

**AGREEMENT ON DEFENSE COOPERATION
BETWEEN
THE GOVERNMENT OF
THE REPUBLIC OF LITHUANIA
AND
THE GOVERNMENT OF
THE UNITED STATES OF AMERICA**

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ANNEX A	Agreed Facilities and Areas

The Government of the Republic of Lithuania (“Lithuania”) and the Government of the United States of America (the “United States”), hereinafter referred to collectively as “the Parties” and individually as a “Party”;

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

Considering that U.S. forces, their dependents, and U.S. contractors may be present in the territory of the Republic of Lithuania and that the purpose of such presence of U.S. forces is to further the efforts of the Parties to promote peace and security in the areas of mutual interest and benefit, including to take part in common defense efforts;

Acknowledging that the presence of U.S. forces contributes to strengthening the security and stability of the Republic of Lithuania and the region;

Desiring to share in the responsibility of supporting those U.S. forces that may be present in the territory of the Republic of Lithuania;

Recognizing the Agreement between the Parties to the North Atlantic Treaty Regarding the Status of their Forces, done at London on June 19, 1951, and entered into force August 23, 1953 (the “NATO SOFA”), including its provision regarding separate arrangements supplementary to that Agreement;

Recognizing the Agreement between the Ministry of National Defence of the Republic of Lithuania and the Department of Defense of the United States of America Regarding Logistic Support, Supplies and Services, signed at Stuttgart and Vilnius May 22 and 31, 2006, and entered into force May 31, 2006 (the “LSA”);

Recognizing the Security Agreement between the Government of the Republic of Lithuania and the Government of the United States of America Concerning Security Measures for the Protection of Classified Military Information, signed at Vilnius November 21, 1995, and entered into force November 21, 1995 (the “Information Security Agreement”);

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

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

Have agreed as follows:

ARTICLE I SCOPE AND PURPOSE

This Agreement sets forth the framework for enhanced partnership and defense and security cooperation between the United States and Lithuania and supplements the terms and conditions set forth in the NATO SOFA that govern the presence of U.S. forces and their dependents in the territory of the Republic of Lithuania and, in specific situations indicated herein, the presence and activities of U.S. contractors in the Republic of Lithuania.

ARTICLE II DEFINITIONS

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

1. "U.S. forces" means the entity comprising the force and the civilian component, and all property, equipment, and materiel (including vehicles, vessels, and aircraft operated by or for the United States) of the U.S. Armed Forces present in the territory of the Republic of Lithuania.
2. "Force" has the meaning set forth in Article I, paragraph 1(a) of the NATO SOFA.
3. Except as otherwise provided in Articles XII and XV of this Agreement, "civilian component" has the meaning set forth in Article I, paragraph 1(b), of the NATO SOFA, and also includes: a) employees of non-Lithuanian, non-commercial organizations who are nationals of or ordinarily resident in the United States and who are not ordinarily resident in Lithuania, and who, solely for the purpose of contributing to the welfare, morale, or education of the U.S. forces, are accompanying those forces in the territory of the Republic of Lithuania; and b) dependents employed by the U.S. forces, including for the purposes of the military service activities contemplated in Articles XXI and XXII of this Agreement, and by the non-commercial organizations referred to in this paragraph.
4. "U.S. contractors" means natural persons who are not citizens of nor ordinarily residents in the Republic of Lithuania, or legal entities, and their employees who are not citizens of nor ordinarily residents in the Republic of Lithuania, that are under contract or subcontract to the U.S. Department of Defense in connection with activities under this agreement.
5. "Dependent" has the meaning set forth in Article I, paragraph 1(c) of the NATO SOFA, and also includes a family member of a member of the force or the civilian component who (a) is financially, legally, or for reasons of health dependent upon and supported by such member; (b) shares the quarters occupied by such member; and (c) is present in the territory of the Republic of Lithuania with the consent of the authorities of the force.
6. "Agreed Facilities and Areas" means such facilities and areas listed in Annex A of this Agreement, including buildings and structures, in the territory of the Republic of Lithuania

owned by Lithuania and used by U.S. forces, U.S. contractors, dependents, and others as mutually agreed, with the consent of Lithuania.

7. “Executive Agent” means the U.S. Department of Defense for the United States and the Lithuanian Ministry of National Defence for Lithuania, or their respective designees.

8. “Official U.S. Information” means information that is owned by, produced for or by, or is subject to the control of the United States Government.

9. “Official duty” means any duty, service, or act required, or authorized to be done by statute, regulation, or order of a military superior or of the member of the civilian component issued in his or her supervisory capacity. Official duty is not meant to include all acts done by an individual during the period while on duty, but is meant to apply only to acts that are required or authorized to be done as a function of that duty or service that the individual is performing.

