

**DEFENSE**

**Joint Strike Fighter Program**

**Agreement Between the  
UNITED STATES OF AMERICA  
and AUSTRALIA Supplementing the  
Memorandum of Understanding of  
January 17, 2001**

Signed at Washington October 31, 2002

*with*

Annexes



NOTE BY THE DEPARTMENT OF STATE

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

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

## AUSTRALIA

### **Defense: Joint Strike Fighter Program**

*Agreement supplementing memorandum of  
understanding of January 17, 2001.  
Signed at Washington October 31, 2002;  
Entered into force November 14, 2002.  
With annexes.*

SUPPLEMENT  
BETWEEN THE  
DEPARTMENT OF DEFENSE  
OF THE UNITED STATES OF AMERICA  
AND THE  
DEPARTMENT OF DEFENCE  
OF AUSTRALIA  
UNDER THE MEMORANDUM OF UNDERSTANDING  
CONCERNING THE COOPERATIVE FRAMEWORK FOR  
SYSTEM DEVELOPMENT AND DEMONSTRATION OF THE  
JOINT STRIKE FIGHTER

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## INTRODUCTION

The Department of Defense of the United States of America (U.S. DoD) and the Department of Defence of Australia (AS DOD), hereinafter referred to as the "Participants":

Recognizing that this Supplement is subject to the Memorandum of Understanding among the Department of Defence of Australia, the Minister of National Defence of Canada, the Ministry of Defence of Denmark, the Ministry of Defence of the Republic of Italy, the State Secretary of Defence of the Kingdom of The Netherlands, the Ministry of Defence of the Kingdom of Norway, the Undersecretariat for Defense Industries on behalf of the Minister of National Defense of the Government of the Republic of Turkey, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Secretary of Defense on behalf of the Department of Defense of the United States of America concerning the Cooperative Framework for System Development and Demonstration of the Joint Strike Fighter (JSF SDD Framework MOU) and any amendments thereto;

Desiring to improve their mutual conventional defense capabilities through the joint development, sharing and application of emerging technology through full cooperation on technology release throughout the System Development and Demonstration (SDD) Phase of the JSF Program and any cooperation in subsequent phases;

Having regard to the need of the U.S. Air Force to replace the F-16 and A-10 aircraft, and the need of the Royal Australian Air Force (RAAF) for a new air combat capability to replace their current inventory of F-18 and F-111 aircraft;

Recognizing the close relationship between the Participants, and the desire to further develop defense technology and industrial relationships between Australia and the United States and the importance of reducing barriers in the two-way relationship, to the benefit of the ongoing security of both nations;

Desiring the close involvement of their industries and research and development organizations in the JSF Program, and recognizing that this Project will enable the Participants to inform those entities of potential JSF Program participation and subsequent support opportunities, and noting the Participants' respective industrial objectives for involvement in the SDD Phase;

Desiring to enter into cooperation in the JSF SDD Phase with a view to subsequent cooperation in JSF developmental upgrades, production, and support; and

Affirming that if the U.S. DoD and AS DOD decide to extend their cooperation to JSF production and support, they will use their best efforts to ensure that such cooperation maximizes benefits (including financial) that will accrue to each of them;

Have reached the following understandings:

## SECTION I

### DEFINITIONS OF TERMS AND ABBREVIATIONS

The Participants have jointly decided upon the following definitions for terms used in this Supplement.

Deeper Maintenance	Maintenance activities beyond the organizational level in the JSF Autonomic Logistics System.
JSF Cooperative Project Personnel	AS DOD military members or civilian employees assigned to the JSF Program Office or U.S. DoD field activities who perform managerial, engineering, technical, administrative, Contracting, logistics, financial, planning or other functions in furtherance of the Project.
JSF Senior Warfighter Group	The operational community advisory group, chartered to support the JSF Program Office in the SDD Phase, that consists of representatives from the services of the JSF SDD Framework MOU Participants and which meets on an ad hoc basis.
National Disclosure Policy	The formal set of policies governing the release of classified military information to foreign governments and international organizations, which are reflected in procedures that are in the form of specific disclosure criteria and limitations, definition of terms, release arrangements, and other guidance required by governmental departments and agencies having occasion to make such releases.



