

MEMORANDUM OF AGREEMENT BETWEEN

THE MINISTRY OF DEFENSE

OF

THE REPUBLIC OF BULGARIA

AND

THE UNITED STATES NAVY

OF

THE UNITED STATES OF AMERICA

REGARDING THE EXCHANGE OF MILITARY PERSONNEL

(MPEP AGREEMENT)

Lt L.F. Russell USA
Certified to Be A True Copy

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PREAMBLE

The Ministry of Defense of the Republic of Bulgaria and the United States Navy of the United States of America (U.S.), hereinafter referred to as "the Parties," have agreed to establish a Military Personnel Exchange Program (MPEP), which is designed to strengthen bonds of friendship and understanding between the countries and their respective Naval organizations.

ARTICLE I DEFINITIONS OF TERMS

The Parties have agreed upon the following definitions for terms used in this Memorandum Of Agreement (MOA)

1.1.	MOA	The Military Personnel Exchange Agreement that formalizes this Exchange Program.
1.2.	Classified Information	Information of whatever form, nature or method of transmission either manufactured or in process of manufacture to which a security classification level has been attributed and which in the interests of national security and in accordance with the laws and regulations of both Parties requires protection against unauthorized access or distribution.
1.3.	Contact Officer	A n official of the Ministry of Defense of Bulgaria or a U. S. Navy official designated, in writing, to oversee and control all contacts, requests for information, consultations, access, and other activities of Exchange Personnel who are assigned to, or are visiting, a Ministry of Defense of Bulgaria Component or subordinate organization or a U.S. Department of Defense (DoD) Component or subordinate organization.
1.4.	Controlled Unclassified Information (CUI)	Unclassified information of a Party to which access or distribution limitations have been applied in accordance with national laws policies and regulations of such Party. It includes U.S. information that is exempt from public disclosure or subject to export control laws and regulations. It could include information that has been declassified but remains controlled.
1.5.	Host State	The state of the Host Party.
1.6.	Host Party	The Party to which the Naval Exchange Personnel acts as a Naval Exchange Person pursuant to an assignment by a Parent Party under Article III of this MOA.
1.7.	International Visits Program (IVP)	The program established to process visits by, and assignments of, foreign representatives to DoD Components and DoD contractor facilities. It is designed to ensure that Classified and Controlled Unclassified Information to be disclosed to foreign nationals has been properly authorized for disclosure to their Governments; that the requesting foreign government provides a security assurance on such foreign nationals and their sponsoring organization or firm, when Classified Information is involved in the visit or assignment, and that administrative arrangements (e.g., date, time, and place) for the visit or

		assignment are provided.
1.8.	Exchange Personnel	Navy personnel on active duty with the Parent Party who are present with the Host Party pursuant to this Military Personnel Exchange Program (MPEP).
1.9.	Parent Government	The national Government of the Parent Party.
1.10	Letter of Offer and Acceptance (LOA)	U.S. document by which the USG offers to sell to a foreign government defense articles and defense services pursuant to the Arms Export Control Act, as amended. The LOA lists the items and/or services, estimated costs, the terms and conditions of sale, and provides for the foreign government's signature to indicate acceptance.
1.11.	Parent Party	The Party that assigns a Naval Exchange Officer pursuant to Article III of this MOA.

ARTICLE II PURPOSE AND SCOPE

2.1. This MOA establishes the terms and conditions by which the Ministry of Defense of the Republic of Bulgaria and the U.S. Navy of the United States of America (hereafter referred to as "the Parties"), agree to provide on-site working assignments to selected career Naval personnel (hereafter referred to as "Naval Exchange Personnel") from the other Party. The work assignments shall provide Naval Exchange Personnel work experience and knowledge of the organization and management of Host Party activities by performing duties under the direction of a Host Party supervisor. Exchanges of Naval personnel under this MOA shall be conducted on a reciprocal basis, in similar duties, so that the overall benefit to each Party shall be essentially equal. The Parties agree that a Naval Exchange Personnel position no longer required by, or of mutual benefit to, either Party will be subject to elimination.

