

DEFENSE

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

Signed at Alexandria and Abbey Wood
December 6, 1996



NOTE BY THE DEPARTMENT OF STATE

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

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

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

Defense

*Memorandum of understanding signed at Alexandria and
Abbey Wood December 6, 1996;
Entered into force December 6, 1996.*

MEMORANDUM OF UNDERSTANDING

BETWEEN THE

SECRETARY OF DEFENSE ON BEHALF OF THE DEPARTMENT OF DEFENSE

OF THE UNITED STATES OF AMERICA

AND THE

SECRETARY OF STATE FOR DEFENCE

OF THE UNITED KINGDOM OF GREAT BRITAIN

AND NORTHERN IRELAND

FOR

COOPERATION IN THE DEVELOPMENT OF

COMBINED ARMS TACTICAL TRAINING EQUIPMENTS

(Short Title: US/UK CATT MOU)

INTRODUCTION

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

Recognizing the Agreement Concerning Defense Cooperation Arrangements of 27 May 1993 between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland¹ applies to this MOU;

Having a common interest in defense;

Recognizing the benefits to be obtained from standardization, rationalization, and interoperability of military equipment in preparing their Armed Forces to operate together effectively on a worldwide basis;

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

Having a mutual need for the improvement of collective training through the use of simulation equipments and the desirability of their Armies to be able to undertake joint training with such equipments to satisfy common operational requirements;

Noting that the US Army Simulation, Training and Instrumentation Command (STRICOM) is developing a Close Combat Tactical Trainer system which forms part of a family of training systems known as the Combined Arms Tactical Trainer; and

Noting that the MoD has a requirement for a Combined Arms Tactical Trainer;

Have reached the following understandings:

¹ TIAS 12237.

SECTION I
DEFINITIONS

The Participants have jointly decided upon the following definitions for terms used in this Memorandum Of Understanding (MOU):

Classified Information	Official information that requires protection in the interests of national security and is so designated by the application of a security classification marking.
Computer Software	Computer programs, source code, source code listings, object code listings, design details, algorithms, processes, flow charts, formulae, and related material that would enable the software to be reproduced, recreated, or recompiled. Computer software does not include computer databases or computer software documentation.
Contract	Any mutually binding legal relationship which obligates a Contractor to furnish supplies or services, and obligates one or both of the Participants to pay for them.
Contracting	The obtaining of supplies or services by Contract from sources outside the government organizations of the Participants. Contracting includes description of supplies and services required, solicitation and selection of sources, preparation and award of Contracts, and all phases of Contract administration.
Contracting Authority	The entity within the government organization of a Participant which has authority to enter into, administer, and/or terminate Contracts.
Contracting Officer	A person representing a Contracting Authority of a Participant who has the authority to enter into, administer, and/or terminate Contracts.
Contractor	Any entity awarded a Contract by a Participant's Contracting Authority.

Controlled Unclassified Information	Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. Whether the information is provided or generated under this MOU, the information will be marked to identify its "in confidence" nature. It could include information which has been declassified, but remains controlled.
Defense Purposes	Manufacture or other use in any part of the world by or for the armed forces of either Participant.
Designated Security Authority (DSA)	The security office approved by national authorities to be responsible for the security aspects of this MOU.
Program	Cooperation in the development of the UK CATT and US CATT systems (as defined below) under the provisions of this MOU.
Program Equipment	Any materiel, equipment, end item, subsystem, component, special tooling or test equipment used in the Program.
Technical Data	Recorded information, regardless of the form or method of the recording, of a scientific or technical nature (including computer software documentation). The term does not include computer software or data incidental to contract administration, such as financial and/or management information. For the purpose of this MOU, the term "computer databases" is included within this definition. "Computer Software documentation" comprises owner's manuals, user's manuals, installation instructions, operating instructions, and other similar items, regardless of storage medium, that explain the capabilities of the computer software or provide instructions for using the software.
Third Party	Any person or other entity whose governing authority is not a Participant to this MOU.

