

No. 21950

**NETHERLANDS
and
AUSTRALIA**

Exchange of letters constituting an agreement on a defence security arrangement (with schedules, security agreement and notes). The Hague, 2 December 1977

Exchange of notes constituting an agreement on the interpretation of paragraph 3 of the above-mentioned Agreement. The Hague, 6 June 1979

Authentic texts: English.

Registered by the Netherlands on 24 June 1983.

**PAYS-BAS
et
AUSTRALIE**

Échange de lettres constituant un accord relatif à la sécurité en matière de défense (avec annexes, accord de sécurité et notes). La Haye, 2 décembre 1977

Échange de notes constituant un accord relatif à l'interprétation du paragraphe 3 de l'Accord susmentionné. La Haye, 6 juin 1979

Textes authentiques : anglais.

Enregistrés par les Pays-Bas le 24 juin 1983.

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF THE NETHERLANDS AND THE GOVERNMENT OF AUSTRALIA ON A DEFENCE SECURITY ARRANGEMENT

I

THE HAGUE

Your Excellency,

I have the honour to refer to consultations between representatives of our Governments relating to the establishment of security arrangements to permit and regulate the exchange of information between the Government of Australia and the Government of the Kingdom of the Netherlands.

The establishment of these arrangements has become desirable in view of the cooperation between the Netherlands and Australia as regards the production and procurement of military equipment. I am now instructed to communicate to Your Excellency that the Australian Government is prepared to conclude an arrangement to be called "The Netherlands-Australia Defence Security Arrangement", with respect to this matter in the following terms.

Mutual Security Protection

1. The material to which this Arrangement relates is classified material of either or both countries relating to or in the nature of government-approved arrangements connected with Defence, including contracts, sub-contracts and pre-contract negotiations placed or entered into by or on behalf of the Netherlands Government or by or on behalf of the Australian Government.

2. Each Government will take all appropriate measures in accordance with this Arrangement and the Schedules thereto to protect material to which this Arrangement relates that is within its territorial jurisdiction or while possessed by or furnished to persons authorised by it to take that material abroad.

3. Matter subject to this Arrangement will be given security protection at least equal to that given each Government's own classified matter of a corresponding level of security classification.

4. Each Government will observe any further requirements for security protection which may be considered necessary by the two Governments for the purpose of regulating the exchange of classified military information between them.

5. Each Government will withhold matter subject to this Arrangement from the Government, firms, or citizens of a third State unless written approval to do otherwise is first obtained from the Government furnishing the matter.

6. Matter subject to this Arrangement will not be used for purposes other than defence purposes.

7. Each Government will arrange for necessary security inspections to be made of any facility within its territorial jurisdiction to which or through which matter subject to this Ar-

¹ Came into force on 27 July 1978, the date on which the Government of the Netherlands informed the Government of Australia of the completion of the constitutional procedures required in the Netherlands, in accordance with the provisions of the said letters.

rangement may be passed, or which may in any way be connected with the use or transmission of that matter.

8. Each Government, upon request, will provide reasonable facility for periodic visits by representatives of the requesting Government to review together the security provisions presently in force with a view to achieving mutual understanding of the adequacy and reasonable compatibility of the respective security systems.

9. Where a contract or arrangement involving classified matter is negotiated by or through the Government of the country furnishing the matter and is to be performed within the other country, the Government furnishing the matter will in each case incorporate in the contract document a security requirements clause as required by Schedule B to this letter, in the case of the Netherlands Government, or Schedule C to this letter in the case of the Australian Government, or in either case an appropriate equivalent clause.

10. Transmission of matter subject to this Arrangement will be made only through Government-to-Government channels and by representatives designated by each of the Governments.

11. Matter subject to this Arrangement will be made available only to a person who requires it in the performance of his duties and who has been appropriately security cleared and authorised to have the information.

12. Visits which involve access to or the exchange or passage of classified matter must have the prior approval of both Governments. Approval for such visits will be granted only to persons possessing valid clearances.

Terminology

13. In this Arrangement, the term "classified matter" includes all matter, in whatever form transmitted from one Government to the other, that is marked with a security classification or is indicated to be so classified by or under the direction of the transmitting Government.

