



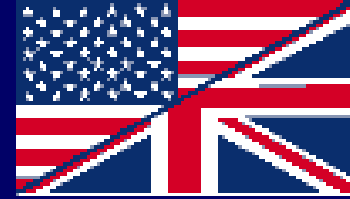
SOCIETY FOR INTERNATIONAL AFFAIRS

Developing Agreements to Meet Your Needs
TAA's, MLAs & WDAs

Debi L.G. Davis – Goodrich Corporation



Developing Agreements to Meet Your Needs

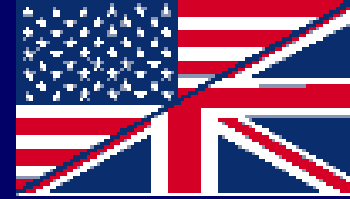


SOCIETY FOR INTERNATIONAL AFFAIRS

- Agreements are between **at LEAST 2** parties
- Work with the US party to ensure Agreement is developed to address **YOUR** needs as well as theirs
- **Ensure US Party understands your intentions**
 - Sublicensing, Dual Nationals, 3rdCountry Nationals, Re-exports, Work in the US
- Ensure that TAAs and MLAs are effective (scope and parties) and will stand the test of time



Various Types of Agreements

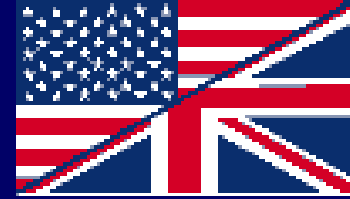


SOCIETY FOR INTERNATIONAL AFFAIRS

- **Two Party Agreement**
 - US Party & Non-US Party
- **Two Party Agreements w/Non-Signatory US parties**
 - Agreement with additional US party that is not a signatory
- **Two Party Agreements w/Other Non-Signatory, Non-US Entities**
 - Agreement with Non-US Subcontractors that are not signatories
- **Multiple Party Agreements (BEST CASE)**
 - Agreements where all parties share data with each other

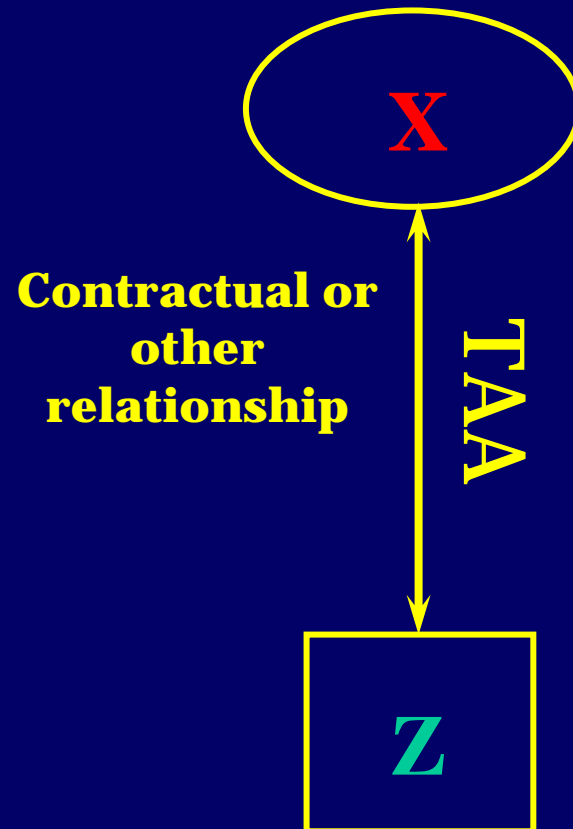


Two Party Agreement

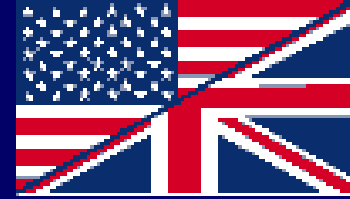


SOCIETY FOR INTERNATIONAL AFFAIRS

- **Example**
 - **X is parent/prime (US)**
 - **Z is sub (UK)**
- Parties must execute Agreement
 - U.S. party **MUST BE** registered
 - **Statement of Work (SOW)** consistent with activities
 - Agreement must be signed by both parties to be effective

