

PAYS-BAS ET ROUMANIE

Accord de paiements, signé à Bucarest, le 28 août 1936; *modus vivendi* prorogeant cet accord avec quelques modifications, signé à Bucarest, le 21 août 1937; et échange de notes comportant un arrangement relatif à la prolongation du *modus vivendi* susmentionné, Bucarest, le 28 décembre 1937.

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THE NETHERLANDS  
AND ROUMANIA

Payments Agreement, signed at Bucharest, August 28th, 1936; *Modus Vivendi* renewing this Agreement with Certain Modifications, signed at Bucharest, August 21st, 1937; and Exchange of Notes constituting an Arrangement regarding the Prolongation of the above-mentioned *Modus Vivendi*, Bucharest, December 28th, 1937.

<sup>1</sup> TRADUCTION. — TRANSLATION.

No. 4222. — PAYMENTS AGREEMENT <sup>2</sup> BETWEEN THE KINGDOM OF THE NETHERLANDS AND THE KINGDOM OF ROUMANIA. SIGNED AT BUCHAREST, AUGUST 28TH, 1936.

*French official text communicated by the Netherlands Minister for Foreign Affairs. The registration of this Agreement took place December 2nd, 1937.*

THE NETHERLANDS GOVERNMENT and THE ROUMANIAN GOVERNMENT being desirous of facilitating the settlement of payments between the Kingdom of the Netherlands and the Kingdom of Roumania, the undersigned, duly authorised thereto, have agreed on the following provisions :

*Article 1.*

(1) All sums due in respect of purchases of Roumanian goods directly or indirectly imported into the Customs territory of the Kingdom of the Netherlands shall, as they fall due, be paid in full in Netherlands guilders into a non-interest-bearing pooled account to be opened at the Nederlandsch Clearinginstituut.

(2) In so far as transport costs and other expenses payable outside Roumania are included in the purchase price, the Nederlandsch Clearinginstituut may authorise the deduction of such costs from the sums to be paid into the pooled account, provided always that the said costs are in accordance with business practice and are commercially justified.

(3) Should the sum due be expressed in any currency other than the Netherlands guilder, it shall be paid in in guilders at the middle rate quoted for the currency concerned on the Amsterdam Stock Exchange on the last stock exchange day preceding the date of payment.

(4) The Nederlandsch Clearinginstituut shall each day advise the Banca Națională a României of the sums thus paid in. The advice note shall mention, in respect of each payment, the name of the person giving the order for payment in the Kingdom of the Netherlands, the name of the payee in Roumania and the nature of the goods, together with such particulars as may be necessary for the identification of each consignment, and shall indicate how the sums paid in are to be allocated between the special accounts mentioned in Article 3 of the present Agreement.

*Article 2.*

The Banca Națională a României shall place the exchange value in lei of the sums paid into the Nederlandsch Clearinginstituut at the disposal of the creditors in Roumania, in accordance with the provisions in force in that country.

<sup>1</sup> Traduit par le Secrétariat de la Société des Nations, à titre d'information.

<sup>1</sup> Translated by the Secretariat of the League of Nations, for information.

<sup>2</sup> The present Agreement, after being denounced by Roumania as from August 1st, 1937, was renewed, first until August 15th, and then until August 21st, 1937, and was maintained in force by the *Modus Vivendi* of August 21st, 1937, until December 31st, 1937, and by an Exchange of Notes of December 28th, 1937, until May 1st, 1938.

The Agreement applies also to the Netherlands Indies, Surinam and Curaçao.

## Article 3.

(1) The amounts in Netherlands guilders paid into the pooled account at the Nederlandsch Clearinginstituut shall be allocated, in the manner indicated below, between the following special accounts to be opened in the name of the Banca Națională a României :

(a)	28 per cent to Special Account	A ;
(b)	50 " " " " " "	B ;
(c)	5 " " " " " "	C ;
(d)	5 " " " " " "	D ;
(e)	12 " " " " " "	E.

(2) The sums credited to Special Account A shall be used for payments, in the chronological order in which they fall due, to Netherlands creditors of the Roumanian State and Roumanian authorities and, in particular, for the service of the public debt and for the payment of all debts of autonomous funds and public bodies (including the debts of municipalities and the proportion of 5 per cent payable by Roumania in respect of the loans administered by the *Caisse commune* of holders of Austrian and Hungarian public debts issued before the war) other than those relating to deliveries of goods.

