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SECOND DRAFT

MEMORANDUM OF AGREEMENT

BETWEEN

COMAFV AND COMUSMACV

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 1: 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.

Classified by CG, 1st Avn Bde
SUBJECT TO GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
AUTOMATICALLY DOWNGRADED AT TWO YEAR
INTERVALS
DECLASSIFIED ON 31 DEC 1977

DOWNGRADED AT 5 YEAR INTERVALS:
DECLASSIFIED ON 31 DEC 1982
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WORKING PAPERS

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~~CONFIDENTIAL~~ARTICLE II: 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. The loan period may be extended upon application by AFV and approval by MACV. Thirty days notice of termination or request for extension is required by either party.

Classification of 30 day notice.

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

a. Each to be equipped with the following avionics:

2X VHF-FM	AN/ARC 114	5821-935-5071	\$3,413
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 518X	5821-082-3926	4,248
1X ADF	AN/ARN 89	5826-790-6453	2,625
1X RMI	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

Added to stipulate the costs of AFV desired Avionics configuration

b. Four (4) to be equipped with the MINI-GUN.

XM27E1	Weapons Kit	1005-933-6242	\$17,579
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Added to stipulate the cost.

3. The helicopters will be issued over an extended period 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

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~~CONFIDENTIAL~~ARTICLE III: 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:

<u>Stock Fund Parts</u>	<u>\$31.00</u>
<u>Principle Eopts, Missile, Army Parts</u>	<u>18.00</u>
<u>Direct Support Maintenance</u>	<u>12.00</u>
<u>Overhaul Cost</u>	<u>15.00</u>
Sub Total	\$76.00

b. Twenty percent accessorial charge

15.20

TOTAL

\$91.20

Breakout of Direct Flying cost. Draft #1 had the sub-total and total cost only. Draft #1 included JP-4 cost this was deleted as there is a standing agreement on fuel. S.

2. AFV may during the period of the loan exercise an option to purchase the helicopters. It is agreed that this option must be taken within the ~~six month~~ ^{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.

option paragraph added per request of AFV.

3. In the event of loss of aircraft during the loan period, the U. S.

Government will be reimbursed at a cost of \$155,756 (or as the aircraft is configured) less returns from salvage. (Aircraft cost of \$104,461 and

avionics cost of \$25,336 plus 20%). Aircraft armament sub-system, if

installed would be \$21,095 added cost. U. S. will replace lost or damaged

aircraft within 30 days.

COST
FINALIZED

COST CORRECTED

Added

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DAIM-FAR-RR #

19-*enn*

DATE:

17 June 1987

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ARTICLE III (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.

5. Reimbursement procedures will conform to those established in the Financial Working Arrangement between COMAFV and COMUSMACV dated 23 July 1970.

6. The above charges include all cost.

Added For
CLARIFICATION.

DOWNSTAIRS IN THE BUILDING;
RECEIVED BY THE 30 MAR 1987
10:00 AM

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ARTICLE IV: 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 ⁱⁿ to the OH-58 helicopter.

2. It is agreed that this training will be conducted in country 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 two week schedule and ~~four~~ ^{SIX} ground maintenance personnel

A COMBINATION CLASSROOM

on ^{an} OJT program for a duration of ~~three~~ ^{FIVE} weeks.

CLARIFICATION
ALL FIVE MAINTENANCE TRADES MUST BE OJT AND A ARMAMENT MAN. IF ACFT ARE MULTIEQUIPPED

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.

The INCREASE to 5 weeks is questionable as to whether they need it for ORGANIZATIONAL MAINTENANCE.

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.

Follow on transition may be required before they have qualified IP's due to UNFORSEEN LOSSES.

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~~CONFIDENTIAL~~ARTICLE V: MAINTENANCE AND CERTIFICATION OF AIRWORTHINESS

1. AFV maintenance personnel will perform that level of maintenance for which they are certified qualified. This level will be termed organizational maintenance.

PARA 6
Below
moved.

2.3 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.

3.4 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 the aircraft.

4.5 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 organiza- Added
tional maintenance. Final listing will be as agreed between both parties.

5.6 AFV agrees to maintain flight records and maintenance logs as prescribed by the USARV Aviation Officer and as required to support this loan agreement.

This PARA
becomes PARA
2 clarifies
the page
and sequence

6.2 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.

PARA Added.
Required
MWO's
Changes
in TSO
Times, etc.

7. The U. S. Army, the Australian Army and the 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.

Added.

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19-*mm*

DATE:

17 June 1987

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ARTICLE V. (CONTINUED)

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

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DATE:

17 June 1987

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ARTICLE VI: REPORTS

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

ARTICLE VII: 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 _____

ACofS, J4
MACV
APO 96222

By _____

Chief of Staff
AFV
APO 96243

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