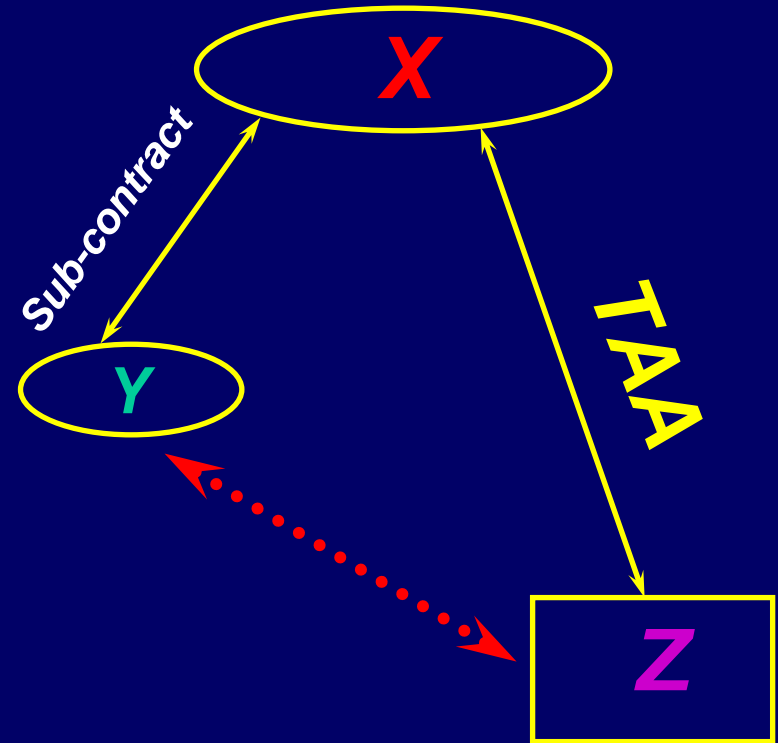


Two Party Agreements with a Non-Signatory US Party



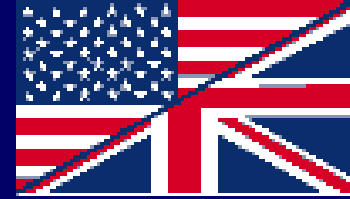
SOCIETY FOR INTERNATIONAL AFFAIRS

- Example of Two Party Agreement
 - X is U.S. Applicant (U.S.)
 - Y is U.S. Sub-Contractor (U.S.)
 - Z is Non-U.S. Licensee (UK)
- Information transfer only along solid lines
 - Y MAY NOT directly interact with Z (UK)
 - No technical data transfer or technical exchanges



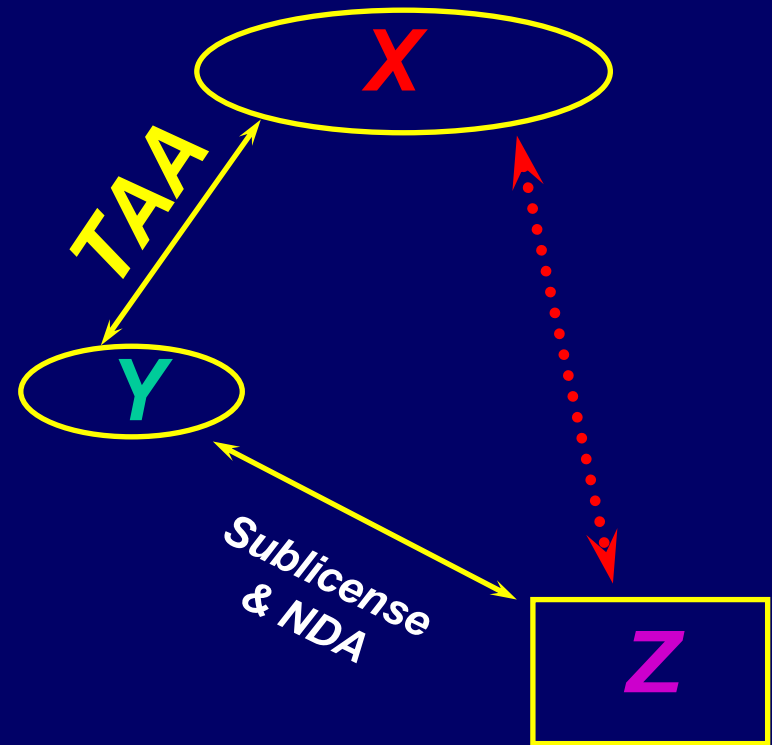


Two Party Agreements With Other Non-Signatory (Foreign Entities)

