

No. 14431

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
BRAZIL**

**Exchange of notes constituting an agreement concerning the
settlement of claims of certain British companies.
Brasília, 1 March 1975**

Authentic texts: Portuguese and English.

*Registered by the United Kingdom of Great Britain and Northern Ireland on
19 November 1975.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
BRÉSIL**

**Échange de notes constituant un accord concernant le paie-
ment d'indemnités réclamées par certaines sociétés bri-
tanniques. Brasília, 1^{er} mars 1975**

Textes authentiques : portugais et anglais.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le
19 novembre 1975.*

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF BRAZIL CONCERNING THE SETTLEMENT OF CLAIMS OF CERTAIN BRITISH COMPANIES

I

[PORTUGUESE TEXT — TEXTE PORTUGAIS]

MINISTÉRIO DAS RELAÇÕES EXTERIORES

Em 01 de março de 1975

Senhor Embaixador,

Tenho a honra de referir-me aos recentes entendimentos entre funcionários do Ministério da Fazenda do Brasil e da Embaixada britânica em Brasília e representantes das empresas “The Manaos Tramways and Light Company Limited”, “The Pará Electric Railways and Lighting Company Limited”, “Manaos Harbour Limited”, “The San Paulo (Brazilian) Railway Company Limited”, “The Brazil Railway Company”, e “Itabira Iron Ore Company Limited” com respeito a indenizações por elas pretendidas em razão da revogação de arrendamentos e concessões de serviços públicos, encampações e desapropriações.

2. Com vistas a uma solução definitiva do assunto, o Governo do Brasil se propõe a pagar ao Governo do Reino Unido, através do Banco da Inglaterra, um valor global de £4.295.672 (quatro milhões, duzentas e noventa e cinco mil, seiscentos e setenta duas libras esterlinas) em atendimento das reivindicações de todas as empresas supracitadas, valor esse que deverá ser rateado entre as mesmas através de critério com elas ajustado pelo Governo de Vossa Excelência.

3. Ao receber o valor global especificado no parágrafo anterior, o Governo do Reino Unido deverá, em seu nome e no nome das seis empresas interessadas, considerar tal pagamento como atendimento integral e definitivo pelo Governo do Brasil de qualquer responsabilidade relacionada com as reivindicações dessas seis empresas decorrentes de revogação de arrendamentos e concessões de serviços públicos, encampações e desapropriações. Em consequência, após esse pagamento, o Governo do Reino Unido não empreenderá, em seu nome ou em nome daquelas empresas, nenhuma ação oficial contra o Governo do Brasil ou qualquer outra parte brasileira relativamente às reivindicações objeto da presente Nota.

4. Fica entendido que cada uma das seis empresas mencionadas no parágrafo primeiro acima obteve a necessária autorização para aceitar a parcela do valor global supracitado ajustada com o Governo do Reino Unido como atendimento total e final de todas as reivindicações contra o Governo do Brasil. Portanto, no ato de pagamento ao Governo do Reino Unido, deverá ser entregue ao Governo do Brasil carta de cada uma dessas seis empresas, com exceção da “Itabira Iron Ore Company Limited”, na qual dá plena e total quitação ao Governo do Brasil, bem como renuncia a qualquer ação por via judicial, administrativa ou diplomática contra o Governo do Brasil ou empresas brasileiras com respeito às respectivas reivindicações.

¹ Came into force on 1 March 1975, the date of the note in reply, in accordance with the provisions of the said notes.

II

*Her Majesty's Ambassador at Brasília to the Minister for External Relations of Brazil*BRITISH EMBASSY
BRASÍLIA

1 March 1975

Your Excellency,

I have the honour to acknowledge receipt of your Note of today's date which in translation reads as follows:

"I have the honour to refer to the recent discussions between officials of the Ministry of Finance of Brazil and of the British Embassy in Brasília and representatives of the companies 'The Manaus Tramways and Light Company Limited', 'The Pará Electric Railways and Lighting Company Limited', 'Manaos Harbour Limited', 'The San Paulo (Brazilian) Railway Company Limited', 'The Brazil Railway Company', and 'Itabira Iron Ore Company Limited', concerning the compensation claimed by them in respect of the revocation of leases and of concessions for provision of public services and expropriation.

2. With a view to reaching a definitive settlement of this question, the Government of Brazil proposes to pay to the Government of the United Kingdom through the Bank of England the total sum of £4,295,672 (four million two hundred and ninety-five thousand six hundred and seventy-two pounds sterling) in settlement of the claims of all the companies mentioned above, this sum to be divided between them in accordance with the criteria agreed with them by Your Excellency's Government.

3. On receipt of the total sum specified in the previous paragraph the Government of the United Kingdom shall on its own behalf and on behalf of the six companies concerned regard such payment as a full and definitive discharge by the Brazilian Government of any liability in respect of the claims of these six companies resulting from the revocation of leases and of concessions for provision of public services and expropriation. In consequence, after this payment the Government of the United Kingdom shall not undertake on its own behalf or on behalf of those companies any official action against the Brazilian Government or any other Brazilian party in connection with the claims which are the subject of the present note.

4. It is understood that each of the six companies mentioned in the first paragraph above has obtained the necessary authority to accept the proportion of the total sum mentioned above agreed with the Government of the United Kingdom in full and final settlement of all its claims against the Government of Brazil. Consequently, at the time of payment to the Government of the United Kingdom there should be transmitted to the Government of Brazil a letter from each of the six companies, with the exception of 'Itabira Iron Ore Company', in which it gives a full and complete discharge to the Brazilian Government and also renounces any action by judicial, administrative or diplomatic means against the Government of Brazil or Brazilian companies in connection with its respective claims. Furthermore, it is understood that the San Paulo (Brazilian) Railway Company Limited will on receipt of its agreed proportion renounce any legal action against the Government of Brazil or any other Brazilian party in connection with the arbitral decision of 1956 with respect to the lands included in their claim, and that the Brazil Railway Company will on receipt of its agreed proportion arrange to hand over to the Government of Brazil the certificates of the 100,000 shares of the São Paulo/Rio Grande Railway in its possession. The Government of the United Kingdom shall take

steps to arrange for the transfer to the Government of Brazil of all the preferential shares of the Cia Brasileira de Mineração e Siderurgia S/A (CBMS) which are or may come into its possession.

5. The Government of Brazil shall regard the settlement set out above as having satisfied any claim by the Government of Brazil against any of the companies concerned arising out of former facts which were the subject of negotiations with the Government of the United Kingdom which preceded the signature of this note, within the limits authorised by Law No 6134 of 7 November 1974 and its justifications.

6. If the above proposal is acceptable to the Government of the United Kingdom, I have the honour to suggest that the present Note and Your Excellency's reply in that sense shall constitute an Agreement between our two Governments which shall enter into force on the date of your reply."

In reply, I have the honour to inform you that the foregoing proposal is acceptable to the Government of the United Kingdom who therefore agree that Your Excellency's Note and this reply shall constitute an Agreement between the two Governments which shall enter into force on this day's date.

I avail myself of this opportunity to present to Your Excellency the assurances of my highest consideration.

DEREK DODSON
