

No. 24949

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**CANADA  
and  
BULGARIA**

**Agreement concerning a definitive settlement of certain Bulgarian bonds held by the Government of Canada or by Canadian natural or juridical persons forming part of old external public loans of the former Principality of Bulgaria and of the former Kingdom of Bulgaria. Signed at Ottawa on 14 June 1982**

*Authentic texts: English, French and Bulgarian.*

*Registered by Canada on 16 July 1987.*

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**CANADA  
et  
BULGARIE**

**Accord prévoyant le règlement définitif de certaines obligations bulgares détenues par le Gouvernement du Canada ou par des personnes physiques ou morales canadiennes et faisant partie d'emprunts publics émis à l'étranger par l'ancienne Principauté de Bulgarie et l'ancien Royaume de Bulgarie. Signé à Ottawa le 14 juin 1982**

*Textes authentiques : anglais, français et bulgare.*

*Enregistré par le Canada le 16 juillet 1987.*

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BULGARIA CONCERNING A DEFINITIVE SETTLEMENT OF CERTAIN BULGARIAN BONDS HELD BY THE GOVERNMENT OF CANADA OR BY CANADIAN NATURAL OR JURIDICAL PERSONS FORMING PART OF OLD EXTERNAL PUBLIC LOANS OF THE FORMER PRINCIPALITY OF BULGARIA AND OF THE FORMER KINGDOM OF BULGARIA

The Government of Canada and the Government of the People's Republic of Bulgaria (the parties) have agreed as follows:

*Article I.* The Government of the People's Republic of Bulgaria shall pay to the Government of Canada as a definitive settlement of claims in respect of the bonds defined in Article II and delivered in accordance with Article IV an amount determined in accordance with Article III.

*Article II.* The bonds to which the present Agreement applies are bonds that form part of loans representing the Bulgarian external public debt, issued or guaranteed by the former Principality of Bulgaria or the former Kingdom of Bulgaria, denominated in United States Dollars, French Francs or Pounds Sterling, whether or not they are denominated in any other currency (hereinafter referred to as "the bonds"), held by the Government of Canada or by Canadian natural or juridical persons.

*Article III.* 1. The definitive settlement shall be determined only in respect of the bonds held by the Government of Canada and the bonds delivered to the Government of Canada within six months of the entry into force of this Agreement by or on behalf of owners who have accepted the terms of settlement herein, provided that the bonds are accepted for payment in accordance with the provisions of Article IV(3) below.

2. The amount of the definitive settlement in respect of the bonds shall be determined as follows:

- (a) Where the bonds were denominated in United States Dollars at the time of issue, 40% of the face value shall be payable in United States Dollars;
- (b) Where the bonds were denominated in French Francs but not Pounds Sterling at the time of issue, 35 new French Francs shall be payable for each 500 Francs of the face value;
- (c) Where the bonds were denominated in Pounds Sterling but not French Francs at the time of issue, 7% of the face value shall be payable in current Pounds Sterling;
- (d) Where the denomination of the bonds includes both French Francs and Pounds Sterling, payment shall be made in French Francs in accordance with (b) above, except in the case of bonds of the Bulgarian Government 5% Gold loan of 1902 which shall be paid in Pounds Sterling in accordance with (c) above;

<sup>1</sup> Came into force on 14 June 1982 by signature, in accordance with article VI.

(e) Any gold clauses contained in the bonds or coupons shall have no effect for the purposes of determining the amount of the definitive settlement.

*Article IV.* 1. The bonds held by the Government of Canada and the bonds received by the Government of Canada as provided for in Article III(1) above shall be delivered by the Government of Canada to the Government of the People's Republic of Bulgaria within nine months of the date of entry into force of this Agreement. The bonds shall be accompanied by a statement made on behalf of the Government of Canada that the bonds are the property of the Government of Canada or of Canadian natural or juridical persons.

2. The bonds should be accompanied by all matured but unpaid coupons except that in the event that any such coupons have become detached and lost, a statement to that effect made by the Government of Canada shall be accepted by the Government of the People's Republic of Bulgaria in lieu of such coupons.

3. Upon delivery of the bonds in accordance with the terms of Article IV(1) above, representatives of the parties shall forthwith determine their acceptability under this Agreement.

4. The amount determined in accordance with Article III shall be paid by the Government of the People's Republic of Bulgaria to the Government of Canada within three months following delivery and acceptance of the bonds.

5. Bonds that are delivered but are found not to be acceptable under this Agreement shall be returned to the Government of Canada for transmission to the bondholder.

6. The Government of Canada will be responsible for remitting to the bondholders the amount received from the Government of the People's Republic of Bulgaria in accordance with their respective interests.

*Article V.* Upon payment in full in accordance with Article IV of the amount of the definitive settlement payable in accordance with Article III, the Government of Canada shall consider as definitively and fully extinguished all claims in respect of all bonds defined in Article II and will not in future espouse any claims in respect of the said bonds against the Government of [the] People's Republic of Bulgaria.

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

DONE in two original copies at Ottawa, this 14th day of June, 1982, each in the English, French and Bulgarian languages.

PIERRE DE BANÉ  
For the Government  
of Canada

STEFAN STANEV  
For the Government  
of the People's Republic  
of Bulgaria