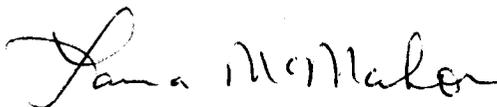


MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA
AND
THE SECRETARY OF STATE FOR DEFENCE
OF
THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
CONCERNING THE EXCHANGE
OF
ENGINEERS AND SCIENTISTS

CERTIFICATION OF AUTHENTICITY

I hereby certify this to be a true copy of the Memorandum of Understanding (MOU) between 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 Concerning the Exchange of Engineers and Scientists.

The Armaments Cooperation Directorate (SAAL-NC), Office of the Deputy Assistant Secretary of the Army for Defense Exports and Cooperation maintains custody of a signed copy of the MOU.



Laura McMahon
DEPUTY, INTERNATIONAL AGREEMENTS

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INTRODUCTION

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

Recognizing that the Agreement Concerning Defense Cooperation Arrangements between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland, which entered into effect May 27, 1993, as amended June 1, 2007, applies to this Memorandum of Understanding (MOU);

Recognizing the successful cooperation that has been accomplished to date under the 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 Concerning the Exchange of Scientists and Engineers (ESEP MOU), which entered into effect August 18, 1994, and subsequent amendments;

Desiring to continue to realize the benefits of a program for the exchange of Engineers and Scientists (E&S);

Have reached the following understandings:

SECTION I

DEFINITIONS

The Participants have jointly decided upon the following definitions for terms used in this 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. This Information may be in oral, visual, magnetic, or documentary form, or in the form of equipment.
Controlled Unclassified Information	Unclassified Information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. It could include Information that has been declassified, but remains controlled.
Dependent	The spouse of a member of an armed force or a civilian component or a child of such member that depends on the member for support.
Engineers and Scientists (E&S) Personnel	Military and civilian engineers and scientists of the U.S. DoD or UK MoD who perform scientific and other jointly decided technical functions for the purpose and within the scope of this MOU.
Exchange Program	The exchange of personnel under this MOU.
Host Organization	U.S. DoD/UK MoD national defense organizations, to which E&S Personnel are assigned for duty pursuant to this Exchange Program.
Host Participant	U.S. DoD/UK MoD to which the Host Organization belongs.

Information

Knowledge that can be communicated by any means, regardless of form or type, including, but not limited to, that of a scientific, technical, business, or financial nature, and also including photographs, reports, manuals, threat data, experimental data, test data, computer software, designs, specifications, processes, techniques, inventions, drawings, technical writings, sound recordings, pictorial representations, and other graphical presentations, whether in magnetic tape, computer memory, or any other form, and whether or not subject to Intellectual Property rights.

Intellectual
Property

In accordance with the World Trade Organization Agreement on Trade-related Aspects of Intellectual Property Rights of April 15, 1994, all copyright and related rights, all rights in relation to inventions (including Patent rights), all rights in registered and unregistered trademarks (including service marks), registered and unregistered designs, undisclosed Information (including trade secrets and know-how), layout designs of integrated circuits, geographical indications, and any other rights resulting from creative activity in the industrial, scientific, literary, and artistic fields.

Invention	Any invention in any field of technology, provided it is new, involves an inventive step, and is capable of industrial application. Also, any invention or discovery formulated or made (conceived or "first actually reduced to practice") in the course of work performed under an Exchange Program. 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.
Parent Organization	National defense organizations of each Parent Participant, to which E&S Personnel belong.
Parent Participant	The U.S. DoD/UK MoD to which the Parent Organization belongs.
Patent	Grant by any Government or a regional office acting for more than one Government of the right to exclude others from making, using, importing, selling, or offering to sell 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 protection, as well as divisions, reissues, continuations, renewals, and extensions of any of these.
Position Description	Document that describes the work to be performed by E&S Personnel. (Refer to Appendix 2 (Position Description Format) for model.)

SECTION II

PURPOSE AND SCOPE

- 2.1. This MOU establishes the provisions by which the Participants intend to provide on-site working assignments in scientific and other approved technical positions on jointly decided topics to selected career E&S Personnel from the other Participant. The work assignments will provide the E&S Personnel the ability to gain work experience and knowledge of the organization and management of Host Participant defense activities.
- 2.2. This Exchange Program will not include training, except as provided in paragraph 6.4. of this MOU, and it is not to be used as a mechanism for obtaining Information, including Information related to the design, development, and manufacture of military systems.
- 2.3. Exchanges of E&S Personnel under this MOU will be conducted on a reciprocal basis so that the overall benefit to each Participant will be essentially equal.

