

DEFENSE

Cooperative Projects

**Memorandum of Understanding Between the
UNITED STATES OF AMERICA
and OTHER GOVERNMENTS**

Signed at Washington, Wyton, Rome, and
Canberra December 16, 2002, and January 7,
January 17, and January 31, 2003

with

Annexes

and

Agreements Amending the Memorandum of Understanding

Signed at Arlington, Copenhagen, Richmond, Wyton, and
Rome August 27, September 8, September 15, and
September 29, 2004

Signed at Arlington, Canberra, Ballerup, Wyton, Ottawa,
Oslo, and Rome January 29, February 13, February 22,
March 4, April 16, and April 21, 2008



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.”

MULTILATERAL

Defense: Cooperative Projects

Memorandum of understanding signed at Washington, Wyton, Rome, and Canberra December 16, 2002 and January 7, January 17, and January 31, 2003;

Entered into force January 31, 2003.

With annexes.

And agreements amending the memorandum of understanding.

Signed at Arlington, Copenhagen, Richmond, Wyton, and Rome August 27, September 8, September 15, and September 29, 2004;

Entered into force September 29, 2004.

Signed at Arlington, Canberra, Ballerup, Wyton, Ottawa, Oslo, and Rome January 29,

February 13, February 22, March 4, April 16, and April 21, 2008;

Entered into force April 21, 2008.

MEMORANDUM OF UNDERSTANDING (MOU)

among

THE DEPARTMENT OF DEFENCE OF AUSTRALIA

and

THE MINISTRY OF DEFENSE OF THE REPUBLIC OF ITALY

and

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

and

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

concerning

COOPERATIVE PROJECTS FOR THE C-130J

TABLE OF CONTENTS

INTRODUCTION		4
SECTION 1	DEFINITIONS AND ABBREVIATIONS	5
SECTION 2	OBJECTIVE	10
SECTION 3	SCOPE OF WORK	11
SECTION 4	MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)	12
SECTION 5	FINANCIAL PROVISIONS	15
SECTION 6	CONTRACTING PROVISIONS	17
SECTION 7	PROJECT EQUIPMENT	19
SECTION 8	DISCLOSURE AND USE OF PROJECT INFORMATION	22
SECTION 9	CONTROLLED UNCLASSIFIED INFORMATION	26
SECTION 10	VISITS TO ESTABLISHMENTS	27
SECTION 11	SECURITY	28
SECTION 12	THIRD PARTY SALES AND TRANSFERS	31
SECTION 13	LIABILITY AND CLAIMS	33
SECTION 14	PARTICIPATION OF ADDITIONAL NATIONS	34
SECTION 15	CUSTOMS DUTIES, TAXES AND SIMILAR CHARGES	35
SECTION 16	GENERAL PROVISIONS	36
SECTION 17	AMENDMENT, WITHDRAWAL, TERMINATION, ENTRY INTO EFFECT AND DURATION	37

ANNEX A

SAMPLE PROJECT ARRANGEMENT

A-1

ANNEX B

COOPERATIVE PROJECT PERSONNEL

B-1

INTRODUCTION

The Department of Defence of Australia (AS), the Ministry of Defense of the Republic of Italy (IT), the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (UK), and the Department of Defense of the United States of America (US), hereinafter referred to as the "Participants":

Having a common interest in defense;

Recognizing the benefits to be obtained from rationalization, standardization and interoperability of military equipment;

Desiring to improve their mutual conventional defense capabilities through the application of emerging technology;

Having a mutual need for the further development of the C-130J aircraft to satisfy common operational requirements;

Having independently conducted studies, research, and development of the applications of various technologies, recognize the benefits of cooperation on the C-130J;

Have reached the following understandings:

SECTION 1

DEFINITIONS AND ABBREVIATIONS

1.1 The Participants have jointly decided upon the following definitions for terms used in this MOU:

C-130J	Aircraft designation to include all C-130J aircraft derivatives (e.g., C-130J-30, CC-130J, KC-130J, HC-130J etc.).
Classified Information	Official information that requires protection in the interests of national security and is so designated by the application of a security classification. This information may be in oral, visual, magnetic or documentary form or in the form of equipment or technology.
Contract	Any mutually binding legal relationship under national laws which obligates a Contractor to furnish supplies or services, and obligates one or more of the Participants to pay for them.
Contracting	The obtaining of supplies or services by Contract from sources outside the government organizations of the Participants. Contracting includes description (requirements decision) of supplies and services required by the Participants, solicitation and selection of sources, preparation and award of Contracts, and all phases of Contract administration.
Contracting Agency	The entity within the government organization of a Participant, which has the authority to enter into, administer, or terminate Contracts.
Contracting Officer	A person representing a Contracting Agency of a Participant who has the authority to enter into, administer, or terminate Contracts.
Contractor	Any entity awarded a Contract under a Project by a Participant's Contracting Agency.

Controlled Unclassified Information

Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. Whether the information is provided or generated under this MOU, the information will be marked to identify its "in confidence" nature. It could include information, which has been declassified, but remains controlled.

Cooperative Project Personnel (CPP)

Military members or civilian employees of a Participant assigned to work on a Project at facilities of the other Participant(s) who perform managerial, engineering, technical, administrative, contracting, logistics, financial, planning or other functions in furtherance of a Project.

Defense Purposes

Manufacture or other use in any part of the world by or for the armed forces of any Participant.

Designated Security Authority (DSA)

The security office approved by national authorities to be responsible for the security aspects of this MOU.

Financial Costs

Costs met with monetary contributions.

Intellectual Property Rights

Intellectual Property Rights means all copyright and neighbouring rights, all rights in relation to inventions (including patent rights), registered and unregistered trademarks (including service marks), registered and unregistered designs, confidential information (including trade secrets and know how), circuit layouts and all other rights resulting from intellectual activity in the industrial, scientific, literary and artistic fields.

Non-Financial Costs

Costs met with non-monetary contributions.

International Project Management Plan (IPMP)

A plan that describes what is to be achieved in a Project, by whom and how.

Participant(s)

Any signatory to the MOU (as already defined) or, where the context so requires, those Participants signatory to a Project Arrangement.

Patent	Legal protection of the right to exclude others from making, using, or selling an invention. The term refers to any and all Patents, including but not limited to Patents of implementation, improvement, or addition, petty Patents, utility models, appearance design Patents, registered designs, and inventor certificates or like statutory protection as well as divisions, reissues, continuations, renewals, and extensions of any of these.
Project	Specific C-130J collaborative activities described in a Project Arrangement to this MOU or an activity under this MOU.
Project Arrangement (PA)	An implementing arrangement under this MOU, which specifically details the terms of collaboration on a Project.
Project Background Information	Project Information not generated in the performance of a Project.
Project Equipment	Any material, equipment, end item, subsystem, component, special tooling or test equipment that is either owned by one Participant and provided for use in a Project by that Participant or is jointly funded and acquired by the Participants for use in a Project.
Project Foreground Information	Project Information generated in the performance of a Project.
Project Information	Any information provided to, generated in, or used in a PA or under this MOU, regardless of form or type, including, but not limited to, that of a scientific, technical, business, or financial nature, and also including photographs, reports, manuals, threat data, experimental data, test data, designs, specifications, processes, techniques, inventions, drawings, technical writings, sound recordings, pictorial representations, and other graphical presentations, whether in magnetic tape, computer memory, or any other form and whether or not subject to copyright, patent, or other legal protection.

Project Invention

Any invention or discovery formulated or made (conceived or "first actually reduced to practice") in the course of work performed under a PA. The term "first actually reduced to practice" means the first demonstration, sufficient to establish to one skilled in the art to which the invention pertains, of the operability of an invention for its intended purpose and in its intended environment.

Third Party

A government other than the government of a Participant and any person or other entity whose government is not the government of a Participant.

1.2 The following abbreviations are used in this MOU:

AS	Australia
CG	Classification Guide
CPP	Cooperative Project Personnel
DSA	Designated Security Authority
FMPD	Financial Management Procedure Document
IPMP	International Project Management Plan
IT	Italy
PA	Project Arrangement
PO	Project Officer
PSI	Project Security Instruction
SC	Steering Committee
UK	United Kingdom
US	United States

SECTION 2

OBJECTIVE

2.1 The objective of this MOU is to define and establish the general principles which will apply to the initiation, conduct, and management of Projects established by separate Project Arrangements (PAs) under this MOU which may be entered into by two or more Participants. Cooperative activities under this MOU will contribute to the rationalisation, standardisation and interoperability of the Participant's C-130J fleets.

2.2 The provisions of this MOU are incorporated by reference in each PA. Detailed provisions of each PA will be consistent with this MOU, will identify the Participants thereto, and will include, as a minimum, provisions concerning the objectives, scope of work, sharing of tasks, breakdown and schedule of tasks, management, financial arrangements, special contracting provisions (optional), security classification, principal organizations involved, entry into effect, duration and termination and other special provisions, as required, in accordance with the format attached as Annex A of this MOU.

2.3 In the event of conflict between the provisions of this MOU and any PA, the MOU will govern.

SECTION 3

SCOPE OF WORK

3.1 The scope of work of this MOU encompasses identifying common requirements and establishing PAs for C-130J cooperation. PAs may include collaboration on studies, technology insertion, design, development, production, modification and follow-on support efforts that will enhance the capabilities and/or sustain the Participants' C-130J weapon systems' fleets.

3.2 Exchange of Project Information specifically for the purposes of evaluation and agreed harmonization of the Participants' respective C-130J requirements and for formulating, developing and negotiating PAs is permitted under this MOU.

3.3 This MOU does not preclude the Participants from entering into any other arrangements in the area of C-130J cooperation.

SECTION 4

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

4.1 Projects will be directed and administered on behalf of the Participants by an organization consisting of the Steering Committee (SC) and Project Officers (POs) appointed by the Participants. The SC will have authority over the POs pursuant to this MOU. The POs will have primary responsibility for effective implementation, efficient management, and direction of their Projects in accordance with this MOU.