United Kingdom Combined Arms Tactical Trainer (UK CATT)	A networked simulation system for training which will accommodate a Battlegroup and allow the conduct of exercises in a virtual environment containing manned vehicle simulators, supplemented by computer generated forces. The system elements will be linked by a local area network using the Distributed Interactive Simulation (DIS) protocol.
United States Combined Arms Tactical Trainer (US CATT)	A family of projects that encompass the Combined Arms Training of soldiers from crew up through battalion task force levels. The system consists of manned simulators emulating realistic force-on-force, virtual battlefield environments. The CATT systems support Armor, Mechanized, and Dismounted Infantry (CCTT), Aviation (AVCATT), Air Defense Artillery (ADCATT), Engineer (ENCATT) and Fire Support (FSCATT) training.
United States Close Combat Tactical Trainer (US CCTT)	A networked system of manned simulators (M1 TANK, BRADLEY, FIST-V, HMMWV, M113A3) supported by emulators and semi-automated forces that provide combat support, combat service support and both friendly and opposing forces. It will train crew through battalion level combat elements of close combat units in their collective tasks. The CCTT fixed facility is sized to accommodate 27 to 40 manned modules.
United States CATT Core (US CATT Core)	The infrastructure of the CATT network that enables each CATT simulator to be interoperable within the synthetic environment. This includes the training management system, terrain data bases, semi-automated forces, system performance data, after action review system, workstations, master control console, and all network protocols, hardware infrastructure, individual module dynamics, and performance software. It does not include the actual operational software found in the individual manned module weapon or tactical systems.

SECTION II OBJECTIVES

2. The objectives of this Program are to:
 - 2.1. Facilitate the acquisition and operational use of the software and hardware for the UK CATT training system.
 - 2.2. Design and develop software and hardware system enhancements common to both the UK CATT and US CATT systems.
 - 2.3. Fabricate, test, evaluate and incorporate system enhancements into the UK CATT and US CATT systems.
 - 2.4. Maintain a common software baseline for the UK CATT and US CATT systems.
 - 2.5. Achieve interoperability between the UK CATT and US CATT systems to enhance coalition training.
 - 2.6. Provide the basis for cooperation on future system modifications, developments and support.

SECTION III SCOPE OF WORK

- 3.1. This MOU establishes the arrangements under which the Participants will cooperate to facilitate the acquisition and operational use of the UK CATT training system, develop common system enhancements and establish interoperability between the UK CATT and US CATT Core system.
- 3.2. The DoD will:
 - 3.2.1. Provide, at no cost, developed US CATT/CCTT Technical Data and Computer Software, common to both the DoD and MoD systems, to be used in the development of the UK CATT. The provided software will include the US CATT core synthetic environment, individual simulator module vehicle dynamics software and the software required to interface the simulator module to the synthetic environment. Actual operational software found in individual manned module weapon or tactical systems, provided to US CATT by other DoD entities or contractors, will not be provided.
 - 3.2.2. Provide services (e.g., program management, engineering, contracting, and logistics) and/or materiel, to assist the UK CATT Project on an as required reimbursable basis through Foreign Military Sales (FMS) procedures.

3.2.3. Loan at no cost and when available, hardware components (e.g., computer image generators and prototype simulators) for development, test and evaluation of the UK CATT system.

3.2.4. Manage the integration efforts of Computer Software provided by MoD and ensure they are consistent with the US CATT Interoperability Document published by PM-CATT.

3.2.5. Continue development, testing, production, and fielding of US CATT trainers.

3.3. The MoD will:

3.3.1. Prepare detailed specifications, requirements, and other information for the UK CATT system.

3.3.2. Provide, at no cost, modified US CATT/CCTT and/or developed UK CATT software, common to both the DoD and MoD systems, to be integrated into the US CATT Core synthetic environment and individual simulator modules as appropriate. The provided software will include the modified US CATT Core synthetic environment, individual simulator module vehicle dynamics software and the software required to interface the simulator module to the synthetic environment or derivative developed as a result of the UK CATT project. Actual operational software found in the individual manned module weapon or tactical systems provided to UK CATT by other MoD entities or contractors, will not be provided.