The term "Netherlands creditors" shall be deemed to mean individuals of Netherlands nationality and individuals or legal entities, normally domiciled in the Kingdom of the Netherlands, representing Netherlands interests, in so far as proof is furnished that the securities in question belonged to them on July 1st, 1936, or that from that date onwards such securities have belonged uninterruptedly to persons in the same categories.

Loan contracts and agreements concluded between the Roumanian Government and the holders shall be unaffected hereby.

If, as to the first occasion on December 31st, 1936, and subsequently at the end of each period of six months, Special Account A shows a credit balance after provision has been made for paying, in addition to the sums that have fallen due during that period, a proportion of the sums required to meet the coupons falling due during the following six months, such proportion to be determined by agreement between the Nederlandsch Clearinginstituut and the Banca Națională a României, the balance in question shall be utilised in the following manner :

(I) So long as the claims that have already fallen due for payment and that are to be settled by drawing upon Special Accounts A and C and the claims that are to be settled by drawing upon Special Account D have not been liquidated in full, the balance, up to a maximum of 6 per cent of the total amount of the sums paid into the pooled account during the last six months, shall be utilised as to one-half for the liquidation of the said claims in a manner to be determined by the Nederlandsch Clearinginstituut, whereas the other half shall be placed to the credit of Account E.

(II) After the liquidation of all the claims referred to under (I) above, the half intended for such liquidation shall also be placed to the credit of Account E.

(III) Should the balance exceed 6 per cent of the sums paid into the pooled account, the excess shall be placed to the credit of Account B, it being understood that, so long as the claims referred to under (I) above have not been liquidated in full, the excess shall be utilised for that purpose in a manner to be determined by the Nederlandsch Clearinginstituut.

(3) The sums credited to special Account B shall be used for the settlement, as they fall due, of new commercial claims, including those which arise in connection with supplies of any kind to the Roumanian State or to the autonomous funds.

(4) The sums credited to Special Account C shall be used for the settlement of financial claims possessed by Netherlands nationals.

The settlement of financial claims shall be effected *pro rata* by liquidating in the first place claims that have fallen due between January 1st, 1935, and the entry into force of the present Agreement and subsequently those falling due during each of the following half-yearly periods,

the first of such periods expiring on December 31st, 1936. As soon as the state of Special Account C permits, the settlement of new financial claims shall be effected in the order of the applications for foreign exchange.

Should Account C show a balance after a sum to be determined by agreement between the Banca Națională a României and the Nederlandsch Clearinginstituut has been set aside, such balance shall be placed to the credit of Account B.

(5) The sums credited to Special Account D shall be used for payments in respect of commercial claims in arrears.

The Nederlandsch Clearinginstituut and the Banca Națională a României shall agree upon the details of the procedure for the recognition and the settlement *pro rata* of commercial claims in arrears. The final list of claims in arrears shall be drawn up in agreement by the two institutions. As soon as the commercial claims in arrears have been liquidated, Special Account D shall be closed ; the balance shall be transferred to Special Account B and the percentage of the sums paid into the pooled account which is to be credited to Special Account B shall be increased to 55 per cent.

(6) The sums credited to Special Account E shall be at the free disposal of the Banca Națională a României. The Nederlandsch Clearinginstituut shall ensure the free transfer of such sums in accordance with the instructions of the Banca Națională a României.

(7) Should a Roumanian debtor be unable or refuse to produce the documents required by the Banca Națională a României to establish the existence of a claim presented in due form by a Netherlands creditor, the Banca Națională a României shall, at the request of the creditor, forwarded by the Nederlandsch Clearinginstituut, take all such steps as may be necessary to establish the debt and shall, in particular, examine the debtor's books.

(8) The Nederlandsch Clearinginstituut shall immediately advise the Banca Națională a României of each transfer of amounts from one special account to another special account referred to in the previous paragraphs.

