

## ARTICLE VI

### CONTRACTING PROVISIONS

6.1 If either Party determines that Contracting is necessary to fulfill its obligations under the scope of work of any PA, that Party shall contract in accordance with its respective national laws, regulations and procedures. When applicable, Contract administration services shall be performed in accordance with the Memorandum of Understanding between the Government of the United States of America and the Government of the French Republic concerning the Principles Governing Reciprocal Purchases of Defense Equipment of May 22, 1978, as amended.

6.2 When one Party individually contracts to carry out a task under a PA, it shall be solely responsible for its own Contracting, and the other Party shall not be subject to any liability arising from such Contracts without its written consent.

6.3 The Parties may also determine that one Party's Contracting Agency should enter into a Contract to fulfill their joint PA obligations or the PA obligations of the non-contracting Party. That Contracting Agency shall contract for both Parties in accordance with its national laws, regulations, and procedures. If necessary to meet the requirements of a PA, the U.S. DoD Contracting Officer or the FR MOD Contracting Agency shall seek deviations from national regulations and procedures wherever possible. Sources from both Parties' industries shall be allowed to compete on an equal basis for such Contracts. The U.S. DoD Contracting Officer or the FR MOD Contracting Agency shall be the exclusive source for providing contractual direction and instructions to Contractors for Contracts awarded by that Party.

6.4 For all Contracting activities performed by either Party, the POs shall, upon request, be provided a copy of all statements of work prior to the development of solicitations to ensure that they are consistent with the provisions of this Agreement and the applicable PA.

6.5 For all Contracting activities performed by either Party, each Party's Contracting Agency shall negotiate to obtain the rights to use and disclose Information required by Article VIII (Disclosure and Use of Information). Each Party's Contracting Agency shall insert into its prospective Contracts (and require its Contractors to insert in subcontracts) suitable provisions to satisfy the requirements of this Agreement and the specific PA, including Article VIII (Disclosure and Use of Information), Article IX (Controlled Unclassified Information), Article XI (Security), and Article XII (Third Party Sales and Transfers). During the Contracting process, each Party's Contracting Officer shall advise prospective Contractors of their obligation to notify the Contracting Agency immediately if they are subject to any license or agreement that shall restrict that Party's freedom to disclose Information or permit its use. The Contracting Officer shall also advise prospective Contractors to employ their best efforts not to enter into any new agreement or arrangement that shall result in such restrictions.

6.6 In the event a Party's Contracting Agency is unable to secure adequate rights to use and disclose Information as required by Article VIII (Disclosure and Use of Information), or is

notified by Contractors or prospective Contractors of any restrictions on the disclosure and use of Information, that Party's PO shall notify the other Party's PO of the restriction(s).

6.7 Each Party's PO shall promptly advise the other Party's PO of any cost growth, schedule delay, or performance problems of any Contractor for which its Contracting Agency is responsible.

6.8 No requirement shall be imposed by either Party for worksharing or other industrial or commercial compensation in connection with this Agreement that is not in accordance with this Agreement.

## ARTICLE VII

### TEP EQUIPMENT TRANSFERS

7.1 For the purpose of carrying out a PA, each Party may transfer, without charge to the other Party, TEP Equipment as identified in Article I (Definitions) as being necessary in the PA. These TEP Equipment transfers could nevertheless entail associated costs as described below. The PA shall provide specific details of any transfer of TEP Equipment. TEP Equipment identified at the time of PA signature shall be detailed in the RUTF PA as set out in Annex A (Model RUTF PA) and the CTE PA as set out in Annex B (Model CTE PA). TEP Equipment which cannot be identified at the time of PA signature shall be documented, when identified, in a list to be developed and maintained by the POs in the format at Annexes A and B, Appendix 2, Inventory of TEP Equipment Transfers. Approval for all TEP Equipment transfers shall be in accordance with national procedures.

