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intellectual property rights specific to the ERG;

- g) specific provisions for working with DDI nations, including DDI-specific work sharing and cost sharing arrangements, if necessary;
- h) provisions covering the resolution of disputes within the ERG, in accordance with SECTION XIII (Settlement of Disputes) of this MOU;
- i) provisions governing the duration of or amendment of the ERG arrangement, and the dissolution of an ERG or the withdrawal of any of its members;
- j) provisions covering the issue of contractual liability in accordance with paragraph 5.1.

3.6 Notwithstanding the provisions of paragraph 3.1 above, decisions concerning the operation of a specific ERG will be a matter for the members of that ERG only and only members of that ERG will have voting rights.

SECTION IV – FINANCIAL MATTERS

4.1 Each Participant will bear its own costs associated with management and administration of this MOU.

4.2 Each ERG arrangement will contain provisions, determined by the ERG Members, covering their financial responsibilities under that ERG. However, the following provisions will in principle apply:

- a) each Participant will bear its own costs as determined in any ERG arrangement, or any R&T Project, including the costs of its contracts, whether let nationally, let on its behalf by another Participant, or let on its behalf by an international organisation;
- b) a Participant will promptly notify any other Participants concerned if funds are not available to meet its commitments under any ERG arrangement or any R&T Project; the Participants concerned will then consult and may continue on a changed or reduced basis if they so wish.

4.3 If one Participant incurs contractual obligations on behalf of other Participant(s) those other Participant(s) will pay their share of such obligations, and will make funds available in such amounts and at such times as may be required by those obligations. A transfer of funds to the contracting Participant before such contractual obligations are due may be required.

4.4 Where industrial part-funding of activities within an ERG is envisaged, the members of that ERG must include the necessary provisions in their ERG arrangement to cover all aspects of their rights and obligations towards their industrial partners.

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SECTION V – CONTRACTS AND RELATIONSHIPS WITH INDUSTRY

CONTRACTS

5.1 ERG Members may decide that contracts will be let nationally or be let by one ERG Member on behalf of the other(s) or be let by an international organisation with which they have an appropriate legal relationship. The necessary provisions for contracting will be set out in the relevant ERG arrangement. These provisions will always include the question of liability arising from such contracts.

5.2 If any ERG Member determines that national contracting is necessary to fulfil its responsibilities under an ERG, or any R&T Project, then that Member will contract in accordance with its respective national laws, regulations and practices with such waivers and deviations as its practices permit and as are deemed necessary. It will be solely responsible for its own contracting, and the other Participant(s) will not be subject to any liability arising from such contracts without their prior written consent.

5.3. If the ERG Members determine that one Member should let a contract on behalf of the other Member(s), that Member will let a contract in accordance with its own national laws, regulations and practices with such waivers and deviations as its practices permit and as are deemed necessary.

5.4 Contracts will in principle be let by competition.

RELATIONSHIPS WITH INDUSTRY

5.5 The Participants will endeavour to allow industry to contribute to the processes for the formulation of a European research and technology strategy and the conduct of co-operative R&T Programmes and Projects in the following areas:

- a) by taking into account overall European defence industrial technology capability at all stages in developing ERG arrangements or R&T Projects;
- b) by ensuring that civil technologies are appropriately assessed for the solution of defence problems, including the management of dual-use technologies;
- c) by ensuring that business issues involved in an ERG arrangement are appropriately addressed in the arrangement. These issues will include, but are not limited to:
 - Intellectual property rights;
 - Recognition of economic interests;
 - Access to information;
 - Eligibility to bid for work;
 - Competition;
 - Trans-national companies, their ownership and control, location and access to research facilities;
 - Visit procedures.

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- d) by seeking advice on the possible impact of future industrial restructuring in Europe, both inside and outside of the defence industrial base.

SECTION VI – SECURITY AND VISITS

SECURITY

6.1 All classified information exchanged by the Participants when guiding, controlling and supervising this MOU, and when keeping one another informed of their R&T Programmes or Projects, will be used, transmitted, stored, handled and safeguarded in accordance with the Participants' applicable national security laws and regulations, to the extent that they provide a degree of protection no less stringent than that provided for WEU classified information as set forth in WEU Security Regulations (RS100, January 1996 edition).

6.2 When establishing ERGs, the ERG Members may require classified material to be protected in accordance with the WEU Security Regulations (RS 100, January 1996 edition), or they may require it to be protected in accordance with the provisions of any bilateral or multilateral security agreement available to all Members of that particular ERG. Such security agreements called upon in this way will be described in the relevant ERG arrangement as appropriate.

6.3 The Participants will take all lawful steps available to them to 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 has been lost or disclosed to unauthorised persons. Each Participant will also 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. ERG Members will investigate loss and disclosure of classified information in a similar way, in accordance with the security agreements or arrangements that are being used by that ERG.

6.4 The maximum level of security classification of material exchanged between the Participants for the purposes of this MOU, any ERG arrangement or any R&T Project will be TOP SECRET.