3.3.3. Design and develop software components for UK CATT with the intention of achieving commonality with the US CATT/CCTT. These components include higher echelon semiautomated forces, precision gunnery, DIS protocol data units, and long haul networking. The long haul networking will be developed to link systems to each site and the sites to each other.

3.3.4. Integrate the UK CATT system components into a DIS environment capable of interoperability with the US CCTT.

3.3.5. Evaluate data obtained during US CCTT developmental and operational testing for possible application into further developments of the UK CATT system.

3.3.6. Provide services and/or materiel on a reimbursable basis, when requested by DoD to assist the US CATT/CCTT Projects.

3.4. The MoD and DoD will:

3.4.1. Jointly review system requirements and future planned developments with the intention of cooperating to reduce costs and avoid duplication of effort.

3.4.2. Jointly review testing and evaluation of the developed software enhancements to facilitate successful integration, compatibility and interoperability.

3.4.3. Jointly manage and coordinate configuration control of the common elements of the UK CATT and US CATT/CCTT systems.

3.5. The software to be provided for this Program will be of two types: CATT Core (i.e. network interface software or terrain/visual data bases) and application specific software (i.e. weapon systems or planned visual displays). Actual operational software found in national manned module weapon or tactical systems will not be exchanged under this MOU. The Participants may exchange Computer Software that is otherwise subject to the limitations under this MOU, on a case by case basis.

3.6. Each Participant will maintain total control and execution of its own national projects.

3.7. It is the intent of the Participants that they will cooperate in the continued development and improvement of the CATT family of simulators. Any future developments and improvements will be the subject of appropriate amendments to this MOU.

SECTION IV

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

4.1. This Program will be monitored on behalf of the Participants by an organization consisting of a Steering Committee (SC) and Program Managers (PMs) appointed by the Participants. The SC will have overall authority over the PMs, in accordance with this MOU. The PMs will have primary responsibility for effective implementation and direction of the Program in accordance with this MOU. The Participants will maintain and fund their own organizations for implementing this Program.

4.2. The SC will consist of a representative appointed by each Participant. The SC will meet annually, with additional meetings held at the request of either representative. Each meeting of the SC will be chaired by the representative of the Participant hosting the meeting. Decisions of the SC will be made unanimously

and recorded in writing. In the event that the SC is unable to reach a timely decision on an issue, each SC representative will refer the issue to its higher authority for resolution.

4.3. The SC will be responsible for:

4.3.1. Exercising executive-level oversight of the Program.

4.3.2. Reviewing the technical progress of the Program.

4.3.3. Reviewing the financial status of the Program consistent with the provisions of Section V (FINANCIAL PROVISIONS) of this MOU.

4.3.4. Resolving issues brought forth by the PMs.

4.3.5. Reviewing and forwarding to the Participants for approval recommended amendments to this MOU in accordance with Section XVI (AMENDMENT, TERMINATION, ENTRY INTO EFFECT, AND DURATION).

4.3.6. Approving plans to manage and control the transfer of Program Equipment provided by either Participant to support the execution of the Program in accordance with Section VII (PROGRAM EQUIPMENT).

4.3.7. Maintaining oversight of the security aspects of the Program, including reviewing and obtaining approval from the appropriate Designated Security Authority of a Program Security Instruction and a Classification Guide prior to the transfer of Classified Information or Controlled Unclassified Information.

4.3.8. Monitoring Third Party sales and transfers authorized in accordance with Section XII (THIRD PARTY SALES AND TRANSFERS).