## SECTION II

### OBJECTIVES AND SCOPE

2.1. The objective of this Supplement is to establish the detailed provisions concerning the responsibilities and benefits of the Participants under the Project in accordance with the JSF SDD Framework MOU.

2.2. The Participants intend to promote industrial and technological cooperation between the United States and Australia during the JSF SDD Phase thereby assisting both to achieve their respective industrial objectives.

2.3. During the JSF SDD phase, the Participants will design, develop, and qualify the JSF Air System which fulfills the joint Operational Requirements Document (ORD) dated 13 March 2000, and any changes thereto, and is as common as possible to the U.S. JSF Air System within U.S. National Disclosure Policies. The Participants intend to enhance interoperability between the U.S. DoD and the AS DOD through JSF SDD Phase cooperation and any cooperation in subsequent phases.

2.4. The U.S. DoD will use its best efforts to provide the AS DOD with the opportunity to obtain equipment and systems produced under U.S. DoD programs other than the JSF Program, to the extent that such equipment and systems are needed or useful to meet the JSF Air System performance requirements specified in the joint ORD and further detailed in the Contract Specification.

2.5. The JSF Air System design will allow for in-country reprogramming capability as specified in the joint ORD and Joint Model Specification, and as implemented in the Contract Specification.

2.6. The JSF Program threshold and objective requirement for Unit Recurring Flyaway Cost is contained in the joint ORD, paragraph 4.1.1. The JSF Program Office October 2001 estimate of the CTOL Unit Recurring Flyaway Cost is \$33.1 million (U.S. fiscal year 1994 base year dollars).

2.7. The U.S. DoD and AS DOD may consider pursuing future cooperation in JSF developmental upgrades, production, and support under separate arrangements, or amendments to the JSF SDD Framework MOU and this Supplement.

## SECTION III

### MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

3.1. The JSF SDD Framework MOU established the Executive Committee (EC) and provided that the U.S. DoD EC representative will be the JSF Program Director (or successor in the event of reorganization). The AS DOD EC representative will be the Director General, New Air Combat Capability (or successor in the event of reorganization).

3.2. The JSF SDD Framework MOU also provided for plenary EC meetings. The U.S. DoD and the AS DOD EC representatives will hold semi-annual U.S. DoD-AS DOD-only meetings, if necessary, to address issues of concern; additional meetings will be held at the request of either representative, when appropriate, giving one month's notice to the other. The Participant hosting the Supplement-specific EC meeting will chair the meeting, unless otherwise mutually determined. In addition to the Supplement-specific EC responsibilities contained in paragraph 4.5 of the JSF SDD Framework MOU, the following EC responsibilities under this Supplement will require mutual determination:

3.2.1. Approving and maintaining oversight of the U.S. DoD-AS DOD JSF Program Office Integrated Project Team (IPT) Personnel Description Document (PDD).

3.2.2. Amending Annex A (Supplement Management Structure).

3.2.3. Approving changes to the Financial Management Procedures Document (FMPD).

3.3. The U.S. DoD and AS DOD EC representatives will also promptly apprise and consult on any bilateral matters that affect the Project and resolve any issues brought forth by the Director, JSF International Directorate (JSF/ID) and the AS DOD National Deputy.

3.4. In addition to the responsibilities related to the Supplement described in paragraph 4.7 of the JSF SDD Framework MOU, the Director, JSF/ID, will be responsible for:

3.4.1. Preparing, in conjunction with the AS DOD National Deputy, a U.S. DoD/AS DOD JSF Program Office IPT PDD for the approval of the U.S. DoD and AS DOD EC members.

3.4.2. Referring to the U.S. DoD and AS DOD EC members issues related to the Supplement that the Director, JSF/ID cannot resolve.

