

IMPLEMENTING ARRANGEMENT NO. 2

**BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE MINISTRY OF SCIENCE AND TECHNOLOGY OF THE REPUBLIC OF KOREA**

**FOR COOPERATIVE LABORATORY RELATIONSHIP
BETWEEN
THE PITTSBURGH ENERGY TECHNOLOGY CENTER
AND
THE KOREA INSTITUTE OF ENERGY RESEARCH
AND
THE KOREA INSTITUTE OF SCIENCE AND TECHNOLOGY

IN THE AREA OF FOSSIL ENERGY TECHNOLOGY**

WHEREAS, the Government of the United States of America and the Government of the Republic of Korea signed an Agreement Relating to Scientific and Technical Cooperation on January 6, 1992 ("The S & T Agreement"), which entered into force on July 29, 1993;

WHEREAS, the U.S. Department of Energy (USDOE) and the Korea Ministry of Science and Technology (MOST), hereinafter referred to as the Parties, signed a Memorandum of Understanding (MOU) on November 6, 1981, providing for a Cooperative Laboratory Relationship among the USDOE Pittsburgh Energy Technology Center (PETC), the Korea Institute of Energy Research (KIER), and the Korea Institute of Science and Technology (KIST) to perform cooperation in the broad areas of coal technology development, which has expired; and

WHEREAS, cooperative activities have continued on an informal exchange basis and the Parties wish to continue the program of cooperation under the S & T Agreement;

Now, therefore, the Parties agree as follows:

ARTICLE I : OBJECTIVE

The objective of this Implementing Arrangement No. 2 is to promote technological and economic cooperation between the parties in the field of coal technology development in order to enhance the Parties' capabilities to make positive contributions toward improving fossil energy technology. The activities under this Implementing Arrangement will be performed at PETC, KIER and KIST.

ARTICLE II : AREAS OF COOPERATION

The scope of cooperation between the parties shall be on fossil energy technology, process and equipment efficiency, environment pollution, and the promotion of economic and trade cooperation beneficial to each nation.

ARTICLE III : FORMS OF COOPERATION

Under the terms of this Implementing Arrangement, cooperation may include: the exchange of technical information, feedstock materials, loans of equipment/instrument prototypes, mutually beneficial joint projects, collaborative of consultative visits, U.S.-based training assignments, conferences, seminars, and joint workshops.

ARTICLE IV : MANAGEMENT

1. Project Manager

Each party shall designate a Project Manager for this Implementing Arrangement. The Project Manager shall jointly plan the technical approach for accomplishing the objectives, be responsible for the program, schedule coordination, and co-chair joint meetings. Each Project Manager will appoint a Technical Coordinator for each of the technical fields prior to initiating collaboration in a particular field.

2. Advisors

Representatives from organizations within each Party may be invited to attend joint meetings and serve as advisors to help plan and evaluate the progress of cooperative activities under this Implementing Arrangement. Other organizations, not Parties to this Implementing Arrangement may be invited to participate if approved by the Project Managers.

Joint Meetings and Workshops

The Project Managers will meet alternatively in the United States and Korea at mutually agreed upon times and locations, to report and assess the progress of activities, and plan for continuation of cooperation. The specifics of each meeting shall be determined through mutual agreement of the Project Managers. The host party will bear the costs for arrangements associated with the meeting. Representatives from each Party attending the annual meetings will be responsible for their own travel and lodging expenses.

3. Reports

The Parties shall jointly prepare an annual report evaluating the progress of the collaboration under this Implementing Arrangement. The Project Manager shall prepare a written report, assessing the current and projected activities in terms of mutual benefits and balance achieved in exchanges accomplished within each of the areas of cooperation listed in Article II. Each Party shall have the right to disseminate the final annual report without prior notification to the other Party, after the report has been mutually cleared for release by both Parties.

ARTICLE V : EXCHANGE OF PERSONNEL

Unless otherwise agreed in writing, the following provisions shall apply concerning exchanges of personnel under this Implementing Arrangement and any annexes thereto:

- (a) Whenever an exchange of personnel is contemplated, each Party shall ensure the selection of adequate personnel with skills and competence necessary to conduct the activities planned under this Implementing Arrangement. Each such exchange of personnel shall be mutually agreed in advance by an exchange of letters between the Project Managers, referencing this Implementing Arrangement and its pertinent intellectual property provisions;
- (b) Each Party shall be responsible for the salaries, insurance, and allowances to be paid to its staff or its contractors;
- (c) Each Party shall pay for the travel and living expenses of its staff or its contractors when staying at the establishment of the host Party, unless otherwise agreed;
- (d) Each Party shall provide all necessary assistance to the staff of the other Party or its contractors as regards administrative formalities;
- (e) The staff of each Party or its contractors shall conform to the general rules of work and safety regulations in force at the host establishment.

ARTICLE VI : EQUIPMENT / INSTRUMENTATION LOANS

The borrowing party shall be responsible for damage to or loss of loaned equipment or instrumentation subject to reasonable wear and tear.

ARTICLE VII : FINANCE

Except when otherwise mutually agreed in writing, all costs resulting from collaboration under this Implementing Arrangement shall be borne by the Party that incurs them. Activities undertaken pursuant to this Implementing Arrangement shall be subject to the availability of appropriated funds and to applicable laws and regulations of the Parties.

ARTICLE VIII INTELLECTUAL PROPERTY RIGHTS

The provisions for the protection and allocation of intellectual property rights set forth in Annex I of the S&T Agreement shall be the guidelines for activities of this Implementing Arrangement No. 2.

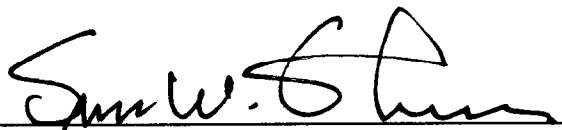
ARTICLES IX : DISCLAIMER

The application or use of any information exchanged under this Implementing Arrangement shall be the responsibility of the receiving Party, and the sending Party does not warrant the suitability of such information for any particular use or application.

ARTICLES X : ENTRY INTO FORCE AND TERMINATION

1. This Implementing Arrangement No. 2 shall enter into force upon signature by the Parties and remain in force for five (5) years or until termination of the S & T Agreement, whichever occurs first. This Implementing Arrangement No. 2 may be amended or extended by mutual written agreement of the Parties.
2. At the discretion of either Party, this Implementing Arrangement No. 2 may be terminated upon six (6) months advance notice in writing to the other Party.

Done at Seoul, Korea, this 13th day of June, 1994,
in duplicate in the English and Korean Languages, each text being equally authentic



FOR THE DEPARTMENT OF ENERGY
UNITED STATES OF AMERICA



FOR THE MINISTRY OF SCIENCE AND TECHNOLOGY
REPUBLIC OF KOREA