6.5 All classified information exchanged or generated under this MOU, any ERG arrangement or any R&T Project will continue to be protected in the event of withdrawal by any Participant or upon termination of this MOU.

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VISITS

6.6 All visiting personnel will comply with the security regulations of the Participant hosting the visit and will be subject to the provisions of this MOU. Any information, materials or equipment 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.

6.7 Requests for visits by personnel of one Participant to a facility of another Participant will conform to the established visit procedures of the Participant hosting the visit. Requests for visits will bear the name of the relevant ERG arrangement and any subsidiary document (such as a project annex) that is applicable to the visit. Such requests will be submitted in accordance with normal International Visit Control Procedures, as described by the WEU Security Regulations (RS 100, January 1996 edition) or equivalent.

6.8 Lists of personnel of each Participant required to visit facilities of other Participants on a continuing basis will be submitted through official channels.

SECTION VII – CLAIMS AND LIABILITIES

7.1 Except as covered in paragraph 5.1 above each Participant waives any claim it may have against any other Participant(s) in respect of loss or damage caused to its personnel and/or its property by personnel or agents (which do not include contractors) of the other Participant(s) arising out of, or in connection with, the execution of this MOU, any ERG arrangement or R&T Project of which it is a member. If, however, such loss or damage results from the reckless (*culpa*) acts or reckless omissions, wilful misconduct (*dolus malus*) or gross negligence (*culpa lata*) of a Participant, its personnel or agents, the costs of any liability will be borne by that Participant alone.

7.2 Unless otherwise specified in an ERG arrangement, the costs incurred in satisfying claims from third parties for loss or damage of any kind arising out of, or in connection with, the execution of this MOU, any ERG arrangement or any R&T Project, caused by one of the Participants' personnel or agents (which do not include contractors) will be borne by the Participants on a pro-rata basis reflecting the level of contributions by the Participants to the activity in question. If, however, such liability results from the reckless (*culpa*) acts or reckless omissions, wilful misconduct (*dolus malus*) or gross negligence (*culpa lata*) of a Participant, its personnel or agents, the costs of any liability will be borne by that Participant alone.

7.3 In the case of loss or damage caused to or by the common property of the Participants, where the cost of making good such damage is not recoverable from a third party, such cost will be borne by the Participants in the same manner as set out in paragraph 7.2 above.

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SECTION VIII – DISCLOSURE AND USE OF INFORMATION

8.1 The Participants may disclose Information to one another either for the purposes of carrying out the provisions of this MOU, any ERG arrangement or any R&T Project.

8.2 When the Participants exchange Information in accordance with Sections II and III, or for any other purpose, the Disclosing Participant will determine the amount of Information to be released, and the Receiving Participants will use the Information solely for the purpose of determining whether they wish to apply to join in a particular ERG or any R&T Project. The Disclosing Participant will be responsible for marking documented Information, which will include:

- a) the identity of the Disclosing Participant, and the owner of the Information;
- b) a statement whether the Information may be released to contractors, or contractor personnel working in the Receiving Participants' establishments;
- c) the security classification of the Information.

8.3 ERG arrangements will contain detailed provisions describing the rights and responsibilities of the ERG Members with regard to the disclosure and use of both Background and Foreground Information, including provisions covering the disposition of rights arising from inventions. ERG arrangements will contain provisions dealing with the proprietary rights of contractors, taking into account the provisions of paragraph 4.4 above.

SECTION IX – SALES & TRANSFERS OF INFORMATION

9.1 A Participant receiving Information in accordance with paragraphs 2.3 and 3.3 above will not sell, transfer title to, transfer possession of or otherwise disclose the Information to a Third Party without the prior written consent of the Participant(s) which provided such Information. In the case of Information concerning Participants' R&T Programmes or Projects, the Disclosing Participant may indicate its consent to a further transfer of the Information by adding whatever marking to the Information is necessary to describe the consent given, in addition to the standard markings set out in paragraph 8.2 above. The Disclosing Participant may also specify the method and conditions for implementing any transfers that have been approved.

9.2 ERG arrangements will contain detailed provisions describing the rights and responsibilities of the ERG Members with regard to the sale or transfer of Background or Foreground Information used or generated in the course of activities within that ERG. ERG Members will determine whether and in what circumstances Information may be sold, transferred or otherwise disclosed to other Participants who are not ERG Members. ERG arrangements will also contain provisions dealing with the sale or transfer of Information to Third Parties.

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9.3 Unless otherwise determined by the ERG Members, consent for sales and transfers of Foreground Information to other Participants or Third Parties will not be withheld except for reasons of foreign policy, national security, or national laws. If an ERG Member is asked to approve a sale or transfer to another Participant or a Third Party it will not refuse such approval if it would be willing itself to sell or transfer the Information.

SECTION X – CUSTOM DUTIES, TAXES AND SIMILAR CHARGES.

