

TREATIES AND OTHER
INTERNATIONAL AGREEMENTS
OF THE
UNITED STATES OF AMERICA
1776-1949

Compiled under the direction of

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Volume 10

NEPAL-
PERU

DEPARTMENT OF STATE PUBLICATION 8642

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¹ In order to provide a complete chronological list of agreements entered into by the United States during the years covered in this volume, the table of contents includes citations to a few agreements which are not printed in this compilation because they entered into force for the United States after 1949 and are therefore contained in the series entitled *United States Treaties and Other International Agreements* (UST). For a more detailed explanation of the scope of these volumes, see the preface to volume 1 and the foreword in volume 5.

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Nepal

FRIENDSHIP AND COMMERCE

*Exchange of notes at Kathmandu April 25, 1947
Entered into force April 25, 1947*

61 Stat. 2566; Treaties and Other
International Acts Series 1585

*The Chief of the United States Special Diplomatic Mission to the
Prime Minister and Supreme Commander-in-Chief of Nepal*

UNITED STATES SPECIAL DIPLOMATIC
MISSION TO THE KINGDOM OF NEPAL
KATHMANDU, April 25, 1947

YOUR HIGHNESS:

I have the honor to make the following statement of my Government's understanding of the agreement reached through recent conversations held at Kathmandu by representatives of the Government of the United States of America and the Government of the Kingdom of Nepal with reference to diplomatic and consular representation, juridical protection, commerce and navigation. These two Governments, desiring to strengthen the friendly relations happily existing between the two countries, to further mutually advantageous commercial relations between their peoples, and to maintain the most-favored-nation principle in its unconditional and unlimited form as the basis of their commercial relations, agree to the following provisions:

1. The United States of America and the Kingdom of Nepal will establish diplomatic and consular relations at a date which shall be fixed by mutual agreement between the two Governments.
2. The diplomatic representatives of each Party accredited to the Government of the other Party shall enjoy in the territories of such other Party the rights, privileges, exemptions and immunities accorded under generally recognized principles of international law. The consular officers of each Party who are assigned to the Government of the other Party, and are duly provided with

exequaturs, shall be permitted to reside in the territories of such other Party at the places where consular officers are permitted by the applicable laws to reside; they shall enjoy the honorary privileges and the immunities accorded to officers of their rank by general international usage; and they shall not, in any event, be treated in a manner less favorable than similar officers of any third country.

3. All furniture, equipment and supplies intended for official use in a consular or diplomatic office of the sending state shall be permitted entry into the territory of the receiving state free of all customs duties and internal revenue or other taxes whether imposed upon or by reason of importation.

4. The baggage and effects and other articles imported exclusively for the personal use of consular and diplomatic officers and employees and the members of their respective families and suites, who are nationals of the sending state and are not nationals of the receiving state and are not engaged in any private occupation for gain in territory of the receiving state, shall be exempt from all customs duties and internal revenue or other taxes whether imposed upon or by reason of importation. Such exemption shall be granted with respect to property accompanying any person entitled to claim an exemption under this paragraph on first arrival or on any subsequent arrival and with respect to property consigned to any such person during the period the consular or diplomatic officer or employee, for or through whom the exemption is claimed, is assigned to or is employed in the receiving state by the sending state.

5. It is understood, however, (a) that the exemptions provided by paragraph 4 of this Agreement shall be accorded in respect of employees in a consular office only when the names of such employees have been duly communicated to the appropriate authorities of the receiving state; (b) that in the case of the consignments to which paragraph 4 of this Agreement refers, either state may, as a condition to the granting of the exemption provided, require that a notification of any such consignment be given in such manner as it may prescribe; and (c) that nothing herein shall be construed to permit the entry into the territory of either state of any article the importation of which is specifically prohibited by law.

