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

FOR THE LOAN OF

ORION HIGH POWER MICROWAVE (HPM) TEST SYSTEM

Certified to be a true copy:

Sarah McGlone

Sarah McGlone
International Agreements Negotiator
Navy International Programs Office

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The Department of Defense of the United States of America (DoD), hereinafter referred to as the "Receiving Participant," and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (MOD), hereinafter referred to as the "Providing Participant";

Recognizing the Agreement Concerning Defense Cooperation Arrangements of May 27, 1993 between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland applies to this Memorandum of Understanding (MOU); and

Desiring to gain the benefits of the loan of specified property of the Providing Participant, pursuant to the following provisions, have reached the following understandings:

SECTION I

DESCRIPTION AND QUANTITY

1.1. The following item (hereinafter referred to collectively as the "Property") will be loaned by the Providing Participant to the Receiving Participant:

Quantity	Description	Part/Stock#	Replacement Value
1	Orion HPM Test System		U.S. $13,475,000

1.2. None of the Property identified above is intended to be consumed or expended in the course of the testing conducted under this MOU.

SECTION II

OBJECTIVES

2.1. The overall objective of this MOU is to loan the Property for research, development, test, and evaluation purposes. The specific objectives of this MOU include:

2.1.1. Establishment of detailed arrangements between the Providing Participant and Receiving Participant for the loan of the Property.

2.1.2. Testing, evaluation, and analysis of the performance of the loaned Property by the Receiving Participant.

2.1.3. Provision of a report to the Providing Participant which describes results of the test and evaluation effort conducted by the Receiving Participant.

2.2. The mutual benefits provided under this MOU are:

2.2.1. A better understanding of the effects and operational impact of Radio Frequency (RF) weapons; and

2.2.2. Improved risk-mitigation and hardening techniques.

SECTION III

MANAGEMENT AND RESPONSIBILITIES

3.1. Each Participant will establish a point of contact who will be responsible for coordinating and monitoring the overall test and evaluation effort to ensure achievement of MOU objectives.

3.1.1. For the Providing Participant the point of contact is:

Capability Advisor RF-DEW and NLW
Dstl Fort Halstead
Q6/16
Sevenoaks
Kent TN14 7BP

3.1.2. For the Receiving Participant the point of contact is:

Director, Directed Energy Technology Office
Naval Surface Warfare Center - Dahlgren Division
18444 Frontage Road, Suite 328
Dahlgren, Virginia 22448
Phone: (540)653-2623

3.2. Each Participant will also appoint Test Project Officer(s) who are responsible for implementing the responsibilities of the Participants as described herein.

3.2.1. For the Providing Participant the Test Project Officer is:

Capability Advisor RF-DEW and NLW
Dstl Fort Halstead
Q6/16
Sevenoaks
Kent TN14 7BP

3.2.2. For the Receiving Participant the Test Project Officer is:

Computer Scientist/Group Lead
Naval Surface Warfare Center - Dahlgren Division
18444 Frontage Road, Suite 328
Dahlgren, Virginia 22448

Phone: (540)653-8966

3.3. RESPONSIBILITIES OF THE PROVIDING PARTICIPANT:

3.3.1. LOAN OF THE PROPERTY - The Providing Participant will loan the Property until testing and evaluation of the data are complete, or expiration or termination of this MOU, whichever comes first. The Providing Participant's Test Project Officer will advise the Receiving Participant's Test Project Officer of any shipping details for the Property, and confirm the receipt of returned Property (or a certificate of its destruction).

3.3.2. PROPERTY DELIVERY - The Providing Participant will deliver the Property without charge to the Receiving Participant at:

QinetiQ Pershore
Long Lane
Throckmorton
Pershore
Worcestershire
WR10 2JH

Possession of the Property will pass from the Providing Participant to the Receiving Participant at the time of receipt of the Property. Transportation to the United States from the place of delivery in the United Kingdom is the responsibility of the Receiving Participant, which will bear such costs in accordance with paragraph 4.3. of Section IV (Financial Arrangements) of this MOU.

3.3.3. CONDITION - The Providing Participant will make its best efforts to ensure the Property is furnished to the Receiving Participant in a serviceable condition suitable for its intended purpose. However, the Providing Participant makes no warranty or guarantee of fitness of the Property for a particular purpose or use, and the Providing Participant makes no arrangement to alter, improve, adapt, or repair the Property or any part thereof.

3.3.4. DOCUMENTATION - The Providing Participant will furnish the Receiving Participant such operation and maintenance information as is necessary to conduct testing.

