

**No. 13455**

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**UNITED STATES OF AMERICA  
and  
PERU**

**Agreement relating to the settlement of certain claims (with annexes). Signed at Lima on 19 February 1974**

*Authentic texts: English and Spanish.*

*Registered by the United States of America on 2 August 1974.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
PÉROU**

**Accord relatif au règlement de certaines créances (avec annexes). Signé à Lima le 19 février 1974**

*Textes authentiques: anglais et espagnol.*

*Enregistré par les États-Unis d'Amérique le 2 août 1974.*

## AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF PERU

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The Government of the United States of America and the Government of Peru issued the following statement on August 9, 1973:

“At the initiative of the Government of the United States of America, the Revolutionary Government of the Armed Forces of Peru has agreed to hold conversations with the objective of considering certain aspects of some United States investments. For this purpose, President Nixon has designated Mr. James R. Green as his special emissary.

“It has been clearly established by the Government of Peru that the IPC case will not for any reason be a subject of said conversations inasmuch as this is a matter which has been definitively resolved. The Government of the United States recognizes that this is the position of the Revolutionary Government.

“The conversations will observe the most complete respect for the autonomous and sovereign decisions of both Governments as well as for the profound transformations being carried out by the Revolutionary Government of the Armed Forces of Peru.

“The two Governments agree that the conversations will contribute to the improvement of their relations, making them more cordial and constructive.”

As a result of those conversations, the Government of the United States and the Government of Peru, desirous of arriving at a solution of pending problems, and with the objective of definitively concluding them and avoiding the presentation of future claims on these matters, have decided to conclude the following Agreement:

*Article I.* A. The pending problems to which this Agreement refers are the claims of United States nationals arising prior to the date of this Agreement as a result of expropriation or other forms of permanent taking by the Revolutionary Government of the Armed Forces of Peru of property and interests in property, direct or indirect, and the claims of the Government of Peru against such United States nationals, as well as the claims of United States nationals and the Government of Peru over certain road construction contracts arising prior to the date of this Agreement.

B. “United States nationals” as used in this Agreement means corporations organized under the laws of a state of the United States which (a) own individually or collectively, directly or indirectly, 50 percent or more of the outstanding stock or other property or interest in property or contract rights, upon which the claims referred to in paragraph A are based, and (b) have made their claims known to the United States Government prior to the date of this Agreement.

C. The provisions of this Agreement shall not affect in any way any claims of citizens or corporations of the United States or Peru against the other Government

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<sup>1</sup> Came into force on 19 February 1974 by signature, in accordance with article VIII.

which, because of the provisions of this article, do not come within the scope of this Agreement.

*Article II.* A. In order to resolve these pending problems and as a total and definitive solution, a settlement is agreed upon, after taking into account the claims of the Government of Peru against the aforesaid United States nationals or their subsidiaries, branches or affiliates in Peru, in the amount of \$76,000,000 which sum will be delivered to the Government of the United States in settlement for the properties, interests, or rights forming the subject of the Agreement, and in discharge of any liability or obligation of the Government of Peru with respect to the claims of the United States nationals referred to in article I.

B. The aforesaid amount, \$76,000,000, will be delivered by the Government of Peru to the Government of the United States upon signature of this Agreement, thus resolving any claims of nationals of the United States against the Government of Peru regarding the matters covered by this Agreement.

*Article III.* The distribution of the sum referred to in article II hereof falls within the exclusive competence of the Government of the United States, without any responsibility arising therefrom on the part of the Government of Peru from the exercise of this authority by the Government of the United States. In accordance with internal procedures falling within its exclusive competence, the Government of the United States will deposit said sum in a trust account in the United States Treasury until distribution, with interest, pursuant to the determination by the Secretary of State of the United States of America in accordance with the laws of the United States.

*Article IV.* The Government of the United States declares that the payment of the sum referred to in article II cancels any liability or obligation of the Government of Peru to United States nationals, their subsidiaries, branches and affiliates, in respect of the problems and claims referred to in article I.

*Article V.* In view of the intergovernmental nature of this Agreement, the Government of Peru declares that there no longer exist any liabilities for the payment of taxes, other charges, or obligations, or legal actions, civil or otherwise, against the United States nationals referred to in article I, their subsidiaries, branches or affiliates in Peru, or against the present or former officials of any of them, regarding their activities as employees of said nationals, their subsidiaries, branches or affiliates prior to the signing of this Agreement, nor will any claims or proceeding based upon such taxes, charges, obligations, liabilities, or legal actions affecting the natural or juridical persons referred to above be asserted, continued, or enforced in the future. The Government of Peru will also assume the legally valid contractual and other pecuniary obligations (including pensions and other employee benefits) of the United States nationals, their subsidiaries, branches or affiliates in Peru referred to in article I, which arise out of their operations in Peru and are communicated to the Government of Peru.

*Article VI.* The Government of the United States will undertake to obtain, where pertinent, from the United States nationals referred to in article I the documents or titles related to their claims or to the satisfaction thereof and deliver them to the Government of Peru.

*Article VII.* After the entry into force of this Agreement, neither Government will present to the other, on its behalf or on behalf of another, any claim or demand with respect to the matters referred to in article I of this Agreement. In the event that such claims are presented directly by nationals of one country to the Government of the other, such Government will refer them to the Government of the national concerned.

*Article VIII.* This Agreement shall enter into force upon signature and upon payment in accordance with article II. (See annexes A and B).

DONE at Lima this 19th day of February, 1974, in duplicate, in the Spanish and English languages, both texts being equally authentic.

For the Government  
of the United States of America:

[Signed]

JAMES R. GREENE

[Signed]

TAYLOR G. BELCHER

For the Government  
of Peru:

[Signed]

MIGUEL A. DE LA FLOR VALLE

#### ANNEX A

Without modifying the provisions of this Agreement, the Government of Peru expressly states that the matters covered by this Agreement refer to the problems and claims arising from the activities carried on in Peru by the following companies:

Peruvian Branch of Cerro de Pasco Corporation incorporated in the State of Delaware,  
United States

Sociedad Paramonga Limitada S.A.

Compañía Papelera Trujillo S.A. (TRUPAL)

Cartavio S.A.

Envases Sanmarti S.A.

Cargill Peruana S.A.

Gloucester Peruvian S.A.

Pesquera Meilan S.A.

Gold Kist S.A. and Pesquera Salinas S.A.

Compañía Pesquera de Coishco S.A.

Refinería Conchan-Chevron S.A. and Compañía Petrolera Conchan-Chevron S.A.

Brown and Root Overseas Inc. and Brown and Root S.A.

Morrison Knudsen Company Inc. (EMKAY) and its associates Conselva

Zachry International Inc. and its associates

#### ANNEX B

The Government of the United States recognizes that the position of the Government of Peru is stated in annex A and notes that this position is stated without modifying, by interpretation or otherwise, the provisions of this Agreement.