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AMENDMENT 3

TO THE AGREEMENT BETWEEN THE SECRETARY OF DEFENSE OF THE UNITED
STATES OF AMERICA AND
THE FEDERAL MINISTER OF DEFENSE OF THE FEDERAL REPUBLIC OF GERMANY
CONCERNING MUTUAL SUPPORT IN EUROPE AND ADJACENT WATERS
(MUTUAL SUPPORT AGREEMENT - MSA- OF 21 JANUARY 1983)

The Department of Defense of the United States of America
and
the Federal Ministry of Defense of the Federal Republic of Germany

- amending the Agreement dated 21 January 1983 concerning Mutual Support in Europe and Adjacent Waters (Mutual Support Agreement – MSA) as amended on 21 December 1987 and 26 January 1994

have agreed as follows:

1. Article 2. Definitions. Delete paragraphs e and f:

e. "Europe and Adjacent Waters. The North Atlantic Treaty Area as defined in the North Atlantic Treaty (amended by the protocols on the Accession of Greece and Turkey), excluding North America."

f. "North America. The continent of North America and its Adjacent Waters"

2. Article 2. Definitions. Add new replacement paragraph e:

"Equal value exchange (EVE). A transfer conducted under this Agreement in which it is agreed that the receiving Party will replace logistic support, supplies, and services that it receives with logistic support, supplies, and services of an equal monetary value."

3. Article 3. Applicability. Delete paragraph 1:

"This Agreement applies to the reciprocal provision of logistic support, supplies, and services:

- a. by the Federal Armed Forces and the United States Forces deployed in Europe or adjacent waters and, in the case of the United States, to logistics support, supplies and services under the jurisdiction and control of U.S. Forces deployed in Europe and adjacent waters.
- b. between the Federal Armed Forces and the United States Forces in North America while Federal Armed Forces are stationed in North America or are performing combined military exercises or combined training in North America.
- c. Between the U.S. Forces and the Federal Armed Forces in humanitarian activities."

4. Article 3. Applicability. Add new replacement paragraph 1:

"This agreement applies to the reciprocal provision of worldwide logistic support, supplies, and services between the military forces of one Party by the other Party in return for either cash

payment or money transfer, or the reciprocal provision of logistic support, supplies, and services to the military forces for the other Party.”

5. Article 4. Basic Terms and Conditions. Delete paragraph 6:

“For any logistic support, supplies, or services, the contracting parties may negotiate for payment either in cash (a “reimbursable transaction”) or payment in kind (an “exchange transaction”). Accordingly, the receiving party will pay the supplying party in conformance with either Articles 5 and 10 or Articles 6 and 10, below.”

6. Article 4. Basic Terms and Conditions. Add new replacement paragraph 6:

“For transfers of logistic support, supplies, and services under this Agreement, the Parties shall agree for payment either by cash or money transfer (“reimbursable transaction”), by replacement-in-kind, or by an equal-value exchange (“exchange transaction”). The receiving Party shall pay the supplying Party as provided in either Article 5 and 10 or Article 6 and 10, below.

7. Article 6. Exchange Transactions. Delete paragraph:

“Both parties will maintain records of all transactions, and the receiving party will pay the supplying party in kind by transferring to the supplying party logistic support, supplies, or services that are identical or substantially identical to the logistic support, supplies, or services delivered or performed by the supplying party and which are satisfactory to the supplying party. If the receiving party does not pay in kind within the terms of a replacement schedule, agreed to or in effect at the time of the original transaction with timeframes which may not exceed (6) months from the date of the original transaction, the transaction will be deemed a reimbursable transaction and governed by Article 5, except that the price will be established based upon the date the replacement in kind was to take place. In exceptional circumstances the parties may agree to a timeframe up to one year.”

8. Article 6. Exchange Transactions. Add new replacement paragraph:

“Exchange transactions may be by replacement-in-kind (RIK) or equal-value-exchange (EVE). Both Parties shall maintain records of all transactions. The receiving Party shall pay by transferring to the supplying Party logistic support, supplies, and services that are agreed between the Parties to be in kind or of equal monetary value to the logistic support, supplies, and services delivered or performed by the supplying Party. If the receiving Party does not complete the exchange within the terms of a replacement schedule agreed to or in effect at the time of the original transaction, which may not exceed one (1) year from the date of the original transaction, the transaction shall be deemed reimbursable and governed by Article 5, except that the price shall be established using actual or estimated prices in effect on the date payment would otherwise have been due.

This Amendment number 3 will become effective upon signature by the parties hereto.

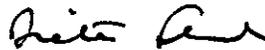
DONE, in duplicate in the English and German languages, each being equally authentic.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES
OF AMERICA



CRAIG P. RASMUSSEN
Major General, USAF
Director of Logistics and
Security Assistance

FOR THE FEDERAL MINISTRY OF
DEFENSE OF THE REPUBLIC OF
GERMANY 7 December 2001



DR. DIETER FLECK
Director, International Agreements &
Policy