3.4. RESPONSIBILITIES OF THE RECEIVING PARTICIPANT

3.4.1. The Receiving Participant will appoint a representative for the purpose of making an inspection and inventory of the Property at the time of receipt of the Property and again when the Property is returned. The Receiving Participant's Test Project Officer will acknowledge receipt of the Property, advise when the Property is returned upon completion of the tests (or issue a certificate of destruction) in accordance with paragraph 3.4.5. of this Section, and provide a test report in accordance with paragraph 3.4.6. of this Section.

3.4.2. INSTALLATION - The Receiving Participant will be responsible for supplies and services required to properly install, align, and check out, and otherwise make the Property ready for testing.

3.4.3. TRAINING - The Receiving Participant will be responsible for obtaining operation and maintenance training for those personnel assigned to operate and maintain the Property.

3.4.4. OPERATION AND MAINTENANCE OF THE PROPERTY - The Receiving Participant will be responsible for all operation and maintenance required on the Property while in its possession.

3.4.5. REMOVAL AND RETURN OF EQUIPMENT; RESPONSIBILITY FOR DAMAGED OR RETURNED PROPERTY - The Receiving Participant will maintain the Property in good order, repair, and operable condition. Unless the Providing Participant has authorized the Property to be expended or otherwise consumed without reimbursement to the Providing Participant, upon completion of testing and evaluation, or expiration or termination of this MOU, whichever occurs first, the Receiving Participant will return the Property to the

Providing Participant at Naval Surface Warfare Center, 17320 Dahlgren Road, Dahlgren, VA, 22448, U.S.A, or to another mutually determined site in the United States, in as good a condition as received, reasonable wear and tear excepted, or pay the cost to restore it. If the Property is damaged beyond economical repair, the Receiving Participant will return the Property to the Providing Participant (unless otherwise specified in writing by the Providing Participant) to the location specified in this subparagraph of this Section, or to another mutually determined site in the United States, and pay its replacement value specified in paragraph 1.1. of Section I (Description and Quantity) of this MOU, which has been computed pursuant to the Providing Participant's national laws and regulations. If the Property is lost while in the custody of the Receiving Participant, the Receiving Participant will issue a certificate of loss to the Providing Participant and pay the replacement value specified in paragraph 1.1. of Section I (Description and Quantity) of this MOU.

3.4.6. TEST REPORT - Subject to the limitations of national disclosure policy, the Receiving Participant will furnish the Providing Participant a test report in accordance with this MOU. The test report will be provided without charge and will be furnished to the Providing Participant no later than 180 days after completion of the testing. The format and content of the report will reflect the Section II (Objectives) of this MOU.

3.5. This MOU provides only for the loan of Property for research, development, test, and evaluation purposes. Participation in this MOU does not imply any intention by either Participant to participate in any follow-on efforts beyond the scope of this MOU including the exchange of any additional information. Any other effort(s) will be established through separate arrangements.

SECTION IV

FINANCIAL ARRANGEMENTS

4.1. There are no charges for the loan of the above Property or for the test report.

4.2. Each Participant will fully bear all costs it incurs for performing, managing, and administering its activities under this MOU.

4.3. The Receiving Participant is responsible for all costs of transportation of the Property to the United States from the place of delivery specified in paragraph 3.3.2. of Section III (Management and Responsibilities) of this MOU, including preparation, packing, and applicable customs charges. The Providing Participant is responsible for all costs of transportation of the Property from the place of return in the United States specified in paragraph 3.4.5. of Section III (Management and Responsibilities) of this MOU, including preparation, packing, and applicable customs charges.

SECTION V

PROPERTY RIGHTS AND RESTRICTIONS

5.1. The Providing Participant retains title to all Property loaned under this MOU.

5.2. The Receiving Participant will make no changes or alterations to the Property except with the prior written approval of the Providing Participant.

5.3. The Property will be loaned only for the purposes set forth in Section II (Objectives) of this MOU. No other use of the Property by the Receiving Participant is authorized.

5.4. Information furnished by the Providing Participant to the Receiving Participant will be used by the Receiving Participant for operation and maintenance of the Property only, except as otherwise stated in this MOU.

5.5. Information generated under this MOU may be used by either Participant for defense purposes (i.e., manufacture or any other use in any part of the world by or for the armed forces of either Participant).

5.6. No intellectual property rights, other than as set out in this MOU, are created or conveyed by this MOU. The Participants consent to ensure, by all means available to them, the protection of property rights in the Property, test data and other information provided or generated under this MOU, whether subject to Patent (or like protection) or not.

5.7. Any specification, production information, or manufacturing know-how incidentally derived from the performance of the provisions of this MOU will be used and fully protected in accordance with this MOU.