2.2. The position assignments of Naval Exchange personnel will be made via written agreement by the Parties or their authorized representatives.

2.3. This Military Personnel Exchange Program (MPEP) shall not include training, except for programs conducted to familiarize, orient, or certify exchange personnel regarding unique aspects of their assignments. Additionally, it is not to be used as a mechanism for the exchange of information between the Parties.

2.4. Naval Exchange Personnel shall not act in a liaison capacity, or otherwise act as representatives of the Parent Party or the Parent Government while assigned to exchange positions, nor shall they act as representatives of the Host Party or the Host Government to which they are assigned. Naval Exchange Personnel shall perform duties as defined in the position descriptions for their respective positions.

2.5. All activities of the Parties under this MOA shall be carried out in accordance with the national legislation of the Parties.

ARTICLE III SELECTION AND ASSIGNMENT OF PERSONNEL

3.1. Participation in this MPEP shall be on a highly selective basis among career Naval personnel of the Ministry of Defense of Bulgaria and the U.S. Navy. The Parent Party shall be solely responsible in the selection of its Naval Exchange Personnel based on the following criteria:

3.1.1. They must have demonstrated capabilities for future positions of greater responsibility;

3.1.2. They must be well-versed in the current practices, technical training, and doctrine of their organization, and be particularly qualified through experience for the exchange positions to be occupied;

3.1.3. They must possess the grade, skill, training, and academic qualifications that are described in the applicable position descriptions; and

3.1.4. They must be sufficiently proficient in the language of the Host Party to satisfy the requirements of the positions.

3.2. Consistent with the nomination process, the Host Party shall be authorized to discharge Naval Exchange Personnel from this MPEP who do not meet the above criteria. This decision is within the sole discretion of the Host Party.

3.3. The normal tour of duty for Naval Exchange Personnel, exclusive of travel time between countries, shall be up to two years. However, it can be changed by either party upon national availability. Any time required for qualification and familiarization shall be in addition to the normal tour. Exceptions and/or adjustments of exchange tours shall be based on mutual written agreement.

3.4. Naval Exchange Personnel who possess current aeronautical ratings, are qualified to perform in their rated specialty, and are required by the Host Party or Parent Party to fly for proficiency or to qualify for flight pay, shall be assigned to flying status or permitted use of available flying facilities according to Host Party regulations.

3.5. Naval Exchange Personnel who possess parachutist ratings and are required by their exchange position duties with the Host Party to perform parachute jumps shall be assigned to parachute duty, and shall be provided with appropriate equipment and facilities according to Host Party regulations.

3.6. Naval Exchange Personnel who possess diver/combatant swimmer ratings and are required by their exchange position duties with the Host Party to perform such duties shall be assigned to diving/combatant swimmer duty, and shall be provided with the appropriate equipment and facilities according to Host Party regulations.

ARTICLE IV FINANCIAL ARRANGEMENTS

4.1. The Parent Party's responsibilities shall include, but shall not be limited to, the following costs for its Naval Exchange Personnel:

4.1.1. All pay and allowances;

4.1.2. All change of station travel by the Naval Exchange Personnel and Naval Exchange Personnel dependents, including but not limited to, transportation, per diem, and other travel allowances when traveling to and from the Parent Party country and Host Party country when reporting for duty and at the conclusion of the assignment;

4.1.3. All temporary duty costs, including travel costs, when such duty is carried out at the request of the Parent Party;

4.1.4. The movement of Naval Exchange Personnel and Naval Exchange Personnel dependents, including their household effects;

4.1.5. Preparation and shipment of remains and funeral expenses in the event of the death of Naval Exchange Personnel or Naval Exchange Personnel dependents;

4.1.6. The costs of quarters, rations, and medical and dental services for the Naval Exchange Personnel and Naval Exchange Personnel dependents, unless specifically stated otherwise in an applicable international agreement;

4.1.7. Compensation for loss of, or damage to, the personal property of the Naval Exchange Personnel or Naval Exchange Personnel dependents; and

