

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE MINISTRY OF FOREIGN AFFAIRS OF
THE KINGDOM OF THE NETHERLANDS
FOR COOPERATION ON
NONPROLIFERATION ASSISTANCE

Whereas promoting the non-proliferation of nuclear weapons and other nuclear explosive devices is in accordance with the Treaty on the Non-Proliferation of Nuclear Weapons of July 1, 1968; and

GUIDED by the mutual desire to cooperate with each other to detect and deter the illicit trafficking in nuclear and other radioactive material across international borders; and to identify, secure, remove and/or facilitate the disposition of vulnerable, high-risk nuclear, and other radioactive materials in countries around the world, in accordance with the objectives of the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, an initiative created by the G8 at the Kananaskis Summit in June 2002 (hereinafter the "Global Partnership"),

The Department of Energy of the United States of America ("DOE") and the Ministry of Foreign Affairs of the Kingdom of the Netherlands ("MFA"), hereinafter referred to as the "Participants",

HAVE REACHED THE FOLLOWING UNDERSTANDING:

- 2.4 Cooperation under this Memorandum is limited to the Cooperation Projects, and DOE intends to use all funds contributed by MFA under this Memorandum exclusively for that purpose.
- 2.5 DOE may accept, retain, and use the Contributions for GTRI until December 31, 2013; and for SLD, until December 31, 2015.

III FINANCIAL ARRANGEMENTS

- 3.1 From time to time as the Participants identify Cooperation Projects for MFA funding, MFA plans to pay the Contributions into DOE's account at the Federal Reserve Bank of New York, in accordance with arrangements jointly determined in writing by the Participants.
- 3.2 In the event any portion of the Contributions is not used by DOE by the dates stated in paragraph 2.5 of this Memorandum, DOE intends to return to MFA the unused portion of said Contributions.
- 3.3 DOE intends to keep accounts and records of the costs of the Cooperation Projects, including all expenditures or commitments; and to comply with its relevant regulations and with generally accepted accounting principles, including those related to audits.
- 3.4 DOE intends to provide to MFA monthly written updates on the Cooperation Projects, until the Contributions have been fully disbursed. In addition, DOE intends to provide to MFA an annual summary progress report of the Cooperation Projects until the Contributions have been fully disbursed.
- 3.5 DOE intends to allow, with reasonable notice, MFA or its representatives access to audits performed by DOE with regard to DOE's disbursement of the Contributions for the Cooperation Projects, for a period of three years after disbursement of the Contributions is completed. MFA understands that DOE may remove from its audits any information that DOE may be required to protect under U.S. law.

IV SOURCE OF FUNDS

For the duration of the Cooperation Projects, DOE intends to provide to MFA a copy of the United States Secretary of Energy's annual report to the United States Congress's defense committees regarding international contributions to SLD and GTRI.

V POINTS OF CONTACT

For purposes of facilitating communication under this Memorandum, DOE hereby designates as its points of contact:

Director
Office of the Second Line of Defense (NA-25)
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

and

Executive Officer
Office of Global Threat Reduction Initiative (NA-21)
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

For the same purposes, MFA designates as its point of contact:

Deputy Head
Non-Proliferation, Disarmament, Arms Control and Export Control Policy
Division
Security Policy Department
Ministry of Foreign Affairs
P.O. Box 20061
2500 EB The Hague
The Netherlands

VI GENERAL CONSIDERATIONS

- 6.1 This Memorandum does not create any legal obligations between the Participants.
- 6.2 Any dispute between the Participants concerning the interpretation, application, or implementation of this Memorandum should be settled by consultations between the Participants.
- 6.3 Each Participant should conduct the activities contemplated by this Memorandum in accordance with applicable laws to which it is subject and international agreements to which that Participant's Government is party.

VII COMMENCEMENT, MODIFICATION AND DISCONTINUATION

- 7.1 Cooperative activities under this Memorandum may commence upon its signature by both Participants.
- 7.2 This Memorandum may be modified by mutual consent of the Participants in writing. Any such modification is to become operative upon signature by the Participants.
- 7.3 The Participants do not intend this Memorandum to continue in operation after the Cooperation Projects are completed.
- 7.4 This Memorandum may be discontinued at any time by the Participants' mutual consent in writing. Alternatively, a Participant that wishes to discontinue its participation in this Memorandum should endeavor to provide at least 90 days' advance written notification to the other Participant.

Signed at Washington, in duplicate, this 4th day of May 2011.

FOR THE DEPARTMENT OF
ENERGY OF THE UNITED STATES
OF AMERICA



FOR THE MINISTRY OF FOREIGN
AFFAIRS OF THE KINGDOM OF
THE NETHERLANDS

