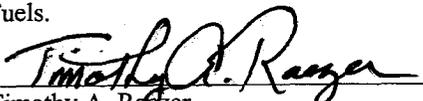


AGREEMENT
BETWEEN
THE DEPARTEMENT OF DEFENSE OF THE UNITED STATES OF AMERICA
AS REPRESENTED BY
THE DEFENSE ENERGY SUPPORT CENTER
AND
THE MINISTER OF DEFENSE OF THE FRENCH REPUBLIC
AS REPRESENTED BY
THE DEPUTY CHIEF OF NAVAL OPERATIONS AND LOGISTICS
CONCERNING
THE EXCHANGE AND REIMBURSEMENT OF
MARINE AVIATION AND PROPULSION FUELS

Dated: May 3, 2006

I certify that this is a true and complete copy of the original English text version of the Agreement Between the Department of Defense of the United States of America as represented by the Defense Energy Support Center and the Minister of Defense of the French Republic as represented by the Deputy Chief of Naval Operations and Logistics Concerning the Exchange and Reimbursement of Marine Aviation and Propulsion Fuels.


Timothy A. Razer
Assistant Counsel
Defense Energy Support Center

CONTENTS

<u>ARTICLE</u>	<u>TITLE</u>	<u>PAGE</u>
	PREAMBLE	3
I.	PURPOSE AND SCOPE	3
II.	RELATIONSHIP	3
III.	RESPONSIBILITIES	4
IV.	OPERATION	4
V.	RECONCILIATION AND SETTLEMENT	5
VI.	GENERAL PROVISIONS	6
<u>ANNEX</u>		
A.	FRENCH PROCEDURES FOR REQUESTING FUELING SERVICES ON BEHALF OF US NAVY SHIPS	8
B.	US PROCEDURES FOR REQUESTING FUELING SERVICES ON BEHALF OF FRENCH NAVY SHIPS	10
C.	DATA REQUIREMENTS ON REFUELING	11

PREAMBLE

The Department of Defense of the United States of America (U.S. DoD) , as represented by the Defense Energy Support Center (DESC) and the Minister of Defense of the Government of the French Republic (FR. MoD), as represented by the Deputy Chief of Naval Operations and Logistics, hereinafter referred to as the "Party" or "Parties";

Recognizing the London Agreement dated June 19, 1951 between the States Parties to the North Atlantic Treaty on the Status of their Forces (NATO SOFA);

Recognizing the Agreement Between the Government of the French Republic and the Government of the United States of America on Mutual Logistics Support Between the French Armed Forces and American Armed Forces, dated February 23, 1987 and amended September 11, 1991;

Further recognizing the Implementing Arrangement (EC-FR-01) between The United States Secretary of Defense and the Minister of Defense of the French Republic Concerning Mutual Logistics Support, dated July 12, 1995;

Have agreed as follows:

I. PURPOSE AND SCOPE

1.1. Purpose. The purpose of this Agreement is to establish an arrangement whereby the Parties may exchange marine aviation (NATO Code F-44) and marine propulsion fuels (NATO Code F-76) on a replacement or reimbursement basis.

1.2. Scope. The scope of this Agreement applies to the worldwide fueling of ships of the Parties in port or at sea where prior permission to dock or receive support at sea has been granted previously by the Navy of either Party.

II. RELATIONSHIP

2.1. U.S. DoD.

2.1.1. DESC is the administrator of this Agreement.

2.1.2. DESC-Europe is the point of contact for the day-to-day operation and administration of this Agreement.

2.1.3. The U.S. Navy is the sole U.S. authority for granting permission to berth at a U.S. Navy port or for refueling at sea.

2.2. FR. MoD.

2.2.1. The Direction Centrale du commissariat de la Marine/ sous direction Logistique / bureau Combustibles (DCCM/LOG/COMB) is the administrator of this Agreement.