(9) The Nederlandsch Clearinginstituut and the Banca Națională a României, appointed for that purpose by their respective Governments, shall agree upon the details of procedure for rendering effective the provisions of the present Article and shall see to their execution. They may also reach an agreement on any transfers that may have to be effected from one special account to another.

#### Article 4.

(1) The term " new commercial claims " shall be deemed to mean all claims arising out of the importation of Netherlands goods into Roumania falling due on or after September 1st, 1936.

(2) The term " commercial claims in arrears " shall be deemed to mean all claims arising out of the importation of goods into Roumania by a Netherlands firm, irrespective of the origin of the goods, in so far as such claims fell due before September 1st, 1936.

(3) The term " financial claims " shall be deemed to mean :

(a) Interest to be paid abroad on bonds or debts of any kind other than those mentioned in Article 3, paragraph 2, profits, dividends and interest on loans and advances and any other non-commercial debt within the meaning of the present Agreement, due from Roumanian persons or undertakings, in so far as such securities or claims were held by Netherlands creditors as defined in Article 3, paragraph 2, at the time of the entry into force of the present Agreement ;

(b) Interest, profits or dividends arising from the investment of Netherlands capital in Roumania in undertakings of other than Netherlands nationality in proportion to the extent of the participation of the said capital in such undertakings ;

(c) Net incomes arising from investments in Roumania effected by means of the exchange value in lei of commercial claims in arrears in so far as such investments are or have been effected in accordance with the Roumanian Law of April 15th, 1935.

(4) Transfers in respect of the financial claims mentioned in the previous paragraph under (a) and (b) shall not exceed 5 per cent per annum of the nominal amount of the capital, transfers of capital being excluded.

Transfers in respect of the financial debts mentioned in the previous paragraph under (c) shall not exceed 5 per cent per annum of the nominal amount of the capital as interest, and 3 per cent as amortisation of capital.

*Article 5.*

(1) As from the date of the entry into force of the present Agreement, all Netherlands exports of goods in respect of which payment is to be made in accordance with the provisions of the present Agreement shall be subject to the preliminary visa of the competent Netherlands authorities in accordance with the provisions in force in the Netherlands. The visa, which shall be appended to a copy of the invoice, shall not exempt the Roumanian importer from presenting the certificate of origin required under Roumanian regulations.

(2) Furthermore, the Roumanian Government may make the importation of products of the Kingdom of the Netherlands subject to the presentation of an import licence. Such licence shall be issued within the limits of the quotas specified in the Commercial Agreement of February 10th, 1935, concluded between the Government of the Netherlands and the Roumanian Government.

*Article 6.*

(1) Debtors in Roumania shall be required to purchase the exchange necessary to meet their debts to creditors in the Netherlands from the Banca Națională a României, in accordance with the provisions in force in Roumania.

(2) The Banca Națională a României shall place the amounts in guilders standing to the credit of its accounts provided for in Article 3 (1) of the present Agreement at the disposal of debtors in Roumania in accordance with the provisions in force in that country and shall, without delay, issue orders to pay against its credit at the Nederlandsch Clearinginstituut.

(3) Such orders to pay shall indicate, in respect of each sale of exchange thus effected, the special account against which the payment shall be debited, together with the amount, the name of the payee and such particulars as may be necessary for the identification of the claim.

(4) If, through lack of sufficient funds in one of the special accounts at the Nederlandsch Clearinginstituut, the Banca Națională a României is unable to sell the necessary guilders, it shall duly take note of all applications for exchange thus deferred and advise the Nederlandsch Clearinginstituut thereof; the exchange applied for shall be made available as soon as the necessary funds have accumulated in the special account in question.

(5) Should a debtor be unable to obtain from the Banca Națională a României the exchange necessary to meet his obligations as they fall due, the creditor may require the debtor to pay the equivalent amount in lei, calculated in accordance with the provisions in force at that time, into an account to be opened in the creditor's name at a bank in Roumania; such bank shall at once advise the Banca Națională a României, which in its turn shall advise the Nederlandsch Clearinginstituut. Such payment shall not have the effect of releasing the debtor from his obligations.

(6) Furthermore, the debtor in Roumania shall not be deemed to have discharged his obligation to pay until the creditor has received the full amount of his claim in guilders.

