

No. 4003

**UNITED STATES OF AMERICA
and
PORTUGAL**

**Exchange of notes (with annex) constituting an agreement
relating to the loan of vessels to Portugal. Lisbon,
7 November 1956**

Official texts: English and Portuguese.

Registered by the United States of America on 28 September 1957.

**ÉTATS-UNIS D'AMÉRIQUE
et
PORTUGAL**

**Échange de notes (avec annexe) constituant un accord
relatif au prêt d'unités navales au Portugal. Lisbonne,
7 novembre 1956**

Textes officiels anglais et portugais.

Enregistré par les États-Unis d'Amérique le 28 septembre 1957.

No. 4003. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND PORTUGAL RELATING TO THE LOAN OF VESSELS TO PORTUGAL. LISBON, 7 NOVEMBER 1956

I

The American Ambassador to the Portuguese Minister for Foreign Affairs

AMERICAN EMBASSY
LISBON

Nov. 7, 1956

Excellency :

I have the honor to refer to conversations between representatives of our two Governments concerning the loan of two destroyer escorts by the Government of the United States to the Government of Portugal, and to confirm the following understandings reached between our Governments on this subject :

1) The Government of the United States agrees to lend to the Government of Portugal, for the periods set out below, the two destroyer escorts identified in the Annex² to this note.

2) The Government of Portugal will retain possession of and use these destroyer escorts in accordance with the conditions contained in this note, the Mutual Defense Assistance Agreement between our two Governments signed on January 5, 1951,³ and the notes exchanged between our two Governments on January 8, 1952⁴ June 16, 1952 and July 9, 1952.⁵

3) The period of the loan for each destroyer escort shall be five years from the date of its delivery to the Government of Portugal. The Government of the United States may, however, request the return of the destroyer escorts at an earlier date if such action is necessitated by its own defense requirements. In this event the loan shall terminate as of such earlier date.

4) Each destroyer escort, together with its available on-board spares and allowances, including consumable stores and fuel, will be delivered to the Government of Portugal at such place and time as may be mutually agreed upon. Each delivery shall be evidenced by a delivery certificate. The Government of Portugal shall have the use of all outfitting

¹ Came into force on 7 November 1956 by the exchange of the said notes.

² See p. 135 of this volume.

³ United Nations, *Treaty Series*, Vol. 133, p. 75.

⁴ United Nations, *Treaty Series*, Vol. 207, p. 51.

⁵ United Nations, *Treaty Series*, Vol. 180, p. 251.

equipment, appliances, fuel, consumable stores and spares and replacement parts on-board the destroyer escorts at the time of their delivery.

5) The Government of Portugal may place the destroyer escorts under the Portuguese flag. Title to the destroyer escorts shall remain in the Government of the United States.

6) The Government of Portugal renounces all claims against the Government of the United States arising from the transfer, use or operation of the two destroyer escorts and will save the Government of the United States harmless from any such claims asserted by third parties.

7) Upon the expiration or termination of the loan, each destroyer escort together with all on-board spares and allowances, including consumable stores and fuel, shall be redelivered to the United States at a place and time to be specified by the Government of the United States in substantially the same condition, fair wear and tear excepted, as when transferred. The redelivery shall be without compensation by the United States with respect to any such on-board items which were not on board at the time of the initial delivery. The Government of Portugal agrees to pay the Government of the United States just and reasonable compensation if either or both of the destroyer escorts are damaged or lost. However, the Government of Portugal shall not be liable for damage to or loss of either or both of the destroyer escorts arising out of enemy action sustained while in use under the conditions set forth in paragraph 2 of this note.

If these understandings are acceptable to your Government, I have the honor to propose that this note and Your Excellency's reply constitute an agreement between our two Governments, effective on the date of Your Excellency's reply.

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

James BONBRIGHT

Enclosure :
Annex A

His Excellency Dr. Paulo Arsenio Virissimo Cunha
Minister for Foreign Affairs
Lisbon

ANNEX A

USS McCoy Reynolds (DE-440)
USS Formoe (DE-509)

In reply, I have the honor to inform Your Excellency that the Portuguese Government is happy to accept the loan of the vessels in question under the conditions set forth above and considers that Your Excellency's note, together with the present note, constitute the agreement of the two Governments on the matter.

I avail myself of the opportunity to express to Your Excellency the assurances of my highest consideration.

[SEAL] Paulo CUNHA

His Excellency James Cowles Hart Bonbright
Ambassador of the United States of America
etc., etc., etc.

ANNEXE A

USS McCoy Reynolds (DE-440)
USS Formoe (DE-509)

Paulo CUNHA