4.2 The SC will consist of a representative appointed by each Participant. The SC will meet at least annually with additional meetings held at the request of any representative. Each meeting of the SC will be chaired by the representative of the Participant hosting the meeting. Decisions of the SC will be made unanimously. However, with respect to any matter involving a Project entered into by fewer than all of the Participants, the SC representative of any Participant that does not participate in the Project will only have observer status. In the event that the SC is unable to reach a timely decision on an issue, each SC representative will refer the issue to its higher authority for resolution.

4.3 The SC will be responsible for:

4.3.1 Monitoring international cooperative opportunities for analysis as candidate C-130J Projects;

4.3.2 Exercising executive-level oversight of Projects;

4.3.3 Reviewing the financial status of Projects to ensure compliance with the provisions of Section 5 (Financial Provisions);

4.3.4 Resolving issues brought forth by the PO(s);

4.3.5 Reviewing and forwarding to the Participants for approval, PAs and amendments thereto, in accordance with this MOU and national policies and procedures;

4.3.6 Maintaining oversight of the security aspects of the PAs, including ensuring approval is obtained from the appropriate Designated Security Authority (DSA) of a Project Security Instruction (PSI) and a Classification Guide (CG) prior to the transfer of Classified Information or Controlled Unclassified Information;

4.3.7 Reviewing and forwarding to the Participants for approval recommended amendments to this MOU in accordance with Section 17 (Amendment, Withdrawal, Termination, Entry into Effect, and Duration);

- 4.3.8 Monitoring Third Party sales and transfers authorized in accordance with Section 12 (Third Party Sales and Transfers);
- 4.3.9 Ensuring approval of Cooperative Project Personnel (CPP) to another Participant's facilities to work on a PA in accordance with paragraph 4.5, Annex B of this MOU and national policies and procedures;
- 4.3.10 Providing recommendations to the Participants for the addition of new Participants in accordance with Section 14 (Participation of Additional Nations);
- 4.3.11 Approving plans to manage and control the transfer of Project Equipment provided by a Participant to support the execution of a Project in accordance with Section 7 (Project Equipment);
- 4.3.12 Approving plans for the disposal of jointly acquired Project Equipment under a PA to this MOU in accordance with Section 7 (Project Equipment); and
- 4.3.13 Approving the Financial Management Procedures Document (FMPD) and International Project Management Plan (IPMP) for a PA and all subsequent changes.
- 4.4 The POs will be identified in each PA and will be responsible for:
- 4.4.1 Effective implementation, efficient management and direction of their assigned PA including technical, cost, and schedule performance against requirements;
- 4.4.2 Executing the approved IPMP;
- 4.4.3 Developing and submitting any required changes to the approved IPMP to the SC for approval;
- 4.4.4 Executing the financial aspects of a Project in accordance with Section 5 (Financial Provisions) of this MOU and the PA;
- 4.4.5 Referring issues to the SC that cannot be resolved by the POs;
- 4.4.6 Developing and forwarding to the SC a PSI and CG for a Project involving Classified Information within three months after PA signature, and implementing them upon final approval;
- 4.4.7 Developing and recommending to the SC amendments to a PA;
- 4.4.8 Developing and implementing SC-approved plans to manage and control the transfer of Project Equipment provided by a Participant in accordance with Section 7 (Project Equipment);

4.4.9 Developing and implementing SC-approved plans for disposal of jointly acquired Project Equipment under a PA to this MOU in accordance with Section 7 (Project Equipment);

4.4.10 Reporting to the SC on the status of a Project; and

4.4.11 Developing and forwarding for approval to the SC, an FMPD and any required changes to the FMPD.

4.5 Any Participant may assign CPP to another Participant's facilities to work on a Project. Provisions for CPP are set out in Annex B (Cooperative Project Personnel).

4.6 Each Project will be covered by a PA and be managed in accordance with best principles and practice of project management. This will include, but not be restricted to the creation, maintenance and implementation of an IPMP, master project schedule, risk register, and statement of work.

4.6.1 The IPMP expands on the sharing of tasks, breakdown and schedule of tasks and management defined in the PA. The IPMP will include: detailed roles and responsibilities of the Participants in accordance with the PA; review and management process; management of interface between Participants and the Contractors; risk management; quality assurance; performance, cost and schedule trade-off management; logistics support; test, evaluation, and acceptance management.

4.6.2 The master project schedule will be created, maintained and reviewed as defined in the IPMP.

4.6.3 The risk register is an output of the overall risk management process as defined in the IPMP.

4.6.4 The statement of work expands on the objectives and scope of work defined in the PA. The management of it is defined in the IPMP.

SECTION 5

FINANCIAL PROVISIONS

5.1 Each Participant will bear the costs it incurs for performing, managing, and administering its activities under this MOU and participation in PAs, including its share of any Contracts let under the provisions of paragraph 5.6.

5.2 This MOU does not create financial or non-financial commitments regarding individual PAs. Detailed descriptions of the financial arrangements for a specific Project, including the total cost of the Project and each Participant's cost share, will be contained in that PA.

5.3 Each Participant will contribute its equitable share of the full Financial and Non-Financial Costs that are incurred in performing, managing, and administering its responsibilities under this MOU and applicable PAs. Such costs include overhead costs, administrative costs, and costs of claims, and each Participant will receive an equitable share of the results as defined in this MOU and the applicable PA. The tasks to be performed by each Participant will be established in each PA. The assignment of tasks will represent an equitable sharing of the costs of work to be performed under the PA and the agreed sharing of the results will represent an equitable sharing of the results under the PA. Each Participant will endeavor to perform, or have performed, work specified in each PA within the costs specified in the PA.

5.4 A Participant will promptly notify the other Participants if available funds are not adequate to fulfill its responsibilities under this MOU or its PAs, and will immediately consult on the course of action to be taken with a view toward continuation on a changed or reduced basis.

5.5 The following costs will be borne entirely by the Participant incurring the costs or for whom the costs were incurred:

5.5.1 Costs associated with any unique national requirements of a Participant; and

5.5.2 Any other costs not expressly stated as shared costs or any costs that are outside the scope of this MOU and its PAs.

5.6 When authorized and approved by all the Participants pursuant to a PA, the Participants recognize that it may become necessary for one Participant, consistent with its national laws, to incur contractual or other obligations for the benefit of the other Participants prior to the receipt of the other Participants' funds. In the event one Participant incurs such obligations, the other Participants will make funds available in such amounts and at such times as may be required by the Contract or other obligations, and will pay their equitable share of any damages and costs that may

accrue from the performance of or cancellation of the Contract or other obligation in advance of the time such payments, damages, or costs are due.

5.6.1 Where a Participant contracts on behalf of all the Participants pursuant to a PA, the POs will be responsible for establishing the detailed financial management procedures under which the Project will operate prior to any transfer of funds between the Participants. These procedures, which must accord with the national accounting and audit requirements of the Participants, will be detailed in a FMPD proposed by the POs and subject to the approval of the SC or national authorities, as appropriate. Each Participant will provide funds for a Project in accordance with the estimated schedule of financial contributions, which will be contained in the FMPD.

5.7 The allocation of costs associated with the assignment of CPP is specified in Annex B (Cooperative Project Personnel).

5.8 Each Participant will be responsible for the audit of the activities for which it is responsible pursuant to a PA in accordance with its own national practices. For PAs where funds are transferred from one or more Participants to another Participant, the receiving Participant will be responsible for internal audit regarding administration of the other Participant's funds in accordance with national practices. Audit reports of such funds will be promptly made available by the receiving Participant to the other Participant(s).

SECTION 6

CONTRACTING PROVISIONS

6.1 If a Participant determines that Contracting is necessary for it to fulfill its responsibilities under a PA, that Participant will contract in accordance with its national laws, regulations and procedures. When one Participant contracts solely on its own behalf to perform its tasks under a PA, it will be solely responsible for its own Contracting, and the other Participants will not be subject to any liability arising from such Contracts without their written consent.

6.2 If the Participants determine that it is necessary under a PA that one Participant contracts on behalf of other Participants for tasks under the PA, that Participant will contract in accordance with its national laws, regulations and procedures. Such contractual arrangements will be detailed in the particular PA. Entities from all Participants to the PA will be allowed to compete on an equal basis for such PA Contracts. The Contracting Officer will be the exclusive source for providing contractual direction and instructions to Contractors and prospective Contractors. The POs will be responsible for the coordination of activities relating to a PA and will cooperate with the Contracting Officer in the areas of Contract procedures, Contract negotiation, evaluation of offers, and Contract award. The Contracting Officer will also keep the POs advised of all financial arrangements with Contractors. The POs will, upon request, be provided a copy of all statements of work prior to the development of solicitations.

6.3 Each Participant's Contracting Agency will negotiate to obtain the rights to use and disclose Project Information required by Section 8 (Disclosure and Use of Project Information). Each Participant's Contracting Agency will insert into its prospective Contracts (and require its Contractors to insert in subcontracts) suitable provisions to satisfy the requirements of this MOU and the PA, including Section 7 (Project Equipment), Section 8 (Disclosure and Use of Project Information), Section 9 (Controlled Unclassified Information), Section 11 (Security) and Section 12 (Third Party Sales and Transfers) of this MOU. During the Contracting process, each Participant's Contracting Officer will advise prospective Contractors of their obligation to notify the Contracting Agency immediately if they are subject to any license or arrangement that will restrict that Participant's freedom to disclose information or permit its use. The Contracting Officer will also advise prospective Contractors to employ their best efforts not to enter into any new arrangement that will result in such restrictions.

6.4 In the event the Contracting Agency is unable to secure adequate rights to use and disclose Project Information as required by Section 8 (Disclosure and Use of Project Information), or is notified by Contractors or potential Contractors of any restrictions on the disclosure and use of information, that Participant's PO will notify each other Participant's PO of the restriction(s). The POs will immediately determine

whether this matter will be referred to the SC for consideration of the consequences and resolution of the way ahead.

6.5 Each Participant will promptly advise the other Participants to a PA of any cost growth, schedule delay or other performance problems of any Contractor for which its Contracting Agency is responsible. Any problems that affect the scope of work or financial arrangements under a PA will be referred to the SC for resolution.

6.6 No requirement will be imposed by any Participant for work sharing or other industrial or commercial compensation in connection with this MOU and any PA that is not in accordance with this MOU.