3.4.3. Accountability to the U.S. DoD and AS DOD EC members for timely release of Project Information furnished by the U.S. DoD.

3.5. The AS DOD will provide a National Deputy in accordance with Annex A (Supplement Management Structure), who will be initially assigned to the Air Vehicle IPT as a Coalition Warfare/C4I Support Officer within the JSF Program Office and U.S. DoD field activities. Specific AS DOD National Deputy responsibilities are identified in Section 3.6 below. Specific IPT responsibilities for AS DOD personnel will be identified in the U.S. DoD/AS DOD JSF Program Office IPT PDD. Additionally, Annex B (JSF Cooperative Project Personnel) establishes provisions for the general conduct of AS DOD personnel located in the JSF Program Office or U.S. DoD field activities. Annex A (Supplement Management Structure) depicts the management structure established for this Supplement.

3.6. In addition to assigned IPT responsibilities, the AS DOD National Deputy will be responsible for:

3.6.1. Supporting the Director, JSF/ID in the day-to-day administrative management of both the JSF SDD Framework MOU and this Supplement.

3.6.2. Providing day-to-day AS DOD representation within the JSF Program Office on all matters related to the Project to ensure effective AS DOD insight into the Project.

3.6.3. Assisting the JSF/ID in developing the FMPD, Project Security Instruction and Classification Guide, and IPT PDD.

3.6.4. Performing other tasks, as may be assigned by the Director, JSF/ID.

3.6.5. Serving as an observer in the change control and approval process for the Contract Specification.

3.7. AS DOD military personnel and AS government personnel not assigned to the JSF Program Office, and, as appropriate, employees of AS DOD's Contractors, may attend JSF Program Reviews, Engineering Technical Meetings, and other similar events, subject to the requirements of Section X (Visits to Establishments) of the JSF SDD Framework MOU and subject to the approval of the Director, JSF/ID and the AS DOD.

3.8. Representatives from the Participants' operational communities will participate in the JSF Senior Warfighter Group.

## SECTION IV

### FINANCIAL PROVISIONS

4.1. The AS DOD share of the Financial Cost Target of the Project, as identified in paragraph 5.2 of Section V (Financial Provisions) of the JSF SDD Framework MOU, is \$144 million Then Year U.S. Dollars. In no event will this AS DOD share be increased without the written consent of the AS DOD. The U.S. DoD share of the Financial Cost Target is established in Section V (Financial Provisions) of the JSF SDD Framework MOU.

4.2. The AS DOD non-financial contributions include the following:

4.2.1. AS DOD personnel assigned to the JSF Program Office or U.S. DoD field activities in accordance with Annex A (Supplement Management Structure).

4.2.2. Engineering and technical services and the use of Pacific Rim Coalition command and control-related items to support the design, development, integration, verification and systems engineering of the command, control, communication, computers, and intelligence (C4I) and interoperability aspects of the JSF Air System. The value of this AS DOD non-financial contribution is \$6 million Then Year U.S. dollars.

4.3. The AS DOD non-financial contributions may also include services provided in-kind by or for the AS DOD for the Project, as mutually determined by the Participants. Any such additional contributions will be reflected in an amendment to this Supplement. The Participants will mutually determine whether the AS DOD share of the Financial Cost Target, as reflected in paragraph 4.1 of this Section, will be decreased in the amended Supplement by the mutually determined value of the additional non-financial contributions.

4.4. Exclusive of paragraph 4.2.1, AS DOD financial and non-financial contributions, expressed in Then Year U.S. dollars, are reflected in Table 4-1 below:

**Table 4-1:**

<b>FINANCIAL</b>	<b>NON-FINANCIAL</b>	<b>TOTAL</b>
144 million	6 million	150 million

4.5. U.S. DoD research and development costs incurred for the Air System will not apply to any Air Systems that may be exported to the AS DOD pursuant to U.S. commercial export licenses in

accordance with any future cooperative production arrangements. On any future foreign military sale by the U.S. Government to the Australian Government of the Air System, the U.S. DoD will consider excluding from the price of the Air System all of the U.S. DoD research and development costs incurred for the Air System, provided that the AS DOD does not withdraw from the JSF SDD Framework MOU and this Supplement. In any event, the amount of the financial and non-financial contribution of the AS DOD to the Project will be excluded from the price of any Air System sold by the U.S. Government to the Australian Government.

