DEFENSE

Research and Development

Memorandum of Understanding
Between the
UNITED STATES OF AMERICA
and CANADA

Signed at Washington and Ottawa
February 6 and March 9, 2007

with

Annex

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."

CANADA

Defense: Research and Development

Memorandum of understanding signed at
Washington and Ottawa
February 6 and March 9, 2007;
Entered into force March 9, 2007.
With annex.

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE DEPARTMENT OF DEFENSE

OF THE UNITED STATES OF AMERICA

AND

THE DEPARTMENT OF NATIONAL DEFENCE OF CANADA

CONCERNING

BATTLE CONTROL SYSTEM – FIXED (BCS-F)

MODERNIZATION

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(Provided as guidance only)

NOTE: The Introduction appears on page 3 of this Agreement.

INTRODUCTION

The Department of Defense of the United States of America (DoD) and Department of National Defence of Canada (DND) hereinafter referred to as the "Participants":

Invoking the Agreement Between the Government of the United States of America and the Government of Canada Concerning the Establishment of Certain Mutual Defense Commitments (Chapeau Agreement) signed August 19, 1994;

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;

Seeking to make the best use of their respective research and development capacities, avoid unnecessary duplication of work, and obtain the most efficient and cost-effective results;

Having a mutual need for the Battle Control System-Fixed (BCS-F) to satisfy common operational requirements; and

Having independently conducted studies and research of the applications of various technologies, and recognizing the benefits of cooperation in the BCS-F Modernization Project;

Enter into this Memorandum of Understanding (MOU) as follows:

SECTION I

DEFINITIONS

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

BCS-F Modernization Project	The cooperative effort (hereinafter referred to as the "Project") by the DoD and DND to replace and improve the capabilities of the current tactical level Command and Control (C2) systems installed at the North American Aerospace Defense Command (NORAD) Air Defense Sectors (ADS) and Region Air Operations Centers (RAOC) to meet DoD and DND national needs.
Classified Information	Official information that requires protection in the interests of national security and is so designated by the application of a security classification marking. This information may be in oral, visual, magnetic or documentary form or in the form of equipment or technology.
Contract	Any mutually binding legal relationship under national laws that obligates a Contractor to furnish supplies and/or services, and obligates one or both 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 (but not determination) of supplies and services required, 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 that has 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 by a Participant's Contracting Agency.
Contractor Support Personnel	Persons specifically identified as providing administrative, managerial, scientific, or technical support services to a Participant under a support Contract.
Controlled Unclassified Information	Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. It includes information that has been declassified but remains controlled.
Cooperative Project Personnel (CPP)	Military members or civilian employees of a Participant assigned to an organization of the other Participant who perform managerial, engineering, technical, administrative, Contracting, logistics, financial, planning or other functions in furtherance of the Project.
Defense Purposes	Manufacture or other use in any part of the world by or for the armed forces of either Participant.
Designated Security Authority (DSA)	The security office approved by national authorities to be responsible for the security aspects of this MOU.
Host Participant	The Participant hosting a CPP from the other Participant.
Participant	A signatory to this MOU represented by its military or civilian personnel. Contractors and Contractor Support Personnel will not be representatives of a Participant under this MOU or its associated PAs.
Parent Participant	The Participant sending a CPP to the other Participant.
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 Arrangement (PA)	An implementing arrangement, added after this MOU has entered into effect that specifically details the provisions of collaboration on specific Spirals.
Project Background Information	Information not generated in the performance of the Project.
Project Equipment	Any material, equipment, end item, subsystem, component, special tooling, or test equipment jointly acquired or provided for use in the Project.
Project Foreground Information	Information generated in the performance of the Project.
Project Information	Any information provided to, generated in, or used in this Project 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 the Project. 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.
Prospective Contractor	Any entity that seeks to enter into a Contract to be awarded by a Participant's Contracting Agency and that, in the case of a solicitation involving the release of export-controlled information, is eligible to receive such information.
Spiral	A discrete set of capabilities that includes requirements review, development, operational test, and fielding.
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.

SECTION II

OBJECTIVES

2.1 The BCS-F Modernization Project will replace and improve the capabilities of the current tactical level Command and Control (C2) systems installed at the North American Aerospace Defense Command (NORAD) Air Defense Sectors (ADS) and Region Air Operations Centers (RAOC). This capability is an amplification of those cited in the parent Operational Requirements Document (ORD) for the Battle Control Systems (BCS) dated February 22, 2002. BCS-F is delineated in the BCS-F ORD Annex, dated February 20, 2003.

2.2 The major objectives of the BCS-F Modernization Project under this MOU are as follows:

2.2.3 Replace current closed architecture system with an open architecture (both equipment and computing environment (e.g., operating system, middleware, application computer programs) system. This will facilitate integration of future capabilities in Spiral 4 and beyond by allowing the software to become independent of the hardware platform;

2.2.4 Receive and correlate/fuse-data from air, land, and sea elements into a Single Integrated Air Picture (SIAP)/Common Tactical Picture (CTP) using the Integrated Architecture Behavior Model (IABM);

2.2.5 Provide the capability to interface with and fuse data from additional sensors including, but not limited, to all North Warning/Joint Surveillance System (JSS)/RAOC and Federal Aviation Agency type sensors;

2.2.6 Provide the capability to access civilian flight plans to assist in the positive identification of aircraft based on flight plan correlation;

2.2.7 Increase the capacity to accept, process/fuse, store, and display sensor inputs, tracks, and flight plans;

2.2.8 Support a larger geographic area of interest to NORAD's Area of Operations (AOO);

2.2.9 Provide improved surveillance and control within NORAD's AOO including counter-drug detection and monitoring operations;

2.2.10 Provide additional system interfaces to improve interoperability with other air defense Command, Control, and Communication (C3) systems, tactical forces, intelligence and battle management systems, and other services and agencies, including, but not limited to other U.S. Joint C2 systems and standards, such as: current and future U.S. Tactical Digital Information Links (TDLs), e.g., Link 11 A/B, Link-16, Link-22, and the Global Command and Control System (GCCS);

NOTE: It is noted that the numbering from 2.2.3 to 2.2.12 appears to be out of sequence.