7.2 For TEP Equipment transfers other than those contained in a PA, each Party may transfer, without charge to the other Party, TEP Equipment, to be documented using the model at Annex C, TEP Equipment Transfer (ET) Form. These TEP equipment transfers could nevertheless entail associated costs as described below. Approval for all TEP Equipment transfers shall be in accordance with national procedures.

7.3 The PA PO shall maintain a list of all TEP Equipment transferred pursuant to a PA.

7.4 TEP Equipment transferred shall be used by the receiving Party only for the purposes specified in the PA or ET Form. TEP Equipment shall remain the property of the providing Party. In addition, the receiving Party shall maintain the TEP Equipment in good order, repair, and operable condition. The receiving Party shall return the TEP Equipment to the providing Party in as good condition as received, reasonable wear and tear excepted, or return the TEP Equipment and pay the cost to restore it to such condition. Nevertheless, the providing Party may also transfer TEP Equipment which could be expended or consumed without reimbursement to the providing Party as agreed in a PA or an ET Form. If the TEP Equipment is damaged beyond economical repair, the receiving Party shall return the TEP Equipment to the providing Party (unless otherwise specified in writing by the providing Party) and pay the replacement value as computed pursuant to the providing Party's national laws, regulations, and procedures. If the TEP Equipment is lost or stolen, the receiving Party shall issue a certificate of loss to the providing Party and pay the replacement value as computed pursuant to the providing Party's national laws, regulations, and procedures. When appropriate, the providing and receiving Parties may specify that in no case shall any payment respecting damage or loss exceed the amount indicated in the applicable PA or ET Form.

7.5 The providing Party shall make every effort to ensure that the TEP Equipment is furnished in a serviceable and usable condition according to its intended purpose. However, the providing Party makes no warranty or guarantee of fitness of the TEP Equipment for a particular purpose or use, and makes no commitment to alter, improve, or adapt the TEP Equipment, or any part thereof.

7.6 The providing Party shall transfer the TEP Equipment for the approved period, unless extended by written amendment, provided that the duration shall not exceed the effective period of the PA or ET Form.

7.7 The providing Party, at its expense, shall deliver the TEP Equipment to the receiving Party at the location mutually approved. Responsibility for TEP Equipment shall pass from the providing Party to the receiving Party at time of receipt. Any further transportation will be agreed to, and specified in, the PA or ET form.

7.8 The providing Party shall furnish the receiving Party such information as is necessary to enable the TEP Equipment to be used.

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

7.10 Upon expiration or termination of the transfer period specified in the PA or the ET Form (taking into account any extension), the receiving Party shall return the TEP Equipment, at its expense, to the providing Party at the location mutually approved. Any further transportation is the responsibility and at the expense of the providing Party.

7.11 The receiving Party shall provide written notice of consumption or expenditure of TEP Equipment approved for such consumption or expenditure. In the event the intended consumption or expenditure does not occur, the receiving Party shall, unless otherwise determined by the providing Party, return the TEP Equipment, at its expense, to the providing Party to the location mutually approved. Any further transportation is the responsibility and at the expense of the providing Party.

7.12 The Parties shall ensure, by all reasonable means, the protection of intellectual property rights in TEP Equipment.

7.13 Any TEP Equipment that is jointly acquired on behalf of the Parties for use under any PA shall be disposed of as mutually approved by the Parties.

7.14 Disposal of jointly acquired TEP Equipment may include a transfer of the interest of one of the Parties in such TEP Equipment to the other Party, or the sale of such TEP Equipment to a Third Party in accordance with Article XII (Third Party Sales and Transfers). The Parties shall share the consideration from jointly acquired TEP Equipment transferred or sold to a Third Party in the same ratio as costs are shared.