Protection of Private Rights

14. Each Government will respect all industrial ownership rights, including copyrights and rights originating from inventions, which are involved in information exchanged under this Arrangement.

Security Costs

15. No compensation will be paid between Governments for costs arising in connection with the carrying out of security measures.

Violation of Provisions for Security Protection

16. Violation of any security regulations or provisions for security protection of matter subject to this Arrangement will be investigated and proceeded against according to law by the appropriate authorities and in the relevant law courts.

17. If there is any loss, compromise or possible compromise of classified matter or any violation of security regulations in respect of matter subject to this Arrangement, such incident will be reported promptly to the Government which furnished the matter.

Schedules

18. Further details on the proceedings to be followed for the implementation of this Arrangement are set out in Schedules A, B, C and D attached to this letter.

Review or Termination of the Arrangement

19. This Arrangement will be reviewed on the request of either Government.

20. This Arrangement will cease to operate six months after receipt of written notice of termination by one Government from the other.

21. Unless otherwise agreed by both Governments, where the Arrangement ceases to operate all matter subject to the Arrangement will be treated according to the terms of the Arrangement.

22. This Arrangement will only apply to the part of the Kingdom of the Netherlands situated in Europe.

If the foregoing is acceptable to the Government of the Kingdom of the Netherlands, I propose that this letter and Your Excellency's confirmatory reply constitute the Arrangement which will come into effect on the date on which the Government of the Kingdom of the Netherlands informs the Government of Australia in writing that the procedures constitutionally required in the Kingdom of the Netherlands have been complied with.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

DAVID FAIRBAIRN
Ambassador of Australia

Minister of Foreign Affairs
of the Kingdom of the Netherlands
The Hague

2 December 1977

SCHEDULE A

1. Where required by this Arrangement, the Government of the Netherlands will protect matter subject to the Arrangement according to the Netherlands security regulations and in particular according to *artikel 2, hoofdstuk 1 of Beveiligingsvoorschrift — II, 1965* and the *Algemeen Beveiligingsvoorschrift voor Defensie-opdrachten 1965* (Security Directive), where appropriate.

2. Where required by this Arrangement, the Australian Government will protect matter subject to the Arrangement according to Australian security regulations and in particular according to the Protective Security Handbook, 1966 and the Handbook of Security Procedures for Contractors where appropriate.

3. Where there is to be any change in the security regulations or procedures of either country relevant to matter subject to the Arrangement the Government of that country will immediately notify the other Government of the decision to change the regulations or procedures.

4. Where there is a change in the security regulations or procedures of either country, the Government of the other country may demand that the regulations and procedures formerly applied continue to be applied in respect of matter subject to the Arrangement.

5. From the date of this Arrangement, the provisions of the Arrangement shall extend to classified matter passed from one country to the other before the date of this Arrangement unless it is otherwise agreed by both Governments in respect of any particular matter.

6. Where matter subject to this Arrangement is oral information, the fact of transmission of that information will be recorded in a "Note for File" (memo) which will be subject to the same security measures as any other written document subject to the Arrangement.

7. Where sub-contracts involving matter subject to the Arrangement are let to the country originally furnishing the matter to the contractor, that country will assume responsibility for security measures affecting the facilities used and persons employed on such projects.

Security Clearances

8. Issue of clearances of facilities and individuals will be conducted according to the regulations of the country having responsibility for administering measures for matter subject to the Arrangement.

Security Requirements for Contractors

9. Each Government will ensure that contractors or sub-contractors having access to matter subject to the Arrangement are furnished instructions setting forth their responsibilities to protect the matter in accordance with the applicable laws and regulations.

(a) The Netherlands Government will furnish such contractors and sub-contractors in the Netherlands with a copy of the Security Directive (*Algemeen Beveiligingsvoorschrift voor Defensie-opdrachten 1965*) between the contractor and the Minister for Defence, and any modification to it necessary for proper security protection in each particular case.