2.2.11 Implement the interface control messages for the new TPS-75 interrogator control computer, Mode 5 and Mode S. Currently the system has AN/FPS-117 Mode 4, not AN/TPS-75 Mode; and

2.2.12 Reduce the manpower required for operations and maintenance.

2.3 This MOU defines and establishes the general principles that will apply to the initiation, conduct, and management of the Project. The Participants will enter into PAs under this MOU for each Spiral under the Project, beginning with Spiral 4. The provisions of this MOU are incorporated by reference in each PA. Detailed provisions of each PA will be consistent with this MOU, and will include, at a minimum, provisions concerning the objectives, scope of work, sharing of tasks, management, financial arrangements, security classification, and other provisions as required, in accordance with the format attached as Annex A to this MOU.

SECTION III

SCOPE OF WORK

3.1 The overall work to be accomplished under this Project includes:

3.1.1 Conduct risk reduction activities, including refining system requirements, studying financial and cost trade-offs, and schedule, performance, supportability, program management and political implications;

3.1.2 Develop changes from the Spiral 3 baseline and implement those changes indicated in the individual Spiral Statement of Objectives (SOO). Each individual Spiral SOO will require an appropriate response from the Contractor in the form of a Contractor Statement of Work (CSOW). The CSOW will indicate the Contractor's understanding of the task at hand and how it plans to accomplish the task;

3.1.3 Implement the Spiral 3 baseline changes in software/firmware as well as conduct a technical refresh of commercial off-the-shelf (COTS) and government off-the-shelf (GOTS) equipment;

3.1.4 Complete the final design and then code, integrate, document, and test the Spiral software builds on the BCS-F representative target hardware at the Contractor's facility; and

3.1.5 After in-plant testing, procure, field, and test Spiral upgrades, hardware and software in U.S. and Canadian BCS-F sites. This effort is also envisioned to include program management, engineering, integration, manufacturing, test, training, and logistics support necessary to establish highly integrated Spiral systems for government conducted test and evaluation.

SECTION IV

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

4.1 The BCS-F Modernization Project will be directed and administered on behalf of the Participants by the U.S. Air Force Electronic Systems Center (ESC)/850 Electronic Systems Group (ELSG) at Hanscom AFB, or its successor office in the event of reorganization. The U.S. Project Manager (PM) at ESC will have overall program management responsibility. The U.S. PM will have primary responsibility for effective implementation, efficient management, and direction of the Project in accordance with this MOU.

4.2 The Canadian Forces (CF) will appoint a CF PM to manage the Project at National Defence Headquarters (NDHQ) in Ottawa, Ontario, Canada.

4.3 A Bi-National Steering Committee (BNSC) will be established and will consist of representatives from the Air Force Program Executive Office for Command and Control and Combat Support (AFPEO/C2&CS) or its successor office in the event of reorganization, and Headquarters Air Combat Command, Directorate of Requirements (ACC/A8), or its successor office in the event of reorganization, and the Director Aerospace Engineering Program Management Radar, Control and Systems (DAEPM R&CS), or its successor office in the event of reorganization, and Director Aerospace Requirements (DAR) for DND, or its successor office in the event of reorganization. The BNSC will meet at least once every calendar year with additional meetings held at the request of any representative. Each meeting of the BNSC will be chaired by the representative hosting the meeting.

4.4 The BNSC will be responsible for:

4.4.1 Exercising executive-level oversight of the BCS-F Modernization Project under this MOU;

4.4.2 Reviewing progress in meeting system requirements;

4.4.3 Reviewing the technical progress of the BCS-F Modernization Project;

4.4.4 Reviewing the financial status of the BCS-F Modernization Project to ensure compliance with the provisions of Section V (Financial Provisions) of this MOU;

4.4.5 Reviewing issues brought forth by the PMs;

4.4.6 Reviewing and forwarding recommended PAs to the Participants for approval;

4.4.7 Reviewing and forwarding to the Participants recommended amendments to this MOU in accordance with Section XVII (Amendment, Termination, Entry Into Effect, and Duration);

4.4.8 Approving plans to manage and control the transfer of Project Equipment provided by either Participant to support the implementation of the BCS-F Modernization Project in accordance with Section VII (Project Equipment);

4.4.9 Approving plans for the disposal of jointly acquired Project Equipment under this MOU in accordance with Section VII (Project Equipment);

4.4.10 Maintaining oversight of the security aspects of the BCS-F Modernization Project, including reviewing and obtaining approval 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;

4.4.11 Discussing and employing their best efforts to resolve, with one or both Participant's export control authorities, any export control issues raised by the PMs.

4.4.12 Monitoring Third Party sales and transfers authorized in accordance with Section XIII (Third Party Sales and Transfers); and

4.4.13 Approving the Project Plan.

4.5 The PMs will be responsible for:

4.5.1 Managing the cost, schedule, performance requirements, technical, and financial aspects of the BCS-F Modernization Project described in this MOU and associated PAs;

4.5.2 Developing and implementing the Project Plan;

4.5.3 Developing and submitting any required changes to the approved Project Plan to the BNSC for approval;

4.5.4 Managing the financial aspects of the BCS-F Modernization Project under associated PAs in accordance with Section V (Financial Provisions) of this MOU;

4.5.5 Referring issues to the BNSC that cannot be resolved by the PMs;

4.5.6 Developing PAs under this MOU and recommending amendments to this MOU and its associated PAs to the BNSC;

4.5.7 Developing and implementing BNSC-approved plans to manage and control the transfer of Project Equipment provided by either Participant in accordance with Section VII (Project Equipment);

4.5.8 Developing and implementing BNSC-approved plans for the disposal of jointly acquired Project Equipment under this MOU in accordance with Section VII (Project Equipment);

4.5.9 Monitoring export control arrangements required to implement this MOU and, if applicable, discussing and resolving export control issues with one or both Participant's export control authorities.

