AGREEMENT BETWEEN

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

AND

THE GOVERNMENT OF THE REPUBLIC OF BULGARIA

ON DEFENSE COOPERATION

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Preamble

The Government of the United States of America (the United States) and the Government of the Republic of Bulgaria (Bulgaria) (hereafter referred to collectively as "the Parties" and "Party" singularly):

Cognizant of the rights and obligations deriving from their participation in the North Atlantic Treaty;

Recognizing the need to enhance their common security, to contribute to international peace and stability and the fight against terrorism, and to deepen the cooperation in the areas of security and defense;

Affirming that such cooperation is based on full respect for the sovereignty of each Party and the purposes and principles of the United Nations Charter;

Considering that the United States forces and dependents may be present in the territory of the Republic of Bulgaria and that the purpose of such presence is in furtherance of the efforts of the Parties to promote peace and security in areas of mutual interest and benefit;

Recognizing the application of the *"Agreement Between the Parties to the North Atlantic Treaty Regarding the Status of their Forces,"* done at London on June 19, 1951, (hereafter, the NATO SOFA), including its provision for separate arrangements supplementary to that Agreement, and;

Desiring to conclude an agreement on the enhanced cooperation between the United States and Bulgaria;

Have agreed as follows:

Article I
Scope and Purpose

1. This Agreement sets forth the framework for enhanced partnership and defense and security cooperation between the United States and Bulgaria and supplements and further defines the basic terms and conditions set forth in the NATO SOFA that govern the presence of United States forces and their dependents in the territory of the Republic of Bulgaria and, in specific situations indicated herein, United States contractors and United States contractor employees present in the territory of the Republic of Bulgaria.

2. For matters not covered by the provisions of this Agreement and its Implementing Arrangements, and to the extent such matters are covered by the NATO SOFA, the NATO SOFA shall apply.

3. As provided in Article II of the NATO SOFA, it is the duty of a force and its civilian component and the members thereof as well as their dependents to respect the law of the Republic of Bulgaria, and to abstain from any activity inconsistent with the spirit of the present Agreement and, in particular, from any political activity in the territory of the Republic of Bulgaria. It is also the duty of the United States to take necessary measures to that end.

Article II
Definitions

For the purposes of this Agreement, the following terms are hereunder defined:

1. "United States forces" means the entity comprising the members of the force, the civilian component, and all property, equipment, and materiel of the United States Armed Forces present in the territory of the Republic of Bulgaria.

2. "Members of the force" means the "force" as used in Article I of the NATO SOFA.

3. Except as provided in Article XV below, the term "civilian component" as defined in Article I, Paragraph 1(b) of the NATO SOFA includes employees of non-Bulgarian and non-commercial organizations who are nationals of or ordinarily resident in the United States and who are not permanently resident in the territory of the Republic of Bulgaria, and who solely for the purpose of contributing to the welfare, morale or education of the United States forces, are accompanying those forces in the territory of the Republic of Bulgaria. The term "civilian component" also includes dependents when employed by the United States forces or the organizations referred to above and in Article XXIII below. For the purposes of Article X, Bulgarian citizens or permanent residents in the territory of the Republic of Bulgaria shall not be considered as part of the civilian component.

4. The terms "United States contractors" and "United States contractor employees" mean non-Bulgarian legal entities or individuals, and their employees who are not Bulgarian citizens or permanently resident in the territory of the Republic of Bulgaria, who are present in the territory of the Republic of Bulgaria to supply goods and services in the territory of the Republic of Bulgaria to United States forces under a contract or subcontract with or for United States forces.

5. The term "dependent" as defined in Article I, paragraph 1(c) of the NATO SOFA also includes a member of the family of a member of the force or of the civilian component who is financially, legally, or for reasons of health dependent upon and supported by, such member, who shares the quarters occupied by such member and who is present in the territory of the Republic of Bulgaria with the consent of the authorities of the force.

6. "Agreed facilities and areas" means the state owned facilities and areas in the territory of the Republic of Bulgaria listed in Annex A, and such other state owned facilities and areas, as may be mutually agreed by the Parties.

7. "Executive Agent" means the Department of Defense for the United States and the Ministry of Defense for Bulgaria.

Article III
Political-Military Consultations and Cooperation

The Parties will endeavor to hold consultations on a regular basis at the appropriate political-military level to discuss their bilateral defense and security cooperation. Topics for these

discussions may include promoting interoperability of the forces through enhanced military cooperation, joint and combined training, expert and educational exchanges, information exchanges and other military-to-military activities.

Article IV
Use of Facilities and Areas

1. With full respect for the sovereignty and the laws of the Republic of Bulgaria, and with consultation and consideration of the views of both Parties, the United States forces, United States contractors and their employees, and vehicles, vessels and aircraft operated by or for the United States forces are authorized access to and may use agreed facilities and areas for training, transit, support and related activities, refueling of aircraft, temporary maintenance of vehicles, vessels and aircraft, accommodation of personnel, communications, and for staging and deploying of forces and materiel, with the purpose of conducting security cooperation exercises, joint/combined training activities, humanitarian and disaster relief activities, contingency operations and other missions, including those undertaken in the framework of the North Atlantic Treaty.