2.2.2. DCCM/LOG/COMB is the point of contact for the day-to-day operation and administration of this Agreement.

2.2.3. The French Navy is the sole French authority granting permission to berth at a military French port or to refuel at sea.

III. RESPONSABILITIES

3.1. The Parties shall exchange fuel between ships, ships and shore and shore to ship. For the purpose of this Agreement, agencies authorized for refueling includes :

3.1.1. For U.S. DoD. – U.S. DoD vessels, civilian vessels under military contract, other Federal agency vessels, for example, Coast Guard and National Oceanic Atmospheric Administration vessels, as defined by DESC.

3.1.2. For FR. MoD. – French Navy Ships or civilian ships chartered by the French Navy and Gendarmerie Nationale Ships.

3.2. The Parties shall reconcile, replace and/or reimburse each other for bulk fuel exchanges according to Article V.

IV. OPERATION

4.1. Documentation

4.1.1. Documentation of fuel receipts and issues shall be maintained by DESC for U.S. DoD, and by DCCM/LOG/COMB for FR. MoD.

4.1.2. The dispensing ship or facility shall send a message detailing the issue to the addresses listed in Annex A or Annex B.

4.2. Description and units of measurement of products authorized to be exchanged under this Agreement are as follows :

4.2.1. Naval Distillate (NATO F-76) is to be issued in barrels, metric tons or cubic meters. For estimating purposes, one barrel equals 42 U.S. gallons ; one metric ton equals 7.463 barrels, and one cubic meter at 15°C equals 6.293 barrels at 60°F.

4.2.2. Turbine Aviation, Grade JP5 (NATO F-44), is to be issued in barrels, metric tons or cubic meters. For estimating purposes, one barrel equals 42 U.S. gallons ; one metric ton equals 7.686 barrels, and one cubic meter at 15°C equals 6.293 barrels at 60°F.

4.3. The actual physical quantity shall be converted to a net standard volume, either in liters at 15°C or gallons at 60°F. Measurement shall be made in accordance with locally approved procedures. Use the Petroleum Measurement Tables (an adjunct to ASTM D 1250), Volume XII, Table 52 to convert between cubic meters at 15°C and barrels at 60°F (1 cubic meter equals 1000 liters; 1 barrel equals 42 gallons). Use Volume XII, Table 58 to convert between gallons/barrels and metric tons. Every attempt shall be made to reach consensus on the

quantity of fuel exchanged. In the event a discrepancy cannot be resolved, the quantity determined by the issuing authority shall be considered conclusive and the details of the discrepancy reported to each country's MOA administrator for resolution during the reconciliation and settlement phase of this agreement (see section V below).

4.4. Fuel supplied by the issuing Party pursuant to the provisions of this Agreement shall meet the quality assurance provisions and specification requirements as identified for the issuing Party in North Atlantic Treaty Organization (NATO) Standardization Agreement (STANAG) 1135, Interchangeability Chart of NATO Standardized Fuels, Lubricants and Associated Products and STANAG 3149, Minimum Quality Surveillance of Petroleum Products. The receiving Party shall have the option of refusal if the fuels do not meet its quality assurance and specification requirements. A copy of the certificate of analysis is required to be presented to the receiving party prior to delivery whenever product is issued from a shore facility.

4.5. The fuel transactions shall be documented on the standard form of the Party providing the fueling services. The receiving Party shall accept the completed form as adequate proof of fuel exchange. Fueling forms shall be complete, legible and verifiable by both Parties. Confirmation by ship's message is acceptable for ship-to-ship fueling. Minimum data requirements are defined in Annex C.

4.6. The Parties shall exchange a summary of transactions by fuel type, with supporting documentation/ vouchers, at least once per quarter.

4.7. Procedures for requesting fuel are specified in Annex A and Annex B.

4.8. Address changes may be conveyed via an exchange of letters and attached to this Agreement without a formal revision of the Agreement.