4.5.10 Developing and forwarding to the BNSC a PSI and a CG for the Project after MOU signature and implementing them upon final approval; and

4.5.11 Developing and submitting semi-annual Project Plan updates for approval to the BNSC.

SECTION V

FINANCIAL PROVISIONS

5.1 This MOU creates no financial or non-financial responsibilities. Detailed descriptions of the financial arrangements for a specific PA, including at a minimum the maximum total cost of the PA and each Participant's contribution, will be contained in each PA.

5.2 Each Participant will contribute its equitable share of the full financial and non-financial costs of the Project, including overhead costs, administrative costs, and costs of claims, and each Participant will receive an equitable share of the results of the Project.

5.3 Each Participant will bear the full financial and non-financial costs it incurs for performing, managing, and administering its activities under this MOU and its subsequent PAs. These costs include financial and non-financial contributions (e.g., salaries, travel, and per diem costs for each Participant's personnel), as well as any Contract costs.

5.4 The following will be borne entirely by the Participant incurring the costs:

5.4.1 Costs associated with any unique national requirements identified by a Participant; and,

5.4.2 Any other costs outside the scope of this MOU or a PA.

5.5 The financial responsibilities of the Participants will be subject to the availability of appropriated funds for such purposes. A Participant will notify the other Participant promptly if available funds are not adequate to fulfill its responsibilities under a PA. If a Participant notifies the other Participant that it is terminating or reducing its funding for a PA, the Participants will consult immediately with a view toward continuation on a modified basis.

5.6 For Cooperative Project Personnel (CPP) assignments, the cost of CPP will be borne as follows.

5.6.1 The Parent Participant will bear the following costs:

5.6.1.1 All pay and allowances of Parent Participant personnel assigned as CPP;

5.6.1.2 Transportation of CPP, the CPP's accompanying dependents, and their personal property to the location in the other Participant's country prior to commencement of the CPP assignment, and return transportation of the foregoing from this location upon completion or termination of the CPP assignment;

5.6.1.3 Travel of its CPP incurred in support of the Project.

5.6.1.4 Compensation for loss of, or damage to, the personal property of its CPP or the CPP dependents, in accordance with the regulations of the Parent Participant; and

5.6.1.5 Preparation and shipment of remains and funeral expenses in the event of the death of its CPP or the CPP dependents.

5.6.2 The Host Participant will bear CPP administrative and support costs associated with the assignment of the CPP to the Host Participant facility, such as office space, security services, information technology services, communication services, and supplies.

5.7 For the purposes of a PA, the Participants recognize that it may become necessary for one Participant to incur contractual or other obligations for the benefit of the other Participant prior to receipt of the other Participant's funds. In the event that one Participant incurs such obligations, the other Participant will make such funds available in such amounts and at such times as may be required by the Contract or other obligation, and will pay 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.

5.8 In the circumstances of paragraph 5.7 above, the PMs will be responsible for establishing the detailed financial management procedures under which the Project will operate. These procedures will be detailed in a Financial Management Procedures Document (FMPD) proposed by the PMs and subject to the approval of the BNSC.

SECTION VI

CONTRACTING PROVISIONS

6.1 The DoD (acting through the Department of the Air Force) will be responsible for Contracting for the BCS-F Modernization Project in accordance with U.S. Contracting laws, regulations and procedures. The Contracting Officer is the exclusive source for providing contractual direction and instructions to Contractors.

6.2 The PMs will be responsible for the coordination of activities relating to the Project and will cooperate with the Contracting Officer in the areas of Contract procedures, Contract negotiation, evaluation of offers, and Contract award. The PMs will review statements of work prior to the development of solicitations to ensure that the statements of work are in accordance with this MOU. In addition, the Contracting Officer will keep the PMs advised of all financial arrangements with the prime Contractor.

6.3 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, including Section VIII (Disclosure and Use of Project Information), Section IX (Controlled Unclassified Information), Section XII (Security), Section XIII (Third Party Sales and Transfers), and Section XVII (Amendment, Termination, Entry into Effect, and Duration), including suitable provisions to ensure compliance with the Participants respective export control laws and regulations.

6.4 Each Participant will establish legal arrangements with its Contractors to ensure that its Contractors do not retransfer or otherwise use export-controlled information furnished by the other Participant for any purpose other than the purposes authorized under this MOU. Such legal arrangements will also provide that the Contractor will not retransfer the export-controlled information to another Contractor or subcontractor unless that Contractor or subcontractor has been legally bound to limit use of the information to the purposes authorized under this MOU. Export-controlled information furnished by one Participant under this MOU may only be retransferred by the other Participant to its Contractors if the legal arrangements required by this paragraph have been established.

6.5 Each Participant will establish legal arrangements with its Prospective Contractors to ensure that its Prospective Contractors do not retransfer or otherwise use export-controlled information furnished by the other Participant for any purpose other than responding to a solicitation issued in furtherance of the purposes authorized under this MOU. Prospective Contractors will not be authorized any other end use if they are not awarded a Contract. Such legal arrangements will also provide that the Prospective Contractors will not retransfer the export-controlled information to a prospective subcontractor unless that prospective subcontractor has been legally bound to limit use of the export-controlled information for the purpose of responding to the solicitation. Export-controlled information furnished by one Participant under this MOU may only be retransferred by the other Participant to its Prospective Contractors if the legal arrangements required by this paragraph have been established. Upon

request, either Participant will provide visibility into the identity of Prospective Contractors and prospective subcontractors receiving export-controlled information.

