

SECTION VII

DISCLOSURE AND USE OF PROJECT INFORMATION

7.1. The IT MOD will have timely and complete access to all releasable classified Project Foreground Information.

7.2. The IT MOD will have real-time, complete access to all releasable unclassified Project Foreground Information. Such unclassified Information includes that Information which will be provided electronically to the Participants.

7.3. During the course of the Project, the IT MOD will be provided with timely notification of the identity of known non-disclosable Information.

7.4. The IT MOD will be provided with all Project Information needed to autonomously operate, maintain and support the JSF Air System to its maximum capability, subject to U.S. national disclosure policies.

7.5. Paragraphs 8.2.2, 8.4.2, and 8.5.2 of Section VIII (Disclosure and Use of Project Information) of the JSF SDD Framework MOU require that each Supplement specify the purposes for which each Participant other than the U.S. DoD may use or have used Government Project Foreground Information, Contractor Project Foreground Information, and Contractor Project Background Information delivered under Contracts awarded in accordance with the JSF SDD Framework MOU, respectively. For the IT MOD, those purposes will be IT MOD JSF Purposes. The U.S. DoD may use or have used, for Defense Purposes, Government Project Foreground Information which is furnished by the IT MOD during the Project.

7.6. Paragraph 8.8.2 and 8.8.6 of Section VIII (Disclosure and Use of Project Information) of the JSF SDD Framework MOU require each Supplement to specify the purposes for which a Participant other than the U.S. DoD may practice or have practiced Project Inventions for which a Contractor or a Participant, respectively, grants a license under its Patents. For the IT MOD, those purposes will be IT MOD JSF Purposes. The U.S. DoD may practice or have practiced, for Defense Purposes, Project Inventions for which the IT MOD grants licenses under its Patents.

SECTION VIII

SECURITY

8.1. All Classified Information and Material provided or generated pursuant to the JSF SDD Framework MOU will be stored, handled, transmitted, and safeguarded in accordance with the General Security Agreement between the United States of America and Italy, of 4 August 1964, amended 2 September 1982, and including the Industrial Security Annex thereto, of 27 November 1985, amended 27 January 1988.

8.2. A Participant may consider on a case-by-case basis a person who is a citizen of another North Atlantic Treaty Organization (NATO) country or who is a citizen of Austria, Finland, Sweden, or Switzerland as eligible for access to Classified Information and Material furnished or generated pursuant to the JSF SDD Framework MOU, provided that the following conditions are met:

8.2.1. Access to such Classified Information and Material may not be granted or implemented until appropriate U.S. Government authorization is secured either as part of the original sale or export authorization, which may permit sharing of such Information and material with citizens of the aforementioned countries who are employees or agents of the Participants, or as a retransfer or re-export authorization. Italian Government authorization for transfers, export, or retransfer or re-export, may be required with respect to Classified Information and Material of Italian origin.

8.2.2. Eligibility for access is necessary in support of activities undertaken pursuant to the JSF SDD Framework MOU.

8.2.3. The person is granted a personal security clearance based on a clearance procedure that is no less rigorous than that required for a citizen of the Participant's country in accordance with the Participant's security policy and procedures, and shall sign a non-disclosure agreement.

8.2.4. Eligibility for access shall be limited to Classified Information and Material that is classified no higher than SECRET. Access will not be provided to TOP SECRET Information and material, intelligence Information and material, special access program Information and material, communications security

Information and material, ATOMAL Information and material, Information and material carrying specific dissemination limitations, or other Information and material subject to other access controls.

8.2.5. The person will be eligible to obtain access only to that Classified Information and Material which is required for the person to perform the specific Project-related tasks that are assigned to him or her and only for the period of time necessary to perform such tasks. Subject to the requisite appropriate additional U.S. or Italian Government authorizations referred to above, the person may have access only during working hours (not to include weekends) and will not remove Classified Information and Material from the office. The person will not be permitted to reproduce Classified Information and Material. The person will be required to certify in writing that he or she is aware of and will comply with security procedures and restrictions on re-transfers and access by unauthorized persons. The control of access to Classified Information and Material will be the responsibility of the security officer of the facility or organization at which the access is provided. Such security officer will be a citizen of the country of the Participant that provides the access.

8.2.6. There will be a security of Information agreement or other legally binding security arrangement between the government of the Participant wishing to provide access and the government of the country of citizenship of the person who is to be eligible for such access.