V. RECONCILIATION AND SETTLEMENT

5.1. Reconciliation.

5.1.1. Reconciliation of accounts shall be by FAX quarterly and final reconciliation on an annual basis. A reconciliation conference shall be scheduled annually in October and held alternately in France and in the U.S. The DESC may schedule the meeting at A DESC-EU Regional location if appropriate.

5.1.2. The standard form or ship's message prepared to document each refueling shall be presented for reconciliation. Disputed forms may be temporarily rejected for further research. Their validity or invalidity shall be determined before balances are closed out. Should a transaction more than two years old be presented, the receiving Party may elect or reject the transaction.

5.1.3. Transactions of the Parties shall be offset to the extent possible to determine outstanding balances owed by either Party.

5.1.4. The Parties shall prepare reconciliation balance sheets to document account balances. The balance sheets shall be certified by both Parties.

5.2. Settlement.

5.2.1. The Parties shall mutually determine during the October reconciliation conference how to generate a bill for payment or settlement via product replacement or by an Equivalent Value Exchange (EVE).

5.2.2. EVE is the process of converting a quantity of one type of fuel to an equivalent quantity of another type of fuel based on the price determined by the Party to which reimbursement is owed. If payment is owed to the French, the price shall be based on the average French price for the product during U.S. fiscal year in which product was received. If payment is owed to the U.S., price shall be based on the standard price published by DESC for the year in which product was received.

5.2.3. Invoices shall be submitted to the paying address within fifteen (15) days after reconciliation.

5.2.4 This agreement may be used to reconcile fuel transactions between the U.S. Navy and the French Navy that have occurred since the expiration of the May 14, 1999 Fuel Exchange agreement on May 14, 2004.

5.3. Replacement.

5.3.1. Replacement shall ideally occur within ninety (90) days of receipt of an invoice by the owing Party.

5.3.2. Replacement shall occur at a mutually agreed location.

5.4. Cash settlement.

5.4.1. Payment shall be made in the currency of the Party to which reimbursement is owed, to the address provided on the invoice. Electronic Funds Transfer (EFT) payment is considered the optimum form of payment.

5.4.2. The Parties shall provide the other Party with relevant banking data in order to receive bank payments.

VI. GENERAL PROVISIONS

6.1. All activities of the Parties under this Agreement shall be carried out in accordance with their national laws. The activities of the Parties shall be subject to the availability of funds for such purposes. Each party shall take all lawful steps in order to comply with its obligations under this technical agreement.

6.2. Customs and Excise. The Parties shall not charge or pay any taxes or duties under this Agreement.

6.3. Effective Date and Duration. This Agreement shall become effective upon signature of both of the Parties and shall remain in effect for five (5) years. This Agreement shall

automatically renew at the end of the five (5) year period for additional five (5) year period unless objected to by either Party at least ninety (90) days before the end of the five (5) year period.

6.4. Termination. This Agreement may be terminated at any time upon the written agreement of the Parties. Either Party may unilaterally terminate the Agreement by giving the other Party ninety (90) days written notification of intent to terminate. Any balance owed by the Parties shall be paid within one hundred and eighty (180) days after termination. The Parties, in consultation, shall take action to limit the impact on either Party.

6.5. Amendment. Amendments to this Agreement may be proposed by either Party at any time and shall, upon acceptance by the Parties, by means of a jointly signed amendment, become a permanent part of this Agreement. The Agreement may only be amended by written agreement between the Parties.

6.6. Dispute. Any disputes regarding the interpretation of this Agreement or transactions executed hereunder shall be resolved through consultation between the Parties and shall not be referred to any national or international tribunal or third party for settlement.

6.7. Supersession. This Agreement supersedes the Fuel Exchange Agreement between the United States Navy and the Minister of Defense of The French Republic Concerning the Exchange of Fuel for the French Navy, dated May 14, 1999.

This Agreement consists of six (6) Articles and three (3) Annexes.