6.6 In the event the Contracting Officer is unable to secure adequate rights to use and disclose Project Information as required by Section VIII (Disclosure and Use of Project Information), or is notified by Contractors or potential Contractors of any restrictions on the disclosure and use of information, the matter will be referred to the BNSC for resolution.

6.7 The Contracting Officer will immediately advise the PMs of any cost growth, schedule change, or performance problems of any Contractor for which the Contracting Officer is responsible.

6.8 Upon mutual consent, consistent with Section II (Objectives), a Participant may contract for the unique national requirements of the other Participant.

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

SECTION VII

PROJECT EQUIPMENT

7.1 For the purpose of carrying out a PA, each Participant may provide Project Equipment identified in a PA as being necessary for implementing the PA. Project Equipment will remain the property of the providing Participant.

7.2 The receiving Participant will maintain any such Project Equipment in good order, repair, and operable condition. 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 the replacement value, which will be computed pursuant to the providing Participant's national laws and regulations. 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.

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

7.4 All Project Equipment that is transferred will be used by the receiving Participant only for the purposes of carrying out this Project unless otherwise consented to in writing by the providing Participant. In addition, in accordance with Section XIII (Third Party Sales and Transfers) Project Equipment will not be retransferred to a Third Party without the prior written consent of the providing Participant.

7.5 Project Equipment transferred to one Participant under a PA will be returned to the providing Participant prior to the termination or expiration of the PA.

7.6 Any Project Equipment that is jointly acquired on behalf of both Participants for use under this MOU will be disposed of during this Project or when the Project ceases, as determined by the BNSC.

7.7 Disposal of jointly acquired Project Equipment may include a transfer of the interest of one Participant in such Project Equipment to the other Participant, or the sale of such equipment to a Third Party in accordance with Section XIII (Third Party Sales and Transfers) of this MOU. The Participants will share the consideration from jointly acquired Project Equipment transferred or sold to a Third Party in the same ratio as costs in the Project Equipment were shared.

SECTION VIII

DISCLOSURE AND USE OF PROJECT INFORMATION

8.1 General

8.1.1 Both Participants recognize that successful collaboration depends on full and prompt exchange of information necessary for carrying out this Project. The Participants intend to acquire sufficient Project Information and rights to use such information to enable the development, production, deployment, maintenance, and support of BCS-F. The nature and amount of Project Information to be acquired will be consistent with the objectives stated in Section II (Objectives), Section III (Scope of Work), and Section VI (Contracting Provisions).

8.1.2 Transfer of Project Information will be consistent with furnishing Participant's applicable export control laws and regulations: Unless otherwise restricted by duly authorized officials of the furnishing Participant at the time of transfer to the other Participant, all export-controlled information furnished by one Participant to the other Participant may be retransferred to the other Participant's Contractors, subcontractors, Prospective Contractors, and prospective subcontractors, subject to the requirements of paragraphs 6.4 and 6.5 of Section VI (Contracting Provisions). Export-controlled information may be furnished by U.S. Contractors and their subcontractors or U.S. Prospective Contractors and their prospective subcontractors to the other Participant's Contractors, subcontractors, Prospective Contractors, and prospective subcontractors pursuant to this MOU subject to the conditions established in licenses or other approvals issued by the U.S. Government under the requirements of the Arms Export Control Act, the International Traffic in Arms Regulations, the Export Administration Act, the Export Administration Regulations, and any amendments thereto. Export-controlled information may be furnished by Canadian Contractors and their subcontractors or Canadian Prospective Contractors and their prospective subcontractors to the other Participant's Contractors, subcontractors, Prospective Contractors, and prospective subcontractors pursuant to this MOU subject to the conditions established in licenses or other approvals issued by the Canadian Government under the requirements of its relevant Canadian regulations, and any amendments thereto. The furnishing of all export-controlled information by the Contractors and sub-contractors of one Participant's nation to those of the other pursuant to this MOU will be subject to the conditions established in export licenses or other approvals issued by the government of the exporting Contractor or sub-contractor in accordance with that exporting nation's applicable export control laws and regulations.

8.2 Government Project Foreground Information

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

8.2.2 Use: Each Participant may use or have used all Government Foreground Information without charge, only 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 XIII (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 Participant any relevant Government Project Background Information generated by its military or civilian employees, provided that:

8.3.1.1 Such 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 Project Background Information may be made available without incurring liability to holders of proprietary rights;

8.3.1.3 Disclosure is consistent with national disclosure policies and regulations of the furnishing Participant; and,

8.3.1.4 Any disclosure or transfer of such Government Project Background Information to Contractors will be consistent with the Participants' export control laws and export control regulations.

8.3.2 Use: Government Project Background Information disclosed by one Participant to the other may be used without charge by the other Participant for Project purposes only. Government Project Background Information necessary to enable the use of Project Foreground Information may be used without charge by or for the other Participant for Defense Purposes. The furnishing Participant will retain all its rights with respect to such Government Project Background Information.

8.4 Contractor Project Foreground Information

8.4.1 Disclosure: Contractor Project Foreground Information generated and delivered by Contractors will be disclosed without charge to both Participants.

8.4.2 Use: Each Participant may use or have used without charge for its Defense Purposes all Contractor Project Foreground Information generated and delivered by Contractors of the other Participant. 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 XIII (Third Party Sales and Transfers) of this MOU.

