

No. 5052

**UNITED STATES OF AMERICA
and
REPUBLIC OF CHINA**

**Exchange of notes (with annex) constituting an agreement
relating to the loan of small craft to China. Taipei,
8 July 1959**

Official texts: English and Chinese.

Registered by the United States of America on 14 March 1960.

**ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE DE CHINE**

**Échange de notes (avec annexe) constituant un accord relatif
au prêt de petites unités navales à la Chine. Taïpeh,
8 juillet 1959**

Textes officiels anglais et chinois.

Enregistré par les États-Unis d'Amérique le 14 mars 1960.

No. 5052. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF CHINA RELATING TO THE LOAN OF SMALL CRAFT TO CHINA. TAIPEI, 8 JULY 1959

I

The American Ambassador to the Chinese Minister of Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA

No. 1

Taipei, July 8, 1959

Excellency :

I have the honor to refer to conversations between representatives of our two Governments concerning the loan of small craft by the Government of the United States to the Government of the Republic of China and to confirm the following understandings reached between our Governments on this subject :

1. The Government of the United States will lend to the Government of the Republic of China for the period set out below, the small craft identified in the annex² to this note.

2. The Government of the Republic of China will retain possession of, and will use, the small craft subject to the terms and conditions contained in this note and in the Agreement between our two Governments concerning military assistance effected by an exchange of notes signed on January 30 and February 9, 1951,³ and agreements amendatory and supplementary thereto.

3. The period of the loan of the small craft shall be indefinite. The Government of the United States may, however, request the return of any or all of the small craft on a specified date. In this event, the Government of the Republic of China will promptly return the small craft to the Government of the United States. The Government of the United States shall provide the Government of the Republic of China with 90 days' advance notice in requesting such return of the small craft.

4. The small craft, together with their available on-board spares and allowances, including consumable stores and fuel, will be delivered to the Government of the Republic of China at such place and time as may be mutually agreed upon. Each delivery shall be evidenced by a delivery certificate. The Government of the Republic of China shall have the use of all outfitting equipment, appliances, fuel, consumable stores, spares and replacement parts on board the small craft at the time of their delivery.

¹ Came into force on 8 July 1959 by the exchange of the said notes.

² See p. 49 of this volume.

³ United Nations, *Treaty Series*, Vol. 132, p. 273, and Vol. 184, p. 348.

5. Title to the small craft and to the items and appurtenances referred to in paragraph 4 of this note, except fuel, consumable stores, spares, and replacement parts, shall remain in the Government of the United States. The Government of the Republic of China may, however, place the small craft under its flag. The Government of the Republic of China shall not, without the consent of the Government of the United States, relinquish physical possession of the small craft and such items and appurtenances.

6. The Government of the Republic of China renounces all claims against the Government of the United States arising from the transfer, use, or operation of the small craft and will save the Government of the United States harmless from any such claims asserted by third parties.

7. Upon termination of the loan as provided in paragraph 3 of this note, the small craft, together with their outfitting equipment, appliances, and available on-board spares and allowances, including consumable stores, replacement parts, and fuel, will be returned to the Government of the United States, in substantially the same condition, reasonable wear and tear excepted, as when transferred. Any items and appurtenances on board the small craft at the time of redelivery shall, if they are not already the property of the Government of the United States, become the property of the Government of the United States without compensation.

8. The Government of the Republic of China will pay the Government of the United States just and reasonable compensation for damages to, or loss of, the small craft. The Government of the Republic of China shall not, however, be liable for damages to, or loss of, the small craft arising out of enemy action sustained while in use in accordance with the provisions of paragraph 2 of this note. Should the small craft sustain damages from any cause, such as in the opinion of the Government of the Republic of China renders them a total loss, the Government of the Republic of China shall consult with the Government of the United States before declaring said small craft a total loss.

If these understandings are acceptable to Your Excellency's Government, I have the honor to propose that this note and Your Excellency's reply concurring therein shall constitute an Agreement between our two Governments, which shall enter into force on the date of Your Excellency's reply.

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

Everett F. DRUMRIGHT

Enclosure
Annex.

His Excellency Huang Shao-ku
Minister of Foreign Affairs
Republic of China
Taipei

ANNEX

LCU's :	7
LCM-6's :	50
LCVP's :	3
LVT-3C's :	44

[TRANSLATION¹ — TRADUCTION²]

MINISTRY OF FOREIGN AFFAIRS
REPUBLIC OF CHINA

Wai (48) Mei-1-10643

July 8, 1959

Excellency :

I have the honor to acknowledge receipt of Your Excellency's note No. 1 of today's date, which reads as follows :

[*See note I*]

In reply, I have the honor to accept on behalf of the Government of the Republic of China the foregoing understandings and to confirm that your Note and this reply shall constitute an agreement between our two Governments, effective from today's date.

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

HUANG Shao-ku
[SEAL]

His Excellency Everett F. Drumright
Ambassador of the United States of America
Taipei

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des États-Unis d'Amérique.