6. Nationals of the Kingdom of Nepal in the United States of America and nationals of the United States of America in the Kingdom of Nepal shall be received and treated in accordance with the requirements and practices of generally recognized international law. In respect of their persons, possessions and rights, such nationals shall enjoy the fullest protection of the laws and authorities of the country, and shall not be treated in any manner less favorable than the nationals of any third country.

7. In all matters relating to customs duties and charges of any kind imposed on or in connection with importation or exportation or otherwise affecting commerce and navigation, to the method of levying such duties and

charges, to all rules and formalities in connection with importation or exportation, and to transit, warehousing and other facilities, each Party shall accord unconditional and unrestricted most-favored-nation treatment to articles the growth, produce or manufacture of the other Party, from whatever place arriving, or to articles destined for exportation to the territories of such other Party, by whatever route. Any advantage, favor, privilege or immunity with respect to any duty, charge or regulation affecting commerce or navigation now or hereafter accorded by the United States of America or by the Kingdom of Nepal to any third country shall be accorded immediately and unconditionally to the commerce and navigation of the Kingdom of Nepal and of the United States of America, respectively.

8. There shall be excepted from the provisions of paragraph 7 of this Agreement advantages now or hereafter accorded: (a) by virtue of a customs union of which either Party may become a member; (b) to adjacent countries in order to facilitate frontier traffic; (c) to third countries which are parties to a multilateral economic agreement of general applicability, including a trade area of substantial size, having as its objective the liberalization and promotion of international trade or other international economic intercourse and open to adoption by all the United Nations; and (d) by the United States of America or its territories or possessions to one another, to the Republic of Cuba, to the Republic of the Philippines, or to the Panama Canal Zone. Clause (d) shall continue to apply in respect of any advantages now or hereafter accorded by the United States of America or its territories or possessions to one another irrespective of any change in the political status of any such territories or possessions.

9. Nothing in this Agreement shall prevent the adoption or enforcement by either Party: (a) of measures relating to fissionable materials, to the importation or exportation of gold and silver, to the traffic in arms, ammunition and implements of war, or to such traffic in other goods and materials as is carried on for the purpose of supplying a military establishment; (b) of measures necessary in pursuance of obligations for the maintenance of international peace and security or necessary for the protection of the essential interests of such Party in time of national emergency; or (c) of statutes in relation to immigration.

10. Subject to the requirement that, under like circumstances and conditions, there shall be no arbitrary discrimination by either Party against the nationals, commerce or navigation of the other Party in favor of the nationals, commerce or navigation of any third country, the provisions of this Agreement shall not extend to prohibitions or restrictions: (a) imposed on moral or humanitarian grounds; (b) designed to protect human, animal, or plant life or health; (c) relating to prison-made goods; or (d) relating to the enforcement of police or revenue laws.

11. The provisions of this Agreement shall apply to all territory under the sovereignty or authority of either of the parties, except the Panama Canal Zone.

12. This Agreement shall continue in force until superseded by a more comprehensive commercial agreement, or until thirty days from the date of a written notice of termination given by either Party to the other Party, whichever is the earlier. Moreover either Party may terminate paragraphs 7 and 8 on thirty days' written notice.

If the above provisions are acceptable to the Government of the Kingdom of Nepal this note and the reply signifying assent thereto shall, if agreeable to that Government, be regarded as constituting an agreement between the two Governments which shall become effective on the date of such acceptance.

Please accept, Your Highness, the renewed assurances of my highest consideration.

JOSEPH C. SATTERTHWAITE

His Highness

The Maharaja

PADMA SHUM SHERE JUNG BAHADUR RANA

*Prime Minister and Supreme Commander-in-Chief
Nepal*

*The Prime Minister and Supreme Commander-in-Chief of Nepal to the
Chief of the United States Special Diplomatic Mission*

YOUR EXCELLENCY,

I have the honour to acknowledge the receipt of your note dated 25th April 1947, in which there is set forth the understanding of your Government of the agreement reached through recent conversations held at Kathmandu between the representatives of the Government of the United States of America and the representatives of the Government of the Kingdom of Nepal, in the following terms:

The Government of the United States of America and the Government of the Kingdom of Nepal, desiring to strengthen the friendly relations happily existing between the two countries, to further mutually advantageous commercial relations between their peoples, and to maintain the most-favored-nation principle in its unconditional and unlimited form as the basis of their commercial relations, agree to the following provisions:

[For terms of provisions, see numbered paragraphs of U.S. note, above.]

