

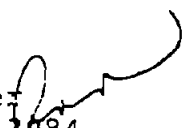


United States Department of State

Washington, D.C. 20520

MEMORANDUM

TO: Distribution

FROM: PM/ATEC - Ann Ganzer 
 (202) 647-3084
 (202) 647-4232 (fax)

SUBJECT: Satellite TSA Meeting

We have reached agreement on our draft TSA, and have received Circular 175 authority to negotiate with Russia, Kazakstan and Ukraine. Texts have been presented to Russia and Ukraine, and the Kazakstan text should go out today.

In order to focus the Russians on the need for a TSA, we have asked the embassy to suggest that we begin negotiations on June 16, 1997, one month from now. Just in case the Russians take us up on it, we need to be ready to negotiate!

I'd like to get the satellite group together to discuss our negotiating position. How about this Wednesday, May 21, at 11:00 am? Room 7320, State Department. Please call me to let me know if you can make it - 647-3084. If you need pre-clearance into the building, I'll need your DOB and SSN. And if you would like a copy of the final text, as agreed to by all the lawyers, give me a fax number!.

Thanks.

Distribution:

PM/DTC: TDavis, KPeoples
 PM/CBM: VVanDiepen
 EB/DCT: JBemis
 OES/STH: HBaird
 EUR/RUS: JGeshwiler
 ACDA: JKarika
 DOD/D TSA: PSmith
 DUSD (Space): JKortum

DOC: KCalhoun-
 Senghor/GChristenson
 NSC: JSeaton
 OSTP: JHofgard
 NASA: RTucker/BMasters
 DCI: JRixse
 DOT: DWells
 USTR: MMowrey
 JCS/J-5: JD111

AGREEMENT BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE RUSSIAN FEDERATION
ON TECHNOLOGY SAFEGUARDS ASSOCIATED WITH THE
LAUNCH BY RUSSIA OF
U.S.-LICENSED COMMERCIAL SPACECRAFT

ARTICLE I
PURPOSE

This Agreement is entered into between the Government of the United States of America and the Government of the Russian Federation (hereinafter referred to as "the Parties") for the purpose of precluding the unauthorized transfer of sensitive technology associated with the launching of U.S.-licensed commercial spacecraft by Russian space launch service providers.

ARTICLE II
DEFINITIONS

1. Related Equipment - Support equipment, ancillary items, components and spare parts thereof required for the launch of spacecraft on launch vehicles.

2. Spacecraft - Any commercial satellite, satellite system or subsystem, satellite component and/or orbital transfer motor licensed for export by the United States and used in connection with a launch covered by this Agreement.

3. Technical Data - Information, other than publicly available information, that is required for the design, engineering, development, production, processing, manufacture, use, operation, overhaul, repair, maintenance, modification, or reconstruction of spacecraft and related equipment, and analogous information related to the Russian launch vehicles. Examples of such information include information in the form of blueprints, drawings,

photographs, plans, instructions, computer software, and documentation.

4. U.S. Participant - U.S. Consignees, their contractors, subcontractors, employees, and agents, or U.S. Government officials and contractors, whether or not nationals of the U.S., who, in connection with the issuance of a U.S. export license, participate in activities related to the launch of spacecraft covered by this Agreement.

5. Russian Person - Any person, other than a U.S. Participant, whether or not a national of Russia, who has or could have access to U.S. spacecraft, related equipment and technical data covered by this Agreement who is subject to the jurisdiction or control of Russia.

6. Launch activities - All actions associated with the launching of U.S.-licensed spacecraft beginning with the initial technical discussion, through assembly and testing, up to and including launch and/or return of the spacecraft, related equipment, and technical data to the United States.

-2-

7. U.S. Consignee - The person or entity that is issued an export license(s) pursuant to U.S. laws and regulations to transfer the spacecraft, related equipment and technical data to Russia.

8. Russian Consignee - The Consignee as identified on the relevant U.S.-issued export license(s).

ARTICLE III GENERAL PROVISIONS

1. This Agreement specifies the security procedures to be followed for launches of spacecraft, including procedures for controlling access to spacecraft, related equipment and technical data used in connection with launch activities covered by this Agreement. This Agreement shall apply to all phases of activities related to commercial satellite launches, including activities at all facilities

of a U.S. Consignee, activities at all facilities under the jurisdiction or control of the Russian Federation, either in the Russian Federation or in a third country, and activities to which persons under the jurisdiction or control of Russia have access. This Agreement also shall apply to all phases of transportation of the spacecraft and related equipment.

