

N° 3286.

CHILI ET SUÈDE

Echange de notes comportant un
arrangement pour le règlement de
certaines créances commerciales.
Santiago, le 8 mars 1933.

CHILE AND SWEDEN

Exchange of Notes constituting an
Agreement for the Settlement of
Certain Commercial Debts. San-
tiago, March 8, 1933.

¹ TRADUCTION. — TRANSLATION.No. 3286. — EXCHANGE OF NOTES² BETWEEN THE CHILIAN AND SWEDISH GOVERNMENTS CONSTITUTING AN AGREEMENT FOR THE SETTLEMENT OF CERTAIN COMMERCIAL DEBTS. SANTIAGO, MARCH 8, 1933.

French official text communicated by the Swedish Minister for Foreign Affairs. The registration of this Exchange of Notes took place October 30, 1933.

I.

REPUBLIC OF CHILE.
MINISTRY
OF FOREIGN AFFAIRS.
DIPLOMATIC DEPARTMENT.

SANTIAGO, *March 8, 1933.*

SIR,

My Government hereby declares its willingness to conclude with Your Excellency's Government the following Arrangement for the settlement of commercial claims :

(1) For the liquidation of all commercial claims arising out of the sale of Chilean nitrate or sulphate of soda for importation into Sweden, the purchasers shall be required to deposit at the Riksbank, in Swedish crowns, a sum equivalent to 15 % of the amount of the claim.

Claims expressed in currencies other than the Swedish crown shall be converted into Swedish crowns, at the rate of the day, fixed by the Riksbank.

The deposits referred to in paragraph 1 shall be used exclusively for paying, by the clearing system and in accordance with the following provisions, the blocked claims derived from the purchase of Swedish goods imported into Chile.

The above-mentioned deposits may only be effected up to the total amount of the claims which, in accordance with the following Article, shall be settled by means of the clearing system.

(2) The system for the payment of blocked claims instituted by the present Arrangement shall only be applied to duly verified claims derived from the purchase of Swedish goods imported into Chile, which fell due after July 20, 1931, and have been declared at the Central Bank of Chile at least 60 days before the date of the coming into force of the present arrangement and the equivalent value of which in Chilean pesos has been deposited with that bank within the period fixed by it.

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

¹ Translated by the Secretariat of the League of Nations, for information.

² Came into force May 18, 1933.

Claims which fell due before July 20, 1931, may also be admitted in such specific cases as the Chilian Government may authorise.

Debts expressed in currencies other than the Swedish crown shall be converted into Swedish crowns at the last rate fixed on the day before the date of deposit, for sight bills of exchange, by the Federal Reserve Bank at New York or by some other institution jointly chosen by the two Governments.

The deposits mentioned in the present Article shall be settled on the basis of 0.3287 Swedish crown to 1 Chilian peso.

(3) The Central Bank of Chile shall notify the Swedish Riksbank of the payments received in accordance with the present Arrangement within the period laid down by those banks. The notice of collection shall contain all the information necessary to allow of the payment of the claims corresponding to such payments.

The Swedish Riksbank shall notify the Central Bank of Chile of the payments effected within the period laid down by those banks.

(4) The Swedish Riksbank shall pay to the respective beneficiaries the amount of the claims the equivalent value of which has been collected by the Central Bank of Chile, as soon as it has received the credit advice from the latter, after deducting this amount from the payment made in accordance with Article 1, paragraph 1, within the limits of the available funds derived from such payments.

(5) The present Arrangement shall come into force five days after the Chilian Government shall have communicated its ratification to the Swedish Government. It shall remain in force for a period of six months and shall be regarded as extended by tacit agreement until 60 days after denunciation by one of the Parties.

The present Arrangement shall automatically cease to be valid when the claims fulfilling the conditions laid down in Article 2, paragraph 1, have been paid.

Nevertheless, if, at the time when the present Arrangement should cease to be valid under the provisions of the preceding paragraph, there are still unpaid claims the equivalent value of which in Chilian pesos has not been deposited, by decision of the Chilian Government, with the Central Bank of Chile within the period fixed by Article 2, paragraph 1, the Arrangement shall remain in force until those claims have been entirely paid, unless it be denounced by one of the Parties subject to 60 days' notice.

