

**AGREEMENT FOR COOPERATION BETWEEN
THE GOVERNMENT OF
THE UNITED STATES OF AMERICA AND
THE GOVERNMENT OF
THE UNITED ARAB EMIRATES
CONCERNING PEACEFUL USES OF NUCLEAR
ENERGY**

The Government of the United States of America and the Government of the United Arab Emirates,

MINDFUL of their respective rights and obligations under the Treaty on the Non-Proliferation of Nuclear Weapons (“NPT”) to which both the United States of America and the United Arab Emirates are parties;

REAFFIRMING their commitment to ensuring that the international development and use of nuclear energy for peaceful purposes are carried out under arrangements that will to the maximum possible extent further the objectives of the NPT;

AFFIRMING their desire to promote universal adherence to the NPT;

AFFIRMING their support for the International Atomic Energy Agency (“IAEA”) and its safeguards system, including the Additional Protocol;

DESIRING to cooperate in the development, use and control of peaceful uses of nuclear energy;

MINDFUL that peaceful nuclear activities must be undertaken with a view to protecting the international environment from radioactive, chemical and thermal contamination;

RECALLING the Memorandum of Understanding between them concerning cooperation in nuclear energy and other energy fields, signed at Manama, Bahrain, on April 21, 2008;

AFFIRMING in particular the goal of pursuing the safe, secure and environmentally sustainable development of civil nuclear energy for peaceful purposes and in a manner that supports nuclear nonproliferation and international safeguards;

AFFIRMING also the commitment of the United Arab Emirates, embodied in its March 2008 White Paper entitled “UAE Policy on the Evaluation and Potential Development of Peaceful Nuclear Energy,” to pursue a renunciation of the development of domestic enrichment and reprocessing capabilities in favor of long-term commitments for the secure external supply of nuclear fuel, and the intent of the United States of America to support international markets in order to ensure reliable fuel supply for the United Arab Emirates;

HAVE AGREED AS FOLLOWS:

ARTICLE 1 — DEFINITIONS

For the purposes of this Agreement and the Agreed Minute:

- (A) "Agreed Minute" means the minute annexed to this Agreement, which is an integral part hereof;
- (B) "Byproduct material" means any radioactive material (except special fissionable material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special fissionable material;
- (C) "Component" means a component part of equipment or other item, so designated by agreement of the Parties;
- (D) "Conversion" means any of the normal operations in the nuclear fuel cycle, preceding fuel fabrication and excluding enrichment, by which uranium is transformed from one chemical form to another -- for example, from UF₆ to UO₂ or from uranium oxide to metal;
- (E) "Decommissioning" means the actions taken at the end of a facility's useful life to retire the facility from service in a manner that provides adequate protection for the health and safety of the decommissioning workers and the general public, and for the environment. These actions can range from closing down the facility and a minimal removal of nuclear material coupled with continuing maintenance and surveillance, to a complete removal of residual radioactivity in excess of levels acceptable for unrestricted use of the facility and its site;
- (F) "Equipment" means any reactor, other than one designed or used primarily for the formation of plutonium or uranium 233, or any other item so designated by agreement of the Parties;
- (G) "High enriched uranium" means uranium enriched to twenty percent or greater in the isotope 235;
- (H) "Information" means scientific, commercial or technical data or information in any form that is appropriately designated by agreement of the Parties or their competent authorities to be provided or exchanged under this Agreement;
- (I) "Low enriched uranium" means uranium enriched to less than twenty percent in the isotope 235;
- (J) "Major critical component" means any part or group of parts essential to the operation of a sensitive nuclear facility;
- (K) "Material" means source material, special fissionable material, byproduct material, radioisotopes other than byproduct material, moderator material, or any other such substance so designated by agreement of the Parties;

(L) "Moderator material" means heavy water or graphite or beryllium of a purity suitable for use in a reactor to slow down high velocity neutrons and increase the likelihood of further fission, or any other such material so designated by agreement of the Parties;

(M) "Parties" means the Government of the United States of America and the Government of the United Arab Emirates;

(N) "Peaceful purposes" include the use of information, material, equipment and components in such fields as research, power generation, medicine, agriculture and industry but do not include use in, research on, or development of any nuclear explosive device, or any military purpose. Military purposes shall not include the supply of electricity to a military base from any power network;