## ARTICLE VIII

### DISCLOSURE AND USE OF INFORMATION

#### 8.1 General

Both Parties recognize that successful cooperation depends on full and prompt exchange of information necessary for carrying out each TEP Activity. The Parties intend to acquire sufficient Information and rights to use such information to promote the objectives of this Agreement. The nature and amount of Information to be acquired shall be in accordance with Article II (Objectives), Article III (Scope of Work), Article VI (Contracting Provisions) and the PAs and ET Forms under this Agreement. Subject to the rights both Parties are accorded under this Agreement, title to Foreground Information generated by a Party or its contractor shall reside within that Party and/or its contractors, in accordance with that Party's national laws, regulations and policies.

8.2 All information relating to TEP and provided by one Party to the other Party prior to entry into effect of this Agreement shall be treated as information exchanged under paragraph 3.2 of this Agreement.

#### Information Exchange and Working Groups

8.3 The disclosure and use provisions which govern exchange of information and Working Groups authorized in Article III (Scope of Work), paragraphs 3.2.1 and 3.2.2 are as follows:

8.3.1 Disclosure: At its discretion, the furnishing Party may disclose information to the other Party. Prior written permission from the furnishing Party shall be required for further disclosure of the information by the receiving Party to any other entity, for example, a Contractor. Such permission shall not be required in the case of further disclosure to the receiving Party's Contractor Support Personnel, who are under a legally binding non-disclosure agreement.

8.3.2 Use: Use of information shall be for its own information and evaluation purposes only. Written permission from the furnishing Party shall be required for any other use.

#### RUTF PAs

8.4 Unless the Parties agree otherwise in writing, the following provisions shall apply to RUTF PAs:

8.4.1 The customer Party's use of information shall be for Defense Purposes only. Written permission from the performing Party shall be required for any other use.

8.4.2 The performing Party's use of information shall be for its own information and evaluation purposes only. Written permission from the customer Party shall be required for any other use.

## Other TEP Activities

8.5 The disclosure and use provisions which govern other TEP Activities authorized in Article III (Scope of Work), paragraphs 3.2.3 and 3.2.4 are set out below.

### 8.6 Government Foreground Information:

8.6.1 Disclosure: Foreground Information generated by a Party's military or civilian employees shall be disclosed without charge to both Parties.

8.6.2 Use: Each Party may further disclose, use or have used on its behalf Government Foreground Information without charge only for its Defense Purposes. The Party providing Government Foreground Information shall also retain its rights therein. If a Party intends to use any Government Foreground Information in a sale or other transfer to a Third Party, however, the provisions of Article XII (Third Party Sales and Transfers) of this Agreement shall apply.

### 8.7 Contractor Foreground Information:

8.7.1 Disclosure: Contractor Foreground Information generated and delivered by Contractors shall be disclosed without charge to the Parties.

8.7.2 Use: Each Party may further disclose, use or have used on its behalf, without charge, only for its Defense Purposes, all Contractor Foreground Information. The Party whose Contractors generate and deliver Contractor Foreground Information shall also retain rights of use therein in accordance with the applicable Contract(s). If a Party intends to use any Contractor Foreground Information in a sale or other transfer to a Third Party, the provisions of Article XII (Third Party Sales and Transfers) of this Agreement shall also apply.

### 8.8 Government Background Information:

8.8.1 Disclosure: Each Party, upon request, shall disclose to the other Party any relevant Government Background Information generated by its military or civilian employees, provided that:

8.8.1.1 such Government Background Information is necessary to or useful in the TEP Activity, with the disclosing Party determining whether it is "necessary to" or "useful in" the TEP Activity;

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

8.8.1.3 disclosure is consistent with national disclosure laws, regulations and policies of the disclosing Party.

8.8.2 Use: Government Background Information disclosed by one Party to the other Party may be used without charge by or for the receiving Party only for conducting the TEP Activity for which it was provided. However, subject to proprietary rights held by other than the Parties, Government Background Information may be used for Defense Purposes by the receiving Party without charge when the use of such Government Background Information is necessary for the use of Government Foreground Information. The furnishing Party (after consultation with the Receiving Party) shall determine whether such use of Government Background Information is necessary. The disclosing Party shall retain all its rights with respect to such Government Background Information.