SECTION III

EXECUTIVE AGENTS AND MANAGING AGENTS

- 3.1. The Participants will designate Executive Agents (EAs) and Managing Agents (MAs) to oversee the Exchange Program established by this MOU. For the U.S. DoD, the EA for this MOU will be the Office of the Under Secretary of Defense (Acquisition, Technology and Logistics), which has delegated responsibilities to the Deputy Assistant Secretary of the Army (Defense Exports and Cooperation). For the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, the EA will be the Director General of Science and Technology Strategy.
- 3.2. The EAs will be responsible for:
 - 3.2.1. Periodically reviewing this MOU to ensure conformity with current law and regulations;
 - 3.2.2. Recommending amendments to this MOU and its Annexes; and
 - 3.2.3. Maintaining a record of exchange positions and MAs.
 - 3.2.4. Approving amendments to Annex A (Procedures for Administering the Exchange of Engineers and Scientist), Annex B (Certificate of Provisions and Responsibilities), and Annex C (Commitment Regarding Inventions Made and Information Developed By Visiting Engineers and Scientists) consistent with Section XIII (Amendment, Termination, Entry into Effect, and Duration) of this MOU.
- 3.3. An MA will be designated at each Host Organization, to which E&S Personnel are assigned. The MAs will be responsible for:
 - 3.3.1. Entering into specific exchanges;
 - 3.3.2. Maintaining a record of the Position Descriptions for all E&S positions for the Host Organization in accordance with Annex A (Procedures for Administering the Exchange of Engineers and Scientists) of this MOU;

- 3.3.3. Ensuring that exchanges are conducted in accordance with the approved Position Descriptions, applicable laws and regulations, and this MOU;
- 3.3.4. Reporting exchange positions to the E&S EAs; and
- 3.3.5. Approving amendments to Position Descriptions.

SECTION IV

SELECTION & ASSIGNMENT OF PERSONNEL

- 4.1. Career military personnel and career civilian employees of the U.S. DoD and the UK MoD may participate in this Exchange Program. The Parent Organization will be solely responsible for the selection of its E&S Personnel based on the following criteria:
 - 4.1.1. They must have demonstrated capabilities for future positions of greater responsibility;
 - 4.1.2. They must be well-versed in the current practices, technical training, and doctrine of their organization;
 - 4.1.3. They must possess the academic or professional degree described in the applicable Position Descriptions;
 - 4.1.4. They should hold at least an undergraduate degree or equivalent professional qualifications, and have at least four (4) years of practical experience in the technical area related to the positions to which they will be assigned.
- 4.2. E&S Personnel will be nominated and assigned to approved positions with a Host Organization in accordance with Annex A (Procedures for Administering the Exchange of Engineers and Scientists) of this MOU.
- 4.3. To assist in the evaluation and selection of E&S Personnel, the MAs will provide professional background resumes, career areas of interest, and assignment objectives for each candidate, following the format of Appendix 1 (Professional Background, Career Areas of Interest, and Assignment Objectives), to Annex A (Procedures for Administering the Exchange of Engineers and Scientists) not less than nine (9) months prior to the desired start date of each assignment. Final selection of E&S Personnel will be by mutual arrangement between the MAs not less than four (4) months prior to the start of the assignment. The final decision on accepting nominated E&S Personnel will be made by the prospective Host Organization.

- 4.4. The placement of E&S Personnel nominated under this Exchange Program is conditional upon the ability of the Host Organization to provide work assignments commensurate with Section II (Purpose and Scope) of this MOU for a mutually determined period of time.
- 4.5. The Host Participant is authorized to discharge E&S Personnel from this Exchange Program who do not meet the above criteria. This decision is within the sole discretion of the Host Participant.
- 4.6. E&S Personnel will not act in a liaison capacity or otherwise act as representatives of the Parent Participant or the Parent Organization while assigned to exchange positions, nor will they act as representatives of the Host Participant or the Host Organization to which they are assigned. E&S Personnel will perform duties as defined in the Position Descriptions for their respective positions.
- 4.7. E&S Personnel will not be assigned to positions under this Exchange Program that would involve the release of Restricted Data, or Formerly Restricted Data, as defined in the U.S. Atomic Energy Act of 1954, as amended; communications security information; Information for which foreign dissemination has been prohibited in whole or in part; Information for which a special access authorization is required; Information originated by another organization, department, agency, or government; or Controlled Unclassified Information; unless the specific Information has been authorized, in writing, for release to the Government of the Parent Participant under an existing program or with the prior written consent of the appropriate disclosure authority, whichever is applicable.