2. When requested, the Executive Agent for Bulgaria shall assist in facilitating United States forces' temporary access to land owned by the State that is not part of agreed facilities, land owned by municipalities, and to private land, for use in support of United States forces' maneuver and training.

3. The number of United States members of the force and civilian component present in the territory of the Republic of Bulgaria may not exceed 2,500 personnel. This number may be increased temporarily by no more than 2,500. Such a temporary increase will not extend beyond 90 days. Temporary increases beyond the number and length of time set out in this paragraph must be authorized by competent Bulgarian authorities.

4. In making agreed facilities and areas available, and in the use of such facilities and areas, the Parties shall give due regard to operational and security concerns.

5. Bulgaria shall furnish without rental or similar costs to United States forces, all agreed facilities and areas, including facilities and areas jointly used by United States forces and Bulgarian forces. United States forces shall cover all necessary operations and maintenance expenses associated with their use of agreed facilities and areas.

6. When using the agreed facilities and areas under the terms of this Agreement, the United States shall respect fully the international obligations of the Republic of Bulgaria.

7. United States forces may undertake construction activities on, and make alterations and improvements to, agreed facilities and areas. The Executive Agent for Bulgaria shall facilitate United States forces in these undertakings by ensuring that such construction, alterations and improvements have the necessary Bulgarian authorizations. United States forces shall consult with Bulgarian authorities on issues regarding such construction, alterations and improvements to ensure that the technical requirements and construction standards of any such projects undertaken directly or contracted by United States forces conform to the requirements of both United States and Bulgarian laws and regulations. United States forces may carry out construction works with members of the force.

8. Where agreed facilities and areas are constructed or developed for exclusive use by the United States forces, such construction or development, and operations and maintenance costs therefore, shall be the responsibility of the United States.

9. Where agreed facilities and areas are constructed or developed for joint use, such construction or development and operations and maintenance costs therefore shall be shared by the Parties on the basis of proportionate use, as mutually agreed.

Article V
Prepositioning of Defense Equipment, Supplies and Materiel

1. United States forces may preposition defense equipment, supplies, and materiel within agreed facilities and areas, and at other locations as mutually agreed in Implementing Arrangements to this Agreement. United States forces shall notify, in advance, Bulgaria regarding the types, quantities and delivery schedules of defense equipment, supplies and materiel the United States forces intend to preposition in the territory of the Republic of Bulgaria, as well as the respective contractors who will make such deliveries.

2. Such defense equipment, supplies and materiel are for the exclusive use of the United States forces, and full title to all such equipment, supplies and materiel remains with the United States. United States forces shall have control over the use and disposition of defense equipment, supplies and materiel that they store in the territory of the Republic of Bulgaria and shall have the right to remove such items from the territory of the Republic of Bulgaria.

3. United States forces and United States contractors shall have unimpeded access to storage facilities for all matters relating to the storage of defense equipment, supplies and materiel, including delivery, management, inspection, use, maintenance and removal of such equipment, supplies and materiel. Aircraft, vehicles and vessels operated by or for United States forces shall have access to aerial and seaports of Bulgaria and other locations, as mutually agreed, for the delivery to, storage and maintenance in, and removal from the territory of the Republic of Bulgaria of defense equipment, supplies and materiel.

Article VI
Property Ownership

1. All buildings, non-relocatable structures and assemblies connected to the soil in the agreed facilities and areas, including ones altered or improved by United States forces, remain the property of Bulgaria. Permanent buildings constructed by the United States forces become the property of Bulgaria, once constructed, but shall be used by United States forces until no longer needed by United States forces.

2. The United States forces shall return as the sole and unencumbered property of Bulgaria any agreed facility or area, or any portion thereof, including non-relocatable structures and assemblies constructed by United States forces once no longer used by United States forces in usuable condition, provided the United States shall incur no expense. The Parties or their Executive Agents shall consult regarding the terms of return of any agreed facility or area, including possible compensation for improvements or construction.

3. The United States and United States contractors shall retain title to all equipment, materiel, supplies, relocatable structures, and other movable property they have imported into or acquired within the territory of the Republic of Bulgaria in connection with this Agreement.

4. The United States and Bulgaria may consult regarding the possible transfer or purchase of equipment determined to be excess, as may be authorized by United States law and regulations.

Article VII
Command and Functional Relations

The military agreed facilities and areas shall be under the command of the Bulgarian Armed Forces. The details concerning United States forces presence at military agreed facilities and areas and the functional relations between the United States forces and Bulgarian Armed Forces commanders will be addressed in Implementing Arrangements to this Agreement.

Article VIII
Entry and Exit

1. Unless otherwise mutually agreed, Bulgaria waives its authority under Article III, paragraph 2(b) of the NATO SOFA to require countersignature of movement orders.

2. Except as provided in paragraph 4 of this Article, members of the force, the civilian component and dependents shall be exempt from visas and Bulgarian law and regulations on registration and control of aliens.