4.6. The Participants recognize that pursuant to 12.7 of the JSF SDD Framework MOU, they will be given the opportunity to receive levies from sales or other transfers to Third Parties of equipment developed under that MOU in order to recoup their investment in the Project.

4.7. In furtherance of the provisions of paragraph 5.11 of Section V (Financial Provisions) of the JSF SDD Framework MOU, and upon mutual determination, the AS DOD auditors (including AS DOD cost investigators) or Australia national audit institution auditors may assist the U.S. DoD on any audit elements required to satisfactorily perform the audit. In addition, in the event that the AS DOD auditors or Australia national audit institution auditors need to obtain or to inspect specific Project financial data in order to fulfill their national obligations, the U.S. DoD will arrange for access to such specific financial data at mutually determined times and locations.

4.8. In the event external audits concerning the Project are conducted by the national audit institutions of the Participants' nations, such reports will be provided by the applicable Participant to the EC representative of the other Participant. The Director, JSF/ID, and the AS DOD National Deputy will apprise each other as soon as possible of external audits concerning the Project by the national audit institutions of the Participants' nations.

## SECTION V

### CONTRACTING PROVISIONS

5.1. The Participants recognize the importance to the Project of subcontracting competitions that are conducted fairly and provide best value. In order for the AS DOD to assure itself that subcontracting competitions comport with the foregoing principles, the U.S. DoD will provide the AS DOD with insight into subcontracting for the Project via IPT participation, attendance at Program Management Reviews, and access to the JSF Program Office electronic network.

5.2. The Participants recognize that in conducting full and open competitions for the Project, full consideration will be given to all qualified sources from the other Participant's country, to the extent consistent with the national laws, regulations, and policies of the Contracting Participant.

5.3. The U.S. DoD awarded cost plus award fee Contracts for performance of the JSF SDD Phase. The JSF PD implemented an award fee program that specifies the award fee criteria against which the prime Contractors are measured. The U.S. DoD will provide the AS DOD insight into the JSF award fee process and the opportunity to comment during the process. In the event a Contractor fails to meet any of the award fee criteria in a given period, the JSF PD will ensure the award fee will be reduced to the appropriate level.

5.4. The JSF PD will provide to the AS National Deputy reports received on Australian industries' participation in the JSF Program. Such reports may include issue dates for requests for information/proposals to be released, total number of subcontracts to be awarded, and the number and value of subcontracts awarded to Australian companies.

## SECTION VI

### JOINTLY ACQUIRED EQUIPMENT

6.1. In those instances in which the U.S. DoD elects to dispose of Jointly Acquired Equipment by transferring such equipment to another Participant in accordance with paragraph 7.6 of the JSF SDD Framework MOU, the U.S. DoD will offer that equipment to each of the Participants of the JSF SDD Framework MOU in order of the magnitude of their financial contributions to the Project. The U.S. DoD will consult with the AS DOD and the other JSF SDD Framework MOU Participants in order to achieve a distribution of this Jointly Acquired Equipment in proportion to the Participants' financial contributions.

## SECTION VII

### DISCLOSURE AND USE OF PROJECT INFORMATION

7.1. In accordance with paragraph 8.1.2 of Section VIII (Disclosure and Use of Project Information) of the JSF SDD Framework MOU, the following disclosure limitations will apply to this Supplement: Neither Participant will disclose Project Information contrary to its National Disclosure Policies.