SECTION V

TECHNICAL AND ADMINISTRATIVE MATTERS

- 5.1. To the extent authorized by the laws and regulations of the Government of the Host Participant, the Host Organization will arrange for the provision of administrative support as is deemed necessary for E&S Personnel to perform assigned tasks efficiently. The Host Organization will familiarize E&S Personnel with any unique procedures necessary for the proper performance of their assigned tasks.
- 5.2. Consistent with the laws and regulations of the Government of the Host Participant, E&S Personnel assigned under this MOU will be subject to the same restrictions, requirements, and privileges as Host Participant personnel of comparable rank in their areas of assignment. Further, to the extent authorized by the laws and regulations of the Government of the Host Participant, E&S Personnel and their authorized Dependents will be accorded on a reciprocal basis:
 - 5.2.1. Exemption from any tax by the Government of the Host Participant upon income received from the Government of the Parent Participant; and
 - 5.2.2. Exemption from any customs and import duties or similar charges levied on items entering the country of the Host Participant for their official or personal use, including their baggage, household effects, and private motor vehicles. The foregoing will not in any way limit privileges set forth elsewhere in this MOU, or other privileges granted by the laws and regulations of the Government of the Host Participant.
- 5.3. E&S Personnel and their Dependents will be informed by the Host Organization about applicable laws, orders, regulations, and customs and they will be required to comply with them. E&S Personnel and their Dependents also will be briefed by Host Organization personnel regarding their specific entitlements, privileges, and responsibilities upon their arrival in the country of the Host Organization.

- 5.4. E&S Personnel may observe the holiday schedule of either the Parent Participant or the Host Participant as jointly decided by the Host Organization in coordination with the Parent Organization.
- 5.5. E&S Personnel will be assigned work under the guidance and supervision of a host supervisor. The host supervisor will establish performance standards and observe the performance of E&S Personnel to provide a basis for counseling and performance evaluations. E&S Personnel will have performance evaluations rendered in accordance with the applicable Parent Participant regulations.
- 5.6. E&S Personnel committing an offense under the laws or regulations of the Government of either the Parent Participant or the Host Participant may be withdrawn from this Exchange Program with a view toward further administrative or disciplinary action by the Parent Participant. Disciplinary action, however, will not be taken by the Host Participant against E&S Personnel and E&S Personnel will not exercise disciplinary powers over personnel of the Host Participant. The Participants will cooperate when legally possible in carrying out administrative or disciplinary action by the Parent Participant against its E&S Personnel.
- 5.7. The E&S Personnel and the E&S Personnel's Dependents will be provided care in military medical and dental facilities to the extent permitted by applicable national law, policy, and international agreement. Where a reciprocal arrangement for health care exists between the Participants, the access entitlement of the E&S Personnel and the E&S Personnel's Dependents is specified. For those personnel covered by such an arrangement, care is generally provided free of charge. An E&S Personnel and the E&S Personnel's Dependents not covered by a reciprocal arrangement may be offered health care, on a reimbursable basis, in military facilities. Where military facilities are not available, the E&S Personnel will be responsible for all medical and dental costs incurred by the E&S Personnel and the E&S Personnel's Dependents. The Parent Participant will ensure that the E&S Personnel and the E&S Personnel's Dependents are physically fit prior to the E&S Personnel's tour of duty. The Parent Participant will be responsible for familiarizing itself with the medical and dental services available to the E&S Personnel and the E&S Personnel's Dependents, the costs of such services, and the procedures for use of such services.

- 5.8. In no case will E&S Personnel be assigned to positions that would require exercise of command or be assigned to other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of a Participant.
- 5.9. E&S Personnel will not be placed on duty or in positions in areas of political sensitivity where their presence would jeopardize the interests of the Parent Participant, or where, in the normal course of their duty, they may become involved in activities that may embarrass the Parent Participant.
- 5.10. The Host Participant will not deploy E&S Personnel in non-direct hostility situations, such as United Nations peacekeeping or multi-national operations, without written Parent Participant approval. Additionally, E&S Personnel will not be deployed to a third country without the Parent Participant's written approval.
- 5.11. The Host Participant will not place E&S Personnel in duty assignments in which direct hostilities are likely. Should a unit to which E&S Personnel are assigned become involved in hostilities unexpectedly, E&S Personnel assigned to the unit will not be involved in the hostilities without written authorization from the Parent Participant. E&S Personnel approved by both the Parent Participant and the Host Participant for involvement in hostilities will be given clear guidance on the Host Participant's interpretation of the laws of war, including the rules of engagement.
- 5.12. Purchasing and patronage privileges at military commissaries, exchanges, theaters, and clubs will be extended to E&S Personnel and their Dependents on the same basis as equivalent personnel of the Host Participant. This provision will not, however, limit privileges set forth elsewhere in this MOU or other privileges granted by the Host Participant, at its discretion, with the written consent of the Parent Participant.
- 5.13. E&S Personnel will be granted leave according to their entitlements under the regulations of the Parent Organization, subject to the approval of the appropriate authorities of the Host Organization.
- 5.14. Military E&S Personnel will be required to comply with the dress regulations of the Parent Organization. The order

