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**MEMORANDUM OF AGREEMENT**

BETWEEN

THE DEPARTMENT OF DEFENSE  
OF THE UNITED STATES OF AMERICA

AND THE

MINISTRY OF DEFENCE OF THE KINGDOM

OF NORWAY

FOR

TECHNOLOGY DEMONSTRATION AND SYSTEM PROTOTYPE PROJECTS

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TABLE OF CONTENTS

PREAMBLE .....3  
ARTICLE I  
DEFINITIONS .....4  
ARTICLE II  
OBJECTIVES.....7  
ARTICLE III  
SCOPE OF WORK .....8  
ARTICLE IV  
MANAGEMENT (ORGANIZATION AND RESPONSIBILITY).....9  
ARTICLE V  
FINANCIAL ARRANGEMENTS.....11  
ARTICLE VI  
CONTRACTUAL ARRANGEMENTS.....13  
ARTICLE VII  
PROJECT EQUIPMENT .....15  
ARTICLE VIII  
DISCLOSURE AND USE OF PROJECT INFORMATION .....16  
ARTICLE IX  
CONTROLLED UNCLASSIFIED INFORMATION .....20  
ARTICLE X  
VISITS TO ESTABLISHMENTS .....21  
ARTICLE XI  
SECURITY.....22  
ARTICLE XII  
THIRD PARTY SALES AND TRANSFERS .....24  
ARTICLE XIII  
LIABILITY AND CLAIMS.....25  
ARTICLE XIV  
CUSTOMS DUTIES, TAXES, AND SIMILAR CHARGES .....27  
ARTICLE XV  
SETTLEMENT OF DISPUTES.....28  
ARTICLE XVI  
LANGUAGE.....29  
ARTICLE XVII  
TERMINATION, ENTRY INTO FORCE, AND DURATION .....30  
ARTICLE XVIII  
AMENDMENT .....32  
ANNEX A SAMPLE PROJECT AGREEMENT ..... A-1

**PREAMBLE**

**The Department of Defense of the United States of America (DoD) and the Ministry of Defense of the Kingdom of Norway (MoD), hereinafter referred to as the "Parties":**

**Recognizing the benefits of cooperation in the field of defense research and technology**

**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 Technology Demonstration and System Prototype Projects;**

**Agreeing that cooperative Projects under this Agreement will be of an equitable and mutually beneficial nature, and will be based upon a just and fair division of rights, responsibilities, risks, costs, tasks, and information sharing;**

**Agreeing to equitably share both the costs of each Project and the benefits resulting from the Project efforts and to foster cooperation in future Project Agreements (PA) between the Parties; 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 Technology Demonstration and System Prototype Projects (TDSP) Agreement and any of its specific PAs, the following definitions shall apply:

<b>Classified Information</b>	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.
<b>Contract</b>	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.
<b>Contracting</b>	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.
<b>Contracting Agency</b>	The entity within the government organization of a Party, which has authority to enter into, administer, and/or terminate Contracts.
<b>Contracting Officer</b>	A person representing a Contracting Agency of a Party who has the authority to enter into, administer, and/or terminate Contracts.
<b>Contractor</b>	Any entity awarded a Contract by a Party's Contracting Agency.
<b>Controlled Unclassified Information</b>	Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. Whether the information is provided or generated under this Agreement, the information shall be marked to identify its "in confidence" nature. It could include information that has been declassified, but remains controlled.
<b>Defense Purposes</b>	Manufacture or other use in any part of the world by or for the armed forces of any Party.

<b>Designated Security Authority (DSA)</b>	The security office approved by national authorities to be responsible for the security aspects of this Agreement.
<b>Financial Costs</b>	Any PA costs that, due to their nature, will be paid using monetary contributions from the Parties.
<b>Financial Management Procedures Document (FMPD)</b>	A document that describes the estimated schedule, handling, and auditing of monetary contributions for a PA in which one Party contracts on behalf of the other Party or on behalf of both Parties to fulfil the objectives of that PA.
<b>Non-Financial Costs</b>	Any PA costs that, due to their nature, will be paid using non-monetary contributions from the Parties.
<b>Patent</b>	Legal protection of the right to exclude others from making, using, or selling an invention. The term refers to any and all Patents including, but not limited to, Patents of implementation, improvement, or addition, petty Patents, utility models, appearance design Patents, registered designs, and inventor certificates or like statutory protections as well as divisions, reissues, continuations, renewals, and extensions of any of these.
<b>Project Agreement (PA)</b>	An implementing agreement to this Agreement that specifically details the terms of collaboration on a specific project.
<b>Project Equipment</b>	Any material, equipment, end item, subsystem, component, special tooling or test equipment used in a specific PA.
<b>Project Background Information</b>	Project Information not generated in the performance of a specific PA.
<b>Project Foreground Information</b>	Project Information generated in the performance of a specific PA.
<b>Project Information</b>	Any information regardless of form or type provided to, generated in, or used in a PA.
<b>Project Invention</b>	Any invention or discovery formulated or made (conceived or first actually reduced to practice) by or for the Parties in the course of work performed under a PA. The term "first actually reduced to practice" means the first demonstration sufficient to establish to one skilled in the art to which the invention pertains, of the operability of an invention for its intended purpose and in its intended environment.

**Technology  
Demonstration and  
System Prototype  
(TDSP) Project**

Specific collaborative activity to perform research on and/or to develop basic, exploratory, or advanced technologies that are described in a PA. Activities may include conceptual studies, technology demonstrations, and system prototyping, but do not include projects in the engineering and manufacturing development phase.