10.1 For any activities established or contracts let by members of the Western European Armaments Organisation utilising the legal personality of the Western European Union (WEU), Participants will apply all pertinent provisions of the Agreement on the Status of the WEU, signed in Paris on 11 May 1955, to any ERG, recognising that all research and technology activities so conducted be considered to be for the official use of the WEU in order to strengthen the economic ties by which its members are already united, and to co-operate and co-ordinate their efforts to create a firm technology base consistent with the aims of the modified Brussels Treaty.

10.2 If the provisions of paragraph 10.1 above do not apply, and unless otherwise specified in an ERG arrangement, each Participant will endeavour to ensure that readily identifiable taxes, customs duties and similar charges or quantitative restrictions on imports and exports will not be imposed in connection with any activities conducted under this MOU.

10.3 Unless otherwise specified in an ERG arrangement, the Participants will administer all taxes, duties and/or other similar charges in the manner most favourable to the satisfactory execution of the arrangements described in this MOU. If customs duties, identifiable taxes or similar charges are levied, they will be borne by the Participant in whose country they are levied.

10.4 In the event that taxes or customs duties are imposed on behalf of the European Union, the costs will be borne by the Participant whose country is the final destination. The components and equipment connected with the activity will be accompanied during movement up to their final destination by documents enabling settlement of duties to take place.

SECTION XI – ADMISSION OF NEW MEMBERS

11.1 Any non-Participant wishing to become a Participant to this MOU may do so provided that the existing Participants give their unanimous consent. A new Participant will be admitted by the signature of an amendment to this MOU to be signed by the existing and new Participants.

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SECTION XII – DURATION, AMENDMENT, TERMINATION, AND WITHDRAWAL

DURATION

12.1 This MOU consolidates all previous versions and amendments to the EUROPA MOU and will come into effect on the date of last signature. However when signing this MOU, a Participant may declare that in respect of that Participant, this MOU will come into effect upon notification that Parliamentary approval/necessary domestic legal procedures have taken place. It will continue in effect until terminated by unanimous written consent of the Participants. The Participants will review the status of this MOU at regular intervals and will decide at each review whether it should continue or be terminated.

AMENDMENT

12.2 This MOU may be amended at any time by the unanimous written consent of the Participants.

TERMINATION

12.3 If this MOU is terminated all ERGs established under it will terminate also. In such circumstances the Participants will consult together to decide upon the most appropriate arrangements to be made for any existing ERG arrangement and any R&T Projects.

WITHDRAWAL

12.4 If one Participant decides to withdraw from this MOU it will give the other Participants at least six months advance notification in writing of its intentions. It will also consult with the other Members of any ERGs in which it is involved about the most satisfactory arrangements to be made for those ERGs.

12.5 The provisions of this MOU in respect of SECTION VI (SECURITY AND VISITS), SECTION VII (CLAIMS AND LIABILITIES), SECTION VIII (DISCLOSURE AND USE OF INFORMATION), SECTION IX (SALES & TRANSFERS OF INFORMATION), and SECTION XIII (SETTLEMENT OF DISPUTES), and any responsibilities which may arise under paragraphs 12.2 and 12.3 above will remain in effect notwithstanding withdrawal from, termination, or expiry of this MOU.

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SECTION XIII – SETTLEMENT OF DISPUTES

13.1 Any disputes regarding the interpretation or application of this MOU will be resolved by consultation between the Participants and will not be referred to any national or international tribunal or any other third party for settlement.

SECTION XIV – SIGNATURE

14.1 The foregoing represents the understandings reached among the Participants and is signed by the Participants in two copies, one in the French language and one in the English language, both texts being equally valid.

14.2 The original texts will be retained, for administrative convenience, by the United Kingdom Ministry of Defence as the depository of this consolidated MOU. A certified true copy of both texts will be sent to all Participants.

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(For) the Minister of National Defence of the Kingdom of Belgium

Name.....

Date.....

Location.....

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FINAL

(For) the Ministry of Defence of the Czech Republic

Name.....

Date.....

Location.....

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FINAL

(For) the Minister of Defence of the Kingdom of Denmark

Name.....

Date.....

Location.....

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FINAL

(For) the Minister of Defence of the Republic of Finland

Name.....

Date.....

Location.....

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FINAL

(For) the Minister of Defence of the French Republic

Name.....

Date.....

Location.....

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(For) the Federal Ministry of Defence of the Federal Republic of Germany

Name.....

Date.....

Location.....

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(For) the Minister of Defence of the Hellenic Republic

Name.....EVANGELOS VASILIOS KEIMARAKIS.....

Date.....8/12/2005.....

Location.....ATHENS - HELLAS.....

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(For) the Government of the Republic of Hungary represented by the Minister of Defence

Name.....

Date.....

Location.....

FINAL

(For) the Ministry of Defence of the Italian Republic

Name.....

Date.....

Location.....

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FINAL

(For) the Minister of Defence of the Grand Duchy of Luxembourg

Name.....

Date.....

Location.....

FINAL

(For) the Minister of Defence of the Kingdom of the Netherlands

Name.....

Date.....

Location.....

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FINAL

(For) the Minister of Defence of the Kingdom of Norway

Name.....

Date.....

Location.....

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