

No. 12489

**CANADA
and
ROMANIA**

Agreement concerning the settlement of outstanding financial problems. Signed at Ottawa on 13 July 1971

Authentic texts: English, French and Romanian.

Registered by Canada on 3 May 1973.

**CANADA
et
ROUMANIE**

Accord concernant le règlement des problèmes financiers en suspens. Signé à Ottawa le 13 juillet 1971

Textes authentiques : anglais, français et roumain.

Enregistré par le Canada le 3 mai 1973.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA CONCERNING THE SETTLEMENT OF OUT- STANDING FINANCIAL PROBLEMS

The Government of Canada and

The Government of the Socialist Republic of Romania

Desirous of further developing relations between their countries,

Have agreed to a final settlement of the outstanding financial problems between the two countries, as follows:

Article I. The Government of the Socialist Republic of Romania shall pay to the Government of Canada the lump-sum of 1,400,000 (one million four hundred thousand) Canadian dollars in full and final indemnification of the claims, of any kind, of the Government of Canada, as well as those of Canadian natural and juridical persons, against the Socialist Republic of Romania and Romanian natural and juridical persons, in respect of:

- a) Canadian property, rights and interests affected by Romanian measures of nationalization, expropriation, taking under administration, and any other similar legislative or administrative measures, which were effective before the coming into force of the present Agreement, including financial and commercial debts incurred before the conclusion of the Trade Agreement between Canada and the Socialist Republic of Romania signed in Montreal March 22, 1968,² which were affected by Romanian measures of the same nature,
- b) Bonds forming part of the Romanian external public debt, issued or guaranteed by the Romanian Government, held by the Canadian Government and by Canadian natural or juridical persons, and
- c) All claims deriving from the terms of the Treaty of Peace with Romania, signed in Paris, February 10, 1947.³

Article II. Canadian property, rights, interests and debts under article I, are considered to be those property, rights, interests and debts belonging directly or indirectly, in whole or in part, either to the Canadian Government or to natural or juridical persons who were Canadian at the date of the Romanian measures mentioned in article I, as well as at the date of the signature of the present Agreement.

Article III. 1. The sum mentioned in article I will be paid by the Romanian Government by drawings in proportion to 5% of the value of Romanian exports direct to Canada (excluding re-exports and freight charges).

2. The payment will be effected by quarterly drawings commencing with the date of the entering into force of the present Agreement until payment in full of the sum mentioned in article I.

3. The Canadian Department of Finance will transmit to the Romanian Bank of Foreign Trade, the data concerning the volume of Romanian exports to Canada.

¹ Came into force on 14 December 1971 by the exchange of the instruments of ratification, which took place in Bucharest, in accordance with article VIII.

² See p. 9 of this volume.

³ United Nations, *Treaty Series*, vol. 42, p. 3.

On the basis of this data, and within 30 days of its receipt, the Romanian Bank of Foreign Trade will transfer the drawings in respect of each quarter year, to the Bank of Canada, in favour of the Receiver General of Canada.

Article IV. 1. Upon the payment in full of the sum mentioned in article I, the Canadian Government shall consider as definitively and fully extinguished all claims covered by the present Agreement.

2. This payment in full shall constitute a discharge of the Romanian Government and of Romanian natural and juridical persons by the Canadian Government, as well as by Canadian natural and juridical persons.

3. The Canadian Government undertakes thereupon not to present or espouse in the future in any manner whatsoever, against the Romanian Government or Romanian natural or juridical persons, the claims covered by the present Agreement.

Article V. The distribution of the sum mentioned in article I for the benefit of the persons mentioned in article II falls within the exclusive competence of the Canadian Government and does not involve in any manner the responsibility of the Romanian Government.

Article VI. To facilitate the distribution of the sum mentioned in article I, the Romanian Government shall provide, at the request of the Canadian Government, any available information which are in the possession of the Romanian authorities, concerning the property, rights, interests and debts, covered by the present Agreement.

Article VII. 1. The Canadian Government undertakes to return to the Romanian Government, within a maximum period of one year from the date of the full payment of the sum mentioned in article I, the documents of title relating to Canadian property, rights, interests and debts, the bonds representing the Romanian external public debt held by Canadian natural or juridical persons, as well as any other documents on the basis of which Canadian claimants are indemnified in accordance with the present Agreement.

2. The bonds representing the Romanian external public debt held by the Canadian Government will be returned within a period of six months from the date of the full payment of the sum mentioned in article I.

3. If the Canadian Government cannot obtain the originals of the above-mentioned documents of title, it will provide the Romanian Government with appropriate documents signed by the beneficiaries, constituting discharges for these claims. Only the original bonds will be acceptable for the Romanian external public debt.

Article VIII. The present Agreement shall be subject to ratification.

The Agreement shall enter into force on the day of the exchange of instruments of ratification, to take place in Bucharest as soon as possible.

IN WITNESS WHEREOF the respective plenipotentiaries have signed the present Agreement and affixed thereto their seals.

DONE in duplicate at Ottawa this 13 July 1971, in the English, French and Romanian languages, the three texts being equally authoritative.

[Signed]

EDGAR J. BENSON
For the Government
of Canada

[Signed]

FLOREA DUMITRESCU
For the Government
of the Socialist Republic
of Romania
