

No. 26804

**INTERNATIONAL ATOMIC
ENERGY AGENCY,
UNITED STATES OF AMERICA
and
MEXICO**

Agreement of settlement for the transfer of title to natural uranium. Signed at Washington on 7 April 1989, and at Vienna on 11 and 23 May 1989

Authentic text: English.

Registered by the International Atomic Energy Agency on 21 September 1989.

**AGENCE INTERNATIONALE
DE L'ÉNERGIE ATOMIQUE,
ÉTATS-UNIS D'AMÉRIQUE
et
MEXIQUE**

Accord de règlement relatif au transfert du droit de propriété sur l'uranium naturel. Signé à Washington le 7 avril 1989, et à Vienne les 11 et 23 mai 1989

Texte authentique : anglais.

Enregistré par l'Agence internationale de l'énergie atomique le 21 septembre 1989.

AGREEMENT¹ OF SETTLEMENT FOR THE TRANSFER OF TITLE TO NATURAL URANIUM

This Agreement of Settlement, entered into this twenty-third day of May, 1989, by and between the Government of the United Mexican States (hereinafter referred to as "Mexico"), the International Atomic Energy Agency (hereinafter referred to as the "Agency"), and the United States of America, acting through the Secretary of Energy, the statutory head of the Department of Energy (hereinafter referred to as "DOE");

Whereas, Mexico, desiring to set up a project consisting of a subcritical training facility for peaceful purposes, requested the assistance of the Agency in securing, among other things, the nuclear material necessary for that purpose; and

Whereas, the Board of Governors of the Agency approved the project on June 15, 1966, and the Agency and Mexico concluded an agreement for the provision by the Agency of the assistance requested by Mexico; and

Whereas, the Agency and the Government of the United States of America (hereinafter referred to as the "Government") on May 11, 1959, concluded an Agreement for Cooperation,² under which the Government undertook to make available to the Agency certain quantities of special fissionable material and to assist the Agency in obtaining source material; and

Whereas, the Agency, Mexico, and the United States of America, as represented by the Atomic Energy Commission (now DOE), entered into two Contracts for the Lease of Natural Uranium and for the Transfer of Plutonium for a Sub-critical Facility in Mexico (Contract Nos. IAEA/L/3 and IAEA/L/5), whereby DOE leased to the Agency, and the Agency lease to Mexico, certain quantities of source material; and

Whereas, the term of both contracts expired on June 30, 1973; and

Whereas, Mexico has retained possession of such quantities of source material and has certain lease charges for such source material outstanding; and

Whereas, Mexico desires to acquire title to such source material and the parties desire to settle the outstanding lease charges; and

Whereas, this Agreement of Settlement is authorized by the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974 (P.L. 93-438); the Department of Energy Organization Act (P.L. 95-91); and other applicable law;

Now therefore, the parties hereto do hereby agree as follows:

1. Mexico shall pay the Agency and the Agency shall pay DOE the sum of fifteen thousand dollars (\$15,000.00) in complete accord and satisfaction for the outstanding lease charges associated with Contract Nos. IAEA/L/3 and IAEA/L/5.

2. In accordance with Article VI, Section 15., of both Contract Nos. IAEA/L/3 and IAEA/L/5, on the last day of the month in which DOE receives the payment specified in Paragraph 1., above, title to the following material shall automatically

¹ Came into force on 23 May 1989, in accordance with the provisions of the said Agreement.

² United Nations, *Treaty Series*, vol. 339, p. 359.

vest in the Agency and shall thereafter immediately and automatically vest in Mexico;

(a) 1,400 natural uranium fuel elements containing 2,526.77 kgs of natural uranium; and

(b) 1,400 natural uranium fuel elements containing 2,518.51 kgs of natural uranium.

3. Mexico hereby agrees to hold harmless and unconditionally waives any claim against DOE or the Agency by reason of this Agreement and the conclusion of any and all obligations associated with Contract Nos. IAEA/L/3 and IAEA/L/5.

4. DOE hereby agrees that, upon the performances required under Paragraphs 1. and 2., above, all obligations of the Agency and Mexico associated with Contract Nos. IAEA/L/3 and IAEA/L/5 shall be deemed to be concluded.

IN WITNESS WHEREOF, the parties have executed this Agreement of Settlement as of the day and year first above written.

International Atomic Energy Agency:

By: [Signed]
NORAMLY BIN MUSLIM
Title: Deputy Director General
Head of the Department of Technical Co-operation
Date: 23 May 1989

Government of the United Mexican States:

By: [Signed]
FRANCISCO CUEVAS CANCINO
Title: Perm. Repres. of Mexico
Date: 11 May 1989

United States of America:

By: Secretary of Energy
By: [Signed — Signé]¹
Title: Contracting Officer
Date: April 7, 1989

¹ Signed by James C. Hall — Signé par James C. Hall.