8.5 Contractor Project Background Information

8.5.1 Disclosure: Any Project Background Information, (including information subject to proprietary rights) generated and delivered by Contractors will be made available to the other Participant provided the following provisions are met:

8.5.1.1 Such 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 Project Background Information may be made available without incurring liability to holders of proprietary rights;

8.5.1.3 Disclosure is consistent with national disclosure policies and regulations of the furnishing Participant; and,

8.5.1.4 Any disclosure or transfer of such Contractor Project Background Information to Contractors is consistent with the Participants' respective export control laws and export control regulations.

8.5.2 Use: Contractor Project Background Information furnished by one Participant to the other Participant may be used without charge by or for the other Participant 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 Participant only for the purposes set out in this MOU, unless otherwise consented to in writing by the providing Participant.

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

8.7 Proprietary Project Information

8.7.1 All Project Information subject to proprietary interests will be identified and marked, and it will be handled as Controlled Unclassified Information.

8.7.2 The provisions of the NATO Agreement on the Communication of Technical Information for Defence Purposes, done at Brussels on October 19, 1970, and the Implementing Procedures for the NATO Agreement on the Communication of Technical Information for Defence Purposes, approved by the North Atlantic Council on January 1, 1971, will apply to proprietary Project Information related to this MOU.

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 Participant regarding the filing of a Patent application for such Project Invention. The Participant that has or receives title to such Project Invention will, in other countries, file, cause to be filed, or provide the other Participant 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 Participant of that decision and permit the other Participant to continue the prosecution or maintenance.

8.8.2 The other Participant will be furnished with copies of Patent applications filed and Patents granted with regard to Project Inventions.

8.8.3 The other 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 patented Project Invention.

8.8.4 Patent applications to be filed under this MOU or a PA that contain Classified Information, will be protected and safeguarded in accordance with the requirements contained in the NATO Agreement for the Mutual Safeguarding of Secrecy of Inventions Relating to Defense and for Which Applications for Patents Have Been Made, done in Paris on September 21, 1960, and its Implementing Procedures.

8.8.5 Each Participant will notify the other Participant of any Patent infringement claims made in its territory arising in the course of work performed under the Project. Insofar as possible, the other Participant 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 Participant during the handling, and prior to any settlement, of such claims. The Participants will share the costs of resolving Patent infringement claims in the same percentage as they share the full costs of the applicable PA or mutually consent to alternative language. The Participants will, in accordance with their respective 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 IX

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 VIII (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 subparagraph 9.1.1, and will be subject to the provisions of Section XIII (Third Party Sales and Transfers).

9.1.3 Each Participant will take all lawful steps, which may include national classification, available to it to keep such information free from further disclosure (including requests under any legislative provisions), except as provided in subparagraph 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 disclosed further 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 to ensure its "in confidence" nature. The Participants export-controlled information will be marked in accordance with the applicable Participant's export control markings as documented in the PSI. The Participants will also decide, in advance and in writing, on the markings to be placed on any other types of Controlled Unclassified Information and describe such markings in the PSI.

9.3 Controlled Unclassified Information provided or generated pursuant 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 X

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 Participant or by employees of the other Participant's Contractor(s), provided that the visit is authorized by both 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 hosting 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 the other 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 the Program and this MOU.

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

SECTION XI

COOPERATIVE PROJECT PERSONNEL

11.1 This section establishes the provisions that will govern the conduct of Cooperative Project Personnel (CPP). The Parent Participant will assign military members or civilian employees to the Project offices in accordance with Section III (Scope of Work). CPP must be able to perform all the responsibilities assigned to them under this MOU. Commencement of assignments will be subject to any 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 BNSC will determine the length of tour for the positions at the time of initial assignment.

11.2 CPP will be assigned to the facilities of the other Participant for Project work and will report to their designated Host Participant supervisor regarding that work. The Host PM will be responsible for the creation of a document describing the duties of each CPP position, which will be subject to approval by the BNSC. CPP will not act as liaison officers on behalf of the Parent Participant. CPP may act from time to time on behalf of their respective BNSC member if the latter so authorizes in writing.

11.3 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.

11.4 Security

11.4.1 The BNSC will establish the maximum 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 the PSI and CG. Access to Classified Information and facilities in which Classified Information is used will be consistent with, and limited by, Section II (Objectives) and Section III (Scope of Work) of this MOU and will be kept to the minimum required to accomplish the work assignments.

11.4.2 The Parent Participant will file visit requests for the CPP through prescribed channels in compliance with the Host Participant's procedures. As part of the visit request procedures, the Parent Participant will cause security assurances to be filed through the Parent Participant's government embassy in the Host Participant's country specifying the security clearances for the CPP being assigned.

11.4.3 The Host Participant and Parent Participant will use their best efforts to ensure that CPP are aware of, and comply with, applicable laws and regulations as well as the requirements of Section IX (Controlled Unclassified Information), Section X (Visits to Establishments), Section XII (Security), and paragraph 17.6 of Section XVII (Amendment,

Termination, Entry into Effect, and Duration) of this MOU and the provisions of the PSI and CG. Prior to commencing assigned duties, CPP will, if required by the Host Participant's government laws, regulations, policies, or procedures, sign a certification concerning the conditions and responsibilities of CPP.

11.4.4 CPP will at all times be required to comply with the security and export control laws, regulations, and procedures of the Host Participant. 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 and export control laws, regulations, or procedures during their assignments will be withdrawn from the Project with a view toward appropriate administrative or disciplinary action by their Parent Participant.

11.4.5 All Classified Information made available to CPP will be considered as Classified Information furnished to the Parent Participant, and will be subject to all provisions and safeguards provided for in Section XII (Security), the PSI, and the CG.

11.4.6 CPP will not have personal custody of Classified Information or Controlled Unclassified Information unless approved by the Host Participant and as authorized by the Parent Participant. CPP will be granted access to such information in accordance with Section IX (Controlled Unclassified Information), Section XII (Security), and the PSI during normal duty hours and when access is necessary to perform Project work.