(7) Unless otherwise agreed between the Parties, claims expressed in any other currency shall be converted into guilders at the middle rate quoted for the currency in question on the London Stock Exchange on the last stock exchange day preceding the date of the order to pay issued by the Banca Națională a României.

*Article 7.*

The Banca Națională a României shall not supply foreign exchange to importers in Roumania for the purpose of payments in respect of commercial claims falling due later than September 1st,

1936, except on production of the copy of the invoice visaed by the competent Netherlands authorities in accordance with Article 5 above. Such visaed copy shall be transmitted by the importer in Roumania to the Banca Națională a României, which shall attach it, duly stamped, to the orders to pay transmitted to the Nederlandsch Clearinginstituut.

*Article 8.*

(1) Private compensation transactions concerning the products specified in lists A and B of the Roumanian regulations relating to compensations shall not be effected except with the previous authorisation of the Nederlandsch Clearinginstituut in each individual case.

(2) Other private compensation transactions may be effected only with the previous authorisation of the Roumanian Government and the Nederlandsch Clearinginstituut in each individual case.

(3) The Nederlandsch Clearinginstituut and the Banca Națională a României shall agree, in accordance with the instructions of their Governments, on the details of the procedure for settling private compensation transactions.

*Article 9.*

(1) Undertakings exporting Roumanian petroleum products to the Netherlands, which in the normal course of their business import Netherlands goods into Roumania for their own needs, may, in accordance with the procedure to be determined by the Nederlandsch Clearinginstituut and the Banca Națională a României, pay the purchase price of their imports of Netherlands goods by utilising therefor part of the sale price of their exports to the Netherlands.

(2) For this purpose, and at the request of the undertaking concerned, the sums paid into the Nederlandsch Clearinginstituut in its favour shall be allocated as follows:

(a)	28 per cent to Special Account	A ;
(b)	25 " " " " "	B ;
(c)	5 " " " " "	C ;
(d)	5 " " " " "	D ;
(e)	12 " " " " "	E ;

(f) The balance of 25 per cent shall be credited to blocked accounts in favour of the exporters in Roumania. The amounts standing to the credit of the said accounts shall not be utilised except with the previous authorisation of the Banca Națională a României, which shall advise the Nederlandsch Clearinginstituut thereof. To the advice note the Banca Națională a României shall attach a copy of the invoice for the consignment in question visaed by the competent Netherlands authorities and duly stamped by the Banca Națională a României. At the end of each period of three months, the unutilised balance of all sums paid into the blocked accounts may be transferred by agreement between the Banca Națională a României and the Nederlandsch Clearinginstituut to Special Account B.

*Article 10.*

(1) It is understood that in all matters relating to the present Agreement the expressions " Kingdom of the Netherlands " and " Netherlands " shall be deemed to mean the territory of the Kingdom both in Europe and outside Europe.

(2) The expression " Netherlands goods " shall be deemed to mean all goods of Netherlands origin as well as all goods which have been processed or transformed in the Netherlands to an extent sufficient to confer upon the goods in question a specifically national character.

The Nederlandsch Clearinginstituut and the Banca Națională a României may in agreement decide that non-Netherlands goods of non-European origin shall be treated as Netherlands goods on condition that they were the object of regular trade between the Netherlands and Roumania before the entry into force of the present Agreement and that they are imported into Roumania

through the medium of a Netherlands firm established in the Netherlands, provided that such firm was already engaged in that trade before the entry into force of the present Agreement.

(3) The expression " Roumanian goods " shall be deemed to mean all goods of Roumanian origin as well as all goods which have been processed or transformed in Roumania to an extent sufficient to confer upon the goods in question a specifically national character.

*Article 11.*

(1) On the expiration of the present Agreement, payments in respect of consignments of Roumanian and Netherlands goods that have not at that time been imported into the country of destination but have been despatched from the other country at the latest three days after the date of the notice mentioned in Article 14, paragraph 2, shall be effected in accordance with the provisions of the present Agreement.

(2) The available balances standing to the credit of the special accounts of the Banca Națională a României at the Nederlandsch Clearinginstituut shall be utilised in accordance with the provisions of the present Agreement.

