

ARRANGEMENT

BETWEEN

THE NUCLEAR REGULATORY COMMISSION

OF THE UNITED STATES OF AMERICA

(USNRC)

AND

THE FEDERAL MINISTRY FOR THE ENVIRONMENT,

NATURE CONSERVATION AND NUCLEAR SAFETY

OF THE FEDERAL REPUBLIC OF GERMANY

(BMU)

FOR THE EXCHANGE OF INFORMATION

AND

COOPERATION IN NUCLEAR SAFETY MATTERS

MARCH 13, 2007

**The Nuclear Regulatory Commission
Of The United States of America (NRC)**

And

**The Federal Ministry for the Environment, Nature Conservation and Nuclear Safety
Of The Federal Republic of Germany (BMU)**

Having a mutual interest in safety and safeguards for the peaceful use of nuclear energy and in the exchange of experience on such matters, and having a common objective of improving the safety and security of nuclear facilities and materials and of preventing harm to the public, the environment, and the national security,

Having similarly cooperated under the terms of an Arrangement on Cooperation in the Field of Nuclear Facilities Safety, signed on October 1, 1975, between the NRC and the Federal Ministry of the Interior of the Federal Republic of Germany (BMI);

The NRC and the BMI having concluded a successor Arrangement on July 6, 1981; the NRC and the BMU, which took over responsibility for nuclear safety and regulation from the BMI in June 1986, having continued their cooperation under the Arrangement on July 17, 1986; the Arrangement of October 19, 1995; and most recently for an additional five years under the Arrangement of January 24, 2002, and having indicated their mutual desire to continue their exchange of information and cooperation;

Have agreed as follows:

Chapter I

Scope of the Arrangement

Article 1

Technical Information Exchange

To the extent that the NRC and BMU are permitted to do so under the laws, regulations, and policy directives of their respective countries, the Parties will continue the exchange of the following types of technical information relating to the regulation of safety and environmental impact of designated nuclear facilities and to nuclear safety research programs:

1. Topical reports concerning technical safety, safeguards, radioactive waste management, and environmental effects written by or for one of the Parties as a basis for, or in support of, regulatory decisions and policies,
2. Documents describing the process of licensing and regulating nuclear facilities,
3. Regulatory procedures for the safety, safeguards (materials accountancy and control and physical protection), waste management, and environmental impact evaluation of nuclear facilities,
4. Documents relating to significant licensing actions and safety and environmental decisions affecting the regulation of nuclear facilities,
5. Copies of regulatory standards required to be used, or proposed for use, by the regulatory organizations of the Parties,
6. Reports on operating experience, such as reports on nuclear incidents, accidents and shutdowns, and compilations of historical reliability data on components and systems,
7. Early advice of important events, such as serious operating incidents and

government-directed reactor shutdowns, and security related events that are of immediate interest to the Parties,

8. Detailed documents describing the NRC process for licensing and regulating certain U.S. facilities designated by the BMU as similar to certain facilities being built or planned in Germany and equivalent documents describing the BMU process with regard to German facilities,

9. Information in the field of confirmatory safety research which the Parties have the right to disclose, either in the possession of one of the Parties or available to it, including nuclear safety information from the technical areas described in Addenda "A" and "B", attached hereto and made a part hereof. Cooperation in these itemized safety research areas may require a separate agreement, as determined to be necessary by the research organizations of one or both of the Parties. Each Party will transmit immediately to the other information concerning research results that requires early attention in the interest of public safety, along with an indication of significant implications.

Article 2

Cooperation in Confirmatory Nuclear Safety Research

The execution of joint programs and projects of confirmatory nuclear safety research and development, or those programs and projects under which activities are divided between the Parties, including the use of test facilities and/or computer programs owned by either Party, will be considered on a case-by-case basis and may be the subject of a separate agreement, if determined to be necessary by the research organizations of one or both of the Parties. When not the subject of a separate agreement, the terms of cooperation may be established by an exchange of letters between the research organizations of the Parties, and will be subject to the terms and conditions of the present Arrangement. Technical areas specified by such exchanges of letters may be modified subsequently by mutual consent. Temporary assignments of personnel by one Party in the other Party's agency will also be considered on a case-by-case basis and will, in general, require a separate letter of

agreement between the research organizations of the Parties. Each agreement between the research organizations requires the approval by the Parties.