8.9 Contractor Background Information:

8.9.1 Disclosure: Any relevant Contractor Background Information (including information subject to proprietary rights) which is or has been generated outside of the TEP Activity and delivered by Contractors of one of the Parties shall be made available to the other Party provided the following provisions are met:

8.9.1.1 such Contractor Background Information is necessary to or useful in the TEP Activity, with the disclosing Party determining whether it is "necessary to" or "useful in" the TEP Activity;

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

8.9.1.3 disclosure is consistent with national disclosure laws, regulations and policies of the disclosing Party.

8.9.2 Use: Contractor Background Information disclosed by one Party may be used without charge by or for the other Party only to conduct the TEP Activity for which it was provided. Any other use shall be in accordance with the terms arranged with the Contractor, and may be the subject of further restrictions by holders of proprietary rights.

8.10 Jointly Generated Foreground Information:

8.10.1 Disclosure: All Jointly Generated Foreground Information generated under a TEP Activity shall be disclosed to both Parties promptly and without charge.

8.10.2 Use: Each Party generating or receiving Jointly Generated Foreground Information may use or have used such information without charge only for its Defense Purposes unless mutually decided otherwise in writing.

8.10.3 Information generated by WGs shall be treated as Jointly Generated Foreground Information unless otherwise decided.

8.11 Alternative Uses of Information:

8.11.1 The prior written consent of each Party's Government shall be required for the use of any Foreground Information for purposes other than those provided for in this Agreement or any of its PAs.

8.11.2 Any Background Information provided by one Party shall be used by the other Party only for the purposes set forth in this Agreement, unless otherwise consented to in writing by the providing Party's Government.

8.12 Information Subject to Proprietary Rights:

8.12.1 All unclassified Information subject to proprietary rights shall be identified, marked and handled as Controlled Unclassified Information. All classified Information subject to proprietary rights shall be so identified and marked.

8.12.2 The provisions of the NATO Agreement on the communication of Technical Information for Defence Purposes of 19 October 1970, and its Implementing Procedures of 1 January 1971, shall apply to this Agreement.

8.13 Patents:

8.13.1 Where a Party owns title to an Invention, or has the right to receive title to an Invention, that Party shall consult with the other Party regarding the filing of a Patent application for such Invention. The Party which has or receives title to such Invention shall, in other countries, file, cause to be filed, or provide the other Party with the opportunity to file on behalf of the Party holding title, or its Contractors, as appropriate, Patent applications covering that Invention. If a Party having filed or caused to be filed a Patent application decides to stop prosecution of the application, that Party shall notify the other Party of that decision and permit the other Party to continue the prosecution.

8.13.2 The other Party shall be furnished with copies of Patent applications filed and Patents granted with regard to Inventions.

8.13.3 The other Party shall acquire a non-exclusive, irrevocable, royalty-free license to practice or have practiced, by or on behalf of the Party, throughout the world for Defense Purposes, any Invention.

8.13.4 Patent Applications that contain Classified Information to be filed under this Agreement or any PA under it shall be protected and safeguarded in accordance with the requirements contained in the Agreement Approving the Procedures for Reciprocal Filing of Classified Patent Applications in the United States of America and France, of July 10, 1959, and its Implementing Procedures.

8.13.5 Each Party shall notify the other Party of any Patent infringement claims made in its territory arising in the course of work performed under any PA of this Agreement.

Insofar as possible, the other Party shall provide information available to it that may assist in defending the claim. Each Party shall be responsible for handling all Patent infringement claims made in its territory, and shall consult with the other Party during the handling, and prior to any settlement, of such claims. The Parties shall share the costs of resolving Patent infringement claims in a manner they determine to be fair at the time the Patent infringement claim is resolved. The Parties shall, in accordance with their national laws and practices, give their authorization and consent for all use and manufacture in the course of work performed under the project of any invention covered by a Patent issued by their respective countries.