(b) The Australian Government will furnish such contractors and sub-contractors in Australia with a copy of the Handbook of Security Procedures for Contractors, the Security Agreement (Release of Australian Government Classified Matter to Industry—Security Document No. 4) between the contractor and the Department of Defence, the provisions of Security Document No. 1 (Secrecy and Security for Contracts Classified “Restricted”) or Security Document No. 2 (Secrecy and Security for Contracts Classified “Confidential”, “Secret” or “Top Secret”) as applicable, and any modification to the Security Agreement or Security Document No. 1 or No. 2 necessary for proper security protection in each particular case.

10. A copy of any security requirements clause required by this Arrangement to be included by either Government in a contract document, and any other security provisions related to that contract shall be furnished to the other Government.

Transmission

11. (a) All persons to whom or from whom matter subject to this Arrangement is to be transmitted shall be informed, by the appropriate Government, of the channels of transmission to be used by them.

(b) Matter subject to this Arrangement shall be prepared for any transmission in accordance with the regulations of the country from which the material is to be despatched.

12. Each Government shall ensure that classified matter it furnishes to the other Government is marked with its appropriate classification marking and the name of the country of origin.

13. Australian classified matter, including matter produced or reproduced in the Netherlands, shall also be marked with the markings indicated in Schedule D. When no longer required, Netherlands classified matter shall be returned through the Australian Embassy, The Hague, to the designated Netherlands Intelligence Authority.

Australian Classified Matter

14. (a) Where the Australian Government furnishes classified matter it will assign a security classification to each of the elements of that matter, mark them appropriately and advise the Director of the designated Netherlands Intelligence Authority of that classification. Upon receipt, the Netherlands Government will assign an equivalent Netherlands classification to each of the elements of classified matter furnished or to be furnished, mark them, and forward them to the appropriate contractor or agent.

(b) Where Australian classified matter is produced or reproduced in the Netherlands, the Netherlands Government will ensure that it is marked, under Government supervision, with the assigned classification marks of both countries as provided in clause 16 below. The markings will be applied in the manner prescribed in the Netherlands regulations.

(c) If Australian classified matter is disclosed orally pursuant to a visit to the contractor or agent by or on behalf of the Australian Government, that Government shall ensure that the contractor or agent is informed of the security classification of the matter.

Netherlands Classified Matter

15. (a) Where the Netherlands Government furnishes classified matter it will assign a security classification to each of the elements of that matter, mark them appropriately and advise the Chief Security Adviser, Central Office of Industrial Security, Department of Defence of that classification. Upon receipt, the Australian Government will assign an equivalent Australian classification to each of the elements of classified matter furnished or to be furnished, mark them, and forward them to the appropriate contractor or agent.

(b) Where Netherlands classified matter is produced or reproduced in Australia, the Australian Government will ensure that it is marked, under Government supervision, with the assigned classification markings of both countries as provided in clause 16 below. The markings will be applied in the manner prescribed in the Netherlands regulations.

(c) If Netherlands classified matter is disclosed orally pursuant to a visit to the contractor or agent by or on behalf of the Netherlands Government, that Government shall ensure that the contractor or agent is informed of the security classification of the matter.

Table of Equivalent Security Classification Categories

16. <i>The Netherlands Classification</i>	<i>Australian Classification</i>
Zeer Geheim	Top Secret
Geheim	Secret
Confidentieel	Confidential
Dienstgeheim	Restricted
Ongeclassificeerd	Unclassified

17. The Government furnishing classified matter shall furnish each contractor or agent specific classification guidance pertaining to each element related to the contract. The guidance will be forwarded by that Government to the other Government for adoption and transmission to the contractor or agent. Any change to the classification guidance or to the classification of any classified element related to the contract shall similarly be forwarded to the other Government and then transmitted to the contractor or agent.

Sub-Contracts

18. Where there is a contract or sub-contract involving matter subject to this Arrangement, the contractor or sub-contractor, unless specifically prohibited in the contract or sub-contract, may sub-contract within his own country in accordance with the security procedure prescribed by his country for sub-contracts involving classified matter, and within the country of the Government originally furnishing the classified matter if the procedure established by this Arrangement for placing a prime contract in that country is followed. A contractor or sub-contractor shall not sub-contract with another firm which is located outside his own country without first seeking and obtaining through established Government channels the written approval of the Government originally furnishing the classified matter.

