

DECLASSIFIED

DAIM-FAR-RR #

19-*mm*

DATE:

17 June 1987

29 MAR 71

FINAL DRAFT

MEMORANDUM OF AGREEMENT

BETWEEN

COMAFV AND USMACV

This Memorandum of Agreement is hereby entered into by Australian Force Vietnam (AFV) as represented by Chief of Staff (AFV) and by USMACV as represented by the ACofS, J4.

ARTICLE I: PURPOSE OF AGREEMENT

1. This memorandum implements an agreement reached between representatives of AFV and USMACV concerning the loan of eight (8) OH-58 Helicopters and support equipment from USARV, as agent for USMACV, to AFV.
2. This memorandum sets forth the understanding and intent of the parties hereto concerning: (a) General considerations; (b) Financial considerations; (c) Training of crews; (d) Maintenance and certification of air-worthiness of the helicopters; and (e) Reports required.

ARTICLE II: RELATIONSHIP TO EXISTING AGREEMENTS

This ~~proposed~~ Memorandum of Agreement governing the loan of eight (8) OH-58 Helicopters, is intended by the parties hereto, to be all inclusive, and any and all provisions now contained in any other Memorandum of Agreement and/or Working Arrangements of whatsoever kind between the parties hereto, which is/are, or may be construed to be inconsistent or in conflict with the provisions of the Memorandum of Agreement, are to this extent only, declared to be non-operative and non-applicable.

Classified by CG, 1st Avn Bde
SUBJECT TO CONTINUING DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
NO DOWNGRADING OR DECLASSIFICATION AT TWO YEAR
INTERVALS
DECLASSIFIED ON 31 DEC 1977

DOWNGRADED AT 3 YEAR INTERVALS;
DECLASSIFIED AFTER 12 YEARS.
DOD DIR 5800.10

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~~CONFIDENTIAL~~ARTICLE III: GENERAL CONSIDERATIONS

* 1. DA has authorized the loan of eight (8) OH-58 Helicopters (1520-169-7137) for an initial period of six months duration. ^{from the signing of the agreement} The loan period may be extended upon application by AFV and approval by MACV. Thirty days written notice of termination or request for extension is required by either party.

* 2. The helicopters shall be new and configured as follows:

Each to be equipped with the following avionics:

2X VHF-FM	AN/ARC 114	5821-935-5071	\$6,826
1X VHF-AM	AN/ARC 115	5821-935-5072	2,783
1X UHF AM	AN/ARC 116 or	5821-935-5073	4,200
	AN/ARC 51BX	5821-082-3926	4,248
1X ADF	AN/ARN 89	5826-790-6453	2,625
1X EMI	AN/ASN 43	6605-069-8762	2,082
1X IFF	AN/APX 72	5895-879-0211	3,100
1X SPEECH SECURITY KY 28		5810-919-4554	3,672

* 3. The helicopters will be issued in increments based on availability of aircraft and completion of training by the AFV crews. USARV will maintain loan records of aircraft issued.

* 4. Based on MACV contingencies, the OH-58's may be subject to recall if required for U. S. units upon thirty days written notice.

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~~CONFIDENTIAL~~ARTICLE IV: FINANCIAL CONSIDERATIONS

1. The monthly charge for each helicopter will be based on a flying hour rate as follows:

a. Direct Flying Cost consist of:

Stock Fund Parts	\$31.00
Principle Equipments, Missile, Army Parts	18.00
Direct Support Maintenance	12.00
Overhaul Cost	15.00
Sub Total	\$76.00

b. Twenty percent accessorial charge 15.20

TOTAL \$91.20

2. AFV may during the period of the loan ^{or any extension thereof} exercise an option to purchase the helicopters. If this option is exercised the purchase will be consummated under the provisions of the Foreign Military Sales (FMS) Program. It is agreed that this option must be taken within the loan period and \$15.00 of the direct flying hour cost which is chargeable as overhaul cost, shall be applied against the purchase price of the helicopters. The price of the aircraft and installed equipment shall be as listed in this agreement.