7.2. In keeping with the provisions for maximizing Project Information disclosure within National Disclosure Policies, as contained in paragraph 8.1.2 of Section VIII (Disclosure and Use of Project Information) of the JSF SDD Framework MOU, the U.S. DoD will use its best efforts to ensure that the AS DOD receives all of that Project Information acquired in the implementation of Section III (Scope of Work) of the JSF SDD Framework MOU, including, but not limited to, Information pertaining to the following: Deeper Maintenance, life cycle support (including future JSF developmental upgrades), systems characteristics, and operational employment (including interoperability with other AS DOD force elements) of the AS DOD JSF Air System.

7.3. In accordance with paragraph 8.1.3 of Section VIII (Disclosure and Use of Project Information) of the JSF SDD Framework MOU, the extent and manner to which the AS DOD will be given access to electronically provided Project Foreground Information are as follows: The AS DOD will have timely access to such electronic data to the extent consistent with the disclosure limitations in paragraph 7.1 of this Supplement.

7.4. Paragraphs 8.2.2, 8.4.2, and 8.5.2 of Section VIII (Disclosure and Use of Project Information) of the JSF SDD Framework MOU require that each Supplement specify the purposes for which each Participant other than the U.S. DoD may use or have used Government Project Foreground Information, Contractor Project Foreground Information, and Contractor Project Background Information delivered under Contracts awarded in accordance with the JSF SDD Framework MOU, respectively. For the AS DOD, those purposes will be Project purposes.

7.5. Paragraph 8.8.2 and 8.8.6 of Section VIII (Disclosure and Use of Project Information) of the JSF SDD Framework MOU require each Supplement to specify the purposes for which a Participant other than the U.S. DoD may practice or have practiced Project Inventions for which a Contractor or a Participant, respectively, grants a license under its Patents. For the AS DOD, those purposes will be Project purposes.



7.6. The Participants acknowledge that AS DOD's rights of use regarding Project Information and Patents under paragraphs 7.4 and 7.5 will allow AS DOD to use that Information for the purposes of achieving the objectives in Section II (Objectives) and Section III (Scope of Work) of the JSF SDD Framework MOU.

7.7. In keeping with the provisions of paragraph 8.7.2 of Section VIII (Disclosure and Use of Project Information) of the JSF SDD Framework MOU, the AS DOD will abide by the provisions of the PSI and the U.S. DoD - AS DOD Annex thereto, which the Participants acknowledge contain provisions governing the safeguarding of proprietary Project Information no less stringent than the NATO Agreement on the Communication of Technical Information for Defense Purposes.

## SECTION VIII

### SECURITY

8.1. All Classified Information and Material provided or generated pursuant to the JSF SDD Framework MOU will be stored, handled, transmitted, and safeguarded in accordance with the Security Agreement between Australia and the United States of America, of 15 August 1966, including the Industrial Security Annex thereto, or its successor agreements or arrangements.

8.2. Existence of this Supplement is UNCLASSIFIED and the contents are UNCLASSIFIED.

## SECTION IX

### AMENDMENT, ENTRY INTO EFFECT, AND DURATION

9.1. This Supplement may be amended in accordance with Section XVIII (Amendment, Withdrawal, Termination, Entry into Effect, and Duration) of the JSF SDD Framework MOU.

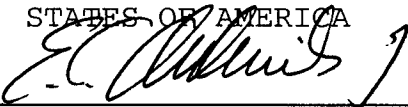
9.2. The AS DOD may choose to withdraw from the JSF SDD Framework MOU and this Supplement if it concludes that the Australian industrial participation in this Project is not satisfactory.

9.3. This Supplement, which consists of nine (9) Sections and two (2) Annexes, will enter into effect on the date by which all of the following circumstances have occurred: this Supplement has been signed by both Participants; and the JSF SDD Framework MOU amendment to add AS DOD has entered into effect. This Supplement will remain in effect for the duration of the JSF SDD Framework MOU, unless terminated earlier by the Participants.

The foregoing represents the understandings reached between the Department of Defense of the United States of America and the Department of Defence of Australia upon the matters referred to therein.