4.3.9. Approving the configuration management plan developed by the PMs.

4.4. The US Army will appoint the DoD PM, and the MoD will appoint the MoD PM, both of whom will be responsible for implementing this MOU and for carrying out the Program. The MoD intends to establish a Project Office in Orlando, Florida, USA to assist in management of the UK CATT Project.

4.5. For matters under their cognizance the PMs will be responsible for:

4.5.1. Managing the technical aspects of the Program.

4.5.2. Executing the financial aspects of the Program in accordance with Section V (FINANCIAL PROVISIONS) of this MOU.

4.5.3. Referring issues to the SC that cannot be resolved by the PMs.

4.5.4. Developing and recommending amendments to this MOU to the SC.

4.5.5. Developing and implementing SC approved plans to manage and control the transfer of Program Equipment provided by either Participant in accordance with Section VII (PROGRAM EQUIPMENT).

4.5.6. Developing and forwarding to the SC a Program Security Instruction and a Classification Guide for the Program within three months after MOU signature, and implementing them upon final approval.

4.5.7. Developing a configuration management plan.

SECTION V

FINANCIAL PROVISIONS

5.1. It is the intention that each Participant will contribute its equitable share of the full costs of the Program, including overhead and administrative costs. In consequence, the Participants accept that the provisions of this MOU represent an equitable sharing of the work to be performed under this MOU and the results thereof.

5.2. Each Participant will bear entirely the costs associated with meeting its unique requirements and with carrying out its responsibilities under this MOU. These responsibilities include costs associated with national representation at meetings and any costs which are outside the scope of this MOU.

5.3. Any reimbursable service and/or materiel provided by one Participant to the other Participant, as detailed in paragraphs 3.2.2 and 3.3.6, will be compensated in accordance with existing national procedures. Reimbursable events will include any activity that will incur cost over and above normal routine actions performed at the request of the other Participant. For DoD, reimbursement will be done under FMS procedures. In case of any conflict between this MOU and any DoD FMS Letter of Offer and Acceptance, the Letter of Offer and Acceptance will take precedence.

5.4. A Participant will promptly notify the other Participant if available funds are not adequate to fulfill its obligations under this MOU. If a Participant notifies the other Participant that it is terminating or reducing its funding for this Program, both Participants will immediately consult with a view toward continuation on a modified basis.

SECTION VI
CONTRACTING PROVISIONS

6.1. The MoD will use a direct Contract with a US Contractor and other Contractors as necessary, in accordance with English law, regulations, and procedures, for the acquisition of the UK CATT system throughout its in-service life, including any relevant improvements made to the US CATT system. The MoD will be solely responsible for negotiating such Contracts. The DoD will provide Price Audits and Quality Assurance services on behalf of the MoD under the provisions of the Memorandum of Understanding between the Government of the United States and the Government of the United Kingdom of Great Britain and Northern Ireland Relating to the Principles Governing Cooperation in Research and Development, Production, Procurement and Logistic Support of Defense Equipment, dated 13 December, 1994,¹ or any successor thereto.

6.2. The DoD will continue to develop, produce and field its US CCTT training system as currently planned and contracted with Loral Federal Systems. The DoD will modify its existing Contract to meet its responsibilities under this MOU.

6.3. If either Participant determines that additional Contracting is necessary to fulfill that Participant's responsibilities under Section III (SCOPE OF WORK) of this MOU, that Participant will Contract in accordance with its respective national laws, regulations and procedures. Sources from both Participants' industries will be allowed to compete on an equal basis for such new Contracts, within the framework of the acquisition strategy.

6.4. When one Participant individually contracts to perform a task under this MOU, it will be solely responsible for its own Contracting, and the other Participant will not be subject to any liability arising from such Contracts without its written consent.

6.5. For all Contracting activities performed by either Participant, the PMs will, upon request, be provided with a copy of all statements of work prior to the issue of any Request for Proposals under this MOU.