SECTION 7

PROJECT EQUIPMENT

7.1 For the purpose of carrying out a PA, each Participant may loan without charge to another Participant such Project Equipment identified in a PA as being necessary for the Project.

7.2 Project Equipment loaned will be used by the receiving Participant only for the purposes of the PA. Such Project Equipment will remain the property of the providing Participant.

7.3 The receiving Participant will maintain any such Project Equipment in good order, repair, and operable condition for the purpose stated in the PA. Unless the providing Participant has authorized the Project Equipment to be expended or otherwise consumed without reimbursement to the providing Participant, the receiving Participant will return the Project Equipment to the providing Participant in as good condition as received, normal wear and tear excepted, or return the Project Equipment and pay the cost to restore it. If the Project Equipment is damaged beyond economical repair, the receiving Participant will return the Project Equipment to the providing Participant (unless otherwise specified in writing by the providing Participant) and pay its replacement value as computed pursuant to the providing Participant's national laws, regulations, and procedures. If the Project Equipment 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 as computed pursuant to the providing Participant's national laws, regulations, and procedures. Alternatively, in respect of either situation described above, the receiving Participant, with the approval of the providing Participant, may determine to replace the damaged or lost Project Equipment. In no event will such cost exceed replacement cost less an amount determined to represent reasonable wear and tear.

7.4 Each PA will list the Project Equipment to be loaned, if any, and provide the specific details for the loan. Project Equipment identified at the time of PA signature will be set out in the PA as shown in Annex A. Project Equipment that cannot be identified at the time of PA signature will be documented in a list to be developed and maintained by the POs in accordance with the format in the PA. Approval for all loans will be in accordance with national procedures of the relevant Participants.

7.5 The providing Participant will furnish the Project Equipment in a serviceable and usable condition according to the purpose stated in the PA. However, the providing Participant makes no warranty or guarantee of fitness of the Project Equipment for a particular purpose or use, and makes no commitment to alter, improve, or adapt the Project Equipment or any part thereof.

7.6 The providing Participant will transfer the Project Equipment for the approved loan period, unless extended by written mutual consent between the Participants concerned, provided that the duration may not exceed the effective period of the PA.

7.7 The providing Participant, at its expense, will deliver the Project Equipment to the receiving Participant at a location that is mutually determined. Possession of the Project Equipment will pass from the providing Participant to the receiving Participant at time of receipt. Any further transportation is the responsibility of the receiving Participant.

7.8 The providing Participant will furnish the receiving Participant such operations and maintenance information and training on the Project Equipment when mutually determined in a PA as is necessary to enable the Project Equipment to be used for the purpose stated in the PA.

7.9 The receiving Participant will inspect and inventory the Project Equipment upon receipt. The receiving Participant will also inspect and inventory the Project Equipment prior to its return (unless the Project Equipment is to be expended or consumed.)

7.10 Upon expiration or termination of the loan period specified in the PA (taking into account any mutually determined extension), the receiving Participant will return Project Equipment, at its expense, to the providing Participant at the location mutually determined. Any further transportation is the responsibility of the providing Participant. The receiving Participant(s) will provide written notice of consumption or expenditure of Project Equipment mutually determined for such consumption or expenditure. In the event the intended consumption or expenditure does not occur, the receiving Participant will return the Project Equipment, at its expense, to the providing Participant at a location that is mutually determined. Any further transportation is the responsibility of the providing Participant.

7.11 The Participants will ensure, by all reasonable means, the preservation of Intellectual Property Rights in Project Equipment.

7.12 Project Equipment that is jointly acquired is subject to the following provisions unless otherwise mutually determined by the Participants:

7.12.1 Any Project Equipment that is jointly acquired on behalf of two or more of the Participants will be the subject of a PA.

7.12.2 The Participants will in the same ratio as costs are shared in the PA under which it is jointly acquired have interests in jointly acquired Project Equipment.

7.12.3 Each Participant which has custody of jointly acquired Project Equipment will maintain such jointly acquired Project Equipment in good order, repair and operable condition, normal wear and tear excepted, unless the Participants have mutually

determined that it be expended or otherwise consumed by that Participant in connection with the Project.

7.12.4 If jointly acquired Project Equipment is damaged or lost while in the custody of a Participant, the provisions of paragraph 7.3 apply.

7.12.5 Jointly acquired Project Equipment will be used for the purposes of carrying out this MOU and its PAs.

7.12.6 Any Project Equipment which is jointly acquired on behalf of all the Participants for use under a PA will be disposed of during the applicable Project or when the Project ends, as mutually determined by the SC.

7.12.7 Disposal of jointly acquired Project Equipment may include a transfer of the interest of the Participants in such Project Equipment to one Participant, or the sale of such Project Equipment to a third party in accordance with Section 12 (Third Party Sales and Transfers). The Participants will share the consideration from jointly acquired Project Equipment transferred or sold to a third party in the same ratio as costs are shared in the Project Equipment.

SECTION 8

DISCLOSURE AND USE OF PROJECT INFORMATION

8.1 General: The Participants recognize that successful collaboration depends on full and prompt exchange of information necessary for carrying out this MOU and each PA. Information may be exchanged under this MOU to fulfill the objective and scope of this MOU and for the purpose of establishing a PA to carry out specific collaborative activity. The nature of the amount of Project Information to be acquired will be consistent with the objectives stated in Section 2 (Objectives), Section 3 (Scope of Work), Section 6 (Contracting Provisions) and the PAs to this MOU. Subject to the rights the Participants are accorded under this MOU, title to Project Foreground Information generated by a Participant or its Contractor will reside in that Participant or its Contractors, in accordance with that Participant's national laws, regulations and policies.

8.2 Government Project Foreground Information

8.2.1 Disclosure: Government Project Foreground Information generated under a PA by a Participant's military or civilian employees will be disclosed without charge to the other Participants.

8.2.2 Use: Each Participant may use all Government Project Foreground Information without charge for Defense Purposes. The Participant generating Government Project Foreground Information will also retain its rights of use thereto. Any sale or other transfer to a Third Party will be subject to the provisions of Section 12 (Third Party Sales and Transfers) of this MOU.

8.3 Government Project Background Information

8.3.1 Disclosure: Each Participant, upon request, will disclose to the other relevant Participants to a PA any relevant Government Project Background Information generated by its military or civilian employees provided that:

8.3.1.1 such Government Project Background Information is necessary to or useful in the Project, with the Participant in possession of the information determining whether it is "necessary to" or "useful in" the Project;

8.3.1.2 such Government Project Background Information may be made available without incurring liability to holders of proprietary rights; and

8.3.1.3 disclosure is consistent with national disclosure policies and regulations of the furnishing Participant.

8.3.2 Use: Government Project Background Information disclosed by one Participant to the other Participants may be used and have used without charge by the other Participants for Project purposes only; however, the furnishing Participant will retain all its rights with respect to such Project Background Information.

8.4 Contractor Project Foreground Information

8.4.1 Disclosure: Contractor Project Foreground Information generated and delivered by Contractors to a Participant under a PA, will be disclosed without charge to the other relevant Participants.

8.4.2 Use: Each Participant may use without charge for its Defense Purposes all Contractor Project Foreground Information generated and delivered by Contractors of the other Participants. The Participant whose Contractors generate and deliver Contractor Project Foreground Information will also retain rights of use thereto in accordance with the applicable Contract(s). Any sale or other transfer to a Third Party of Contractor Project Foreground Information, will be subject to the provisions of Section 12 (Third Party Sales and Transfers) of this MOU.

8.5 Contractor Project Background Information

8.5.1 Disclosure: Any Contractor Project Background Information, (including information subject to proprietary rights) generated and delivered by contractors of a Participant, including Project Background Information delivered by Contractors under a PA to this MOU, will be made available to the other relevant Participants provided the following conditions are met:

8.5.1.1 such Contractor Project Background Information is necessary to or useful in the Project, with the Participant in possession of the information determining whether it is "necessary to" or "useful in" the Project;

8.5.1.2 such Contractor Project Background Information may be made available without incurring liability to holders of proprietary rights; and

8.5.1.3 disclosure is consistent with national disclosure policies and national regulations of the furnishing Participant.

8.5.2 Use: Contractor Project Background Information furnished by one Participant's contractors and disclosed to the other Participants may be used and have used without charge by the other Participants for Project purposes only, and may be subject to further restrictions by holders of proprietary rights; however, the furnishing Participant will retain all its rights with respect to such contractor Project Background Information.

8.6 Alternative Uses of Project Information

8.6.1 Any Project Background Information provided by one Participant will be used by the other Participants only for the purposes set forth in this MOU, unless otherwise consented to in writing by the providing Participant.

8.6.2 The prior written consent of each PA Participant will be required for the use of Project Foreground Information for purposes other than those provided for in this MOU.

8.7 Project Information subject to Intellectual Property Rights

8.7.1 All Project Information subject to Intellectual Property Rights will be identified, marked and, where unclassified, it will be handled as Controlled Unclassified Information and in accordance with any applicable arrangements between the Participants concerned.

8.8 Patents

8.8.1 Where a Participant owns title to a Project Invention, or has the right to receive title to a Project Invention, that Participant will consult with the other relevant PA Participants regarding the filing of a Patent application(s) in one or more countries for such Project Invention. The Participant which has or receives title to such Project Invention will, in any country, file, cause to be filed, or provide the other Participants with the opportunity to file on behalf of the Participant holding title, or its Contractors, as appropriate, Patent applications covering that Project Invention. If a Participant having filed or caused to be filed a Patent application decides to stop prosecution of the application or maintenance of the patent, that Participant will notify the other Participants to enable one or more of them to continue the prosecution or the maintenance.

8.8.2 Each relevant PA Participant will be furnished with copies of Patent applications filed and Patents granted with regard to Project Inventions.

8.8.3 Each such Participant will acquire a non-exclusive, irrevocable, royalty-free license to practice or have practiced, by or on behalf of the Participant, throughout the world for Defense Purposes, any Project Invention.

8.8.4 Patent applications to be filed under this MOU which contain Classified Information, will be protected and safeguarded in accordance with Section 11 (Security).