2. Except as described in Article IV, or as otherwise authorized in advance by export licenses issued by the U.S. Government, under no circumstances shall there be unmonitored or unescorted access to U.S.-licensed commercial spacecraft, or any equipment or technical data related to launch activities. The Parties shall prohibit disclosure of such related equipment and technical data, including through unmonitored visual access, to the Russian Government, or to any person under the jurisdiction or control of Russia, or, in the case of a launch from the territory of a third country, to any person under the jurisdiction or control of the government of that country, except as authorized by export licenses issued by the U.S. Government.

3. For any launch covered by this Agreement, the U.S. Consignee shall be permitted to retain control of the U.S. spacecraft, related equipment and technical data at all times. The Russian launch site authority or Consignee shall be permitted to retain control of the Russian launch vehicle, related equipment and technical data. Except where authorized by the Russian Government, unmonitored or unescorted access to the Russian launch vehicle or any equipment or technical data connected with its launch shall not be permitted.

4. The Parties shall ensure that all persons under their jurisdiction or control who participate in or otherwise have access to launch activities covered by this Agreement follow the procedures specified herein. In addition, the Russian Government shall ensure that Russian Consignees and Russian Persons comply with the obligations set forth in any technology security plans for launch activities between the U.S. Consignees and Russian launch site authorities or Consignees. The U.S. Government shall ensure that U.S. Consignees and U.S. Participants comply with the obligations set forth in any technology security plans for

launch activities between the U.S. Consignees and Russian launch site authorities or Consignees. In the event of conflict between the provisions of this Agreement and the provisions of any technology security plan the provisions of this Agreement shall prevail.

5. The U.S. Government shall use its best efforts to assure continuity of the license(s) for completion of the transactions covered by licenses related to launches covered by this Agreement. However, if the U.S. Government

-3-

determines that any provision of this Agreement or a technology security plan for any launch covered by this Agreement may have been violated, it may suspend or revoke any export license(s) related to that launch. The U.S. Government shall, upon suspending or revoking any such export license(s), notify the Russian Government promptly and explain the reasons for its decision. In the event a license is revoked, the Russian Government shall facilitate the expeditious return to the United States of any spacecraft, related equipment and U.S. technical data that were transferred to Russia or to any Russian official. In any case, nothing in this Agreement shall restrict the authority of the U.S. Government to take any action with respect to export licensing consistent with U.S. laws, regulations and policies.

ARTICLE IV TECHNICAL DATA AUTHORIZED FOR DISCLOSURE

1. The U.S. Government shall authorize the Russian Government and Russian persons to receive only the following interface form, fit, and function technical data that describe mechanical and electrical mating requirements for attaching spacecraft to launch vehicles: orbit requirements; launch window; dimensional values; weight; center of gravity; envelope; dynamic loading; power usage/conditioning; interface adapter requirements; environmental requirements; propellant requirements; frequency plans, including telemetry, tracking and control (TT and C); safety plans; test flows; separation characteristics; ground handling/test equipment; and test/flight event sequences. Requests for

additional technical data, or technical assistance, must be directed to the U.S. Government. Information, other than publicly available information, related to U.S. launch vehicles is not authorized for release under this Agreement.

2. The Russian Government shall not retransfer and shall otherwise prohibit the retransfer by Russian persons of any U.S. technical data referred to in paragraph 1 above without the prior written approval of the U.S. Government. The Russian Government may not use, and shall ensure that Russian persons do not use such data for any purpose other than for the purposes specifically stated in the U.S. license.

3. The U.S. Government shall not retransfer and shall otherwise prohibit the retransfer by U.S. participants of any of the Russian technical data related to the launch without the prior written approval of the Russian Government. The U.S. Government may not use, and shall ensure that U.S. participants do not use, such data for any purpose other than for the purpose of carrying out the activities contemplated by this Agreement.

4. The Russian Government shall not seek and shall ensure that Russian persons do not seek any U.S. technical data or assistance not specifically authorized for release by the U.S. Government to the Russian Government or Russian persons. Any unauthorized acquisition or transfer of such U.S. technical data or assistance by the Russian Government or Russian persons shall constitute a violation of this Agreement.

ARTICLE V ACCESS CONTROLS

1. For any launch covered by this Agreement, the U.S. Government and the Russian Government shall oversee and monitor implementation of applicable technology security plans between the U.S. Consignee and the launch site

authority or Russian Consignee. The Russian Government shall permit and facilitate U.S.

Government oversight and monitoring of all launch activities.

2. The Parties shall ensure that only U.S. participants whose security procedures have been approved by the U.S. Government, shall, on a 24-hour basis, control access to spacecraft, related equipment, and U.S. technical data. Only such participants shall be permitted to control access throughout launch preparations, spacecraft transportation, mating/demating, test and checkout, spacecraft launch, and return of related equipment and U.S. technical data to the United States.