3. Members of the civilian component and dependents shall be in possession of a valid United States Department of Defense identification card or certificate issued by the competent authority of the United States indicating their status as a member of the civilian component or a dependent, and a passport. Either document shall be shown on request to the appropriate Bulgarian authorities.

4. On their entry into Bulgarian territory, members of the civilian component and dependents shall declare their location of stay in the territory of the Republic of Bulgaria. Bulgarian authorities shall make any annotations required by Bulgarian law in the passports of such persons. A "card of foreigner residing for long time in the Republic of Bulgaria" valid for the duration of their tour of duty or stay will be issued, free of charge, to the the persons referred to above in cases when their tour of duty or stay is longer than ninety calendar days.

5. United States contractors and United States contractor employees shall enter and stay on the territory of the Republic of Bulgaria in accordance with the Bulgarian legislation. In case of the need for visas, Bulgaria shall grant or deny them expeditiously.

6. Should a member of the force or the civilian component die or leave the territory of the Republic of Bulgaria on transfer, the dependents of such member, while such dependents are present in the territory of the Republic of Bulgaria, shall continue to be accorded the status of dependents under this Agreement for a period of ninety (90) calendar days after such death or transfer. In cases where dependent children are enrolled in education facilities in the territory of the Republic of Bulgaria prior to the member's death or transfer, the member's dependents shall continue to be accorded the status of dependents for a period of thirty (30) calendar days after the date of graduation or termination of enrollment.

Article IX
Movement of Aircraft, Vessels and Vehicles

1. With full respect for the relevant rules of land and maritime safety and movement, vessels and vehicles operated by or exclusively for United States forces may enter, exit, and move within the territory of the Republic of Bulgaria. With full respect for the relevant rules of air safety and navigation, United States Government aircraft and civil aircraft that are at the time operating exclusively under contract to the United States Department of Defense are authorized to over-fly, conduct aerial refueling, land and take off within the territory of the Republic of Bulgaria. United States Government aircraft, vessels and vehicles shall be free from boarding without the consent of United States authorities.

2. Aircraft owned or operated by or exclusively for the United States forces shall not be subject to payment of overflight and navigation fees and any similar charges in connection with United States forces' missions and operations, and shall not be subject to payment of landing and parking fees at government owned and operated facilities in the territory of the Republic of Bulgaria. Vessels owned or operated by or exclusively for the United States forces shall not be subject to payment of pilotage or port fees, lighterage charges, harbor dues, or similar charges at military ports in the territory of the Republic of Bulgaria. The United States shall pay reasonable charges for services requested and received.

3. The details concerning implementation of this Article will be addressed in an Implementing Arrangement to this Agreement.

Article X
Criminal Jurisdiction

1. Bulgaria recognizes the particular importance of disciplinary control by the United States military authorities over members of the force and the effect that such control has on operational readiness. Therefore, at the request of the United States and in furtherance of its commitment to mutual defense, Bulgaria exercises its sovereign discretion to waive its primary right to exercise criminal jurisdiction as provided by paragraph 3(c) of Article VII of the NATO SOFA. In specific cases of particular importance to Bulgarian authorities, the waiver may be recalled, and the United States shall honor such recall. The recall shall be made by a statement in writing to the competent United States military authorities within a period of twenty-one days after receipt of notification by either Party.

2. Subject to any particular arrangement which may be made for minor offenses, the United States forces shall notify the competent authorities of each case falling under the provisions of paragraph 1 of this Article.

3. Whenever a member of the force or the civilian component or dependent is prosecuted by Bulgarian authorities, jurisdiction will be exercised by the Bulgarian non-military courts of first instance.

Article XI
Determination of Criminal Jurisdiction in Official Duty Cases

For purposes of determining whether an alleged criminal offense has arisen out of any act or omission done in the performance of official duty by a member of the force or of the civilian component under paragraph 3(a)(ii) of Article VII of the NATO SOFA, certification by the highest appropriate military authority of the United States that the act or omission that may have given rise to the alleged offense was done in the performance of official duty will constitute sufficient proof of the fact. In those cases where the Bulgarian authorities believe the circumstances of the case require review of the duty certificate, United States and Bulgarian authorities will consult immediately. During such consultation, Bulgarian authorities may present any information bearing on the validity of the official duty certificate and the United States authorities shall take full account of such information. Bulgarian authorities retain the option of requesting confirmation from the next higher United States military echelon.

Article XII
Custody and Access

1. A member of the force or of the civilian component under investigation or pending trial by Bulgarian authorities shall remain in the custody of United States authorities until the conclusion of all related judicial proceedings. United States military authorities shall assure the appearance of the member of the force or of the civilian component before the Bulgarian authorities in any proceedings that may require the presence of such person. In the event Bulgarian judicial proceedings are not completed within one year of their commencement, the United States military authorities shall be relieved of any obligations under this paragraph. This period of time

may be extended for exceptional circumstances as agreed to by the United States military authorities and appropriate Bulgarian authorities.