(3) Netherlands importers shall continue to pay the purchase price of their imports of Roumanian goods into the Nederlandsch Clearinginstituut so long as there remain any unsatisfied applications for exchange for the purpose of settling new claims arising out of the importation into Roumania of Netherlands goods in respect of which the competent Netherlands authorities have given the visa referred to in Article 5. Such payments shall be placed to the credit of Special Account B.

*Article 12.*

Each Government undertakes to take the necessary measures to ensure that the provisions of the present Agreement are observed.

*Article 13.*

(1) Technical details in connection with the present Agreement shall be decided upon by agreement between the Nederlandsch Clearinginstituut and the Banca Națională a României.

(2) The two Governments shall settle by common accord any difficulties that may arise in connection with the execution of the present Agreement.

*Article 14.*

The present Agreement annuls all earlier clearing or payments arrangements and shall enter into force on September 1st, 1936. Before the date of the entry into force of the present Agreement, the Roumanian Government shall advise the Government of the Netherlands of the concurrence of the Banca Națională a României in the present Agreement.

The present Agreement shall remain in force until either of the two Governments signifies to the other Government its desire to terminate it, by giving at least fifteen days' notice in such manner that the Agreement shall expire at the end of a month.

Done in duplicate at Bucharest, this 28th day of August, 1936.

On behalf of the Royal  
Government of the Netherlands :

J. B. HUBRECHT.

On behalf of the Royal  
Government of Roumania :

Gh. LEON.

*MODUS VIVENDI.*

In order to facilitate commercial exchanges pending the conclusion of a new Agreement, the Royal Government of the Netherlands and the Royal Government of Roumania have agreed to maintain the provisions of the Payments Agreement with Annexes, signed on August 28th, 1936, subject to the following :

*Article 1.*

1. Pending the establishment by the Banca Națională a României and the Nederlandsch Clearinginstituut of the final list of claims in arrears that are to be settled by drawing upon Special Account D and the determination by those two institutions of the date at which Special Account F shall be finally closed, no further items shall be credited to those two accounts as from the date at which the present *Modus Vivendi* enters into force.

2. The two institutions shall take the necessary measures to ensure that the liquidation of claims in arrears is effected as soon as possible.

3. After the liquidation of Special Accounts D and F, the Banca Națională a României shall, if necessary, place at the disposal of Roumanian debtors the guilders required for the settlement of commercial claims in arrears that have not been previously liquidated and are recognised as correct by the two institutions. The payment of Netherlands creditors shall be effected by drawing upon Special Account B in the chronological order in which sums are paid in.

*Article 2.*

1. It is understood that the sum to be transferred to Special Account E in accordance with the provisions of Article 3, paragraph 2, sections I and II, of the Agreement is finally fixed at 120,000 guilders for the period which has elapsed. This sum shall be placed at the free disposal of the Banca Națională a României as soon as the present *Modus Vivendi* comes into force.

2. On December 31st, 1937, a further transfer to Special Account E shall be effected in accordance with the provisions of the Agreement mentioned in the previous paragraph.

3. The surplus in Special Account A over and above the amount of the reserve to be decided upon between the Banca Națională a României and the Nederlandsch Clearinginstituut shall be transferred, in accordance with the provisions of Article 3, paragraph 2, section III, of the Agreement, to Special Account B with a view to its utilisation for the purpose of meeting immediate needs.

*Article 3.*

1. The two Governments agree that, in the interest of trade between the two countries, the accumulation of sums not earmarked or utilised in guilders in Special Account B at the Nederlandsch Clearinginstituut shall be avoided as far as possible.

2. With this object, the Banca Națională a României shall place at the disposal of Roumanian debtors, even before the importation of the goods, the guilders representing the purchase price, or an instalment of that price, on condition that the payment is based on sale against documents or some other mode of settlement that is in accordance with commercial usage and is specified in the contract for sale or delivery.

3. Similarly, the Netherlands Government shall take the necessary measures to ensure that the visas mentioned in Article 5 of the Agreement are granted in such manner that the funds available are utilised to the fullest possible extent.