ARTICLE III ACCESS TO AND USE OF AGREED FACILITIES AND AREAS

1. U.S. forces, U.S. contractors, dependents, and others as mutually agreed, shall use the Agreed Facilities and Areas in accordance with this Agreement and with full respect for the sovereignty and laws of the Republic of Lithuania. U.S. forces, U.S. contractors, dependents, and others as mutually agreed are granted operational control of Agreed Facilities and Areas for visits; training; exercises; maneuvers; transit; support and related activities; refueling of aircraft; bunkering of vessels; landing and recovery of aircraft; temporary maintenance of vehicles, vessels, and aircraft; accommodation of personnel; communications; staging and deploying of forces and materiel; pre-positioning of equipment, supplies, and materiel; security assistance and cooperation activities; joint and combined training activities; humanitarian and disaster relief activities; contingency operations; construction in support of mutually agreed activities; and such other purposes as the Parties or their Executive Agents may agree, including those undertaken in the framework of the North Atlantic Treaty. Such Agreed Facilities and Areas provided by Lithuania may be designated as either for exclusive use by U.S. forces or for joint use by U.S. forces and Lithuanian Armed Forces.

2. In furtherance of such activities and purposes, Lithuania authorizes U.S. forces to control entry to Agreed Facilities and Areas that have been provided for exclusive use by U.S. forces, and to coordinate entry with Lithuanian authorities at Agreed Facilities and Areas jointly used by U.S. forces and Lithuanian Armed Forces, for purposes of safety and security.

3. When requested, the Lithuanian Executive Agent shall facilitate temporary access by U.S. forces and U.S. contractors to public land and facilities (including roads, railroads, ports, and airfields) that are not a part of an Agreed Facility and Area, including those owned or controlled by Lithuania or by municipalities, and to private land and facilities (including roads, ports, and airfields) for use in support of U.S. forces.

4. In making Agreed Facilities and Areas available, and in the use of such facilities and areas, the Parties shall give due regard to operational and security concerns.
5. Lithuania shall furnish, without rental or similar costs to U.S. forces, all Agreed Facilities and Areas, including those jointly used by U.S. forces and Lithuanian Armed Forces.
6. U.S. forces and U.S. contractors may undertake construction activities on, and make alterations and improvements to, Agreed Facilities and Areas in furtherance of the activities and purposes set forth in Article III, paragraph 1 of this Agreement. U.S. forces shall consult, according to mutually agreed procedures, with the competent authorities of Lithuania on issues regarding such construction, alterations, and improvements based on the Parties' shared intent that the technical requirements and construction standards of any such projects undertaken by or on behalf of U.S. forces should be consistent with the requirements and standards of both Parties. U.S. forces may carry out such construction, alterations, and improvements with members of the force.
7. U.S. forces shall be responsible for the construction and development costs for Agreed Facilities and Areas provided for the exclusive use of U.S. forces, and for the operations and maintenance costs thereof, unless otherwise agreed.
8. The Parties shall be responsible on the basis of proportionate use for the operations and maintenance costs of Agreed Facilities and Areas provided for joint use, or otherwise used jointly by U.S. forces and Lithuanian Armed Forces, unless otherwise agreed by their Executive Agents.
9. Funding of construction projects undertaken by U.S. forces shall be in accordance with U.S. laws and regulations pertaining to the expenditure of funds.
10. The Executive Agent for Lithuania shall facilitate the efforts of U.S. forces in these undertakings by obtaining the necessary Lithuanian authorizations and permits and completing any other internal Lithuanian requirements for such construction, alterations, and improvements, performed by or on behalf of U.S. forces. On request, the U.S. forces or U.S. contractors shall expeditiously provide information required to obtain these authorizations and permits.
11. The Parties shall cooperate on planning regarding the use and development around and adjacent to Agreed Facilities and Areas to ensure the implementation of this Agreement over the long term.

**ARTICLE IV
PREPOSITIONING OF DEFENSE EQUIPMENT,
SUPPLIES, AND MATERIEL**

1. U.S. forces may transport, preposition, and store defense equipment, supplies, and materiel (“prepositioned materiel”) at Agreed Facilities and Areas, and at other locations as mutually agreed. U.S. forces shall notify, in advance, Lithuanian Armed Forces regarding the types, quantities, and delivery schedules of such prepositioned materiel that U.S. forces intend to transport or preposition in the territory of the Republic of Lithuania, as well as regarding the U.S. contractors who will make such deliveries.

2. The prepositioned materiel of U.S. forces and the facilities designated for storage of such prepositioned materiel shall be for the exclusive use of U.S. forces. U.S. forces shall have exclusive control over the access to, use of, and disposition of such prepositioned materiel and shall have the unencumbered right to remove such prepositioned materiel at any time from the territory of the Republic of Lithuania.

3. U.S. forces and U.S. contractors shall have unimpeded access to and use of storage facilities for all matters related to the positioning and storage of prepositioned materiel, including delivery, management, inspection, use, maintenance, and removal of such prepositioned materiel, regardless of whether these storage facilities are Agreed Facilities and Areas. Aircraft, vehicles, and vessels operated by or for U.S. forces shall have access to aerial ports and seaports of the Republic of Lithuania and other locations, as agreed, for the delivery to, storage and maintenance in, and removal from the territory of the Republic of Lithuania of U.S. forces’ prepositioned materiel.

