

AGREEMENT BETWEEN THE
GOVERNMENT OF THE REPUBLIC OF HUNGARY
AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA
FOR SCIENTIFIC AND TECHNOLOGICAL COOPERATION

The Government of the Republic of Hungary and the Government of the United States of America (hereinafter referred to as "the Parties");

Convinced that international cooperation in science and technology will strengthen the bonds of friendship and understanding between their peoples and will advance the state of science and technology to the benefit of both countries;

Recognizing the successful scientific and technological cooperation which developed between the two countries under the Agreement between the Government of the Republic of Hungary and the Government of the United States of America for Scientific and Technological Cooperation signed at Washington on March 15, 2000 (hereinafter referred to as the "2000 Agreement"); and

Convinced of the need for further developing mutually beneficial scientific and technological cooperation;

Have agreed as follows:

ARTICLE 1

1. The Parties shall develop, support and facilitate scientific and technological cooperation between their two countries on the basis of the principles of equality, reciprocity, and mutual benefit according to the provisions of this Agreement. Such cooperation shall cover basic research, applied research, development works and innovation activities.

2. Cooperative activities under this Agreement may be carried out in the form of coordinated programs and joint research projects; joint scientific workshops, conferences and symposia; exchange of scientific and technological information and documentation in the context of cooperative activities; exchange of scientists, specialists, and researchers; exchange or sharing of equipment or materials; and other forms of scientific and technological cooperation as may be agreed.

ARTICLE 2

Scientific and technological cooperation pursuant to this Agreement shall be conducted in accordance with the applicable laws and regulations of the Parties and shall be subject to the availability of personnel and appropriated financial resources.

ARTICLE 3

Scientific and technological cooperation described in Article 1 shall be carried out on the basis of implementing arrangements concluded between government agencies of the Parties. Implementing arrangements pursuant to this Agreement may cover

relevant technical matters, such as the subjects of cooperation, forms of cooperation, duration, procedures to be followed, funding, allocation of costs, coordination mechanisms, and technical issues related to intellectual property rights as provided by this Agreement.

ARTICLE 4

1. Each Party shall have an Executive Agent. The Executive Agents responsible for the implementation of the provisions of this Agreement shall be the Ministry for National Development and Economy of the Republic of Hungary and the Department of State of the United States of America.

2. The Executive Agents shall exercise overall oversight and coordinate cooperative activities under this Agreement.

ARTICLE 5

With respect to cooperative activities under this Agreement, each Party shall, in accordance with its laws and regulations, make its best efforts to facilitate:

1. prompt and efficient entry into and exit from its territory as well as domestic travel and work of persons participating in the implementation of this Agreement, including the provision of access to relevant geographic areas, data, materials, institutions, and persons participating in the implementation of this Agreement; and
2. prompt and efficient entry into and exit from its territory of appropriate equipment, instrumentation, materials, supplies, samples, research data and other information pertaining to cooperative activities under this Agreement.

ARTICLE 6

Provisions for the protection and distribution of intellectual property created or furnished in the course of cooperative activities under this Agreement are set forth in Annex A. Provisions for security of information and transfer of technology are set forth in Annex B. Annexes A and B constitute integral parts of this Agreement.

ARTICLE 7

Scientific and technological information of a nonproprietary nature derived from the cooperative activities under this Agreement shall be made available, unless otherwise decided in writing under implementing arrangements, to the world scientific community through customary channels and in accordance with applicable laws and regulations of the Parties.

ARTICLE 8

1. For the purpose of implementing this Agreement, the Parties shall establish a Hungarian-U.S. Joint Committee on Scientific and Technological Cooperation (hereinafter referred to as the "Joint Committee"). The Joint Committee shall:

- a. recommend to the Parties overall policies under the Agreement;
- b. prepare periodic reports concerning the activities of the Joint Committee and cooperative activities undertaken under this Agreement; and
- c. undertake such further functions as may be decided by the Parties.

2. The Joint Committee shall consist of four representatives, two of whom shall be designated by, and serve at the pleasure of, the Government of the Republic of Hungary, and two of whom shall be designated by, and serve at the pleasure of the Government of the United States of America.

3. The Joint Committee shall meet periodically, as decided by the Parties. The Joint Committee will meet alternately, unless otherwise decided, in Budapest and in Washington. Each Party shall bear the cost of its travel and participation in Joint Committee Meetings.

4. All decisions of the Joint Committee shall be reached by consensus.

ARTICLE 9

Scientists, technical experts and institutions of third countries or international organizations may be invited, upon consent of both Executive Agents of the Parties, to participate in cooperative activities carried out under this Agreement.

ARTICLE 10

The Parties do not foresee the provision of foreign assistance under this Agreement. If they decide otherwise with respect to a particular activity, the relevant implementing arrangement would need to be consistent with the requirements of the laws of the Republic of Hungary and the United States that regulate activities related to foreign assistance.

