

No. 7471

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**ISRAEL**  
**and**  
**UNION OF SOVIET SOCIALIST REPUBLICS**

**Agreement (with annexes and plan) on the sale by the Government of the Union of Soviet Socialist Republics of property owned by the USSR to the Government of the State of Israel. Signed at Jerusalem, on 7 October 1964**

*Official texts : Hebrew and Russian.*

*Registered by Israel on 18 November 1964.*

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**ISRAËL**  
**et**  
**UNION DES RÉPUBLIQUES SOCIALISTES**  
**SOVIÉTIQUES**

**Accord (avec annexes et plan) concernant la vente au Gouvernement de l'État d'Israël, par le Gouvernement de l'Union des Républiques socialistes soviétiques, de biens appartenant à l'URSS. Signé à Jérusalem, le 7 octobre 1964**

*Textes officiels hébreu et russe.*

*Enregistré par Israël le 18 novembre 1964.*

[TRANSLATION — TRADUCTION]

No. 7471. AGREEMENT<sup>1</sup> ON THE SALE BY THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS OF PROPERTY OWNED BY THE USSR TO THE GOVERNMENT OF THE STATE OF ISRAEL. SIGNED AT JERUSALEM, ON 7 OCTOBER 1964

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The Government of the State of Israel and the Government of the Union of Soviet Socialist Republics have agreed as follows :

*Article 1*

The Government of the USSR declares that it is the sole owner of the property described in the list<sup>2</sup> and plan<sup>3</sup> annexed to this Agreement. The Government of the USSR agrees to sell this property to the Government of the State of Israel on the terms set forth in this Agreement. (Annexed : list and plan.)

*Article 2*

In exchange for the property referred to in article 1 of this Agreement, the Government of the State of Israel shall pay to the Government of the USSR \$US4,500,000 (four million five hundred thousand).

*Article 3*

Payment of the sum mentioned in article 2 of this Agreement shall be effected within two years from the date of signature of the Agreement, in three equal parts, in the amount of \$US1,500,000 each. The first payment shall be made on the date of signature of this Agreement; the second, not more than one year later; and the third, within two years from the date of signature of the Agreement.

One third of each payment, in the amount of \$US500,000 shall be made in cash by a transfer to the account of the State Bank of the USSR payable to its order, and the remaining two thirds of each payment, in the amount of \$US1,000,000 shall be credited to a special account in the name of the USSR Bank for Foreign Trade which shall be opened by order of the State Bank of the USSR with the Bank of Israel.

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<sup>1</sup> Came into force on 7 October 1964, upon signature, in accordance with article 6.

<sup>2</sup> See p. 84 of this volume.

<sup>3</sup> See insert between pp. 90 and 91 of this volume.

The sums paid into this account shall be used by the USSR for the purchase in the State of Israel of goods of interest to Soviet organisations or, by agreement between the Parties, for payment for services, including the payment of expenses of Soviet organizations in the State of Israel.

Interest at the rate of 3.5 per cent per annum shall accrue on the balance in the above-mentioned separate account. Deliveries of Israel goods shall be made on the basis of world market prices.

The Government of the State of Israel shall ensure the issue of any necessary licences for the export of the goods to the USSR, while the Government of the USSR shall ensure the issue of any necessary licences for the import of such goods into the USSR. Moreover, in the export and import of such goods, the Parties shall at all times accord each other most-favoured-nation treatment.

The exact terms for the delivery of the goods shall be laid down in contracts to be concluded by Soviet foreign trade organizations with corresponding Israel organizations or firms. The two Parties shall agree on the goods to be delivered in the foregoing manner, and the Government of Israel shall provide the necessary assistance in the conclusion of such contracts and shall also guarantee their faithful performance by the Israel suppliers. Goods delivered under such contracts shall not be re-exportable from the USSR.

#### *Article 4*

As security for the timely payment of the sum mentioned in article 2 of this Agreement, the Ministry of Finance, on behalf and by order of the Government of the State of Israel, shall on the date of signature of this Agreement provide the State Bank of the USSR with a non-negotiable promissory note for each of the dates of payment stipulated in article 3 of this Agreement. (Annex.)<sup>1</sup>

#### *Article 5*

All the property described in the list annexed to this Agreement shall pass into the ownership of the Government of the State of Israel on the date of issue of the promissory notes mentioned in article 4 of this Agreement, and the Government of the USSR shall sign the requisite documents for the transfer of ownership. The property shall be transferred in the condition in which it is on the date of signature of the Agreement.

No claims or demands may be made by the Government of the State of Israel, or any Israel or other foreign bodies corporate or private individuals,

<sup>1</sup> See pp. 86 and 88 of this volume.

against the Government of the USSR in respect of the property transferred to the Government of the State of Israel under article 1 of this Agreement, and in the case of claims being made by third persons against the Government of the State of Israel, the Government of the USSR shall give it the necessary assistance.

The Government of the USSR shall not bear any of the costs of the sale of the above-mentioned property or of the formalities establishing the right of ownership of the Government of the State of Israel to the property (taxes, fees for registration of the property, etc.).

*Article 6*

This Agreement shall enter into force on the date of signature.

In case of differences of interpretation, the Russian text shall serve as the basic text.