ARTICLE V PROPERTY OWNERSHIP

1. All buildings, non-relocatable structures, and assemblies affixed to the land in Agreed Facilities and Areas, including those altered or improved by U.S. forces, remain the property of Lithuania. All such buildings, structures, and assemblies constructed by the U.S. forces become the property of Lithuania, once constructed, but shall be used by U.S. forces until no longer needed by U.S. forces.

2. U.S. forces shall return as the sole and unencumbered property of Lithuania any Agreed Facility or Area, or any portion thereof, including buildings, non-relocatable structures, and assemblies constructed by U.S. forces once no longer used by U.S. forces, provided that the United States shall incur no expense to do so. The Parties or their Executive Agents shall consult regarding the terms of return of any Agreed Facility or Area, including compensation for the residual value of improvements or construction made by the United States.

3. The U.S. forces and U.S. contractors shall retain title to all equipment, materiel, supplies, relocatable structures, and other movable property they have imported into or acquired within the territory of the Republic of Lithuania in connection with this Agreement until such time as they surrender title.

4. The Parties or their designees may consult regarding the possible transfer or purchase of U.S. forces' equipment determined to be excess to the needs of the United States, as may be authorized by U.S. law and regulations.

ARTICLE VI SECURITY

1. Lithuania shall take such measures as are necessary to ensure the protection, safety, and security of U.S. forces, U.S. contractors, dependents, and prepositioned materiel, and the protection and security of official U.S. information. In furtherance of this responsibility, Lithuanian and U.S. military authorities shall cooperate closely to ensure that security and protection is provided.

2. Lithuania hereby authorizes U.S. forces to exercise all rights and authorities necessary for U.S. forces' use, operation, defense, or control of Agreed Facilities and Areas, including taking appropriate measures to maintain or restore order and to protect U.S. forces, U.S. contractors, and dependents. The United States intends to coordinate such measures and shall coordinate force protection plans with the appropriate authorities of Lithuania.

3. The Parties mutually agree that Lithuania retains primary responsibility for security outside of Agreed Facilities and Areas.

ARTICLE VII ENTRY AND EXIT

1. Lithuania shall not require countersignature of movement orders under Article III, paragraph 2(b) of the NATO SOFA.

2. In accordance with the NATO SOFA, Lithuania shall not require passports or visas for entry into and departures from the Republic of Lithuania for members of the force holding the required personal identity card and a valid movement order. For entry into and departure from the territory of the Republic of Lithuania, it shall be sufficient for members of the civilian component, dependents, and U.S. contractors to be in possession of a valid U.S. Department of Defense identification card, movement order, or certificate issued by the competent authority of the United States indicating their status as members of the civilian component, dependents, or U.S. contractors, and a valid passport. The competent authorities of Lithuania shall make any annotations required by Lithuanian law in the passports of members of the civilian component, U.S. contractors, and dependents.

3. U.S. forces, U.S. contractors, and dependents shall be exempt from regulations governing the registration and control of aliens.

4. Should a member of the U.S. forces die or leave the territory of the Republic of Lithuania on transfer, the dependents of such member shall continue to be accorded the status of dependents under this Agreement for a period of 90 days after such death or transfer. In cases where dependent children are enrolled in education facilities in the territory of the Republic of Lithuania prior to the member's death or transfer, the dependents shall continue to be accorded the status of dependents for a period of not less than 30 calendar days after the end of the school year or termination of enrollment.

ARTICLE VIII LOGISTICS SUPPORT

1. Lithuania shall use best efforts, considering its internal national requirements and available capabilities, to provide to U.S. forces, upon request, logistics support to conduct activities under this Agreement.

2. As appropriate, such logistics support shall be provided and reimbursement made in accordance with the LSA, or successor agreements, unless otherwise agreed.

3. For any logistic support not addressed by paragraph 2 of this Article, U.S. forces and U.S. contractors shall pay reasonable costs for logistics support requested and received. In this regard, Lithuania shall accord to the U.S. forces treatment no less favorable than is accorded to the Lithuanian Armed Forces, including charging the U.S. forces and U.S. contractors rates no less favorable than those paid by the Lithuanian Armed Forces for similar logistics support, less taxes, fees, or similar charges.

ARTICLE IX MOTOR VEHICLES

1. Lithuanian authorities shall honor the registration and licensing by U.S. military and civilian authorities of motor vehicles and trailers of the U.S. forces, U.S. contractors, and dependents. Upon the request of U.S. military authorities, Lithuanian authorities shall issue without charge military license plates for U.S. forces' official, non-tactical vehicles in accordance with procedures established for the Lithuanian Armed Forces, and license plates that are indistinguishable from those issued to the Lithuanian population at large for private motor vehicles of the members of the U.S. forces, U.S. contractors and dependents. The requirements for the registration of motor vehicles set in the national laws and regulations of the Republic of Lithuania shall not apply.