8.2.7. Before confirming eligibility for access to Classified Information and Material, the government of the Participant that is to extend eligibility for such access will ensure that it has sufficient jurisdiction and control over the person to effectively prosecute the person and hold him or her accountable for the proper handling of the Classified Information and Material.

8.2.8. The Participant extending eligibility for access to Classified Information and Material to a citizen from a NATO country that is not a signatory to the JSF SDD Framework MOU or a citizen of Austria, Finland, Sweden, or Switzerland will provide thirty (30) days prior notification to the other Participant of the nationality and identity of the citizens of the

aforementioned countries who will be eligible for such access and will ensure that records are maintained of any such access.

8.2.9. The government of the Participant that is to extend eligibility for access to the Classified Information and Material will be willing to provide access to its own Classified Information and Material of a similar type and classification level to the country of citizenship of the person who will be eligible for access under the conditions stated herein.

8.3. Existence of this Supplement is UNCLASSIFIED and the contents are UNCLASSIFIED.

aforementioned countries who will be eligible for such access and will ensure that records are maintained of any such access.

8.2.9. The government of the Participant that is to extend eligibility for access to the Classified Information and Material will be willing to provide access to its own Classified Information and Material of a similar type and classification level to the country of citizenship of the person who will be eligible for access under the conditions stated herein.

8.3. Existence of this Supplement is UNCLASSIFIED and the contents are UNCLASSIFIED.

SECTION IX

AMENDMENT, WITHDRAWAL, ENTRY INTO EFFECT, AND DURATION

9.1. This Supplement may be amended in accordance with Section XVIII (Amendment, Withdrawal, Termination, Entry into Effect, and Duration) of the JSF SDD Framework MOU.

9.2. The IT MOD may withdraw from the JSF SDD Framework MOU and this Supplement if it concludes that the Italian industrial participation in this Project is not satisfactory.

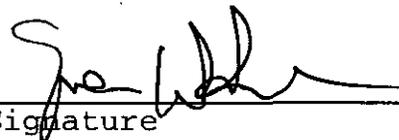
9.3. This Supplement, which consists of nine (9) Sections and two (2) Annexes, will enter into effect on the date by which both of the following circumstances have occurred: this Supplement has been signed by both Participants, and the JSF SDD Framework MOU amendment to add IT MOD has entered into effect. This Supplement will remain in effect for the duration of the JSF SDD Framework MOU, unless terminated earlier by the Participants.

The foregoing represents the understandings reached between the Department of Defense of the United States of America and the Ministry of Defence of the Republic of Italy upon the matters referred to therein.

Signed, in duplicate, in the English language by authorized representatives.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF
AMERICA

FOR THE MINISTRY OF DEFENCE OF
THE REPUBLIC OF ITALY



Signature

Signature

E. C. Aldridge, Jr.

Admiral Giampaolo Di Paola

Name

Name

USD(AT&L)

**Secretary General of Defence
and National Armaments Director**

Title

Title

24 June 2002

24 June 2002

Date

Date

Washington, D.C.

