

No. 2327

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**UNITED STATES OF AMERICA  
and  
GREECE**

**Exchange of notes constituting an agreement relating to guaranties under section III (b) (3) of the Economic Cooperation Act of 1948, as amended. Washington, 21 and 23 April 1952**

*Official text: English.*

*Registered by the United States of America on 22 October 1953.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
GRÈCE**

**Échange de notes constituant un accord relatif aux garanties prévues par l'article III, b, 3, de la loi de coopération économique de 1948, sous sa forme modifiée. Washington, 21 et 23 avril 1952**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 22 octobre 1953.*

No. 2327. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND GREECE RELATING TO GUARANTIES UNDER SECTION 111 (b) (3) OF THE ECONOMIC CO-OPERATION ACT OF 1948, AS AMENDED. WASHINGTON, 21 AND 23 APRIL 1952

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I

*The Secretary of State to the Greek Ambassador*

DEPARTMENT OF STATE  
WASHINGTON

April 21 1952

Excellency :

I have the honor to refer to the conversations which have recently taken place between representatives of our two Governments relating to Article III of the Economic Cooperation Agreement between the United States of America and Greece, signed at Athens, on July 2, 1948,<sup>2</sup> as heretofore amended or supplemented.<sup>3</sup> As a consequence of these conversations, the Government of the United States of America proposes the following agreement to the Government of Greece :

The Governments of Greece and of the United States of America will, upon the request of either of them, consult respecting projects in Greece proposed by nationals of the United States of America with regard to which guaranties under Section 111 (b) (3) of the Economic Cooperation Act of 1948, as heretofore amended,<sup>4</sup> have been made or are under consideration. With respect to such guaranties extending to projects which are approved by the Government of Greece in accordance with the provisions of the aforesaid Section, the Government of Greece agrees :

- a. That if the Government of the United States of America makes payment in United States dollars to any person under any such guaranty, the Government of Greece will recognize the transfer to the United States

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<sup>1</sup> Came into force on 29 April 1952, in accordance with the terms of the said notes.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 23, p. 43.

<sup>3</sup> United Nations, *Treaty Series*, Vol. 79, p. 298 and Vol. 132, p. 384.

<sup>4</sup> United States of America : 62 Stat. 144; 22 U.S.C. § 1509 (b) (3).

- of America of any right, title or interest of such person in assets, currency, credits, or other property on account of which such payment was made and the subrogation of the United States of America to any claim or cause of action of such person arising in connection therewith. The Government of Greece shall also recognize any transfer to the Government of the United States of America pursuant to such guaranty of any compensation for loss covered by such guaranties received from any source other than the Government of the United States of America;
- b. That drachma amounts acquired by the Government of the United States of America pursuant to such guaranties shall be accorded treatment not less favorable than that accorded, at the time of such acquisition, to private funds arising from transactions of United States nationals which are comparable to the transactions covered by such guaranties, and that such drachma amounts will be freely available to the Government of the United States of America for administrative expenditures;
- c. That any claim against the Government of Greece, to which the Government of the United States of America may be subrogated as the result of any payment under such a guaranty, shall be the subject of direct negotiations between the two Governments. If, within a reasonable period, they are unable to settle the claim by agreement, it shall be referred for final and binding determination to a sole arbitrator selected by mutual agreement. If the Governments are unable, within a period of three months, to agree upon such selection, the arbitrator shall be one who may be designated by the President of the International Court of Justice at the request of either Government.

If this proposal is acceptable to the Government of Greece it is suggested that you reply by note. This note, together with such reply, will constitute an agreement between our two Governments on this subject, the agreement to enter into force on the date of receipt of your reply note.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State :  
Henry A. BYROADE

His Excellency Athanase G. Politis  
Ambassador of Greece

## II

*The Greek Ambassador to the Assistant Secretary of State*

ROYAL GREEK EMBASSY  
WASHINGTON, D. C.

No. 1703

April 23, 1952

Sir :

I have the honor to acknowledge the receipt of your note of April 21, 1952, which reads as follows :

[*See note I*]

I have the honor to confirm to you that the provisions set forth in the said note are acceptable to the Government of Greece and that it is agreed that your note and this reply constitute an agreement between our two Governments on this subject, the agreement to enter into force on the date of receipt of this note.

Accept, sir, the assurances of my highest consideration.

The Ambassador of Greece :  
A. G. POLITIS

The Honorable Henry A. Byroade  
Assistant Secretary of State  
for Near Eastern, South Asian and African Affairs  
Department of State  
Washington, D. C.

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