Visits

19. Visitors on visits involving the exchange or passage of classified matter and approved by both Governments may be authorised to have access to classified matter provided the authorisation is limited to that necessary for official purposes in connection with the contract involving the classified matter.

20. Authorisation of visitors to have access to classified matter at the facility of a prime contractor may, on request, include authorisation to have access to or to disclose classified matter at the facility of a sub-contractor engaged in performance of work in connection with the same prime contract.

(a) Requests for approval of a visit shall include the following information:

- (i) Name in full (surname first or separate);
- (ii) Date and place of birth and current citizenship;
- (iii) Purpose of visit in detail, and identification of contract, if any;
- (iv) Official title of visitor;
- (v) Person(s) to be visited and the name and place of the establishment/firm;
- (vi) Date(s) of visit;
- (vii) Current security clearance status (personal);
- (viii) If the visitor is an industrialist, the current Cleared Facility Status of the Firm he represents;
- (ix) Authority to disclose Netherlands
Australian classified matter up to and including
..... level in accordance with the terms of reference of the visit;
- (x) Authority of Sponsorship (Appropriate Ministry/Department).

Requests for approval of visits shall be submitted at least four weeks in advance and in the manner described in clauses 21 and 22 below.

(b) If required a list may be developed to indicate those individuals who have been authorised by both Governments to visit the specified government activities or contractor facilities during specified periods of time, not to exceed twelve months, in connection with a specific contract. This authorisation may be renewed for additional periods of twelve months as may be necessary in the performance of the contract. Requests for individuals included in the approved list to visit in connection with the contract shall be submitted in advance of such visit through Government-to-Government channels to the government activity or contractor facility which is to be visited.

*Procedure Involving Australian Classified Matter
in the Netherlands*

21. (a) *General*

For the Minister for Defence the responsibility for the implementation of the security regulations in the Netherlands industry lies with:

The Director of Naval Intelligence (*Hoofd van de Marine Inlichtingendienst*)

The Director of Army Intelligence (*Hoofd van de Landmacht Inlichtingendienst*)

The Director of Air Force Intelligence (*Hoofd van de Luchtmacht Inlichtingendienst*)

These authorities have the responsibility for arranging facility clearance and approval of visits of Australian personnel when it is desired to carry on precontractual negotiations leading to the possible award of a contract in the Netherlands involving Australian classified matter.

Through abovementioned authorities Australian departmental agencies may arrange for placement of sub-contracts in the Netherlands.

Australian departments or agencies shall make their requests through the Australian Embassy, The Hague. The latter Embassy shall be in possession of a list of Netherlands industries. This list shall indicate which of the abovementioned authorities will be responsible for the implementation of the security regulations in each industry.

(b) *Initial Procedure*

Prior to disclosing classified matter to a prospective Netherlands tenderer, contractor or sub-contractor, department or agency, the Australian Government will communicate through the Australian Embassy, The Hague, with one of the Netherlands agencies specified in sub-clause 21 (a) and

- (1) Where facility is involved, obtain information as to the present security clearance status of the facility (which includes its secure storage protective capability) in order to carry on classified discussion, and request a higher level clearance status if required;
- (2) Obtain information as to the security clearance status of the contractor's personnel and personnel of the Netherlands department or agency with whom they desire to talk, and request higher level clearances if required.

(c) *Visits*

Requests for approval of individual visits or requests to establish an approved list for continuing visits shall be submitted by the Australian Government, through the Australian Embassy, The Hague, to one of the authorities mentioned under 21 (a).

Procedure Involving Netherlands Classified Matter in Australia

22. (a) *General*

The initial point of contact for classified discussions, precontractual negotiations, tenders, and the placement of a contract or sub-contract in Australia involving Netherlands classified matter shall be the Chief Security Adviser, Central Office of Industrial Security, Department of Defence, Canberra, A.C.T., who will administer security measures for these activities.

