

No. 16442

**UNITED STATES OF AMERICA
and
CHILE**

Agreement relating to consolidation and rescheduling of certain debts owed to the Agency for International Development (A.I.D.), implementing the Agreement of 3 July 1975 (with schedule). Signed at Washington on 26 May 1976

Authentic text: English.

Registered by the United States of America on 13 February 1978.

**ÉTATS-UNIS D'AMÉRIQUE
et
CHILI**

Accord relatif à la consolidation et au rééchelonnement de certaines dettes contractées à l'égard de l'Agence pour le développement international (AID), conclu en vue de la mise en application de l'Accord du 3 juillet 1975 (avec annexe). Signé à Washington le 26 mai 1976

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 13 février 1978.

AGREEMENT¹ BY AND BETWEEN THE UNITED STATES OF AMERICA ACTING THROUGH THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND THE REPUBLIC OF CHILE

DONE AND EXECUTED in the City of Washington, District of Columbia, on this 26th day of May, 1976.

AGREEMENT dated May 26, 1976, between the UNITED STATES OF AMERICA and the REPUBLIC OF CHILE.

WHEREAS, the United States of America, acting through the Agency for International Development (“A.I.D.”) or its predecessor agencies, has made certain loans to, or for the benefit of, the Republic of Chile (“Chile”);

WHEREAS, Chile is in arrears on certain payments due A.I.D. in connection with such loans; and

WHEREAS, the Government of the United States and the Government of Chile have agreed to rescheduling arrangements pursuant to an Agreement between the Government of the United States of America and the Government of Chile regarding the Consolidation and Rescheduling of Certain Debts Owed to, Guaranteed or Insured by the United States Government and Its Agencies, dated July 3, 1975² (“the Rescheduling Agreement”);

NOW THEREFORE, the Parties hereto agree as follows:

Part I. RESCHEDULED DEBT

Certain debt obligations incurred by Chile and owing to A.I.D. pursuant to the Loan Agreements listed in Schedule A (“Original Agreements”) are hereby rescheduled as provided in this Agreement. For purposes of this Agreement, (i) “Consolidated Debt” shall mean seventy percent (70%) and (ii) “Non-Consolidated Debt” shall mean thirty percent (30%) of the sum of dollar principal and interest installments repayable in United States dollars falling due from January 1, 1975, through December 31, 1975, pursuant to the Original Agreements.

Section 1. CONSOLIDATED DEBT. (A) Chile shall pay to A.I.D. the amount representing consolidated debt in thirteen (13) equal semi-annual installments payable on January 1 and July 1 of each year, commencing on January 1, 1978, with final payment due on January 1, 1984.

(B) Chile shall pay to A.I.D. interest at the rate of three percent (3%) per annum on the outstanding balance of the Consolidated Debt and on any due and unpaid interest thereon. Interest on such amounts shall accrue from January 1, 1975, or from such later date as such amounts may become due, and shall be paid semi-annually on January 1 and July 1 of each year, commencing on January 1, 1976.

Section 2. NON-CONSOLIDATED DEBT. (A) Chile shall pay to A.I.D. the amount representing non-consolidated debt as follows:

¹ Came into force on 26 May 1976 by signature.

² See p. 159 of this volume.

- (i) Thirty-three and one-third percent (33 $\frac{1}{3}$ %) of such amount not later than December 31, 1975;
- (ii) Thirty-three and one-third percent (33 $\frac{1}{3}$ %) of such amount not later than December 31, 1976;
- (iii) The balance of such amount not later than December 31, 1977.

(B) Chile shall pay to A.I.D. interest at the rate of three percent (3%) per annum on the outstanding balance of non-consolidated debt and any due and unpaid interest thereon. Interest on such amounts shall accrue from January 1, 1975, or from such later dates as such amounts may become due, and shall be payable on the dates established for payment in the Repayment Schedule provided for in section 2, part II, hereof.

Part II. GENERAL PROVISIONS

Section 1. OTHER OBLIGATIONS. Except as otherwise provided herein, all obligations, including, but not limited to, payment obligations other than those consolidated and rescheduled hereunder, incurred by Chile or other Parties to Loan Agreements listed in schedule A, pursuant to such Loan Agreements, shall remain in effect in accordance with the existing terms of such Loan Agreements. To the extent not modified by this Agreement, the existing terms and conditions of such Loan Agreements remain in full force and effect.

Section 2. REPAYMENT SCHEDULE. The payment provided for in this Agreement, together with the figures from which such amounts are derived, are set forth in the Repayment Schedule attached hereto. Such schedule is subject to correction and/or adjustment in accordance with the terms of this Agreement.