11.4.7 CPP will not serve as a conduit between the Host Participant and Parent Participant for requests and/or transmission of Classified Information or Controlled Unclassified Information unless specifically authorized by the PSI.

11.5 Technical and Administrative Matters

11.5.1 Consistent with Host Participant laws and regulations, CPP will be subject to the same restrictions, conditions, and privileges as Host Participant personnel of comparable rank and in comparable assignments. Further, CPP and the CPP's authorized accompanying dependents will be accorded status in accordance with the Agreement between the Parties to the North Atlantic Treaty regarding the Status of Their Forces dated June 19, 1951 (NATO SOFA).

11.5.2 On arrival CPP and the CPP's dependants will be provided briefings about applicable laws, orders, regulations, and customs and the need to comply

with them. CPP will also be provided briefings regarding entitlements, privileges, and responsibilities, such as:

11.5.2.1 Medical and dental care will be provided to CPP and the CPP's dependents in accordance with the Memorandum of Understanding between the Department of Defense of the United States of America and the Department of National Defence of Canada concerning Reciprocal Arrangements for the Provision of Health Care Services, dated May 3, 1996.

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

11.5.2.3 The Host Participant will provide, if available, housing and messing facilities for CPP and the CPP's 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 and CPP's dependents.

11.5.2.4 Responsibility of CPP and the CPP's accompanying dependents to obtain motor vehicle liability insurance coverage in accordance with the laws and regulations 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.

11.6 The PM will, in consultation with the CPP, establish standard operating procedures for CPP, in the following areas:

11.6.1 Working hours, including holiday schedules.

11.6.2 Leave authorization, consistent to the extent possible with the military and civilian personnel regulations and practices of the Host Participant and Parent Participant.

11.6.3 Dress regulations, consistent to the extent possible with the military and civilian personnel regulations and practices of the Host Participant and Parent Participant.

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

11.7 CPP committing an offense under the laws of the government of the Host Participant or Parent Participant may be withdrawn from this 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's laws and regulations, the Host Participant will assist the Parent Participant in carrying out investigations of offenses involving CPP.

11.8 During their assignment, CPP will not be placed in the following duty status or environments unless mutually decided by the Host and Parent Participant:

11.8.1 Areas of political sensitivity where their presence may jeopardize the interests of either the Host Participant or Parent Participant, or where, in the normal course of their duty, they may become involved in activities that may embarrass either Participant.

11.8.2 Deployments in non-direct hostility situations, such as United Nations peacekeeping or multi-national operations, or third countries.

11.8.3 Duty assignments in which direct hostilities are likely. Should the Host Participant organization to which CPP are assigned become involved in hostilities unexpectedly, CPP will not be involved in the hostilities. Any such CPP approved by the Parent Participant for involvement in hostilities will be given specific guidance as to the conditions under which the assignment will be carried out by the appropriate authorities of the Host Participant and Parent Participant.

11.9 The provisions of applicable international agreements regarding the rights of a sending State's military and civilian personnel and their dependents present in the territory of a receiving State will apply to CPP.

SECTION XII

SECURITY

12.1 All Classified Information or material provided or generated pursuant to this MOU will be stored, handled, transmitted, and safeguarded in accordance with the United States-Canada General Security Agreement between Canada and the United States of America, of January 30, 1962, and including the Industrial Security Annex thereto, of February 8, 1985.

12.2 Classified Information will be transferred only through official Government-to-Government channels or through channels approved by the 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.

12.3 Each Participant will take all lawful steps available to it to ensure that Classified Information provided or generated pursuant to this MOU is protected from further disclosure, except as permitted by paragraph 12.8, unless the other Participant consents to such disclosure. Accordingly, each Participant will ensure that:

12.3.1 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 XIV (Third Party Sales and Transfers).

12.3.2 The recipient will not use the Classified Information for other than the purposes provided for in this MOU.

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

12.4 The Participants will investigate all cases in which it is known or in which there are grounds for suspecting that Classified Information provided or generated pursuant to this MOU 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, the final results of the investigation and of the corrective action taken to preclude recurrences.

12.5 The PM will prepare a PSI and a CG for the Project. The PSI and the CG will describe the methods by which Project Information will be classified, marked, used, transmitted, and safeguarded, and will require that markings for all export-controlled Classified Information will include the applicable export control markings identified in the PSI in accordance with paragraph 9.2 of Section IX (Controlled Unclassified Information). They will be reviewed and forwarded to the Participants' 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.

12.6 The DSA of the 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, prospective Contractor, or Subcontractor of any Classified Information received under this MOU, the DSAs will:

12.6.1 Ensure that such Contractor, prospective Contractor or subcontractor and their facility(ies) have the capability to protect the Classified Information adequately.

12.6.2 Grant a security clearance to the facility(ies), if appropriate.

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

12.6.4 Ensure that all persons having access to the Classified Information are informed of their responsibilities to protect the Classified Information in accordance with the Participants' national security laws and regulations and the provisions of this MOU.

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

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

12.7 Contractors, prospective Contractors, or subcontractors that 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 only when enforceable measures are in effect to ensure that nationals or other entities of a Third Party will not have access to Classified Information. If enforceable measures are not in effect to preclude access by nationals or other entities of a Third Party, the other Participant will be consulted for approval prior to permitting such access.

12.8 For any facility wherein Classified 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 pertaining to this MOU. These officials will be responsible for limiting access to Classified Information involved in this MOU to those persons who have been properly approved for access and have a need-to-know.

12.9 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.

12.10 Information provided or generated pursuant to this MOU and its PAs may be classified as high as SECRET. The existence of this MOU is UNCLASSIFIED and the contents are UNCLASSIFIED. The classification of specific PAs and its contents will be stated in the PA.