of dress for any occasion will be that which most closely conforms to the order of dress for the Host Organization with which they are serving. Customs of the Host Organization will be observed with respect to wearing of civilian clothes.

- 5.15. Consistent with the laws and regulations of the Government of the Host Participant, and upon provisions of reciprocity, the Host Organization will provide, if available, housing and messing facilities for E&S Personnel and their Dependents on the same basis and priority as for its own personnel. E&S Personnel will pay messing and housing charges to the same extent as personnel of the Host Organization. At locations where facilities are not provided by the Host Organization for its own personnel, the Parent Organization will make suitable arrangements for E&S Personnel.
- 5.16. The NATO Status of Forces Agreement dated June 19, 1951, pertaining to benefits and privileges of military and civilian personnel while in the country of the Host Participant will apply to E&S Personnel and their Dependents, and in the event of conflict, will take precedence over this MOU.

SECTION VI

FINANCIAL ARRANGEMENTS

- 6.1. The Parent Participant's responsibilities will include, but will not be limited to, the following costs for its E&S Personnel:
 - 6.1.1. All pay and allowances in accordance with the laws and regulations of the Parent Participant;
 - 6.1.2. Travel to and from the country of the Host Participant;
 - 6.1.3. All temporary duty costs, including travel costs, when such duty is carried out at the request of the Parent Participant;
 - 6.1.4. The movement of Dependents and the household effects of E&S Personnel;
 - 6.1.5. Preparation and shipment of remains and funeral expenses in the event of the death of E&S Personnel or the E&S Personnel's Dependents; and
 - 6.1.6. All expenses in connection with the return of E&S Personnel who have been discharged from this Exchange Program and the E&S Personnel's accompanying Dependents.
- 6.2. The Host Participant will be responsible for the following:
 - 6.2.1. Travel and subsistence costs in connection with the performance of any duty carried out pursuant to a requirement of the Host Participant;
 - 6.2.2. Costs incurred as a result of a change in location of work ordered by the Host Participant during the period of the exchange; and
 - 6.2.3. Cost of training programs conducted to familiarize, orient, or certify E&S Personnel with unique aspects of the assignments.
- 6.3. The Host Participant will not charge for the use of facilities or equipment necessary for the performance of tasks assigned to E&S Personnel.

- 6.4. Except as provided in subparagraph 6.2.3. of this Section, the Parent Participant will pay the costs of formal and informal training and professional military education.
- 6.5. The Host Participant will not provide any supplies or services related to those costs that, by virtue of paragraph 6.1. of this Section, are the responsibility of the Parent Participant. Accordingly, it will be necessary for the Parent Participant to make arrangements to defray such costs directly through its personnel, rather than by reimbursement to the Host Participant.

SECTION VII

INTELLECTUAL PROPERTY

- 7.1. The respective rights of E&S Personnel and the Participants to Inventions (whether patentable or not patentable) made (either conceived or reduced to practice) and to Information developed by the E&S Personnel during the period of, and as a result of, their participation in this Exchange Program will be governed by the laws and regulations of the Government of the Parent Participant.
- 7.2. To the extent that the right, title, and/or interest in an Invention and/or to Information is assigned to the Parent Participant in accordance with paragraph 7.1. of this Section, the Parent Participant will grant free of charge to the Host Participant for its governmental purposes, a nontransferable, worldwide, irrevocable, non-exclusive, royalty-free license to practice (make, use, have used, or sell) such Inventions and any Patents relating thereto and to have unlimited use and reproduction rights in such Information.
- 7.3. The Parent Participant of inventor E&S Personnel will have first priority to prosecute, or to have prosecuted on their behalf, Patent applications to secure rights granted under this Section. The Parent Participant will, within a reasonable time, notify the Host Participant of the countries in which it or the E&S inventor elects to file Patent applications. For all other countries, the Host Participant may prosecute or have prosecuted on its behalf Patent applications to secure such rights.
- 7.4. If the Parent Participant renounces exercise of the rights granted by this Section, including the prosecution of a Patent application and the maintenance of a granted Patent, such Participant will notify the Host Participant of its intention within six (6) months, or such period that may be applicable to allow the Host Participant to exercise such rights. The Host Participant could, in that case, exercise the rights belonging to the Parent Participant referred to in paragraph 7.1. of this Section. Additional benefits to Inventions and Information, such as transfer of Patents, may be negotiated between the Participants.
- 7.5. All expenses, including filing fees and maintenance fees associated with Patent applications for Inventions, will be borne by the Participant filing the Patent application.

