

No. 5661

**UNITED STATES OF AMERICA
and
CHILE**

**Exchange of notes (with annex) constituting an agreement
relating to the loan of a vessel to Chile. Santiago,
28 June and 16 July 1960**

Official texts: English and Spanish.

Registered by the United States of America on 28 March 1961.

**ÉTATS-UNIS D'AMÉRIQUE
et
CHILI**

**Échange de notes (avec annexe) constituant un accord
relatif au prêt d'une unité navale au Chili. Santiago,
28 juin et 16 juillet 1960**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 28 mars 1961.

No. 5661. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND CHILE RELATING TO THE LOAN OF A VESSEL TO CHILE. SANTIAGO, 28 JUNE AND 16 JULY 1960

I

*The American Chargé d'Affaires ad interim to the Chilean Minister
of Foreign Affairs*

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

Santiago, June 28, 1960

No. 380

Excellency,

I have the honor to refer to conversations between representatives of our two Governments concerning the loan of a vessel by the Government of the United States of America to the Government of the Republic of Chile 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 Chile for the period set out below the vessel identified in the annex² to this note.

2. The Government of the Republic of Chile will retain possession of, and will use, the vessel subject to the terms and conditions contained in this note and in the Military Assistance Bilateral Agreement between the United States of America and the Republic of Chile signed on April 9, 1952.³

3. The period of the loan for the vessel shall be five years from the date of its delivery to the Government of the Republic of Chile. Six months before the termination of this period, however, the two Governments will, if requested by the

¹ Came into force on 16 July 1960 by the exchange of the said notes.

² See p. 274 of this volume.

³ United Nations, *Treaty Series*, Vol. 186, p. 53, and Vol. 266, p. 421.

Government of the Republic of Chile, consult as to the advisability and feasibility of extending the loan for an additional period to be mutually agreed upon, but not to exceed five years. The Government of the United States may, however, request the return of the vessel at an earlier date if such action is necessitated by its own defense requirements. In this event, the Government of the Republic of Chile will promptly return the vessel to the Government of the United States.

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

5. Title to the vessel 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 Chile may, however, place the vessel under its flag. The Government of the Republic of Chile shall not, without the consent of the Government of the United States, relinquish physical possession of the vessel or any such items and appurtenances.

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

7. Upon expiration or termination of the loan, the vessel, together with its 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 vessel at the time of its return 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 Chile will pay the Government of the United States just and reasonable compensation for damages to or loss of the vessel. The Government of the Republic of Chile shall not, however, be liable for damage to or loss of the vessel arising out of enemy action sustained while in use in accordance with the provisions of paragraph 2 of this note. Should the vessel sustain damages from any cause, such as in the opinion of the Government of the Republic of Chile renders it a total loss, the Government of the Republic of Chile shall consult with the Government of the United States before declaring said vessel 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.

William L. KRIEG
Chargé d'Affaires ad interim

Enclosure :
Annex A¹

His Excellency Enrique Ortúzar Escobar
Minister of Foreign Affairs
Santiago

A N N E X A
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II

The Chilean Minister of Foreign Affairs to the American Chargé d'Affaires ad interim

[SPANISH TEXT — TEXTE ESPAGNOL]

REPUBLICA DE CHILE
MINISTERIO DE RELACIONES EXTERIORES

Santiago, 16 Jul 1960

DP
ap
Nº 09403

Señor Encargado de Negocios :

Tengo el honor de referirme a la Nota de Vuestra Señoría Nº 380, de fecha 28 de Junio del año en curso, mediante la cual se sirve comunicarme lo siguiente :

Señor Ministro :

Tengo el honor de referirme a las conversaciones celebradas entre representantes de nuestros dos Gobiernos relativas al préstamo de un barco del Gobierno de los Estados Unidos de América al Gobierno de la República de Chile y de confirmar los siguientes acuerdos alcanzados entre nuestros Gobiernos sobre el particular.

¹ See below.