2. When a member of the force has been convicted by a Bulgarian court and an unsuspended sentence to confinement is adjudged, the United States military authorities shall maintain custody over the accused until the conclusion of all appellate proceedings. United States military authorities will keep appropriate Bulgarian authorities apprised of the accused's location while maintaining such custody.

3. In accordance with Bulgarian law, any period of time spent in restraint exercised by Bulgarian authorities or custody exercised by United States military authorities shall be credited against any sentence to confinement eventually adjudged.

4. When a member of the force, or the civilian component, or a dependent thereof, is arrested or detained by Bulgarian authorities, representatives of the United States shall be authorized prompt access to that individual whenever requested, and shall be permitted to be present during all interrogations of such member or dependent by Bulgarian authorities upon coordination with appropriate Bulgarian authorities.

Article XIII
Confinement and Visitation

Confinement imposed by a Bulgarian court upon members of the force, or the civilian component, or dependents, shall be served in Bulgarian penal institutions designated for such purposes by the Parties. Bulgarian authorities will permit the authorities of the United States to visit such persons outside of regular visiting hours upon coordination with appropriate Bulgarian officials. Family members may visit such persons during regular visiting hours. Bulgarian authorities will permit authorities of the United States and family members to provide such persons with appropriate assistance. The Convention on the Transfer of Sentenced Persons of March 21, 1983, shall apply to the above persons who are convicted by Bulgarian courts.

Article XIV
Discipline

1. United States military authorities shall be responsible for maintenance of discipline over members of the force.

2. In furtherance of the maintenance of discipline of United States forces, United States military authorities may establish military security units on the military facilities and areas where United States forces are located under procedures agreed to by the Bulgarian and United States military authorities. United States military authorities may also authorize the use of such units in communities near military facilities and areas where United States forces are located, in cooperation with Bulgarian police officials.

Article XV
Claims

1. Members of the force and of the civilian component shall not be subject to any proceedings for civil claims arising out of acts or omissions attributable to such persons done in the performance of their official duties. Such claims may be presented to the appropriate Bulgarian authorities and processed according to the provisions contained in Article VIII of the NATO SOFA.

2. As used in this Article, and Article VIII of the NATO SOFA, the term "civilian component" shall include all persons, regardless of their nationality or place of residence, who are United States employees acting in the performance of official duty as assigned by the United States forces, but shall not include employees of contractors or non-commercial organizations, regardless of their nationality or place of residence.

3. Members of the force, or of the civilian component, or dependents shall not suffer default judgments or actions prejudicial to their interests when official duties or duly authorized absence temporarily prevents their attendance at non-criminal proceedings to which they are parties.

4. For purposes of determining whether potential civil liability has arisen out of any act or omission done in the performance of official duty by a member of the force or of the civilian component under Article VIII of the NATO SOFA, certification by the highest appropriate military authority of the United States that the act or omission that may have given rise to the alleged offense was done in the performance of official duty will constitute sufficient proof of the fact. In those cases where the Bulgarian authorities believe the circumstances of the case require review of the duty certificate, United States and Bulgarian authorities will consult immediately. During such consultation, Bulgarian authorities may present any information bearing on the validity of the official duty certificate and the United States authorities shall take full account of such information. Bulgarian authorities retain the option of requesting confirmation from the next higher United States military echelon.

Article XVI
Official Tax Exemptions

1. With respect to the value added tax (VAT) or similar or successor taxes, an exemption shall apply at the point of purchase by or for the United States forces to materials, supplies, services, equipment and other property acquired for the ultimate use by the United States forces or which are ultimately to be incorporated into articles or facilities used by United States forces. The United States forces shall provide to competent Bulgarian authorities an appropriate certification that the materials, supplies, services, equipment and other property are for ultimate use by United States forces or are ultimately to be incorporated into articles or facilities used by United States forces. The details concerning implementation of this paragraph shall be addressed in an Implementing Arrangement to this Agreement.

2. The provisions of Bulgarian laws and regulations pertaining to the withholding of payment of income taxes and social security contributions shall not be applicable to members of the force,

non-Bulgarian members of the civilian component, United States contractors and United States contractor employees.

Article XVII
Personal Tax Exemptions

1. With respect to Article X, and in accordance with Article XI, paragraph 2, of the NATO SOFA, any tax, fee, license charge or similar charges, including the VAT, paid in the territory of the Republic of Bulgaria on the ownership, possession, use, transfer amongst themselves, or transfer in connection with death of their tangible movable property imported into the territory of the Republic of Bulgaria or acquired there for their own personal use shall be refunded to members of the force or of the civilian component in accordance with refund procedures mutually agreed. Motor vehicles owned by a member of the force or of the civilian component or dependent shall be exempt from Bulgarian road taxes, registration or license fees, and similar charges, but not from the payment of tolls for the use of roads, bridges and tunnels.

2. The exemption from taxes on income provided by Article X of the NATO SOFA shall also apply to income received by members of the force, or the civilian component or dependents and United States contractor employees from employment with the organizations referred to in Article II, paragraph 3, and Article XXIII of this Agreement, and to income derived from sources outside the territory of the Republic of Bulgaria.