The filing Participant will provide the other Participant with copies of all applications made and of all Patents granted.

- 7.6. Notwithstanding the rights delineated in paragraphs 7.1. and 7.2. of this Section, the Parent Participant will obtain from the E&S Personnel, as a provision for participating in the Exchange Program, written arrangements regarding Inventions and Information in the form prescribed in Annex C (Commitment Regarding Inventions Made and Information Developed by Visiting Engineers and Scientists) of this MOU, and will promptly deliver the signed originals to the Host Participant.
- 7.7. Any additional compensation or award under an incentive award program or similar program due to the E&S Personnel for the work performed under this Exchange Program will be the responsibility of the Parent Participant.
- 7.8. With the written approval of the Host Participant, E&S Personnel may communicate the results of studies conducted by the E&S Personnel as part of their E&S assignment to their Parent Organization for Information and evaluation purposes only.

SECTION VIII

CONTROLLED UNCLASSIFIED INFORMATION

- 8.1. Except as otherwise provided in this MOU, or as authorized in writing by the Host Participant, Controlled Unclassified Information provided or generated pursuant to this MOU will be controlled as follows:
 - 8.1.1. Such Information will be used only for the purposes specified in this MOU.
 - 8.1.2. Access to such Information will be limited to E&S Personnel whose access is necessary for the purpose of this MOU.
 - 8.1.3. Each Participant will take all lawful steps available to it, including national classification, to keep such Information free from further disclosure (including requests under any legislative provisions), unless the Host Participant consents to such disclosure. In the event of unauthorized disclosure, or it becomes probable that the Information may have to be further disclosed under any legislative provision, immediate notification will be given to the Host Participant.
- 8.2. Such Information will be subject to export control laws and regulations and will be disclosed and transferred subject to authorization by relevant authorities of the Host Participant's Government and in accordance with this MOU.
- 8.3. To assist in providing the appropriate controls, the Host Participant will ensure Controlled Unclassified Information, including Information subject to export control, is marked with a legend containing the country of origin, the Intellectual Property rights, and export controls, in order to ensure its "in confidence" nature.
- 8.4. Information incidental to supporting this Exchange Program disclosed to E&S Personnel will be considered to be provided to the Parent Participant. Such Information may be used by the Parent Participant solely for Information, evaluation, and planning purposes. This Information will not be used by the Parent Participant for any purpose other than the purpose for which it was furnished under this MOU without the prior written consent of the Host Participant, specifying the authorized use of the Information.

8.5 Except to the extent that Information incidental to supporting this Exchange Program is disclosed to E&S Personnel, this Exchange Program may not be used as a mechanism for, and does not authorize, the exchange or generation of Information subject to export control laws and regulations. Exchange of such Information will be governed by separate MOUs designed for that purpose.

SECTION IX

SECURITY

- 9.1. During the selection process, each Participant will inform the other of the level of security clearance required, if any, to permit E&S Personnel access to Classified Information. Access to Classified Information will be kept to the minimum required to accomplish the work assignment as determined by the Host Participant based on the Position Description and a need to know.
- 9.2. Each Participant will cause security assurances to be filed, through the British Embassy in Washington, DC, in the case of the British personnel, and through the U.S. Embassy in London, in the case of the United States personnel, stating the security clearances for all E&S Personnel selected in compliance with established Host Participant procedures.
- 9.3. E&S Personnel will at all times be required to comply with the security and export control laws, regulations, and procedures of the government of the Host Participant. Any violation of security procedures by a E&S Personnel in the Exchange Program during his/her assignment will be reported to the Parent Participant for appropriate action.
- 9.4. All Classified Information made available to or generated by E&S Personnel pursuant to this MOU will be considered as Classified Information furnished to the Parent Participant, and will be subject to all provisions and safeguards provided for under the General Security Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America, dated April 14, 1961, as amended, and the Security Implementing Arrangement of January 27, 2003.
- 9.5. To ensure the protection of Intellectual Property, and Classified and other Information disclosed under this MOU, both during and after termination of an assignment of E&S Personnel, all E&S Personnel will be briefed at the beginning of the assignment by the designated security officer and/or legal counsel of the Host Participant of the applicable security or Intellectual Property regulations and statutes and will be required, prior to assuming the duties of the assignment in the Host Country, to sign the applicable statement at Annex B (Certificate of Provisions and Responsibilities) of this MOU.

