

AGREEMENT

BETWEEN

**THE GOVERNMENT OF THE REPUBLIC OF CROATIA/
OFFICE OF THE NATIONAL SECURITY COUNCIL**

AND

**THE GOVERNMENT OF THE STATE OF ISRAEL/
THE ISRAELI MINISTRY OF DEFENCE**

**ON PROTECTION OF CLASSIFIED
INFORMATION**

The Government of the Republic of Croatia/Office of the National Security Council (hereinafter referred to as "the Croatian Party"), of the one part, and the Government of the State of Israel/The Israeli Ministry of Defence (hereinafter referred to as "the Israeli Party"), on the other part, jointly referred to as "the Parties",

WHEREAS the Parties intend to cooperate on matters of common interest relating to security, defence and military issues and

WHEREAS the Parties wish to safeguard the secrecy of the security, defence and military projects as well as to protect the Classified Information exchanged between the Parties and

WHEREAS the Parties agree that for their common interest an Agreement on Protection of Classified Information is essential to be signed and

WHEREAS the Parties to this Agreement on Protection of Classified Information desire to set forth the terms and conditions governing this Agreement,

NOW THEREFORE HAVE AGREED AS FOLLOWS:

ARTICLE I - OBJECTIVE

The objective of this Agreement is to ensure the protection of Classified Information that is generated or exchanged between the Parties.

ARTICLE II - DEFINITIONS

For the purpose of this Agreement:

1. "**Classified Information**" includes any form of information and materials which, in the interest of the national security of the Originating Party and in accordance with its applicable laws and regulations, requires protection against unauthorized disclosure and which has been classified in accordance with Article IV paragraph 1 to this Agreement by the Competent Security Authorities.
2. "**Classified Contract**" means a Contract which contains or involves Classified Information.
3. "**Competent Security Authority**" means the authority, in each Party's country, responsible for the implementation and supervision of this Agreement.
4. "**Originating Party**" means the Party generating the Classified Information.
5. "**Recipient Party**" means the Party to which the Classified Information is transmitted.
6. "**Third Party**" means any state, organization, legal entity or person, not Party to this Agreement.

7. **"Security Breach"** means any form of unauthorized disclosure, misuse, alteration, damage or destruction of Classified Information, as well as any other action or inaction, resulting in loss of its confidentiality, integrity or availability.

ARTICLE III - IMPLEMENTATION OF THIS AGREEMENT

1. This Agreement will be deemed to form an integral part of any agreement which will be made or signed in the future between the Parties or any entities, related to security and secrecy of projects between the Parties and/or entities relating to the Parties concerning the following subjects:
 - a. Cooperation between the Parties and/or entities relating to the Parties concerning security, defence and military issues.
 - b. Cooperation and/or exchange of Classified Information in any field between the Parties and their respective entities.
 - c. Cooperation, exchange of Classified Information, joint ventures, contracts or any other relations between Governmental, public or private entities of the Parties concerning security, defence or military issues.
 - d. Transfer of classified products and knowledge by one Party to the other.
 - e. Classified Information transferred between the Parties by any representative, employee or consultant (private or otherwise) concerning security, defence and military issues.
2. Each Party will notify the relevant agencies and entities in its country of the existence of this Agreement.
3. Each Party agrees and undertakes that the provisions of this Agreement will be binding upon and duly observed by all agencies, units and entities of the respective Parties.
4. Each Party will be responsible for the Classified Information from the time of receipt. Such responsibility will be under the relevant provisions and practices of this Agreement.

ARTICLE IV - SECURITY CLASSIFICATION AND PROTECTION MEASURES

1. The Parties agree that the following classification markings are equivalent and correspond to the Classification Markings specified in the laws and regulations in force in the respective country. Classified Information will be classified in one of the following security classification categories:

<u>Croatian classification</u>	(English translation)	<u>Israeli classification</u>
VRLO TAJNO	(Top Secret)	Sodi Beyoter
TAJNO	(Secret)	Sodi
POVJERLJIVO	(Confidential)	Shamur
OGRANIČENO	(Restricted)	-

2. The Israeli Party will afford Classified Information at the level of RESTRICTED/OGRANIČENO a degree of protection no less stringent than it would afford SHAMUR Classified Information.
3. The Recipient Party will:
 - a. Submit Classified Information to a Third Party only upon prior written consent of the Originating Party;
 - b. Mark the received Classified Information in accordance with the Security Classification Level equivalence set forth in paragraphs 1 and 2 of this Article;
 - c. Use Classified Information only for the purposes that it has been provided for.
4. The Recipient Party will ensure that Classified Information is not declassified or downgraded without the prior written consent or at the request of the Originating Party.
5. The Originating Party will inform the Recipient Party in writing without delay of any subsequent changes in the Security Classification Level or duration of classification.
6. In accordance with their national laws, regulations and practices, both Parties will take appropriate measures in order to protect Classified Information. The Parties will afford to all such Classified Information the same degree of security protection as is provided for their own Classified Information of equivalent classification.
7. Access to Classified Information will be confined only to those whose duties make such access essential, on a Need-to-Know basis, and who have been security cleared and authorized by their Party.

