

**No. 10491**

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**UNION OF SOVIET SOCIALIST REPUBLICS  
and  
CEYLON**

**Payments Agreement. Signed at Colombo on 8 February 1958**

*Authentic texts: Russian and English.*

*Registered by the Union of Soviet Socialist Republics on 27 May 1970.*

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**UNION DES RÉPUBLIQUES SOCIALISTES  
SOVIÉTIQUES  
et  
CEYLAN**

**Accord de paiement. Signé à Colombo le 8 février 1958**

*Textes authentiques: russe et anglais.*

*Enregistré par l'Union des Républiques socialistes soviétiques le 27 mai 1970.*

PAYMENTS AGREEMENT <sup>1</sup> BETWEEN THE GOVERNMENT  
OF THE UNION OF SOVIET SOCIALIST REPUBLICS AND  
THE GOVERNMENT OF CEYLON

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The Government of the Union of Soviet Socialist Republics and the Government of Ceylon, in order to facilitate the trade operations and for settling the payments between the two countries on a reciprocal basis have agreed as follows:

*Article 1*

The payments between the U.S.S.R. and Ceylon enumerated in Article 4 of this Agreement shall be effected in the U.S.S.R. through the State Bank of the U.S.S.R. and in Ceylon through the Central Bank of Ceylon. For this purpose the State Bank of the U.S.S.R., acting on behalf of the Government of the U.S.S.R., shall establish in the name of the Central Bank of Ceylon, acting on behalf of the Government of Ceylon, a non-interest bearing account in Pounds Sterling referred to as the "Ceylonese account". In its turn the Central Bank of Ceylon, acting on behalf of the Government of Ceylon, shall establish in the name of the State Bank of the U.S.S.R., acting on behalf of the Government of the U.S.S.R. a non-interest bearing account in Pounds Sterling referred to as the "Soviet account". The State Bank of the U.S.S.R. and the Central Bank of Ceylon shall jointly establish the technical procedure for keeping the above-mentioned accounts and for conducting other matters connected with the effective functioning of this Agreement.

*Article 2*

The payments to be made by the juridical or natural persons residing in the U.S.S.R. in favour of the juridical and natural persons residing in Ceylon will be effected by crediting the account of the Central Bank of Ceylon established with the State Bank of the U.S.S.R. Upon receipt of a notification regarding the crediting of its account the Central Bank of Ceylon shall immediately pay out these sums to the persons to whom they are due, irrespective

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<sup>1</sup> Came into force on 8 February 1958 by signature, in accordance with article 6.

of the availability of funds in this account, debiting the account of the State Bank of the U.S.S.R. established with the Central Bank of Ceylon.

The payments to be made by the juridical or natural persons residing in Ceylon, in favour of the juridical or natural persons residing in the U.S.S.R. will be effected by crediting the account of the State Bank of the U.S.S.R. established with the Central Bank of Ceylon. Upon receipt of a notification regarding the crediting of its account the State Bank of the U.S.S.R. shall immediately pay out these sums to the persons to whom they are due, irrespective of availability of funds in this account, debiting the account of the Central Bank of Ceylon established with the State Bank of the U.S.S.R.

### *Article 3*

The balance in the accounts opened in accordance with the present Agreement, in favour of either Party shall not exceed 300,000 Pounds Sterling.

Should the balance exceed this amount the debtor Party will endeavour to settle the excess within one month by deliveries of goods to be agreed upon by the Parties.

Should the balance still exceed the above-mentioned amount upon expiration of the said one month period, the Bank of the debtor Party on demand of the Bank of the creditor Party shall settle the amount of excess by transfer of Pounds Sterling or any other currency acceptable to the Bank of the creditor Party. In the latter case the conversion of Sterling into another currency shall be effected at the average of the official buying and selling rates of exchange for Sterling existing in the country of the currency of payment on the date of the transfer.

### *Article 4*

The provisions of the present Agreement cover the following payments:

- (a) payments for the goods delivered in accordance with the provisions of the Trade Agreement between the Government of the U.S.S.R. and the Government of Ceylon concluded today<sup>1</sup> and other payments relating to commercial transactions arising out of the said Trade Agreement;

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<sup>1</sup> United Nations, *Treaty Series*, vol. 348, p. 159.

- (b) payments for sea and air transportation freight, port and forwarding expenses, bunkering of vessels and other similar expenses;
- (c) payments covering insurance and reinsurance, insurance premium and indemnities;
- (d) payments for vessels' repairs;
- (e) payments of the expenses connected with participation in exhibitions and fairs;
- (f) payments of expenses connected with tours of a commercial or cultural nature as well as those of official delegations;
- (g) payments for the maintenance of the Embassy of the U.S.S.R. in Ceylon and the Embassy of Ceylon in the U.S.S.R.;
- (h) other payments to be agreed upon between the State Bank of the U.S.S.R. and the Central Bank of Ceylon.

#### *Article 5*

After the expiry of the present Agreement the balance accrued on the accounts opened in accordance with Article 1, shall be settled within six months by deliveries of goods to be agreed upon between the Parties.

Should the above-mentioned balance not be settled within the above-mentioned period it shall be settled within 14 days by transfer to the Bank of the creditor Party of Pounds Sterling or other currency to be agreed upon between the Banks of both Parties. The conversion of Sterling into another currency shall be effected in accordance with the last paragraph of Article 3 of the present Agreement.

#### *Article 6*

The present Agreement shall enter into force on the date of signature and shall remain valid for a period of one year from the date of its entering into force.

Unless either Party gives three months notice of its desire to terminate the present Agreement it will remain in force for a further period of one year and so on.

DONE in duplicate in Colombo on February 8th 1958 in two original copies, each of them in Russian and in English, both texts being equally authentic.

By authority of the Government  
of the Union of Soviet Socialist  
Republics:

[Signed — Signé]<sup>1</sup>

[Signed — Signé]<sup>2</sup>

By authority of the Government  
of Ceylon:

[Signed — Signé]<sup>3</sup>

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<sup>1</sup> Signed by P. Maletine — Signé par P. Maletine.

<sup>2</sup> Signed by F. Mikhalchenko — Signé par F. Mikhaltchenko.

<sup>3</sup> Signed by Stanley de Zoysa — Signé par Stanley de Zoysa.