4.1.8. All expenses in connection with the return of a Naval Exchange Personnel and Naval Exchange Personnel dependents to the Parent Party country, including, but not limited to, transportation, per diem, and other travel allowances when the assignment is terminated prior to the normal completion date;

4.2. The Host Party shall be responsible for the following:

4.2.1. Travel and subsistence costs in connection with the performance of any duty carried out by the Naval Exchange Personnel pursuant to a requirement of the Host Party;

4.2.2. Costs for training conducted to familiarize, orient, or certify Naval Exchange Personnel regarding unique aspects of the assignments; and

4.2.3. Such office facilities, equipment, supplies, and services as may be necessary for the Naval Exchange Personnel to fulfill the purposes of this MOA.

4.3. The obligations of each Party under this MOA shall be subject to the authorization and availability of funds for such purposes.

ARTICLE V SECURITY

5.1. During the selection process, each Party shall inform the other Party of the level of security clearance required, if any, to permit Naval Exchange Personnel to have access to classified information and work areas. Access to classified information shall be kept to the minimum required to accomplish the work assignment, as determined by the Host Party, based on the applicable position description. Nothing in this MOA shall be construed by the Parties to authorize unfettered access to Classified Information or Controlled Unclassified Information residing in the Host Party's facilities or computer systems.

5.2. Each Party shall cause security assurances to be filed, through the Bulgarian Embassy in Washington, DC, in the case of the Bulgarian personnel, and through the U.S. Embassy in Bulgaria, in the case of the U.S. personnel, stating the security clearances for all Naval Exchange Personnel selected. The security assurances shall be prepared and forwarded through prescribed channels in compliance with established Host Party

procedures. For the United States, the prescribed channels shall be the International Visits Program (IVP), as defined in paragraph 1.7. of this MOA.

5.3. The Host Party and the Parent Party shall ensure that assigned Naval Exchange Personnel are fully cognizant of applicable laws and regulations concerning the protection of intellectual property rights (such as patents, copyrights, know-how, and trade secrets), Classified Information, and Controlled Unclassified Information disclosed to the Naval Exchange Personnel. This obligation shall apply both during and after termination of an assignment as a Naval Exchange Personnel. Prior to taking up duties as Naval Exchange Personnel, the Naval Exchange Personnel shall be required to sign the appropriate certification at Annex A to this MOA. Only individuals who execute the certificate shall be permitted to serve as Naval Exchange Personnel with the Navy.

5.4. Naval Exchange Personnel shall at all times be required to comply with the security laws, regulations, and procedures of the Host Government . Any violation of security procedures by Naval Exchange Personnel during their assignments shall be reported to the Parent Party for appropriate action. Upon request by the Host Party, the Parent Party shall remove Naval Exchange Personnel committing violations of security procedures during their assignments.

5.5. All Classified Information made available to Naval Exchange Personnel shall be considered as Classified Information furnished to the Parent Party, and shall be subject to all provisions and safeguards provided for under the Agreement Between the Government of the United States of America and the Government of the Republic of Bulgaria Concerning the Protection of Classified Military Information, dated February 1, 1995. The information shall not be further released or disclosed by the Military Exchange Personnel to any other person, firm, organization, or government without the prior written authorization of the Host Government. Disclosure of information to the Naval Exchange Personnel shall not be deemed to be a license or authorization to use such information for any purpose other than the purposes described in this MOA.

ARTICLE VI TECHNICAL AND ADMINISTRATIVE MATTERS

6.1. To the extent authorized by the laws and regulations of the Host Government and in accordance with Article IV, the Host Party may provide such administrative support as is necessary for Naval Exchange Personnel to fulfill the purposes of this MOA.

6.2. The Host Party's certification or approval of an individual as Naval Exchange Personnel shall not bestow diplomatic or other special privileges upon that individual.

