TECHNICAL ARRANGEMENT

between

The Minister of Defence of the Kingdom of Spain

The Minister of Defence of the Kingdom of Belgium

The Ministry of Defence of the Kingdom of Denmark

The Federal Ministry of Defence of the Federal Republic of Germany

The Ministry of Defence of the Republic of Italy

The Minister of Defence of the Kingdom of the Netherlands

The Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland,

The Department of Defense of the United States of America

and

The Supreme Headquarters Allied Powers, Europe

concerning

The Relocation Arrangements and General Establishment Provisions of the Allied Command Operations
Tactical Leadership Programme at Albacete Air Base Spain

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- A: Construction of buildings and facilities.
- B: Initial investment on equipment.
- C: Other expenses involved in the process of relocation.
- D: Examples of cost share recalculations.
- E: Estimated yearly payments by nations for relocation.
- F: TLP ALBACETE Air Base support personnel
- G: Administration offices and addresses.

ABBREVIATIONS

ACO Allied Command Operations

AB Air Base

ALF Administrative, Legal and Financing

HQ Headquarters

MOU Memorandum of Understanding SACEUR Supreme Allied Commander Europe

SHAPE Supreme Headquarters Allied Powers, Europe

SOFA Status of Forces Agreement
TA Technical Arrangement

TLP Tactical Leadership Programme

CONSIDERING that, in recognition of the North Atlantic Treaty, the Minister of Defence of the Kingdom of Spain, the Minister of Defence of the Kingdom of Belgium, the Ministry of Defence of the Kingdom of Denmark, the Federal Ministry of Defence of the Federal Republic of Germany, the Ministry of Defence of the Republic of Italy, the Minister of Defence of the Kingdom of the Netherlands, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, the Department of Defence of the United States of America, and the Supreme Headquarters Allied Powers, Europe (SHAPE), (hereinafter referred to as the Participants) desire to unite their efforts in closer cooperation;

CONSIDERING that the Participants desire to relocate the Allied Command Operations (ACO) Tactical Leadership Programme (TLP), currently established in Florennes, Belgium, to the new location at ALBACETE Air Base in Spain as an element supporting SHAPE;

CONSIDERING that the "Agreement between the Parties to The North Atlantic Treaty Regarding the Status of Their Forces" of the 19th June 1951 (NATO SOFA) is applicable to the operation of the ACO TLP;

CONSIDERING the Protocol on the Status of International Military Headquarters set up pursuant to the North Atlantic Treaty (Paris Protocol), dated 28th August 1952 and the Agreement between NATO, represented by SHAPE, and the Kingdom of Spain on the Special Conditions Applicable to the Establishment and Operation in Spanish Territory of an International Military Headquarters of 28th February 2000; and

RECOGNIZING the need to continue the training of their air forces in the field of tactical leadership and to jointly develop tactical air doctrine, in support of the Supreme Allied Commander Europe (SACEUR) and national missions;

have reached the following understanding:

SECTION 1 - OBJECTIVES AND SCOPE

- The objective of the ACO TLP is to increase the effectiveness of allied tactical air forces through the development of leadership skills, tactical flying capabilities, mission planning and tasking capabilities and conceptual and doctrinal initiatives.
- In order to maintain the purpose of TLP, the TLP Nations have reached the decision to relocate its establishment.
- 3. The objective of this Technical Arrangement (TA) is to delineate the arrangements under which the Participants will collaborate to relocate and establish the TLP.

SECTION 2 - HOST NATION AND HOST BASE

The nation in which Albacete Air Base is situated will be the Host of ACO TLP, hereinafter referred to as the Host Nation and Host Base, respectively.

SECTION 3 - RELOCATION PROVISIONS AND COSTS

- 1. With the purpose of TLP relocation to the Host Base, an estimated investment of maximum 20.768.978,63 € will have to be made, that will be divided as follows:
 - a. The Host Nation, in addition to its appropriate share as a TLP Nation, will fund up to a maximum of 3.320.652,95 € to improve the equipment of the Host Base.
 - b. The TLP Nations will fund an initial investment of up to <u>17.448.325,68</u> €, covering the following areas:
 - i. Construction of the required buildings and facilities, including the drawing-up of projects and fixtures, furniture, and fittings necessary for complete and usable facilities in accordance with TLP requirements and the Host Nation standards as listed in Annex A, up to a maximum cost of 15.603.048,60 €.
 - ii. Purchase of the equipment included in Annex B. The appropriate percentage of the cost of this equipment to be funded by TLP Nations is also included in Annex B, up to a maximum cost of 1.752.235,36 €.
 - iii. The remaining investment to purchase the equipment identified in Annex B, will be funded by the Host Nation.
 - iv. Other expenses involved in the process of TLP relocation, included in Annex C, up to a maximum of 93.041,72 €. These expenses include the preparation costs, and the transportation of material from the present establishment in Florennes AB, Belgium, to the new location at the Host Base. The usual transportation insurance policy will be included in this amount.
 - v. If the TLP Nations determine that private insurance is to be appropriate for the transportation of special equipment (e.g. ACMI), the additional costs of this insurance will be funded from the current TLP budget.
- The TLP Nations, including the Host Nation, will not levy taxes, customs duties, fees or similar charges to fulfil the responsibilities undertaken through this TA. If taxes, customs duties, fees or similar charges are levied, they will be borne by the Nation in which they are levied.
- 3. In order to implement this investment, each TLP Nation will fund a specific percentage of the total relocation costs based on the future slot commitments.

Each TLP Nation's slot commitment, cost share, and costs to relocate the TLP in the Host Nation are as follows:

Table 1

Country	Number of Slots	Cost Share (%)	Relocation costs (up to)
BE	6	6,67	
DK	4	4,44	1.163.221,71
GE	12	13,33	775.481,14
IT	14	15,56	2.326.443,42
NL	8	8,89	2.714.183,99
SP	8	8,89	1.550.962,28
UK	24	26,67	1.550.962,28
US	14		4-652.886,85
TOTAL		15,56	2.714.183,99
IOIAL	90	100	17.448.325,68

- a. If a TLP Nation requests to increase its number of slots above the requirement listed in Table 1 during the five-year period from the commencement of TLP flying operations at the Host Base, the cost share percentages of the relocation cost for all TLP Nations will be recalculated using the total slots committed throughout that five-year period. This recalculation will be made at the end of the five-year period. If an individual nation's relocation costs change as a result of this recalculation of cost shares, the difference will be debited or credited, as appropriate, to that nation at the end of the five-year period.
- b. Any decreases in the numbers of slots below the requirement listed in Table 1 during the five-year period from the commencement of TLP flying operations at the Host Base will not be taken into account and therefore will not result in any recalculation.
- c. Annex D provides examples of these calculations.
- d. Any increase in the total relocation costs detailed in Table 1 will require the prior approval of the TLP Nations.
- 4. The new buildings and installations built for the use of TLP will be made available by the Host Nation to the TLP Nations for TLP operations for a minimum of ten years from the commencement of TLP flying operations from the Host Base.
 - a. If TLP operations at the Host Base cease by mutual determination, or in case of termination of this TA the disposition and residual value of any jointly funded property will be settled through negotiation by the TLP Nations .In the event it becomes necessary to calculate residual value under this paragraph, the following aspects have to be duly considered:
 - The military value or, if no military follow-on use takes place, the economic value of jointly funded property in the Host Nation;
 - ii. The sale price of the property if sold; and

- iii. The funds contributed by the TLP nations.
- b. In case this TA is terminated and the TLP does not relocate to the Host Base, the Host Nation will be able to decide the final use of jointly funded infrastructures and facilities. In the event that the Host Nation decides that any of the aforementioned infrastructures or facilities will not be used and must be demolished, the demolition costs will be taken into account in the residual value negotiations with the other TLP Nations.