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

FOR THE DEPARTMENT OF  
DEFENSE OF THE UNITED  
STATES OF AMERICA



\_\_\_\_\_  
Signature

**E. C. Aldridge, Jr.**

\_\_\_\_\_  
Name

**USD(AT&L)**

\_\_\_\_\_  
Title

**31 October 2002**

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Date

**Washington, D.C.**

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Location

FOR THE DEPARTMENT OF  
DEFENCE OF AUSTRALIA



\_\_\_\_\_  
Signature

**M. J. Roche**

\_\_\_\_\_  
Name

**Under Secretary Defence  
Materiel**

\_\_\_\_\_  
Title

**31 October 2002**

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Date

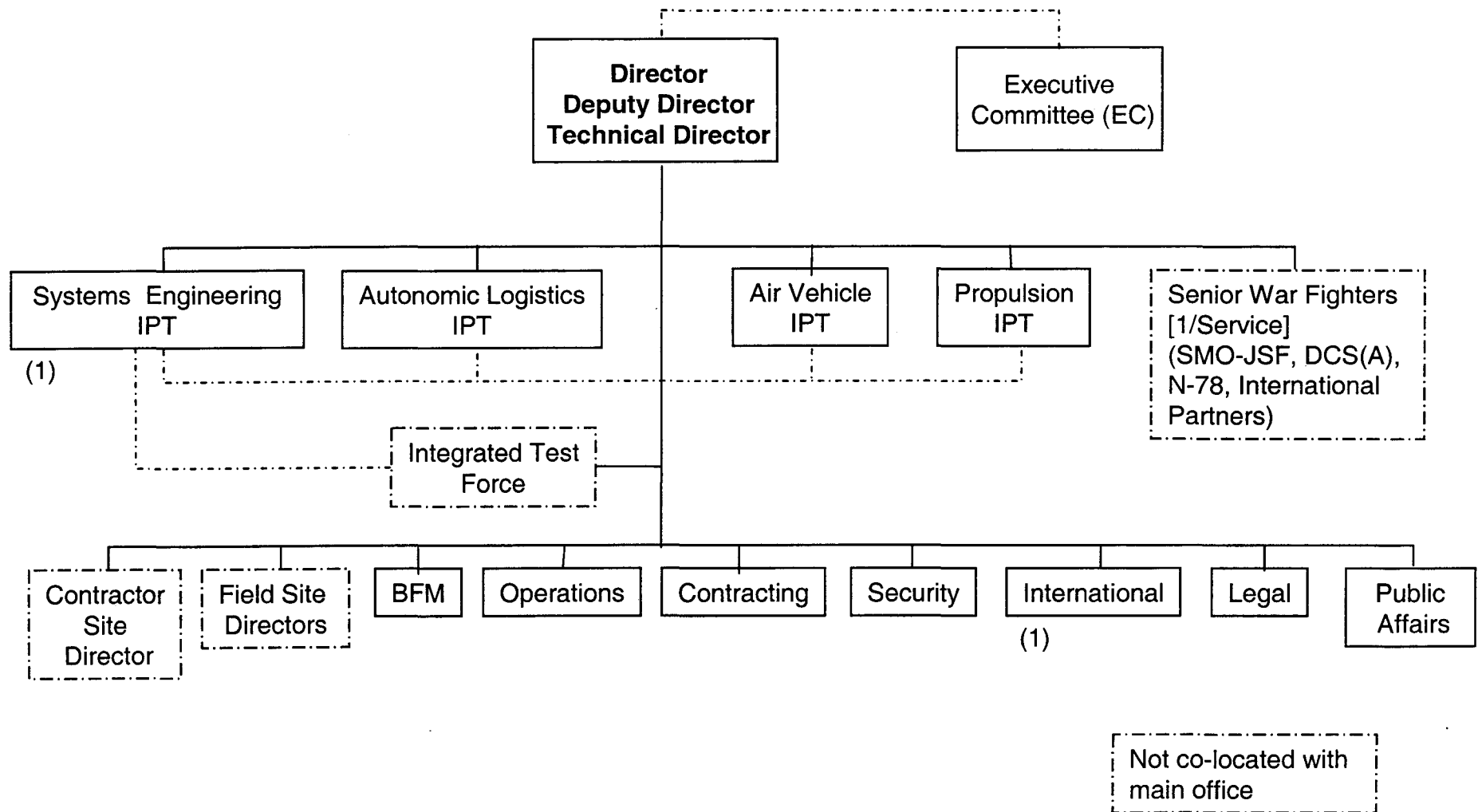
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# Annex A