2. U.S. military authorities shall take adequate safety measures with respect to motor vehicles and trailers registered and licensed by them or used by U.S. forces in the territory of the Republic of Lithuania.

**ARTICLE X
LICENSES**

1. A license or other permit issued by U.S. authorities to a member of the U.S. forces or a U.S. contractor, empowering the holder to operate vehicles, vessels, or aircraft of the force shall be valid for such operation within the territory of the Republic of Lithuania.
2. Lithuanian authorities shall accept as valid, without a driving test or fee, driving licenses issued by the United States, its States, or political subdivisions for the operation of private motor vehicles by members of the U.S. forces and their dependents, and U.S. contractors, provided the holder of the driver's license is 18 years or older. International drivers' licenses shall not be required.
3. Lithuania shall not require members of the U.S. forces or U.S. contractors to obtain professional licenses issued by Lithuania in relation to the provision of services provided as part of their official or contractual duties to U.S. forces and their dependents, or U.S. contractors, as well as to other persons as mutually agreed.

**ARTICLE XI
MOVEMENT OF AIRCRAFT, VESSELS, AND VEHICLES**

1. Vehicles and vessels operated by or exclusively for U.S. forces may enter, exit, and move freely within the territory of the Republic of Lithuania with respect for the relevant rules of land and maritime safety and movement, including respect for private property and identified restricted areas. U.S. Government aircraft and civil aircraft that are at the time operating exclusively under contract to the U.S. Department of Defense are authorized to over-fly, conduct aerial refueling, land, and take off within the territory of the Republic of Lithuania, with respect for the relevant rules of air safety and navigation. U.S. Government aircraft, vessels, and vehicles shall be free from boarding and inspection without the consent of U.S. authorities.
2. The competent authorities of the Parties shall cooperate regarding procedures for U.S. transportation of arms, heavy equipment, and hazardous materials within the territory of the Republic of Lithuania.
3. U.S. Government aircraft and civil aircraft that are at the time operating exclusively under contract to the U.S. Department of Defense shall not be subject to payment of air navigation fees, dues, or other charges (such as overflight, en route, or terminal navigation fees), and such aircraft shall not be subject to payment of landing or parking fees at government-owned and operated airfields in the Republic of Lithuania. Vessels owned or operated by or exclusively for U.S. forces shall not be subject to payment of pilotage or port fees, lighterage charges, harbor dues, or similar charges at government-owned and operated ports in the Republic of Lithuania. U.S. forces and U.S. contractors operating on behalf of U.S. forces shall pay reasonable charges for services requested and received, at

rates no less favorable than those paid by the Lithuanian Armed Forces less taxes and similar charges.

ARTICLE XII CRIMINAL JURISDICTION

1. Lithuania recognizes the particular importance of U.S. military authorities' disciplinary control over members of the U.S. forces and the effect that such control has on operational readiness. Therefore, at the request of the United States and in furtherance of its commitment to mutual defense, Lithuania hereby exercises its sovereign discretion to waive its primary right to exercise criminal jurisdiction as provided by NATO SOFA Article VII, paragraph 3(c). In specific cases of particular importance to the Republic of Lithuania, Lithuanian authorities may withdraw the waiver by providing a statement in writing to the competent U.S. military authorities at any time, but not later than 21 days after receipt of the notification described in paragraph 2 of this Article. Lithuanian authorities may also submit a statement prior to receipt of such notification.

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

3. Whenever a member of the force or civilian component, or a dependent, is prosecuted by Lithuanian authorities, jurisdiction shall be exercised by Lithuanian non-military courts of general jurisdiction.

4. Members of the force or civilian component, and dependents shall not be tried *in absentia* without their consent unless they have wrongfully avoided appearance before the court after properly receiving notice of the date of trial or they have improperly absented themselves from United States military authority.

5. For purposes of determining whether an alleged criminal offense has arisen out of any act or omission done in the performance of official duty by a member of the U.S. forces under NATO SOFA Article VII, paragraph 3(a)(ii), certification by the highest appropriate military authority of the United States in the Republic of Lithuania that such act or omission was done in the performance of official duty shall constitute a conclusive determination of the fact. In those cases where the judicial authorities of Lithuania believe the circumstances of the case require review of the official duty certification, the authorities of Lithuania and the United States shall consult immediately. The authorities of Lithuania retain the option of requesting confirmation from the next higher U.S. military echelon.

6. For purposes of this Article, the term "civilian component" shall exclude citizens of the Republic of Lithuania and persons ordinarily resident in the territory of the Republic of Lithuania.

