

No. 18180

**UNITED STATES OF AMERICA
and
CHINA**

**Agreement concerning the settlement of claims. Signed at
Beijing on 11 May 1979**

Authentic texts: English and Chinese.

Registered by the United States of America on 5 December 1979.

**ÉTATS-UNIS D'AMÉRIQUE
et
CHINE**

**Accord concernant le règlement des créances. Signé à
Beijing le 11 mai 1979**

Textes authentiques : anglais et chinois.

Enregistré par les États-Unis d'Amérique le 5 décembre 1979.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA CONCERNING THE SETTLEMENT OF CLAIMS

In order to develop bilateral economic and trade relations and to complete the process of normalization of relations on the basis of equality and mutual benefit and in accordance with the spirit of the Joint Communiqué on Establishment of Diplomatic Relations between the United States of America and the People's Republic of China, the Government of the United States of America (hereinafter referred to as the "USA") and the Government of the People's Republic of China (hereinafter referred to as the "PRC") have reached this Agreement:

Article I. The claims settled pursuant to this Agreement are:

- (a) The claims of the USA and its nationals (including natural and juridical persons) against the PRC arising from any nationalization, expropriation, intervention, and other taking of, or special measures directed against, property of nationals of the USA on or after October 1, 1949, and prior to the date of this Agreement; and
- (b) The claims of the PRC, its nationals, and natural and juridical persons subject to its jurisdiction or control against the USA arising from actions related to the blocking of assets by the Government of the USA on or after December 17, 1950, and prior to the date of this Agreement.

Article II. (a) The Government of the USA and the Government of the PRC agree to a settlement of all claims specified in article I. The Government of the PRC agrees to pay to the Government of the USA the sum of \$80.5 million as the full and final settlement of the claims specified in article I. The Government of the USA agrees to accept this sum in full and final settlement of those claims.

(b) The Government of the USA agrees to unblock by October 1, 1979, all assets which were blocked because of an interest, direct or indirect, in those assets of the PRC, its nationals, or natural and juridical persons subject to its jurisdiction or control, and which remained blocked on the date of the initialing of this agreement, March 2, 1979. The Government of the USA further agrees, in a spirit of mutual cooperation, that prior to unblocking under this paragraph, it will notify the holders of blocked assets which the records of the Government of the USA indicate are held in the name of residents of the PRC that the Government of the PRC requests that assets of nationals of the PRC to be unblocked not be transferred or withdrawn without its consent.

Article III. The Government of the PRC shall pay to the Government of the USA \$80.5 million, of which \$30 million shall be paid on October 1, 1979, and the remaining \$50.5 million shall be paid in five annual installments of \$10.1 million each on the first day of October with the first installment due on October 1, 1980.

Article IV. The Government of the USA shall be exclusively responsible for the distribution of all proceeds received by it under this Agreement.

¹ Came into force on 11 May 1979 by signature, in accordance with article VI.

Article V. After the date of signature of this Agreement, neither government will present to the other, on its behalf or on behalf of another, any claim encompassed by this Agreement. If any such claim is presented directly by a national of one country to the government of the other, that government will refer it to the government of the national who presented the claim.

Article VI. This Agreement shall enter into force on the date of signature.

This Agreement was signed on May 11, 1979, at Beijing, in duplicate, in the English and Chinese languages, both versions being equally authentic.

For the Government
of the United States of America:

[Signed — Signé]¹

For the Government
of the People's Republic of China:

[Signed — Signé]²

¹ Signed by Juanita M. Kreps — Signé par Juanita M. Kreps.

² Signed by Zhang Jingfu — Signé par Zhang Jingfu.