6.6. Each Participant's Contracting Authority will negotiate to obtain the rights to use and disclose Technical Data and Computer Software required by Section VIII (DISCLOSURE AND USE OF TECHNICAL DATA AND COMPUTER SOFTWARE). Each Participant's Contracting Authority will insert into its prospective Contracts (and require its Contractors to insert in subcontracts) suitable provisions to satisfy the requirements of this MOU, including Section VIII

¹No record of this document in Office of Treaty Affairs' files.

(DISCLOSURE AND USE OF TECHNICAL DATA AND COMPUTER SOFTWARE), Section IX (CONTROLLED UNCLASSIFIED INFORMATION), Section XI (SECURITY) and Section XII (THIRD PARTY SALES AND TRANSFERS). During the contracting process, each Participant's Contracting Officer will advise prospective Contractors of their responsibility to notify the Contracting Authority immediately if they are subject to any license or agreement that will restrict that Participant's freedom to disclose information or permit its use. The Contracting Officer will also advise prospective Contractors to employ their best efforts not to enter into any new agreement or arrangement that will result in restrictions.

6.7. In the event that a Participant's Contracting Authority is unable to secure adequate rights to use and disclose Technical Data and Computer Software as required by Section VIII (DISCLOSURE AND USE OF TECHNICAL DATA AND COMPUTER SOFTWARE), or is notified by Contractors or potential Contractors of any restrictions on the disclosure and use of information, that Participant's PM will notify the other Participant's PM of the restriction(s) before the contract is put in place.

6.8. Each Participant will use its best efforts to assist the other in securing any export licenses for equipment, data, and software required to implement this MOU.

SECTION VII PROGRAM EQUIPMENT

7.1. Each Participant may loan Program Equipment identified as being necessary for executing this MOU to the other Participant. All Program Equipment that is transferred will be used by the receiving Participant only for the purposes of this MOU. Possession of the Program Equipment will pass at the point to be specified in the plan to be approved by the SC in accordance with Section IV (MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)).

SECTION VIII
DISCLOSURE AND USE OF TECHNICAL DATA
AND COMPUTER SOFTWARE

8.1. General

Both Participants recognize that successful collaboration depends on full and prompt exchange of Technical Data and Computer Software necessary for carrying out this Program. The Participants intend to acquire sufficient Technical Data and Computer Software and rights to use such data and software to enable the development, production, deployment, maintenance, and support of the UK CATT system and enhancements to the UK CATT and US CATT Core system.

8.2. DoD Technical Data and Computer Software

8.2.1. Disclosure: DoD will provide MoD, at no cost, Technical Data and Computer Software with respect to the US CCTT, developed by DoD or delivered to DoD by its Contractor, which will be common to both the US CATT and UK CATT systems (to include the US CATT Core and necessary module interfaces), and all changes to such data and software delivered during the duration of this MOU. See paragraph 3.2.1.

8.2.2. Use: DoD will provide MoD, at no cost and subject to proprietary interests, the right to use, modify, reproduce, release, perform, or display, all Technical Data and Computer Software provided under this MOU for its Defense Purposes. Such a right will provide for disclosure of the Technical Data and Computer Software to MoD's agents and Contractors with the right to use, modify, reproduce, release, perform, display or disclose the Technical Data and Computer Software for manufacture, repair, maintenance, testing, modification, development and operating purposes. Any disclosure to Contractors will be under suitable contractual arrangements to preclude further disclosure and for a use other than those stated in this MOU. The sale or transfer of Technical Data and Computer Software will be subject to the provisions of Section XII (THIRD PARTY SALES AND TRANSFERS) of this MOU.

8.3. MoD Technical Data and Computer Software

8.3.1. Disclosure: MoD will provide DoD, at no cost, Technical Data and Computer Software on enhancements or modifications to US CCTT (provided under paragraph 8.2.1 above) developed by MoD or delivered to MoD by its Contractor for the UK CATT during the duration of this MOU. See paragraph 3.3.2.