9.6. The following provisions apply to any Classified Information provided to E&S Personnel. The E&S Personnel:

9.6.1. Will not release Classified Information to any government, national, organization, or other entity of a third party without the prior written consent of the originating Participant.

9.6.2. Will not use Classified Information for other than the purposes provided in this MOU.

9.6.3. Will comply with any distribution and access restrictions on Classified Information that are provided under this MOU.

9.7. Information to be released to E&S Personnel under this MOU may be classified as high as Secret. The existence of this MOU is unclassified and the contents are unclassified.

SECTION X

CLAIMS

- 10.1. Claims arising under this MOU will be dealt with under paragraph 1 of the Agreement Concerning Defense Cooperation Arrangements Between the Government of the United States of America and the Government of Great Britain and Northern Ireland, which entered into effect May 27, 1993, as amended.
- 10.2. Claims relating to infringement of Intellectual Property rights will be addressed by each Participant in accordance with its national laws and regulations and applicable international arrangements between the Participants.
- 10.3. E&S Personnel and those Dependents accompanying them must obtain motor vehicle liability insurance coverage in accordance with applicable laws and regulations of the Government of the Host Participant, or its political subdivision where they are located. In case of claims involving the use of private motor vehicles, the first recourse will be against such insurance.

SECTION XI

SETTLEMENT OF DISPUTES

- 11.1. Disputes arising under or relating to this MOU will be resolved only by consultation between the Participants and will not be referred to an individual, to a national or international tribunal, or to any other forum for settlement.

SECTION XII

GENERAL PROVISIONS

- 12.1. All activities of the Participants under this MOU will be carried out in accordance with their respective national laws and regulations, including export control laws, regulations, and policies.
- 12.2. The responsibilities of each Participant under this MOU will be subject to the authorization and availability of funds.
- 12.3. In the event of a conflict between a Section of this MOU and any Annex to this MOU, the Section of this MOU will control.
- 12.4. The 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 Concerning the Exchange of Scientists and Engineers (ESEP MOU), which entered into effect August 18, 1994 and subsequent amendments, is superseded by this MOU, noting that ESEP Personnel placed under Amendment Two to the 1994 ESEP MOU will be automatically deemed to continue under the provisions of this MOU without further administrative action.

SECTION XIII

AMENDMENT, ENTRY INTO EFFECT, DURATION, AND TERMINATION,

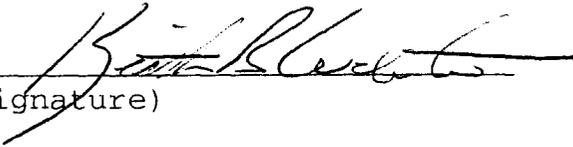
- 13.1. Except as otherwise provided, this MOU may be amended by the mutual written consent of the Participants. Annexes A (Procedures for Administering the Exchange of Engineers and Scientists), B (Certificate of Provisions and Responsibilities), and C (Commitment Regarding Inventions Made and Information Developed By Visiting Engineers and Scientists) to this MOU may be amended by the written approval of the EA, provided that any such amendment is consistent with the Sections of this MOU.
- 13.2. This MOU may be terminated at any time upon the 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 provisions.
- 13.3. Either Participant may terminate this MOU upon 180 days written notification of its intent to terminate to the other Participant. Such notice will be the subject of immediate consultation by the Participants to decide upon the appropriate course of action to conclude the activities under this MOU. In the event of such termination, the following rules apply:
 - 13.3.1. The terminating Participant will continue participation, financial or otherwise, up to the effective date of termination.
 - 13.3.2. Each Participant will pay the costs it incurs as a result of termination.
 - 13.3.3. All Information and benefits 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.
- 13.4. The respective benefits and responsibilities of the Participants regarding Section IX (Security), Section VII (Intellectual Property), Section VIII (Controlled Unclassified Information), Section X (Claims), and this Section XIII (Amendment, Entry into Effect, Duration, and

Termination) of this MOU will continue notwithstanding termination or expiration of this MOU.

13.5. This MOU, which consists of thirteen (13) Sections and three (3) Annexes, will enter into effect upon signature by both Participants and will remain in effect for ten (10) years. Thereafter, this MOU will automatically be extended for ten (10)-year terms unless one Participant notifies the other Participant in writing not less than six (6) months prior to the end of a ten-year term that it does not desire to extend this MOU.