DONE at Jerusalem on 7 October 1964, in duplicate, in the Russian and Hebrew languages, both texts being equally authentic.

For the Government  
of the State of Israel :

Golda MEIR  
Minister for Foreign Affairs

P. SAPIR  
Minister of Finance

For the Government  
of the Union of Soviet Socialist  
Republics :

M. BODROV  
Ambassador Extraordinary  
and Plenipotentiary of the USSR  
in Israel

## ANNEX TO ARTICLE 1

LIST OF USRR PROPERTY IN ISRAEL OFFERED FOR SALE  
TO THE GOVERNMENT OF THE STATE OF ISRAEL

<i>No.</i>	<i>Description of property</i>	<i>Location</i>	<i>Area</i>	<i>Notes</i>
1.	Parcel with buildings and improvements,* known as "the Russian Compound" (indicated on the plan by a blue line), including :	Jerusalem		Block 30051
	(a) Russian Consulate-General and small single-storey stone annex;	Jerusalem	6,785 sq. m.	
	(b) Mary Hospice (single-storey stone building and several sheds);	Jerusalem	3,706 sq. m.	
	(c) Elizabeth Hospice (single-storey stone building);	Jerusalem	4,612 sq. m.	
	(d) Hospital building and two porter's lodges;	Jerusalem	1,396 sq. m.	
	(e) Nicholas Hospice (stone building and sheds);	Jerusalem	1,170 sq. m.	
	(f) Old three-storey stone house;	Corner of Jaffa Road and Queen Melisandra's Way	763 sq. m.	
	(g) Stone building with annex;	Jaffa Road	ca. 1,700 sq. m.	
	(h) Parcel with two stone storehouses and a small wooden hut.	Jerusalem	47,414 sq. m.	
		TOTAL ca.	68,000 sq. m.	
2.	Parcel on King George Avenue on which there is a city park.	Jerusalem	14,413 sq. m.	Block 30037
3.	Benjamin Hospice (three small stone houses covering an area of 339 sq. m., cisterns).	Jerusalem	1,388 sq. m.	Block 30050 Section 18
4.	Building on Suleiman Street.	Jerusalem	3,436 sq. m.	
5.	Parcel in the village of Ein-Karim.	Ein-Karim, 7 km. from Jerusalem	5,748 sq. m.	Book 31 Folio 145
6.	Parcel in Haifa (fronting on sea).	Haifa	988 sq. m.	Block 10840/13
7.	Parcel in Haifa (house destroyed during war).	Haifa	146 sq. m.	Block 10840/28
8.	Speransky Hospice (two-storey stone building with two annexes and a garden).	Haifa	3,598 sq. m.	Block 10844 Sections 10 and 11

\* With the exception of the building of the Russian Church Mission and the Cathedral of the Holy Trinity (indicated on the plan by a red line), comprising about 6,000 sq.m.

No.	Description of property	Location	Area	Notes
9.	Parcel on Tabor Road (known as "Seminary Plot").	Near Nazareth	48,135 sq. m.	Block 16539 Section 1
10.	Parcel with porter's lodge (known as "Seminary Garden").	Nazareth	3,437 sq. m.	Block 16508 Sections 27 and 28
11.	Parcel with house ("Magli") adjacent to Nazareth hospice.	Nazareth	1,389 sq. m.	Block 16504 Section 92
12.	Prince Sergei Aleksandrovich Hospice (three-storey stone building)	Nazareth	2,064 sq. m.	Block 16504 Section 94
13.	Parcel in Afula.	Afula	8,266 sq. m.	Block 16661 Section 38-15
14.	Parcel with two-storey stone house (building surface 229 sq. m.).	Kfar Rama	689 sq. m.	Block 4 Section 7
15.	Parcel enclosed by a stone wall.	Kfar Kanna	6,433 sq. m.	Block 17391 Section 25

## ANNEX TO ARTICLE 4

STATE OF ISRAEL  
PROMISSORY NOTE

1. On \_\_\_\_\_, 196\_\_\_\_, the Government of the State of Israel shall pay to the Government of the USSR against this promissory note the sum of \$US1,000,000 (one million).

2. This promissory note is furnished as security for the payment which the Government of the State of Israel has undertaken to make on the above date under the terms of the Agreement dated \_\_\_\_\_ between the Government of the State of Israel and the Government of the USSR.

3. The sum payable against this promissory note shall be credited to a special account of the USSR Bank for Foreign Trade with the Bank of Israel at Jerusalem, opened under article 3 of the above-mentioned Agreement.

4. This promissory note is non-negotiable.  
Jerusalem

For and on behalf of the Government  
of the State of Israel :

Minister of Finance

## STATE OF ISRAEL

## PROMISSORY NOTE

1. On \_\_\_\_\_ 196\_\_\_\_, the Government of the State of Israel shall pay to the Government of the USSR against this promissory note the sum of \$US500,000 (five hundred thousand).

2. This promissory note is issued as security for the payment which the Government of the State of Israel has undertaken to make on the above date under the terms of the Agreement dated \_\_\_\_\_ between the Government of the State of Israel and the Government of the USSR.

3. Payment against this promissory note shall be made in United States dollars at the Bank of Israel, Jerusalem.

4. This Promissory note is non-negotiable.  
Jerusalem

For and on behalf of the Government  
of the State of Israel :  
Minister of Finance