4. In regard to articles subject to quota regulations in Roumania, the Roumanian Government shall, on application by importers, grant import licences, at least to the extent of the limits men-



tioned in the list annexed to the Commercial Agreement of February 10th, 1935, in so far as Roumanian importers enjoy a general right to import the goods in question. At the time when the licence to import into Roumania is issued, the competent authority shall issue to the importer a certificate, which the said importer shall transmit without delay to the Netherlands exporter.

*Article 4.*

1. In regard to purchases of wheat, the two Governments shall in agreement determine the terms of delivery and the allocation of the sums paid into the wheat account as between the special accounts for which provision is made in Article 3 of the Agreement.

2. It is understood that such allocation shall include :

	Foreign exchange at the free disposal of the Banca Națională a României.	Non-Netherlands goods as defined in Article 10, paragraph 2, of the Agreement.
First block (30,000 tons) . . . . .	35 %	5 %
Second block (30,000 tons) . . . . .	40 %	15 %
Third block (30,000 tons) . . . . .	45 %	20 %
Purchases in excess of 90,000 tons . . . . .	50 %	20 %

*Article 5.*

The present *Modus Vivendi* shall enter into force on August 21st, 1937. It shall cease to be in force on December 31st, 1937.

Done in duplicate at Bucharest, this 21st day of August, 1937.

L. G. VAN HOORN.

M. BERCEANU.

## EXCHANGE OF NOTES

BETWEEN THE ROUMANIAN AND NETHERLANDS GOVERNMENTS CONSTITUTING AN ARRANGEMENT REGARDING THE PROLONGATION, UNTIL MAY 1ST, 1938, OF THE *Modus Vivendi* OF AUGUST 21ST, 1937, RENEWING WITH CERTAIN MODIFICATIONS THE PAYMENTS AGREEMENT OF AUGUST 28TH, 1936. BUCHAREST, DECEMBER 28TH, 1937.

*Registered on April 11th, 1938, at the request of the Netherlands Minister for Foreign Affairs.*

## I.

ROUMANIA.  
ROYAL MINISTRY  
OF FOREIGN AFFAIRS.

No. 73155.

BUCHAREST, *December 28th, 1937.*

MONSIEUR LE MINISTRE,

The *Modus Vivendi* between the Royal Government of Roumania and the Royal Government of the Netherlands, signed at Bucharest on August 21st, 1937, is due to expire on December 31st next, and the Roumanian Government proposes that its validity be extended until May 1st, 1938, either Contracting Party being free to denounce it during the intervening period at one month's notice.

The two Contracting Parties undertake, at the request of either Party, to open negotiations during the first two months of the year 1938 for modifying the *Modus Vivendi* in order to bring its stipulations into line with the material situation existing at the moment.

If the Royal Government of the Netherlands agrees to this proposal, I shall regard the present letter and Your Excellency's reply in the same terms as constituting a complete understanding on this subject.

I have the honour to be, etc.

For the Minister :  
G. PARASCHIVESCU.

His Excellency Monsieur van Hoorn,  
Envoy Extraordinary  
and Minister Plenipotentiary of the Netherlands  
at Bucharest.

## II.

NETHERLANDS LEGATION.

No. 1527 N 2/F

BUCHAREST, *December 28th*, 1937.

MONSIEUR LE MINISTRE,

I have the honour to acknowledge receipt of Your Excellency's note of to-day's date reading as follows :

“ MONSIEUR LE MINISTRE,

“ The *Modus Vivendi* between the Royal Government of Roumania and the Royal Government of the Netherlands, signed at Bucharest on August 21st, 1937, is due to expire on December 31st next, and the Roumanian Government proposes that its validity be extended until May 1st, 1938, either Contracting Party being free to denounce it during the intervening period at one month's notice.

“ The two Contracting Parties undertake, at the request of either Party, to open negotiations during the first two months of the year 1938 for modifying the *Modus Vivendi* in order to bring its stipulations into line with the material situation existing at the moment.

“ If the Royal Government of the Netherlands agrees to this proposal, I shall regard the present letter and Your Excellency's reply in the same terms as constituting a complete understanding on this subject.

I have the honour to be, etc. ”

In declaring, on behalf of my Government, that I am in complete agreement with the above, I avail myself of this opportunity, etc.

L. G. VAN HOORN.

His Excellency  
The Minister for Foreign Affairs,  
Bucharest.