ARTICLE 11

The provisions of this Agreement shall not prejudice other arrangements for scientific and technological cooperation between cooperating agencies of the Parties.

ARTICLE 12

In the event that differences arise between the Parties with regard to the interpretation or application of the provisions of this Agreement, the Parties shall resolve them by means of negotiations and consultations.

ARTICLE 13

1. This Agreement shall enter into force when the Parties notify each other, in writing, through diplomatic channels, of the completion of their respective internal legal procedures required for the entry into force of this Agreement. This Agreement shall enter into force on the thirtieth day following the date of the later notification.

2. Upon entry into force of this Agreement, the 2000 Agreement shall terminate. Any implementing arrangements subject to the provisions of the 2000 Agreement that have not expired or terminated by the date this Agreement enters into force shall continue and be subject to the provisions of this Agreement. In case of any conflict between the terms and conditions contained in those implementing arrangements and this Agreement, the terms and conditions of this Agreement shall take precedence.

3. This Agreement shall remain in force for ten (10) years, and it shall be automatically extended for further ten-year periods unless either Party notifies the other Party in writing of its intention to terminate this Agreement at least ninety (90) days before it is due to expire. Either Party may terminate this Agreement at any time upon ninety (90) days' written notice to the other Party. Unless otherwise decided by the Parties, the termination of this Agreement shall not affect the completion of any cooperative activity undertaken under this Agreement and not yet completed at the time of the termination of this Agreement.

4. This Agreement may be amended, in writing, by mutual agreement of the Parties. Any such amendment shall enter into force in accordance with the procedure set forth in paragraph (1) of this Article.

Done at Budapest, in duplicate, this 4th day of February 2010, in the Hungarian and English languages, each text being equally authentic.



FOR THE GOVERNMENT OF THE
REPUBLIC OF HUNGARY:



FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

ANNEX A

INTELLECTUAL PROPERTY RIGHTS

I. General Obligations

The Parties shall ensure adequate and effective protection of intellectual property created or furnished under this Agreement and relevant implementing arrangements. Rights to such intellectual property shall be allocated as provided in this Annex.

II. Scope

- A. This Annex is applicable to all cooperative activities undertaken pursuant to this Agreement, except as otherwise specifically decided by the Parties or their designees.
- B. For purposes of this Agreement, "intellectual property" shall mean the subject matter listed in Article 2 of the Convention Establishing the World Intellectual Property Organization, done at Stockholm, July 14, 1967.
- C. Each Party shall ensure, through contracts with its own participants or other legal means, if necessary, that the other Party can obtain the rights to intellectual property allocated in accordance with this Annex. This Annex does not otherwise alter or prejudice the allocation between a Party and its nationals, which shall be determined by that Party's laws and practices.
- D. Except as otherwise provided in this Agreement, disputes concerning intellectual property arising under this Agreement shall be resolved through discussions between the concerned participating institutions, or, if necessary, the Parties or their designees. Upon mutual agreement of the Parties, a dispute shall be submitted to an arbitral tribunal for binding arbitration in accordance with the applicable rules of international law. Unless the Parties or their designees agree otherwise in writing, the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL) shall govern.
- E. Termination or expiration of this Agreement shall not affect rights or obligations arisen during the validity of this Agreement under this Annex.

III. Allocation of Rights

- A. Each Party shall be entitled to a non-exclusive, irrevocable, royalty-free license in all countries to translate, reproduce, and publicly distribute scientific and technical journal articles, reports, and books directly arising from cooperation under this Agreement. All publicly distributed copies of a copyrighted work prepared under this provision shall indicate

the names of the authors of the work unless an author explicitly declines to be named.

B. Rights to all forms of intellectual property, other than those rights described in paragraph III.A above, shall be allocated as follows:

(1) Visiting researchers shall receive rights, awards, bonuses and royalties in accordance with the policies of the host institution.

(2) (a) Any intellectual property created by persons employed or sponsored by one Party under cooperative activities other than those covered by paragraph III.B(1) shall be owned by that Party. Intellectual property created by persons employed or sponsored by both Parties shall be jointly owned by the Parties. In addition, each creator shall be entitled to awards, bonuses and royalties in accordance with the policies of the institution employing or sponsoring that person.

(b) Unless otherwise agreed in an implementing arrangement, each Party shall have within its territory a right to exploit or license intellectual property created in the course of the cooperative activities.

(c) The rights of a Party outside its territory shall be determined by mutual agreement considering the relative contributions of the Parties and their participants to the cooperative activities, the degree of commitment in obtaining legal protection and licensing of the intellectual property and such other factors deemed appropriate.