3. The U.S. Government shall have the right to inspect, at facilities that are specially set aside for work with a spacecraft covered by this Agreement, the related equipment and to check the U.S. technical data that is provided by the U.S. Consignee to Russian persons without prior notice to the Russian Government or to Russian persons. Furthermore, the U.S. Government shall have the right, for any launch covered by this Agreement, to inspect and monitor, including electronically through a closed circuit television system and other electronic devices compatible with launch operations and launch safety, all areas agreed upon between the Parties where the U.S. Consignee's equipment and technical data are located, including the "especially clean" portion for working with the spacecraft after the spacecraft's mating with the launch vehicle, and all areas agreed upon between the Parties along the route that the launch vehicle with the spacecraft mounted on it may follow to the launch pad. The U. S. Government shall coordinate the specifications and technical characteristics of any electronic monitoring devices with the Russian Government.

4. The Russian Government shall give timely notice to the U.S. Government of any operations that may create a conflict between the access control and monitoring requirements of the two Parties so that suitable arrangements can be agreed to safeguard the controlled equipment and technical data of both Parties. At no time shall the U.S. Consignee's control of access and monitoring of the spacecraft and related equipment and U.S. technical data be denied or interrupted. The U.S. Government does not intend that these actions interfere with the launch preparation and/or harm launch safety,

nor be directed at the acquisition of technology and/or information of Russian origin, which is not connected with the realization of the launch of the spacecraft or the transfer of which is not approved by the Russian Government.

5. All persons shall be required to display prominently identification badges while performing duties associated with launch activities. Access to the premises and areas that have been specially set aside for work with spacecraft covered by this Agreement shall be controlled exclusively by the U.S. Government or, as authorized in the export license, the U.S. Consignee. Such badges, which shall display the bearer's name and photograph, may be issued only by the U.S. Government, or by the U.S. Consignee if authorized by the U.S. Government.

6. The U.S. Consignee shall be authorized to issue temporary identification badges to authorized Russian persons performing launch-associated duties at a U.S. Consignee's facilities in the United States. Such badges shall be distinctive in color and marked "visitor."

7. Access to Russian-controlled facilities housing the U.S.-licensed equipment and technical data or Russian-controlled facilities where the spacecraft covered by this Agreement is located, assembled, tested or stored shall

-5-

be permitted only to persons as specified in this Agreement. Russian persons visiting such facilities and other areas where work is being conducted with such spacecraft shall be escorted at all times by U.S. participants approved by the U.S. Government. The Russian Government shall ensure that access to the facilities and other areas and premises at the technical and launch sites not specially set aside for work with such spacecraft is granted only in accordance with information on access badges distributed by the Russian Government and only to those persons acting in accordance with this Agreement.

ARTICLE VI

SPACECRAFT PROCESSING PROCEDURES

1. Spacecraft/Launch Vehicle Adapter Fit Check

The Parties shall ensure that Russian persons are permitted access to a spacecraft covered by this Agreement only as needed for test validation of adapters and shall be escorted and monitored at all times by U.S. participants whose security procedures have been approved by the U.S. Government. Russian persons shall not be permitted to observe testing of spacecraft and related equipment except as specifically authorized by the U.S. Government.

2. Transportation of the Spacecraft, Related Equipment, and U.S. Technical Data.

A. All transportation of the spacecraft, related equipment and technical data must be approved in advance by the U.S. Government.

B. Any aircraft carrying spacecraft, related equipment, or technical data covered by this Agreement and the cargo carried on board that aircraft shall be permitted to pass through Russian customs free of duties and/or taxes, without inspection and shall not be subject to inspection by Russian persons not authorized by the U.S. Government while within Russia. Russian authorities shall be entitled to the flight manifest. As a condition for the issuance of export licenses to U.S. Consignees, the U.S. Government shall require such Consignees to provide assurances that they shall not carry aboard aircraft transporting spacecraft or related equipment or U.S. technical data any goods unrelated to the launch activities

C. In the event of an accident or crash of an aircraft transporting spacecraft, related equipment, or technical data covered by this Agreement in the territory of Russia, the recovery terms of Article VII shall apply, mutatis mutandis.

3. Preparations at Launch Site

Russian persons shall be permitted to unload aircraft transporting spacecraft, related equipment, or U.S. technical data covered by this Agreement and deliver sealed crates to the

spacecraft preparation area at the launch site only if they are under the supervision of U.S. participants. Unless specifically permitted by persons authorized by the U.S. Government, Russian persons shall not be allowed into such spacecraft preparation areas for any purpose while a spacecraft or any related equipment covered by this Agreement is being tested and/or prepared for integration onto the launch vehicle. Russian persons may only be permitted into such spacecraft preparation areas if they are escorted at all times by U.S. participants.