6.3. Consistent with the national legislation of the Host State, Naval Exchange Personnel assigned under this Agreement shall be subject to the same restrictions, conditions, and privileges as Host Party personnel of comparable rank in their areas of assignment. Further, to the extent authorized by the laws and regulations of the Host Government, Naval Exchange Personnel and Naval Exchange Personnel dependents shall be accorded on a reciprocal basis:

6.3.1. Exemption from any tax by the Host Government upon income received from the Parent Government;

6.3.2. Exemption from any customs and import duties or similar charges levied on items entering the country of the Host Party for the Naval Exchange Personnel and Naval Exchange Personnel dependents official or personal use, including baggage, household effects, and private motor vehicles. The foregoing shall

not in any way limit privileges set forth elsewhere in this MoU, or other privileges granted by the laws of the Host Government.

6.4. Naval Exchange Personnel and Naval Exchange Personnel dependents shall be required to comply with all applicable Host Government security policies, procedures, laws, and regulations. The Host Party shall assign a Contact Officer to provide guidance to the Naval Exchange Personnel concerning policies, procedures, laws, and regulations of the Host Party, and to arrange for activities consistent with such requirements and the purposes of this MOA.

6.5. Naval Exchange Personnel may observe the holiday schedule of either the Parent Party or the Host Party as mutually agreed to in writing.

6.6. Naval Exchange Personnel shall be assigned work under the guidance and supervision of a host supervisor. The host supervisor shall establish performance standards and observe the performance of Naval Exchange Personnel to provide a basis for counseling and performance evaluations. Naval Exchange Personnel shall have performance evaluations rendered by their host supervisor. The Host Party shall forward such reports to the Parent Party in accordance with Parent Government requirements.

6.7. Reports that Naval Exchange Personnel may be required to make by the Parent Party, or that they wish to make concerning their exchange duties, shall be submitted as follows:

6.7.1. U.S. Naval Exchange Personnel will forward their reports in accordance with OPNAVINST 5700.7G.

6.7.2. Bulgarian Naval Exchange Personnel will forward their reports through the Bulgarian Defense Attaché in Washington, DC.

6.8. The Naval Exchange Personnel and Naval Exchange Personnel dependents shall be provided care in military medical and dental facilities to the extent permitted by applicable Host Government law, policy, and international agreements. Where a reciprocal agreement for health care exists between the Parties, the access entitlements of the Naval Exchange Personnel and Naval Exchange Personnel's dependents are specified. For those personnel covered by such an agreement, care is generally provided free of charge. All Naval Exchange Personnel and Naval Exchange Personnel dependents not covered by a reciprocal agreement may be offered health care, on reimbursable basis, in Naval facilities. Where Naval facilities are not available, the Naval Exchange Personnel shall be responsible for all medical and dental costs incurred by himself/herself and his/her dependents. The Parent Party shall ensure that the Naval Exchange Personnel and Naval Exchange Personnel dependents are physically fit prior to the Naval Exchange Personnel's tour of duty. The Parent Party shall be responsible for familiarizing itself with the medical and dental services available to the Naval Exchange Personnel and Naval Exchange Personnel dependents.

6.9. In no case shall Naval Exchange Personnel be assigned to positions that would require exercise of command or responsibilities that are reserved by law or regulation to an officer or employee of the host state or host party.

6.10. Naval Exchange Personnel shall not be placed on duty or in positions in areas of political sensitivity where their presence would jeopardize the interests of the Parent Party, or where, in the normal course of their duty, they may become involved in activities, which may embarrass the Parent Party.

6.11. The Host Party shall not deploy Naval Exchange Personnel in non-direct hostility situations, such as United Nations peacekeeping or multi-national operations, without Parent State approval. Additionally, Naval

Exchange Personnel shall not be deployed to a third country as a member of an exercise contingent, or to participate in an exercise without written approval from the Parent Party.

6.12. The Host Party shall not place Naval Exchange Personnel in duty assignments in which direct hostilities with forces of third states are likely to occur. Should a unit in which Naval Exchange Personnel are assigned become involved in hostilities unexpectedly, Naval Exchange Personnel assigned to the unit shall not be involved in the hostilities without written authorization from the Parent State.