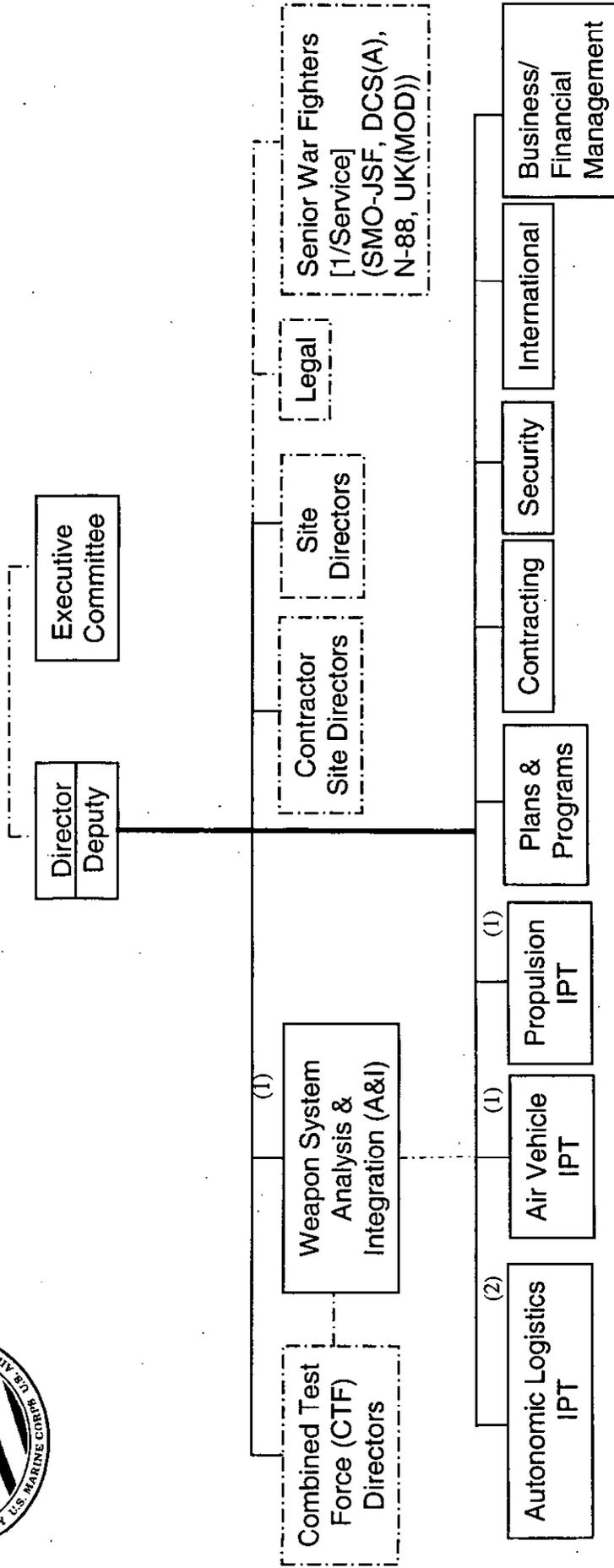
Washington, D.C.

Location

Location



Annex A Supplement Management Structure



Note (1): This Supplement provides for five (5) Italian representatives including a National Deputy to be integrated into the JSF Program Office. These Italian Cooperative Project Personnel will occupy positions chosen from positions available in these groups.

Not co-located
with main office

ANNEX B

JSF COOPERATIVE PROJECT PERSONNEL

1.0. Purpose and Scope.

1.1. This Annex establishes the provisions which will govern the conduct of JSF Cooperative Project Personnel. The IT MOD will assign military members or civilian employees to the JSF Program Office or U.S. DoD field activities in accordance with Section III (Management (Organization and Responsibility)), Annex A (Supplement Management Structure) and this Annex. JSF Cooperative Project Personnel must be able to perform all the responsibilities for the positions assigned to them under this Supplement. Commencement of assignments will be subject to any requirements that may be imposed by the U.S. DoD or the U.S. Government regarding acceptance of JSF Cooperative Project Personnel, such as, but not limited to, visas and visit request documentation. The U.S. DoD and IT MOD EC representatives will determine the length of tour for the positions at the time of initial assignment.

1.2. JSF Cooperative Project Personnel will be assigned to the JSF Program Office or U.S. DoD field activities for Project work and will report to their designated supervisor within those organizations regarding that work. JSF Cooperative Project Personnel will not act as liaison officers for the IT MOD. However, such personnel may act from time to time on behalf of the IT MOD's EC representative if the latter so authorizes in writing.

1.3. JSF Cooperative Project Personnel will not be assigned to command or other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of the U.S. Government.

2.0. Security.

2.1. The U.S. DoD and IT MOD EC representatives will establish the maximum level of security clearance required to permit JSF Cooperative Project Personnel to have access to Classified Information and Material and facilities in which Classified Information and Material are used in accordance with the Program Security Instruction (PSI) and Classification Guide (CG). Access to Classified Information and Material and facilities in which Classified Information and Material are used will be consistent with, and limited by, Section II (Objectives) and Section III (Scope of Work)

of the JSF SDD Framework MOU and the corresponding provisions of this Supplement, and will be kept to the minimum required to accomplish the work assignments.

2.2. The IT MOD will cause security assurances to be filed, through the IT Embassy, specifying the security clearances for the JSF Cooperative Project Personnel being assigned. The security assurances will be prepared and forwarded through prescribed channels in compliance with established U.S. procedures.

