

No. 6811

**BELGIUM and LUXEMBOURG
and
YUGOSLAVIA**

Agreement concerning the settlement of certain Belgian and Luxembourg financial claims (with annex and exchange of letters). Signed at Brussels, on 15 April 1960

Official text: French.

Registered by Belgium on 15 July 1963.

**BELGIQUE et LUXEMBOURG
et
YOUGOSLAVIE**

Accord sur le règlement de certaines créances financières belges et luxembourgeoises (avec annexe et échange de lettres). Signé à Bruxelles, le 15 avril 1960

Texte officiel français.

Enregistré par la Belgique le 15 juillet 1963.

[TRANSLATION — TRADUCTION]

No. 6811. AGREEMENT¹ BETWEEN THE KINGDOM OF BELGIUM AND THE GRAND DUCHY OF LUXEMBOURG, ON THE ONE HAND, AND THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA, ON THE OTHER HAND, CONCERNING THE SETTLEMENT OF CERTAIN BELGIAN AND LUXEMBOURG FINANCIAL CLAIMS. SIGNED AT BRUSSELS, ON 15 APRIL 1960

The Belgian Government and the Luxembourg Government, on the one hand, and the Yugoslav Government, on the other hand, desiring to effect a final settlement of the question of the outright redemption of pre-war Serbian and Yugoslav external public bonds belonging to Belgian or Luxembourg holders, with due regard to Yugoslavia's payment and transfer capacity, have agreed on the following provisions :

Article 1

The Yugoslav Government shall pay to the account of the Belgian Government the sum of 5,475,940 (five million four hundred and seventy-five thousand nine hundred and forty) Belgian francs and to the account of the Luxembourg Government the sum of 207,149 (two hundred and seven thousand one hundred and forty-nine) Belgian francs in global, outright settlement for the redemption of the recognized pre-war Serbian and Yugoslav bonds listed by name and face value in article 2 below.

The sums mentioned in the preceding paragraph shall be paid in four annual instalments, as indicated in the table annexed to this Agreement.

Article 2

The payments provided for in article 1 above shall be applied to the settlement of rights relating to Serbian and Yugoslav public bonds which on the date of signature of this Agreement belong to individuals or bodies corporate of Belgian or Luxembourg nationality and which the holders have deposited in accordance with articles 4 and 5 below.

The value of the following bonds circulating in Belgium and the Grand Duchy of Luxembourg has been provisionally estimated at :

First category

Serbian 4 per cent loan of 1895

Serbian 5 per cent loan of 1902

¹ Came into force on 6 April 1963, the date of the exchange of the instruments of ratification at Belgrade, in accordance with article 13.

Serbian 4.5 per cent loan of 1906
Serbian 4.5 per cent loan of 1909
Serbian 5 per cent loan of 1913
Serbian 4.5 per cent Uprava fondova loan of 1910
Serbian 4.5 per cent Uprava fondova loan of 1911
Serbian Red Cross Society loan of 1907

For Belgium : 3,999,760 Germinal gold francs
For Luxembourg : 157,203 Germinal gold francs

Second category

Bonds and fractional certificates :

Yugoslav 7 per cent loan of 1931
Yugoslav 5 per cent Funding loan of 1933/1937

For Belgium : 4,440,750 Poincaré gold francs
For Luxembourg : 138,946 Poincaré gold francs

Article 3

The distribution of the sums mentioned in article 1 shall be the responsibility of the Belgian and Luxembourg Governments alone, and no responsibility whatsoever shall be assumed therefor by the Yugoslav Government.

Article 4

With a view to redeeming the securities in question, the Belgian Government and the Luxembourg Government shall arrange for all bonds covered by this Agreement to be deposited with one or more financial institutions which they shall designate. These securities shall be grouped together and kept on deposit until the date of delivery under article 8 below.

As a general rule, save where there is valid reason to make an exception, the bonds must be accompanied by any coupons not covered by previous agreements and by any talons and premium coupons appertaining to the said bonds.