3. The details regarding the implementation of this Article will be addressed in an Implementing Arrangement to this Agreement.

Article XVIII
Official Importation and Exportation

1. With reference to Article XI of the NATO SOFA, materials, supplies, equipment and other property imported by the United States forces or which are for the ultimate use by the United States forces or are to be incorporated into articles or facilities used by the United States forces shall be permitted entry into the territory of the Republic of Bulgaria free from duties and other such charges, including but not limited to use taxes, excise taxes, and value added taxes. The Parties shall cooperate as may be necessary to ensure that the imported quantities of materials, supplies, equipment and other property are reasonable. The United States forces shall provide Bulgaria an appropriate certification that such materials, supplies, equipment and other property are being imported by the United States forces or, in the case such imports are for ultimate use by the United States forces or are to be incorporated into articles or facilities used by the United States forces, that the materials, supplies, equipment or other property are being imported on behalf of the United States forces. The details concerning implementation of this paragraph shall be addressed in an Implementing Arrangement to this Agreement.

2. Materials, supplies, equipment and other property shall be exempt from any tax or other charge which would otherwise be assessed upon such property after its importation or acquisition by the United States forces.

3. The exportation from the territory of the Republic of Bulgaria by the United States forces of the materials, supplies, equipment and other property referred to in paragraph 1 of this Article shall be exempt from Bulgarian export duties.

4. The exemptions provided in paragraphs 1, 2, and 3 of this Article shall also apply to materials, supplies, services, equipment and other property imported into or acquired in the Bulgarian domestic market in furtherance of a contract for the United States forces where such materials, supplies, services, equipment and other property are for the ultimate use by the United States forces or are to be incorporated into articles or facilities used by the United States forces. The United States forces shall require that their contractors be obligated to use the goods imported under the terms of this paragraph exclusively for the execution of United States forces' contracts.

5. Deposit of the certificate provided for in Article XI, paragraph 4 of the NATO SOFA shall be accepted by the Bulgarian customs authorities instead of customs declaration of the items imported or exported by or for the United States forces under this Article. Any inspection will take place expeditiously according to procedures to be set out in an Implementing Arrangement to this Agreement.

Article XIX
Personal Importation and Exportation

1. The members of the force or of the civilian component, dependents and United States contractor employees may import their personal effects, furniture, one private motor vehicle and other goods intended for their personal or domestic use or consumption free of duty during their assignment in the territory of the Republic of Bulgaria. This privilege shall apply not only to goods and movable property which are the property of such persons but also to goods and property sent to them by way of gift or delivered to them in fulfillment of contracts directly concluded with a person or persons not domiciled in the territory of the Republic of Bulgaria.

2. The goods referred to in paragraph 1 of this Article and other movable property acquired free of taxes and/or duties may not be sold or otherwise transferred into possession of persons in the territory of the Republic of Bulgaria not entitled to import such property duty free, unless such transfer is agreed upon by the appropriate Bulgarian authorities. Payment of any taxes due as the result of such transactions shall be the responsibility of the recipient of the goods or the movable property. This provision shall not apply to gifts to charity. Members of the force, or of the civilian component, dependents, and United States contractor employees may freely transfer such property amongst themselves and to or from the force, and such transfers shall be free of tax and/or duty. The United States forces shall be responsible for maintaining records which will be accepted as proof by Bulgarian authorities of these transfers of tax or duty free merchandise. Bulgarian authorities shall accept duly filed police reports as prima facie evidence that duty and tax free property of members of the force, the civilian component, dependents and United States contractor employees has been stolen, which shall relieve the individuals of any liability for payment of the tax or duty.

3. Members of the force or of the civilian component or dependents and United States contractor employees may export and/or re-export, free of exit duties or charges, any goods imported by them into the territory of the Republic of Bulgaria or acquired by them during their period of duty in the territory of the Republic of Bulgaria.

Article XX
Motor Vehicles

1. Bulgarian authorities will honor the registration and licensing by United States military and civilian authorities of motor vehicles and trailers of the force, or United States contractors or members of the force, or the civilian component or dependents. Upon the request of United States military authorities, Bulgarian authorities shall issue military license plates for United States forces' official, non-tactical vehicles in accordance with the procedures established for the Bulgarian armed forces, and license plates that are indistinguishable from those issued to Bulgarian population at large for private motor vehicles of the members of the force, the civilian component and dependents.

2. United States military authorities shall take adequate safety measures with respect to motor vehicles and trailers registered and licensed by them or used by the force in the territory of the Republic of Bulgaria.

3. Private motor vehicles of the members of the force, civilian component, dependents, United States contractors and United States contractor employees shall be covered by a valid motor vehicle insurance policy.

Article XXI
Licenses

1. A license or other permit issued to a member of the force or of the civilian component or United States contractor employees by United States military authorities empowering the holder to operate vehicles, vessels, or aircraft of the force is valid for the operation of such vehicles, vessels or aircraft in the territory of the Republic of Bulgaria.