## Supplement Management Structure



Note (1): AS National Deputy - Coalition Warfare/C4I Support Officer

## ANNEX B

### JSF COOPERATIVE PROJECT PERSONNEL

#### 1.0. Purpose and Scope.

1.1. This Annex establishes the provisions which will govern the conduct of JSF Cooperative Project Personnel. The AS DOD will assign military members or civilian employees to the JSF Program Office or U.S. DoD field activities in accordance with Section III (Management (Organization and Responsibility)), Annex A (Supplement Management Structure) and this Annex. JSF Cooperative Project Personnel must be able to perform all the responsibilities for the positions assigned to them under this Supplement. Commencement of assignments will be subject to any requirements that may be imposed by the U.S. DoD or the U.S. Government regarding acceptance of JSF Cooperative Project Personnel, such as, but not limited to, visas and visit request documentation. The U.S. DoD and AS DOD EC representatives will determine the length of tour for the positions at the time of initial assignment.

1.2. JSF Cooperative Project Personnel will be assigned to the JSF Program Office or U.S. DoD field activities for Project work and will report to their designated supervisor within those organizations regarding that work. JSF Cooperative Project Personnel will not act as liaison officers for the AS DOD. However, such personnel may act from time to time on behalf of the AS DOD's EC representative if the latter so authorizes in writing.

1.3. JSF Cooperative Project Personnel will not be assigned to command or other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of the U.S. Government.

#### 2.0. Security.

2.1. The U.S. DoD and AS DOD EC representatives will establish the maximum level of security clearance required to permit JSF Cooperative Project Personnel to have access to Classified Information and Material and facilities in which Classified Information and Material are used in accordance with the Program Security Instruction (PSI) and Classification Guide (CG). Access to Classified Information and Material and facilities in which Classified Information and Material are used will be consistent with, and limited by, Section II (Objectives) and Section III (Scope of Work) of the JSF SDD Framework MOU and the corresponding provisions of this Supplement, and will be kept to the minimum required to accomplish the work assignments.

2.2. The AS DOD will cause security assurances to be filed, through the Australian Embassy, specifying the security clearances for the JSF Cooperative Project Personnel being assigned. The security assurances will be prepared and forwarded through prescribed channels in compliance with established U.S. procedures.

2.3. The Participants will use their best efforts to ensure that both AS DOD and U.S. DoD personnel assigned to the JSF Program Office or U.S. DoD field activities are aware of, and comply with, applicable laws and regulations pertaining to Controlled Unclassified Information and Classified Information and Material as well as the requirements of Section IX (Controlled Unclassified Information), Section X (Visits to Establishments), Section XI (Security), and paragraph 18.7 of Section XVIII (Amendment, Withdrawal, Termination, Entry into Effect, and Duration) of the JSF SDD Framework MOU and the corresponding provisions of this Supplement, and the PSI and CG. Prior to commencing assigned duties, JSF Cooperative Project Personnel will, as required by U.S. Government laws, regulations, or procedures, sign a certification concerning the conditions and responsibilities of CPP.

2.4. JSF Cooperative Project Personnel will at all times be required to comply with the security and export control laws, regulations and procedures of the U.S. Government. Any violation of security procedures by JSF Cooperative Project Personnel during their assignment will be reported to the AS DOD for appropriate action. JSF Cooperative Project Personnel committing willful violations of security and export control laws, regulations, or procedures during their assignments will be withdrawn from the Project with a view toward appropriate administrative or disciplinary action by the AS DOD.