Article 5

In order to participate in the outright settlement provided for in this Agreement, holders must deposit their securities in accordance with article 4 above within twelve months after the entry into force of the Agreement, such deposit signifying acceptance of all the provisions of the Agreement.

Article 6

Upon the expiry of the period of twelve months following the entry into force of this Agreement, the Belgian and Luxembourg Governments shall transmit to the Yugoslav Government numbered lists of the bonds deposited during the said period. Such lists shall indicate the number and total face value of the bonds in question, by loan and category as shown above.

Article 7

If, according to the particulars specified in article 6, the face value of the securities presented for participation in the settlement falls short of or exceeds the figures shown in article 2, the outright payments fixed in article 1 and the outstanding annual instalments shall be reduced or increased accordingly.

Article 8

Within twelve months after the redemption sum fixed by this Agreement has been paid in full to the holders, the Belgian and Luxembourg Governments shall transmit to the Yugoslav Government all securities redeemed under this Agreement.

Article 9

The Belgian Government and the Luxembourg Government undertake to entertain no further claims by any holders who fail to accept the settlement provided for in this Agreement.

Payment of the redemption sum fixed by this Agreement shall release the Yugoslav Government, in respect of securities (including principal and interest) whose holders accept the settlement provided for in the Agreement, from all liability to the holders or to the Belgian and Luxembourg Governments.

Bondholders who accept the settlement provided for in this Agreement shall have no further claim on the Yugoslav Government, in any form whatsoever, in respect of the securities in question.

Article 10

All expenses and commissions charged or to be charged in connexion with the implementation of this Agreement shall be deemed to be included in the outright payments fixed in article 1 above.

Article 11

The Belgian and Luxembourg Governments, on the one hand, and the Yugoslav Government, on the other hand, shall provide each other with all information required for the implementation of this Agreement.

Article 12

Any dispute relating to the interpretation or application of this Agreement shall be settled by agreement between the Governments concerned.

Article 13

This Agreement shall be ratified.

The exchange of the instruments of ratification shall take place at Belgrade as soon as possible.

The Agreement shall enter into force on the date of the said exchange.

DONE at Brussels, in triplicate, on 15 April 1960.

For the Belgian
Government :
(Signed) P. WIGNY

For the Luxembourg
Government :
(Signed) N. HOMMEL

For the Yugoslav
Government :
(Signed) V. KRAVIĆ

ANNEX

TABLE RELATING TO ARTICLE 1 OF THE AGREEMENT

<i>Instalment No.</i>	<i>Date</i>	<i>Amount in Belgian francs :</i>	
		<i>Instalments due to Belgium</i>	<i>Instalments due to Luxembourg</i>
1	30 June 1960	1,400,000	50,000
2	30 June 1961	1,400,000	50,000
3	30 June 1962	1,400,000	50,000
4	30 June 1963	1,275,940	57,149

EXCHANGE OF LETTERS

I

THE CHAIRMAN OF THE YUGOSLAV DELEGATION

Brussels, 15 April 1960

Sir,

With reference to the Agreement concerning the settlement of certain Belgian and Luxembourg financial claims, signed this day,¹ I have the honour to confirm that, as agreed between our two delegations, holders desiring to avail themselves of the provisions of this Agreement shall be required to give satisfactory proof to the financial institution or institutions designated under article 4 that they were of Belgian or Luxembourg nationality on this day. They shall also be required to sign a declaration of ownership of the securities in question.

I also confirm that the term "recognized bonds" in the first paragraph of article 1 of the aforementioned Agreement refers to securities which are not covered by the Franco-Yugoslav Agreement of 2 August 1958 or the Agreement of 23 October 1959 between Switzerland and Yugoslavia or, in more general terms, to securities which have not previously been redeemed by the Yugoslav Government.

¹ See p. 241 of this volume.

The Yugoslav authorities reserve the right to refuse payment for securities for which settlement has already been made under previous agreements.

Please acknowledge receipt of this letter.

I have the honour to be, etc.

