

AMENDMENT OF MEMORANDUM OF UNDERSTANDING BETWEEN  
U.S. NAVY/U.S. MARINE CORPS AND THE CHILEAN NAVY  
FUEL EXCHANGE AGREEMENT

1. BACKGROUND:

The Memorandum of Understanding (MOU) between the United States Department of the Navy (referred to in the Agreement as the USN/USMC) and the Chilean Navy, concluded on 25 October 1997, provides for the reciprocal transfer of bulk quantities of ship or aircraft fuels. Pursuant to Article XII of the MOU, the parties undertake to amend the MOU for the purpose of allowing the United States Coast Guard (USCG) to participate in the fuel exchange agreement.

2. PURPOSE:

a. To clarify both the purpose of amending the MOU and the anticipated operation of the MOU as amended, the participating parties agree:

(1) That the bilateral exchanges of fuel pursuant to the instant MOU has enjoyed eminent success in all phases of operation; and

b. To clarify both the purpose of amending the MOU and the anticipated operation of the MOU as amended, the participating parties agree:

(2) The participating parties agree that United States Coast Guard (referred to in the MOU as USCG) units frequently operate in waters adjacent to the Chilean coast and that it is mutually beneficial to permit USCG units to obtain fuel, pursuant to the MOU; and

(3) That while it is mutually agreed that the USCG may obtain fuel from the Chilean Navy, the USN/USMC shall remain responsible for replacement-in-kind or reimbursement, within the meaning of Articles VIII and IX of the MOU and shall be the recipient of all documents of receipt and issue between the participating parties pursuant to Article VI of the MOU;

(4) That the USN/USMC shall only seek reimbursement for fuel exchanged between a Chilean source and a USCG vessel from the USCG, an agency of the U.S. Department of Transportation.

Encl (1)

3. AMENDING PROVISIONS:

All language and provisions of the MOU remain in full force and effect. The following paragraph is added to Article III.

ARTICLE III

From time to time, USCG units may submit requests to obtain fuel using the procedures set forth in Article V of the MOU. Except as relates to responsibility for reimbursement or replacement-in-kind pursuant to Article VIII and IX of the MOU, the USCG may obtain fuels from the Chilean Navy in the same manner as USN/USMC units. The Chilean Navy agrees that USCG is eligible to participate in this MOU, within the meaning of Articles I, II, IV, V and VI, and obtain fuel and issue a receipt on behalf of the USN/USMC for any fuel issued. For any fuels issued to the USCG by the Chilean Navy, the USN/USMC shall remain responsible for making replacement-in-kind or reimbursement.

4. ENTRY INTO FORCE AND DURATION:

This amendment shall enter into force when the signatures of both parties are affixed and remain in effect for the duration of the MOU which amendment affects. This amendment has been executed in two originals, which are equally authentic.

FOR THE UNITED STATES  
DEPARTMENT OF NAVY

FOR THE CHILEAN NAVY

NAME: L. J. BIRD

NAME: D. ARELLANO

SIGNATURE *LJBird*

SIGNATURE: *D. Arellano*

TITLE: Rear Admiral, Supply,  
Ordnance and Logistics Operations

TITLE: Rear Admiral, Head  
of the Naval Mission.

DATE: 2 April 2002

DATE: 18 July 2002

LOCATION: Washington, DC 20350

LOCATION: Washington, DC 20009