8.3.2. Use:

8.3.2.1. Before execution of the MoD prime Contract(s) for in-service support, MoD will provide DoD, at no cost and subject to proprietary interest, the right to use, modify, reproduce, release, perform, display, or disclose Technical Data or Computer Software provided under this MOU, in whole or in part, in any manner and for any purpose whatsoever, and to have or authorize others to do so.

8.3.2.2. After execution of the MoD prime Contract(s) for in-service support which will come into effect after acceptance into operational service by the British Army of the first UK CATT installation, MoD will provide DoD, at no cost and subject to proprietary interest, the right to use, modify, reproduce, release, perform, display, or disclose all Technical Data and Computer Software on the enhancements or modifications to the developed UK CATT system for its Defense Purposes.

8.3.2.3. The sale or transfer of Technical Data and Computer Software will be subject to the provisions of Section XII (THIRD PARTY SALES AND TRANSFERS) of this MOU.

8.3.2.4. Any transfer of Technical Data and Computer Software under paragraph 8.3.2 will be marked with the appropriate use right.

8.4. Proprietary Interests:

8.4.1. All Technical Data and Computer Software subject to proprietary interests will be identified and marked, will be handled as Controlled Unclassified Information, and, where necessary, under the provisions of Section XI (SECURITY).

8.4.2. The provisions of the NATO Agreement on the Communication of Technical Information for Defense Purposes, signed at Brussels on 19 October 1970,¹ and the Implementing Procedures for the NATO Agreement on the Communication of Technical Information for Defense Purposes, approved by the North Atlantic Council on 1 January 1971,² will apply to Technical Data and Computer Software provided under this MOU.

8.5. Patents:

8.5.1. If MoD owns title to an invention or has the right to receive title to an invention on enhancements or modifications to US CCTT (provided under paragraph 8.2.1), MoD will provide DoD a nonexclusive, irrevocable, royalty-

¹ TIAS 7064; 22 UST 347.

² No record of this document in Office of Treaty Affairs' files.

free license to practice or have practiced, by or on its behalf, throughout the world for Defense Purposes, any such invention.

8.5.2. To the extent that MoD's use by itself or its Contractors under the provisions of paragraph 8.2.2. is encompassed by a claim of any patent or patent application that DoD either owns or is entitled under a license right to authorize others to use without any obligation to make payments to its owner, DoD will provide MoD a nonexclusive, irrevocable, royalty-free license to practice or have practiced, by or on its behalf, the invention or inventions claimed in that patent or patent application.

SECTION IX

CONTROLLED UNCLASSIFIED INFORMATION

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

9.1.1. Such information will be used only for the purposes authorized for use of Technical Data and Computer Software as specified in Section VIII (DISCLOSURE AND USE OF TECHNICAL DATA AND COMPUTER SOFTWARE).

9.1.2. Access to such information will be limited to personnel whose access is necessary for the permitted use under paragraph 9.1.1. and will be subject to the provisions of Section XII (THIRD PARTY SALES AND TRANSFERS).

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

9.2. To assist in providing the appropriate controls, the originating Participant will ensure that Controlled Unclassified Information is appropriately marked. The Participants will decide, in advance and in writing, on the markings to be placed on the Controlled Unclassified Information. The appropriate markings will be defined in the Program Security Instruction.

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

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

SECTION X

VISITS TO ESTABLISHMENTS

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

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

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

10.4. Lists of personnel of each Participant required to visit, on a continuing basis, facilities of the other Participant will be submitted through official channels in accordance with Recurring International Visit Procedures.

SECTION XI

SECURITY

11.1. All Classified Information or material provided or generated pursuant to this MOU will be stored, handled, transmitted, and safeguarded in accordance with the General Security Agreement between the United Kingdom of Great Britain and Northern Ireland and the United States of America, of 14 April 1961, amended 5 July and 19 December 1983,¹ and including the Industrial Security Annex thereto, of 18 April 1984, amended 23 April 1988.²

11.2. Classified Information and material will be transferred only through official government-to-government channels or through channels approved by the Designated Security Authorities (DSAs) of the Participants. Such information and

¹ Not printed.