8.8.5 Each Participant will notify the other relevant Participants of any Patent infringement claims made in its territory arising in the course of work performed under any PA. Insofar as possible, the other Participants will provide information available to it that may assist in defending the claim. Each Participant will be responsible for handling all Patent infringement claims made in its territory, and will consult with the other Participants during the handling, and prior to any settlement, of such claims. The Participants to a PA will share the costs of resolving patent infringement claims in the

same percentage as they share the full Financial Costs and Non-Financial Costs of the Project or consent to alternative arrangements. The Participants will, in accordance with their national laws and practices, give their authorization and consent for all use and manufacture in the course of work performed under the Project of any invention covered by a Patent issued by their respective countries.

SECTION 9

CONTROLLED UNCLASSIFIED INFORMATION

9.1 Except as otherwise provided in this MOU or as authorized in writing by the originating Participant, Controlled Unclassified Information provided or generated pursuant to this MOU will be controlled as follows:

9.1.1 Such information will be used only for the purposes authorized for use of Project Information as specified in Section 8 (Disclosure and Use of Project Information).

9.1.2 Access to such information will be limited to personnel whose access is necessary for the permitted use under paragraph 9.1.1, and will be subject to the provisions of Section 12 (Third Party Sales and Transfers).

9.1.3 Each Participant will take all lawful steps available to it under applicable law, which may include national classification, to keep such information free from further disclosure (including requests under any legislative provisions), except as provided in paragraph 9.1.2, unless the originating Participant consents to such disclosure. In the event of unauthorized disclosure, or if it becomes probable that the information may have to be further disclosed under any legislative provision, immediate notification will be given to the originating Participant.

9.2 To assist in providing the appropriate controls, the originating Participant will ensure that Controlled Unclassified Information is appropriately marked. The Participants will decide, in advance and in writing, on the markings to be placed on the Controlled Unclassified Information. The appropriate markings will be defined in the PSI.

9.3 Controlled Unclassified Information provided or generated pursuant to a PA to this MOU will be handled in a manner that ensures control as provided for in paragraph 9.1.

9.4 Prior to authorizing the release of Controlled Unclassified Information to Contractors, the Participants will ensure the Contractors are legally bound to control such information in accordance with the provisions of this Section.

SECTION 10

VISITS TO ESTABLISHMENTS

10.1 Each Participant will permit visits to its government establishments, agencies and laboratories, and Contractor industrial facilities by employees of the other Participants or by employees of the other Participants' Contractor(s), provided that the visit is authorized by the sending and receiving Participants and the employees have any necessary and appropriate security clearances and a need-to-know.

10.2 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.

10.3 Requests for visits by personnel of one Participant to a facility of another Participant will be coordinated through official channels, and will conform with the established visit procedures of the host country. Requests for visits will bear the name of this MOU and the name of the applicable PA.

10.4 Lists of personnel of each Participant required to visit, on a continuing basis, facilities of the other Participants will be submitted through official channels in accordance with recurring international visit procedures.

SECTION 11

SECURITY

11.1 All Classified Information provided or generated pursuant to this MOU and its PAs will be stored, handled, transmitted, and safeguarded in accordance with applicable bilateral agreements or arrangements between the Participants concerned and with the Participants' national security laws and regulations.

11.2 Classified Information will be transferred only through official government-to-government channels or through channels approved by the Designated Security Authorities (DSAs) of the Participants. Such Classified Information will bear the level of classification, denote the country of origin, the provisions of release, and the fact that the information relates to this MOU and the applicable PA.

11.3 Each Participant will take all lawful steps available to it under applicable law to ensure that Classified Information provided or generated pursuant to this MOU and any of its PAs is protected from further disclosure, except as permitted by paragraph 11.8, unless the other Participants consent to such disclosure. Accordingly, each Participant will ensure that:

11.3.1 The recipient will not release the Classified Information to any government, national, organization, or other entity of a Third Party without the prior written consent of the originating Participant in accordance with the procedures set forth in Section 12 (Third Party Sales and Transfers);

11.3.2 The recipient will not use the Classified Information for other than the purposes provided for in this MOU; and

11.3.3 The recipient will comply with any distribution and access restrictions on information that is provided under this MOU.

11.4 The Participants will investigate all cases in which it is known or where there are grounds for suspecting that Classified Information provided or generated pursuant to this MOU and any of its PAs has been lost or disclosed to unauthorized persons. Each Participant also will promptly and fully inform the other Participants of the details of any such occurrences, and of the final results of the investigation and of the corrective action taken to preclude recurrences.

11.5 When a PA contains provisions for the exchange of Classified Information, the POs will prepare a PSI and a CG for the Project. The PSI and the CG will describe the methods by which Project Information and material will be classified, marked, used, transmitted, and safeguarded. The PSI and CG will be developed by the POs within three months after a PA enters into effect. They will be reviewed and forwarded through

the SC to the Participant's DSAs for approval and will be applicable to all government and Contractor personnel participating in the Project. The CG will be subject to regular review and revision with the aim of downgrading the classification whenever this is appropriate. The PSI and the CG will be approved by the appropriate DSA prior to the transfer of any Classified Information or Controlled Unclassified Information.

11.6 The DSA of a Participant in which a classified Contract is awarded will assume responsibility for administering within its territory security measures for the protection of the Classified Information, in accordance with its laws and regulations. Prior to the release to a Contractor (interpreted as a Contractor of any level) or prospective Contractor of any Classified Information received under this MOU or its PAs, the DSAs will:

11.6.1 Ensure that such Contractor (interpreted as a Contractor of any level) or prospective Contractor and their facilities have the capability to protect the Classified Information adequately;

11.6.2 Grant a security clearance to the facility(ies), if appropriate;

11.6.3 Grant a security clearance for all personnel whose duties require access to Classified Information, if appropriate;

11.6.4 Ensure that all persons having access to Classified Information are informed of their responsibilities to protect the Classified Information in accordance with national security laws and regulations, and the provisions of this MOU;

11.6.5 Carry out periodic security inspections of cleared facilities to ensure that the Classified Information is properly protected and

11.6.6 Ensure that access to the Classified Information is limited to those persons who have a need-to-know for purposes of the MOU.

11.7 Contractors (interpreted as a Contractor of any level) or prospective Contractors, which are determined by DSAs to be under financial, administrative, policy or management control of nationals or entities of a Third Party, may participate in a Contract or subcontract requiring access to Classified Information provided or generated pursuant to this MOU and any of its PAs only when legally enforceable measures are in effect to ensure that nationals or other entities of a Third Party will not have access to Classified Information. If legally enforceable measures are not in effect to preclude access by nationals or other entities of a Third Party, the other Participants will be consulted for approval prior to permitting such access.

11.8 For any facility wherein Classified Information or Controlled Unclassified Information is to be used, the responsible Participant or Contractor will approve the appointment of a person or persons to exercise effectively the responsibilities for safeguarding at such facility the information or material pertaining to this MOU and any

of its PAs. These officials will be responsible for limiting access to Classified Information involved in this MOU and any of its PAs to those persons who have been properly approved for access and have a need-to-know.

11.9 Each Participant will ensure that access to the Classified Information is limited to those persons who possess requisite security clearances and have a specific need for access to the Classified Information in order to participate in the Project(s).

11.10 Information provided or generated pursuant to this MOU and any of its PAs may be classified as high as Secret. The existence of this MOU is Unclassified and the contents are Unclassified. The classification of a specific PA and its content will be stated in the PA.

SECTION 12

THIRD PARTY SALES AND TRANSFERS

12.1 Except to the extent permitted in paragraph 12.2, a Participant will not sell, transfer title to, disclose, or transfer possession of Project Foreground Information to any Third Party without the prior written consent of the other Participants. Furthermore, no Participant will permit any such sale, disclosure, or transfer, including by the owner, without the prior written consent of the other Participants. Such consent will not be given unless the government of the intended recipient consents in writing with the Participants that it will:

12.1.1 Not retransfer, or permit the further retransfer of, any equipment or information provided; and

12.1.2 Use, or permit the use of, the equipment or information provided only for the purposes specified by the Participants.

12.2 Each Participant will retain the right to sell, transfer title to, disclose, or transfer possession of Project Foreground Information which:

12.2.1 is generated solely by either that Participant or that Participant's Contractors in the performance of that Participant's work allocation under Section 3 (Scope of Work) or a PA; and

12.2.2 does not include any Project Foreground Information or Project Background Information of another Participant, and whose generation, test or evaluation has not relied on the use of Project Equipment of another Participant.

12.3 In the event questions arise as to whether the Project Foreground Information (or any item produced either wholly or in part from the Project Foreground Information) that a Participant intends to sell, transfer title to, disclose, or transfer possession of, to a Third Party is within the scope of paragraph 12.2, the matter will be brought to the immediate attention of the other Participants. The Participants will resolve the matter prior to any sale or other transfer of such Project Foreground Information (or any item produced wholly or in part from such Project Foreground Information) to a Third Party.

12.4 Sales and other transfers to third parties of equipment developed jointly under this MOU may attract a levy to be shared among the Participants. Prior to any such sale or transfer, the amounts of any levy and the procedures for assessing and distributing such levy will be mutually determined by the Participants, consistent with the laws and regulations of each Participant, in accordance with the PA. A Participant may reduce or waive its share of the levy.

12.5 A Participant will not sell, transfer title to, disclose, or transfer possession of Project Equipment or Project Background Information provided by another Participant to any Third Party, without the prior written consent of the Participant which provided such equipment or information. The providing Participant will be solely responsible for authorizing such transfers and, as applicable, specifying the method and provisions for implementing such transfers.

SECTION 13

LIABILITY AND CLAIMS

13.1 Claims will be dealt with in accordance with any applicable international arrangements between the Participants concerned.

13.2. Where no applicable international arrangements exist between the Participants concerned:

13.2.1 With the exception of claims for loss or damage to Project Equipment pursuant to paragraph 7.3, each Participant waives all claims against the other Participants for injury or death to its personnel and for damage to its property arising from the performance of official duties.