Article 3

Training and Assignments

Within the limits of available resources and subject to the availability of appropriated funds, the Parties will try to assist each other by providing certain training and experience for safety personnel of each organization. Unless otherwise agreed, costs of salary, allowances, and travel of NRC participants will be paid by the NRC, and travel of BMU participants will be paid by the BMU. The following are typical of, but not necessarily restricted to, the kinds of training and experience that may be provided:

1. Accompaniment of inspectors on reactor operation and reactor construction inspections, including extended briefings at regional inspection offices within Germany and the U.S.,
2. Participation of employees in staff training courses,
3. Assignment of employees for 6-24 month periods within the agencies of the Parties to work on staff duties and gain on-the-job experience,
4. Possible training assignments for BMU staff within the radiation control programs of interested NRC Agreement States.

Chapter II

Administration

Article 4

Administrative Implementation

(1) The exchange of information under this Arrangement will be accomplished through letters, reports, and other documents, and by visits and meetings arranged in advance

on a case-by-case basis. Meetings will be held at such times as mutually agreed to review the exchange of information and cooperation under this Arrangement, to recommend revisions to the provisions of the Arrangement, and to discuss topics coming within the scope of the cooperation. The time, place, and agenda for such meetings will be agreed upon in advance. Visits which take place under the Arrangement, including their schedules, will have the prior approval of the administrators referred to in Article 4 paragraph 2.

(2) An administrator will be designated by each Party to coordinate its participation in the overall exchange. The administrators will be the recipients of all documents transmitted under the exchange, including copies of all letters unless otherwise agreed. Within the terms of the exchange, the administrators will be responsible for developing the scope of the exchange, including agreement on the designation of the nuclear energy facilities subject to the exchange, and on specific documents and standards to be exchanged. One or more technical coordinators may be appointed as direct contacts for specific disciplinary areas. These technical coordinators will assure that both administrators receive copies of all transmittals. These detailed arrangements are intended to assure, among other things, that a reasonably balanced exchange giving access to equivalent available information is achieved and maintained.

(3) The administrators will determine the number of copies to be provided of the documents exchanged. Each document will be accompanied by an abstract in English, 250 words or less, describing its scope and content.

(4) The application or use of any information exchanged or transferred between the Parties under this Arrangement will be the responsibility of the receiving Party, and the transmitting Party does not warrant the suitability of such information for any particular use or application.

(5) Recognizing that some information of the type covered in this Arrangement is not available within the agencies which are Parties to this Arrangement, but is available from other agencies of the governments of the Parties, each Party will assist the other to the maximum extent possible by organizing visits and directing inquiries concerning such

information to appropriate agencies of the government concerned. The foregoing will not constitute a commitment of other agencies to furnish such information or to receive such visitors.

(6) Nothing contained in this Arrangement will require either Party to take any action which would be inconsistent with its existing laws, regulations, and policy directives. No nuclear information related to proliferation-sensitive technologies will be exchanged under this Arrangement. Should any conflict arise between the terms of this Arrangement and those laws, regulations, and policy directives, the Parties agree to consult before any action is taken.

Article 5

Costs

Unless otherwise agreed, all costs resulting from cooperation pursuant to this Arrangement will be the responsibility of the Party that incurs them. The ability of the Parties to carry out their obligations is subject to the appropriation of funds by the appropriate governmental authority and to laws and regulations applicable to the Parties.

Article 6

Dispute Settlement

Any dispute or questions among the Parties concerning the interpretation or application of this Arrangement arising during its term will be settled by mutual agreement of the Parties.

Chapter III

Exchange and use of Information

Article 7

General

The Parties support the widest possible dissemination of information provided or exchanged under this Arrangement, subject to the requirements of each Party's national laws, regulations and policies and to the need to protect proprietary or other sensitive, confidential

or privileged information as may be exchanged hereunder, and subject to the provisions of the Intellectual Property Addendum, hereby incorporated into this Arrangement.