(b) *Initial Procedure*

Prior to disclosing classified matter to a prospective Australian tenderer, contractor or sub-contractor, department or agency the Netherlands Government will communicate through the Netherlands Embassy, Canberra, with the Chief Security Adviser, Central Office of Industrial Security, Department of Defence, Canberra, A.C.T. and

- (1) Where a facility is involved, obtain information as to the present security clearance status of the facility (which includes its secure storage protective capability) in order to carry on the classified discussion, and request a higher level clearance status if required;
- (2) Obtain information as to the security clearance status of the contractor's personnel and personnel of the Australian department or agency with whom they desire to talk, and request higher level clearances if required.

(c) *Visits*

- (1) Requests as appropriate for approval of individual visits or to establish an approved list for continuing visits will be submitted by the Netherlands Government to:

Chief Security Adviser,
Central Office of Industrial Security,
Department of Defence,
Canberra, A.C.T.

who will seek advice from the Department of Defence (including the Navy, Army and Air Force Offices) as to the acceptability of the visit. Fourteen "clear" days prior notice should be given before any visit is made.

Security Costs

23. Before any security measure is required which will result in an increase in security costs which a contractor is entitled to recover under his contract, such action will be coordinated after negotiation with the Government for whom the contract is to be performed.

SCHEDULE B

1. *Security Requirement Clause*

(a) The provisions of this clause are based upon the Netherlands-Australia Defence Security Arrangement, and shall apply to the extent that this contract involves access to and the handling of information to which a security classification has been assigned by the Government of the Netherlands.

(b) The Government of the Netherlands shall assign a security classification to each of the elements of classified information furnished or to be developed under this contract, and shall advise the Chief Security Adviser, Central Office of Industrial Security, Department of Defence of such security classification. If classified information is disclosed orally pursuant to a visit to the contractor by or on behalf of the Government of the Netherlands, the contractor shall be informed of such security classification. The Chief Security Adviser, Central Office of Industrial Security, Department of Defence shall assign an equivalent Australian security classification to each of the elements of classified information furnished or to be developed under the contract, and shall forward the information to the contractor. The Government of the Netherlands shall keep current all security classifications, and inform the Chief Security Adviser, Central Office of Industrial Security, Department of Defence of any changes thereto by means of a security classification guide. Each classified element of this contract shall be safeguarded by the contractor as Australian classified information and shall be subject to the provisions of the Australian laws and regulations.

(c) The contractor shall not incorporate, disclose, or release any Netherlands classified information, other than that furnished to him in connection with this contract, in the performance of this contract without the express written authorisation of the Director of the designated Netherlands Intelligence Authority.

(d) To the extent that elements of this contract have been or may be assigned a security classification, as provided in paragraph (b) above, the contractor shall safeguard all classified elements of this contract and shall provide and maintain a system of security controls within his own organisation in accordance with the requirements of:

- (1) The Security Agreement-Security Document No. 4 (attached) and the provisions of Security Document No. 1 or No. 2 as applicable (refer Schedule A) between the contractor and the Department of Defence and any modification to the Security Agreement or Security Document No. 1 or 2 as applicable for the purpose of adapting these regulations to the contractor's business;
- (2) Any amendments to said regulations made after the date of this contract, notice of which has been furnished to the contractor by the Australian Government (Central Office of Industrial Security, Department of Defence) having security cognizance over the facility.

(e) Representatives of the Department of Defence, Central Office of Industrial Security having security cognizance over the facility shall be authorised to inspect at reasonable intervals the procedures, methods, and facilities utilised by the contractor in complying with the security requirements under this contract at locations within Australia. Should the Government of Australia determine that the contractor is not complying with the Security requirements of this contract, the contractor shall be informed in writing by the Central Office of Industrial Security, Department of Defence of the proper action to be taken in order to effect compliance with such requirement.

(f) If, subsequent to the date of this contract, the security classifications or security requirements under this contract are changed by the Government of the Netherlands or by the Government of Australia, and the security costs under this contract are thereby increased or decreased, the contract price shall be subject to an equitable adjustment by reason of such increased or decreased costs.

(g) The contractor agrees to insert provisions in all sub-contracts awarded to the Australian contractors here under which involve access to classified information which shall conform substantially to the language of this clause, including this paragraph. For sub-contracts awarded to other than Australian contractors, an appropriate security requirements clause will be obtained from the Government of the Netherlands and inserted in the sub-contract.