(O) "Person" means any individual or any entity subject to the jurisdiction of either Party but does not include the Parties to this Agreement;

(P) "Reactor" means any apparatus, other than a nuclear weapon or other nuclear explosive device, in which a self-sustaining fission chain reaction is maintained by utilizing uranium, plutonium or thorium or any combination thereof;

(Q) "Restricted Data" means all data concerning (1) design, manufacture or utilization of nuclear weapons, (2) the production of special fissionable material, or (3) the use of special fissionable material in the production of energy, but shall not include data of a Party that it has declassified or removed from the category of Restricted Data;

(R) "Sensitive nuclear facility" means any facility designed or used primarily for uranium enrichment, reprocessing of nuclear fuel, heavy water production, or fabrication of nuclear fuel containing plutonium;

(S) "Sensitive nuclear technology" means any information (including information incorporated in equipment or an important component) that is not in the public domain and that is important to the design, construction, fabrication, operation or maintenance of any sensitive nuclear facility, or any other such information that may be so designated by agreement of the Parties;

(T) "Source material" means (1) uranium, thorium, or any other material so designated by agreement of the Parties, or (2) ores containing one or more of the foregoing materials in such concentration as the Parties may agree from time to time;

(U) "Special fissionable material" means (1) plutonium, uranium 233, or uranium enriched in the isotope 235, or (2) any other material so designated by agreement of the Parties.

ARTICLE 2 - SCOPE OF COOPERATION

1. The Parties shall cooperate in the use of nuclear energy for peaceful purposes in accordance with the provisions of this Agreement and their applicable treaties, national laws, regulations and license requirements.

2. Transfer of information, material, equipment and components under this Agreement may be undertaken directly between the Parties or through authorized Persons. Such transfers shall be subject to this Agreement and to such additional terms and conditions as may be agreed by the Parties.

3. The Parties intend to cooperate in the following areas:

(A) Development of requirements for grid-appropriate power reactors and fuel service arrangements for the United Arab Emirates;

(B) Promotion of the establishment of a reliable source of nuclear fuel for future civil light water nuclear reactors deployed in the United Arab Emirates;

(C) Development of the United Arab Emirates' civil nuclear energy use in a manner that supports global efforts to prevent nuclear proliferation, including, for example, the Global Nuclear Energy Partnership;

(D) Civil nuclear energy training, human resource and infrastructure development, and appropriate application of civil nuclear energy and related energy technology, consistent with IAEA guidance and standards on milestones for infrastructure development;

(E) Application of radioisotopes and radiation in industry, agriculture, medicine and the environment;

(F) Radiation protection and management of radioactive waste and spent fuel;

(G) Nuclear safety, security, safeguards and nonproliferation, including physical protection, export control and border security;

(H) Identification of uranium mining and milling resources; and

(I) Other areas of cooperation as may be determined by agreement of the Parties.

4. Cooperation may be undertaken in the following forms:

(A) Exchange of scientific and technical information and documentation;

- (B) Exchange and training of personnel;
- (C) Organization of symposia and seminars;
- (D) Provision of relevant technical assistance and services;
- (E) Transfers between the Parties or their authorized Persons of material, equipment and components; and
- (F) Other forms of cooperation as may be mutually agreed by the Parties.

ARTICLE 3 - TRANSFER OF INFORMATION

1. Information concerning the use of nuclear energy for peaceful purposes may be transferred. Transfers of information may be accomplished through various means, including reports, data banks, computer programs, conferences, visits, and assignments of staff to facilities. Fields that may be covered may include, but shall not be limited to, the following:

- (A) Development, design, construction, operation, maintenance and use of reactors, reactor experiments, and decommissioning;
- (B) The use of material in physical and biological research, medicine, agriculture and industry;
- (C) Fuel cycle studies of ways to meet future world-wide civil nuclear needs, including multilateral approaches to guaranteeing nuclear fuel supply and appropriate techniques for management of nuclear wastes;
- (D) Safeguards and physical protection of material, equipment, and components;
- (E) Health, safety and environmental considerations related to the foregoing; and
- (F) Assessing the role nuclear power may play in national energy plans.

2. This Agreement does not require the transfer of any information that the Parties are not permitted under their respective treaties, national laws, and regulations to transfer.