² No record of this document in Office of Treaty Affairs' files.

material will bear the level of classification, denote the country of origin, the conditions of release, and the fact that the information relates to this MOU.

11.3. Each Participant will take all lawful steps available to ensure that information provided or generated pursuant to this MOU is protected from further disclosure, except as permitted by paragraph 11.8., unless the other Participant consents to such disclosure. Accordingly, each Participant will ensure that:

11.3.1. The recipient will not release the Classified Information to any government, national, organization, or other entity of a Third Party without the prior written consent of the originating Participant in accordance with the procedures set forth in Section XII (THIRD PARTY SALES AND TRANSFERS).

11.3.2. The recipient will not use the Classified Information for other than the purposes provided for in this MOU.

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

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

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

11.5.1. Ensure that such Contractors, prospective Contractors, or subcontractors and their facilities have the capability to protect information adequately.

11.5.2. Grant a security clearance to the facilities, if appropriate.

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

11.5.4. Ensure that all persons having access to the Classified Information are informed of their responsibilities to protect information in accordance with national security laws and regulations, and the provisions of this MOU.

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

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

11.6. The PMs will prepare a Program Security Instruction and a Classification Guide for the Program. The Program Security Instruction and the Classification Guide will describe the methods by which Program information and material, including Technical Data and Computer Software, will be classified, marked, used, transmitted, and safeguarded. The Instruction and Guide will be developed by the PMs within three months after this MOU enters into effect. They will be reviewed and forwarded to the appropriate DSA and will be applicable to all government and Contractor personnel participating in the Program. The Classification Guide will be subject to regular review and revision with the aim of downgrading the classification whenever this is appropriate. The Program Security Instruction and the Classification Guide will be approved by the appropriate DSA prior to the transfer of any Classified Information or Controlled Unclassified Information.

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

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

11.9. Each Participant will ensure that access to the Classified Information is limited to those persons who possess requisite security clearances and have a specific need for access to the information in order to participate in the Program.

11.10. Information or material provided pursuant to this MOU may be classified as high as CONFIDENTIAL. The existence of this MOU is UNCLASSIFIED and the contents are UNCLASSIFIED.

SECTION XII

THIRD PARTY SALES AND TRANSFERS

12.1. The DoD will retain the right to sell, transfer title to, disclose, or transfer possession of Technical Data and Computer Software provided in the performance of the Program, or any item produced either wholly or in part from Technical Data and Computer Software provided in the performance of the Program to Third Parties. DoD will consult with MoD 30 days prior to any Third Party transfer of any item or information covered by this MOU where there is MoD content in the item or information. DoD will take into consideration any objections raised by MoD for reasons of foreign policy, national security, or national laws.

12.2. The DoD will not sell, transfer title to, disclose, or transfer possession of UK CATT specific individual manned module weapon and/or tactical systems without the prior written consent of the MoD.

12.3. Except to the extent permitted in paragraph 12.4, the MoD will not sell, transfer title to, disclose, or transfer possession of Technical Data and Computer Software provided in the performance of the Program, or any item produced either wholly or in part from Technical Data and Computer Software provided in the performance of the Program to any Third Party without the prior written consent of the DoD. Furthermore, the MoD will not permit any such sale, disclosure, or transfer by others, including the owner, without the prior written consent of the DoD. The MoD recognizes that such sales, disclosures, or other transfers will not be authorized by the US Government unless the government of the intended recipient consents in writing with the US that it will:

12.3.1. Not retransfer, or permit the further retransfer of, any equipment, Technical Data or Computer Software provided; and

12.3.2. Use, or permit the use of, the equipment or Technical Data and Computer Software provided only for the purposes specified by the Participants.