## ARTICLE IX

### CONTROLLED UNCLASSIFIED INFORMATION

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

9.1.1 such information shall be used only for the purposes authorized for use of Information as specified in Article VIII (Disclosure and Use of Information);

9.1.2 access to such information shall be limited to personnel whose access is necessary for the permitted use under subparagraph 9.1.1, and shall be subject to the provisions of Article XII (Third Party Sales and Transfers);

9.1.3 each Party shall 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 Party consents to such disclosure. In the event of unauthorized disclosure, or if it becomes probable that the information may have to be further disclosed under any legislative provision, immediate notification shall be given to the originating Party.

9.2 To assist in providing the appropriate controls, the originating Party shall ensure that Controlled Unclassified Information is appropriately marked. The Parties shall decide, in advance and in writing, on the markings to be placed on the Controlled Unclassified Information. The appropriate markings shall be defined in the Project Security Instruction.

9.3 Controlled Unclassified Information provided or generated pursuant to this Agreement shall 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 Parties shall ensure the Contractors are legally bound to control such information in accordance with the provisions of this Article.

## ARTICLE X

### VISITS TO ESTABLISHMENTS

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

10.2 All visiting personnel shall be required to comply with security regulations of the Host Party. Any information disclosed or made available to visitors shall be treated as if supplied to the Party sponsoring the visiting personnel, and shall be subject to the provisions of this Agreement.

10.3 Requests for visits by personnel of one Party to a facility of the other Party shall be coordinated through official channels, and shall conform to the established visit procedures of the Host Party. Requests for visits shall bear the name of this Agreement and the appropriate PA.

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

## ARTICLE XI

### SECURITY

11.1 All Classified Information provided or generated pursuant to this Agreement shall be stored, handled, transmitted, and safeguarded in accordance with the General Security of Information Agreement between the Government of the United States of America and the Republic of France of 7 September 1977, and the Industrial Security Procedures between the Secretary of Defense of the United States and the French Minister of Defense of 21 May 1985.

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

11.3 Each Party shall take all lawful steps available to it to ensure that Classified Information provided or generated pursuant to this Agreement and any of its PAs is protected from further disclosure, except as permitted by paragraph 11.8, unless the other Party consents to such disclosure. Accordingly, each Party shall ensure that:

11.3.1 the recipient shall 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 Party in accordance with the procedures set forth in Article XII (Third Party Sales and Transfers);

11.3.2 the recipient shall not use the Classified Information for other than the purposes provided for in this Agreement;

11.3.3 the recipient shall comply with any distribution and access restrictions on information that is provided under this Agreement.

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

11.5 When a CTE PA contains provisions for the exchange of Classified Information, the POs shall prepare a Project Security Instruction (PSI) and a Classification Guide (CG) for the CTE PA. The PSI and the CG shall describe the methods by which Information shall be classified, marked, used, transmitted, and safeguarded. The PSI and CG shall be developed by the PO within three months after the CTE PA enters into force. They shall be reviewed and forwarded to the Parties' Designated Security Authorities (DSAs) for approval and shall be applicable to all government and Contractor personnel participating in the project. The CG shall be subject to

regular review and revision with the aim of downgrading the classification whenever this is appropriate. The PSI and the CG shall be approved by the appropriate DSA prior to the transfer of any Classified Information or Controlled Unclassified Information.

