

No. 2328

**UNITED STATES OF AMERICA
and
NORWAY**

Exchange of notes constituting an agreement relating to guaranties under section 111 (b) (3) of the Economic Cooperation Act of 1948, as amended. Washington, 28 March and 1 April 1952

Official text: English.

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

**ÉTATS-UNIS D'AMÉRIQUE
et
NORVÈGE**

Échange de notes constituant un accord relatif aux garanties prévues par l'article 111, b, 3, de la loi de coopération économique de 1948, sous sa forme modifiée. Washington, 28 mars et 1^{er} avril 1952

Texte officiel anglais.

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

No. 2328. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND NORWAY RELATING TO GUARANTIES UNDER SECTION 111 (b) (3) OF THE ECONOMIC CO-OPERATION ACT OF 1948, AS AMENDED. WASHINGTON, 28 MARCH AND 1 APRIL 1952

I

The Secretary of State to the Norwegian Ambassador

DEPARTMENT OF STATE
WASHINGTON

March 28 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 Norway, signed at Oslo, on July 3, 1948,² as heretofore amended or supplemented.³ As a consequence of those conversations, the Government of the United States of America proposes the following agreement to the Government of Norway :

The Governments of Norway and of the United States of America will, upon the request of either of them, consult respecting projects in Norway 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,⁴ have been made or are under consideration. With respect to such guaranties extending to projects which are approved by the Government of Norway in accordance with the provisions of the aforesaid Section, the Government of Norway 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 Norway will recognize the transfer to the Government

¹ Came into force on 3 April 1952, in accordance with the terms of the said notes.

² United Nations, *Treaty Series*, Vol. 20, p. 185.

³ United Nations, *Treaty Series*, Vol. 79, p. 284 and Vol. 148, p. 402.

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

- of the United States 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 Government of the United States of America to any claim or cause of action of such person arising in connection therewith. The Government of Norway 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 directly or indirectly from the Government of Norway;
- b. That kroner 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 kroner 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 Norway, 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 Norway, 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 :
George W. PERKINS

His Excellency Wilhelm Munthe de Morgenstierne
Ambassador of Norway

II

The Norwegian Ambassador to the Secretary of State

NORWEGIAN EMBASSY
WASHINGTON 7, D. C.

No. 86

April 1st, 1952

Excellency,

I have the honor to acknowledge receipt of your note of March 28, 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 Norway 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, Excellency, the assurances of my highest consideration.

W. MORGENSTIERNE

His Excellency the Secretary of State