3. Restricted Data and Sensitive Nuclear Technology shall not be transferred under this Agreement.

ARTICLE 4 - TRANSFER OF MATERIAL, EQUIPMENT AND COMPONENTS

1. Material, equipment and components may be transferred for applications consistent with this Agreement. Any special

fissionable material transferred to the United Arab Emirates under this Agreement shall be low enriched uranium, except as provided in paragraph 4. Sensitive nuclear facilities and major critical components thereof shall not be transferred under this Agreement.

2. Low enriched uranium may be transferred, including inter alia by sale or lease, for use as fuel in reactors and reactor experiments, for conversion or fabrication, or for such other purposes as may be agreed by the Parties.

3. The quantity of special fissionable material transferred under this Agreement shall not at any time be in excess of that quantity the Parties agree is necessary for any of the following purposes: use in the loading of reactors or in reactor experiments; the reliable, efficient and continuous operation of reactors or conduct of reactor experiments; the storage of special fissionable material necessary for the efficient and continuous operation of reactors or conduct of reactor experiments; the transfer of irradiated nuclear material for storage or disposition; and the accomplishment of such other purposes as may be agreed by the Parties. In determining appropriate quantities of special fissionable material to be transferred, the Parties shall take into account the supply constraints imposed upon the United Arab Emirates by the latter's voluntary decision to forego any enrichment or reprocessing of nuclear material within its territory.

4. Small quantities of special fissionable material may be transferred for use as samples, standards, detectors, targets or for such other purposes as the Parties may agree. Transfers pursuant to this paragraph shall not be subject to the quantity limitations in paragraph 3.

5. The Government of the United States of America shall endeavor to take such actions as are necessary and feasible to ensure a reliable supply of nuclear fuel to the United Arab Emirates, including the export of nuclear fuel on a timely basis during the period of this Agreement. The Government of the United States of America shall also consider such actions as are feasible to assist the United Arab Emirates in safe and secure management, storage and disposition of irradiated special fissionable material produced through the use of material or equipment transferred pursuant to this Agreement.

ARTICLE 5 - STORAGE AND RETRANSFERS

1. Material transferred pursuant to this Agreement and material used in or produced through the use of any material or equipment transferred pursuant to this Agreement may be stored by either Party, except that each Party guarantees that no such special fissionable material over which it has jurisdiction shall be stored in any facility that has not been agreed to in advance by the Parties. In the selection of a storage facility, due consideration shall be given to non-proliferation and physical protection aspects as well as to the economics of the storage and its implications for the cost of energy.

2. Material, equipment and components transferred pursuant to this Agreement and any special fissionable material produced through the use of any such material or equipment shall not be transferred to unauthorized Persons or, unless the Parties agree, beyond the recipient Party's territorial jurisdiction.

ARTICLE 6 — REPROCESSING, OTHER ALTERATION IN FORM OR CONTENT, AND ENRICHMENT

1. Material transferred pursuant to this Agreement and material used in or produced through the use of material or equipment so transferred shall not be reprocessed unless the Parties agree.
2. Plutonium, uranium 233, high enriched uranium and irradiated source or special fissionable material transferred pursuant to this Agreement or used in or produced through the use of material or equipment so transferred shall not be otherwise altered in form or content, except by irradiation or further irradiation, unless the Parties agree.
3. Uranium transferred pursuant to this Agreement or used in any equipment so transferred shall not be enriched after transfer unless the Parties agree.

ARTICLE 7 – SENSITIVE NUCLEAR FACILITIES WITHIN THE TERRITORY OF THE UNITED ARAB EMIRATES

The United Arab Emirates shall not possess sensitive nuclear facilities within its territory or otherwise engage in activities within its territory for, or relating to, the enrichment or reprocessing of material, or for the alteration in form or content (except by irradiation or further irradiation or, if agreed by the Parties, post-irradiation examination) of plutonium, uranium 233, high enriched uranium, or irradiated source or special fissionable material.

