

MEMORANDUM OF COOPERATION

between the

**Federal Railroad Administration, Department of Transportation
of the
United States of America**

and the

**Federal Ministry for Transport, Building and Housing
of the
Federal Republic of Germany**

on the

Application of the German Maglev Technology

In light of their continuing mutual interest in German Magnetic Levitation Train Technology (German maglev technology), as well as the experience already gained in Germany, the Federal Railroad Administration (FRA), Department of Transportation (USDOT) of the United States of America, and the Federal Ministry of Transport, Building and Housing (BMVBW) of the Federal Republic of Germany, denoted as "Participants" in the following text, intend to update and supplement the Memorandum of Cooperation, hereafter referred to as "Agreement", signed by the Participants on October 10, 2000, by entering into this Memorandum of Cooperation.

Article I

SCOPE AND OBJECTIVES

A. Scope

The intent of the Participants is to continue an Agreement between the Participants, fostering the development of safety standards for the operation of the German maglev technology in the United States (U.S.) and the exchange of information and experience regarding the potential implementation of the German maglev technology in revenue service in the countries of the Participants. Furthermore, the Agreement is intended to

facilitate the exchange of information on the development of safety and environmental standards that would affect deployment of maglev technology, as well as allow for evaluation of opportunities to implement maglev technology in commercial operation in the countries of the Participants.

B. Objectives

The objectives of the Participants, undertaken individually and/or jointly, should include, but not be limited to, the following:

1. Information-type discussions on the development of the German maglev technology at its current level with particular emphasis on safety assurance and environmental impact.
2. Review of the current material developed in Germany and elsewhere, relating to safety assurance and safety certification regarding current operations at the Emsland Test Facility, as well as other planned or operating maglev systems.
3. Review of FRA rulemaking initiatives since 1993, in connection with potential U.S. high-speed rail and maglev applications. Furthermore, to identify and evaluate how the process of maglev technology in Germany and elsewhere is certified for safety, and how this process can be used to facilitate FRA maglev-related rulemaking.
4. Regular information exchanges on the status and experience regarding all relevant activities in connection with German maglev technology, undertaken in the Participants' areas of responsibility, such as technical issues (e.g., research and development, construction and commissioning of prototypes, testing and certification), as well as safety, legal, economic and financial issues (e.g., life-cycle-cost-analyses).
5. Exploratory discussions of areas of cooperation that might foster a demonstration of the German maglev system in revenue operation in the United States.

6. Sharing of experiences at the expert level in all respective thematic areas in which coordination proceedings are likely in order to facilitate the potential development and implementation of the German maglev system in the U.S.

Article II

COOPERATIVE PROGRAM

A. Maglev Program Officers

FRA's Associate Administrator for Railroad Development or his/her representative, shall be the Maglev Program Officer (MPO) for USDOT. The BMVBW Office Director, Office of A23, or his/her representative shall be the MPO of the BMVBW.

The MPOs shall be the national contact persons for the Participants in connection with German maglev technology. They are charged with the fulfillment of all tasks and achievement of the goals set by the Participants in the framework of their areas of cooperation.

In order to accomplish their purpose, the MPOs may establish Working Groups and/or call on other federal authorities who may, in turn, nominate a program coordinator for the specific task area assigned to them. The MPOs shall be responsible for the exchange of information between the program coordinators. The program coordinators independently shall organize the information exchange within their working areas.

The MPO's shall prepare and submit to the Signatories a joint annual progress report.

B. Program Implementation

Meetings involving the MPOs should take place on a regular basis, at a time and location mutually agreed upon by the Participants, and include evaluations of progress made in the working groups and/or by federal authorities.

Either Participant may use a contractor or other entity to participate on its behalf in any activities to be carried out within the framework of the program, provided that the

name and address of the contractor and the scope of its activities be given in writing to the other Participant.

Each Participant should ensure that all contractors or other entities participating in the program adhere to the criteria for data protection and confidentiality set forth in Article IV, or as otherwise mutually agreed upon in writing.

The Participants may be in direct contact with one another on technical matters through contractors employed by either Participant.

Article III
FUNDING

The involvement of each Participant is subject to the availability of appropriate funds. No transfer of funds between Participants is envisaged in connection with this Agreement.

Article IV
INFORMATION EXCHANGE

It is the intent of the Participants that each Participant regularly provide information on safety research and development activities pertaining to the German maglev technology to the other Participant.

If a Participant receives confidential and/or proprietary business information, the confidential and/or proprietary business nature of the information is to be safeguarded, subject to the provisions of applicable law. Each document containing confidential and/or proprietary business information shall be so noted, with the type of notation to be agreed upon by the Participants.

The confidential and/or proprietary business information is expected to be transferred solely for the internal use of the receiving Participant. If the receiving Participant wishes to share confidential and/or proprietary business information with third parties, this requires the prior consent of the Participant submitting said information, who in turn may obtain the consent of the technology owner.

Each Participant should exercise its best efforts to ensure that any confidential and/or proprietary information it receives in connection with this program is controlled and treated under applicable law. If one of the Participants becomes aware that it may be unable to meet the confidentiality of information exchanged within the framework of the program, it should immediately inform the other Participant. The Participants should then agree on an appropriate course of action.

Article V

DURATION OF THE COOPERATION

The cooperation under this Memorandum initially shall remain in effect for a period of three (3) years, provided, however, either Participant may terminate this Memorandum within sixty (60) days prior written notice from the date of receipt by the other Participant of such notice.

This Memorandum is signed in English and German.

*Signed in Washington, DC, USA
on _____, 2004*



Allan Rutter

Administrator

Federal Railroad Administration,
Department of Transportation,

United States of America

*Signed in Berlin, Germany
on 04.12.2004*



Ralf Nagel

Under-Secretary

Federal Ministry for Transport, Building
and Housing

Federal Republic of Germany