(h) The contractor also agrees that he shall determine that any sub-contractor proposed by him for the furnishing of supplies and services which will involve access to classified information in the contractor's custody, prior to being accorded access to classified information:

- (1) If located in Australia, has been granted an appropriate Central Office of Industrial Security, Department of Defence security clearance which is still in effect, and has the ability to store classified information properly;
- (2) If located in any other country, has been approved by the Government of the Netherlands to have access to its classified information.

(i) An appropriate clause shall be inserted in the contract if the contracting office desires to limit the sub-contracting procedure.

2. *Table of Equivalent Security Classification Categories*

<i>The Netherlands Classification</i>	<i>Australian Classification</i>
Zeer Geheim	Top Secret
Geheim	Secret
Confidentieel	Confidential
Dienstgeheim	Restricted
Ongeclassificeerd	Unclassified

SCHEDULE C

1. *Security Requirements Clause*

(a) The provisions of this clause are based upon the Netherlands-Australia Defence Security Arrangement, and shall apply to the extent that this contract involves access to and the handling of information to which a security classification has been assigned by the Government of Australia.

(b) The Government of Australia shall assign a security classification to each of the elements of classified information furnished or to be developed under this contract, and shall advise the Director of the designated Netherlands Intelligence Authority of such security classification. If classified information is disclosed orally pursuant to a visit to the contractor by or on behalf of the Government of Australia, the contractor shall be informed of such security classification. The designated Netherlands Intelligence Authority shall assign an equivalent Netherlands security classification to each of the elements of classified information furnished or to be developed under the contract, and shall forward the information to the contractor. The Government of Australia shall keep current all security classifications, and inform the designated Netherlands Intelligence Authority of any changes thereto. Each classified element of this contract shall be safeguarded by the contractor as Netherlands classified information and shall be subject to the provisions of the Netherlands laws and regulations.

(c) The contractor shall not incorporate, disclose, or release any Australian classified information, other than that furnished to him in connection with this contract, in the performance of this contract without the express written authorisation of the Australian Government.

(d) To the extent that elements of this contract have been or may be assigned a security classification, as provided in paragraph (b) above, the contractor shall safeguard all classified elements of this contract and shall provide and maintain a system of security controls within his own organisation in accordance with the requirements of:

- (i) The Security Directive (*Algemeen Beveiligingsvoorschrift voor Defensie — Opdrachten 1965*) between the contractor and the Minister of Defence, and any modification to the Security Directive for the purpose of adapting these regulations to the contractor's business;
- (ii) Any amendments to said regulations made after the date of this contract, notice of which has been furnished to the contractor by the designated Netherlands Intelligence Authority having security cognizance over the facility.

(e) Representatives of the designated Netherlands Intelligence Authority having security cognizance over the facility shall be authorised to inspect at reasonable intervals the procedures, methods, and facilities utilised by the contractor in complying with the security requirements under this contract at locations within the Netherlands. Should the Government of the Netherlands determine that the contractor is not complying with the security requirements of this contract, the contractor shall be informed in writing by the Netherlands Department of Defence of the proper action to be taken in order to effect compliance with such requirements.

(f) If, subsequent to the date of this contract, the security classifications or security requirements under this contract are changed by the Government of the Netherlands or by the Government of Australia, and the security costs under this contract are thereby increased or decreased, the contract price shall be subject to an equitable adjustment by reason of such increased or decreased costs.

(g) The contractor agrees to insert provisions in all sub-contracts awarded to the Netherlands contractors hereunder which involve access to classified information which shall conform substantially to the language of this clause, including this paragraph. For sub-contracts awarded to other than Netherlands contractors, an appropriate security requirements clause will be obtained from the Government of Australia and inserted in the sub-contract.

(h) The contractor also agrees that he shall determine that any sub-contractor proposed by him for the furnishing of supplies and services which will involve access to classified information in the contractor's custody, prior to being accorded access to classified information:

- (1) If located in the Netherlands, has been granted an appropriate Netherlands Department of Defence facility security clearance which is still in effect, and has the ability to store classified information properly;
- (2) If located in any other country, has been approved by the Government of Australia to have access to its classified information.