6.13. The Naval Exchange Personnel and Naval Exchange Personnel dependents shall be accorded the use of Naval commissaries, exchanges, theaters, and similar morale and welfare activities, in accordance with the laws, regulations, and policies of the Host Party and international agreements to which the Host and Parent Parties are party.

6.14. Naval Exchange Personnel shall be granted leave, passes, and liberty according to their entitlements under the regulations of the Parent Party, subject to the approval of the appropriate authorities of the Host Party.

6.15. Naval Exchange Personnel shall be required to comply with the dress regulations of the Parent Party. The order of dress for any occasion shall be that which most nearly conforms to the order for the particular unit of the Host Party with which the Naval Exchange Personnel are serving. Practices of the Host Party shall be observed with respect to wearing of civilian clothes.

6.16. To the extent permitted by the laws and regulations of the Host Government, and subject to reimbursement by the Parent Party, the Host Party shall provide, if available, housing and messing facilities for Naval Exchange Personnel and Naval Exchange Personnel dependents on the same basis and priority as for its own personnel of comparable rank and assignment. At locations where housing and messing facilities are not provided by the Host Party, the Host Party shall use reasonable efforts to assist the Parent Party to locate such facilities for Naval Exchange Personnel and Naval Exchange Personnel dependents.

6.17. If office space is provided to Naval Exchange Personnel by the Host Party, the Host Party shall determine the normal working hours for Naval Exchange Personnel.

6.18. The Parent Party shall ensure that Naval Exchange Personnel and Naval Exchange Personnel dependents have all documentation required by the Host Government for entry into, and exit from, the country of the Host Government at the time of such entry or exit, consistent with relevant international agreements. Unless exempted under an applicable international agreement between the Parties, Naval Exchange Personnel and Naval Exchange Personnel dependents shall be required to comply with host state customs regulations.

ARTICLE VII DISCIPLINE AND REMOVAL

7.1. Except as provided in paragraph 7.2., neither the Host Party nor the armed forces of the Host Government may take disciplinary action against Naval Exchange Personnel who commit an offense under the military laws or regulations of the Host Party, nor shall the Host Party exercise disciplinary authority over the Naval Exchange Personnel's dependents. The Parent Party, however, shall take such administrative or disciplinary action against Naval Exchange Personnel as may be appropriate, and the Parties shall cooperate in the investigation of any offenses under each other's laws or regulations.

7.2. The certification or approval of Naval Exchange Personnel may be withdrawn, modified, or curtailed at any time by the Host Party for any reason, including, but not limited to, the violation of the regulations or laws of the Host Party or the Host Government. In addition, at the request of the Host Party, the Parent Government shall remove the Naval Exchange Personnel or Naval Exchange Personnel dependents from the territory of the Host Government. The Host Party shall provide an explanation for its removal request, but a dispute between the Parties concerning the sufficiency of the Host Party's reasons shall not be grounds to delay the removal of the Naval Exchange Personnel or Naval Exchange Personnel dependents.

ARTICLE VIII CLAIMS

8.1. Claims against either Party or its personnel shall be dealt with in accordance with the terms of Article VIII of the NATO Status of Forces Agreement, done at London on June 19, 1951, and Article XV of the "Agreement between the Government of the United States of America and the Government of the Republic of Bulgaria on Defense Cooperation," which entered into force June 12, 2006.

8.2. Naval Exchange Personnel and Naval Exchange Personnel dependents must obtain motor vehicle liability insurance coverage for their private motor vehicles in accordance with applicable laws and regulations of the Host Party, or political subdivision of the country of the Host Party in which Naval Exchange Personnel and Naval Exchange Personnel dependents are located. In case of claims involving the use of private motor vehicles, the first recourse shall be against such insurance.

ARTICLE IX SETTLEMENT OF DISPUTES

9.1. Disputes arising under or relating to this MOA shall be resolved only by consultation between the Parties, and shall not be referred to an individual, a national or international tribunal, or to any other forum for settlement.