5. FINANCING PROCEDURES OF RELOCATION

- a. With this TA, all TLP Nations accept the following financing procedures:
 - i. The design costs related to the relocation project (up to approximately 620.000 €) will be pre-financed by the Host Nation after the signature of this TA by all Participants.
 - ii. From the year in which construction begins (planned for 2007) and for the duration of the construction work, TLP Nations will make the appropriate yearly payments before the first day of May, and in accordance with their cost share (detailed in Annex E).
 - iii. The accounting office of the Host Nation where those payments will be received is detailed in Annex E.
 - iv. The Host Nation will report disbursements and remaining balances to every TLP Nation annually.
 - v. The TLP Nations authorize the Host Nation to use the allocated funds to develop and execute the necessary contracts in accordance with Host Nation law and regulations.
 - vi. At the end of the relocation process, the Host Nation will provide the final accounts of the relocation costs and payments received from every nation. If payments exceed costs, the Host Nation will credit the balance to the nations' operating accounts, or return the balance to a Nation if so directed, in the same proportion as the cost share in table 1.
 - vii. Auditing functions will be exercised by the Host Nation, and all financial functions will comply with Host Nation auditing procedures, inspections and requirements. The results of these audits will be provided, upon request, to the TLP Nations.

SECTION 4 - PROVISIONS FOR TLP ESTABLISHMENT AT THE HOST BASE

1. GENERIC Provisions

a. In order to establish the provisions that will apply in the new location, a new MOU will have to be developed and signed by the TLP Nations and SHAPE.

- The MOU will contain guidance to man, operate and finance the programme. The provisions of that MOU will not conflict with the arrangements and conditions established in this TA. The intention is to have the MOU signed in 2007.
- b. Furthermore, in order to implement more detailed arrangements between TLP and the Commander of the Host Base, the MOU will require the development of operational implementing arrangements. These arrangements will be signed before TLP flying operations begin at the Host Base.

2. PROGRAMME

- a. Flight safety will be paramount at all times during flying operations from the Host Base. ACO TLP Flying Regulations will be in accordance with the Host Nation and Host Base procedures and restrictions, and with other applicable regulations and unique ACO TLP requirements. If the operational limitations of any nation are more restrictive than those of the Host Nation and the Host Base, the more restrictive limitations will only be applicable to the appropriate nation.
- b. The annual programme will not exceed 2160 ACO TLP syllabus sorties and an additional 252 external aircraft sorties flown from the Host Base. In accordance with Host Nation's limitations, annual assignments of slots will not exceed 144 mounted from the Host Base, including guest slots. In all cases, any increase to this quantity requires the approval of the Host Nation.

3. PERSONNEL

a. The Host Nation will provide the additional base support personnel required for TLP operations. The costs related to the civilian base support personnel will be funded by the TLP O&M budget. These additional personnel will be detailed within the MOU.

4. FINANCING PROCEDURES ON TLP OPERATION AT THE HOST BASE

- a. Contracting and nations' payments. Once operating at the Host Base, all TLP contracts and purchases will be arranged through the Economic Section (SEA) of the Host Base, and all TLP Nations will arrange for payments as scheduled in the MOU or supplementary arrangements.
- b. Accounting, auditing and reporting. The Host Nation will be responsible for all TLP financial accounting, auditing and reporting according to Host Nation rules and regulations. The Host Nation will prepare and retain all financial data and the results of any audits will be provided, upon request, to the TLP Nations.

SECTION 5 - LEGAL PROVISIONS

- 1. This TA is intended to conform to national legislation and international law and is not intended to conflict with existing bilateral or multilateral international agreements between the participants.
- 2. The following agreements will apply as appropriate to the TLP in Spain:
 - a. Agreement between the Parties to the North Atlantic Treaty Regarding the Status of their Forces done at London 19 June 1951;
 - The Protocol on the Status of International Military Headquarters Set up Pursuant to the North Atlantic Treaty done at Paris 28 August 1952; and
 - c. The Agreement between NATO, represented by SHAPE, and the Kingdom of Spain on the Special Conditions Applicable to the Establishment and Operation in Spanish Territory of an International Military Headquarters 28 February 2000, as well as the administrative measures established for the application of this Agreement.
- 3. Any dispute regarding the interpretation or application of this TA will be resolved by consultation between the Participants concerned, and will not be referred to any national or international tribunal or any other third party for settlement.

SECTION 6 - FINAL PROVISIONS

- This TA will come into effect as of the date of the last signature thereto and will remain in effect until the relocation has been completed and all financial and other responsibilities under this TA have been fulfilled or incorporated into the TLP MOU for operation of the TLP at the Host Base.
- 2. This TA and its Annexes A through F may be amended by written consent of all the Participants. Each Participant may amend Annex G by notifying the other Participants.
- 3. This TA may be terminated earlier by written consent of all Participants. In that case, the financial consequences will be negotiated between the TLP Nations, including the residual value of the infrastructure, facilities, and equipment jointly funded by the TLP Nations taking into account the principles set forth in Section 3.4 of this TA.
- 4. A TLP Nation desiring to withdraw from this TA will notify the other Participants of its decision 12 months in advance of the effective date of the withdrawal. The Host Nation will give at least two years written notice to the TLP Nations if TLP operations at the Host Base are to be terminated.

- a. A withdrawing TLP Nation will have to pay its committed share of the relocation costs irrespective of the date of withdrawal. A withdrawing TLP Nation will not be compensated for the residual value of any property to which it has contributed at the time of its withdrawal unless the remaining TLP Nations decide differently. If the withdrawing TLP Nation is not compensated at the time of its withdrawal it will retain its entitlement to residual value until such time as the TLP ends at the Host Base
- 5. All financial responsibilities assumed by the TLP Nations executing this TA are conditioned upon the authorisation and appropriation of funds in accordance with applicable national laws. In the event of a shortfall, the nation so affected will notify the Host Nation in a timely manner so as to facilitate the implementation of other arrangements.
- 6. This TA is signed in one original text in the English language and another in the Spanish language, both of equal validity. However, in case of conflicts, the English version of the TA will prevail. The original document, in both versions, will be deposited in DIGENPOL (Dirección General de Política de Defensa) of the Spanish MoD. Spain will provide certified true copies to the other Participants.