The undersigned, being duly authorized, have signed this MOU in duplicate.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF
AMERICA



(Signature)

Mr. Keith B. Webster

(Name)

Deputy Assistant Secretary of the
Army for Defense Exports and Cooperation

(Title)

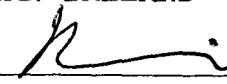
12 August 2008

(Date)

Arlington, Virginia, U.S.A.

(Location)

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



(Signature)

PAUL STEIN

(Name)

SCIENCE AND TECHNOLOGY DIRECTOR

(Title)

15 AUGUST 2008

(Date)

LONDON

(Location)

ANNEX A

PROCEDURES FOR ADMINISTERING THE EXCHANGE OF ENGINEERS AND SCIENTISTS

1. This Annex to the Memorandum of Understanding between 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 regarding the Exchange of Engineers and Scientists (E&S) Personnel provides the procedures for nominating and assigning E&S Personnel from one Participant to defense organizations and facilities of the other Participant.

2. The exchange of E&S Personnel under this MOU will be administered by designated national Managing Agents (MAs) as stated in Section III (Executive Agents and Managing Agents) of this MOU. The MAs will be the single point of contact with the other Participant for the administration of the E&S Program.

3. The MAs will request their subordinate organizations to submit candidate personnel applications for consideration as an E&S exchange participant. The personnel application should include a resume in the format of Appendix 1 (Professional Background, Career Areas of Interest, and Assignment Objectives) to this Annex. The selection and placement of five (5) or more E&S Personnel in one Participant during a calendar year will be administered and coordinated on a group basis to facilitate administrative processing.

4. Candidate applications will be submitted by the MA of the Parent Participant to the MA of the Host Participant. The submission of the applications or exchange of the candidates' resumes will occur at least nine (9) months prior to the desired assignment start date.

5. The MA of the Host Participant will distribute the candidate resumes it receives to its defense organizations and facilities for review and placement selection.

6. After review and coordination of the resumes and identification of applicable assignments, the MA of the Host Participant will submit proposed Position Descriptions in the format of Appendix 2 (Position Description Format) to this Annex, at least four (4) months prior to the expected assignment start date, to the Parent Participant. Appropriate documentation (visas, visit requests, etc.) will be submitted to the MA of the Host Participant in a timely manner.

7. Upon notification of approval and acceptance of the Position Descriptions by the Parent Participant, the MA of the Host Participant will notify the responsible defense organizations or facilities of the individuals' arrival dates and appoint a sponsor. The responsible defense organizations or facilities will, in turn, notify the respective supervisors of the arrival of the E&S Personnel and encourage personal contact between the supervisors and E&S Personnel prior to arrival. The Host Organization, usually the supervisors, will be assigned to meet E&S Personnel on their arrival and help make the necessary living arrangements for E&S Personnel and their families.

8. The MA of the Parent Participant will arrange a briefing for all new E&S Personnel prior to departure for their assignments. It is suggested that the E&S Personnel's Embassy arrange an in-briefing for all new E&S Personnel, normally to be held at the E&S Personnel's Embassy. At the Embassy in-briefing, the MA of the Host Participant will provide an overall welcome to this Exchange Program and emphasize security system requirements. Members of the receiving defense organizations or facilities will be in attendance and familiarize E&S Personnel with that organizations' or facilities' research and development missions, as well as the specific assignments and locations.

9. The MA of the Host Participant, along with the E&S Personnel's Embassy point of contact, will be the interface with all supervisors and/or E&S Personnel in administering this Exchange Program.

10. The MA of the Host Participant will arrange for proper end-of-assignment ceremonies and out-briefings. It is suggested that a prominent individual from the Host Participant research and development community address E&S Personnel when there is a group departing. A certificate of completion may be presented to each foreign E&S participant. The MA of the Host Participant will provide a security debrief and allow the individuals a final opportunity to comment on their experiences with the E&S Exchange Program.