Article 8

Definitions

For the purposes of this Arrangement

1. The term "information" means unclassified nuclear energy-related regulatory, safety, safeguards, radioactive waste management, scientific, or technical data, including information on results or methods of assessment, research, and any other knowledge intended to be provided or exchanged under this Arrangement,
2. The term "proprietary information" means information created or exchanged under this Arrangement which contains trade secrets or other privileged or sensitive commercial information, and may only include information which:
 - a) has been held in confidence by its owner,
 - b) is of a type which is customarily held in confidence by its owner,
 - c) has not been transmitted by the owner to other entities except on the basis that it be held in confidence,
 - d) is not otherwise available to the receiving Party from another source without restrictions on its further dissemination, and
 - e) is not already in the possession of the receiving Party.
3. The term "other confidential or privileged information" means non-classified information, other than "proprietary information," which has been transmitted and received in confidence under this Arrangement and is protected from public disclosure under the laws and regulations of the Party providing the information, or is otherwise restricted by the provider.

Article 9

Marking Procedures for Documentary Proprietary Information

A Party receiving documentary proprietary information pursuant to this Arrangement will respect the privileged nature thereof, provided such proprietary information is clearly marked with the following restrictive legend:

This document contains proprietary information furnished in confidence under an Arrangement dated March 13, 2007, between the Nuclear Regulatory Commission of the United States of America and the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety of the Federal Republic of Germany and will not be disseminated outside these organizations, their consultants, contractors, and licensees, and concerned departments and agencies of the Government of the United States of America and the Government of Germany and without the prior approval of the transmitting Party. This notice will be marked on any reproduction hereof, in whole or in part. These limitations will automatically terminate when this information is disclosed by the owner without restrictions.

This restrictive legend will be respected by the Parties to this Arrangement. Proprietary information bearing this restrictive legend shall not be made public or otherwise disseminated in any manner unspecified or contrary to the terms of this Arrangement without prior consent of the transmitting Party. Proprietary information bearing this restrictive legend shall not be used by the receiving Party or its contractors and consultants for any commercial purposes without the prior written consent of the transmitting Party whose consent will presume to be authorized where the owner and the transmitting Party differ.

Article 10

Dissemination of Documentary Proprietary Information

(1) In general proprietary information received under this Arrangement may be disseminated by the receiving Party without prior consent to persons within or employed by the Receiving Party, and to concerned Government departments and Government agencies in the country of the Receiving Party, provided:

1. such dissemination is made on a case-by-case basis to persons or departments and agencies having a legitimate need for the proprietary information; and
2. such proprietary information shall bear the restrictive legend appearing in Article 9 of this Arrangement.

(2) In addition, proprietary information may be disseminated without prior consent to contractors or consultants of the receiving Party located within the geographical limits of that Party's nation, provided:

1. that the proprietary information is used by such contractors and consultants only for work within the scope of their contracts with the receiving Party relating to the subject matter of the proprietary or other sensitive or privileged information and shall not be used by such contractors and consultants for any other private commercial purposes, and
2. that such dissemination is made on a case-by-case basis to contractors and consultants having a legitimate need for the proprietary information and who have executed a non-disclosure agreement, and
3. that such proprietary information shall bear the restrictive legend appearing in Article 9 of this Arrangement.

(3) With the prior written consent of the Party furnishing proprietary information under this Arrangement, the receiving Party may disseminate such proprietary information more widely than otherwise permitted under the terms set forth in this Arrangement. The Parties will endeavor to grant such approval to the extent permitted by their respective laws, regulations, and national policies, provided:

1. that the entities receiving proprietary information under Article 10 paragraph 3 of this Arrangement, including domestic organizations permitted or licensed by the receiving Party to construct or operate nuclear production or utilization facilities, or to use nuclear materials and radiation sources, have a legitimate need for the proprietary information and have executed a non-disclosure agreement; and
2. that the entities receiving proprietary information under Article 10 paragraph 3 of this Arrangement, including domestic organizations permitted or licensed by the receiving Party to construct or operate nuclear production or utilization facilities, shall not use such proprietary information for any private commercial purposes; and

3. that those entities receiving proprietary information under Article 10 paragraph 3 of this Arrangement that are domestic organizations permitted or licensed by the receiving Party, agree to use the proprietary information only for activities carried out under or within the terms of their specific permit or license.