The Government of the Kingdom of Nepal approves the above provisions and is prepared to give effect thereto beginning with the date of this reply note.

Please accept Your Excellency the renewed assurance of high consideration with which I remain,

Your Excellency's sincerely,

PADMA SHUM SHERE JUNG R. B.

Dated KATHMANDU

the 25th April 1947.

To,

His Excellency

The Hon'ble Mr. JOSEPH C. SATTERTHWAITE

Chief, United States Special

Diplomatic Mission to the Kingdom of Nepal

Kathmandu.

Netherlands

AMITY AND COMMERCE

Treaty signed at The Hague October 8, 1782

Ratified by the Netherlands December 27, 1782

Ratified by the Congress of the United States (Continental Congress)

January 23, 1783

Proclaimed by the Congress of the United States (Continental Con-
gress) January 23, 1783¹

Ratifications exchanged at The Hague June 23, 1783

Entered into force June 23, 1783

Abrogated by overthrow of Netherlands Government in 1795²

8 Stat. 32; Treaty Series 249³

A TREATY OF AMITY AND COMMERCE BETWEEN THEIR HIGH MIGHTINESSES THE STATES-GENERAL OF THE UNITED NETHERLANDS, AND THE UNITED STATES OF AMERICA, TO WIT NEW-HAMPSHIRE, MASSACHUSETTS, RHODE ISLAND, AND PROVIDENCE PLANTATIONS, CONNECTICUTT, NEW-YORK, NEW-JERSEY, PENNSYLVANIA, DELAWARE, MARYLAND, VIRGINIA, NORTH-CAROLINA, SOUTH-CAROLINA AND GEORGIA

Their High Mightinesses the States General of the United Netherlands, and the United-States of America, to wit New-Hampshire, Massachusetts, Rhode Island, and Providence Plantations, Connecticutt, New-York, New-Jersey, Pennsylvania, Delaware, Maryland, Virginia, North-Carolina, South-Carolina and Georgia, desiring to ascertain, in a permanent and equitable manner, the Rules to be observed, relative to the Commerce, and Correspondence, which They intend to establish, between Their respective States, Countries and Inhabitants, have judged, that the said End cannot be better

¹ The proclamation of this treaty was the first instance of a formal proclamation of a United States treaty.

² For summary of conflicting views in 1873 regarding the continued validity and non-validity of this treaty, see V Moore, *International Law Digest*, 344.

³ For a detailed study of this treaty, see 2 Miller 59

obtained, than by establishing the most perfect Equality and Reciprocity, for the Basis of Their Agreement, and by avoiding all those burthensome preferences, which are usually, the sources of debate, Embarrassment and discontent; by leaving also each party at liberty, to make respecting Commerce and Navigation such ulterior Regulations, as it shall find most convenient to itself; and by founding the Advantages of Commerce solely upon reciprocal utility, and the just Rules, of free Intercourse: reserving, with all, to each Party, the liberty of admitting, at its pleasure, other Nations to a participation of the same Advantages.

On these principles, Their said High Mightinesses, the States General of the United Netherlands, have named, for Their Plenipotentiaries, from the midst of their Assembly, Messieurs their Deputies for the foreign affairs; And the said United States of America, on their part, have furnished with full powers, Mr. John Adams, late Commissioner of the United-States of America at the Court of Versailles, heretofore Delegate in Congress from the State of Massachusetts-Bay, and chief Justice of the said State, who have agreed and concluded, as follows, to witt.