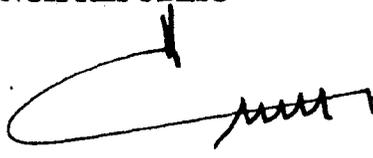
In witness thereof, the undersigned being duly authorized by their governments have signed this Agreement. Done in English and French with each text being equally authoritative.

**FOR THE
U.S. DEPARTMENT OF DEFENSE**

**FOR THE MINISTER OF DEFENSE
OF THE GOVERNEMENT OF THE
FRENCH REPUBLIC**



RICHARD J. CONNELLY
Director
Defense Energy Support Center



RA Jean-Pierre TEULE
Deputy Chief of Naval Operations and
Logistics

Date: MAY 2, 2006

Date: March 6, 2006

Place: Ft. Belvoir, VA

Place: Paris, France

ANNEX A

FRENCH PROCEDURES FOR REQUESTING FUELING SERVICES ON BEHALF OF US NAVY SHIPS

A.1. Whenever possible, at least ten (10) days advance notice shall be given for refueling requests. Requests will be done by message with LOGREQ procedure.

A.2. Requests for refueling at military ports in France.

A.2.1. Replenishment in Toulon.

A.2.1.1. U.S. DoD requirements shall be addressed to the French Navy Supply Service in Toulon (SERMACOM TOULON) with information to the Toulon Naval Base (BASENAV TOULON) and the Central Office for Combustibles (LOGCOMB DIRCOMIS PARIS).

A.2.2. Replenishment in Brest.

A.2.2.1. U.S. DoD requirements shall be addressed to the French Navy Supply Service in Brest (SERMACOM BREST) with information to the Brest Naval Base (BASENAV BREST) and the Central Office for Combustibles (LOGCOMB DIRCOMIS PARIS).

A.3. Requests for refueling at ports overseas.

A.3.1. Replenishment at Fort de France in Martinique.

A.3.1.1. U.S. DoD requirements shall be addressed to the Fort-de-France Naval Base (BASENAV FORT DE FRANCE) with information to the Central Office for Combustibles (LOGCOMB DIRCOMIS PARIS) and the Navy Commander in Antilles (COMAR ANTILLES).

A.3.2. Replenishment in La Réunion.

A.3.2.1. U.S. DoD requirements shall be addressed to the La Réunion Naval Base (BASENAV LA REUNION) with information to the Central Office for Combustibles (LOGCOMB DIRCOMIS PARIS), the Navy Commander in La Réunion (COMAR LA REUNION) and the commander of Indian Ocean Fleet (ALINDIEN).

A.3.3. Replenishment in Djibouti.

A.3.3.1. U.S. DoD requirements shall be addressed to the Djibouti Naval Base (UNIMAR DJIBOUTI) with information to the Central Office for Combustibles (LOGCOMB DIRCOMIS PARIS), the Navy Commander in Djibouti (COMAR DJIBOUTI) and the commander of Indian Ocean Fleet (ALINDIEN).

A.3.4. Replenishment in Noumea in New Caledonia.

A.3.4.1. U.S. DoD requirements shall be addressed to the Noumea Naval Base (BASENAV NOUMEA) with information to the Central Office for Combustibles (LOGCOMB

DIRCOMIS PARIS), the Navy Commander in New Caledonia (COMAR NOUVELLE CALEDONIE) and Commander of Pacific Fleet (ALPACI).

A.3.5 Replenishment in Papeete in French Polynesia

A.3.5.1 U.S. DoD requirements shall be addressed to the Papeete Naval Base (BASENAV PAPEETE) with information to the Central Office for Combustibles (LOGCOMB DIRCOMIS PAPEETE), the Navy Commander in French Polynesia (COMAR POLYNESIE) and Commander of the Pacific Fleet (ALPACI).

A.4. Requests for refueling at sea.

