

DRAFT

Defense Industrial Base Consortium Membership Agreement

MCEIP MISSION. MCEIP ensures robust, secure, resilient, and innovative industrial capabilities upon which the DoD can rely on to fulfill current and future Warfighter capabilities in an era of great power competition. Industrial Base Policy (IBP) is the principal advisor to the OUSD(A&S) for: developing DoD policies for the maintenance of the U.S. Defense Industrial Base (DIB); executing small business (SB) programs and policy; conducting geo-economic analysis and assessments; providing recommendations on budget matters related to the DIB; anticipating and closing gaps in manufacturing capabilities for defense systems; assessing impacts related to mergers, acquisitions, and divestitures; monitoring and assessing impact of foreign investments in the U.S.; and executing authorities under 10 U.S.C. §§ 4811 and 4816.

BACKGROUND. Under the authority of 10 United States Code (U.S.C.) §§ 4021 and 4022, the Washington Headquarters Services Acquisition Directorate (WHS/AD) establishes this DIB Consortium (DIBC) Other Transaction (OT) Agreement with Advanced Technology International (ATI), in support of the Manufacturing, Capability Expansion, and Investment Prioritization Directorate (MCEIP). MCEIP falls under the Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSD(A&S)) Assistant Secretary of Defense (ASD) IBP and the Deputy Assistant Secretary of Defense for Industrial Base Resilience (IBR). Following a reorganization within IBP in November 2022, MCEIP now includes the Defense Production Act (DPA) Title III Program, now known as DPA Investments (DPAI) and Industrial Base Analysis and Sustainment (IBAS), now known as Innovation Capability and Modernization (ICAM).

To strengthen the national industrial base, President Joseph R. Biden, Jr. signed Executive Order (E.O.) 14017, America's Supply Chains, on February 24, 2021. The E.O. calls for a comprehensive review of supply chains in critical sectors, including the DIB. The Department of Defense (DoD) one-year report, submitted in response to the E.O., Securing Defense-Critical Supply Chains, outlined the DoD's commitment "to strengthen the industrial base and establish a network of domestic and allied supply chains to meet national security needs." Given the breadth and scale of defense supply chains, the report focused on the following four sectors in which critical vulnerabilities pose the most pressing threat to national security: (1) kinetic capabilities (i.e., hypersonics); (2) energy storage and batteries; (3) castings and forgings; and (4) microelectronics. The following DIB subsectors are also considered to be critical within MCEIP: (5) critical chemicals and minerals; (6) Small Unmanned Aerial Systems (sUAS); (7) Rare Earth Elements (REEs); (8) critical materials; (9) submarine industrial base; (10) space industrial base; and (11) biomanufacturing. However, the specific sectors/subsectors deemed critical change to the DIB over time.

As directed by MCEIP, ATI has established the Defense Industrial Base Consortium. Given the importance and complexity of the Defense Industrial Base supply chain, ATI is applying extensive collaboration leadership and expertise to assist MCEIP. Membership in DIBC is open to all US-based companies, innovators, research institutions and academic institutions guiding, conducting, or using research to support prototype development in the broad area of the Defense Industrial Base supply chain. There are currently no membership dues, but the Consortium reserves the right to implement dues of up to \$250 at a later date which shall provide the DIBC member with access to enhanced general membership meetings, additional consortium collaboration events, and additional Industry/tradeshows events at no additional cost. (Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions (MSIs) will be exempt from dues for the life of the DIBC). Members may terminate membership at any time by written notice to ATI. Membership may be terminated upon written notice to a Member for failure to comply with the Membership Obligations contained herein. The relationship of the Members established by this Membership Agreement is that of independent contractors. Nothing contained herein shall be construed to (i) give any of the Members hereto the power to direct or control the day-to-day activities of another Member hereto, (ii) constitute the Members as partners, joint ventures, co-owners or otherwise as participants in a joint or common undertaking, or (iii) allow any of the Members hereto to create, discharge or assume any obligation on behalf of another Member hereto for any purpose whatsoever. Each Member retains the right to engage independent research and activities that may compete with, or be contrary to, the goals of the Consortium.

Consortium Obligations. ATI, as the Consortium Management Organization (CMO), shall administer the affairs of the Consortium, and is responsible for fulfilling the following obligations:

- Promote collaboration with Government customers and other Members related to Defense Industrial Base supply chain technologies to include, but not limited to, potential research through prototype development projects;
- Offer training and support resources designed to ensure the member can do business with the DoD;
- Provide customer support for members throughout the lifecycle of the project development process (training, guidance and process facilitation of the solicitation, award, and project execution phases);
- When appropriate file with the U.S. Attorney General and the Federal Trade Commission changes in membership in accordance with the provisions of the National Cooperative Research Act of 1993;
- Manage the finances of the DIBC;
- Host periodic collaborative, membership meetings, as needed; and
- Support potential research and development projects by providing customer support for Members throughout the lifecycle of the technology development process (training, guidance and process facilitation of the solicitation, award, and project execution phases).

Membership Obligations. The Parties agree that Members have the following obligations:

- Not be barred or suspended from contracting with or receiving funds from the U.S. Government;
- For Non U.S. organizations, membership eligibility will be decided on case-by-case basis. Foreign instrumentalities that are substantially owned, controlled, sponsored, commanded, managed, or dominated by a foreign government will not be eligible for Membership unless directed by the Government;
- Clearly demonstrate in their membership application that they are capable of making a contribution in Defense Industrial Base Supply Chain Technologies; specifically; kinetic capabilities (i.e., hypersonics), energy storage and batteries, castings and forgings, microelectronics, critical chemicals and minerals, Unmanned Aerial Systems (sUAS), Rare Earth Elements (REEs), critical materials, the submarine industrial base, the space industrial base, biomanufacturing, or other relevant subject, technology, and capability domains as may be required in order to fully support the needs of the U.S Government;
- Contribute their respective talents and resources to the Consortium for activities such as periodic meeting attendance, committee and subcommittee participation, and other activities as may be appropriate;
- Be current (no greater than 60 days past due) on membership dues or other payments, should they be implemented;
- If/when DoD information marked export controlled is shared with members, maintain an active Military Critical Technical Data Agreement (Form DD 2345) certification with the U.S./Canada Joint Certification Office, Defense Logistics Information Service;
- Not transfer membership to any third party;
- Comply with all applicable export control laws and regulations of the United States, including the Arms Export Control Act (“AECA”), the International Traffic in Arms Regulations (“ITAR”), the Export Administration Regulations (“EAR”), and other U.S. Government directives related to export control; and
- Comply with all applicable U.S. antitrust laws.
- If selected for a Project Sub-Agreement, accept and abide by the terms and conditions of the DIBC OTA by executing a base agreement with the CMO.