**ARTICLE XIII
CUSTODY AND ACCESS**

1. Lithuanian authorities shall notify U.S. military authorities immediately when a member of the U.S. forces, or a dependent, is arrested or detained by Lithuanian authorities. U.S. military authorities shall have prompt access to any such individual whenever requested, and shall be permitted to be present during all proceedings, including interrogations of such member or dependent by Lithuanian authorities.

2. A member of the U.S. forces, or a dependent, under investigation or pending trial by Lithuanian authorities shall remain under the control of U.S. military authorities, if such military authorities so request, until the conclusion of all related judicial proceedings (including appellate proceedings). In such cases, a request shall be made only if U.S. military authorities certify that they are able to assure the appearance of the member of the U.S. forces, or dependent, before Lithuanian authorities in any proceedings that may require the presence of such person. In the event Lithuanian judicial proceedings are not completed within one year of their commencement, U.S. military authorities shall be relieved of any obligations under this paragraph. This period of time may be extended in exceptional circumstances as agreed to by U.S. military authorities and appropriate Lithuanian authorities.

3. Any period of time spent in restraint exercised by Lithuanian authorities or custody exercised by U.S. military authorities shall be credited against any sentence to confinement eventually adjudged in the same case.

4. Except as otherwise agreed by the Parties, confinement imposed by a Lithuanian court upon a member of the U.S. forces, or a dependent, shall be served in one or more Lithuanian penal institutions designated for such purposes by the Parties. Lithuanian authorities shall permit U.S. military authorities to visit such persons outside of regular visiting hours and to provide such persons with assistance, including for their health, welfare, and morale, such as clothing, food, bedding, medical and dental care, and religious counseling upon coordination with appropriate Lithuanian officials. Lithuanian authorities shall permit family members to visit such persons in accordance with regular visiting hours and as also may be agreed by special arrangement, and to provide such persons with assistance, including for their health, welfare, and morale, such as clothing, food, bedding, medical and dental care, and religious counseling upon coordination with appropriate Lithuanian officials.

**ARTICLE XIV
DISCIPLINE**

U.S. military authorities shall be responsible for the maintenance of discipline over U.S. forces and may establish military police units in the Agreed Facilities and Areas where U.S. forces are located. U.S. military authorities may also authorize the use of such units in communities near military facilities and areas where U.S. forces are located, in coordination with Lithuanian officials.

ARTICLE XV CLAIMS

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

2. For purposes of this Article, the term “civilian component” shall include all persons, regardless of their nationality or place of residence, who are U.S. Government employees acting in the performance of official duty as assigned by the U.S. forces, but shall not include U.S. contractors, other contractors and employees of contractors, or non-commercial organizations, regardless of their nationality or place of residence.

3. Members of the force and the civilian component shall not suffer default judgments or actions prejudicial to their interests when official duties or duly authorized absences temporarily prevent their attendance at non-criminal proceedings.

4. For purposes of determining whether potential civil liability has arisen out of any act or omission done in the performance of official duty by a member of the force or the civilian component, certification by the highest appropriate U.S. military authority in the Republic of Lithuania that such act or omission was done in the performance of official duty shall constitute a conclusive determination of the fact.

ARTICLE XVI OFFICIAL TAX EXEMPTIONS

1. With respect to value added taxes (“VAT”), sales taxes, use taxes, excise taxes, or similar or successor taxes, an exemption shall apply to purchases by or for U.S. forces of materiel, supplies, services, equipment, and other property (a) acquired for the ultimate use by U.S. forces; (b) to be consumed in the performance of a contract with or on behalf of U.S. forces; or (c) to be incorporated into articles or facilities used by U.S. forces. U.S. forces shall provide to competent Lithuanian authorities a mutually agreed appropriate certification that such materiel, supplies, services, equipment, and other property are for U.S. forces.

2. The exemption shall be applied at the point of purchase, if the transaction is accompanied by the appropriate certification referred to in paragraph 1 above. In the case of goods subject to excise tax, the excise exemption shall be applied at the point of purchase only if the goods are acquired from a tax warehouse and the transaction is accompanied by the appropriate certification referenced above. In all other cases, the exemption shall be granted by reimbursement or as mutually agreed otherwise.

ARTICLE XVII
PERSONAL TAX EXEMPTIONS

1. Members of the U.S. forces and dependents shall not be liable to pay any tax, fee, license charge, or similar charges, including VAT, in the territory of the Republic of Lithuania on the ownership, possession, use, transfer between themselves, or transfer in connection with death of their tangible movable property imported into the Republic Lithuania or acquired there for their own personal use. The exemption shall be applied in accordance with procedures mutually agreed. Members of the U.S. forces and dependents who possess or use sound and television broadcast receiving apparatus and Internet-capable devices in the territory of the Republic of Lithuania shall be exempt from taxes, fees, license charges, or similar charges related to such use or possession. Motor vehicles owned by members of the U.S. forces and dependents shall be exempt from Lithuanian road taxes, registration or license fees, and similar charges, but not from the payment of tolls for the use of roads, bridges, and tunnels paid by members of the general public.