FOR THE MINISTER OF DEFENCE OF THE KINGDOM OF SPAIN
Signature: Date: 63. 11. 66 Name and Position: Phlu July A. Kolovo
FOR THE MINISTER OF DEFENCE OF THE KINGDOM OF BELGIUM
Signature: Date: 6/4/low be NAME and Position: Date: 6/4/low be NAME DE NAME DATE: 6/4/low be NAME DATE: 6/4/l
FOR THE MINISTRY OF DEFENCE OF THE KINGDOM OF DENMARK
Signature: Frim Angost lorsein Date: 03.11.06 Name and Position: COR F. F. EMERGEN PICTURE NAME DIF
FOR THE FEDERAL MINISTRY OF DEFENCE OF THE FEDERAL REPUBLIC OF GERMANY
Signature: Date: 03.11.06 Name and Position: Hossele, NTR.
FOR THE MINISTRY OF DEFENCE OF THE REPUBLIC OF ITALY:
Signature: Hours Quoci Date: 03, 11,06 Name and Position: MAURO GINACCI, MOUNTAE ITALIA

FOR THE MINISTER OF DEFENCE OF THE KINGDOM OF THE
NETHERLANDS (////_
Signature: Date: 3 NOV 2006 Name and Position: CEBERLAN, NL NMR @ SHAPE
FOR THE SECRETARY OF STATE FOR DEFENCE OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
Signature: Mange Date: 3 Now 200 C
FOR THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA
Signature: Date: 03 // 06 Name and Position: USAF6/A-3
FOR THE SUPREME HEADQUARTERS ALLIED POWERS, EUROPE
Signature: Date: Di Nov 06 Name and Position: SCHNLJ VRTH COS THAPE

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NOTE OF JOINING

TO PARTICIPATE IN THE TECHNICAL ARRANGEMENT

Between

The Minister of Defence of the Kingdom of Spain

The Minister of Defence of the Kingdom of Belgium

The Minister of Defence of the Kingdom of Denmark

The Federal Ministry of Defence of the Federal Republic of Germany

The Ministry of Defence of the Republic of Italy

The Minister of Defence of the Kingdom of the Netherlands

The Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland

The Department of Defense of the United States of America

and

The Supreme Headquarters Allied Powers, Europe

concerning

The Relocation Arrangements and General
Establishment Provisions of the
Allied Command Operations
Tactical Leadership Programme
at Albacete Air Base Spain

Indi Muin Mos year LEGAL ADVISER SHAPE

S Z JUN 2009

The Ministry of National Defence of the Hellenic Republic

Having decided to participate in Relocation Arrangements and General Establishment Provisions of the Allied Command Operations Tactical Leadership Programme at Albacete Air Base Spain, with the existing Participants

ELECTS TO PARTICIPATE AS A PARTICIPANT IN, AND TO ABIDE BY, THE UNDERSTANDING ARRANGED IN:

The Technical Arrangement (TA) between the Minister of Defence of the Kingdom of Spain, the Minister of Defence of the Kingdom of Belgium, the Minister of Defence of the Kingdom of Denmark, the Federal Ministry of Defence of the Federal Republic of Germany, the Ministry of Defence of the Republic of Italy, the Minister of Defence of the Kingdom of the Netherlands, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, the Department of Defense of the United States of America and the Supreme Headquarters Allied Powers Europe concerning the Relocation Arrangements and General Establishment Provisions of the Allied Confit and Operations Tactical Leadership Programme at Albacete Air Base Spain which Interest that effect on the 3rd day of November 2006.

FOR THE MUNICIPALITY OF MATIONAL STATES	AL DEFENCE OF THI drraugheaut will come in procedures for its only in	E HELLENIC REPUBLIC to effect after notification to the tro force have been completed.
Signature:	MAIORGENERAL	Date: 18 July 2003
Name and Position.	6. KAZAKOS H.A	-
	C D C / N M P	

The PARTICIPANTS to the TA concerning the Relocation Arrangements and General Establishment Provisions of the Allied Command Operations Tactical Leadership Programme at Albacete Air Base Spain

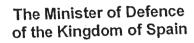
WELCOME the expressed commitment by the Ministry of National Defence of the Hellenic Republic

ACCEPT the Ministry of National Defence of the Hellenic Republic as a PARTICIPANT to the TA concerning the Relocation Arrangements and General Establishment Provisions of the Allied Command Operations Tactical Leadership Programme at Albacete Air Base Spain under the terms outlined in this Note of Joining:

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FOR THE MINISTER OF DEFENCE OF THE KINGDOM OF S	PAIN
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FOR THE MINISTER OF DEFENCE OF THE KINGDOM OF E	BELGIUM
Signature	rate: 19 Nay 03
Name and Fishion: NAMOR AVELOF 7. BELVAR	
FOR THE MINISTER OF DEFENCE OF THE KINGDOM OF	DENMARK
	Date: 18 nay 097
and	PEDUDUO OF
	ERAL REPUBLIC OF
	Date: ひふひん ペ
FOR THE MINISTRY OF DEFENCE OF THE REPUBLIC OF	ITALY
Valter MAULONI Signature: Major General AT - ITA NMR	Date: 26 May 09
Name and Position: Solution: Solution: Name and Position: Name and Position: Name and Position:	THE
FOR THE MINISTER OF DEFENCE OF THE KINGDOM OF NETHERLANDS The NLD NMR SHAPE	IHC
Signature:	Date: 15 May 37
R.E. de Pruyssenaere de la Woestijne (MA) FOR THE SECRETARY OF STATE PREDERENCE OF TH	E UNITED KINGDOM
NORTHERN IRELAND	•
Signature:	Date: 19 May 09
SHAPE	V
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Name and Position: COL, USAF US NIMEZ	IMHER 7 MAY 09
FOR THE SUPREME HEADQUARTERS ALLIED POWER	3 EUROPE
Signature: 2m. Malunin Name and Position: VACher, Cos. Yous HC Yr. 6 H	Date: 11 Mill 2009
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FIRST AMENDMENT TO THE TECHNICAL ARRANGEMENT

Between



The Minister of Defence of the Kingdom of Belgium

The Minister of Defence of the Kingdom of Denmark

The Minister of Defence of the Republic of France

The Federal Ministry of Defence of the Federal Republic of Germany

The Ministry of National Defence of the Hellenic Republic

The Ministry of Defence of the Republic of Italy

The Minister of Defence of the Kingdom of the Netherlands

The Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland

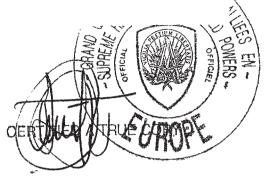
The Department of Defense of the United States of America

and

The Supreme Headquarters Allied Powers, Europe...

concerning

The Relocation Arrangements and General Establishment Provisions of the Allied Command Operations Tactical Leadership Programme at Albacete Air Base Spain



and Hunr Hospean

DATE:

2 2 JUN 2009

Whereas the Minister of Defence of the Kingdom of Spain, the Minister of Defence of the Kingdom of Belgium, the Minister of Defence of the Kingdom of Denmark, the Federal Ministry of Defence of the Federal Republic of Germany, the Ministry of Defence of the Republic of Italy, the Minister of Defence of the Kingdom of the Netherlands, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, the Department of Defense of the United States of America and the Supreme Headquarters Allied Powers Europe

Have signed the Technical Arrangement concerning the Relocation Arrangements and General Establishment Provisions of the Allied Command Operations Tactical Leadership Programme at Albacete Air Base Spain on 06 November 06, hereinafter referred to as the TA

Whereas the Minister of Defence of the Republic of France elects to participate in and to abide by the provisions of the Technical Arrangement

Whereas the Ministry of National Defence of the Hellenic Republic elects to participate in and to abide by the provisions of the Technical Arrangement

Taking into consideration the provisions of the TA mentioned here before and that the provisions of this TA Amendment are not aimed at questioning the denunciation of the Paris Protocol on the Status of International Military Headquarters, dated 28th August 1952, decided by France on 30th March 1966

Noting that the NATO Strategic Commands under subordinate commands are not entitled to use their legal capacity on behalf of France. Thus, international commitments taken by the Strategic Commands do not legally bind the French Republic, unless provided otherwise by this Party

They now decide to amend the TA as follows:

1. SECTION 1 - ACCESSION OF FRANCE

Through the signature of the Note of Joining to participate in the Technical Arrangement between the Minister of Defence of the Kingdom of Spain, the Minister of Defence of the Kingdom of Defence of the Kingdom of Denmark, the Federal Ministry of Defence of the Federal Republic of Germany, the Ministry of Defence of the Republic of Italy, the Minister of Defence of the Kingdom of the Netherlands, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, the Department of Defense of the United States of America and the Supreme Headquarters Allied Powers Europe and the Minister of Defence of the Republic of France concerning the Relocation Arrangements and General Establishment Provisions of the Allied Command Operations Tactical Leadership Programme at Albacete Air Base Spain, the Minister of Defence of the Republic of France becomes a Participant to the above mentioned TA;

2. SECTION 2 - ACCESSION OF THE HELLENIC REPUBLIC

Through the signature of the Note of Joining to participate in the Technical Arrangement between the Minister of Defence of the Kingdom of Spain, the Minister of Defence of the Kingdom of Defence of the Kingdom of Denmark, the Federal Ministry of Defence of the Federal Republic of Germany, the Ministry of Defence of the Republic of Italy, the Minister of Defence of the Kingdom of the Netherlands, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, the Department of Defense of the United States of America and the Supreme Headquarters Allied Powers Europe and the Ministry of National Defence of the Hellenic Republic concerning the Relocation Arrangements and General Establishment Provisions of the Allied Command Operations Tactical Leadership Programme at Albacete Air Base Spain, the Ministry of National Defence of the Hellenic Republic becomes a Participant to the above mentioned TA;

3. RELOCATION PROVISIONS AND COSTS

Taking into account the commitment of all Participants to equitably share the estimated investment costs to relocate the Host Base, the provisions of the TA will be amended as follows:

- A. Page 3 (ANNEXES): Delete: "C. Other expenses involved in the process of relocation." thru "Administration offices and addresses." and substitute as follows:
 - "C: Examples of cost share recalculations.
 - D: Estimated yearly payments by nations for relocation.
 - E: TLP ALBACETE Air Base support personnel.
 - F: Administration offices and addresses"
- B. Section 3, paragraph 1: Change "20.768.978,63" to "25.725.892,68"
- C. Section 3, paragraph 1.a: Change "3.320.652,95" to "5.286.488,77"
- D. Section 3, paragraph 1.b: Change "17.448.325,68" to "20.439.403,91"
- E. Section 3, paragraph 1.b.i: Change "15.603.048,60" to "17.192.676,50"
- F. Section 3, paragraph 1.b.ii: Change "1.752.235,36" to "3.153.685,69"
- G. Section 3, paragraph 1.b.iv: Delete "included in Annex C"
- H. Section 3, paragraph 3: Delete Table 1 and substitute a new Table 1 as follows:

Table 1

NATION	SLOTS	SHARE (%)	RELOCATION COSTS
BEL	6	5,36	1.094.968,07
	12	10,71	2.189.936,13
DEU	4	3,57	729.978,71
DNK	8	7,14	1,459,957,42
ESP	18	16,07	3.284.904,20
FRA		21,43	4.379.872,27
GBR	24	3,57	729.978,71
) GRC	4		2.554.925,49
ITA	14	12,50	1.459.957,42
NLD	8	7,14	2.554.925,49
USA		12,50	20.439.403,91
	112	100,00	20.439.403,31

- I. Section 3, paragraph 3. c: Substitute "Annex D" by "Annex C"
- J. Section 3, paragraph 5. a. i: Delete "(up to approximately 620.000 €)"
- K. Section 3, paragraph 5.a.ii. and iii: Substitute "Annex E" by "Annex D"
- L. Section 6, paragraph 2, sentence 1: Replace "Annexes A through F" by "Annexes A through E"
- M. Section 6, paragraph 2, sentence 2: Replace "Annex G" by "Annex F"

ANNEX A - CONSTRUCTION OF BUILDINGS / FACILITIES

The ANNEX A to the TA will be substituted as follows:

SUB-CONCEPT	WITHOUT VAT
INTERNAL ROADS SQN OPS FACILITY A/C MAINTENANCE HANGAR	596.594,39 2.907.771,20 4.165.657,73 9.058.033,18
HOUSING BUILDINGS Project design cost	464.620,00
TOTAL	17.192.676,50

ANNEX B - INITIAL INVESTMENT ON EQUIPMENT

The ANNEX B to the TA will be substituted as follows:

CONCEPT	Q	% TLP	UP TO A MAXIMUM OF	UP TO A MAXIMUM OF WITHOUT VAT	TO BE FUNDED BY TLP NATIONS WITHOUT VAT
APUs	2	30		117.189,66	35.156,90
HANGAR SWEEPER	1	30		62.810,00	18.843,00
FORKLIFT	1	30		120.675,00	36.202,50
PORTAPALLETS	4	30		44.440,00	13.332,00
ILLUMINATING GROUPS	2	30		68.420,00	20.526,00
A/C TOW VEH	3	30		381.206,89	114.362,07
TOW BARS	4	30		29.347,03	8.804,11
CARGO TRANSFER	1	30		292.578,88	87.773,66
H.W. FUEL BOWSERS	2	30		414.112,66	124.233,80
FIRE EXTINGUISHERS	16	30		19.551,72	5.865,52
FLIGHT LINE RADIOS	16	30		4.262,07	1.278,62
RADIO STATION	1	30		55.000,00	16.500,00
APPROACH SYSTEM	1	30		5.500.000,00	1.650.000,00
EMERGENCY POWER SUPPLY	1	40		344.827,59	137.931,03
VEHICLES (1 BUS, 3 MICROS)	1	50		179.028,82	89.514,41
VEHICLES (CHAFF, FLARES)	1	50		26.724,14	13.362,07
NETWORK HARDWARE	1	100		75.000,00	75.000,00
TELEPHONE SYSTEM		100		230.000,00	230.000,00
NET		100		475.000,00	475.000,00
TOTAL			0	8.440.174,46	3.153.685,69

Items listed in this annex reflect additional minimum equipment needed to relocate TLP operations in Albacete AB.

