

or equipment and devices under Article IV and Article V if such materials, or equipment and devices are in the opinion of the Commission primarily of military significance.

ARTICLE VIII—*Classification Policies*

The Governments of the United States of America and Canada agree that mutually agreed classification policies shall be maintained with respect to all information and materials, including equipment and devices, exchanged under this Agreement. In addition, the parties intend to continue the present practice of periodic consultation with each other on the classification of atomic energy information.

ARTICLE IX—*Patents*

A. With respect to any invention or discovery employing information which has been communicated hereunder and made or conceived thereafter during the period of this Agreement, and in which invention or discovery rights are owned by the Government of Canada or by the Government of the United States or an agency or corporation owned or controlled by either, each party:

1. Agrees to transfer and assign to the other all right, title, and interest in and to any such invention, discovery, patent application or patent in the country of the other, to the extent owned, subject to a royalty-free, non-exclusive, irrevocable licence for its own governmental purposes and for purposes of mutual defence.

2. Shall retain all right, title, and interest in and to any such invention, discovery, patent application or patent in its own or third countries but will, upon request of the other party, grant to the other party a royalty-free, non-exclusive, irrevocable licence for its own governmental purposes in such countries including use in the production of materials in such countries for sale to the other party by a contractor of such other party. Each party may deal with any such invention, discovery, patent application or patent in its own country and all countries other than that of the other party as it may desire, but in no event shall either party discriminate against citizens of the other country in respect of granting any licence under the patents owned by it in its own or any other country.

3. Waives any and all claims against the other party for compensation, royalty or award as respects any such invention or discovery, patent application or patent, and releases the other party with respect to any such claim.

B. 1. No patent application with respect to any classified invention or discovery made or conceived during the period of this Agreement in connection with subject matter communicated hereunder may be filed by either party except in accordance with mutually agreed upon conditions and procedure.