ARTICLE 8 - PHYSICAL PROTECTION

1. Adequate physical protection shall be maintained with respect to any material and equipment transferred pursuant to this Agreement and any special fissionable material used in or produced through the use of material or equipment so transferred.
2. To comply with the requirement in paragraph 1, each Party shall apply at a minimum measures in accordance with (i) levels of physical protection at least equivalent to the recommendations published in IAEA document INFCIRC/225/Rev.4 entitled "The Physical Protection of Nuclear Material and Nuclear Facilities" and in any subsequent revisions of that document agreed to by the Parties, and (ii) the provisions of the 1980 Convention on the Physical Protection of Nuclear Material and any amendments to the Convention that enter into force for both Parties.
3. The adequacy of physical protection measures maintained pursuant to this Article shall be subject to review and consultations by the Parties from time to time and whenever either Party is of the view that revised measures may be required to maintain adequate physical protection.

4. The Parties shall keep each other informed through diplomatic channels of those agencies or authorities having responsibility for ensuring that levels of physical protection for nuclear material in their territory or under their jurisdiction or control are adequately met and having responsibility for coordinating response and recovery operations in the event of unauthorized use or handling of material subject to this Article. The Parties shall inform each other through diplomatic channels, as well, of the designated points of contact within their national authorities to cooperate on matters of out-of-country transportation and other matters of mutual concern.

5. The provisions of this Article shall be implemented in such a manner as to avoid undue interference in the Parties' nuclear activities, to comply with the physical protection measures required by paragraph 2, and to be consistent with prudent management practices required for the safe and economic conduct of their nuclear programs.

ARTICLE 9 - NO EXPLOSIVE OR MILITARY APPLICATION

Material, equipment and components transferred pursuant to this Agreement and material used in or produced through the use of any material, equipment or components so transferred shall not be used for any nuclear explosive device, for research on or development of any nuclear explosive device, or for any military purpose. Military purposes shall not include the supply of electricity to a military base from any power network.

ARTICLE 10 - SAFEGUARDS

1. Cooperation under this Agreement shall require the application of IAEA safeguards with respect to all nuclear activities within the territory of the United Arab Emirates, under its jurisdiction or carried out under its control anywhere. Implementation of a Safeguards Agreement concluded pursuant to Article III (4) of the NPT shall be considered to fulfill this requirement.

2. Source material or special fissionable material transferred to the United Arab Emirates pursuant to this Agreement and any source material or special fissionable material used in or produced through the use of material, equipment or components so transferred shall be subject to safeguards in accordance with the agreement between the United Arab Emirates and the IAEA for the application of safeguards in connection with the NPT, signed on December 15, 2002, which entered into force on October 9, 2003 (but not including the Small Quantities Protocol thereto dated December 15, 2002), and, upon its entry into force, the Additional Protocol thereto.

3. Source material or special fissionable material transferred to the United States of America pursuant to this Agreement and any source or special fissionable material used in or produced through the use of any material, equipment or components so transferred shall be subject to the agreement between the United States of America and the IAEA for the

application of safeguards in the United States of America, signed on November 18, 1977, which entered into force on December 9, 1980, and the Additional Protocol thereto, which entered into force on January 6, 2009.

4. If either Party becomes aware of circumstances that demonstrate that the IAEA for any reason is not or will not be applying safeguards in accordance with the agreement as provided for in paragraph 2 or paragraph 3, to ensure effective continuity of safeguards the Parties shall consult and immediately enter into arrangements with the IAEA or between themselves that conform with IAEA safeguards principles and procedures, that provide assurance equivalent to that intended to be secured by the system they replace, and that conform with the coverage required by paragraph 2 or paragraph 3.

5. Each Party shall take such measures as are necessary to maintain and facilitate the application of safeguards applicable to it provided for under this Article.

6. Each Party shall establish and maintain a system of accounting for and control of source material and special fissionable material transferred pursuant to this Agreement and source material and special fissionable material used in or produced through the use of any material, equipment or components so transferred. The procedures for this system shall be comparable to those set forth in IAEA document INFCIRC/153 (Corrected), or in any revision of that document agreed to by the Parties.

7. Upon the request of either Party, the other Party shall report or permit the IAEA to report to the requesting Party on the status of all inventories of material subject to this Agreement.

8. The provisions of this Article shall be implemented in such a manner as to avoid hampering, delay or undue interference in the Parties' nuclear activities and so as to be consistent with prudent management practices required for the safe and economic conduct of their nuclear programs.