2. Bulgarian authorities will honor driving licenses issued by United States military and civilian authorities for the operation of private motor vehicles by members of the force, the civilian component and dependents if United States military authorities have determined that, in addition to fitness to operate a motor vehicle, applicants possess adequate knowledge of Bulgarian traffic regulations. In such cases international drivers' licenses shall not be required.

3. (a) United States military authorities shall withdraw driving privileges from members of the United States forces, the civilian component and dependents if there is reasonable doubt concerning such individuals' reliability or fitness to operate a motor vehicle. They shall give sympathetic consideration to requests made by Bulgarian authorities for the withdrawal of such driving privileges. United States military authorities shall notify Bulgarian authorities of all withdrawals made in accordance with this sub-paragraph and of all cases where, after such withdrawal, driving privileges have been reinstated.

(b) In cases where Bulgarian courts exercise jurisdiction pursuant to Article VII of the NATO SOFA and Article X of this Agreement over offenses involving the operation of motor vehicles, and in cases where other Bulgarian authorities are entitled to take measures in relation to such offenses, provisions of Bulgarian law relating to the withdrawal of permission to drive remain applicable with respect to driving licenses referred to in this Article.

4. Bulgaria shall not require members of the force, members of the civilian component, United States contractors or United States contractor employees to obtain professional licenses issued by the Republic of Bulgaria in relation to the provision of services as part of their official or contractual duties internal to United States forces, members of the force, members of the civilian component, dependents, United States contractors, United States contractor employees and other persons as mutually agreed.

Article XXII
Customs Procedures

1. Bulgaria shall take all appropriate measures to ensure the smooth and rapid clearance of imports and exports contemplated under this Agreement.

2. Customs inspections under this Agreement will be carried out in accordance with procedures mutually agreed between the appropriate Bulgarian authorities and the United States forces. Any custom inspection by Bulgarian customs authorities of incoming or outgoing personal property of members of the force, the civilian component, or their dependents shall be conducted when the property is delivered to or picked up from the individual's residence.

3. United States military authorities shall establish the necessary measures at facilities where United States forces are located to prevent abuses of the rights granted under the NATO SOFA and this Agreement. United States military authorities and Bulgarian authorities shall cooperate in the investigation of any alleged offenses involving customs violations.

Article XXIII
Military Service Activities

1. (a) United States military authorities may directly or through contract, establish, maintain and operate military service exchanges, commissaries, other sales outlets, open messes, social and educational centers, and recreational service areas in the territory of the Republic of Bulgaria at mutually agreed locations for use by members of the force, the civilian component, dependents and other authorized personnel as mutually agreed. No license, permit, inspection, or other regulatory control shall be required or carried out by Bulgaria for these military service activities.

(b) United States forces may enter into contracts with financial institutions to maintain and operate banking activities and other financial activities by the "Community Bank" or a "Correspondent Bank" licensed in the Republic of Bulgaria at mutually agreed locations for the

exclusive use of United States forces, United States contractors, United States contractor employees and dependents.

2. The organizations and activities referred to in this Article are integral parts of the United States forces and shall be accorded the same fiscal and customs exemptions granted to the force, including those provided in Articles XVI and XVIII of this Agreement. Such organizations and activities shall be maintained and operated in accordance with applicable United States regulations. Such activities shall not be required to collect or pay taxes, or other fees for activities related to their operations.

3. The United States military authorities shall adopt appropriate measures to prevent the sale of goods and property imported or acquired in the territory of the Republic of Bulgaria by the organizations referred to in paragraph 1 of this Article to persons who are not authorized to patronize such organizations.

4. The details regarding implementation of this Article shall be addressed in an Implementing Arrangement to this Agreement.

Article XXIV
Military Post Offices

1. The United States may establish, maintain and operate Military post offices for use by the Force, members of the force and the civilian component, United States contractors, United States contractor employees, their dependents, and retirees of the United States armed forces.

2. Mail posted at such military post offices may bear stamps of the United States.

3. Official mail of the force shall be exempt from search or seizure by Bulgarian authorities.

Article XXV
Currency and Exchange

1. United States military authorities shall have the right to import, export and use consistent with Bulgarian legislation United States currency or instruments expressed in the currency of the United States in any amount, while also observing the order and conditions of the Bulgarian legislation on declaring the amounts of currencies.

2. United States military authorities may distribute to or exchange for members of the force, the civilian component and dependents currency of, and instruments denominated in the currency of:
(a) the United States;
(b) the Republic of Bulgaria;
(c) the Euro zone; and
(d) any other country, to the extent required for the purpose of authorized travel, including travel on leave.

3. Members of the force, the civilian component and dependents may import United States currency and instruments denominated in currency of the United States, and export any currency other than that of the Republic of Bulgaria, and instruments denominated in any such currency, provided that such member or dependents has either imported such currency or instruments or received such currency or instruments from the United States military authorities not in violation of Bulgarian law.

4. United States military authorities shall, in cooperation with Bulgarian authorities, take appropriate measures in order to prevent any abuse of the rights granted under this Article and to safeguard the system of Bulgarian foreign exchange regulations insofar as they apply to personnel covered by this Agreement.