(i) An appropriate clause shall be inserted in the contract if the contracting office desires to limit the sub-contracting procedure.

2. Table of Equivalent Security Classification Categories

<i>Australian Classification</i>	<i>The Netherlands Classification</i>
Top Secret	Zeer Geheim
Secret	Geheim
Confidential	Confidentieel
Restricted	Dienstgeheim
Unclassified	Ongeclassificeerd

SECURITY AGREEMENT

Release of Australian Government classified matter to industry

The Secretary
Department of Defence
Canberra, A.C.T. 2600

Security document No. 4
(Attention: Chief Security Adviser, Central
Office of Industrial Security, or authorised
representative)

1. I/We acknowledge that I am/we are responsible for the safeguarding and supervision of the Australian Government classified matter detailed in paragraph 3 below once it has been received by me/us and I/we give the following undertakings in accordance with the Netherlands-Australia Defence Security Arrangement:

(a) I/We will not copy or reproduce the classified matter*** without prior written consent; and

(b) I/We will not without your authority publish, show, distribute, release the classified matter or information derived therefrom to any person including overseas affiliates other than persons of this organisation for whom appropriate Government of Australia (refer Note 1) approvals are held and who have a direct "need to know"; and

(c) I/We also agree that any classified matter or information therefrom approved by the Government of Australia for release to overseas affiliates will be transmitted by that Government (refer Note 1) on a Government-to-Government basis; and

(d) (i) I/We will safeguard the classified matter in accordance with the security classification(s) endorsed thereon; and

(ii) I/We agree that the classified matter and the security protective arrangements can be audited and inspected by a Security Officer(s) of the Central Office of Industrial Security of the Government of Australia when considered necessary (refer Note 2).

(e) In the event of the classified matter and any information generated therefrom either being recalled by the Government of Australia or being no longer required by me/us or by any person authorised by you to whom I/we have distributed or released such classified matter and information I/we will comply forthwith or will advise you thereof, as appropriate, and carry out the instructions given by you.

2. I am/We are aware of the requirements arising from the security classification(s) of the matter and I am/we are also aware of the provisions of the relevant Australian Government (refer Note 1) Statutes relating to Official Secrecy.

3. Detail(s) of the classified matter involved is/are as follows:

<i>Subject</i>	<i>Reference</i>	<i>Security classification</i>
.....
.....
.....
.....

Dated Signature
(Authorised Representative of Organisation)
(Refer Note 3)

Dated Witness
(Australian Government Officer)
(Refer Note 1)

Organisation Details

Full Name (Block Letters) of Signing Officer
 Name of Organisation
 Registered Office Address

Instructions for the Return of Classified Matter

Before returning the classified matter covered by this Agreement and any generated information pertaining thereto to the originator the advice of the Department of Defence (refer Note 2) should be first sought and any directions given are to be observed (paragraph 1 (e) refers).

Guide Instructions for the Custody of Classified Matter

1. TOP SECRET specific instructions will be issued on each occasion.*
2. SECRET AND CONFIDENTIAL matter is to be stored when not in actual use or under guard, in secure vaults, safes or equivalent containers, having anti-drill protection, and secured by an approved** combination lock of the dial type.
3. RESTRICTED matter, when not in use, is to be stored in a container, preferably having anti-drill protection, and secured by an approved** key lock or angle locking bar with approved** padlock.

* Authority — Central Office of Industrial Security, Department of Defence. Refer Note 2.

** Approved by Central Office of Industrial Security, Department of Defence. Refer Note 2.

*** The term "matter" includes everything, regardless of physical character on or in which information is recorded or embodied. Information which is transmitted orally is also considered as "matter".

NOTES

1. In cases where the Security Agreement is executed by industry located outside of Australia the word "Government" is to be interpreted as meaning the National Government of the country in which the industry is domiciled and further that that Government is acting as Agent for the Government of Australia, and has, *inter alia*, assured itself that the relevant security clearances have been obtained at the appropriate level for all access personnel. Furthermore where the text of the Agreement implies it the security rules and regulations of the National Industrial Security Organisation and the National Statutes relating to Official Secrecy of the Government of the country concerned apply.