SECTION XIII

THIRD PARTY SALES AND TRANSFERS

13.1 The Participants will not sell, transfer title to, disclose, or transfer possession of Project Foreground Information, jointly acquired Project Equipment, or any item produced either wholly or in part from Project Foreground Information to any Third Party without the prior written consent of the appropriate authorities of the government of the other Participant. Furthermore, neither Participant will permit any such sale, disclosure, or transfer, including by the owner of the item, without the prior written consent of the appropriate authorities of the government of the other Participant. Such consent will not be given unless the appropriate authorities of the government of the intended recipient confirm in writing with the other Participant that it will:

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

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

13.2 The Participants will not sell, transfer title to, disclose, or transfer possession of Project Equipment or Project Background Information provided by the other Participant to any Third Party without the prior written consent of the appropriate authorities of the government of the Participant that provided such equipment or information. The appropriate authorities of the providing Participant's government will be solely responsible for authorizing such transfers and, as applicable, specifying the method and provisions for implementing such transfers.

SECTION XIV

LIABILITY AND CLAIMS

14.1 Claims arising under this MOU will be dealt with under the Agreement Between the Government of the United States of America and the Government of Canada Concerning the Establishment of Certain Mutual Defense Commitments, signed August 19, 1994.

SECTION XV

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 this Project.

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 XVI

SETTLEMENT OF DISPUTES

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

SECTION XVII

AMENDMENT, TERMINATION, ENTRY INTO EFFECT, AND DURATION

17.1 All activities of the Participants under this MOU and its associated PAs will be carried out in accordance with their respective national laws and regulations, including their respective export control laws and regulations. Any responsibilities that require the expenditure of funds will be subject to the availability of funds for such purposes.

17.2 In the event of a conflict between a Section of this MOU and any PA associated with this MOU, the MOU will control.

17.3 Except as otherwise provided, this MOU and any PA associated with this MOU may be amended by the mutual written consent of the Participants.

17.4 This MOU may be terminated at any time upon the written consent of the Participants. In the event both Participants consent to terminate this MOU, the Participants will consult prior to the date of termination to ensure termination on the most economical and equitable provisions.

17.5 Either Participant may terminate this MOU upon presentation of 60 days written notification of its intent to terminate to the other Participant. Such notice will be the subject of immediate consultation by the BNSC to decide upon the appropriate course of action to conclude the activities under this MOU. In the event of such termination, the following rules apply:

17.5.1 The terminating Participant will continue participation, financial or otherwise, up to the effective date of termination.

17.5.2 Except as to Contracts awarded on behalf of both Participants, each Participant will be responsible for its own Project-related costs associated with termination of the Project. For Contracts awarded on behalf of both Participants, the terminating Participant will pay all Contract modification or termination costs that would not otherwise have been incurred but for the decision to terminate; in no event, however, will a terminating Participant's total financial contribution, including Contract termination costs, exceed that Participant's Total Cost Ceiling for financial contributions as established in Section V (Financial Provisions).

17.5.3 All Project Information and rights therein received under the provisions of this MOU prior to the termination will be retained by the Participants, subject to the provisions of this MOU and its relevant PAs associated with this MOU.

17.5.4 If requested by the other Participant, the terminating Participant may continue to administer the Project Contract(s) that it awarded on behalf of the other Participant on a reimbursable basis.

17.6 The respective benefits and responsibilities of the Participants regarding Section VII (Project Equipment), Section VIII (Disclosure and Use of Project Information), Section IX (Controlled Unclassified Information), Section XII (Security), Section XIII (Third Party Sales and Transfers), and Section XIV (Liability and Claims), and this Section XVII (Amendment, Termination, Entry into Effect, and Duration) will continue to apply notwithstanding termination or expiration of this MOU.

17.7 In the event that a Participant decides not to participate in a subsequent phase of this Project, no payment of compensation to the other Participant is required.

17.8 This MOU replaces the Memorandum of Understanding Between the Department of Defense of the United States of America and the Department of National Defence of Canada for the Region/Sector Air Operations Center (R/SAOC) Modernization Program, which expired on September 11, 2006. The Participants also hereby decide to terminate the Memorandum of Understanding Between the United States Department of the Air Force and the Canadian Department of National Defence Concerning Region Operations Control Centers, dated April 11, 1977, upon signature of this MOU.

17.9 This MOU, which consists of seventeen (17) Sections, will enter into effect upon signature by both Participants and will remain in effect for ten (10) years. It may be extended by written concurrence of the Participants.

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

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA

Signature

BRUCE S. LEMKIN

Name

DEPUTY UNDER SECRETARY
OF THE AIR FORCE
INTERNATIONAL AFFAIRS

Title

6 FEB 07

Date

WASHINGTON, DC

Location

FOR THE DEPARTMENT OF
NATIONAL DEFENCE OF CANADA

Signature

for WALTER J. NATYNCZYK, LIEUTENANT-GENERAL

Name

VICE-CHIEF OF THE DEFENCE STAFF

Title

9 MARCH 2007

Date

OTTAWA, CANADA

Location

ANNEX A

****SAMPLE PROJECT ARRANGEMENT****
(Provided as guidance only)

PROJECT ARRANGEMENT (Insert Number)

BETWEEN

THE DEPARTMENT OF DEFENSE

OF THE UNITED STATES OF AMERICA

AND THE

DEPARTMENT OF NATIONAL DEFENCE

OF CANADA

CONCERNING

SPIRAL (Insert Number)

under

THE BATTLE CONTROL SYSTEM-FIXED (BCS-F) MEMORANDUAM OF UNDERSTANDING, dated (ENTRY INTO EFFECT DATE)

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SECTION I

INTRODUCTION

This Project Arrangement (PA) hereby establishes PA *(insert number)* for Spiral *(insert number)* in accordance with the Memorandum of Understanding between the Department of Defense of the United States of America and the Department of National Defence of Canada Concerning Battle Control System-Fixed (BCS-F) Modernization (the MOU), [date], the provisions of which are incorporated herein by reference.