2. With regard to taxation of income, provisions of the NATO SOFA and the Convention between the Government of the Republic of Lithuania and the Government of the United States of America for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income done at Washington on January 15, 1998, shall apply according to their terms, as shall applicable domestic law in force in both States, unless this Agreement provides otherwise.

3. The exemption from taxes on income provided by NATO SOFA, Article X, shall also apply to income received by members of the U.S. forces, dependents, and U.S. contractors from employment with the organizations referred to in Article II, paragraph 3, and activities addressed in Articles XXI and XXII of this Agreement, and from sources outside the Republic of Lithuania.

4. Except as provided in Article XXIV of this Agreement the provisions of Lithuanian laws and regulations pertaining to the obligation of an employer or self-employed individual to withhold or prepay income taxes and social security contributions shall not be applicable to income exempt from taxation in the Republic of Lithuania.

5. Reimbursement upon exportation is not precluded under this Article.

ARTICLE XVIII
OFFICIAL IMPORTATION AND EXPORTATION

1. With reference to NATO SOFA, Article XI, materiel, supplies, equipment, and other property (a) imported by the U.S. forces, (b) which are for the ultimate use by or for the U.S. forces, including to support military service activities provided for in Articles XXI and XXII of this Agreement, (c) are to be used or consumed in the performance of a contract with or on behalf of the U.S. forces, or (d) are to be incorporated into articles or facilities used by the U.S. forces, shall be permitted entry into the Republic of Lithuania.

Such entry shall be free from duties, import or registration fees, and other similar charges, including but not limited to use taxes, excise taxes, and VAT. The Parties shall cooperate as necessary to ensure that the quantities of materiel, supplies, equipment, and other property imported are reasonable. U.S. forces shall provide the Lithuanian authorities an appropriate certificate that such materiel, supplies, equipment, and other property qualify for the exemption under the terms of this paragraph. Deposit of the certificate (as provided for in NATO SOFA, Article XI, paragraph 4) shall be accepted by Lithuanian customs authorities instead of a customs declaration of the items. When materiel, supplies, equipment, and other property are imported by contractors under the terms of this paragraph, U.S. forces shall require the contractors to use the items exclusively for the execution of U.S. forces' contracts.

2. The materiel, supplies, equipment, and other property referred to in paragraph 1 of this Article shall be exempt from any tax or other charge that would otherwise be assessed upon such property after its importation or acquisition.

3. The exportation from the Republic of Lithuania of the materiel, supplies, equipment, and other property referred to in paragraph 1 of this Article shall be exempt from Lithuanian export duties.

ARTICLE XIX PERSONAL IMPORTATION AND EXPORTATION

1. U.S. forces, dependents, and U.S. contractors may import their personal effects, furniture, one private motor vehicle per person 18 years or older, and other goods intended for their personal or domestic use or consumption free of customs duty and taxes during their assignment in the territory of the Republic of Lithuania. This privilege shall apply not only to goods that are the property of such persons but also to goods sent to them by way of gift or delivered to them in fulfillment of contracts concluded with persons not domiciled in the Republic of Lithuania in accordance with mutually agreed procedures. Such imports may not exceed reasonable amounts for personal use and must not indicate, by their nature or quantity, that the goods are being imported for commercial reasons.

2. The goods referred to in paragraph 1 of this Article and other goods acquired free of taxes and/or duties may not be sold or otherwise transferred to persons in the Republic of Lithuania who are not entitled to import such goods duty free, unless such transfer is approved by the appropriate Lithuanian authorities. Such approval shall not be required for gifts to charity. Payment of any taxes due as the result of transactions with persons not entitled to import such goods shall be the responsibility of the ultimate recipient of such goods. Members of the U.S. forces, dependents, and U.S. contractors may freely transfer property referred to in paragraph 1 of this Article between themselves, and such transfers shall be free of tax and/or duty. U.S. forces shall maintain records of these transfers of tax or duty free merchandise. Lithuanian authorities shall accept duly filed police reports as conclusive proof that duty and tax free goods of members of the U.S. forces, dependents, and U.S. contractors have been stolen, which shall relieve the individuals of any liability for payment of the tax or duty.

3. Members of the U.S. forces, dependents, and U.S. contractors may re-export (or export) free of export duties or charges, any goods imported (or acquired) by them into the Republic of Lithuania during their period of duty.

ARTICLE XX CUSTOMS PROCEDURES

1. Lithuania shall take all appropriate measures to ensure the smooth and rapid clearance of imports and exports contemplated under this Agreement. Any customs inspection shall take place expeditiously.

2. Customs inspections under this Agreement shall be carried out in accordance with procedures mutually agreed between the appropriate Lithuanian authorities and U.S. forces. Any customs inspection by Lithuanian customs authorities of incoming or outgoing personal property of members of U.S. forces or dependents shall be conducted when the property is delivered to or picked up from the individual's residence or in accordance with mutually agreed procedures.