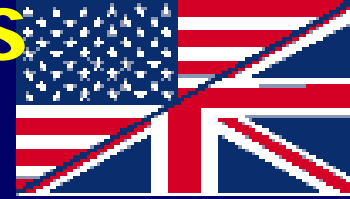


SOCIETY FOR INTERNATIONAL AFFAIRS

- Example of Two Party Agreement
 - X is U.S. Applicant (US)
 - Y is Non-U.S. Licensee (UK)
 - Z is Non-U.S. Sub-Contractor to Y (UK or Other)
- Information transfer only along solid lines
 - X (US) MAY NOT interact directly with Z (UK or Other)
 - Z (UK or Other) must be listed on Agreement
 - No technical data transfer or technical exchanges



Multiple Party Agreements (BEST CASE)



SOCIETY FOR INTERNATIONAL AFFAIRS

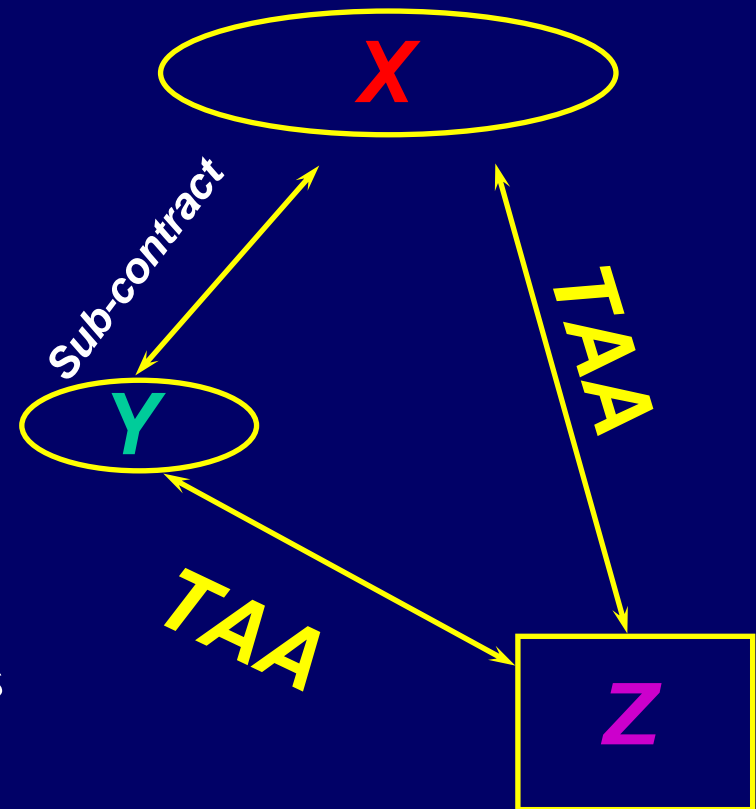
- Example of Three Party Agreement

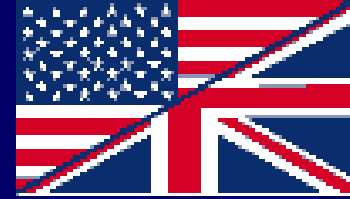
- X is prime (U.S.)
- Y is sub (U.S.)
- Z is Non-U.S. licensee (UK or Other)