The Chairman of the Yugoslav Delegation :
Vojislav KRAVIĆ

Mr. H. Cambier
Minister Plenipotentiary
Chairman of the Belgo-Luxembourg Delegation
Brussels

II

THE CHAIRMAN OF THE BELGO-LUXEMBOURG DELEGATION

Brussels, 15 April 1960

Sir,

In your letter of today's date, you were good enough to inform me of the following :

[*See letter I*]

I have the honour to inform you that I have taken note of this communication.

I have the honour to be, etc.

The Chairman of the Belgo-Luxembourg Delegation :
H. CAMBIER

Mr. Vojislav Kravić
Chairman of the Yugoslav Delegation
Brussels

III

THE CHAIRMAN OF THE YUGOSLAV DELEGATION

Brussels, 15 April 1960

Sir,

With reference to the Agreement concerning the settlement of certain Belgian and Luxembourg financial claims, signed this day, I have the honour to confirm the following :

Settlement for bonds payable in dollars held by Belgian and Luxembourg nationals shall be made in accordance with the provisional agreement concluded with the Foreign Bondholders Protective Council, Inc., New York, on 14 August 1959.

Settlement for bonds payable in pounds sterling held by Belgian and Luxembourg nationals shall be made in accordance with the agreement concluded with the Council of Foreign Bondholders on 17 November 1959.

Settlement for bonds payable in Swiss francs held by Belgian and Luxembourg nationals shall be made in accordance with the Protocol concluded with the Swiss Government on 20 November 1959.

Belgian and Luxembourg interests included in the debts of Yugoslavia administered by the *Caisse Commune* and the Bondholders' Fund of the Compagnie des Chemins de Fer Danube-Save-Adriatique shall not be settled by the Agreement signed this day, on the understanding that they will be settled for all the creditors concerned through agreements which Yugoslavia is to conclude with the bodies concerned.

I have the honour to be, etc.

The Chairman of the Yugoslav Delegation :

Vojislav KRAVIĆ

Mr. H. Cambier
Minister Plenipotentiary
Chairman of the Belgo-Luxembourg Delegation
Brussels

IV

THE CHAIRMAN OF THE BELGO-LUXEMBOURG DELEGATION

Brussels, 15 April 1960

Sir,

In your letter of today's date, you were good enough to inform me of the following :

[See letter III]

I have the honour to inform you that I have taken note of this communication.

I have the honour to be, etc.

The Chairman of the Belgo-Luxembourg Delegation :

H. CAMBIER

Mr. Vojislav Kravić
Chairman of the Yugoslav Delegation
Brussels

V

THE CHAIRMAN OF THE YUGOSLAV DELEGATION

Brussels, 15 April 1960

Sir,

Further to the Agreement of today's date concerning the settlement of certain Belgian and Luxembourg financial claims, I have the honour to state that, in view of the outright nature of the arrangement concluded, my Government regards it as final for both Governments and as covering all present and future claims by the owners of the securities to which this Agreement applies.

In the event, however, that the Yugoslav Government accords to other foreign bondholders, before 30 June 1963, substantially more favourable treatment as regards the settlement of loans of the same type as those covered by the

Agreement signed this day, having regard to the general terms of settlement accorded to the said foreign bondholders, my Gouvernement herewith agrees to enter into negotiations within twelve months concerning the possibility of according similar terms to Belgian and Luxembourg bondholders, with due regard to Yugoslavia's payment and transfer capacity.

I should be grateful if you would acknowledge receipt of this letter, and I have the honour to be, etc.

The Chairman of the Yugoslav Delegation :

Vojislav KRAVIĆ

Mr. H. Cambier
Minister Plenipotentiary
Chairman of the Belgo-Luxembourg Delegation
Brussels

VI

THE CHAIRMAN OF THE BELGO-LUXEMBOURG DELEGATION

Brussels, 15 April 1960

Sir,

In your letter of today's date, you were good enough to inform me of the following :

[*See letter V*]

I have the honour to inform you that I have taken note of this communication.

I have the honour to be, etc.

The Chairman of the Belgo-Luxembourg Delegation :

H. CAMBIER

Mr. Vojislav Kravić
Chairman of the Yugoslav Delegation
Brussels