**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. In order to foster defense cooperation between the Parties, 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 projects detailed in separate PAs between representatives authorized in accordance with national procedures of the Parties. These PAs shall be entered into pursuant to this Agreement and shall incorporate by reference the terms of this Agreement.

2.2. Detailed terms and conditions of each individual PA shall be consistent with this Agreement. Each PA shall include specific provisions concerning the identification of the objectives, scope of work, sharing of work, management structure, financial arrangements and classification for the applicable PA in general accordance with the format set forth in Annex A. In addition, and if necessary, each PA shall contain provisions for providing Project Equipment.

## ARTICLE III

### SCOPE OF WORK

3.1. The scope of work for this Agreement shall encompass collaboration in research and Development, joint experiments, and experimental hardware and software design; as well as development, construction, testing and operation, related to defense technologies whose maturation may lead to technologically superior conventional weapon systems. PAs may include conceptual studies, technology demonstrations, and system prototyping.

3.2. This Agreement does not preclude entering into any other agreement in the area of research and development. Engineering and manufacturing development or production or support projects that may evolve from collaboration under one or more PAs under this Agreement are outside of the scope of this Agreement and require establishment of a separate memorandum of agreement. When such a project appears possible, the appropriate Steering Committee (SC) members or, if there is no SC, the appropriate Project Officers (POs) shall consult with each other and with their organizations authorized to negotiate cooperative international projects to discuss the possibility of a memorandum of agreement.

3.3. Information exchanged specifically for the purpose of harmonizing the Parties' requirements for formulating, developing, and negotiating PAs is permitted under this Agreement. If information is exchanged but no PA is signed, Article VIII (Disclosure and Use of Project Information) of this Agreement shall apply and the receiving Party may only use such exchanged information received from the other Party to the extent it qualifies as Government or Contractor Project Background Information. For purposes of applying Article XII (Third Party Sales and Transfers), such exchanged information shall be treated as Project Background Information.

## 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 as the U.S. TDSP Agreement Principal (TDSP AP). The Deputy Director General of The Ministry of Defense (Department of Defense Resources) (or his/her successor in the event of reorganization) is designated as the Norwegian TDSP AP. The TDSP APs shall be responsible for:

- 4.1.1. Monitoring implementation of this Agreement and exercising executive-level oversight;
- 4.1.2. Reviewing recommended amendments to this Agreement in accordance with Article XVIII (Amendment);
- 4.1.3. Resolving issues brought forth by the TDSP Executive Agents.

4.2. The appropriate US Service Acquisition Executive or Defense Agency Director, or his/her designee, is designated US TDSP Executive Agent (US TDSP/EA) for those projects within his/her respective military service or defense agency. The appropriate Matcrial Command Executive or Director General of Norwegian Defense Research Establishment, or his/her designee, is designated Norwegian TDSP Executive Agent (Norwegian TDSP/EA) within his/her command or establishment. The TDSP/EAs shall be responsible for:

- 4.2.1. Concluding appropriate PAs in accordance with this Agreement and national policies and procedures;
- 4.2.2. Establishing an appropriate management structure for each PA considering its scope and the requirement for a SC;
- 4.2.3. Appointing POs and, as appropriate, SC members.
- 4.2.4. Providing administrative direction to appropriate SCs, if established, or POs appointed to their projects.
- 4.2.5. Approving plans for disposal of jointly acquired Project Equipment if a SC is not established; and
- 4.2.6. Monitoring the security aspects of each PA.

4.2.7. Resolving issues brought forth by the SC or, if no SC is established, by the POs.

4.3. If a SC is established under a particular PA, it shall be responsible for providing policy and management direction to the POs during PA execution and monitoring overall implementation, including technical, cost, and schedule performance against requirements, and approving plans for disposal of jointly acquired Project Equipment, in accordance with the terms of the PA. The SC shall also be responsible for resolving issues brought forth by the POs, maintaining oversight of the security aspects of a project, approving assignment of personnel work on a project at the other Party's facilities, and appointing a project security officer. If one Party contracts on behalf of the other Party or on behalf of both Parties, the SC shall be responsible for establishing the detailed financial management procedures of a PA. These procedures shall be contained in the FMPD and shall accord with the national accounting and audit requirements of the Parties.

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 be responsible for reporting status and activity of assigned PAs on an annual basis to the SC or, if no SC is established, to the TDSP/EAs. Additionally, the POs shall have the responsibilities under paragraph 4.3 if no SC is established for their PA, except that the TDSP/EA shall be responsible for resolving issues brought forth by the POs. The POs shall also maintain a list of all Project Equipment transferred by either of the Parties.

4.5. The TDSP/EAs shall meet on a regular basis, alternatively in the United States and Norway, as appropriate. The Chairman for each meeting shall be the senior official of the host Party. During such meetings, all decisions will be made unanimously with each Party having one vote.

## 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 (consistent with Article XIII of this Agreement), and shall receive an equitable share of the results of each PA.

5.2. Detailed descriptions of the 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. 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 5.6. below.

5.4. The following costs shall be borne entirely by the Party incurring the costs:

5.4.1. costs associated with any unique national requirements identified by a Party, and

5.4.2. any other costs outside the scope of this Agreement and its PAs.

5.5. 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.

5.6. 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 described in the FMPD.

5.7. The Parties recognise 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 funds available in such amounts and at such times as required by a 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.

5.8. Each Party shall be responsible for the audit of its or its Contractors' activities pursuant to a PA. A Party's audits will 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 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 promptly made available by the receiving Party to the other Party.

5.9. The allocation of costs associated with the assignment of Cooperative Project Personnel is specified in Annex (a) (Assignment of \_\_\_\_\_ Cooperative Project Personnel).