13.2.2 In the event of claims from third parties for injury or death to persons or damage to property arising from the performance of official duties, the Participants will share, in accordance with the cost sharing percentages stated in the applicable PA, or if no applicable PA, equally between the Participants concerned, any costs including those adjudicated by a court or administrative body or other entity of competent jurisdiction. If the Participants mutually determine, however, that such damage results from reckless acts or reckless omissions, wilful misconduct or gross negligence of a Participant, its personnel or agents, the costs of any liability will be borne by that Participant alone.

13.3 Claims arising under or related to any Contract awarded pursuant to Section 6 (Contracting Provisions) will be resolved in accordance with the provisions of the Contract. The Participants will not indemnify Contractors against third party liability claims.

13.4 In the case of damage caused to or by jointly acquired Project Equipment of the Participants, where the cost of making good such damage is not recoverable from other persons, such cost will be borne by the Participants in accordance with the cost sharing provisions of the PA.

SECTION 14

PARTICIPATION OF ADDITIONAL NATIONS

14.1 It is recognized that other national defense organizations may wish to join the MOU.

14.2 Mutual consent of the Participants will be required to conduct discussions with potential additional Participants. The Participants will discuss the arrangements under which another Participant might join, including the furnishing of releasable Project Information for evaluation prior to joining. If the disclosure of Project Information is necessary to conduct discussions, such disclosure will be in accordance with Section 8 (Disclosure and Use of Project Information), Section 9 (Controlled Unclassified Information), Section 11 (Security) and Section 12 (Third Party Sales and Transfers).

14.3 The Participants will jointly formulate the provisions under which additional Participants might join. The addition of new Participants to the MOU and a PA Project will require amendment of this MOU and the relevant PA by the appropriate Participants.

SECTION 15

CUSTOMS DUTIES, TAXES AND SIMILAR CHARGES

15.1 Customs duties, import and export taxes and similar charges will be administered in accordance with each Participant's respective laws and regulations. Insofar as existing national laws and regulations permit, the Participants will endeavor to ensure that such readily identifiable duties, taxes and similar charges, as well as quantitative or other restrictions on imports and exports, are not imposed in connection with work carried out under each PA.

15.2 Each Participant will use its best efforts to ensure that customs duties, import and export taxes, and similar charges are administered in a manner favorable to the efficient and economical conduct of the work. If any such duties, taxes, or similar charges are levied, the Participant in whose country they are levied will bear such costs.

SECTION 16

GENERAL PROVISIONS

16.1 Disputes between the Participants arising under or relating to this MOU or its PAs will be resolved only by consultation between the Participants and will not be referred to a national court, an international tribunal, or to any other person or entity for settlement.

16.2 The working language for the Projects under this MOU will be the English language. All data and information generated under this MOU, its PAs, and its implementing Contracts and provided by one Participant to the other Participants will be furnished in the English language.

16.3 All activities of the Participants under this MOU and its PAs will be carried out in accordance with their national laws. The responsibilities of the Participants will be subject to the availability of funds for such purposes.

SECTION 17

AMENDMENT, WITHDRAWAL, TERMINATION, ENTRY INTO EFFECT, AND DURATION

Amendment

17.1 This MOU and its Annexes may be amended by the written approval of all Participants. Any of the PAs under this MOU may be amended by the written approval of the authorized representatives of the Participants.

Termination

17.2 This MOU may be terminated at any time upon the written consent of all Participants. In the event of MOU termination, all PAs will be automatically terminated. An individual PA may be terminated at any time upon the written consent of all the Participants concerned. In the event the Participants decide to terminate this MOU, or the Participants concerned decide to terminate a PA, the Participants concerned will consult prior to the date of termination to ensure termination on the most economical and equitable terms.

17.3 In the event that the MOU or any of its PAs is terminated the following will apply:

17.3.1 The Participants will continue participation, financial or otherwise, up to the effective date of termination;

17.3.2 Except as to Contracts awarded on behalf of the Participants, each Participant will be responsible for its own costs associated with termination. For Contracts awarded on behalf of all the relevant Participants, such Participants will pay all Contract costs in accordance with the cost sharing arrangements in a PA;

17.3.3 All Project Information and rights therein received under the provisions of this MOU and any of its PAs prior to the termination of participation will be retained by the Participants, subject to the provisions of this MOU; and

17.3.4 Each Participant will make available to the other Participants all Project Foreground Information generated and delivered prior to termination of participation, and which has not been provided to the other Participants prior to the termination of participation.

Withdrawal

17.4 A Participant may withdraw from the MOU or from any PA established under this MOU upon 90 days written notice to the other Participants concerned. Such notice will be the subject of immediate consultation by the other Participants to decide whether to proceed on a changed or reduced basis. In the event of such a withdrawal, the following will apply:

17.4.1 The withdrawing Participant will continue participation, financial or otherwise, up to the effective date of its withdrawal;

17.4.2 Except as to Contracts awarded on behalf of the Participants, each Participant will be responsible for its own costs associated with the Participant's withdrawing. For Contracts awarded on behalf of all Participants, the withdrawing Participant will pay all Contract modification or termination costs that would not otherwise have been incurred but for the decision to withdraw; in no event, however, will a withdrawing Participant's total financial contribution, including Contract termination costs, exceed that Participant's total financial contribution as established in a PA;

17.4.3 All Project Information and rights therein received under the provisions of this MOU and any of its PAs prior to the Participant's withdrawing will be retained by the Participants, subject to the provisions of this MOU;

17.4.4 Each Participant will provide to the other Participant(s) its Project Foreground Information generated and delivered under any PA from which the withdrawing Participant is withdrawing and which has not already been provided. No further Project Foreground Information or rights therein will accrue to the withdrawing Participant; and

17.4.5 If requested by the other Participants, the withdrawing Participant may continue to administer Project Contract(s), which it awarded on behalf of all the Participants, on a reimbursable basis.

17.5 The respective rights and responsibilities of the Participants regarding Section 7 (Project Equipment), Section 8 (Disclosure and Use of Project Information), Section 9 (Controlled Unclassified Information), Section 11 (Security), Section 12 (Third Party Sales and Transfers), and Section 13 (Liability and Claims) will continue notwithstanding termination or expiration of this MOU and any of its PAs.

Entry into Effect and Duration

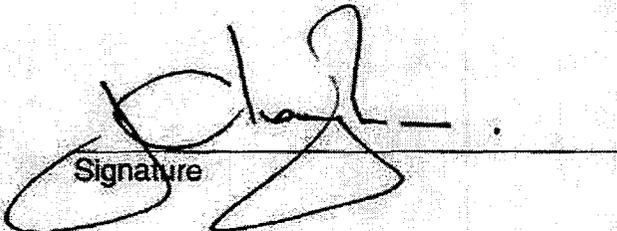
17.6 This MOU, which consists of the Introduction, seventeen (17) Sections, and two Annexes, will enter into effect upon signature by at least two Participants, and will remain in effect for 20 years. It will take effect for each subsequent Participant upon its signature. The MOU may be extended by written approval of the Participants. PAs will enter into effect upon signature by all involved Participants.

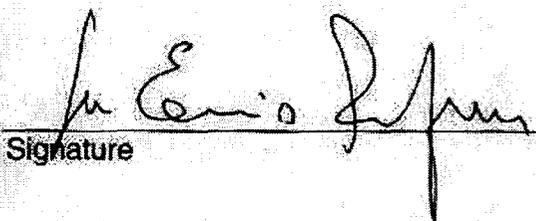
The foregoing represents the understandings of the Department of Defence of Australia, the Ministry of Defense of the Republic of Italy, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Department of Defense of the United States of America upon the matters referred to herein.

Signed, in four copies.

FOR THE DEPARTMENT OF
DEFENCE OF AUSTRALIA

FOR THE MINISTRY OF DEFENSE OF
THE REPUBLIC OF ITALY


Signature


Signature

AVM John Monaghan
Name

Lt. Gen. Ennio PAMPENA
Name

Head of Aerospace Systems Division
Title

Deputy Chief of Italian Air Staff
Title

31 January 2003
Date

17 January 2003
Date

Canberra, Australia
Location

ROME
Location

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



Signature

Air Vice-Marshal P Liddell

Name

Director General Equipment Support (Air)

Title

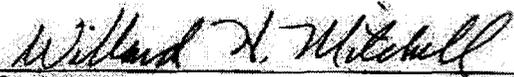
7 January 2003

Date

RAF Wyton

Location

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF
AMERICA



Signature

Willard H. Mitchell

Name

Deputy Under Secretary
of the Air Force
International Affairs

Title

16 December 2002

Date

Washington, DC

Location

ANNEX A

SAMPLE PROJECT ARRANGEMENT (PA)

(Insert Title of PA)

PROJECT ARRANGEMENT (PA) NUMBER _____ *

PURSUANT TO THE

MEMORANDUM OF UNDERSTANDING (MOU)
CONCERNING
COOPERATIVE PROJECTS FOR THE C-130J

among

THE DEPARTMENT OF DEFENCE OF AUSTRALIA

and

THE MINISTRY OF DEFENSE OF THE REPUBLIC OF ITALY

and

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

and

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

**PA Numbers will be structured as follows:*

AS-IT-UK-US-NN-nnnn where NN is the calendar year and nnnn is a sequential number.

TABLE OF CONTENTS

<u>SECTION</u>		<u>Page</u>
SECTION 1	INTRODUCTION	A-3
SECTION 2	DEFINITION OF TERMS AND ABBREVIATIONS	A-3
SECTION 3	OBJECTIVES	A-3
SECTION 4	SCOPE OF WORK	A-3
SECTION 5	SHARING OF TASKS	A-4
SECTION 6	BREAKDOWN AND SCHEDULE OF TASKS	A-4
SECTION 7	MANAGEMENT	A-5
SECTION 8	FINANCIAL ARRANGEMENTS	A-6
SECTION 9	SPECIAL CONTRACTING PROVISIONS (<i>OPTIONAL</i>)	A-6
SECTION 10	LEVEL OF CLASSIFICATION	A-6
SECTION 11	PRINCIPAL ORGANIZATIONS INVOLVED	A-7
SECTION 12	LOAN OF PROJECT EQUIPMENT (<i>OPTIONAL</i>)	A-7
SECTION 13	ENTRY INTO EFFECT, DURATION AND TERMINATION	A-8

SECTION 1: INTRODUCTION

1.1 This PA hereby establishes the _____ Project in accordance with the MOU among the Department of Defence of Australia, the Ministry of Defense of the Republic of Italy, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (UK), and the Department of Defense of the United States of America (US) for Cooperative Projects for the C-130J, of (date of MOU entry into effect), the terms of which are hereby incorporated by reference. (Note: Where a PA is to be entered into by less than all Participants, then a statement should be included here as follows: For the purposes of this PA, Participant means _____.)