(d) Notwithstanding paragraphs III.B(2)(a) and (b) above, if a particular project has led to the creation of intellectual property protected by the laws of one Party but not the other, the Party whose laws provide for this type of protection shall be entitled to all rights to exploit or license intellectual property worldwide although creators of intellectual property shall nonetheless be entitled to awards, bonuses and royalties as provided in paragraph III.B(2)(a).

(e) For each invention made under any cooperative activity, the Party employing or sponsoring the inventor(s) shall disclose the invention promptly to the other Party together with any documentation and information necessary to enable the other Party to establish any rights to which it may be entitled. Either Party may ask the other Party in writing to delay publication or public disclosure of such documentation or information for the purpose of protecting its rights in the invention. Unless otherwise agreed in writing, the delay shall not exceed a period of six months from the date of disclosure by the inventing Party to the other Party.

IV. Business Confidential Information

In the event that information identified in a timely fashion as business-confidential is furnished or created under this Agreement, each Party and its participants shall protect such information in accordance with applicable laws, regulations, and administrative practices. Information may be identified as "business-confidential" if a person having the information may derive an economic benefit from it or may obtain a competitive advantage over those who do not have it, and the information is not generally known or publicly available from other sources, and the owner has not previously made the information available without imposing in a timely manner an obligation to keep it confidential.

ANNEX B

SECURITY OBLIGATIONS

I. PROTECTION OF INFORMATION

Both Parties agree that no information or equipment requiring protection in the interests of national defense or foreign relations of either Party and classified in accordance with applicable national laws and regulations shall be provided under this Agreement. In the event that information or equipment that is known or believed to require such protection is identified in the course of cooperative activities undertaken pursuant to this Agreement, it shall be brought immediately to the attention of the appropriate officials and the Parties shall consult concerning the need for and level of appropriate protection to be accorded such information or equipment.

II. TECHNOLOGY TRANSFER

The transfer of unclassified export-controlled information and equipment between the Parties under this Agreement shall be in accordance with the relevant laws and regulations of each Party to prevent the unauthorized transfer or retransfer of such information and equipment provided or produced under this Agreement. If either Party deems it necessary, detailed provisions for the prevention of unauthorized transfer or retransfer of such information or equipment shall be incorporated into the contracts or implementing arrangements under this Agreement.

Her Excellency
Eleni Tsakopoulos Kounalakis
Ambassador
United States of America

on 4th February 2010

Excellency:

I have the honor to refer to the Agreement signed today between the Government of the Republic of Hungary and the Government of the United States of America for Scientific and Technological Cooperation (the "Agreement"), and to confirm on behalf of the Government of the Republic of Hungary the following understanding reached between our two Governments:

The Government of the Republic of Hungary has informed the Government of the United States of America that it understands that the obligations of the Republic of Hungary under this Agreement are consistent with its obligations as a Member State of the European Union. Should the Republic of Hungary at some point in the future find that its obligations under this Agreement are inconsistent with the requirements that apply to the Republic of Hungary as a Member State of the European Union, either Party may seek consultations regarding the possible negotiation of amendments to the Agreement.

I have the further honour to propose to you, on behalf of the Government of the Republic of Hungary, that the present note and Your Excellency's affirmative note in reply shall constitute an agreement between our two Governments, which shall enter into force on the same date as the Agreement and shall be an integral part of the Agreement.

Please accept, Excellency, the assurances of my highest consideration.

Sincerely yours,



Mr. István Varga
Minister for National Development and Economy



Embassy of the United States of America

His Excellency
István Varga
Minister for National Development and Economy
Republic of Hungary

February 4, 2010

Excellency:

I have the honor to refer to your note of today's date concerning the Science and Technology Agreement signed today, which reads as follows:

"I have the honor to refer to the Agreement signed today between the Government of the Republic of Hungary and the Government of the United States of America for Scientific and Technological Cooperation (the "Agreement"), and to confirm on behalf of the Government of the Republic of Hungary the following understanding reached between our two Governments:

The Government of the Republic of Hungary has informed the Government of the United States of America that it understands that the obligations of the Republic of Hungary under this Agreement are consistent with its obligations as a Member State of the European Union. Should the Republic of Hungary at some point in the future find that its obligations under this Agreement are inconsistent with the requirements that apply to the Republic of Hungary as a Member State of the European Union, either Party may seek consultations regarding the possible negotiation of amendments to the Agreement.

I have the further honor to propose to you, on behalf of the Government of the Republic of Hungary, that the present note and Your Excellency's affirmative note in reply shall constitute an agreement between our two Governments, which shall enter into force on the same date as the Agreement and shall be an integral part of the Agreement."

I am pleased to inform you that the Government of the United States of America accepts the proposal set forth in your Note. The Government of the United States of America further agrees that your Note, together with this reply, shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Agreement between the Government of the United States of America and the Government of the Republic of Hungary for Scientific and Technological Cooperation and shall constitute an integral part of the Agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

Sincerely yours,


Eleni Tsakopoulos Kounalakis
Ambassador