In the case provided for in the preceding paragraph, the deposits effected in accordance with Article 1, paragraph 1, shall be limited to 10% of the amount of the claims mentioned in the Article, with a maximum of 600,000 Swedish crowns a year.

I have the honour, etc.,

To His Excellency,
Monsieur Christian Günther,
Swedish Minister,
Santiago de Chile.

(Signed) CRUCHAGA.

II.

SANTIAGO, *March 8, 1933.*

YOUR EXCELLENCY,

I have the honour to acknowledge receipt of Your Excellency's note of to-day's date informing me that Your Government declares its willingness to conclude with my Government the following Arrangement for the settlement of commercial claims :

(1) For the liquidation of all commercial claims arising out of the sale of Chilian nitrate or sulphate of soda for importation into Sweden, the purchasers shall be required to deposit at the Riksbank, in Swedish crowns, a sum equivalent to 15 % of the amount of the claim.

Claims expressed in currencies other than the Swedish crown shall be converted into Swedish crowns, at the rate of the day, fixed by the Riksbank.

The deposits referred to in paragraph 1 shall be used exclusively for paying, by the clearing system and in accordance with the following provisions, the blocked claims derived from the purchase of Swedish goods imported into Chile.

The above-mentioned deposits may only be effected up to the total amount of the claims which, in accordance with the following Article, shall be settled by means of the clearing system.

(2) The system for the payment of blocked claims instituted by the present arrangement shall only be applied to duly verified claims, derived from the purchase of Swedish goods imported into Chile, which fell due after July 20, 1931, and have been declared at the Central Bank of Chile at least 60 days before the date of the coming into force of the present Arrangement and the equivalent value of which in Chilian pesos has been deposited with that Bank within the period fixed by it.

Claims which fell due before July 20, 1931, may also be admitted in such specific cases as the Chilian Government may authorise.

Debts expressed in currencies other than the Swedish crown shall be converted into Swedish crowns at the last rate fixed on the day before the date of deposit, for sight bills of exchange, by the Federal Reserve Bank at New York or by some other institution jointly chosen by the two Governments.

The deposits mentioned in the present Article shall be settled on the basis of 0.3287 Swedish crowns to 1 Chilian peso.

(3) The Central Bank of Chile shall notify the Swedish Riksbank of the payments received in accordance with the present Arrangement within the period laid down by those banks. The notice of collection shall contain all the information necessary to allow of the payment of the claims corresponding to such payments.

The Swedish Riksbank shall notify the Central Bank of Chile of the payments effected within the period laid down by those banks.

(4) The Swedish Riksbank shall pay to the respective beneficiaries the amount of the claims the equivalent value of which has been collected by the Central Bank of Chile, as soon as it has received the credit advice from the latter, after deducting this amount from the payments made in accordance with Article 1, paragraph 1, within the limits of the available funds derived from such payments.

(5) The present Arrangement shall come into force five days after the Chilian Government shall have communicated its ratification to the Swedish Government. It shall remain in force for a period of six months and shall be regarded as extended by tacit agreement until 60 days after denunciation by one of the Parties.

The present Arrangement shall automatically cease to be valid when the claims fulfilling the conditions laid down in Article 2, paragraph 1, have been paid.

Nevertheless, if, at the time when the present Arrangement should cease to be valid under the provisions of the preceding paragraph, there are still unpaid claims the equivalent value of which in Chilean pesos has not been deposited, by decision of the Chilean Government, with the Central Bank of Chile within the period fixed by Article 2, paragraph 1, the Arrangement shall remain in force until those claims have been entirely paid, unless it be denounced by one of the Parties, subject to 60 days' notice.

In the case provided for in the preceding paragraph, the deposits effected in accordance with Article 1, paragraph 1, shall be limited to 10 % of the amount of the claims mentioned in the Article, with a maximum of 600,000 Swedish crowns a year.

I have the honour to inform Your Excellency that my Government, for its part, is in agreement with Your Government as to the above-mentioned Arrangement.

I am happy to be able to inform Your Excellency that on the Swedish side, all the necessary measures will be taken to give effect to the Arrangement which we have just concluded.

I have the honour, etc.,

(Signed) GÜNTHER.

To His Excellency,
Monsieur Miguel Cruchaga Tocornal,
Minister for Foreign Affairs,
Santiago de Chile.