3. In the event of loss and/or destruction of aircraft during the loan ^{or any extension thereof} period, ^{when under AFV control} the U. S. Government will be reimbursed at a cost of \$155,996 (or as the aircraft is configured) less returns from salvage. (Aircraft cost of \$104,461 and avionics cost of \$25,536 plus 20%). U. S. will replace lost or damaged aircraft within 30 days.

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ARTICLE IV (CONTINUED)

4. Upon termination of loan all repairs needed to return the aircraft to ready for issue condition will be at the expense of AFV. Ready for issue condition will be as indicated in TM 55-1520-228-20, Standards of serviceability, Column 1.

5. Reimbursement procedures will conform to those established in the Financial Working Arrangement between COMAFV and COMUSMACV dated 23 July 1970. COMAFV will report the gallons of fuel consumed in the monthly certification report. *including U.S. sponsored modification training, logistics support provided for in ARV*

6. The above charges include all costs and are stated in U. S. dollars. *V: VI*
Reimbursements will be made in U. S. dollars. *Y. de
agreed*

7.

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ARTICLE V: TRAINING OF AFV CREWS

1. It is understood by both parties that the AFV crews presently assigned to the Task Force helicopter mission will require transition training to the OH-68 Helicopter.
2. It is agreed that this training will be conducted in the Republic of Vietnam by units assigned to USARV and on a schedule as mutually coordinated between AFV and USARV. The general input for training will be two aviators on a ^{one}~~five~~ week schedule and ^{seven}~~five~~ ground maintenance personnel on a combination OJT and classroom program for a duration of five weeks.
3. AFV will insure that personnel selected for transition training meet the basic qualifications for entrance to the training programs as established by the Aviation Officer, USARV.
4. The Aviation Officer, USARV will grant final qualification determination to AFV personnel. Helicopters will not be issued under these loan procedures until AFV personnel are qualified.
5. It is understood that transition training will continue in the future after the initial crews are trained to satisfy normal personnel rotations.

ARTICLE VI: MAINTENANCE AND CERTIFICATION OF AIRCRAFT

1. AFV maintenance personnel will perform that level of maintenance for which they are certified qualified. This level will be termed organizational maintenance.
2. USARV Aviation Officer will insure notification to AFV of conditions necessary to maintain airworthiness of the aircraft and provide inspections to insure compliance with maintenance and flying directives.
3. AFV technical inspectors will be trained and will certify serviceability of the aircraft for that level of maintenance for which they are trained and responsible.
4. Maintenance above the organizational level will be performed by a unit designated by USARV. Normal certification of serviceability following completion of this service will be performed by U. S. personnel. AFV personnel will retain the right of final acceptance of ^{all} ~~the~~ aircraft.
5 New -
- 56* USARV Aviation Officer agrees to provide and maintain necessary organizational repair parts, ground support equipment, as listed in TM 55-1520-288-20P, manuals, and blank forms for AFV to perform organizational maintenance. Final listing will be as agreed between both parties.
6. AFV agrees to maintain flight records and maintenance logs as prescribed by the USARV Aviation Officer and as required to support this loan agreement.
7. The U. S. Army, The Australian Army and RAAF are each to have right of access to all leased aircraft at all times for purposes of inspections, investigations, or for any other reason.

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ARTICLE VI (CONTINUED)

3. Within AFV, the RAAF is to retain the responsibility for standards of flying safety.

ARTICLE VII: AIRCRAFT

1. Aerial reports on flying hours flown will be provided to the MACV Comptroller as the basis for reimbursement charges.
2. AFV will conform to existing MACV directives on reporting aircraft accidents, incidents, precautionary landings, forced landings, or losses.
3. AFV agrees to render any additional reports as required by MACV.

ARTICLE VIII: COMPLIANCE

1. Both parties agree to take whatever measures are necessary and appropriate to insure compliance with the articles of this Agreement.
2. In witness of the above understandings and undertakings the Commander AFV and COMUSMACV have caused this Memorandum of Agreement to be entered into by their duly authorized representatives as of the _____ day of _____ 1971.

COMUSMACV

COMAFV

By _____

By _____

ASOFC, J4
MACV
AFC 96222

Chief of Staff
AFV
AFC 96243