ARTICLE 11 - MULTIPLE SUPPLIER CONTROLS

If any agreement between either Party and another nation or group of nations provides such other nation or group of nations rights equivalent to any or all of those set forth under Article 5 or Article 6 with respect to material, equipment or components subject to this Agreement, the Parties may, upon request of either of them, agree that the implementation of any such rights will be accomplished by such other nation or group of nations.

ARTICLE 12 — USE OF NUCLEAR ENERGY FOR PEACEFUL PURPOSES

Nothing in this Agreement shall be interpreted as affecting the inalienable right of the Parties to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in

conformity with Articles I and II of the NPT as well as the safeguards required by Article III of the NPT.

ARTICLE 13 -- CESSATION OF COOPERATION AND RIGHT OF RETURN

1. If either Party at any time following entry into force of this Agreement:

(A) materially violates the provisions of Article 5, 6, 7, 8, 9 or 10; or

(B) terminates, abrogates or materially violates a safeguards agreement with the IAEA;

the other Party shall have the rights to cease further cooperation under this Agreement; to require the return of any material, equipment or components transferred under this Agreement and any special fissionable material produced through their use; and to terminate the Agreement by giving 90 days written notice.

2. If the United Arab Emirates at any time following entry into force of this Agreement detonates a nuclear explosive device, the United States of America shall have the same rights as specified in paragraph 1.

3. If either Party exercises its rights under this Article to require the return of any material, equipment or components, it shall promptly, after removal from the territory of the other Party, reimburse the other Party for the fair market value of such material, equipment or components.

4. In determining whether to exercise its rights under paragraph 1 of this Article based on a "material violation," a Party shall consider whether the facts giving rise to the right to take such action in accordance with paragraph 1 were caused deliberately. In the event that it finds such material violation not to be deliberate, and to the extent that it judges that such material violation can be rectified, the non-breaching Party shall endeavor, subject to its national legislation and regulations, to afford the breaching Party an opportunity to cure the violation within a reasonable period.

ARTICLE 14 — CONSULTATIONS, REVIEW AND ENVIRONMENTAL PROTECTION

1. The Parties undertake to consult at the request of either Party regarding the implementation of this Agreement and the development of further cooperation in the field of peaceful uses of nuclear energy.

2. This Agreement shall be reviewed at any time at the request of either Party to take into account regional and international nonproliferation developments, international technological developments and institutional arrangements, the energy needs of the United Arab Emirates, or such other circumstance as may warrant such a review. The terms of this Agreement may, however, only be amended as agreed between the Parties.

3. The Parties shall consult, with regard to activities under this Agreement, to identify the international environmental implications arising from such activities and shall cooperate in protecting the international environment from radioactive, chemical or thermal contamination arising from peaceful nuclear activities under this Agreement and in related matters of health and safety.

ARTICLE 15 - SETTLEMENT OF DISPUTES

The Parties shall seek to resolve any dispute in relation to this Agreement (including its interpretation or implementation) by negotiation, consultation at the diplomatic level, or through other peaceful means of dispute resolution, including via expert inquiry by expert bodies such as the IAEA, as may be mutually agreed by the Parties.

ARTICLE 16 — ADMINISTRATIVE ARRANGEMENT

1. The appropriate authorities of the Parties shall, by mutual consent, establish an Administrative Arrangement in order to provide for the effective implementation of the provisions of this Agreement.

2. The principles of fungibility and equivalence shall apply to nuclear material and moderator material subject to this Agreement. Detailed provisions for applying these principles shall be set forth in the Administrative Arrangement.

3. The Administrative Arrangement established pursuant to this Article may be amended by agreement of the appropriate authorities of the Parties.

ARTICLE 17 - ENTRY INTO FORCE AND DURATION

1. This Agreement shall enter into force on the date on which the Parties exchange diplomatic notes informing each other that they have completed all applicable requirements for its entry into force.

2. This Agreement shall remain in force for a period of 30 years. This term may be extended for such additional periods as may be agreed between the Parties.

3. Notwithstanding the termination or expiration of this Agreement or any cessation of cooperation hereunder for any reason, Articles 5, 6, 7, 8, 9, 10 and 13 and the Agreed Minute shall continue in effect so long as any material, equipment or components subject to Article 5, 6, 8, 9, 10 or 13 remains in the territory of the Party concerned or under its jurisdiction or

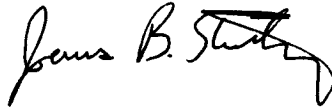
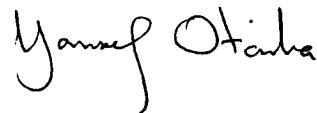
control anywhere, or until such time as the Parties agree that such material, equipment or components are no longer usable for any nuclear activity relevant from the point of view of safeguards.