3. U.S. forces' classified information may be imported into and exported from the Republic of Lithuania without being subjected to a customs inspection. "Classified information" has the meaning set forth in Article 3 of, and shall be handled in accordance with the terms of, the Information Security Agreement, or successor agreements.

4. U.S. military authorities shall establish the necessary measures at facilities where U.S. forces are located to prevent abuses of the rights granted under the customs provisions of the NATO SOFA and this Agreement. U.S. military authorities and Lithuanian authorities shall cooperate in the investigation of any alleged customs violations.

ARTICLE XXI MILITARY SERVICE ACTIVITIES

1. U.S. forces may establish military service exchanges, commissaries, other sales outlets, open messes, social and educational centers, and recreational service areas in the Republic of Lithuania at mutually agreed locations for use by members of the U.S. forces, dependents, and other authorized personnel as mutually agreed. U.S. military authorities may operate and maintain the foregoing military service activities directly or through contract with other organizations. No license, permit, inspection, or other regulatory control shall be required by Lithuania for these military service activities.

2. U.S. forces may enter into contracts with financial institutions to operate banking and other financial activities in the Republic of Lithuania for the exclusive use of U.S. forces, U.S. contractors, and dependents.

3. The activities and organizations referred to in this Article shall be accorded the same fiscal and customs exemptions granted to the U.S. forces. Such activities and organizations shall be maintained and operated in accordance with applicable U.S. regulations. Such activities and organizations shall not be required to collect or pay taxes or other fees for activities related to their operations.

4. U.S. forces shall adopt appropriate measures to prevent the sale of goods and property imported into or acquired in the territory of the Republic of Lithuania by the activities and organizations referred to in paragraphs 1 and 2 of this Article to persons who are not authorized to patronize such activities or organizations.

ARTICLE XXII MILITARY POST OFFICES

1. The United States may establish, maintain, and operate military post offices for use by U.S. forces, dependents, and U.S. contractors.

2. Mail posted at such post offices may bear U.S. stamps.

3. U.S. forces' official mail shall be exempt from inspection, search, or seizure.

ARTICLE XXIII CURRENCY AND EXCHANGE

1. U.S. forces shall have the right to import, export, and use U.S. currency or instruments expressed in the currency of the United States in any amount.

2. U.S. military authorities may distribute to or exchange for members of the U.S. forces, and dependents currency of, and instruments denominated in the currency valid in:

- (a) the United States;
- (b) the Republic of Lithuania;
- (c) the Euro zone; and
- (d) any other country, to the extent required for the purpose of authorized travel, including travel on leave.

3. Members of the U.S. forces and dependents may:

- (a) Import and export U.S. currency and instruments denominated in currency of the U.S.; and

- (b) Export from the Republic of Lithuania any currency, and instruments denominated in any such currency, provided that such U.S. personnel or dependents have either imported such currency or instruments into the Republic of Lithuania, or received such currency or instruments from U.S. forces.

ARTICLE XXIV LABOR

1. U.S. forces and organizations conducting those military service activities described in Articles XXI and XXII of this Agreement may recruit and employ dependents, as well as persons authorized to be employed in the territory of the Republic of Lithuania, and may administer those employees in accordance with this Article. Dependents shall not be required to possess a work permit.

2. Terms and conditions of employment shall be set by the U.S. forces and such organizations in accordance with applicable U.S. law and regulations, taking into consideration prevailing wages and the provisions of labor legislation of the Republic of Lithuania, including state social insurance contributions. Such terms and conditions shall be made available to prospective employees as part of the application for employment process. Wages and salaries, supplementary payments, and increases in such payments shall be in accordance with U.S. law and regulations. State social insurance contributions for local civilian employees shall be paid in accordance with mutually agreed procedures. Local civilian employees employed by U.S. forces shall not have the right to strike.

ARTICLE XXV CONTRACTING PROCEDURES

1. U.S. forces may contract for any materiel, supplies, equipment, and services (including construction) to be furnished or undertaken in the Republic of Lithuania without restriction as to choice of contractor, supplier, or person who provides such materiel, supplies, equipment, or services. Such contracts shall be solicited, awarded, and administered in accordance with U.S. laws and regulations.

2. Lithuania shall accord to U.S. forces treatment in the matter of procurement of goods, services, and utilities no less favorable than is accorded to the Lithuanian Armed Forces.

ARTICLE XXVI STATUS OF CONTRACTORS

U.S. contractors shall be exempt from Lithuanian laws and regulations with respect to the terms and conditions of their employment to perform work under contracts with U.S. forces, and with respect to the licensing and registration of businesses and corporations solely with regard to the provision of goods and services to U.S. forces in the Republic of

Lithuania. Such contractors also shall be exempt from all corporate and excise taxes arising solely from the delivery to U.S. forces of goods or services, or from construction of facilities for U.S. forces. Such contractors also shall not be subject to any form of income or profits tax by Lithuania or its political subdivisions on that portion of its income or profits derived from a contract or subcontract with U.S. forces.