-6-

4. Integration and Launch Pad Operations

For any launch covered by this Agreement, only U.S. participants shall be permitted to add propellant to the spacecraft and test the spacecraft at the technical complex and at the launch pad. The Parties shall ensure that access to the spacecraft and related equipment, and to the facilities and area specifically set aside for work with the spacecraft at the launch and technical facilities, shall be monitored and controlled by U.S. participants, during and after the spacecraft and launch vehicle are integrated. The Parties further agree that access to the spacecraft shall remain under the control of U.S. participants while the spacecraft, attached to the launch vehicle, is transferred to the launch pad.

5. Post-Launch Procedures

Only U.S. participants may be permitted to dismantle U.S.-supplied equipment. Such equipment, together with the U.S. technical data, must be returned to the United States aboard an aircraft approved by the U.S. Government. Customs procedures, as provided in Article VI(2)(3) shall apply to such post-launch procedures.

ARTICLE VII LAUNCH FAILURE, DELAY OR CANCELLATION

1. In the event of a launch delay, access to the spacecraft, related equipment, or technical data must be monitored by the U.S. participants. Russia shall ensure that U.S. participants shall be present if the spacecraft is exposed or removed from the launch vehicle after such spacecraft has been mated to the launch vehicle. Such spacecraft shall be under U.S. control from the launch pad to the spacecraft preparation area, where they shall be repaired, if required, and await remating to the launch vehicle. U.S. participants shall be permitted to monitor the remating of the spacecraft to the launch vehicle and oversee its return to the launch pad.

2. In the event of a launch cancellation, U.S. participants must be permitted to monitor access to the spacecraft, related equipment, or technical data. Russia shall permit U.S. participants to be present if the spacecraft is exposed or removed from the launch vehicle after such spacecraft has been mated to the launch vehicle. Such spacecraft shall be under U.S. control from the launch pad to the spacecraft preparation area, where, they shall be demated, if required, and await return to the United States. The Parties shall ensure that the loading of such spacecraft and related equipment and U.S. technical data on an aircraft shall be monitored by the U.S. participants, and that the aircraft be approved by the U.S. Government.

3. In the event of a launch failure after liftoff, the Russian Government shall permit U.S. participants to assist in the search for and recovery of any and all parts/debris from the spacecraft from all accident sites. The U.S. Government satellite search and recovery personnel shall have access to the accident site. In the event it appears that the search and recovery of parts/debris of a spacecraft will affect the interests of a third state, the Russian Government shall consult expeditiously with the Government of that state regarding the coordination of procedures for conducting search operations and the arrangements for involving U.S. participants in such operations, without prejudice to the rights and obligations of all concerned states, existing under international law, including those pursuant to the Agreement on the Rescue of Astronauts, the Return of

Astronauts, and the Return of Objects Launched into Outer Space. A "satellite debris recovery site", under U.S. control, shall be located at the launch facility.

Access to this location shall be controlled as provided in Article V of this Agreement. The Russian Government shall return immediately all articles associated with the spacecraft recovered by Russian persons to U.S.

participants

without examining or photographing them in any manner. U.S. participants and Russian persons shall exchange information available to them necessary to determine the cause of the accident, as specifically authorized by the U.S. and Russian Governments respectively.

ARTICLE VIII SETTLEMENT OF DISPUTES

Any dispute between the Parties regarding the application or interpretation of this Agreement shall be resolved by consultation through diplomatic channels.

ARTICLE IX RELATION TO OTHER AGREEMENTS

This Agreement, together with a suitable technology security plan between the U.S. Consignee and the Russian launch site authority or Consignee, shall be deemed to be a satisfactory technology safeguards agreement within the meaning of Article VI(1) of the Agreement Between the Government of the United States of America and the Government of the Russian Federation Regarding International Trade in Commercial Space Launch Services, signed at Washington September 2, 1993, as amended.

ARTICLE X ENTRY INTO FORCE, DURATION, AND TERMINATION

1. This Agreement shall enter into force upon an exchange of diplomatic notes confirming that all relevant procedures and requirements for entry into force have been fulfilled, and shall remain in force for a period of five years.

2. This Agreement may be amended or extended by mutual written agreement of the Parties.

3. This Agreement may be terminated by either Party upon three months' written notice to the other Party through diplomatic channels.

4. The obligations of the Parties set forth in Articles II, IV, V, VI and VII of this Agreement and concerning security, disclosure, use of information, and return of a spacecraft, related equipment, parts, technical data, or debris resulting from a failed or delayed launch of such spacecraft to the United States shall continue to apply after the expiration or termination of this Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at _____, in the English and the Russian languages, both texts being equally authentic, this _____ day of _____, 1997.

FOR THE GOVERNMENT OF
THE RUSSIAN FEDERATION

FOR THE GOVERNMENT
OF THE UNITED STATES
OF AMERICA