A.4.1. U.S. DoD requirements shall be addressed to the ship or the Task Force according to NATO procedures with information to the Central Office for Combustibles (LOGCOMB DIRCOMIS PARIS) and the Commander of the Fleet (ALFAN) and the Commander for zone according to the localization of the replenishment (Mediterranean Sea – CECMED; Atlantic Ocean – CECLANT; Indian Ocean – ALINDIEN; Pacific Ocean – ALPACI).

ANNEX B

U.S. PROCEDURES FOR REQUESTING FUELING SERVICES ON BEHALF OF FRENCH NAVY SHIPS

B.1. Whenever possible, at least ten (10) days advance notice shall be given for refueling requests.

B.2. Requests for refueling at in port via Defense Fuel Support Point (DFSP) or requests for refueling at sea.

B.2.1. Standard logistics request (LOGREQ) format shall be used by activities requesting fuel under the provisions of this Agreement.

B.2.2. FR.MOD ship requirements shall be submitted by message to either:

B.2.2.1. Commander, U.S. Pacific Fleet (COMPACTFLT PEARL HARBOR HI//N415//)
Telephone 00 1 808 474 54 60 FAX : 00 1 808 474 54 64 or

B.2.2.2. Commander, U.S. Naval Forces Europe (COMUSNAVEUR LONDON UK//N422//)
Navy Europe Plans & Operations Center (NEPO);
telephone : 00 39 081 568 31 58 or

B.2.2.3. Commander, U.S. Atlantic Fleet (COMFLTFORCOM NORFOLK VA//N413F//);
telephone : 00 1 757 836 37 80 and

B.2.2.4. With information and information copy to Naval Operational Logistics Support
Center – Petroleum, Ft Belvoir, VA (NOLSC DC FT BELVOIR VA//NPO//);
telephone : 00 1 703 767 73 77

B.2.2.5. Defense Energy Support Center
DESC SAN ANTONIO TX//DESC-RR RETAIL MANAGEMENT//
telephone 00 1 210 925 06 61 / 18 69 / 450

B.2.2.6. Defense Energy Support Center – Mid East – DESC-Mid East
(C=US/ADMD=DMS/O=OU1=ATXC3/OU2=DESCMiddleEastBarhrainBa(uc)/);
telephone : 00 973 17 85 46 57 / 46 52 / 46 66 or

B.2.2.7. Defense Energy Support Center – Europe – DESC-Europe
(C=US/ADMD=DMS/O=GE2/OU1=YXVX4/OU2=DESC-D-Commanderuc/);
telephone : 00 49 611 380 74 27 / 74 29 FAX : 00 49 611 380 74 06 or

B.2.2.8. Defense Energy Support Center – Pacific – DESC-Pacific
(C=US/ADMD=DMS/O=PA3/OU1=RPCT3/OU2=DESCAW);
telephone 00 1 808 477 11 72 / 05 22 / 52 21 FAX : 00 1 808 477 57 10 or

B.2.2.9. Defense Energy Support Center – Americas – DESC-Americas
(C=US/ADMD=DMS/O=PA3/OU1=RPCT3/OU2=DESCAE/).
Telephone : 00 1 703 767 92 76 FAX : 00 1 703 767 92 69

ANNEX C

DATA REQUIREMENTS ON REFUELING

C.1. The following information is the minimum information required when documenting a refueling in port.

C.1.1. Fuel Grade.

C.1.2. Ship designation/number.

C.1.3. Unit Identification.

C.1.4. Quantity.

C.1.5. Unit of Measurement.

C.1.6. Service Location.

C.1.7. Issue Date.

C.1.8. Printed Name of Receiving Party.

C.1.9. Signature of Receiving Party.

C.2. The following information is the minimum information required in a naval message when documenting refuelling at sea.

C.2.1. Ship name.

C.2.2. Fuel Grade.

C.2.3. Quantity.

C.2.4. Unit of Measurement.

C.2.5. Issue Date.