2.5. All Classified Information and Material made available to JSF Cooperative Project Personnel will be considered as Classified Information and Material furnished to the AS DOD and will be subject to all of the provisions and safeguards provided for in Section XI (Security) of the JSF SDD Framework MOU, Section VII (Security) of this Supplement, and the PSI and the CG.

2.6. JSF Cooperative Project Personnel will not have personal custody of Classified Information and Material or Controlled Unclassified Information, unless approved by the JSF Program Office and as authorized by the AS DOD on a case-by-case basis. They will be granted access to such Information and material in accordance with Section IX (Controlled Unclassified Information) and Section XI (Security) of the JSF SDD Framework

MOU and the provisions of the PSI during normal duty hours and when access is necessary to perform Project work.

2.7. JSF Cooperative Project Personnel will not serve as a conduit between the U.S. DoD and AS DOD for requests for and/or transmission of Classified Information and Material or Controlled Unclassified Information unless specifically authorized by the PSI.

### 3.0. Administrative Matters.

3.1. Consistent with U.S. laws and regulations, JSF Cooperative Project Personnel will be subject to the same restrictions, conditions, and privileges as U.S. DoD personnel of comparable rank and in comparable assignments. Further, to the extent authorized by U.S. laws and regulations, JSF Cooperative Project Personnel and their authorized dependents will be accorded:

3.1.1. Exemption from any U.S. Government tax upon income received from the AS DOD.

3.1.2. Exemption from any U.S. Government customs and import duties or similar charges levied on items entering the country for their official or personal use, including their baggage, household effects, and private motor vehicles.

3.2. Upon or shortly after arrival, JSF Cooperative Project Personnel will be informed by the JSF Program Office or U.S. DoD field activities about applicable laws, orders, regulations, and customs and the need to comply with them. JSF Cooperative Project Personnel will also be provided briefings arranged by the JSF Program Office or U.S. DoD field activities regarding applicable entitlements, privileges, and obligations such as:

3.2.1. Any medical and dental care that may be provided to JSF Cooperative Project Personnel and their dependents at U.S. DoD medical facilities, subject to applicable laws and regulations, including reimbursement requirements.

3.2.2. Purchasing and patronage privileges at military commissaries, exchanges, theaters and clubs for JSF Cooperative Project Personnel and their dependents, subject to applicable laws and regulations.

3.2.3. Responsibility of JSF Cooperative Project Personnel and those dependents accompanying them to obtain motor vehicle liability insurance coverage in accordance with laws and regulations applicable in the area where they are residing. In case of claims involving the use of private motor vehicles by JSF



Cooperative Project Personnel and their dependents, the recourse will be against such insurance.

3.3. The JSF PD, through the JSF Program Office and U.S. DoD field activities, will establish standard operating procedures for JSF Cooperative Project Personnel in the following areas:

3.3.1. Working hours, including holiday schedules.

3.3.2. Leave authorization, consistent to the extent possible with the military or civilian personnel regulations and practices of both Participants.

3.3.3. Dress regulations, consistent to the extent possible with the military or civilian personnel regulations and practices of both Participants.

3.3.4. Performance evaluations, recognizing that such evaluations must be rendered in accordance with the AS DOD's military or civilian personnel regulations and practices.

3.4. JSF Cooperative Project Personnel committing an offense under the laws of the government of either Participant may be withdrawn from this Project with a view toward further administrative or disciplinary action by the AS DOD. Disciplinary action, however, will not be taken by the U.S. DoD against JSF Cooperative Project Personnel, nor will JSF Cooperative Project Personnel exercise disciplinary authority over U.S. DoD personnel. In accordance with U.S. laws, regulations, and procedures, the U.S. DoD will assist the AS DOD in carrying out investigations of offenses involving JSF Cooperative Project Personnel.