

GE PROPRIETARY INFORMATION AGREEMENT ITAR ADDENDUM
NON DISCLOSURE AGREEMENT (NDA)
FOR ITAR SUB-LICENSEES

Additional guidance concerning DoS Agreement compliance can be found at:
http://geae.com/aboutgeae/doingbusinesswith/trade_compliance/index.html

Receiving Party acknowledges and understands that any technical data related to defense articles on the U.S. Munitions List, to which Receiving Party has access or which is disclosed under valid U.S. Export Authorizations is subject to export control under the International Traffic in Arms Regulations (Title 22, Code of Federal Regulations, parts 120-130). Receiving Party hereby certifies that such data will not be further disclosed, exported or transferred in any manner, to any other foreign national or any foreign country without the prior written approval of the Office of Defense Trade Controls Licensing, U.S. Department of State.

§124.8 (1). This agreement shall not enter into force, and shall not be amended or extended without the prior written approval of the Department of State of the U.S. Government.

§124.8 (2). This agreement is subject to all United States laws and regulations relating to exports and to all administrative acts of the U.S. Government pursuant to such laws and regulations.

§124.8 (3). The parties to this agreement agree that the obligations contained in this agreement shall not affect the performance of any obligations created by prior contracts or subcontracts which the parties may have individually or collectively with the U.S. Government.

§124.8 (4). No liability will be incurred by or attributed to the U.S. Government in connection with any possible infringement of privately owned patent or proprietary rights, either domestic or foreign, by reason of the U.S. Government's approval of this agreement.

§124.8 (5). The technical data or defense service exported from the United States in furtherance of this agreement and any defense article which may be produced or manufactured from such technical data or defense service may not be transferred to a foreign person except pursuant to §§124.16 and 126.18, as specifically authorized in this agreement, or where prior written approval of the Department of State has been obtained.

§124.8 (6). All provisions in this agreement which refer to the United States Government and the Department of State will remain binding on the parties after the termination of the agreement.

For Sub-licensees on Manufacturing License Agreements, the following ITAR provisions shall apply:

§124.9(a)(1). No export, sale, transfer or other disposition of the licensed article is authorized to any country outside the territory wherein manufacture or sale is herein licensed without the prior written approval of the U.S. Government unless otherwise exempted by the U.S. Government. Sales or other transfers of the licensed article shall be limited to governments of countries wherein manufacture or sale is hereby licensed and to private entities seeking

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to procure the licensed article pursuant to a contract with any such government unless the prior written approval of the U.S. Government is obtained.

§124.9(a)(2). It is agreed that sales by licensee or its sub-licensees under contract made through the U.S. Government will not include either charges for patent rights in which the U.S. Government holds a royalty-free license, or charges for data which the U.S. Government has a right to use and disclose to others, which are in the public domain, or which the U.S. Government has acquired or is entitled to acquire without restrictions upon their use and disclosure to others.

§124.9(a)(3). If the U.S. Government is obligated or becomes obligated to pay to the licensor royalties, fees, or other charges for the use of technical data or patents which are involved in the manufacture, use, or sale of any licensed article, any royalties, fees or other charges in connection with purchases of such licensed article from licensee or its sub-licensees with funds derived through the U.S. Government may not exceed the total amount the U.S. Government would have been obligated to pay the licensor directly.

§124.9(a)(4). If the U.S. Government has made financial or other contributions to the design and development of any licensed article, any charges for technical assistance or know-how relating to the item in connection with purchases of such articles from licensee or sub-licensees with funds derived through the U.S. Government must be proportionately reduced to reflect the U.S. Government contributions, and subject to the provisions of paragraphs (a)(2) and (3) of this section, no other royalties, or fees or other charges may be assessed against U.S. Government funded purchases of such articles. However, charges may be made for reasonable reproduction, handling, mailing, or similar administrative costs incident to the furnishing of such data.

§124.9(a)(5). The parties to this agreement agree that an annual report of sales or other transfer pursuant to this agreement of the licensed articles, by quantity, type, U.S. dollar value, and purchaser or recipient, shall be provided by (applicant or licensee) to the Department of State.

§124.9(a)(6). (Licensee) agrees to incorporate the following statement as an integral provision of a contract, invoice, or other appropriate document whenever the licensed articles are sold or otherwise transferred:

These commodities are authorized for export by the U.S. Government only to (state the country of ultimate destination or approved sales territory. Do not use collective terminology). They may not be resold, diverted, transferred, transshipped, or otherwise be disposed of in any other country, either in their original form or after being incorporated through an intermediate process into other end-items, without the prior written approval of the U.S. Department of State.

For Sub-licensees on Manufacturing License Agreements involving the Manufacture of Significant Military Equipment, add the following:

§124.9(b)(1). A completed Non-transfer and use Certificate (DSP-83) must be executed by the foreign end-user and submitted to the Department of State of the United States before any transfer may take place.

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§124.9(b)(2). The prior written approval of the U.S. Government must be obtained before entering into a commitment for the transfer of the licensed article by sale or otherwise to any person or government outside of the approved sales territory.

For Sub-licensees with Contract Employees, add the following:

“Contract employees to any party to the agreement hired through a staffing agency or other contract employee provider shall be treated as employees of the party, and that party is legally responsible for the employees’ actions with regard to transfer of ITAR controlled defense articles to include technical data, and defense services. Transfers to the parent company by any contract employees are not authorized. The party is further responsible for certifying that each employee is individually aware of their responsibility with regard to the proper handling of ITAR controlled defense articles, technical data, and defense services.”