2.3. The Participants will use their best efforts to ensure that both U.S. DoD personnel assigned to the JSF International Directorate and JSF Cooperative Project Personnel are aware of, and comply with, applicable laws and regulations pertaining to Controlled Unclassified Information and Material as well as the requirements of Section IX (Controlled Unclassified Information), Section X (Visits to Establishments), Section XI (Security), and paragraph 18.7 of Section XVIII (Amendment, Withdrawal, Termination, Entry into Effect, and Duration) of the JSF SDD Framework MOU and the corresponding provisions of this Supplement, and the PSI and CG. Prior to commencing assigned duties, U.S. DoD personnel assigned to the JSF International Directorate and JSF Cooperative Project Personnel will, as required by U.S. government laws, regulations, policies, or procedures, sign certifications concerning their respective conditions and responsibilities. Such certifications will be included as an appendix to the PSI following the provisions of paragraphs 4.3.3 and 4.7.4 of Section IV (Management (Organization and Responsibility)) of the JSF SDD Framework MOU.

2.4. JSF Cooperative Project Personnel will at all times be required to comply with the security and export control laws, regulations and procedures of the U.S. Government. Any violation of security procedures by JSF Cooperative Project Personnel during their assignment will be reported to the IT MOD for appropriate action. JSF Cooperative Project Personnel committing willful violations of security and export control laws, regulations, or procedures during their assignments will be withdrawn from the Project with a view toward appropriate administrative or disciplinary action by the IT MOD.

2.5. All Classified Information and Material made available to JSF Cooperative Project Personnel will be considered as Classified Information and Material furnished to the IT MOD and will be subject to all of the provisions and safeguards provided for in Section XI (Security) of the

JSF SDD Framework MOU, Section VII (Security) of this Supplement, and the PSI and the CG.

2.6. JSF Cooperative Project Personnel will not have personal custody of Classified Information and Material or Controlled Unclassified Information, unless approved by the JSF Program Office and as authorized by the IT MOD on a case-by-case basis. They will be granted access to such Information and material in accordance with Section IX (Controlled Unclassified Information) and Section XI (Security) of the JSF SDD Framework MOU and the provisions of the PSI during normal duty hours and when access is necessary to perform Project work.

2.7. JSF Cooperative Project Personnel will not serve as a conduit between the U.S. DoD and IT MOD for requests for and/or transmission of Classified Information and Material or Controlled Unclassified Information unless specifically authorized by the PSI.

3.0. Administrative Matters.

3.1. Consistent with U.S. laws and regulations, JSF Cooperative Project Personnel will be subject to the same restrictions, conditions, and privileges as U.S. DoD personnel of comparable rank and in comparable assignments. Further, to the extent authorized by U.S. laws and regulations, JSF Cooperative Project Personnel and their authorized dependents will be accorded:

3.1.1. Exemption from any U.S. Government tax upon income received from the IT MOD.

3.1.2. Exemption from any U.S. Government customs and import duties or similar charges levied on items entering the country for their official or personal use, including their baggage, household effects, and private motor vehicles.

3.2. Upon or shortly after arrival, JSF Cooperative Project Personnel will be informed by the JSF Program Office or U.S. DoD field activities about applicable laws, orders, regulations, and customs and the need to comply with them. JSF Cooperative Project Personnel will also be provided briefings arranged by the JSF Program Office or U.S. DoD field activities regarding applicable entitlements, privileges, and obligations such as:

3.2.1. Any medical and dental care that may be provided to JSF Cooperative Project Personnel and their

dependents at U.S. DoD medical facilities, subject to applicable laws and regulations, including reimbursement requirements.

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

3.2.3. Responsibility of JSF Cooperative Project Personnel 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 JSF Cooperative Project Personnel and their dependents, the recourse will be against such insurance.

3.3. The JSF PD, through the JSF Program Office and U.S. DoD field activities, will establish standard operating procedures for JSF Cooperative Project Personnel 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 Participants.

3.3.3. Dress regulations, consistent to the extent possible with the military or civilian personnel regulations and practices of both Participants.

3.3.4. Performance evaluations, recognizing that such evaluations must be rendered in accordance with the IT MOD's military or civilian personnel regulations and practices.

3.4. JSF Cooperative Project Personnel committing an offense under the laws of the government of either Participant may be withdrawn from this Project with a view toward further administrative or disciplinary action by the IT MOD. Disciplinary action, however, will not be taken by the U.S. DoD against JSF Cooperative Project Personnel, nor will JSF Cooperative Project Personnel exercise disciplinary authority over U.S. DoD personnel. In accordance with U.S. laws, regulations, and procedures, the U.S. DoD will assist the IT MOD in carrying out investigations of offenses involving JSF Cooperative Project Personnel.