ARTICLE XXVII ENVIRONMENTAL PROTECTION, SAFETY, AND HEALTH

1. The Parties intend to implement this Agreement in a manner consistent with the protection of the natural environment and human health and safety. The United States confirms its intent to respect relevant Lithuanian environmental, health, and safety laws in the execution of its policies. Lithuania confirms its policy to implement environmental, health, and safety laws, regulations, and standards with due regard for the health and safety of U.S. forces, dependents, and U.S. contractors. The competent authorities of the Parties intend to consult in matters relating to the environment, human health, and safety.

2. To assist in the environmentally sound management of hazardous wastes, Lithuania shall designate an entity as the competent authority for the purpose of required notifications under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal done at Basel on March 22, 1989, and any implementing legislation. U.S. forces shall provide the information required for Lithuania to comply with its obligations.

ARTICLE XXVIII UTILITIES AND COMMUNICATIONS

1. U.S. forces and U.S. contractors shall be allowed to use water, electricity, and other public utilities on terms and conditions, including rates or charges, no less favorable than those available to Lithuanian Armed Forces or the Government of the Republic of Lithuania in like circumstances, free from taxes or other government fees or charges. U.S. forces' costs shall be equal to their pro rata share of the use of such utilities.

2. The Parties recognize that it may be necessary for U.S. forces to use the radio spectrum. The United States shall be allowed to operate its own telecommunication systems (as "telecommunication" is defined in the 1992 Constitution and Convention of the International Telecommunication Union). This shall include the right to utilize such means and services as required to ensure full ability to operate telecommunication systems, and the right to use all necessary radio spectrum for this purpose. U.S. forces, in the interest of avoiding mutually disruptive interference, shall coordinate with Lithuania's Executive Agent concerning the use of frequencies, unless urgent operational requirements do not permit such coordination. Use of the radio spectrum shall be free of cost to the United States.

**ARTICLE XXIX
IMPLEMENTATION AND DISPUTES**

1. All obligations under this Agreement are subject to the availability of appropriated funds authorized for these purposes.
2. As appropriate, the Parties or their Executive Agents may enter into implementing arrangements to carry out the provisions of this Agreement.
3. The Parties or their Executive Agents shall meet annually at a mutually determined location to consult on the defense relationship, activities undertaken pursuant to this Agreement, and other matters of mutual interest.
4. The Executive Agents shall consult as necessary, but not less often than annually, to ensure the proper implementation of this Agreement. The Executive Agents shall develop procedures for consultation between their respective staffs on all matters concerning the effective implementation of this Agreement.
5. Disputes shall be resolved at the lowest level possible and, as necessary, elevated to the Executive Agents for consideration and resolution. Those disputes that cannot be resolved by the Executive Agents shall be referred to the Parties for consultation and resolution, as appropriate.
6. Disputes and other matters subject to consultation under this Agreement shall not be referred to any national court, or to any international court, tribunal, or similar body or to any other third party for settlement.

**ARTICLE XXX
ENTRY INTO FORCE, AMENDMENT, AND DURATION**

1. This Agreement shall enter into force on the date of the later note in an exchange of notes between the Parties indicating that each Party has completed its internal procedures necessary for entry into force of this Agreement.
2. Upon entry into force, this Agreement shall supersede the Agreement Between the Government of the Republic of Lithuania and the Government of the United States of America Regarding Access to and Use of Facilities and Areas Located Within the Republic of Lithuania, effected by exchange of notes at Vilnius, June 15 and June 18, 2015.
3. This Agreement, including its duration, may be amended by written agreement of the Parties. Any amendments shall enter into force according to procedure defined in paragraph 1 of this Article.
4. This Agreement shall have an initial term of ten years. After the initial term, it shall continue in force, but may be terminated by either Party upon one year's written notice to the other Party through diplomatic channels.

5. Annex A appended to this Agreement shall form an integral part of this Agreement and may be amended by written agreement of the Parties.

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

DONE at Vilnius, this 17th day of January, 2017, in duplicate, in the Lithuanian and English languages, both texts being equally authentic.

**FOR THE GOVERNMENT OF THE
REPUBLIC OF LITHUANIA:**

**FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:**

ANNEX A

Agreed Facilities and Areas

- Klaipėda Training Area
- Pabradė Training Area
- Rukla Military Garrison
- Gaižiūnai Training Area
- Šiauliai Air Base
- Mumaičiai Storage Facility
- Marijampolė Supply Center
- Kazlų Rūda Training Area and Military Garrison
- Zapalskiai Storage Facility
- Linkaičiai Supply Center/Storage Facility
- Panevėžys, Pajuostis Former Air Base
- Kaunas Special Operations Forces (SOF) Military Installations
- SOF Vilnius Training Center
- Other National Defence System facilities and areas as mutually agreed