- ALL Parties Sign Agreement

- Information transfer along solid lines

- Information transfer allowed between all parties within the scope of TAA

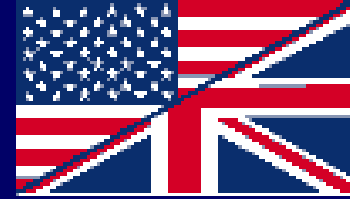




SOCIETY FOR INTERNATIONAL AFFAIRS

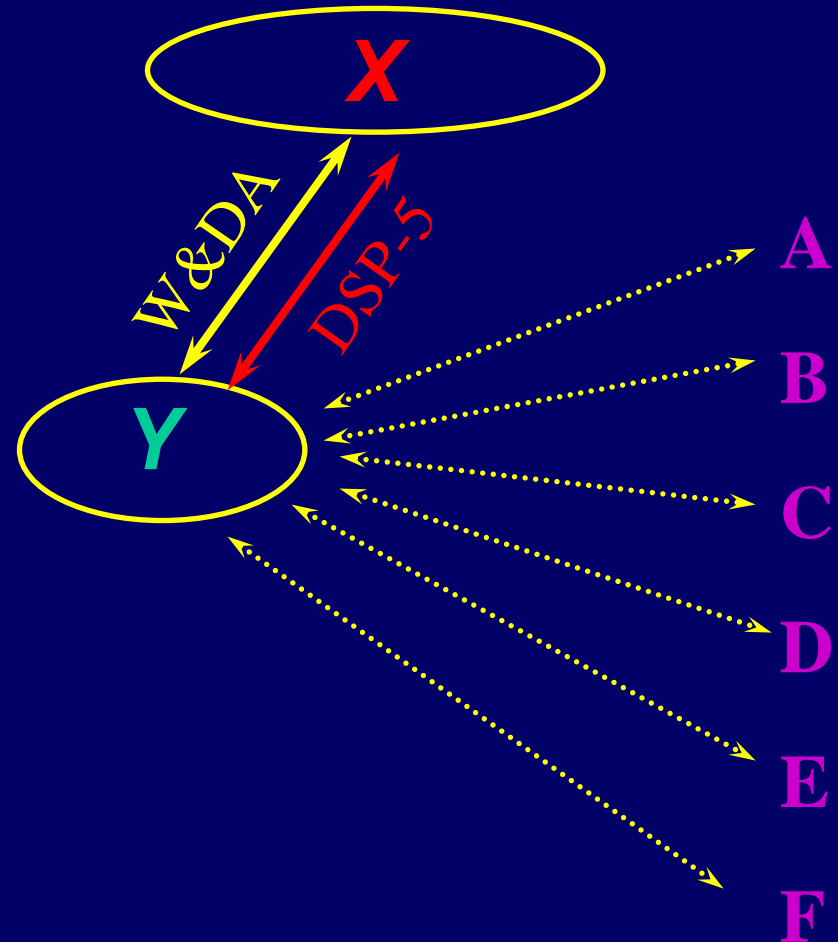
Warehouse & Distribution Agreements

Warehouse and Distribution Agreements



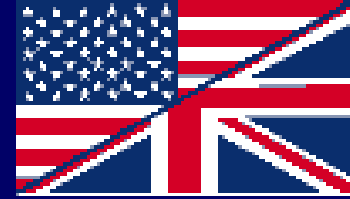
SOCIETY FOR INTERNATIONAL AFFAIRS

- Agreement is between US party and foreign party who will distribute product
 - US Party = X
 - UK Party = Y
- Product moves from X to Y via a DSP-5
- Y may then re-export or re-transfer product to A, B, C, D, E, F provided they are within the approved territory
- Agreement may be amended to expand territory if needed





Warehouse & Distribution Agreements (WDA)

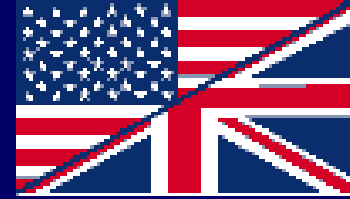


SOCIETY FOR INTERNATIONAL AFFAIRS

- **Permits a foreign party to inventory and distribute US defense articles within an approved territory**
 - Helpful when you may not know exactly where each part is going before it arrives
 - Ensures US Approval covers the necessary territory (actual approval may be for less than what was requested)
 - Requires annual report of sales or transfers (124.14(c)(6))
 - Provide destination control language in re-export or re-transfer (See 124.14(c)(7))
 - DSP-5 License still required to export under the Agreement – read provisos closely
- **Current practice is NOT to approve SME or MDE**
- **Good option for Repair and Overhaul operations**



Steps for Compliance



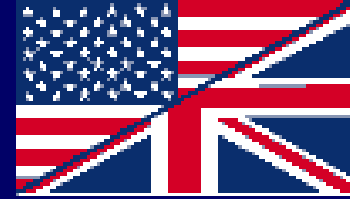
SOCIETY FOR INTERNATIONAL AFFAIRS

- Ensure US party is informed of ALL parties to the transaction
- Ensure US party understands where any data or hardware will be transferred
- Work with US Party to establish an agreement that truly addresses all your needs
- Obtain language for NDAs directly from the US Party
 - May vary for different programs and companies
- If you identify a need for a revision to an agreement (new party, name change, etc...) notify US party immediately
- Maintain copies of signed agreements and provisos if provided
- File Sales reports in a timely manner





Questions



SOCIETY FOR INTERNATIONAL AFFAIRS

