

No. 3685

**UNION OF SOVIET SOCIALIST REPUBLICS
and
YUGOSLAVIA**

Agreement concerning the grant of a loan by the Union of Soviet Socialist Republics to the Federal People's Republic of Yugoslavia. Signed at Moscow, on 2 February 1956

Official texts: Russian and Serbo-Croat.

Registered by the Union of Soviet Socialist Republics on 1 February 1957.

**UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES
et
YOUGOSLAVIE**

Accord relatif à l'octroi d'un prêt à la République populaire fédérative de Yougoslavie par l'Union des Républiques socialistes soviétiques. Signé à Moscou, le 2 février 1956

Textes officiels russe et serbo-croate.

Enregistré par l'Union des Républiques socialistes soviétiques le 1^{er} février 1957.

[TRANSLATION — TRADUCTION]

No. 3685. AGREEMENT¹ BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA CONCERNING THE GRANT OF A LOAN BY THE UNION OF SOVIET SOCIALIST REPUBLICS TO THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA. SIGNED AT MOSCOW, ON 2 FEBRUARY 1956

The Government of the Union of Soviet Socialist Republics and the Government of the Federal People's Republic of Yugoslavia, being desirous of expanding economic relations between their two countries in accordance with the Protocol signed at Moscow on 1 September 1955, have agreed as follows :

Article 1

The Government of the Union of Soviet Socialist Republics shall grant to the Government of the Federal People's Republic of Yugoslavia a loan of 30 (thirty) million United States dollars. The Government of the Federal People's Republic of Yugoslavia will draw upon the loan at its discretion.

The said loan shall be granted in United States dollars, in other convertible currencies or in gold, as agreed upon by the State Bank of the USSR and the People's Bank of the Federal People's Republic of Yugoslavia. Should these Banks fail to agree, the loan shall be granted in gold.

Article 2

The Government of the Federal People's Republic of Yugoslavia may draw upon the loan referred to in article 1 above in instalments or in a lump sum at any time during 1956, 1957 and 1958, commencing on the date of the entry into force of this Agreement.

Article 3

If the loan is drawn upon in the form of gold, the State Bank of the USSR shall make the gold available to the People's Bank of the Federal People's Republic of Yugoslavia at a place agreed upon between the Banks and in ingots of the quality, weight and shape required by the international market.

¹ Came into force on 17 April 1956, as from the date of the exchange of the instruments of ratification at Belgrade, in accordance with article 9.

Article 4

The Government of the Federal People's Republic of Yugoslavia shall repay each sum drawn under the loan within 10 years from the date on which it was drawn.

The Government of the Federal People's Republic of Yugoslavia shall have the right to repay in advance of maturity sums drawn under the loan, whether in a lump sum or in instalments.

Repayment of the loan shall be made in United States dollars, in other convertible currencies or in gold, according to the form in which the loan was drawn upon.

Gold shall be returned at a place agreed upon between the Banks and in ingots of the quality, weight and shape required by the international market.

Article 5

The Government of the Federal People's Republic of Yugoslavia shall pay interest at the rate of 2 per cent per annum on the outstanding balance of the sums drawn under the loan.

The said interest shall be paid on 1 January and 1 July of each year in respect of the six months immediately preceding, the initial payment of interest to be made on 1 January 1959 for the period between the date on which the sum involved was drawn and 1 January 1959.

The payment of interest shall be made in United States dollars, in other convertible currencies or in gold, according to the form in which the loan was drawn upon.

Article 6

The State Bank of the USSR and the People's Bank of the Federal People's Republic of Yugoslavia may by agreement arrange for the repayment of sums drawn under the loan in convertible currencies and the payment of interest to be made in convertible currencies other than those in which the sums were drawn, notwithstanding the provisions of articles 4 and 5 of this Agreement.

Article 7

The drawing and repayment of funds under the loan referred to in this Agreement and the settlement of interest charges shall be effected through the State Bank of the USSR and the People's Bank of the Federal People's Republic of Yugoslavia.

The State Bank of the USSR shall open in favour of the People's Bank of the Federal People's Republic of Yugoslavia special accounts in United States dollars, in other convertible currencies or in gold, according to the form in which the loan is drawn upon.

Article 8

The State Bank of the USSR and the People's Bank of the Federal People's Republic of Yugoslavia shall jointly settle all questions arising from the application of this Agreement.

Article 9

This Agreement shall be subject to ratification as soon as possible and shall enter into force on the date of the exchange of the instruments of ratification, which shall take place at Belgrade. The Agreement shall remain in force until the funds drawn under the loan granted under this Agreement are repaid.

DONE at Moscow on 2 February 1956 in two copies, each in the Russian and Serbo-Croatian languages, both texts being equally authentic.

By authorization
of the Government
of the Union of Soviet
Socialist Republics :
(Signed) I. KABANOV

By authorization
of the Government
of the Federal People's
Republic of Yugoslavia :
(Signed) [illegible]