SECTION 2: DEFINITION OF TERMS AND ABBREVIATIONS

[Note: Define only those terms used in this PA not defined in the MOU.]

SECTION 3: OBJECTIVES

3.1 The objectives of this Project are:

3.1.1 _____

3.1.2 _____

3.1.3 _____

SECTION 4: SCOPE OF WORK

4.1 The following tasks will be undertaken under this PA.

4.1.1 _____

4.1.2 _____

4.1.3 _____

SECTION 5: SHARING OF TASKS

5.1 The sharing of tasks will be as follows:

5.1.1 AS will: _____

5.1.2 IT will: _____

5.1.3 UK will: _____

5.1.4 US will: _____

5.1.5 The Participants will jointly: _____

SECTION 6: BREAKDOWN AND SCHEDULE OF TASKS

6.1 The Project will proceed according to the following phases and schedule:

<u>Phase 1</u>	<u>Start</u>	<u>End</u>
Description of Phase 1	MM/YY	MM/YY
(Milestone 1) (e.g. Transmittal of Feasibility Report)		

<u>Phase 2</u>	<u>Start</u>	<u>End</u>
Description of Phase 2	MM/YY	MM/YY
(Milestone 2) (e.g. Decision to proceed to phase 3)		

<u>Phase 3</u>	<u>Start</u>	<u>End</u>
Description of Phase 3	MM/YY	MM/YY
(Milestone 3) (e.g. Evaluation, analysis of results)		
[Note: Add as many phases as necessary.]		

SECTION 7: MANAGEMENT

7.1 The Project Officers:

7.1.1 AS: Title/Position
 Organization
 Address
 Voice Telephone Number
 E-mail Address

7.1.2 IT: Title/Position
 Organization
 Address
 Voice Telephone Number
 E-mail Address

7.1.3 UK: Title/Position
 Organization
 Address
 Voice Telephone Number
 E-mail Address

7.1.4 US: Title/Position
 Organization
 Address
 Voice Telephone Number
 E-mail Address

7.2 Particular Management Procedures: (Mention only those additional management responsibilities not covered under Section 4 of the MOU).

SECTION 8: FINANCIAL ARRANGEMENTS

The Participants estimate that the cost of performance of the work under this PA will not exceed \$ _____.

The AS tasks will not cost more than W Australian \$:

The IT tasks will not cost more than X Euro \$:

The UK tasks will not cost more than Y UK £:

The US tasks will not cost more than Z US \$:

Cooperative efforts of the Participants over and above the jointly determined tasks detailed in the SCOPE OF WORK and SHARING OF TASKS and FINANCIAL ARRANGEMENTS Sections will be subject to amendment to this PA or signature of a new PA.

SECTION 9: SPECIAL CONTRACTING PROVISIONS **(OPTIONAL)**

[Note: List any special Contracting provisions which might apply to this PA.]

SECTION 10: LEVEL OF CLASSIFICATION

10.1 [Note: Select one of the three following possibilities:]

No Classified Information will be exchanged under this PA; or

The highest level of Classified Information exchanged under this PA is Confidential; or

The highest level of Classified Information exchanged under this PA is Secret.

10.2 The existence of this PA is Unclassified* and the contents are Unclassified.*

* Revise where appropriate.

SECTION 11: PRINCIPAL ORGANIZATIONS INVOLVED

[Note: List government laboratories, research centers, and other organizations for AS, IT, UK and US.]

SECTION 12: LOAN OF PROJECT EQUIPMENT
(OPTIONAL)

12.1 The loan of the following Project Equipment is necessary for executing this PA:
[Note: Add Loan Period Box.]

Providing Participant	Receiving Participant	QTY	Description	Part/ Stock #	Consumables\ Non-Consumables	Approx. Value	Loan Period

**SECTION 13: AMENDMENT, WITHDRAWAL, TERMINATION, ENTRY INTO EFFECT,
AND DURATION**

This _____
PA, a Project under the MOU among the Department of Defence of Australia, the Ministry of Defense of the Republic of Italy, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Department of Defense of the United States of America for Cooperative Projects for the C-130J, will enter into effect upon the date of last signature of the Participants, and will remain in effect for _____ years unless terminated by the Participants. It may be extended by mutual written approval of the Participants.

DONE, in four copies.

[Note: Revise as appropriate.]

FOR THE DEPARTMENT OF
DEFENCE OF AUSTRALIA

FOR THE MINISTRY OF DEFENSE OF
THE REPUBLIC OF ITALY

Signature

Signature

Name

Name

Title

Title

Date

Date

Location

Location

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

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF
AMERICA

Signature

Signature

Name

Name

Title

Title

Date

Date

Location

Location

ANNEX B

COOPERATIVE PROJECT PERSONNEL

1.0 Purpose and Scope

1.1 This Annex establishes the terms and provisions for Cooperative Project Personnel (CPP) assigned for work in accordance with Section 3 (Scope of Work) of this MOU. CPP must be able to perform all responsibilities assigned to them under this MOU. Commencement of assignments will be subject to the requirements that may be imposed by the host Participant or its government regarding acceptance of CPP, such as, but not limited to visas and visit request documentation. The host and parent Participants will determine the length of tour for the positions at the time of initial assignment.

1.2 CPP will be assigned to work on a specific Project and will report to a supervisor to be identified by the host Participant. CPP will have a position description mutually determined by the parent and host Participants. CPP may act as liaison officers on non-Project work on a case-by-case basis, if authorized by the host Participant upon the request of the CPP's parent Participant. Such personnel may act from time to time on behalf of their respective SC member if the latter so authorizes in writing.

1.3 CPP 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 host Participant's government.

2.0 Security

2.1 The host Participant will establish the level of security clearance required, if any, to permit CPP to have access to Classified Information and facilities in which Classified Information is used in accordance with Project Security Instruction (PSI) and Classification Guide (CG) for relevant PAs. Access to Classified Information and facilities in which Classified Information is used will be limited by the scope of the relevant Project.

2.2 The parent Participant will file visit requests through prescribed channels in compliance with the host Participant's procedures.

2.3 The host and parent Participant will require that CPP assigned to a host Participant's facility to conduct a Project are briefed in accordance with the provisions of the PSI, and understand and comply with the applicable laws and regulations pertaining to Controlled Unclassified Information and Classified Information as well as the requirements of Section 9 (Controlled Unclassified Information), Section 10 (Visit to Establishments), Section 11 (Security) and

paragraph 17.5 of Section 17 (Amendment, Withdrawal, Termination, Entry into Effect, and Duration), and PSI and CG. Prior to commencing assigned duties, host Participants assigned to a PA and CPP will, if required by the host Participant government laws, regulations, policies, or procedures, sign certifications concerning their respective conditions and responsibilities. Such certifications will be included as an appendix to the PSI for the relevant PAs following the provisions of paragraph 4.4.6 of Section 4 (Management (Organization and Responsibility)).

2.4 Upon or shortly after CPP's arrival, the host Participant representative will be responsible for informing CPP about applicable laws, orders, regulations, and customs and the need to comply with them. CPP assigned to a Project will at all times be required to comply with the security and export control laws, regulations, and procedures of the host Participant government. Any violation of security procedures by CPP during their assignment will be reported to the parent Participant for appropriate action. CPP committing significant violations of security laws, regulations, or procedures during their assignments will be withdrawn from the host Participant's facility and Project. Each Participant will determine the applicability of appropriate administrative or disciplinary actions to its own personnel according to its own laws, regulations and procedures.

2.5 All Classified Information made available to CPP will be considered as Classified Information furnished to their respective Participant, and will be subject to all provisions and safeguards provided for in Section 11 (Security) and the applicable PSI and CG.

2.6 CPP will not have personal custody of Classified Information or Controlled Unclassified Information unless approved by the host Participant and as authorized by their parent Participant on a case-by-case basis. They will be granted access to such information and in accordance with Section 9 (Controlled Unclassified Information), Section 11 (Security), and the applicable PSI during normal duty hours and when access is necessary to perform work for the Project.

2.7 CPP assigned to a host Participant's facility to conduct a Project will not serve as a conduit between Participants for requests and/or transmission of Classified Information and material or Controlled Unclassified Information outside the scope of their assignment, unless specifically authorized by the parent Participant.

3.0 Technical and Administrative Matters

3.1 Subject to applicable multilateral and bilateral treaties, agreements, and arrangements of the governments of the Participants, CPP and their authorized dependents will be accorded:

3.1.1 Exemption from any taxes of the host Participant's government upon income received from their respective Participant; and

3.1.2 Exemption from any customs and import duties or similar charges of the host Participant's government levied on items entering the country for their official or personal use, including their baggage, household effects, and private motor vehicles, and export duties levied on those same items when they leave the country.

3.2 On arrival CPP and their dependents will be provided briefings arranged by the host Participant's representative regarding (subject to applicable multilateral and bilateral agreements/arrangements) entitlements, privileges, and obligations such as:

3.2.1 Any medical and dental care that may be provided to CPP and their dependents at local medical facilities, subject to the requirements of applicable laws and regulations, including reimbursement when required.

3.2.2 Purchasing and patronage privileges at military commissaries, exchanges, theaters, and clubs for CPP and their dependents, subject to the requirements of applicable laws and regulations.

3.2.3 The host Participant will provide, if available, housing and messing facilities for CPP and their dependents on the same basis and priority as for its own personnel. CPP will pay messing and housing charges to the same extent as host Participant personnel. At locations where facilities are not provided by the host Participant for its own personnel, the parent Participant will make suitable arrangements for its CPP.

