

No. 6232

**UNITED STATES OF AMERICA
and
PHILIPPINES**

**Exchange of notes (with annex) constituting an agreement
relating to the loan of a vessel to the Philippines.
Manila, 28 September and 4 October 1961**

Official text: English.

Registered by the United States of America on 11 July 1962.

**ÉTATS-UNIS D'AMÉRIQUE
et
PHILIPPINES**

**Échange de notes (avec annexe) constituant un accord
relatif au prêt d'une unité navale aux Philippines.
Manille, 28 septembre et 4 octobre 1961**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 11 juillet 1962.

No. 6232. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND THE PHILIPPINES RELATING TO THE LOAN OF A VESSEL TO THE PHILIPPINES. MANILA, 28 SEPTEMBER AND 4 OCTOBER 1961

I

The American Chargé d'Affaires ad interim to the Philippine Secretary of Foreign Affairs

Manila, September 28, 1961

No. 235

Excellency :

I have the honor to refer to conversations between representatives of our two Governments concerning the loan of vessels by the Government of the United States to the Government of the Republic of the Philippines 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 the Philippines for the period set out below, the vessel identified in the Annex² to this note.

2. The Government of the Republic of the Philippines will retain possession of, and will use, the vessel subject to the terms and conditions of this note, of the Agreement relating to military assistance between our two Governments signed at Manila on March 21, 1947,³ and of the Agreement between our two Governments effected by an exchange of notes signed on June 26, 1953,⁴ as said Agreement have been, or may be, extended or amended.

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 the Philippines. 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 the Philippines will promptly return the vessel to the Government of the United States.

¹ Came into force on 4 October 1961 by the exchange of the said notes.

² See p. 88 of this volume.

³ United Nations, *Treaty Series*, Vol. 45, p. 47 ; Vol. 70, p. 280, and Vol. 82, p. 332.

⁴ United Nations, *Treaty Series*, Vol. 213, p. 77, and Vol. 270, p. 400.

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 the Philippines 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 the Philippines 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 the Philippines may, however, place the vessel under its flag. The Government of the Republic of the Philippines 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 the Philippines 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 the 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 at a place and a time specified by the Government of the United States, in substantially the same condition, reasonable wear and tear excepted, as when transferred. Any items or 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 the Philippines 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 the Philippines shall not, however, be liable for damage 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 the Philippines renders it a total loss, the Government of the Republic of the Philippines 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 to enter into force on the date of Your Excellency's reply.

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

Attachment :
Annex A.

His Excellency Felixberto M. Serrano
Secretary of Foreign Affairs
Republic of the Philippines

John Gordon MEIN
Chargé d'Affaires ad interim

ANNEX A

AFDL 20 (Floating Dry Dock)

II

The Philippine Secretary of Foreign Affairs to the American Chargé d'Affaires ad interim

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FOREIGN AFFAIRS

Manila, October 4, 1961

No. 3197-61

Sir :

This is to acknowledge the receipt of your Note No. 235 of September 28, 1961, reading as follows :

[See note I]

I am pleased to inform you that the understandings contained in the above-quoted note are acceptable to my Government, and that your note and this reply constitute an Agreement between our two Governments effective on October 4, 1961.

Accept, Sir, the renewed assurances of my high consideration.

F. M. SERRANO
Secretary of Foreign Affairs

The Honorable John Gordon Mein
Chargé d'Affaires ad interim of the United States
of America
Manila