2. In countries outside Australia for "Central Office of Industrial Security, Department of Defence/Government of Australia" substitute "The Industrial Security Organisation" or its equivalent of the National Government of the country concerned.

3. A copy of this Agreement must be retained by the firm executing it.

SCHEDULE D

CONFIDENTIAL

AUSTRALIAN

Example only
Registered Serial
No.

This document contains official Australian Defence Classified Information and is to be protected under the terms of the Netherlands-Australia Defence Security Arrangement.

When no longer required this Australian Official document is to be returned to the Chief Security Adviser, Central Office of Industrial Security, Department of Defence, Canberra, A.C.T. It is NOT to be destroyed without his written approval.

CHIEF SECURITY ADVISER

CENTRAL OFFICE OF INDUSTRIAL SECURITY

CONFIDENTIAL

AUSTRALIAN

II

MINISTERIE VAN BUITENLANDSE ZAKEN¹

The Hague, 2 December 1977

Your Excellency,

I have the honour to acknowledge receipt of your Excellency's letter of today's date, which reads as follows:

[See letter I]

I have the honour to confirm that the foregoing is acceptable to the Government of the Kingdom of the Netherlands and that your letter and this reply constitute the Arrangement which will come into effect on the date on which the Government of the Kingdom of the Netherlands informs the Government of Australia in writing that the procedures constitutionally required in the Kingdom of the Netherlands have been complied with.

Please accept, Sir, the assurance of my highest consideration.

[Signed]

M. VAN DER STOEL

Minister for Foreign Affairs
of the Kingdom of the Netherlands

His Excellency Sir David Eric Fairbairn
Ambassador of Australia
The Hague

[Annexes as under letter I]

¹ Ministry for Foreign Affairs.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ ON THE
INTERPRETATION OF PARAGRAPH 3 OF THE AGREEMENT
OF 2 DECEMBER 1977 BETWEEN THE GOVERNMENT OF THE
KINGDOM OF THE NETHERLANDS AND THE GOVERNMENT
OF AUSTRALIA ON A DEFENCE SECURITY ARRANGEMENT²

I

Note No. 111

The Australian Embassy presents its compliments to the Ministry of Foreign Affairs and has the honour to refer to paragraph 3 of the Netherlands/Australia Defence Security Arrangement² concluded at The Hague on 2 December, 1977 and which entered into force on 27 July, 1978.

It is the understanding of the Government of Australia that paragraph 3 of the above arrangement is to be interpreted to include the requirement that matter subject to this Arrangement will not be downgraded or declassified without the approval of the originating government.

If the foregoing is also the understanding of the Government of the Kingdom of the Netherlands, the Australian Embassy proposes that this Note together with the confirmatory reply from the Ministry of Foreign Affairs will record the accepted interpretation of paragraph 3 effective from 27 July, 1978, the date of the entry into effect of the Arrangement.

The Australian Embassy avails itself of this opportunity to renew to the Ministry of Foreign Affairs the assurances of its highest consideration.

The Hague, 6 June 1979

II

MINISTRY OF FOREIGN AFFAIRS

THE HAGUE

Treaties Department

DVE/VV-NA-2648

The Ministry of Foreign Affairs presents its compliments to the Embassy of Australia and has the honour to acknowledge receipt of the Embassy's Note No. 111 of 6 June 1979 the text of which reads as follows:

[See note I]

The Ministry has the honour to confirm that the foregoing is also the understanding of the Government of the Kingdom of the Netherlands and that the Em-

¹ Came into force on 6 June 1979 by the exchange of the said notes, with retroactive effect from 27 July 1978, the date of the entry into force of the above-mentioned Agreement of 2 December 1977, in accordance with the provisions of the said notes.

² See p. 122 of this volume.

bassy's Note together with this Note will record the accepted interpretation of paragraph 3 effective from 27 July, 1978, date of the entry into effect of the Arrangement.

The Hague, 6 June 1979

To the Embassy of Australia at The Hague
