

No. 18080

**UNITED STATES OF AMERICA
and
AUSTRALIA**

**Memorandum of Agreement relating to provision of aviation
parts and services. Signed at Washington on 19 July
and 11 August 1978**

Authentic text: English.

Registered by the United States of America on 14 November 1979.

**ÉTATS-UNIS D'AMÉRIQUE
et
AUSTRALIE**

**Mémoire d'accord relatif à la fourniture de pièces
et de services pour l'aviation. Signé à Washington les
19 juillet et 11 août 1978**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 14 novembre 1979.

MEMORANDUM OF AGREEMENT¹ BETWEEN UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION, AND ROYAL AUSTRALIAN AIR FORCE, GOVERNMENT OF AUSTRALIA

NAT-I-707

WHEREAS, the U.S. Department of Transportation, Federal Aviation Administration, hereinafter referred to as the FAA, is in a position to furnish directly or by contract certain equipment and services which the Royal Australian Air Force of the Government of Australia, hereinafter referred to as the RAAF, requires, has funds available for, and has determined should be obtained from the FAA; and

WHEREAS, Section 305 of the Federal Aviation Act of 1958, as amended, directs the FAA to encourage and foster the development of civil aeronautics and air commerce in the United States and abroad, and Section 5 of the International Aviation Facilities Act of 1948, as amended, authorizes the FAA to accept funds from any foreign government as payment for any facilities, supplies or services performed for such government; and

WHEREAS, by virtue of determination made by the Agency for International Development, under authority of Section 607(a) of the Foreign Assistance Act of 1961, as amended, the FAA is authorized to furnish equipment and services to the RAAF:

NOW, THEREFORE, the FAA and the RAAF mutually agree as follows:

Article I. DESCRIPTION OF PROJECT

A. At such location and such time as may be mutually agreed upon by the FAA and the RAAF, the FAA shall:

1. Provide, to the extent that the FAA mission responsibilities are not jeopardized, parts peculiar and services for air navigation equipment which is common to and currently in the U.S. National Airspace System.
2. Pack, ship, and export such items in accordance with instructions contained in subsequent correspondence.

B. RAAF will be responsible for securing any export licenses or other documents required to permit the material furnished under this agreement to leave the United States and enter Australia.

C. Materials purchased by the FAA for the RAAF will carry the same manufacturer's warranty as material purchased by FAA for its own account.

D. The RAAF will be responsible for all transportation costs including shipping charges for items sent to the FAA Depot.

E. The RAAF will not hold FAA liable for loss or damage to item(s) while they are in transit.

F. Initial RAAF point of contact for all services will be:

Federal Aviation Administration
800 Independence Avenue, S.W.
Washington, D.C. 20591
Attention: AIA-220

¹ Came into force on 11 August 1978 by signature, in accordance with article VI.

Article II. SPECIAL LIMITATIONS

A. The total value of the material to be furnished by the FAA under this agreement may not exceed \$20,000 per year. This limitation does not include the packing or shipping charges nor the FAA administrative overhead charges.

B. The authority for the FAA to provide this service is dependent upon the continued unavailability on the open market of certain services and parts which are peculiar to air navigation equipment.

Article III. PAYMENT OF COSTS

A. The RAAF shall reimburse the FAA for all costs associated with providing parts and services plus a ten percent administrative overhead charge, as follows:

1. Issues from inventory shall be billed at the unit price on record at the time of issue plus logistics management costs, an administrative overhead charge, and transportation costs.
2. Exchange and Repair (E&R) services shall be billed at the FAA repair rate plus logistics management costs, an administrative overhead charge, and transportation costs. If, under an E&R transaction, an unserviceable unit is not returned, or if the returned unit is not reparable, a supplemental billing shall be prepared. The supplemental billing shall include the difference between the previously billed repair charge and the replacement costs of the item. The amount derived shall then be adjusted by administrative overhead charges. Supporting records shall be available for review at the Aeronautical Center.
3. Repair and Return (R&R) services shall be billed at actual repair costs, plus logistics management costs, and administrative overhead charge, and transportation costs.

B. FAA bills will be rendered on an accrued cost basis quarterly. Bills will contain a reference to the number assigned this agreement (NAT-I-707) and identify material and/or services for which charges are included. In cases where specific material and/or services provided by FAA vary or their identity cannot be properly reflected on the face of the bill, information and related costs will be identified on an appropriate attachment to the bill. Payments for services will be remitted by check, in United States dollars within thirty (30) days from receipt, made payable to the Federal Aviation Administration and forwarded to:

FAA Aeronautical Center
Attention: Accounting Division, AAC-20
P. O. Box 25082
Oklahoma City, Oklahoma 73125

C. The RAAF hereby designates the Office of the Air Attaché, Embassy of Australia, 1601 Massachusetts Avenue, N.W., Washington, D.C. 20036, as the billing office to which FAA bills will be rendered.

Article IV. LIABILITY

The RAAF, on behalf of the Government of Australia, agrees to defend any suit brought against the Government of the United States, the FAA, or any instrumentality or officer of the United States arising out of work under this agreement. The RAAF, on behalf of the Government of Australia, further agrees to hold the United States, the FAA, or any instrumentality or officer of the United States harmless against any claim by the Government of Australia, or any agency thereof, or any third persons for personal injury, death, or property damage arising out of work under this agreement.

Article V. AMENDMENT

Changes to this agreement shall be formalized by an appropriate written amendment to the agreement when signed by the duly authorized representatives of both Parties.

Article VI. EFFECTIVE DATE

This agreement supersedes any previous agreements between the Parties on the subject matter set forth in Article I hereof. This agreement shall become effective on the date the last signature is affixed, and will remain in effect for five years.

Article VII. REVOCATION

This agreement may be revoked at any time by either Party by sixty days' notice in writing.

Any disagreement regarding the interpretation or application of this Memorandum of Agreement will be resolved by consultation between the Parties and will not be referred to any international tribunal or third party for settlement.

The FAA and RAAF agree to the provisions of this agreement as indicated by the signatures of their duly authorized officers.

Royal Australian Air Force
Government of Australia:

By: [Signed — Signé]¹
Title: Wing Commander for Air Attaché

Date: 11 August 1978

United States of America
Department of Transportation
Federal Aviation Administration:

By: [Signed — Signé]²
Title: Assistant Administrator for International Aviation Affairs (Acting)

Date: July 19, 1978

¹ Signed by A. J. Spooner — Signé par A. J. Spooner.

² Signed by Norman H. Plummer — Signé par Norman H. Plummer.