Article XXVI
Security

1. Unless otherwise agreed by the Parties or their Executive Agents, in accordance with Article VII, paragraph 11, of the NATO SOFA, Bulgaria shall take such measures as are necessary to ensure the adequate security and protection of the facilities and areas where United States forces are located. In furtherance of this responsibility, Bulgarian authorities shall cooperate closely with United States authorities to ensure that adequate security is provided.

2. If the safety of the United States forces, members of the force, or the civilian component, or dependents is endangered, United States military authorities may take measures appropriate to maintain or restore order and discipline in the facilities or areas where United States forces are located. Such measures will be coordinated with appropriate Bulgarian authorities.

3. The Parties shall take all reasonable measures to ensure the safety and security of the United States forces' property from seizure by or conversion to the use of any party other than the United States, without the prior written consent of the United States.

4. The details concerning implementation of this Article will be addressed in an Implementing Arrangement to this Agreement.

Article XXVII
Logistics Support

1. Bulgaria shall use best efforts, considering its internal national requirements and available capabilities, to provide to United States forces in the territory of the Republic of Bulgaria logistics support listed in Annex B, upon the request of the United States forces, to conduct activities under this Agreement.

2. The United States forces shall pay reasonable costs for logistics support requested and received. In this regard, Bulgaria shall accord to United States forces treatment no less favorable than is accorded to the Bulgarian Armed Forces, including charging the United States forces rates no less favorable than those paid by the Bulgarian Armed Forces for similar support less taxes, fees or similar charges.

3. As appropriate, such logistics support shall be provided and reimbursement made in accordance with the Acquisition and Cross-Servicing Agreement Between the Department of Defense of the United States of America and the Ministry of Defense of the Republic of Bulgaria, which entered into force on February 21, 2001.

4. Provision of logistics support not provided for under the Agreement noted in paragraph 3 above shall be established through an Implementing Arrangement to this Agreement.

Article XXVIII
Utilities and Communication

1. United States forces and contractors may use water, electricity, and other public utilities on terms and conditions, including rates or charges, no less favorable than those available to the Bulgarian Armed Forces or Government, in like circumstances, unless otherwise agreed. The United States forces' costs will be equal to their pro rata share of their use of such utilities.

2. The United States forces shall be allowed to operate their own telecommunication systems (as the term "telecommunication" is defined in the 1992 Constitution of the International Telecommunication Union). This shall include the right to utilize such means and services as are required to ensure full ability to operate telecommunication systems, and the right to use, free of charge, all necessary frequencies allocated for use by the Bulgarian National Security and Defence in the Bulgarian National Frequency Plan, and other frequencies as mutually agreed. The United States forces, in the interest of avoiding mutually disruptive interference, as well as to assist Bulgaria in fulfillment of its international obligations, shall coordinate the use of frequencies with the appropriate Bulgarian authorities. The United States forces shall take into consideration Bulgarian laws and will consult with appropriate Bulgarian authorities on the operation of their own telecommunication systems.

Article XXIX
Environment, Health and Safety

The Parties agree to implement this Agreement in a manner consistent with the protection of the natural environment and human health and safety. The United States confirms its commitment to respect relevant Bulgarian environmental, health and safety laws, regulations and standards in the execution of its policies. Bulgaria confirms its policy to implement its environmental, health and safety laws, regulations and standards with due regard for the health and safety of United States forces, the civilian component, United States contractors, United States contractor employees and dependents. The details regarding this Article shall be addressed in an Implementing Arrangement to this Agreement.

Article XXX
Contracting Procedures

1. United States forces, in accordance with United States laws, may order contracts for the acquisition of articles and services, including construction, in the territory of the Republic of

Bulgaria. United States forces may procure from any source; however they shall utilize local Bulgarian physical persons and legal entities as suppliers of articles and services to the extent feasible for the performance of a contract when the bids of such suppliers are competitive, and constitute the best value.

2. Individuals whose presence at a facility is required for the performance of a contract shall be granted access to the facilities within 10 working days and, in exceptional circumstances, within no more than 15 working days, of a request by United States military authorities. Such access may be denied or withdrawn for reasons of security or due to the individual's misconduct. If the appropriate Bulgarian authorities deny or withdraw such access they shall state the reasons for their decision in writing to the appropriate United States military authorities.

3. Bulgaria shall accord to the force treatment in the matter of procurement of goods, services and utilities no less favorable than is accorded to the Bulgarian Armed Forces.

4. The details regarding implementation of this Article shall be addressed in an Implementing Arrangement to this Agreement.

Article XXXI
Status of Contractors

1. United States contractors and United States contractor employees shall be certified as such by the United States military authorities and such certifications shall be provided to the appropriate Bulgarian authorities.

2. United States contractors and United States contractor employees shall be exempt from Bulgarian laws and regulations with respect to the terms and conditions of their employment to perform work under contracts with the United States forces, and licensing and registration of business and corporations solely with regard to the provision of goods and services to United States forces in the territory of the Republic of Bulgaria. The above exemption notwithstanding, United States contractors shall register as such with appropriate Bulgarian authorities for reimbursement of taxes. Such contractors also shall be exempt from all corporation and excise taxes arising solely from the delivery to the United States forces of goods or services, or from construction of facilities for the United States forces. Such contractors also shall not be subject to any form of income or profits tax by Bulgaria or its political subdivisions on income or profits derived solely from its contract or subcontract with United States forces.

