

No. 2414

**UNITED STATES OF AMERICA
and
DENMARK**

**Exchange of notes constituting an agreement relating to
guaranties under section III (b) (3) of the Economic
Cooperation Act, as amended. Washington, 30 July
and 8 August 1952**

D: indefinite.

Official text: English.

Registered by the United States of America on 4 December 1953.

**ÉTATS-UNIS D'AMÉRIQUE
et
DANEMARK**

**Échange de notes constituant un accord relatif aux garanties
prévues par l'article III, b, 3, de la loi de 1948 sur
la coopération économique, sous sa forme modifiée.
Washington, 30 juillet et 8 août 1952**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 4 décembre 1953.

No. 2414. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND DENMARK RELATING TO GUARANTIES UNDER SECTION 111 (b) (3) OF THE ECONOMIC COOPERATION ACT, AS AMENDED.² WASHINGTON, 30 JULY AND 8 AUGUST 1952

I

The Secretary of State to the Danish Ambassador

DEPARTMENT OF STATE
WASHINGTON

July 30, 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 Denmark, signed at Copenhagen, on June 29, 1948, 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 Denmark :

The Governments of Denmark and of the United States of America will, upon the request of either of them, consult respecting projects in Denmark 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,³ have been made or are under consideration. With respect to such guaranties extending to projects which are approved by the Government of Denmark in accordance with the provisions of the aforesaid Section, the Government of Denmark 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 Denmark will recognize the transfer to 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 United States of America to any claim or cause of action of such person arising in connection

¹ Came into force on 9 August 1952 in accordance with the terms of the said notes.

² United States of America : 62 Stat. 144 ; 22 U.S.C. § 1509 (b) (3).

³ United Nations, *Treaty Series*, Vol. 22, p. 217 ; Vol. 55, p. 322 ; Vol. 79, p. 294, and Vol. 132, p. 380.

therewith. The Government of Denmark 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 by such person from the Government of Denmark ;

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 ;

c. That any claim against the Government of Denmark 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 deemed to be an espoused claim subject to the procedures provided in Article X of the Economic Cooperation Agreement of June 29, 1948 between Denmark and the United States of America, whether or not the condition stated in paragraph 3 of said Article X has been satisfied.

If this proposal is acceptable to the Government of Denmark, 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 :

James C. H. BONBRIGHT

His Excellency Henrik de Kauffmann
Ambassador of Denmark

II

The Danish Ambassador to the Secretary of State

DANISH EMBASSY
WASHINGTON 8, D. C.

August 8, 1952

Ref. # 73.0.2/1.

Sir :

I have the honor to acknowledge receipt of your note of July 30, 1952, regarding Mutual Security Agency guaranties, which reads as follows :

[See note I]

In reply I have the honor to confirm to you that the proposals set forth in your note are acceptable to the Danish Government and that my Government agrees that your note and this reply constitute an agreement between our two Governments on this subject, to be effective on the date of your receipt of this note.

I avail myself of this opportunity to renew to you, Sir, the assurances of my highest consideration.

For the Ambassador :

A. HESSELLUND-JENSEN
Counsellor of Embassy

The Honorable Dean Acheson
Secretary of State
Department of State
Washington, D. C.