11.6 The DSA of the Party in which a classified Contract is awarded shall 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 provided or generated under this Agreement, the DSAs shall:

11.6.1 ensure that such Contractor, prospective Contractor or subcontractor and their facility(ies) have the capability to protect the Classified Information adequately;

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

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

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

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

11.6.6 ensure that access to the Classified Information is limited to those persons who have a need-to-know for purposes of the Agreement and any of its PAs;

11.7 Contractors, prospective Contractors, or subcontractors which are determined by DSAs to be under financial, administrative, policy or management control of nationals or entities of a Third Party, may participate in a Contract or subcontract requiring access to Classified Information provided or generated pursuant to this Agreement or any of its PAs only when enforceable measures are in effect to ensure that nationals or other entities of a Third Party shall 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 Party shall be consulted for approval prior to permitting such access.

11.8 For any facility wherein Classified Information is to be used, the responsible Party or Contractor shall approve the appointment of a person or persons to exercise effectively the responsibilities for safeguarding at such facility the information pertaining to this Agreement and any of its PAs. These officials shall be responsible for limiting access to Classified Information involved in this Agreement and any of its PAs to those persons who have been properly approved for access and have a need-to-know.

11.9 Each Party shall 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 this Agreement or any of its PAs.

11.10 Information provided or generated pursuant to this Agreement may be classified as high as SECRET. The existence of this Agreement is UNCLASSIFIED and the contents are UNCLASSIFIED. The classification of the existence of any PA and its contents shall be stated in that PA.

## ARTICLE XII

### THIRD PARTY SALES AND TRANSFERS

12.1 Except to the extent permitted in paragraph 12.2, and in accordance with their respective national procedures, the Parties shall not sell, transfer title to, disclose, or transfer possession of Foreground Information (or any item produced either wholly or in part from the Foreground Information) or jointly acquired or produced TEP Equipment to any Third Party without the prior written consent of the other Party's government. Furthermore, neither Party shall permit any such sale, disclosure, or transfer, including by the owner of the item, without the prior written consent of the other Party. Such consent shall not be given unless the government of the intended recipient consents in writing with the Parties that it shall:

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

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

12.2 Each Party shall retain the right to sell, transfer title to, disclose, or transfer possession of Foreground Information that:

12.2.1 is generated solely by either that Party or that Party's Contractors in the performance of that Party's work allocation under Article III (Scope of Work);

12.2.2 does not include any Foreground Information or Background Information of the other Party, and whose generation, test, or evaluation has not relied on the use of TEP Equipment of the other Party.

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

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

## ARTICLE XIII

### LIABILITY AND CLAIMS

13.1 With the exception of claims for loss of or damage to TEP Equipment under Article VII (TEP Equipment Transfers), claims against either Party or its personnel shall be dealt with in accordance with Article VIII of the Agreement between the Parties to the North Atlantic Treaty Regarding the Status of their Forces, signed in London on June 19<sup>th</sup>, 1951 (NATO SOFA). Employees and agents of Contractors shall not be considered to be civilian personnel employed by a Party.

13.2 Claims arising under or related to any contract awarded pursuant to Article VI (Contracting Provisions) shall be dealt with in accordance with the provisions of the contract.

## ARTICLE XIV

### CUSTOMS DUTIES, TAXES, AND SIMILAR CHARGES

14.1 Customs duties, import and export taxes, and similar charges shall be administered in accordance with each Party's respective laws and regulations. Insofar as existing national laws and regulations permit, the Parties shall 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 a TEP Activity.

14.2 Each Party shall 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 Party in whose country they are levied shall bear such costs. Any such costs shall not be considered to fall under either Party's shared costs.

14.3 If it is necessary to levy duties in order to comply with European Union (EU) laws, regulations, or policies, then these duties shall be met by the EU member. To this end, parts of the components of the equipment coming from outside the EU shall proceed to their final destination accompanied by the relevant customs document enabling settlement of duties to take place. The duties shall be levied as a cost over and above the EU member Party's shared cost of the PA.

ARTICLE XV

SETTLEMENT OF DISPUTES

15.1 Disputes between the Parties arising under or relating to this Agreement or any of its PAs shall be resolved only by consultation between the Parties and shall not be referred to a national court, an international tribunal, or to any other person or entity for settlement.