3. The details regarding implementation of this Article will be addressed in an Implementing Arrangement to this Agreement.

Article XXXII
Labor

1. United States forces, including Military Service Activities, may recruit and employ dependents, as well as persons authorized to be employed in the territory of the Republic of Bulgaria, and may administer those employees in accordance with this Article.

2. To the extent not inconsistent with this Article or with the military requirements of United States forces, the conditions of employment of local civilian labor, salaries and wages, supplementary payments and social security payments, the conditions for the protection of workers, and the rights of workers concerning labor relations and legal protections that will be established for the local civilian employees of United States forces shall be consistent with provisions of labor legislation of the Republic of Bulgaria. In order to carry out this paragraph, procedures, as appropriate, shall be established by the Joint Sub-Committee on labor matters created in Article XXXIII, taking into account applicable Bulgarian and United States laws and regulations.

3. Wages and salaries will be set by the United States forces in accordance with applicable United States regulations, taking into consideration prevailing wages. Wages and salaries, benefits, supplementary payments, and increases in such payments may be limited by United States law and regulations.

4. Local civilian employees of United States forces may address any grievances in accordance with the procedures outlined in an Implementing Arrangement to this Agreement; however, they may not strike.

5. United States forces' employment of local civilian individuals may be terminated at such time United States forces determine their employment to be inconsistent with United States forces' military requirements. The procedures for termination will be in accordance with the procedures established under paragraph 2 of this Article.

6. Individuals whose presence at a facility is required for the performance of employment shall be granted access to such facility within 10 working days and, in exceptional circumstances, within no more than 15 working days, of a request by United States military authorities. Such access may be denied or withdrawn for reasons of security or due to the individual's misconduct. If the appropriate Bulgarian authorities deny or withdraw such access they shall state the reasons for their decision in writing to the appropriate United States military authorities.

7. Details regarding implementation of this Article will be addressed in an Implementing Arrangement to this Agreement.

Article XXXIII
Implementation and Disputes

1. As appropriate, the Parties or their Executive Agents may enter into Implementing Arrangements to carry out the provisions of this Agreement.

2. Any divergence in views or disputes regarding the interpretation or application of this Agreement shall be resolved at the lowest competent level through consultation between the Parties and shall not be referred to any national or international court, tribunal or other similar body, or any third party for settlement.

3. The Parties hereby establish a Joint Commission to implement this Agreement to be co-chaired by representatives of their Executive Agents. The Joint Commission shall consist of governmental representatives appointed by the Parties. The Joint Commission shall determine its own procedures, and arrange for such auxiliary organs and administrative services as may be considered appropriate in the implementation of this Agreement. At a minimum, the Joint Commission shall establish sub-committees to address specific areas of interest including, but not limited to, environmental matters, exercise planning matters, operational matters, logistics matters, labor matters and legal matters. Each Executive Agent shall bear the costs of its participation in the Joint Commission.

Article XXXIV
Entry into Force, Amendment and Duration

1. This Agreement shall enter into force upon notification by Bulgaria to the United States through diplomatic channels that all of its internal procedures as are necessary to bring this Agreement into force have been satisfied.

2. This Agreement may be amended by written agreement of the Parties.

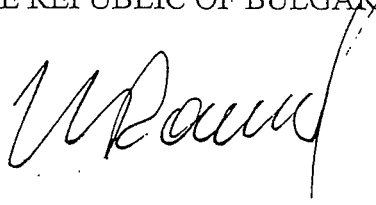
3. Although this Agreement shall have an initial term of ten years, it may be terminated by either Party upon one year's written notice to the other Party through diplomatic channels. Thereafter, this Agreement shall continue in force unless terminated by either Party upon one year's written notice to the other Party through diplomatic channels.

IN WITNESS THEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Sofia, this 28th day of April, 2006, in duplicate, in the English and Bulgarian languages, both texts being equally authentic.

FOR THE GOVERNMENT OF
THE UNITED STATES OF AMERICA

FOR THE GOVERNMENT OF
THE REPUBLIC OF BULGARIA



ANNEX A

Facilities

Facilities include:

- Novo Selo Training Range, including the Aytos (Ajtos) Storage facility
- Bezmer Air Base
- Graf Ignatievo Air Base

ANNEX B

Logistics Support

For the purposes of this Agreement, the following categories of logistics are encompassed by Article XXVII thereof:

- Accommodations
- Maintenance and repair services, including storage;
- Water, potable and non-potable, including distribution and storage;
- Food, perishable and non-perishable;
- Fuel, to include storage, distribution and quality control services;
- Land, sea and air transportation services;
- Utilities and services, including power and communications;
- Medical support and services;
- Service for aircraft and cargo; and
- Other appropriate support as mutually agreed.