ANNEX C will be deleted and ANNEX D will become ANNEX C



ANNEX E - ESTIMATED YEARLY PAYMENTS BY NATIONS (2006-2009) [FRANCE AND GREECE INCLUDED]

The ANNEX E to the TA will become ANNEX D and will be amended as follows:

ESTIMATED YEARLY PAYMENTS BY NATIONS (2007-2009) (FRANCE AND GREECE INCLUDED)

NATION	# SLOTS	SHARE (%)	RELOCATION	2007 2008	2008	2009	TOTAL
	(ESTIMATED)	ESTIMATED	COSTS				
BEL	6	5,357	1.094.968,07	429.925,80	471.547,11	193.495,16	1.094.968,07
DEU	12	10,714	2.189.936,13	859.851,60	943.094,85	386,989,68	2.189.936,13
DNK	4	3,571	729.978,71	286.617,20	314.364,95	128.996,56	729.978,71
ESP	8	7,143	1,459,957,42	573.234,40	628.729,90	257.993,12	1.459.957,42
FRA	18	16,071	3.284.904,20	0.00	2.112.364,32	1.172.539,88	3.284.904,20
GBR	24	21,429	4.379.872,27	1.719.703.19	1.886.189,71	773.979,37	4.379.872,27
GRC	4	3,571	729.978.71	0.00	469,414,29	260.564,42	729.978,71
ITA	14	12,500	2.554.925,49	1.003.160,20	1.100.277,33	451.487,96	2.554.925,49
	8	7.143	1,459,957,42	573.234,40	628,729,90	257.993,12	1.459.957,42
NLD		12,500	2.554.925,49	1.003.160,20	1,100,277,33	451.487,96	2.554.925,49
USA	14		20.439.403,91	6.448.886.97	9.654.989,69	4.335.527,25	20,439,403,91
ł	112	100,00	20.433.403,31	0.440.000,01	0.004.000,00		

ANNEX F will become ANNEX E

ANNEX G will become ANNEX F and: add after DNK: FRA details and after GBR: GRC details.

4. FINAL PROVISIONS

- 1. This Amendment to the TA will come into effect as of the date of the last signature hereto and will remain in effect until it is superseded or the TA terminates, whichever occurs first.
- 2. This Amendment is signed in one original text in the English Language and one original text in the Spanish Language, each of equal validity. The original document, in each version, will be deposited in DIGENPOL (Dirección General Política de Defensa) of the Spanish MoD. Spain will provide certified true copies to the other PARTICIPANTS.

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MEMORANDUM OF UNDERSTANDING

among

The Minister of Defence of the Kingdom of Spain

The Minister of Defence of the Kingdom of Belgium

The Minister of Defence of the Kingdom of Denmark

The Minister of Defence of the French Republic

The Federal Ministry of Defence of the Federal Republic of Germany

The Ministry of National Defence of the Hellenic Republic

The Ministry of Defence of the Republic of Italy

The Minister of Defence of the Kingdom of the Netherlands

The Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland

The Department of Defense of the United States of America

The Supreme Headquarters Allied Powers, Europe

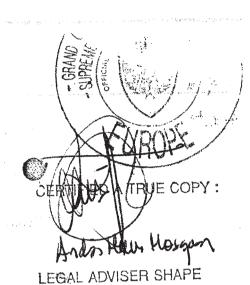
And

The Headquarters Supreme Allied Command Transformation

concerning

The Operation and Support of the Tactical Leadership Programme at Albacete Air Base Spain

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2 2 JUN 2009

DATE:

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Annexes

- A: Construction of Buildings/Facilities funded by TLP PARTICIPANTS.
- B: Initial Investment for Support Equipment.
- C: Initial Percentage Share of TLP.
- D: Sample Note of Joining.

LIST OF ABBREVIATIONS and ACRONYMS

Autonomous Air Combat Manoeuvring Instrumentation **AACMI**

Air Base AB Liaison Officer LO

Ministry/Minister of Defence MoD Memorandum of Understanding MoU

National Administration Effort Expenses (annual **NAEs**

administrative surcharge)

North Atlantic Treaty Organisation NATO

Headquarters Supreme Allied Command Transformation **HQ SACT**

Operation and Maintenance O&M

Plan of Operations PoO

Supreme Allied Commander, Europe SACEUR

Steering Group SG

Supreme Headquarters Allied Powers, Europe SHAPE

Senior National Representative SNR Status of Forces Agreement SOFA Standardisation Agreement **STANAG** Tactical Leadership Programme TLP

Voluntary National Contribution **VNC**

LIST OF DEFINITIONS

A reference year for determining each PARTICIPANT's contributions Base Year

to the TLP before taking into account economic escalation and

inflation. The index for the base year is 1.0.

A process through which a decision is approved by all Consensus

PARTICIPANTS either voting in favour of such a decision or not

voting against it.

Non-PARTICIPANT invited by the SG to attend TLP activities. Guest

Representative posted by a non-PARTICIPANT to the Staff. Liaison Officer

Ministers/Ministries/Departments of Defence/General Staffs of the **PARTICIPANT**

member states of NATO that have consented to be represented in

(0.6)

the TLP in accordance with the provisions of this MOU.

PARTICIPANT's committed Slots X 100 PARTICIPANT's Percentage Share

Total number of committed Slots

Senior National Representative (SNR)

Formula

An officer designated by a PARTICIPANT as a link to the TLP Commandant and between the TLP Commandant and the respective

PARTICIPANTS' personnel.

PARTICIPANTS, SHAPE and HQ SACT. **SIGNATORIES**

One aircraft and its associated aircrew attending a flying course. Slot

Personnel assigned to TLP for a full tour of duty. Staff

Supplementary Agreement

The Agreement between NATO, represented by SHAPE, and the Kingdom of Spain on the Special Conditions Applicable to the Establishment and Operation in Spanish Territory of an International

Military Headquarters of 28 February 2000.

The officer responsible for initial requirements' specifications and **Technical Director**

certifying acceptable quality of services and equipment received.