12.4. The MoD will retain the right to sell, transfer title to, disclose, or transfer possession of Technical Data and Computer Software developed in the performance of the UK CATT project which:

12.4.1. Is developed solely by the MoD or a MoD Contractor; and

12.4.2. Does not include any DoD Technical Data and Computer Software provided in the performance of this Program.

12.5. A Participant will not sell, transfer title to, disclose, or transfer possession of Program Equipment loaned by the other Participant to any Third Party without

the prior written consent of the Participant which loaned such equipment. The loaning Participant will be solely responsible for authorizing such transfers and, as applicable, specifying the method and provisions for implementing such transfers.

12.6. In any transfer of a CATT system to a Third Party, if a nonrecurring recoupment or investment charge is levied, the Participant who is making the transfer will recoup for the other Participant a proportionate share of that Participant's investment in such system. DoD's responsibility hereunder will arise only when the transfer is made under FMS procedures and a nonrecurring recoupment charge is authorized.

SECTION XIII LIABILITY AND CLAIMS

13.1. Claims arising under this MOU will be dealt with under paragraph 1 of the Agreement Concerning Defense Cooperation Arrangements of 27 May 1993. Any cost arising under paragraph 1(b)(ii) will be shared equally by the Participants.

SECTION XIV CUSTOMS DUTIES, TAXES, AND SIMILAR CHARGES

14.1. Customs duties, import and export taxes, and similar charges will be administered in accordance with each Participant's respective laws and regulations. Insofar as existing national laws and regulations permit, the Participants will endeavor to ensure that such readily identifiable duties, taxes and similar charges, as well as quantitative or other restrictions on imports and exports, are not imposed in connection with work carried out under this Program.

14.2. Each Participant will 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.

SECTION XV SETTLEMENT OF DISPUTES

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

SECTION XVI

AMENDMENT, TERMINATION, ENTRY INTO EFFECT, AND DURATION

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

16.2. Except as otherwise provided, this MOU may be amended by the mutual written consent of the Participants.

16.3. This MOU may be terminated at any time upon the mutual written consent of the Participants. In the event both Participants consent to terminate this MOU, the Participants will consult prior to the date of termination to ensure termination on the most economical and equitable terms.

16.4. Either Participant may terminate this MOU upon 90 days written notification to the other Participant. Such notice will be the subject of immediate consultation by the SC to decide upon the appropriate course of action. In the event of such termination, the following rules apply:

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

16.4.2. Each Participant will pay the costs it incurs as a result of termination.

16.4.3. All Technical Data and Computer Software and rights therein received under the provisions of this MOU prior to the termination will be retained by the Participants, subject to the provisions of this MOU.

16.5. The respective rights and responsibilities of the Participants regarding Section VII (PROGRAM EQUIPMENT), Section VIII (DISCLOSURE AND USE OF TECHNICAL DATA AND COMPUTER SOFTWARE), Section IX (CONTROLLED UNCLASSIFIED INFORMATION), Section XI (SECURITY), Section XII (THIRD PARTY SALES AND TRANSFERS), and Section XIII (LIABILITY AND CLAIMS), will continue notwithstanding termination or expiration of this MOU.

16.6. This MOU, which consists of the Introduction and 16 Sections, will enter into effect upon signature by both Participants and will remain in effect for ten (10) years. It may be extended by the mutual written consent of the Participants.

The foregoing represents the understandings reached between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland upon the matters referred to therein. Signed in duplicate in the English language by authorized representatives.

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

Michael F. Fiset
Signature

MICHAEL F. FISSETTE
Name

Principal Deputy for Technology
Title

December 6, 1996
Date

Alexandria Virginia (USA)
Location

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

J.D. Maines
Signature

J.D. MAINES
Name

Director General
Command Information Systems
Title

December 6, 1996
Date

Abbey Wood, England
Location