Section 3. APPLICATION OF PAYMENT. Any payment pursuant to section 1, part I, hereof will be applied first to accrued interest on consolidated debt and then to repayment of principal of such debt. Any payment pursuant to section 2, part I, hereof will be applied first to accrued interest on non-consolidated debt and then to repayment of principal of such debt. Subject to the preceding, Chile shall have the right to prepay without penalty any portion of the debt due hereunder, provided that Chile is not otherwise in default on any payment due under Loan Agreements between Chile and A.I.D. Any such prepayment will first be applied to the non-consolidated debt and then to consolidated debt.

Section 4. PLACE AND CURRENCY OF PAYMENT. Payments made hereunder shall be in United States dollars and shall be delivered to the Office of the Controller, Agency for International Development, Washington, D.C. 20523.

Section 5. REVISION OF INTEREST RATE. This Agreement shall be subject to revision, pursuant to and in accordance with, any exercise of the option of the United States under paragraph 3, article IV, of the Rescheduling Agreement concerning revision of interest rates, which Rescheduling Agreement is attached hereto and made a part hereof as annex B.

Section 6. LEGAL OPINION. Except as A.I.D. may otherwise agree in writing, within thirty (30) days from the date of signature of this Agreement, Chile shall furnish to A.I.D., in form and substance satisfactory to A.I.D., a legal opinion of counsel satisfactory to A.I.D. that this Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, Chile and constitutes a valid and legally binding obligation of Chile in accordance with its terms.

IN WITNESS WHEREOF, A.I.D. and Chile, each acting through its respective duly authorized representative, have caused this Agreement to be signed in their respective names and delivered as of the day and year first above written.

Republic of Chile:

By: [Signed — Signé]¹

Ambassador, also representing Caja Autónoma
de Amortización de la Deuda Pública

United States of America:

By: [Signed — Signé]²

Assistant Administrator
Deputy U.S. Coordinator

SCHEDULE A

LOAN AGREEMENTS RESCHEDULED

AGENCY FOR INTERNATIONAL DEVELOPMENT

<i>Under 40 years</i>	<i>40 years</i>
513-B002	513-L017
513-G003	513-L018
513-A006	513-L019
513-M011	513-L020
513-L026	513-L021
	513-L022
	513-L023
	513-L024
	513-L025
	513-L028
	513-L030
	513-L031
	513-L033
	513-L034
	513-L036
	513-L037
	513-L040
	513-L041

¹ Signed by Manuel Trucco — Signé par Manuel Trucco.

² Signed by Herman Kleine — Signé par Herman Kleine.

REPAYMENT SCHEDULE

AMORTIZATION SCHEDULE: CONSOLIDATED DEBT, 1975 RESCHEDULING

<i>Due date</i>	<i>Installment total</i>	<i>Interest</i>	<i>Principal</i>	<i>Balance outstanding</i>
1-1-76	185,826.97	185,826.97	-0-	12,732,960.19
7-1-76	190,994.41	190,994.41	-0-	12,732,960.19
1-1-77	190,994.41	190,994.41	-0-	12,732,960.19
7-1-77	190,994.41	190,994.41	-0-	12,732,960.19
1-1-78	1,170,452.89	190,994.41	979,458.48	11,753,501.71
7-1-78	1,155,761.01	176,302.53	979,458.48	10,774,043.23
1-1-79	1,141,069.12	161,610.64	979,458.48	9,794,584.75
7-1-79	1,126,377.25	146,918.77	979,458.48	8,815,126.27
1-1-80	1,111,685.38	132,226.90	979,458.48	7,835,667.79
7-1-80	1,096,993.50	117,535.02	979,458.48	6,856,209.31
1-1-81	1,082,301.63	102,843.15	979,458.48	5,876,750.83
7-1-81	1,067,609.74	88,151.26	979,458.48	4,897,292.35
1-1-82	1,052,917.86	73,459.38	979,458.48	3,917,833.87
7-1-82	1,038,226.00	58,767.52	979,458.48	2,938,375.39
1-1-83	1,023,534.11	44,075.63	979,458.48	1,958,916.91
7-1-83	1,008,842.22	29,383.74	979,458.48	979,458.43
1-1-84	994,150.31	14,691.88	979,458.43	-0-
	14,828,731.22	2,095,771.03	12,782,960.19	

AMORTIZATION SCHEDULE: NON-CONSOLIDATED DEBT 1975 RESCHEDULING

<i>Due date</i>	<i>Installment total</i>	<i>Interest</i>	<i>Principal</i>	<i>Balance outstanding</i>
12-31-75	1,898,185.90	79,191.59	1,818,994.31	5,456,982.90
12-31-76	1,928,133.98	109,139.67	1,818,994.31	3,637,988.59
12-31-77	1,873,564.12	54,569.84	1,818,994.28	1,818,994.28
	5,699,884.00	242,901.10	5,456,982.90	-0-