3.2.4 Responsibility of CPP and their accompanying dependents to obtain motor vehicle liability insurance coverage in accordance with the host Participant's laws and regulations, including those applicable in the area where they are residing. In case of claims involving the use of private motor vehicles by CPP, the recourse will be against such insurance.

3.3 The host Participant will, in consultation with the CPP, establish standard operating procedures for CPP 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 and civilian personnel regulations and practices of the host and parent Participants.

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

3.3.4 Performance evaluations, recognizing that such evaluations will be rendered in accordance with the parent Participant's military or civilian personnel regulations and practices.

3.4 CPP committing an offense under the laws of the government of the host or parent Participant may be withdrawn from the host Participant's facility and Project with a view toward further administrative or disciplinary action by the parent Participant. Disciplinary action, however, will not be taken by the host Participant against CPP, nor will CPP exercise disciplinary powers over the host Participant's personnel. In accordance with host Participant government laws and regulations, the host Participant will assist the parent Participant in carrying out investigations of offenses involving CPP.

4.0 Financial Matters

4.1 The following costs and expenses of assigned CPP will be shared by the host and parent Participants:

4.1.1 All temporary duty costs, including travel costs, incurred on behalf of the Project.

4.1.2 Incremental costs (if any) incurred by the host Participant associated with the use of facilities and equipment necessary for the performance of tasks assigned to CPP.

4.2 The host Participant will be responsible for the following:

4.2.1 All temporary duty costs, including travel costs, when such duty is carried out at the request of the host Participant.

4.2.2 Costs incurred as a result of a change in location of work ordered by the host Participant during the period of assignment.

4.2.3 Non-incremental costs associated with the use of facilities and equipment necessary for the performance of tasks assigned to CPP.

4.3 The parent Participant's responsibility will include all other costs and expenses of assigned CPP including:

4.3.1 All pay and allowances.

4.3.2 Travel to and from the place of assignment.

4.3.3 All temporary duty costs, including travel costs, when such duty is carried out at the request of the parent Participant.

4.3.4 Compensation for loss of, or damage to, the personal property of CPP, or the personal property of their dependents.

4.3.5 The movement of dependents and the household effects of CPP.

4.3.6 Preparation and shipment of remains and funeral expenses in the event of the death of CPP or their dependents.

4.3.7 All expenses in connection with the return of CPP whose assignment has been terminated, along with their dependents.

AMENDMENT NUMBER ONE

to the

MEMORANDUM OF UNDERSTANDING (MOU)

among

THE DEPARTMENT OF DEFENCE OF AUSTRALIA

and

THE MINISTRY OF DEFENSE OF THE REPUBLIC OF ITALY

and

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

and

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

concerning

COOPERATIVE PROJECTS FOR THE C-130J

to include

THE MINISTRY OF DEFENCE OF DENMARK

AS A PARTICIPANT TO THE MOU

INTRODUCTION

1. The purpose of Amendment Number One to the Memorandum of Understanding Concerning Cooperative Projects for the C-130J, dated 31 January 2003, the ("MOU") is to include the Ministry of Defence of Denmark as a Participant to the MOU in accordance with Section 14 of the MOU, and to make other revisions to the MOU in accordance with Paragraph 17.1 of the MOU.

2. Accordingly, the Department of Defence of Australia (AS), the Ministry of Defence of Denmark (DE), the Ministry of Defense of the Republic of Italy (IT), the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (UK) and the Department of Defense of the United States of America (US), hereinafter referred to as the "Participants" have entered into the following understandings:

AMENDMENT

The Cooperative Projects for the C-130J MOU is hereby amended as follows:

1. TITLE PAGE:

- a. Replace the current Title Page with the following Title Page:

MEMORANDUM OF UNDERSTANDING (MOU)

among

THE DEPARTMENT OF DEFENCE OF AUSTRALIA

and

THE MINISTRY OF DEFENCE OF DENMARK

and

THE MINISTRY OF DEFENSE OF THE REPUBLIC OF ITALY

and

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

and

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

concerning

COOPERATIVE PROJECTS FOR THE C-130J

2. INTRODUCTION:

- a. Revise the opening paragraph to read as follows:

“The Department of Defence of Australia (AS), the Ministry of Defence of Denmark (DE), the Ministry of Defense of the Republic of Italy (IT), the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (UK), and the Department of Defense of the United States of America (US), hereinafter referred to as the “Participants”.”

3. SECTION 1: DEFINITIONS AND ABBREVIATIONS:

- a. Include in paragraph 1.2 the following abbreviations:

“DE	Denmark”
“WG	Working Group”

4. SECTION 2: OBJECTIVE

- a. Add the following to the end of paragraph 2.2:

“Notwithstanding, the Participants, when considering the cost sharing arrangements for a PA pursuant to Section 5 (Financial Provisions) of the MOU, may explicitly establish provisions in a PA that differ from the provisions of this MOU concerning management, disclosure and use of information, or other areas as appropriate.”

5. SECTION 4: MANAGEMENT (ORGANIZATION AND RESPONSIBILITY):

- a. Replace paragraph 4.1 with the following:

“This MOU and its Projects will be directed and administered on behalf of the Participants by an organization consisting of the Steering Committee (SC) and Project Officers (POs) appointed by the Participants. The SC may create Working Groups (WGs) or other subordinate bodies to exchange information, evaluate and harmonize requirements and support Project activities. The SC will have authority over the WGs and POs pursuant to this MOU. The POs will have primary responsibility for the effective implementation, efficient management, and direction of their Projects in accordance with this MOU. ”

- b. Revise paragraph 4.3.9 to read as follows:

“Ensuring approval of Cooperative Project Personnel (CPP) to another Participant’s facilities to work on a Project in accordance with paragraph 4.5, Annex B of this MOU and national policies and procedures;”

- c. Add new paragraph 4.3.14 as follows:

“Approving the charters for WGs or other subordinate bodies established under this MOU.”

- d. Revise paragraph 4.6 to read as follows:

“Each PA will be managed in accordance with best principles and practices of project management. This will include, but not be restricted to the creation, maintenance and implementation of an IPMP, master project schedule, risk register, and statement of work.”

6. SECTION 17: AMENDMENT, WITHDRAWAL, TERMINATION, ENTRY INTO EFFECT AND DURATION:

- a. Revise the last paragraph as follows:

“The foregoing represents the understandings of the Department of Defence of Australia, the Ministry of Defence of Denmark, the Ministry of Defense of the Republic of Italy, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Department of Defense of the United States of America upon the matters referred to herein.”

7. ANNEX A: SAMPLE PROJECT ARRANGEMENT:

- a. Replace the current sample Title Page with the following sample Title Page:

ANNEX A

SAMPLE PROJECT ARRANGEMENT

(Insert Title of PA)

PROJECT ARRANGEMENT (PA) NUMBER _____ *

PURSUANT TO THE

MEMORANDUM OF UNDERSTANDING (MOU)
CONCERNING

COOPERATIVE PROJECTS FOR THE C-130J

among

THE DEPARTMENT OF DEFENCE OF AUSTRALIA

and

THE MINISTRY OF DEFENCE OF DENMARK

and

THE MINISTRY OF DEFENSE OF THE REPUBLIC OF ITALY

and

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

and

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

**PA Numbers will be structured as follows:*

AS-DE-IT-UK-US-NN-nnnn where NN is the calendar year and mnn is a sequential number.

b. Insert in SECTION 1: INTRODUCTION “the Ministry of Defence of Denmark” between “the Department of Defence of Australia” and “the Ministry of Defense of the Republic of Italy”.

c. Replace SECTION 5: SHARING OF TASKS with:

5.1 “The sharing of tasks will be as follows:

5.1.1 AS will: _____

5.1.2 DE will: _____

5.1.3 IT will: _____

5.1.4 UK will: _____

5.1.5 US will: _____

5.1.6 The Participants will jointly: _____

_____”

d. Insert in SECTION 7: MANAGEMENT between “The AS Project Officer” and “The IT Project Officer.” the following:

“DE: Title/Position
Organization
Address
Voice Telephone Number
Email Address”

e. Replace in SECTION 8: FINANCIAL ARRANGEMENTS:

“The AS tasks will not cost more than X Australian \$:

The DE tasks will not cost more than X Danish Kroner:

The IT tasks will not cost more than X Euro:

The UK tasks will not cost more than X UK £:

The US tasks will not cost more than X US \$.”

f. Insert in SECTION 11: PRINCIPAL ORGANIZATIONS INVOLVED “DE” between “AS” and “IT”.

g. Insert in SECTION 13: AMENDMENT, WITHDRAWAL, TERMINATION, ENTRY INTO EFFECT, AND DURATION, first paragraph, “the Ministry of Defence of

Denmark” between “the Department of Defence of Australia” and “the Ministry of Defense of the Republic of Italy”.

h. Insert after the signature block “FOR THE DEPARTMENT OF DEFENCE OF AUSTRALIA” the following Signature block:

“FOR THE MINISTRY OF DEFENCE
OF DENMARK

Signature

Name

Title

Date

Location”

8. ANNEX B: COOPERATIVE PROJECT PERSONNEL

- a. Replace “PAs” with “Projects” in paragraph 2.1, line 4.
- b. Replace “PA” with “Project” and “PAs” with “Projects” in paragraph 2.3, lines 9 and 12, respectively.

ENTRY INTO EFFECT AND DURATION

This Amendment Number One to the Memorandum of Understanding Concerning Cooperative Projects for the C-130J will come into effect from the date of the last signature of this Amendment. It will remain in effect for the same period as the MOU, which it amends. Unless specifically amended herein, all other provisions of the MOU remain unchanged.

The foregoing represents the understandings reached between the Department of Defence of Australia, the Ministry of Defence of Denmark, the Ministry of Defense of the Republic of Italy, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Department of Defense of the United States of America upon the matters referred to herein.

Signed, in five copies.