APPENDIX 1

PROFESSIONAL BACKGROUND, CAREER AREAS OF INTEREST, AND ASSIGNMENT OBJECTIVES

1. Personal Data:
 - a. Name:
 - b. Rank or Title:
 - c. Scientific or Technical Specialty:
 - d. Passport No:
 - e. Marital Status: (if children, how many, ages, and sex)
 - f. Office Address:
 - g. Home Address:
 - h. Telephone:
 - Home:
 - Office:
 - Fax:
 - E-mail Address: (if applicable)
2. Education:
 - a. Name and address of college/university (include graduate, post-graduate, and special studies).
 - b. Dates Attended.
 - c. Degree received (including subject and dates).
 - d. Honor Societies, Special Awards, Licenses, and Professional Certification (as appropriate).
3. Professional Employment:
 - a. List military and civilian employment in reverse chronological order (including a brief summary of responsibilities and achievements for civilian employment and the nature of military assignments (for example, whether technical or administrative, type of research or engineering, nature of projects, results, and recognition, and so forth)
 - b. Publications.
 - c. Membership in professional organizations.
 - d. Name of present Organization.

4. Language Proficiency:
 - a. Academic language training or language experience in language of the Host Participant, including technical vocabulary.
 - b. Recent aptitude/proficiency scores, if applicable.
 - c. Plans to acquire or improve proficiency.

5. Career Areas of Interest and Assignment Objectives:
 - a. Career areas of interest.
 - b. Assignment objectives.

6. Professional Goals and Objectives:
 - a. Long-range.
 - b. Motivation.
 - c. Relation of goals to participation in the E&S Program (for example, anticipated gains from participation, ability to contribute to the Host Participant research and development effort, etc.).

APPENDIX 2

POSITION DESCRIPTION FORMAT

1. Title of Position
2. Position Location
3. Qualifications/Skills Required for Position
4. Description of Specific Duties
5. Supervisor
Name:
Title/Grade:
Address:
6. Security Clearance Required:

ANNEX B

CERTIFICATE OF PROVISIONS AND RESPONSIBILITIES

I understand and acknowledge that I have been accepted for assignment to (name and location of organization to which assigned) pursuant to the Memorandum of Understanding between 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, which entered into effect (Month, Day, Year). In connection with this assignment, I further understand, acknowledge, and certify that I will comply with the following provisions and responsibilities:

1. The purpose of the assignment is to gain knowledge of the organization and management of Host Participant (cite applicable area for ESEP assignment) defense activities. There will be no access to Information except as required to perform the duties described in the Position Description of the position to which I am assigned, as determined by my designated supervisor.
2. I will perform only functions that are properly assigned to me as described in the Position Description for my assignment and will not act in any capacity on behalf of my Government or my Parent Participant or Parent Organization.
3. All Information to which I may have access during this assignment will be treated as Information provided to my Government, in confidence, and will not be further released or disclosed by me to any other person, firm, organization, or government without the prior written authorization of the Host Participant.
4. When dealing with individuals outside of my immediate office of assignment on official matters, I will inform such individuals that I am a foreign exchange person.
5. I have been briefed on, understand, and will comply with all applicable security regulations of the Host Participant and the Host Organization and with all applicable laws and regulations of the Host Participant's Government concerning the protection, release, transfer, or export, both during and after the termination of my assignment, of Intellectual Property Information (such as Patents, copyrights, know-how, and trade secrets), Classified Information, Controlled Unclassified Information, and Information subject to export control laws and

regulations, to which access might be granted under this Exchange Program in accordance with paragraph 12.1. of Section XII (General Provisions) and paragraphs 9.4., 9.6., and 9.7. of Section IX (Security) of this MOU.

6. I will immediately report to my designated supervisor all unauthorized attempts to obtain from me Classified Information, Controlled Unclassified Information, Intellectual Property, proprietary Information, or Information subject to export control laws and regulations to which I may have access as a result of this assignment.

(Signature)

(Name)

(Title)

(Date)

ANNEX C

**COMMITMENT REGARDING INVENTIONS MADE AND INFORMATION DEVELOPED BY
VISITING ENGINEERS AND SCIENTISTS**

COMMITMENT TO HOST PARTICIPANT

In consideration for being selected to participate in the U.S. DoD-UK MoD E&S Exchange Program, as foreseen and allowed by the national laws and regulations of the Parent Participant, I hereby grant to the Host Participant a worldwide, non-transferable, irrevocable, non-exclusive, royalty-free license to practice (make, use, have used, or sell) Inventions (whether patentable or not patentable) and unlimited use and reproduction rights in Information from which Inventions are made (either conceived or reduced to practice) by me and to which I own the rights or which technical Information is developed by me during the period of, and as a result of, my participation in this Exchange Program, subject to any additional necessary authorizations for actual transfer required by the responsible agency of the Government of the Parent Participant.

Additionally, in order to secure the benefits granted above, if applicable, I hereby grant to the Host Participant the right to prosecute or to have prosecuted Patent applications on the above mentioned Inventions in any country for which the Parent Participant or I choose not to prosecute a Patent application.

Signature of Engineer/Scientist