WORKING GROUP (WG)

UNDER THE

AGREEMENT BETWEEN THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA AND THE MINISTER OF DEFENSE OF THE FRENCH REPUBLIC FOR RESEARCH, DEVELOPMENT, TESTING, AND

EVALUATION

PROJECTS

(DATE)

1. Authority. *Mandatory:* The Agreement Between the Department of Defense of the United States of America and the Minister of Defense of the French Republic for Research, Development, Testing and Evaluation Projects fosters collaboration in research, development, testing, and evaluation potentially leading to new or improved military capability. The Agreement provides for the establishment of Working Groups (WGs). This TOR establishes the (insert name of WG) Working Group.

2. Definitions and Acronyms.

Definitions. *Provide any required definitions.*

Acronyms. *Spell out any acronyms used:*

3. Purpose. *Provide a short paragraph identifying the purpose of the Working Group (WG). A WG will be established to explore, study and report on specific research, development, test, or evaluation issue(s). The WG will be limited in scope to a single, well-defined study or project area and will endeavor to assess the research, development, test, or evaluation issue based on Information provided by both Parties in such a way as to arrive at a jointly determined position. Examples follow:*

The (insert name of WG) will include activities covering the following areas:

The (insert name of WG) will evaluate....,

monitor...,
identify...,
initiate...,
investigate...,
facilitate...,
... activity beneficial to the Parties.
... and seek technological solutions to those ...

The (insert name of WG) will provide a framework for the exchange of Information, the identification of potential PAs/E&MTAs for (*name of specific weapon system, etc*), and the harmonization of the Parties' requirements prior to the formal staffing of a potential PA/E&MTA.

The purpose of the (insert name of WG) is to review respective (*name specific weapon system, etc*) programs in order to identify mutually beneficial research, development, test, or evaluation cooperative activities between the Parties.

Mandatory: Specific collaborative activities will be carried out in accordance with the Agreement and relevant PAs/E&MTAs or other international agreements, subject to applicable laws and regulations of the Parties.

Mandatory: The (insert name of WG) is not intended to replace or inhibit activities under existing international agreements.

4. Objectives. *Provide details of the type of work to be accomplished under this TOR. Example follows.*

Information on research conducted by each Party in the area of (*name specific technology*) technology and its potential for (*identify potential benefit*) will be exchanged and the potential for a PA or E&MTA leading to application of the technology will be discussed.

Mandatory: The (insert name of WG) will not duplicate the activities of other organizations or agreements.

5. Management Structure. *Examples follow.*

The (insert name of WG) consists of representatives from (*name organizations*) as principals and other representatives and supporting subject matter experts from (*name organizations*) as appropriate. (*Provide name of organization only. Do not name representatives.*)

Membership in the (insert name of WG) should be consistent with minimal turnover of personnel.

The importance of consultation with other agencies and organizations is recognized. Representatives from specific technology areas may be invited to participate in technical

discussions, but will not become members of the (insert name of WG). They may, however, become members of a sub-group established under this WG for a specific technology area or project.

Mandatory: *Identify how often the WG will meet, who will host and chair.*

Example: WG meetings will be held at intervals as mutually agreed by the members, but at least annually. The Parties will host and chair the meetings on a rotational basis. Minutes will be prepared and provided to (insert name of WG) members and to the Management Agents (MAs) within (specify time) following the meetings. Administrative support for these meetings will be the responsibility of the host Party.

Mandatory: *Identify how decisions will be reached.*

Example: All decisions of the (insert name of WG) will be unanimous.

Mandatory: *Identify one U.S. and one French Project Officer (PO). Include name, mailing address, email address, and phone number.*

Mandatory: In accordance with paragraph 4.2.6. of the Agreement, the MAs of both Parties must approve and sign this TOR. The Agreement Directors (ADs) may provide guidance on issues that relate to the Agreement objectives.

6. Exchange of Information. Mandatory: The (insert name of WG), along with its appropriate supporting subject matter experts, may exchange Information pertaining to (name area of discussion of the WG) activities in accordance with Article III (Scope) and Article VIII (Disclosure and Use of Project Information) of the Agreement. Information will be furnished without charge and shall be used for Information and evaluation purposes only.

Mandatory if exchanging Classified or Controlled Unclassified Information: Classified or Controlled Unclassified Information will be transferred only through official government-to-government channels or through channels approved by the Designated Security Authorities of both Parties. The provisions of Article IX (Controlled Unclassified Information) and Article XI (Security) of the Agreement apply. No Equipment and Material may be transferred under the auspices of the (insert name of WG).

Mandatory: The (insert name of WG) (or its highest management level) will ensure that any Information provided in accordance with this TOR is used only by the Parties and then only for the purpose for which it has been provided. Information shall not be disclosed or released to any Third Party, defense Contractors, or used for any other purpose without the prior written consent of the furnishing Party.

Mandatory: The Parties will produce and maintain a list of Information exchanged under this TOR. This list will include name of document, date of document, author, security classification/release restrictions, cost/estimated value, country of origin, originating point of contact, use rights, receiving point of contact, date provided, and any requirement to return the document to the originator. A current list will be submitted annually to the MAs of both Parties.

7. General. Mandatory: There will not be any transfer of funds between the Parties pursuant to this TOR. In those cases where a PA/E&MTA is determined to be required, the Project Officers will make every effort to prepare the necessary documentation and secure the required approvals as expeditiously as possible.

The TOR will be drafted and approved in both French and English, with copies in both languages signed by the MAs of both Parties.

8. Legal Status. Mandatory: This TOR constitutes an administrative procedure to coordinate research, development, test, and evaluation activities between the Parties. It is not the intent of the Parties that this TOR be considered legally binding under international law. This TOR does not create any authority to perform any work, award any contract, exchange Information, transfer funds, or otherwise obligate in any way either Party to make or provide any financial or non-financial contribution to the other Party for any purpose. Any collaborative activities identified for investigation by the (insert name of WG) will be pursued in accordance with the terms and provisions of the Agreement.

9. Effective Date. *Mandatory:* The TOR for the (insert name of WG) becomes effective on the date of the last signature below and remains in effect until (day, month year)[fill in before signature], unless terminated or extended. This TOR may be amended or extended by mutual written consent of the MAs. Either Party may terminate the (insert name of WG) upon 45 days written notification to the other Party. Such notice will be the subject of immediate consultation by the MAs to decide upon the appropriate course of action.

Signature

Signature

Name

Name

Title

Title

Date

Date

Location

Location