Article 11

Marking Procedures for Other Confidential or Privileged Information of a Documentary Nature

A Party receiving under this Arrangement other sensitive, confidential or privileged information will respect its confidential nature, provided such information is clearly marked so as to indicate its confidential or privileged nature and is accompanied by a statement indicating

1. that the information is protected from public disclosure by the Government of the Transmitting Party, and
2. that the information is transmitted under the condition that it be maintained in confidence.

Article 12

Dissemination of Other Confidential or Privileged Information of a Documentary Nature

Other confidential or privileged information may be disseminated in the same manner as that set forth in Article 10.

Article 13

Non-Documentary Proprietary or Other Confidential or Privileged Information

Non-documentary proprietary or other confidential or privileged information provided in seminars and other meetings arranged under this Arrangement, or information arising from

attachments of staff, use of facilities, or joint projects, will be treated by the Parties according to the principles specified for documentary information in this Arrangement; provided, however, that the Party communicating such proprietary or other confidential or privileged information has placed the recipient on notice as to the character of the information communicated.

Article 14
Consultation

If, for any reason, one of the Parties become aware that it will be, or may reasonably be expected to become, unable to meet the non-dissemination provisions of this Article, it will immediately inform the other Party. The Parties will thereafter consult to define an appropriate course of action.

Article 15
Other

Nothing contained in this Arrangement will preclude a Party from using or disseminating information received without restriction by a Party from sources outside of this Arrangement.

Chapter IV
Final Provisions

Article 16
Entry into Force, Period of Validity, Termination

(1) This Arrangement will enter into force upon signature and, subject to paragraph (2) of this Article, will remain in force for a period of five years. It may be extended for a further period of time by written agreement of the Parties.

(2) Either Party may terminate this Arrangement after providing the other Party written notice 6 months prior to its intended date of termination.

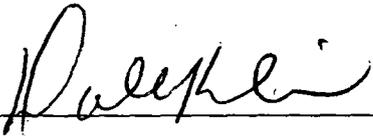
Article 17

Protection of Information

All information protected by provisions of this Arrangement as proprietary or other confidential or privileged information will remain so protected for the duration of this Arrangement and after this Arrangement has expired or been terminated, unless otherwise specifically agreed by the Parties in writing.

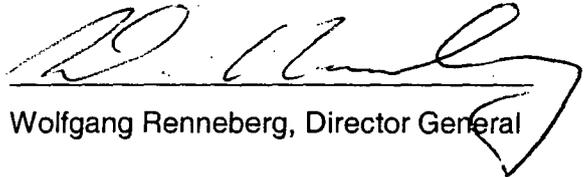
Done at Washington, D.C. on the 13th day of March 2007, in the English and German languages, both texts being equally authentic.

FOR THE NUCLEAR REGULATORY
COMMISSION OF THE UNITED
STATES OF AMERICA



Dale E. Klein, Chairman

FOR THE FEDERAL MINISTRY FOR
THE ENVIRONMENT, NATURE
CONSERVATION AND NUCLEAR
SAFETY OF GERMANY



Wolfgang Renneberg, Director General

Addendum "A"

NRC –BMU Safety Research Exchange

Areas In Which the NRC Is Performing or Sponsoring Safety Research

1. Reactor Vessel and Piping Integrity
2. Aging of Reactor Components
3. Reactor Equipment Qualification
4. Thermal Hydraulic Code Applications and Maintenance
5. Plant Performance
6. Human Performance
7. Core Melt and Reactor Coolant System Failure
8. Reactor Containment Safety
9. Containment Structural Integrity
10. Seismic Safety
11. Probabilistic Risk Assessment
12. Severe Accident Analysis
13. Radiation Protection and Health Effects
14. Radionuclide Transport and Waste Management
15. Nuclear Fuel Analysis
16. Dry Cask Storage and Transport
17. Decommissioning
18. Advanced Reactor Designs
19. Fire Protection

Addendum " B"

NRC - BMU Safety Research Exchange
Areas In Which the BMU Is Performing Confirmatory Nuclear Safety Research