IN WITNESS WHEREOF the undersigned, being duly authorized, have signed this Agreement.

DONE at Washington, this twenty-first day of May, 2009, in duplicate, in the English and Arabic languages, both texts being equally authentic.

FOR THE GOVERNMENT OF
THE UNITED STATES OF
AMERICA:

FOR THE GOVERNMENT OF
THE UNITED ARAB
EMIRATES:

Handwritten signature of James B. Stewart in black ink.Handwritten signature of Youssef Otaha in black ink.

AGREED MINUTE

During the negotiation of the Agreement for Cooperation between the Government of the United States of America and the Government of the United Arab Emirates Concerning Peaceful Uses of Nuclear Energy (“the Agreement”) signed today, the following understandings, which shall be an integral part of the Agreement, were reached.

The Parties intend to cooperate under the Agreement under terms that will assure that neither Party is placed at an economic disadvantage and that will not adversely affect the scope of cooperation. They also recognize their respective rights to cooperate with other countries or international organizations in a manner that is supportive of the objectives of the NPT.

Coverage of Agreement

Material, equipment and components transferred from the territory of one Party to the territory of the other Party, whether directly or through a third country, shall be regarded as having been transferred pursuant to the Agreement only upon confirmation, by the appropriate government authority of the recipient Party to the appropriate government authority of the supplier Party, that such material, equipment or components shall be subject to the Agreement.

With respect to the definition of “Restricted Data” in subparagraph (Q) of Article 1 of the Agreement, it is the understanding of the Parties that all information on the use of special fissionable material in the production of energy from standard civilian reactors has been declassified or removed from the category of “Restricted Data.”

For the purposes of implementing the rights specified in Article 5 and Article 6 of the Agreement with respect to special fissionable material produced through the use of nuclear material transferred pursuant to the Agreement and not used in or produced through the use of equipment transferred pursuant to the Agreement, such rights shall in practice be applied to that proportion of special fissionable material produced that represents the ratio of transferred material used in the production of the special fissionable material to the total amount of material so used, and similarly for subsequent generations.

Safeguards

The Parties understand that the safeguards agreement referenced in paragraph 2 of Article 10 of the Agreement refers to such agreement without the existing Small Quantities Protocol. Prior to the licensing by the Government of the United States of America of exports of nuclear material, equipment, components, or technology pursuant to this Agreement, the Government of the United Arab Emirates shall terminate the existing Small Quantities Protocol and bring into force the Additional Protocol approved by the IAEA Board of Governors on March 3, 2009 and referred to in Article 10.2 of the Agreement.

If either Party becomes aware of circumstances referred to in Paragraph 4 of Article 10 of the Agreement with respect to the safeguards agreement referred to in paragraph 2 of Article 10 of the Agreement, the Parties shall immediately consult with a view to implementing a safeguards system equivalent in scope and effect to that previously applied by the IAEA, under which the Government of the United States and, if the Parties agree, a government of another state that is approved by the Government of the United Arab Emirates and is party to an appropriate bilateral cooperation agreement with the United States concerning peaceful uses of nuclear energy (the Government of the United States and the government of such other state each being hereinafter referred to as a "safeguarding state") shall have the rights listed below, which rights shall be suspended if both Parties agree that the need to exercise such rights is being satisfied by the application of IAEA safeguards under arrangements pursuant to paragraph 4 of Article 10 of the Agreement:

- (1) To review in a timely fashion the design of any equipment transferred pursuant to the Agreement, or of any facility that is to use, fabricate, process, or store any material so transferred or any special fissionable material used in or produced through the use of such material or equipment;
- (2) To require the maintenance and production of records and of relevant reports for the purpose of assisting in ensuring accountability for material transferred pursuant to the Agreement and any source material or special fissionable material used in or produced through the use of any material, equipment or components so transferred; and
- (3) To designate personnel acceptable to the Government of the United Arab Emirates, who shall have access to all places and data necessary to account for the material referred to in paragraph 2, to inspect any equipment or facility referred to in paragraph 1, and to install any devices and make such independent measurements as may be deemed necessary to account for such material. The United Arab Emirates shall not unreasonably withhold its acceptance of personnel designated by the United States of America or, as the case may be, by both safeguarding states together. Such personnel shall, if the United Arab Emirates, the United States of America, or both safeguarding states together so request, be accompanied by personnel designated by the United Arab Emirates. To the extent permitted by its national law and regulations, the Government of the United States of America shall cooperate fully with any other safeguarding state, including facilitating joint review of all designs, joint conduct of inspections and full sharing of information derived from analysis of records, relevant reports and independent measurements, as well as any information obtained from surveillance devices installed to assist in ensuring accountability for material transferred pursuant to the Agreement.

The simultaneous application of safeguards by the IAEA and by a safeguarding state or states is not anticipated. If such an exceptional situation should occur, the Parties will consult with a view to minimizing the duration of any simultaneous application of safeguards, with a preference for restoring full and independent implementation by the IAEA

of its safeguarding role to the exclusion of that of the safeguarding state or states.

Upon the request of the Government of the United States of America, the Government of the United Arab Emirates will authorize the IAEA to make available to the Government of the United States of America requested information on the implementation of the applicable safeguards agreement with the IAEA within the scope of U.S.-United Arab Emirates cooperation under the Agreement. To the extent consistent with its applicable national legislation and regulations, the Government of the United States of America shall ensure that all information provided to the Government of the United States of America by the United Arab Emirates or the IAEA will not be publicly disclosed, and will be accorded appropriate protections, with a view to providing the same level of protection accorded to such information by the Government of the United Arab Emirates or the IAEA, as the case may be. The Parties shall consult regarding the appropriate protection of such information.

In assessing the compliance of the United Arab Emirates with its safeguards obligations under Article 10 of the Agreement and whether the Government of the United States of America has the right to take any action under paragraph 1 of Article 13 of the Agreement, the Government of the United States of America shall give due consideration to whether the United Arab Emirates has been subjected to measures taken by the Board of Governors of the IAEA pursuant to Article 19 of the safeguards agreement referred to in paragraph 2 of Article 10 of the Agreement.

Physical Protection

Implementing measures of physical protection is the responsibility of each Party within its jurisdiction. Nevertheless, with reference to Article 8 of the Agreement, the Government of the United States of America and the Government of the United Arab Emirates shall cooperate in establishing mutually agreed physical protection arrangements to be applied by the Government of the United Arab Emirates with a view to fulfilling the requirements of that Article. These arrangements shall take into account the Parties' respective experience and domestic regulations, as well as the guidelines that have been issued by the IAEA. Implementation of those arrangements in accordance with IAEA guidelines included in INFCIRC/225/Rev.4 entitled "The Physical Protection of Nuclear Material and Nuclear Facilities" (or any subsequent revisions of that document agreed to by the Parties), and the provisions of the 1980 Convention on the Physical Protection of Nuclear Material and any amendments to the Convention that enter into force for both Parties shall form the basis for assessing the fulfillment by the Government of the United Arab Emirates of the obligations concerning physical protection in the Agreement.

In assessing the compliance of the United Arab Emirates with its physical protection obligations under Article 8 of the Agreement and whether the Government of the United States of America has the right to take any action under paragraph 1 of Article 13 of the Agreement, the Government of the United States of America shall give due consideration

to the findings of an expert mission that may be conducted by the IAEA if so requested by either of the Parties for that purpose.

Retransfers

The Parties agree that irradiated nuclear material subject to Article 5 and Article 6 of the Agreement may be transferred by the United Arab Emirates to France or the United Kingdom, if consistent with their respective policies, laws and regulations, for storage or reprocessing subject to the following conditions:

- i. The Government of the United Arab Emirates shall keep records of any such transfers and shall upon shipment notify the Government of the United States of America of each transfer;
- ii. Prior to any such transfer, the Government of the United Arab Emirates shall confirm in writing to the Government of the United States of America that the nuclear material to be transferred will be held within the European Atomic Energy Community (Euratom) subject to the applicable agreement for cooperation between the United States of America and Euratom; and
- iii. The transfer of any special fissionable material recovered from any such reprocessing to the United Arab Emirates shall require the further agreement of the Parties.