CONSIDERING that, in recognition of the North Atlantic Treaty, the Minister of Defence of the Kingdom of Spain, the Minister of Defence of the Kingdom of Belgium, the Minister of Defence of the Kingdom of Denmark, the Minister of Defence of the Republic of France, the Federal Ministry of Defence of the Federal Republic of Germany, the Ministry of National Defence of the Hellenic Republic, the Ministry of Defence of the Republic of Italy, the Minister of Defence of the Kingdom of the Netherlands, the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, the Department of Defense of the United States of America (hereinafter referred to collectively as the PARTICIPANTS), the Supreme Headquarters Allied Powers, Europe (SHAPE), and the Headquarters Supreme Allied Command Transformation (HQ SACT) desire to unite their efforts in closer cooperation (hereinafter referred to collectively as the SIGNATORIES);

CONSIDERING that the PARTICIPANTS desire to continue the Tactical Leadership Programme (TLP), relocated in Spain as an element supporting SHAPE and HQ SACT;

CONSIDERING that the Agreement between the Parties to the North Atlantic Treaty Regarding the Status of Their Forces of 19 June 1951 (NATO SOFA), including any protocol or supplements or amendments thereto, is applicable to the operation of the TLP;

CONSIDERING that Spain will apply the Supplementary Agreement, and its Exchange of Letters of April 2000, to the operation of the TLP;

RECOGNIZING the need to continue the training of their air forces in the field of tactical leadership and to jointly develop tactical air doctrine, in support of the Supreme Allied Commander Europe (SACEUR), Supreme Allied Commander Transformation (SACT) and national missions;

have reached the following understanding:

SECTION 1 - OBJECTIVES AND SCOPE

- The objective of the TLP is to increase the effectiveness of allied tactical air forces through the development of leadership skills, mission planning, briefing, tactical flying and debriefing skills, and conceptual and doctrinal initiatives.
- 2. The objective of this MoU is to delineate the arrangements under which the PARTICIPANTS will collaborate to establish, man, operate and finance the TLP.
- 3. In order to implement the provisions contained in this MoU, a Plan of Operations (PoO) will be developed in accordance with Section 6 below.

SECTION 2 - HOST NATION AND HOST BASE

Spain, in which Albacete Air Base (AB) is situated, will be the Host of the TLP; they are, hereinafter, referred to as the Host Nation and Host Base respectively.

SECTION 3 - RESPONSIBILITIES

- There will be a Steering Group (SG) comprised of representatives from all PARTICIPANTS. Each PARTICIPANT has one and equal voting right; decisions will be made by consensus. The SG's purpose is to provide TLP policy and direction on all matters such as administrative, legal and financial aspects of TLP.
- 2. There will be a TLP Commandant, provided by the Host Nation, who will be responsible to the PARTICIPANTS, through the SG for adherence to TLP policy and NATO doctrine and tactics. Provisions relating to responsibilities of the TLP Commandant are contained in the PoO.
- 3. Subject to further arrangements, a designated NATO Strategic Command will provide military doctrinal guidance to the TLP, through a designated NATO International Military Headquarters, in cooperation with the PARTICIPANTS and the Staff. In addition, a designated NATO Strategic Command may delegate contacts with the Chairman of the SG and the Commandant through a NATO International Military Headquarters.

SECTION 4 - PROGRAMME

- A Programme of flying courses, academic courses, conferences and seminars will be detailed in the PoO.
- 2. The annual flying programme will consist of up to six (6) TLP flying courses, not to exceed 2160 TLP syllabus sorties plus an additional 252 external aircraft sorties. In accordance with Host Nation's limitations, annual assignments of Slots will not exceed 144 mounted from the Host Base, including guest Slots. Additional sorties such as test flights or Staff currency flights may also be flown from the Host Base provided that they are authorized by the Host Base Commander.

SECTION 5 - PERSONNEL

- 1. Each PARTICIPANT will appoint a Senior National Representative (SNR).
- The PARTICIPANTS will assign on a continuous basis suitably qualified personnel to the Staff as detailed in the PoO.

- 3. The SG may invite a non-PARTICIPANT from a North Atlantic Treaty Organization (NATO) Nation to attach a Liaison Officer (LO) to the TLP. The details of such an attachment will be laid down in a separate document between the SG and the non-PARTICIPANT.
- 4. TLP Personnel and their dependants are entitled to the full range of support in accordance with NATO SOFA including any protocol or supplements or amendments thereto, and the Supplementary Agreement and its Exchange of Letters, as well as the administrative measures established for the application of this MoU.

SECTION 6 - PLAN OF OPERATION

- 1. A PoO which will include appropriate details of the TLP will be approved by the SG and will be subordinate to the MoU. This PoO will be developed and approved prior to the beginning of operations of the TLP at the Host Base.
- The PoO may be amended when required as determined by consensus in the SG.
- 3. In case of any conflict between the MoU and the PoO, the MoU will prevail.

SECTION 7 - BUILDINGS, FACILITIES AND EQUIPMENT

- 1. Annex A details the buildings and facilities funded by the PARTICIPANTS at the Host Base.
- 2. Annex B details support equipment and percentage of initial investments on equipment financed by the PARTICIPANTS and the Host Nation.

SECTION 8 - FINANCE

FINANCIAL YEAR

The TLP financial year will be from 1 January to 31 December.

CAPITAL EXPENDITURES

A capital expenditure, for the purpose of the TLP, is defined by the PARTICIPANTS as a jointly approved expenditure for new construction, and purchases of and modifications, additions or extensions to the buildings, facilities, work services, equipment and vehicles, when the costs exceed 30,000€ (Base Year: December 2008).

Capital expenditure will be proposed on an annual basis by the Staff under the

system and procedures of the Host Nation at the SG with the TLP Commandant acting as Technical Director. The authorization by the PARTICIPANTS for the implementation of the capital expenditure projects will be given through the approval of the budget during the SG meeting. All future capital expenditure approved by the PARTICIPANTS will be funded by the PARTICIPANTS in accordance with the percentage share formula.

a. Buildings and Facilities

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- (1) The initial capital expenditure percentage share relating to the buildings and facilities were borne by the PARTICIPANTS as detailed in Annex C.
- (2) All additional capital expenditures relating to buildings and facilities approved by the PARTICIPANTS will be funded by the PARTICIPANTS in accordance with the percentage share formula.

b. Work Services

Improvements and restoration to existing facilities and infrastructure will be defined as Work Services. Work services projects exceeding 30,000€ (Base Year: December 2008) will be treated as capital expenditures.

c. Equipment and Vehicles

- (1) All expenditures relating to the purchase of additional equipment and vehicles exceeding 30,000€ (Base Year: December 2008) will be treated as capital expenditures.
- (2) All surplus equipment and vehicles will be disposed of by the Host Nation. If proceeds exceed costs, the Host Nation will credit the balance to the PARTICIPANTS' operating accounts, or return the balance to a PARTICIPANT if so directed, in accordance with the percentage share formula. If costs exceed proceeds, the balance will be borne by the TLP budget.

JOINING QUOTA

In the event of joining of additional PARTICIPANTS to the TLP, the new PARTICIPANT will pay a joining quota based on the residual value of the following and reflected in the Note of Joining:

- a. The balance of Capital Expenditures as at the time of relocation arising from TLP activities in BEL and to be utilised in the Host Nation.
- b. The Capital Expenditures arising from the initial construction of facilities and equipment provision at the Host Base.

c. All Capital Expenditures arising from the date of signature of this MoU.