1. Operating Experience Feedback
2. Knowledge Management
3. Generic Safety Issues
4. Reactor Vessel and Piping Integrity
5. Aging of Reactor Components
6. Reactor Equipment Qualification
7. Thermal Hydraulic Code Applications and Maintenance
8. Nuclear Fuel Analysis
9. Plant Performance
10. Human Performance
11. Core Melt and Reactor Coolant System Failure
12. Reactor Containment Safety
13. Containment Structural Integrity
14. Seismic Safety
15. Severe Accident Analysis
16. Probabilistic Risk Assessment
17. Dry Cask Storage and Transport
18. Fire Protection
19. Safety of I & C
20. Radionuclide Transport and Waste Management
21. Security of Spent Fuel and High Level Waste Shipment
22. Radiation Protection and Health Effects
23. Decommissioning

Intellectual Property Rights

The Parties agree to notify one another in a timely fashion of any inventions or copyrighted works arising under this Arrangement and to seek protection for such intellectual property in a timely fashion. Rights to such intellectual property shall be allocated as provided in this Annex.

Part I

Scope

(1) This Annex is applicable to all cooperative activities undertaken pursuant to this Arrangement, except as otherwise specifically agreed upon by the Parties or their designees.

(2) For purposes of this Arrangement, "intellectual property" shall have the meaning found in Article 2 of the Convention Establishing the World Intellectual Property Organization, done at Stockholm, July 14, 1967 and may include other subject matter as agreed by the Parties.

(3) This Annex addresses the allocation of rights, interests, and royalties between the Parties. Each Party shall ensure that the other Party can obtain the rights to intellectual property allocated in accordance with this Annex. This Annex does not otherwise alter or prejudice the allocation between a Party and its nationals, which shall be determined by that Party's laws and practices.

(4) Disputes concerning intellectual property arising under this Arrangement should be resolved through discussions between the concerned participating institutions, or, if necessary, the Parties or their designees. Upon mutual agreement of the Parties, a dispute shall be submitted to an arbitral tribunal for binding arbitration in accordance with the applicable rules of international law. Unless the Parties or their designees agree otherwise in writing, the arbitration rules of UNCITRAL shall govern.

(5) Termination or expiration of this Arrangement shall not affect rights or obligations under this Annex.

Part II
Allocation of Rights

(1) Each Party shall ensure that the other Party shall be entitled to a non-exclusive, irrevocable, royalty-free license in all countries to translate, reproduce, publicly distribute and translate scientific and technical journal articles, reports, and books directly arising from cooperation under this Arrangement. All publicly distributed copies of a copyrighted work prepared under this provision shall indicate the names of the authors of the work unless an author explicitly declines to be named. Each Party shall have the right to review a translation prior to public distribution.

(2) Rights to all forms of intellectual property, other than those rights described in Section II.1., above, shall be allocated as follows:

- a. Rights to intellectual property shall arise for visiting researchers, for example, scientists visiting primarily in furtherance of their education, according to the laws and policies of the host institution of the Parties. In addition, each visiting researcher named as an inventor shall be entitled to share in a portion of any royalties earned by the host institution from the licensing of such intellectual property.
- b. (1) For intellectual property created during joint research, for example, when the Parties, participating institutions, or participating personnel have agreed in advance on the scope of work, each Party shall be entitled to obtain all rights and interests in its own country. Rights and interests in third countries will be determined in implementing arrangements. If research is not designated as "joint research," rights to intellectual property arising from the research will be allocated in accordance with paragraph II.2.a., above. In addition, each person named as an inventor shall be entitled to share in a portion of any royalties earned by either institution from the licensing of the property.

- (2) Notwithstanding paragraph II.2.b. (1), above, if a type of intellectual property is available under the laws of one Party but not of the other Party, the Party whose laws provide for this type of protection shall be entitled to all rights and interests worldwide. Persons named as inventors of the property shall nonetheless be entitled to royalties as provided in paragraph II.2.b. (1), above.

Part III

Business Confidential Information

In the event that information identified in a timely fashion as business-confidential is furnished or created under this Arrangement, each Party and its participants shall protect such information in accordance with applicable laws, regulations, and administrative practices. Information may be identified as "business-confidential" if a person having the information may derive an economic benefit from it or may obtain a competitive advantage over those who do not have it, the information is not generally known or publicly available from other sources, and the owner has not previously made the information available without imposing in a timely manner an obligation to keep it confidential.