ARTICLE X ENTRY INTO FORCE, AMENDMENT, DURATION, AND TERMINATION

10.1. In the event of a conflict between an Article of this MOA and any Annex to this MOA, the Article shall control.

10.2. In the event of conflict between the terms of this MOA and the terms of an applicable Letter of Offer and Acceptance (LOA), the terms of the LOA shall control.

10.3. Except as otherwise provided, this MOA may be amended by the mutual written consent of the Parties.

10.4. Either Party may terminate this MOA upon thirty (30) days' written notification to the other Party. Such notice shall be the subject of immediate consultation by the Parties to decide upon the appropriate course of action. In the event of such termination, the following rules apply:

10.4.1. The terminating Party shall continue participation, financial or otherwise, up to the effective date of termination.

10.4.2. Each Party shall pay the costs it incurs as a result of termination. Any costs or expenses for which a Party is responsible pursuant to Article IV of this MOA, but that were not billed in sufficient time to permit payment prior to termination or expiration of this MOA, shall be paid promptly after such billing.

10.4.3. All information and rights therein received under the provisions of this MOA prior to the termination shall be retained by the Parties, subject to the provisions of this MOA.

10.5. The respective rights and responsibilities of the Parties regarding Article V (Security) and Article VIII (Claims) shall continue notwithstanding termination or expiration of this MOA.

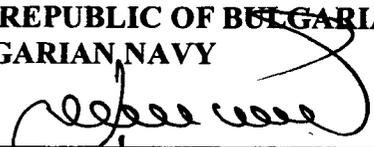
10.6. This MOA, which consists of ten (10) Articles and one Annex, shall enter into force upon signature by both Parties and shall remain in force for ten (10) years. It may be extended by written agreement of the Parties.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their Governments, have signed this Memorandum of Agreement.

DONE at Washington, DC, this 30th day of August 2010, in the Bulgarian and English languages, both texts being equally authentic.

DONE at Varna, this 25th day of October 2010, in the Bulgarian and English languages, both texts being equally authentic.

**FOR THE MINISTRY OF DEFENSE OF
THE REPUBLIC OF BULGARIA,
BULGARIAN NAVY**



(Signature)
Plamen Manushev

Rear Admiral
Chief of the Navy of the Republic of Bulgaria

**FOR THE U.S. NAVY OF THE
UNITED STATES OF AMERICA**



(Signature)
M. E. Ferguson III

Vice Admiral, U.S. Navy
Deputy Chief of Navy Operations
Manpower, Personnel, Training & Education

ANNEX A
CERTIFICATE OF CONDITIONS AND RESPONSIBILITIES

I understand and acknowledge that I have been accepted for assignment to (insert Name and location of organization to which assigned) pursuant to Memorandum of agreement between The United States Navy of the United States of America and the Ministry of Defense of the Republic of Bulgaria regarding the exchange of military personnel (short title: MPEP AGREEMENT)

. In connection with this assignment, I further understand, acknowledge, and certify that I shall comply with the following conditions and responsibilities:

1. The purpose of the assignment is to gain knowledge of the organization and management of Host Party defense activities as appropriate. There shall be no access to information except as required to perform the duties described in the position description of the position to which I am assigned, as determined by my designated supervisor.
2. I shall perform only functions that are properly assigned to me as described in the position description (PD) for my assignment, and shall not act in any capacity on behalf of my Government or my Parent Party.
3. All information to which I may have access during this assignment shall be treated as information provided, in confidence, to my Government and shall not be further released or disclosed by me to any other person, firm, organization, or government without the prior written authorization of the Host Party.
4. I have been briefed on, understand, and shall comply with, all applicable security regulations of the Host Party and the Host Government.
5. I will immediately report to my Contact Officer all attempts to obtain, without proper authorization, classified, restricted, proprietary, or Controlled Unclassified Information to which I may have access as a result of this assignment.

(Signature)

(Typed Name)

(Rank/Title)

(Date)