

No. 10003

UNITED STATES OF AMERICA
and
PHILIPPINES

Exchange of notes constituting an agreement for the establishment at Clark Air Base of a commercial branch by a Philippine bank and relating to United States Treasury facilities at Clark Field Air Base and Sangley Point Navy Base. Manila, 17 and 23 January 1968

Authentic text : English.

Registered by the United States of America on 1 November 1969.

ÉTATS-UNIS D'AMÉRIQUE
et
PHILIPPINES

Échange de notes constituant un accord relatif à l'établissement d'une agence commerciale d'une banque philippine à la base aérienne de Clark Field et concernant certains services du Trésor américain attachés à la base aérienne de Clark Field et à la base navale de Sangley Point. Manille, 17 et 23 janvier 1968

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 1^{er} novembre 1969.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
THE PHILIPPINES FOR THE ESTABLISHMENT AT
CLARK AIR BASE OF A COMMERCIAL BRANCH BY A
PHILIPPINE BANK AND RELATING TO UNITED STATES
TREASURY FACILITIES AT CLARK FIELD AIR BASE
AND SANGLEY POINT NAVY BASE

I

No. 563

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs of the Republic of the Philippines and has the honor to refer to recent informal consultations, which have taken place between officers of the Embassy and officials of the Department of Foreign Affairs, concerning the need for expansion of banking facilities at Clark Air Base and Sangley Point Navy Base. As the Government of the Philippines is aware, the need for such banking facilities to serve the requirements of these bases and their personnel has continued to increase significantly.

In order to fulfill part of this increasingly urgent need, the United States Government proposes establishment at Clark Air Base of a commercial branch by a Philippine bank. In accordance with the provisions of Article XIX of the Military Bases Agreement of 1947, as amended,² the consent of the Philippine Government is therefore requested for establishment within the limits of Clark Air Base of a commercial branch by a Philippine bank. This commercial branch would, of course, be subject to the exercise of all applicable control by Philippine monetary and banking authorities. The fact that it would actually be located within the limits of Clark Air Base would convey no immunity whatsoever from such Philippine controls. Philippine Government officials, when required to do so in the performance of their official duties, would be permitted to enter the Base for the purpose of examining the operations of this commercial branch.

The Prudential Bank and Trust Company, which has been designated a depository of public moneys of the United States since July 13, 1959,

¹ Came into force on 23 January 1968 by the exchange of the said notes.

² United Nations, *Treaty Series*, vol. 43, p. 271, and annex A of volumes 68, 185, 213, 229, 325, 564, 591 and 649.

has proposed to the commanding officer of Clark Air Base that it be authorized to establish such a commercial branch as referred to above within the limits of the Base. Subject to the consent of the Philippine Government, in accordance with the provisions of Article XIX of the above referenced Military Bases Agreement, the United States Government proposes to grant such authority to the Prudential Bank and Trust Company. If the foregoing proposal meets with the approval of the Philippine Government, the Embassy suggests that this note and the Department of Foreign Affairs' affirmative reply be considered as constituting an agreement, as contemplated in Article XIX of the above referenced Military Bases Agreement.

The Embassy avails itself of this opportunity to inform the Department of Foreign Affairs that, in accordance with the provisions of Article XVIII of the above referenced Military Bases Agreement, two United States Treasury facilities, agencies of the United States Government, are being established, one at Clark Field Air Base and the other at Sangley Point Navy Base. The Embassy avails itself of this opportunity to renew to the Department of Foreign Affairs the assurances of its highest consideration.

W. E. K.

Manila, Philippines
January 17, 1968

II

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FOREIGN AFFAIRS

No. 3379

The Department of Foreign Affairs presents its compliments to the American Embassy and has the honor to refer to the Embassy's note No. 563 dated January 17, 1968, which reads as follows:

[See note I]

The Philippine Government is agreeable to the above-mentioned proposal for the establishment at Clark Air Base of one commercial branch of the Prudential Bank and Trust Company, and considers the Embassy's note and this reply as constituting an agreement under Article XIX of the Military Bases Agreement between the Philippine Government and the United States Government.

The Department avails itself of this opportunity to renew to the Embassy the assurances of its highest consideration.

N. R.

Manila, January 23, 1968