This joining quota will be the joining PARTICIPANT's projected percentage share of the residual value. The percentage share is calculated in accordance with the joining PARTICIPANT's desired Slot allocation at the time of joining.

4. OPERATIONS AND MAINTENANCE (O&M) COSTS

The O&M Costs are defined as those costs that are approved by the PARTICIPANTS at the SG meeting and that directly relate to operating and maintaining the TLP. O&M costs cover base support, equipment, vehicles, communications, general services and National Administration Effort expenses (NAEs).

- a. The expenses relating to the support associated with the equipment and vehicles listed in Annex B are considered as O&M costs.
 - b. The PARTICIPANTS will share the annual O&M costs in accordance with the percentage share formula.

GUESTS' PARTICIPATION COST

- a. TLP may charge Guests for their number of Slots, scheduled or utilised whichever is the greater. This guest Slot price will be calculated and approved by the SG. Payments will be credited to the PARTICIPANTS, in accordance with the percentage share formula, for the same year.
- b. Academic course slots will also be available. Student tuition prices for these academic courses will be determined annually by the SG.

OTHER COSTS (COVERED BY TLP BUDGET)

a. Host Nation NAEs

All contracts will be concluded under Spanish law, regulations and procedures. They will be administered by the appropriate services of the Host Nation/Base and the Host Nation will levy an annual administrative surcharge based on the annual contract price as follows:

- (1) 3% for the administration of contractual personnel;
 - for all purchase related contracts;
 - for all infrastructure related contracts that use the aid of an external study centre.

OR

(2) 5 % - for all infrastructure related contracts that use the aid of an inhouse study centre.

- b. The costs related to a service contract will be funded from the TLP O&M budget. An Autonomous Air Combat Manoeuvring Instrumentation (AACMI) service contract must ensure the continuation of the services provided to the TLP during the transition from Florennes to Albacete as well as in the future.
- c. Transportation costs for all TLP duties will be paid by the TLP budget.

7. OTHER COSTS (NOT COVERED BY TLP BUDGET)

- a. The capitation and subsistence costs related to the Staff assigned to the TLP detailed in the PoO are the responsibility of each PARTICIPANT.
- b. When the Staff travels upon the request of outside agencies or national Headquarters, transportation costs will be paid by the requesting agency or the concerned Headquarters.
- c. All per diem costs (e.g., meals, accommodation) will be nationally funded.

8. BUDGETING

- a. Charges will be due regardless of whether the allocated Slots are fully utilised or not.
- b. TLP, in coordination with the Host Nation, will establish every year, by the 1st of June, a justified budget of the estimated TLP costs for the next year and the provisional estimated TLP costs for the following year. Both documents will be sent to PARTICIPANTS 30 days prior to the SG meeting. This will be done in the format approved by the SG. The budget will be screened and approved by the PARTICIPANTS during the annual SG meeting. After approval, TLP will issue a final budget. When justified by unforeseen circumstances, additional funding is required, a supplementary budget may be submitted to the SG for ex-committee approval. Before doing so, the TLP Commandant will seek to compensate for this increase by the transfer of credits within chapters. Before executing this transfer, the TLP Commandant will confirm with the Host Nation that the Host Nation's budget chapters supporting the TLP activity can be adjusted accordingly.

9. REQUEST FOR FUNDS

The request and provision of funds will be based on the following rules:

a. Based on the approved budget, funds will be requested from the PARTICIPANTS indicating the amount to be provided. The PARTICIPANTS will transfer their funds in two installments: the first no later than the end of February and the second no later than the end of

October each year.

b. The request for funds will be transmitted by the Host Nation to the PARTICIPANTS three months prior to the date of the payment concerned.

END OF YEAR ACCOUNT

A calculation of actual revenues and expenses will be prepared by the TLP following the end of its financial year. At the SG meeting, all PARTICIPANTS will be advised of the balance of the end of year account and each PARTICIPANT will then be advised of its share of any funds due or to be returned or credited. Imbalances will be reconciled on the first request for funds of the following financial year.

11. ACCOUNTING AND REPORTING

TLP will be responsible for the accounting of all revenues and expenses arising from the Programme and the preparation and retention of all financial data. This responsibility will be coordinated with the Host Nation. The Host Nation will, upon request, provide the PARTICIPANTS with further clarification of the financial data included in the budget estimates and final accounts.

12. AUDITING

Auditing functions will be exercised by the Host Nation. All financial functions will be under the application of Host Nation auditing procedures, inspections and requirements. The results of these audits will be provided to the SG.

AVAILABILITY OF FUNDS

All financial commitments assumed by the PARTICIPANTS will be subject to the authorization and appropriation of funds in accordance with applicable national laws. In the event of a late payment, the PARTICIPANT so affected will notify the Host Nation in a timely manner so as to facilitate the implementation of other arrangements.

SECTION 9 - DEPRECIATION AND RESIDUAL VALUES

RESIDUAL VALUE

All capital expenditure items, including the constructions, new buildings and facilities built for re-location of the TLP to the Host Base, will be depreciated by applying the formula:

residual value = original value ----- x life remaining planned life using the following planned lifetimes, unless otherwise decided by the SG:

- 25 years: buildings and other structures (pre-fabricated or

engineering works)

- 10 years: fencing, roads, paved areas, transportable facilities

7 years: vehicles5 years: equipment

a. The residual value of items funded by the PARTICIPANTS will apply in accordance with the PARTICIPANTS percentage share. However, in the event of termination, the Host Nation will be permitted to decide the final use of all buildings and constructions. If the Host Nation decides that any installation will be demolished, the related costs will be shared by the PARTICIPANTS in accordance with their percentage share. If the Host Nation decides to keep the installation, the residual value will be refunded to the PARTICIPANTS in accordance with their percentage share.

b. TLP will provide the SG with the computed residual value of all TLP capital expenditure items as of 31 December of the preceding year.

SECTION 10 - MEDICAL SUPPORT

Article IX paragraph 5 of the NATO SOFA will apply. TLP Personnel and their dependents will receive identical support as that provided to members and dependents of International Military Headquarters in Spain.

SECTION 11 - SECURITY

- The Host Nation will be responsible for security on the Host Base. It will be implemented by personnel and means of the Host Nation in accordance with its national regulations.
- Staff, support personnel and personnel attending TLP activities will comply with the security regulations of the Host Nation when inside the Host Base.
- 3. All classified information or material, exchanged or generated in connection with this MoU will be used, transmitted, stored or handled and safeguarded in accordance with the PARTICIPANTS' applicable national security laws and regulations, providing a degree of protection no less stringent than detailed in NATO document "Security within the North Atlantic Treaty Organisation", C-M (2002) 49 dated 17 June 2002 and subsequent amendments or replacements.

