



United States Department of State

*Bureau of Political-Military Affairs
Directorate of Defense Trade Controls*

Washington, D.C. 20522-0112

AUG 11 2011

Sir:

I have the honor to refer to discussions which have taken place between our two Governments concerning access of employees and in particular dual nationals and third country nationals to United States defense articles and technology. These discussions reflect the shared objectives of ensuring the security of defense articles, including technical data, in order to facilitate enhanced defense cooperation between our two Governments. As a result of these discussions it is the understanding of the Government of the United States of America that arrangements of mutual interest have been reached which are described below and will apply between our two Governments.

Our two Governments recognize that it is in the sovereign national security interests of both the United States and the United Kingdom to provide for protection of their own and each other's defense articles and technical data, in furtherance of defense cooperation between our two Governments. It is

Mr. William Mark Jessett,

Minister-Counselor (Defense Material),

British Embassy.

understood that the Government of the United Kingdom has instituted security procedures for governmental and industrial operations concerning access to sensitive assets and information.

The Government of the United Kingdom requires a Baseline Personnel Security Standard (BPSS) for employment screening of civil servants, members of the armed forces and temporary staff, and for government contractors undertaking contracts involving sensitive information. It is understood that this screening covers nationality rules for government service where appropriate, verification regarding immigration and nationality, screening to guard against persons posing as prospective employees for commercial or personal gain, verification regarding criminal records, and screening for other factors indicating an individual's suitability for access to sensitive government assets. It is also understood that a BPSS allows employee access to secret assets of United Kingdom origin, custody of secret assets and entry to work areas where secret assets are stored.

In acknowledgement of the aforementioned mutual interests and security procedures, the Government of the United States of America hereby recognizes that HMG's BPSS, constitutes a screening process meeting the screening requirements of the International Traffic in Arms Regulation (ITAR), section 126.18(c)(2).

The two Governments further recognize that, in the course of investigations involving diversions of defense articles, including technical data, it may become necessary to exchange information concerning industrial security programs and individual data that may be considered private. It is understood that existing protocols and agreements between our two Governments provide for the sharing of such programs and data for the purposes of law enforcement under specified conditions, which include a requirement to protect such information within Government channels and to prevent it from public release. The two Governments intend accordingly to adhere to applicable, agreed procedures when requesting, receiving, and exchanging such information.

Additionally, it is noted that certain defense articles, including technical data, may be classified, in addition to being export controlled by the ITAR. In such cases, it is understood that employees possessing appropriate security clearances issued by the United Kingdom Government may be given access to United States' classified defense articles, including technical data, consistent with and in accordance with the General Security Agreement of April 14, 1961, between the United Kingdom and the United States of America, as amended.

If the arrangements set out above are acceptable to the Government of the United Kingdom, I have the honor to propose that this Note and your reply to that

effect, which instruments are not intended to be binding under international law, will place on record the understanding of our two Governments in this matter which will come into operation on the date of your reply.

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

For the Secretary of State:

DeWitt M. McCormick