ARTICLE V - ACCESS TO CLASSIFIED INFORMATION BY THE AUTHORIZED ENTITIES

1. In the event that either Party or its agencies or entities concerned with the subjects set out in Article III paragraph 1 award a Classified Contract for performance within the other

Party's country, then the respective Party in which the performance under the Agreement is taking place will assume responsibility for administering security measures within its own country for the protection of such Classified Information in accordance with its own standards and requirements.

2. Prior to release to either Party's contractors or prospective contractors of any Classified Information received from the other Party, the Recipient Party will:
 - a. Ensure that such contractor or prospective contractor and his facilities have the capability and proper facilities to protect the Classified Information adequately.
 - b. Grant to the facility an appropriate Security Clearance Certificate to this effect.
 - c. Grant appropriate Security Clearance Certificate for all personnel whose duties require access to the Classified Information.
 - d. Ensure that all persons having access to the Classified Information are informed of their responsibilities to protect the Information in accordance with its applicable laws.
 - e. Carry out periodic security inspections of cleared facilities.
3. A security annex will be an integral part of every Classified Contract.
4. Every security annex will include a Contractor's obligation to inform the Competent Security Authority in its own country about the conclusion of a Classified Contract.
5. Within the scope of this Agreement, each Party will recognize the Personnel and Facility Security Clearances issued by the other Party.
6. The Competent Security Authorities will assist each other upon request and in accordance with national laws and regulations in carrying out vetting procedures necessary for the application of this Agreement.
7. Within the scope of this Agreement, the Competent Security Authorities will inform each other without delay about any alteration with regard to Personnel and Facility Security Clearances, in particular about the revocation or alteration of the Security Classification Level.
8. A Contractor which is deemed by the Competent Security Authority, in the country in which it is located, to be under the ownership, control or influence of a third country whose aims are not compatible with those of the host country is not eligible for a Facility Security Clearance and the requesting Competent Security Authority will be notified.
9. If information becomes available which raises doubts about the suitability of a cleared Contractor facility located in the country of the other Party to continue to have access to Classified Information provided by the other Party, then details of such information will be promptly notified to the Competent Security Authority where the facility is located to allow an investigation to be carried out.

ARTICLE VI - VISITORS FROM ONE COUNTRY TO THE OTHER AND SECURITY CLEARANCE

1. Access to Classified Information and to premises where classified projects are carried out, will be granted by one Party to any person from the other Party if previous permission from the Competent Security Authority of the host Party has been obtained. Such permission will be granted only upon visit applications to persons who have been security cleared and authorized to deal with Classified Information (hereinafter referred to as "the Visitors").
2. The Competent Security Authority of the Originating Party will notify the Competent Security Authority of the host Party of expected visitors, at least three weeks prior to the planned visit. In case of special needs, Security Authorization of the visit will be granted as soon as possible, subject to prior coordination.
3. Visit applications will include at least the following data:
 - a. Name of the Visitor, date and place of birth, nationality and passport number.
 - b. Official title of the Visitor and the name of the entity, plant or organization represented by him.
 - c. Security Clearance Certificate of the Visitor, given by his Security Authorities.
 - d. Planned date of visit.
 - e. Purpose of the visit.
 - f. Name of plants, installations and premises requested to be visited.
 - g. Names of persons in the host country to be visited.
 - h. Any other information mutually agreed upon by the Competent Security Authorities.
4. Visit requests will be submitted via the appropriate channels as will be agreed upon by the Parties.
5. Without derogating from the generality of this Article, the requirements detailed in paragraph 3 hereinabove will apply in all activities mentioned in Article III, paragraph 1 hereinabove.
6. Upon approval of the Competent Security Authority, the visit permission can be granted for a specific period of time, as necessary for a specific project. Multiple visit permissions will be granted for a period not exceeding 12 calendar months.
7. The host Party will take all necessary security measures and precautions needed to ensure the physical security of visiting personnel representatives of the other Party (hereinafter: "the Visiting Party") in the host Party's country.
8. Without derogating from the abovementioned obligations, the host Party will:

- a. Notify the Visiting Party of any specific alerts regarding possible hostilities, including acts of terrorism, which may endanger the Visiting Party or threaten their security.
 - b. In case of any alert as specified herein, take all necessary security measures and precautions, including the provision of protection and the evacuation of the Visiting Party.
9. The host Party's Competent Security Authority will coordinate all matters relating to the physical security of the Visiting Party with the Visiting Party's Competent Security Authorities.

ARTICLE VII - TRANSFER OF CLASSIFIED INFORMATION

1. Classified Information will be requested and transferred from one Party to the other only through approved channels, agreed upon by the Competent Security Authorities.
2. Classified communication between the Parties will be transmitted only through secured channels.
3. This Agreement will be applicable to any transfer and use of Classified Information outside the countries of the Parties. Such transfer and use will be subject to consultations with the Originating Party, with the aim to ensure the integrity of the Classified Information covered by this Agreement.