5.8. The Participants agree that this MOU provides the authority for the exchange of information as set forth in subparagraphs 3.3.4. and 3.4.6. of Section III (Management and Responsibilities) of this MOU only. Transfer of information will be consistent with the furnishing Participant's applicable export control laws and regulations. Unless otherwise restricted by duly authorized officials of the furnishing Participant at the time of transfer to the other Participant, all export-controlled information furnished by that Participant to the other Participant may be retransferred to the other

Participant's contractors or subcontractors, provided that the other Participant has established legally binding arrangements with its contractors regarding such retransfer. Such arrangements will contain a requirement that the contractor will not retransfer or otherwise use the export-controlled information for any purpose other than the purposes authorized under this MOU, and that the contractor will not retransfer the export-controlled information to another contractor or subcontractor unless that contractor or subcontractor has been legally bound to limit use of the information to the purposes of this MOU.

5.9. Export-controlled information furnished by one Participant to the other Participant will be marked with the appropriate export control markings of the furnishing Participant.

SECTION VI

RELEASE OF INFORMATION UNDER LEGISLATIVE PROVISIONS

6.1. Each Participant will take all lawful steps available to it to keep both classified information provided or generated under this MOU and unclassified information that is provided or generated with the condition that it is to be treated in confidence, free from unauthorized disclosure. If it becomes probable that such information may be disclosed to other persons or to a judicial body, immediate notification will be given to the other Participant.

6.2. Such information will be safeguarded in a manner that ensures its proper protection from unauthorized disclosure.

6.3. To assist in providing this protection, the information will be marked with a legend containing the country of origin, a reference to this MOU, the security classification, if any, and if the information is unclassified but is to be treated in confidence, the provisions of release and a statement to the effect that the information is furnished in confidence.

SECTION VII

VISITS TO ESTABLISHMENTS

7.1. Each Participant will permit visits to its government establishments, agencies, and laboratories, and Contractor industrial facilities by employees of the other Participant or the other Participant's Contractor(s), provided that the visit is authorized by both Participants and the employees have appropriate security clearances and a need-to-know. Approved visits will be accommodated on a not-to-interfere basis.

7.2. 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.

7.3. Requests for visits by personnel of one Participant to a facility of the other Participant will be coordinated through official channels, will cite this MOU as the basis for such requests, and will conform with the established visit procedures of the host Participant.

7.4. 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 VIII

SECURITY

8.1. Any Classified Information or Property transferred pursuant to the provisions of this MOU will be stored, handled, transmitted, and protected in accordance with 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, which entered into effect April 14, 1961, as amended, including the Security Implementing Arrangement of January 27, 2003.

8.2. The following security classifications apply:

8.2.1. The Property: UNCLASSIFIED.

8.2.2. The Project: UNCLASSIFIED.

8.2.3. Test Report: SECRET.

SECTION IX

THIRD PARTY TRANSFERS

9.1. The Receiving Participant consents not to disclose or transfer any Property, test data, or other information provided to it under this MOU to any Third Party without prior written consent of the Providing Participant's government. The Participants consent not to disclose any information generated under this MOU to any Third Party without prior written consent of the other Participant's government. For the purposes of this MOU, the term "Third Party" means a government other than the government of a Participant and any person or other entity whose government is not the government of a Participant.

9.2. Disclosures or transfers requiring authorization under paragraph 9.1. of this Section will not be made or authorized unless the Third Party recipient consents in writing that it will not use any such equipment or information for purposes other than those for which it was furnished nor permit any further transfer without the prior written consent of both Participants.

SECTION X

LIABILITY

10.1. Claims arising under this MOU will be dealt with under paragraph 1 of the Agreement Concerning Defense Cooperation Arrangements of May 27, 1993 between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland.

SECTION XI

SETTLEMENT OF DISPUTES

11.1. 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 XII

ENTRY INTO EFFECT, AMENDMENT, AND TERMINATION

12.1. All activities of the Participants under this MOU will be carried out in accordance with their national laws and regulations, including their export control laws and regulations. The responsibilities of the Participants will be subject to the availability of funds for such purposes.

12.2. This MOU may be amended or extended by written mutual consent of the Participants.

12.3. This MOU may be terminated at any time:

12.3.1. By mutual consent of the Participants;

12.3.2. By the Receiving Participant on 30 days written notice; or

12.3.3. By the Providing Participant at any time.

12.4. Arrangements and responsibilities regarding security and protection of property benefits against unauthorized use, disclosure, or transfer that accrued prior to termination or expiration of this MOU will continue to apply without limit of time.

12.5. This MOU will come into effect on the date of the later signature below, and unless terminated or extended, will remain in effect for four (4) years.

The foregoing represents the understandings 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 upon the matters referred to herein.

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

FOR THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA:

Signature

S. S. Voetsch
Name

Deputy Assistant Secretary of The Navy (International Programs)
Title

SEP 09 2009
Date

Arlington, VA
Location

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

Signature

P STEIN
Name

DG S&T
Title

25 Sept 2009
Date

London, UK
Location