

No. 27038

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

**Agreement relating to the final repurchase of certain bonds
of foreign public loans of the Principality of Bulgaria and
the Kingdom of Bulgaria (with annex). Signed at London
on 16 September 1987**

Authentic texts: English and Bulgarian.

*Registered by the United Kingdom of Great Britain and Northern Ireland on
19 January 1990.*

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

**Accord relatif au rachat final de certains titres d'emprunts
publics étrangers de la Principauté de Bulgarie et du
Royaume de Bulgarie (avec annexe). Signé à Londres le
16 septembre 1987**

Textes authentiques : anglais et bulgare.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord
le 19 janvier 1990.*

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BULGARIA RELATING TO THE FINAL REPURCHASE OF CERTAIN BONDS OF FOREIGN PUBLIC LOANS OF THE PRINCIPALITY OF BULGARIA AND THE KINGDOM OF BULGARIA

The Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as the "Government of the United Kingdom") and the Government of the People's Republic of Bulgaria have agreed as follows:

Article 1

The present Agreement shall apply to the bonds of the following foreign public loans of the Principality of Bulgaria and the Kingdom of Bulgaria:

(a) Foreign public loans:

- 6 per cent State Mortgage Loan 1982,
- 5 per cent Bulgarian State Gold Loan 1902,
- 5 per cent Bulgarian State Gold Loan 1904,
- 4 ½ per cent Bulgarian State Gold Loan 1907,
- 4 ½ per cent Bulgarian State Gold Loan 1909,
- 6 ½ per cent Bulgarian State Loan 1923,
- 7 per cent Settlement Loan 1926,
- 7 ½ per cent Stabilisation Loan 1928;

(b) Foreign public guaranteed loans:

- 5 per cent Bulgarian Loan 1896,
- 5 per cent Loan Municipality of Sofia 1906,
- 5 per cent Loan Municipality of Varna 1907,
- 4 ½ per cent Loan Municipality of Sofia 1910.

Article 2

The Government of the People's Republic of Bulgaria shall, not later than 30 days after the coming into force of this Agreement, nominate a London bank (hereinafter referred to as "the Bank") as their agent for the repurchase of bonds referred to in Article 1 presented by United Kingdom nationals in accordance with the provisions of this Agreement.

Article 3

(1) The Government of the People's Republic of Bulgaria shall offer to repurchase the bonds referred to in Article 1 at the following rates:

¹ Came into force on 16 September 1987 by signature, in accordance with article 10.

- (a) In respect of bonds of the Kingdom of Bulgaria 7 per cent Settlement Loan 1926 or of the Kingdom of Bulgaria 7½ per cent Stabilisation Loan 1928 denominated in pounds sterling, at 40 per cent of the nominal face value of the bonds, payable in pounds sterling;
- (b) In respect of bonds of the loans referred to in sub-paragraph (a) denominated in United States dollars, at 7 per cent of the nominal face value of the bonds, payable in United States dollars;
- (c) In respect of other bonds denominated in any type of French francs, at 7 per cent of the nominal face value of the bonds in francs, payable in French francs.

(2) Any gold clauses contained in the bonds or the coupons shall have no effect for the purposes of determining the amount of the above-mentioned offer (hereinafter referred to as "the Offer").

(3) The amounts payable in respect of bonds submitted in accordance with this Agreement are set out in the Annex hereto.

Article 4

The Government of the People's Republic of Bulgaria shall instruct the Bank to pay to each United Kingdom national as follows:

The amounts referred to in Article 3 of and the Annex to this Agreement shall be paid, within 30 days of acceptance of the Offer and surrender of the bonds, to those holders of the above mentioned loans who accept the Offer and submit their bonds together with any matured but unpaid coupons to the Bank during the currency of the Offer.

Such payment shall constitute final settlement.

Article 5

Any United Kingdom national who accepts the Offer may be required to provide:

- (a) A statement to the effect that the holder is a United Kingdom national; and
- (b) In cases where any coupons relating to the bond are not presented with the bond, a statement of the reason for their non-presentation.

Article 6

The Offer shall be published and shall be opened for acceptance on a date within 30 days after the signature of this Agreement and shall remain open for a period of two years from that date. Any bonds presented after the expiry of this period shall not be eligible for repurchase.

Article 7

For the purposes of the present Agreement "United Kingdom nationals" shall mean:

- (a) Physical persons who are, at the date of the coming into force of this Agreement, British citizens, British Dependent Territories citizens, British Overseas citizens, British Nationals (Overseas), British subjects and British Protected Persons; and

- (b) Corporations and unincorporated associations constituted under the laws in force in the United Kingdom of Great Britain and Northern Ireland or in any territory for whose international relations the Government of the United Kingdom are, at the date of the coming into force of this Agreement, responsible.

Article 8

Once the terms of this Agreement have been fully implemented, the Government of the United Kingdom shall consider as finally settled all claims in respect of the bonds of the loans described in Article 1 and shall not thereafter raise with the Government of the People's Republic of Bulgaria or support any further claims in respect thereof.

Article 9

Any disputes as to the interpretation or implementation of this Agreement shall be resolved by agreement between the two Governments.

Article 10

The present Agreement shall enter into force on signature.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed the present Agreement.

DONE in duplicate at London this 16th day of September 1987 in the English and Bulgarian languages, both texts being equally authoritative.

For the Government
of the United Kingdom
of Great Britain and Northern Ireland:

GEOFFREY HOWE

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

P. MLADENOV

ANNEX

| <i>Loans</i> | <i>Nominal value of bond</i> | <i>Payment</i> |
|--|----------------------------------|----------------|
| (a) Foreign public loans: | | |
| 6% State Mortgage Loan 1892 | Gold francs 500 | Fr.fr. 35 |
| 5% Bulgarian State Gold Loan 1902 | Gold francs 500 | Fr.fr. 35 |
| 5% Bulgarian State Gold Loan 1904 | Gold francs 500 | Fr.fr. 35 |
| 4½% Bulgarian State Gold Loan 1907 | Gold francs 500 | Fr.fr. 35 |
| 4½% Bulgarian State Gold Loan 1909 | Gold francs 500 | Fr.fr. 35 |
| 6½% Bulgarian State Loan 1923 | French francs 500 | Fr.fr. 35 |
| 7% Settlement Loan 1926: | | |
| Sterling issue | £100 | £40 |
| US dollars issue | US \$500 | US\$35 |
| 7½% Stabilisation Loan 1928: | | |
| Sterling issue | £100 | £40 |
| US dollar issue | US \$500 | US \$35 |
| French issue | Poincare francs 2500 | Fr.fr. 175 |
| (b) Foreign public guaranteed loans: | | |
| 5% Bulgarian Loan 1896 | Gold francs 500 | Fr.fr. 35 |
| 5% Loan Municipality of Sofia 1906 | Gold francs 500 | Fr.fr. 35 |
| 5% Loan Municipality of Varna 1907 | Gold francs 500 | Fr.fr. 35 |
| 4 ½% Loan Municipality of Sofia 1910 | Gold francs 500 | Fr.fr. 35 |
| And so in proportion for bonds of other denominations. | | |