ARTICLE VIII – SECURITY BREACH

In case of any Security Breach of Classified Information the Recipient Party will investigate all cases in which it is known or there are grounds for suspecting that a Security Breach has occurred. The Recipient Party will also promptly and fully inform the Originating Party of the details of any such occurrences, and of the final results of the proceedings and corrective actions taken to preclude recurrences.

ARTICLE IX- COMPETENT SECURITY AUTHORITIES AND COORDINATION

1. The Competent Security Authorities of the Parties are:

For the Croatian Party - Office of the National Security Council (UVNS).

For the Israeli Party - The Directorate of Security for the Defence Establishment (DSDE).
2. The Competent Security Authorities will agree upon future security cooperation related, but not limited to, training, sharing of best practices, seminars and the exchange of Classified Information in accordance with this Agreement.
3. The Competent Security Authorities will prepare and distribute security instructions and procedures for the protection of Classified Information as specified in this Agreement.

4. The Competent Security Authority agrees and undertakes to pre-coordinate with the other Competent Security Authority provisions, instructions, procedures and practices related in any way to the implementation of this Agreement, in general and all contracts between private or public entities or firms engaged by both Parties, in particular.
5. The Competent Security Authority will permit visits of security experts of the other Party, when it is mutually convenient, to discuss procedures and facilities for the protection of Classified Information furnished by the other Party.

ARTICLE X - DISPUTE RESOLUTION

1. In the event of any dispute arising between the Competent Security Authorities, whether such dispute relates to the interpretation of the Agreement or to the execution of the terms hereof or any matter arising therefrom, the representatives of the Competent Security Authorities will, in the first instance, make every reasonable effort to reach an amicable agreement.
2. In the event, however, that the Competent Security Authorities fail to reach such settlement, the dispute will be submitted to the Director of the Office of the National Security Council and the Director of Security for the Israeli Defence Establishment. Any decision given will be final and binding on the Parties to this Agreement.
3. During the dispute and/or controversy, both Parties will continue to fulfil all of their obligations under this Agreement.
4. It is agreed by the Parties that any dispute and/or interpretation of this Agreement will neither be subject to any national or international tribunal nor to any national or international law.

ARTICLE XI - EFFECTIVE DATE AND TERMINATION

1. This Agreement will enter into force on the date of its signature.
2. This Agreement will be valid for an unlimited period of time. Should either of the Parties wish to terminate this Agreement, it will notify the other Party in writing at least six (6) months in advance. However, this Agreement will remain in effect and will apply to any and all activities, contracts or exchange of Classified Information carried out prior to the termination.

ARTICLE XII- AMENDMENTS

This Agreement may be amended by mutual written consent of the Parties.

ARTICLE XIII - FINAL PROVISIONS

1. The failure of either Party to insist in any one or more instances upon strict performance of any of the terms of this Agreement or to exercise any rights conferred herein, will not be construed as a waiver to any extent of either Party's rights to assert or rely upon any such terms or rights on any future occasion.
2. The title headings of the Articles hereof are intended solely for convenience of reference and are not intended and will not be construed for any purpose whatever as in any way limiting or extending the language of the provisions to which the caption refer.
3. Neither Party will have the right to assign or otherwise transfer its rights or obligations under this Agreement without the written consent of the other Party.
4. Each Party will assist the other Party's personnel performing services and/or exercising rights in accordance with the provisions of this Agreement in the opposite Party's country.
5. It is agreed that the existence of this Agreement and the mutual security, defence and military relations between the Parties are not classified.
6. Each Party agrees and undertakes to refrain from publications of any kind, relevant to the areas of mutual cooperation and activities under this Agreement. Without derogating from the above, any substantial announcement or substantial denial by either Party to be made in the future will follow consultations and mutual consent.
7. Each Party will bear its own expenses incurred in the implementation of this Agreement.

ARTICLE XIV - NOTICES

1. All communication generated by the Competent Security Authorities will be in writing in the English language.
2. All notices as above mentioned will be effected to the Directors of the Competent Security Authorities.

ARTICLE XV - ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties hereto and supersedes all previous communications, or representations, either oral or written, heretofore made between the Parties in respect of the subject matters hereof.

On the date of entry into force of this Agreement, the General Secrecy Agreement between the Government of the State of Israel- the Israeli Ministry of Defence and the Government of the Republic of Croatia- the Croatian Ministry of Defence signed on August 25th 1999 will terminate.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement.

Signed at Tel Aviv on 11 June 2019 in two originals in the English language.

For the Croatian Party

Signature: _____

Name: Maja Čavlović

Title: Director, Office of the National Security Council

For the Israeli Party

Signature: _____

Name: Nir Ben-Moshe

Title: Director, DSDE