SECTION II

DEFINITION OF TERMS AND ABBREVIATIONS

(Note: Define only those terms used in this PA that have not been defined in the MOU.)

SECTION III

OBJECTIVES

The objectives of this _____ PA are:

a. The development of _____
_____.

b. The improvement of _____
_____.

c. The investigation of_____
_____.

SECTION IV

SCOPE OF WORK

The following work will be carried out under this PA.

a. Research _____
_____.

b. Develop _____
_____.

c. Evaluate _____
_____.

d. Design, fabricate and test _____
_____.

SECTION V

SHARING OF TASKS

The sharing of tasks will be as follows:

a. DoD will _____
_____.

b. DND will _____
_____.

d. The Participants will jointly _____
_____.

SECTION VI

BREAK DOWN AND SCHEDULE OF TASKS

(Note: When the tasks covered under this PA may be performed using multiple phases, requiring milestones or decision points.)

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

Phase 1	Start	End
Description of Phase 1	MM/YY	MM/YY
(Milestone 1) (e.g. Transmittal of Feasibility Report)		
Phase 2	Start	End
Description of Phase 2	MM/YY	MM/YY
(Milestone 2) (e.g. Decision to proceed to Phase 3)		
Phase 3	Start	End
Description of Phase 3	MM/YY	MM/YY
(Milestone 3) (e.g. Evaluation, analysis of results)		

(Note: Add as many phases as necessary.)

The final report will be transmitted to the BNSC six months before the termination date of this PA.

SECTION VII

FINANCIAL ARRANGEMENTS

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

The DoD tasks will not cost more than X U.S.$:

The DND tasks will not cost more than Y CDN$:

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.

(Note: Revise where cost sharing percentages need to be identified.)

SECTION VIII

LEVEL OF CLASSIFICATION

(Note: Describe highest approved level of classification and include additional security provisions as necessary.)

The existence of this PA is For Official Use Only (FOUO)* and the contents are FOUO*.

* *Revise where appropriate.*

SECTION IX

LOAN OF PROJECT EQUIPMENT (OPTIONAL)

1. The loan of the following Project Equipment is necessary for implementing this PA.

Providing Participant(s)	Receiving Participant(s)	Qty	Description Part/Stock#	Consumables/ Non-Consumables	Approx Loan Value	Period

(Fill in as appropriate)

Alternate Paragraph 1:

1. Project Equipment to be loaned will be listed in an Appendix to this PA in the following format.

Providing Participant(s)	Receiving Participant(s)	Qty	Description Consumables/ Part/Stock# Non-Consumables	Approx Loan Value	Loan Period

(Fill in as appropriate)

The Appendix will be prepared by the POs for signature by the BSNC, after appropriate national approvals have been obtained. The Appendix will be an integral part of this PA.

2. The providing Participant will loan the Project Equipment for the loan period identified in paragraph 1 above or which is intended to be consumed/expended and not returned to the providing Participant.

SECTION X

GENERAL PROVISIONS

Articles and services provided under this PA will be in accordance with the Participants' respective national laws and regulations, including their export control laws and regulations, as well as with Section XII (Security) and Section XIII (Third Party Sales and Transfers) of the MOU.

This PA, a Project under the Memorandum of Understanding between the Department of Defense of the United States of America and the Department of National Defence of Canada Concerning Battle Control System – Fixed (BCS-F) Modernization, dated _____, will enter into effect upon its signature, and will remain in effect for (insert number of years) years unless terminated by the Participants. It may be extended by the mutual written consent of the Participants.

FOR THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA:	FOR THE DEPARTMENT OF NATIONAL DEFENCE OF CANADA:
_____	_____
Signature	Signature
_____	_____
Name	Name
_____	_____
Title	Title
_____	_____
Date	Date
_____	_____
Location	Location

SAMPLE CERTIFICATION OF CONDITIONS AND RESPONSIBILITIES FOR COOPERATIVE PROJECT PERSONNEL

I understand and acknowledge that I have been accepted for assignment to (insert name and location to which assigned), pursuant to the Memorandum Of Understanding Between the Department of Defense (DoD) of the United States of America and the Department of National Defence (DND) of Canada Concerning Battle Control System-Fixed (BCS-F) Modernization. Capitalized terms in this certification have the meanings defined in Section XI (Cooperative Project Personnel) of the MOU. In connection with this assignment, I further understand, acknowledge, and certify that I will comply with the following conditions and responsibilities:

1. The purpose of the assignment is to provide my expertise to the program. I will not seek access to information (other than parent Participant information) except as required to perform the duties described in the position description (PD) of the position to which I am assigned, as determined by my designated supervisor. I will immediately report to my designated supervisor if I have access to Classified, proprietary, or Controlled Unclassified Information that is not required to perform such duties.

2. I will perform only functions that are properly assigned to me as described in the PD for my assignment and will not act in any other capacity to the Host Participant on behalf of my government or my Parent Participant.

3. All Project Information to which I may have access during this assignment will be treated as information provided to my government in confidence and will not be further released or disclosed by me, except as authorized by the MOU.

4. When dealing with individuals outside of my immediate office of assignment on official matters, I will inform such individuals that I am a foreign Cooperative Project Person.

5. I have been briefed on, understand, and will comply with all applicable regulations concerning the protection of proprietary information (such as patents, copyrights, know-how and trade secrets), Classified Information and Controlled Unclassified Information.

6. I will immediately report to my designated supervisor all attempts to obtain Classified Information, proprietary information, or Controlled Unclassified Information to which I may have access as a result of this assignment.

_____ _____

(Typed Name) (Signature)

_____ _____

(Rank/Title) (Date)