FOR THE DEPARTMENT OF
DEFENCE OF AUSTRALIA:

Anker Brodersen

Signature

ANKER BRODERSEN

Name

Q.P. CAPT DC A25PO

Title

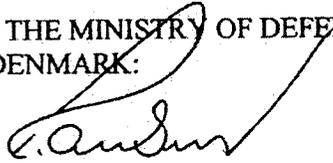
15 SEP 04

Date

RICHMOND NSW AUSTRALIA

Location

FOR THE MINISTRY OF DEFENCE
OF DENMARK:



Signature

Name

K. L. AXELSEN

Major General

Commanding Officer

Air Materiel Command Denmark

Title

Date

8. sep. 07

Location

FOR THE MINISTRY OF DEFENSE OF
THE REPUBLIC OF ITALY:



Signature

Maj. Gen. Stefano PANATO

Name

Deputy Chief of Air Staff

Title

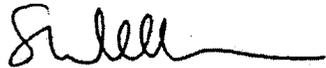
29 Sep 04

Date

Rome

Location

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



Signature

Group Captain S Welburn

Name

Hercules IPT Leader

Title

15 September 2004

Date

RAF Wyton

Location

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

Beth M. McCormick

Signature

Beth M. McCormick

Name

Director of Policy

Title

27 August 2004

Date

Arlington, Virginia

Location

AMENDMENT NUMBER TWO

to the

MEMORANDUM OF UNDERSTANDING (MOU)

among

THE DEPARTMENT OF DEFENCE OF AUSTRALIA

and

THE MINISTRY OF DEFENCE OF DENMARK

and

THE MINISTRY OF DEFENSE OF THE REPUBLIC OF ITALY

and

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

and

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

concerning

COOPERATIVE PROJECTS FOR THE C-130J

to include

THE DEPARTMENT OF NATIONAL DEFENCE OF CANADA

and

THE MINISTRY OF DEFENCE OF THE KINGDOM OF NORWAY

AS PARTICIPANTS TO THE MOU

INTRODUCTION

1. The purpose of Amendment Number Two to the Memorandum of Understanding Concerning Cooperative Projects for the C-130J, dated January 31, 2003, and amended by Amendment One dated September 29, 2004, the (“MOU”) is to include the Department of National Defence of Canada and the Ministry of Defence of the Kingdom of Norway as Participants to the MOU in accordance with Section 14 of the MOU.

2. Accordingly, the Department of Defence of Australia (AS), the Department of National Defence of Canada (CA), the Ministry of Defence of Denmark (DE), the Ministry of Defense of the Republic of Italy (IT), the Ministry of Defence of the Kingdom of Norway (NO), the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (UK) and the Department of Defense of the United States of America (U.S.), hereinafter referred to as the “Participants” have entered into the following understandings:

AMENDMENT

The Cooperative Projects for the C-130J MOU is hereby amended as follows:

1. TITLE PAGE:
 - a. Replace the current Title Page with the following Title Page:

MEMORANDUM OF UNDERSTANDING (MOU)

among

THE DEPARTMENT OF DEFENCE OF AUSTRALIA

and

THE DEPARTMENT OF NATIONAL DEFENCE OF CANADA

and

THE MINISTRY OF DEFENCE OF DENMARK

and

THE MINISTRY OF DEFENSE OF THE REPUBLIC OF ITALY

and

THE MINISTRY OF DEFENCE OF THE KINGDOM OF NORWAY

and

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

and

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

concerning

COOPERATIVE PROJECTS FOR THE C-130J

2. INTRODUCTION:

- a. Revise the opening paragraph to read as follows:

“The Department of Defence of Australia (AS), the Department of National Defence of Canada (CA), the Ministry of Defence of Denmark (DE), the Ministry of Defense of the Republic of Italy (IT), the Ministry of Defence of the Kingdom of Norway (NO), the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (UK), and the Department of Defense of the United States of America (U.S.), hereinafter referred to as the “Participants”.”

3. SECTION 1: DEFINITIONS AND ABBREVIATIONS:

- a. Include in paragraph 1.2 the following abbreviations:

“CA	Canada”
“NO	Norway”

4. SECTION 17: AMENDMENT, WITHDRAWAL, TERMINATION, ENTRY INTO EFFECT AND DURATION:

- a. Revise the last paragraph as follows:

“The foregoing represents the understandings of the Department of Defence of Australia, the Department of National Defence of Canada, the Ministry of Defence of Denmark, the Ministry of Defense of the Republic of Italy, the Ministry of Defence of the Kingdom of Norway, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Department of Defense of the United States of America upon the matters referred to herein.”

5. ANNEX A: SAMPLE PROJECT ARRANGEMENT:

- a. Replace the current sample Title Page with the following sample Title Page:

ANNEX A

SAMPLE PROJECT ARRANGEMENT

(Insert Title of PA)

PROJECT ARRANGEMENT (PA) NUMBER _____ *

PURSUANT TO THE

MEMORANDUM OF UNDERSTANDING (MOU)
CONCERNING
COOPERATIVE PROJECTS FOR THE C-130J

among

THE DEPARTMENT OF DEFENCE OF AUSTRALIA

and

THE DEPARTMENT OF NATIONAL DEFENCE OF CANADA

and

THE MINISTRY OF DEFENCE OF DENMARK

and

THE MINISTRY OF DEFENSE OF THE REPUBLIC OF ITALY

and

THE MINISTRY OF DEFENCE OF KINGDOM OF NORWAY

and

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

and

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

**PA Numbers will be structured as follows:*

AS-CA-DE-IT-NO-UK-U.S.-NN-nnnn where NN is the calendar year and nnnn is a sequential number.

b. Insert in SECTION 1: INTRODUCTION “the Department of National Defence of Canada” before “the Ministry of Defence of Denmark” and the “Ministry of Defence of the Kingdom of Norway” prior to “the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland”.

c. Replace SECTION 5: SHARING OF TASKS with:

5.1 “The sharing of tasks will be as follows:

5.1.1 AS will: _____

5.1.2 CA will: _____

5.1.3 DE will: _____

5.1.4 IT will: _____

5.1.5 NO will: _____

5.1.6 UK will: _____

5.1.7 U.S. will: _____

5.1.8 The Participants will jointly: _____
_____”

d. Insert in SECTION 7: MANAGEMENT the following, in the proper location:

“CA: Title/Position
Organization
Address
Voice Telephone Number
Email Address”

“NO: Title/Position
Organization
Address
Voice Telephone Number
Email Address”

e. Replace in SECTION 8: FINANCIAL ARRANGEMENTS:

“The AS tasks will not cost more than X Australian \$:

The CA tasks will not cost more than X Canadian \$:

The DE tasks will not cost more than X Danish Kroner:

The IT tasks will not cost more than X Euro:

The NO tasks will not cost more than X Kroner:

The UK tasks will not cost more than X UK £:

The U.S. tasks will not cost more than X US \$:”

f. Insert in SECTION 11: PRINCIPAL ORGANIZATIONS INVOLVED “CA” prior to “DE” and “NO” prior to “UK”.

g. Insert in SECTION 13: AMENDMENT, WITHDRAWAL, TERMINATION, ENTRY INTO EFFECT, AND DURATION, first paragraph, “the Department of National Defence of Canada” prior to “the Ministry of Defence of Denmark” and “the Ministry of Defence of the Kingdom of Norway” prior to “the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland”.

h. Insert the following signature blocks, in the proper location:

“FOR THE DEPARTMENT OF NATIONAL DEFENCE
OF CANADA

Signature

Name

Title

Date

Location”

“FOR THE MINISTRY OF DEFENCE OF THE KINGDOM
OF NORWAY

Signature

Name

Title

Date

Location”

ENTRY INTO EFFECT AND DURATION

This Amendment will enter into effect upon signature by AS, DE, IT, UK, U.S., and, among those that have signed it, the first signature of the new Participants being acceded to the MOU under this amendment. It will remain in effect for the same period as the MOU which it amends. Unless specifically amended herein, all other provisions of the Cooperative Projects for the C-130J MOU remain unchanged.

The foregoing represents the understandings reached between the Department of Defence of Australia, the Department of National Defence of Canada, the Ministry of Defence of Denmark, the Ministry of Defense of the Republic of Italy, the Ministry of Defence of the Kingdom of Norway, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Department of Defense of the United States of America upon the matters referred to herein.

Signed, in seven copies.

FOR THE DEPARTMENT OF
DEFENCE OF AUSTRALIA:



Signature

AVM J. N. BLACKBURN

Name

DEPUTY CHIEF OF AIR FORCE

Title

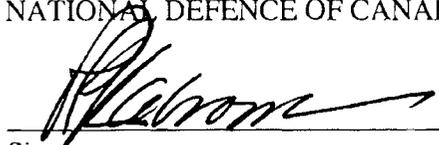
13 FEB 08

Date

CANBERRA AUSTRALIA

Location

FOR THE DEPARTMENT OF
NATIONAL DEFENCE OF CANADA:



Signature

Mr. P. Labrosse

Name

Director General Major Project Delivery (Air)
Title

4 March 2008

Date

Ottawa, Canada

Location

FOR THE MINISTRY OF
DEFENCE OF DENMARK:



Signature

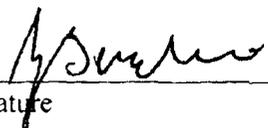
Finn Hansen
Name

Rear Admiral
Title

2008-02-22
Date

Ballerup, Denmark
Location

FOR THE MINISTRY OF DEFENSE OF
THE REPUBLIC OF ITALY:



Signature

Lt. Gen. Giuseppe BERNARDIS

Name

Deputy Chief of the Air Staff of the Italian Air Force

Title

21 APR. 2008

Date

Rome

Location

FOR THE MINISTRY OF DEFENCE OF
THE KINGDOM OF NORWAY:



Signature

Stein Erik Nodeland

Name

Chief of Staff, Royal Norwegian Airforce

Title

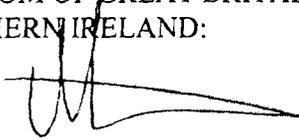
16 April 2008

Date

Oslo, Norway

Location

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



Signature

Group Captain Mark Hobbs

Name

Hercules IPT Leader

Title

22 February 2008

Date

RAF Wyton

Location

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


Signature

Richard A. Genaille, Jr.
Name

Director of Policy
Title

29 Jan 08
Date

Arlington, VA
Location