SECTION 12 - LEGAL PROVISIONS

- 1. This MoU is not intended to conflict with national or international law and any applicable international agreements between the PARTICIPANTS. In the event of such a conflict, national or international law and international agreements between the PARTICIPANTS will prevail. The respective PARTICIPANTS will notify each other in the event of any such conflict.
- 2. All claims arising out of, or in connection with, the operation of the TLP will be dealt with in accordance with Article VIII of the NATO SOFA. Claims not covered by the NATO SOFA will be dealt with by the PARTICIPANTS involved on a case-by-case basis.
- Aircraft accident investigations will be dealt with in accordance with STANAG 3531.

SECTION 13 - CHANGES IN PARTICIPATION

1. WITHDRAWAL AND REDUCTION

- a. The Host Nation will not withdraw from hosting the TLP during a 10-year period starting at the date of the entry into effect of this MoU. If the Host Nation wishes to terminate its consent to host the TLP at a given time after this period, it will give a 2 full financial years' notice in writing to the other SIGNATORIES.
- b. If any PARTICIPANT decides to withdraw or to reduce its participation, it will give notice in writing to the other SIGNATORIES at least one full financial year prior to the start of the year in which the withdrawal or reduction is planned. The period from this notice until the withdrawal / reduction will be known as the termination period. The revised number of Slots and percentage shares will be confirmed at the SG meeting immediately prior to the start of year in which the reduction or withdrawal will take effect.
- c. If a PARTICIPANT issues a notice of withdrawal from, or reduction in, participation in the TLP, the Host Nation and the other PARTICIPANTS will review all the outstanding and uncompleted items of capital expenditures which have been approved, deciding whether any should be reduced in number or scope or cancelled completely. The withdrawing or reducing PARTICIPANT will be responsible for its planned percentage share of the costs of any termination payments or uncompleted work costs that may arise.
- d. If the withdrawing PARTICIPANT's planned percentage share is taken up completely by another PARTICIPANT, the withdrawing PARTICIPANT will continue to pay its planned percentage share of the capital expenditures

which it has approved until the handover to another PARTICIPANT. This responsibility will apply irrespective of the date of handover.

- e. If a PARTICIPANT reduces its planned percentage share and the balance is not taken up, that PARTICIPANT will continue to pay for the items of capital expenditure that it has consented to prior to the end of the period of notice.
- f. The withdrawing or reducing PARTICIPANT will be compensated for the residual values of all items of capital expenditures, to which it has contributed to the extent to which its planned percentage share of TLP is taken up by another PARTICIPANT. If the withdrawing PARTICIPANT is not compensated at the time of its withdrawal, this PARTICIPANT will retain its entitlement to residual values until such time as another PARTICIPANT takes up its planned percentage share and pays compensation, or the capital expenditure has been completely depreciated.

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- g. A PARTICIPANT withdrawing or reducing its participation will continue to pay its planned percentage share of the O&M costs until the end of the termination period unless,
 - (1) Its planned percentage share is taken up by another PARTICIPANT during that period in which case its percentage share will cease from the date of handover.
 - (2) Its planned percentage share is partially taken up by another PARTICIPANT during that period. In this case, the withdrawing or reducing PARTICIPANT will cease to pay that part of its planned percentage share taken up by another PARTICIPANT from the time of handover but will continue to pay the balance of its planned percentage share that is not taken up until the end of the termination period.
- h. In the event of reduction in use or withdrawal by any PARTICIPANT without replacement by another PARTICIPANT, the TLP Commandant will call an extraordinary SG Meeting to consider ways to reduce the O&M costs as quickly as possible to reflect the new requirements.
- Concerning the O&M costs, the withdrawing or reducing PARTICIPANT will be charged for all allocated Slots until the end of the termination period.

2. INCREASE IN PARTICIPATION

a. Increase in participation will be requested in writing by the concerned PARTICIPANT to the other PARTICIPANTS at least one full financial year in advance of the proposed increase.

- b. A PARTICIPANT may bid for additional guest Slots over and above the allocation shown in the PARTICIPANTS planned percentage share. However, this PARTICIPANT will remain responsible for the costs of its original percentage share, and the additional Slots will be charged as guest Slots. PARTICIPANTS bidding for guest Slots will not incur any additional surcharge levied on the non-PARTICIPANTS.
- c. If a PARTICIPANT utilizes additional guest Slots over and above the planned percentage share detailed for more than two consecutive years, these additional guest Slots will be considered as permanent.

3. PROVISION FOR JOINING

- a. With the concurrence of the PARTICIPANTS, the SG may invite, at any time, with a Letter of Invitation any NATO member State to join as a PARTICIPANT in the TLP, subject to its acceptance of a Joining Quota in accordance with Section 8, paragraph 3.
- b. A Note of Joining will be concluded between the applicant and the SIGNATORIES. This Note of Joining will record the fact that an applicant has become a PARTICIPANT in this MoU. A sample Note of Joining is in Annex D to this MoU.
- c. Status as a PARTICIPANT will be effective from the date of the last signature to the Note of Joining, unless otherwise approved by the SIGNATORIES.

SECTION 14 - FINAL PROVISIONS

- 1. This MoU, including all Annexes, will enter into effect upon signature of all SIGNATORIES or on the date of the last notification of approval in the event the signature is made subject to required subsequent approval; this MoU will however provisionally apply from the date of the last signature.
- 2. This MoU may be terminated by the written consent of all SIGNATORIES. However, provisions regarding Finance under Section 8, and Depreciation and Residual Values under Section 9 will remain in effect until all financial consequences of termination have been settled to the PARTICIPANTS' satisfaction. The financial consequences of termination not included in this MoU will be settled by negotiations. Upon termination a provisional final account will be drawn up by the Host Nation. The definitive final account will be established within 1 year after termination.
- 3. This MoU and its Annexes may be amended by written consent of all SIGNATORIES. Amendments will become effective in accordance with the procedure detailed in paragraph 1 of this Section.

- 4. Any dispute regarding the interpretation or application of this MoU will only be resolved by negotiation between the SIGNATORIES concerned.
- 5. This MoU is established in one original text in the English, French and Spanish languages, all versions being equally valid. The original document will be deposited in DIGENPOL (Dirección General de Política de Defensa) of the Spanish MoD. Spain will provide certified true copies to the other SIGNATORIES.

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	FOR THE MINISTER OF DEFENCE OF THE KINGDOM OF	F SPAIN
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	Signature IIAAI IA IA/	Date: 03.06.09
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12	Signature MAJOR GENERAL	Date: 18 Jun 2009
OFSEN	Name and Position: 6. KAZAKOS H. A GRE/NMR	
	FOR THE MINISTRY OF DEFENCE OF THE REPUBLIC	OF ITALY -
	Valter MAULONI Signature: Major Genera (AAF) - ITA NMR	Date: 26 May 09
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	FOR THE SECRETARY OF STATE FOR DEFENCE OF OF GREAT BRITAIN AND NORTHERWIRELAND	THE UNITED KINGDOM
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