The foregoing agreement regarding retransfers may be terminated in whole or in part by either Party if that Party considers that one or more of the above conditions is not satisfied, or if it considers that exceptional circumstances of concern from a non-proliferation or security standpoint so require. To the extent that time and circumstances permit, the Parties shall consult prior to any such termination. Such circumstances include, but are not limited to, a determination by either Party that the approval cannot be continued without a significant increase of the risk of proliferation or without jeopardizing its national security.

These arrangements concerning spent fuel transfer do not limit the right of the Parties to agree to additional activities pursuant to Article 5, Article 6 and Article 7 of the Agreement.

Reprocessing, Other Alteration in Form or Content, Enrichment, Storage, and Disposition

With respect to Article 5 and Article 6 of the Agreement, any enrichment of uranium transferred pursuant to the Agreement to which the Parties may agree, any reprocessing or other alteration in form or content (except for post-irradiation examination) of irradiated source material or special fissionable material used in or produced through the use of equipment or material transferred pursuant to the Agreement to which the Parties may agree, and any storage of special fissionable material (except

for low enriched uranium, special fissionable material contained in irradiated nuclear material, and small quantities of special fissionable material transferred pursuant to paragraph 4 of Article 4 of the Agreement) will take place outside the United Arab Emirates, in such country and facility as may be agreed by the Parties. The disposition of any special fissionable material that may result from any of the foregoing processes or that is stored outside the United Arab Emirates will be subject to mutual agreement of the Parties.

In implementing its rights under Article 5, Article 6 and Article 7 to consent to the activities covered by those articles, the Government of the United States of America will be guided by nonproliferation and safeguards considerations as well as technological and economic developments. The Government of the United States of America will not seek to gain any commercial or economic advantage from withholding consent and will give due consideration to the operational and economic requirements of programs and facilities operating within the United Arab Emirates.

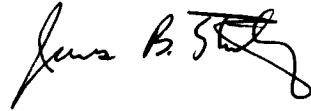
The disposition of any special fissionable material transferred to the United Arab Emirates pursuant to the Agreement, and any special fissionable material used in or produced through the use of any material or equipment so transferred, shall require agreement of the Parties as provided for in Article 5 and Article 6. Notwithstanding Article 5 and Article 6, in the event that the Government of the United States of America considers that exceptional circumstances of concern from a nonproliferation standpoint so require, it may require that the disposition of any special fissionable material which is subject to the Agreement in the United Arab Emirates be in a third country agreed to by the Parties or, if the Government of the United States of America is prepared to accept such special fissionable material, in the United States of America; if in the United States of America, the implementing arrangements referred to below shall include reimbursement to the Government of the United Arab Emirates for the fair market value of such special fissionable material. In the event the Government of the United States of America exercises its right under the Agreed Minute to require disposition of special fissionable material in a third country or in the United States of America, or exercises its rights under Article 13 to require return of any material, equipment or components, the Parties shall make appropriate implementing arrangements, which shall not be subject to any further agreement between the Parties notwithstanding Article 5 and Article 6.

Equal Terms and Condition for Cooperation

The Government of the United States of America confirms that the fields of cooperation, terms and conditions accorded by the United States of America to the United Arab Emirates for cooperation in the peaceful uses of nuclear energy shall be no less favorable in scope and effect than those which may be accorded, from time to time, to any other non-nuclear weapon State in the Middle East in a peaceful nuclear cooperation agreement. If this is, at any time, not the case, at the request of the Government of the United Arab Emirates the Government of the United States of America will provide full details of the improved terms agreed with another non-nuclear-weapon State in the Middle East, to the extent

consistent with its national legislation and regulations and any relevant agreements with such other non-nuclear weapon State, and if requested by the Government of the United Arab Emirates, will consult with the Government of the United Arab Emirates regarding the possibility of amending this Agreement so that the position described above is restored.

FOR THE GOVERNMENT OF
THE UNITED STATES OF
AMERICA:

A handwritten signature in black ink, appearing to read "James B. Stewart". The signature is fluid and cursive, with a prominent loop at the end.

FOR THE GOVERNMENT OF
THE UNITED ARAB
EMIRATES:

A handwritten signature in black ink, appearing to read "Youssef Otman". The signature is written in a cursive style with a distinct loop at the end.