ARTICLE 1

There shall be a firm, inviolable and universal peace, and sincere friendship, between Their High Mightinesses, the Lords the States-General of the United-Netherlands, and the United-States of America; and between the Subjects and Inhabitants of the said Parties, and between the Countries, Islands, Cities and Places, situated under the Jurisdiction of the said United Netherlands, and the said United States of America, their Subjects and Inhabitants, of every degree, without exception of Persons or Places.

ARTICLE 2

The Subjects of the said States-General of the United Netherlands, shall pay in the Ports, Havens, Roads, Countries, Islands, Cities or Places, of the United States of America, or any of them, no other nor greater Duties, or Imposts, of what ever nature or denomination they may be, than those which the Nations the most favoured, are or shall be obliged to pay: And they shall enjoy all the Rights, Liberties, Priviledges, Immunities, and Exemptions in Trade, Navigation and Commerce, which the said Nations do or shall enjoy, whether in passing from One Port to another, in the said States, or, in going from any of those Ports, to any foreign Port of the World, or from any foreign Port of the World, to any of those Ports.

ARTICLE 3

The Subjects and Inhabitants of the said United States of America, shall pay in the Ports, Havens, Roads, Countries, Islands, Cities or Places, of the said United-Netherlands, or any of them, no other nor greater Duties, or

Imposts, of what ever nature or denomination they may be, than those, which the Nations, the most favoured, are or shall be obliged to pay: And they shall enjoy all the Rights, Liberties, Priviledges, Immunities and Exemptions in Trade, Navigation and Commerce, which the said Nations do or shall enjoy, whether in passing from One Port to another, in the said States, or, from any one towards any one of those Ports, from or to any foreign Port of the World. And the United-States of America, with their Subjects and Inhabitants, shall leave to those of Their High Mightinesses the peacable enjoyment of their Rights, in the Countries, Islands and Seas, in the East- and West-Indies, without any hindrance or molestation.

ARTICLE 4

There shall be an entire and perfect liberty of Conscience allowed to the Subjects and Inhabitants of each Party, and to their Families: and no one shall be molested in regard to his worship, provided he submits, as to the public demonstration of it, to the Laws of the Country: There shall be given more over, liberty, when any Subjects or Inhabitants of either Party shall die in the Territory of the other, to bury them in the usual Burrying-places or in decent and convenient Grounds to be appointed for that purpose, as occasion shall require: and the dead Bodies of those who are burried, shall not in any wise be molested—. And the Two Contracting Parties shall provide, each one in His Jurisdiction, that Their respective Subjects and Inhabitants may hence forward obtain the requisite Certificates, in cases of Deaths, in which they shall be interested.

ARTICLE 5

Their High-Mightinesses, the States-General of the United Netherlands, and the United-States of America, shall endeavor, by all the means in their power, to defend and protect all Vessells and other Effects, belonging to their Subjects and Inhabitants respectively, or to any of them, in their Ports, Roads, Havens, internal Seas, Passes, Rivers, and as far as their Jurisdiction extends at Sea, and to recover, and cause to be restored to the true Proprietors, their Agents or Attornies, all such Vessells and Effects, which shall be taken under their Jurisdiction: And their Vessells of War and Convoys, in cases, when they may have a common Enemy, shall take under their Protection, all the Vessells, belonging to the Subjects and Inhabitants of either Party, which shall not be laden with Contraband-Goods, according to the description, which shall be made of them here after, for Places, with which one of the Parties is in Peace, and the other at War, nor destined for any Place blocked, and which shall hold the same Course or follow the same Rout; and they shall defend such Vessells as long as they shall hold the same Course, or follow the same Rout, against all attacks, Force and Violence of the common Enemy,

in the same manner, as they ought to protect and defend the Vessells, belonging to their own respective Subjects.

ARTICLE 6

The Subjects of the contracting Parties may, on one side and on the other, in the respective Countries and States, dispose of their Effects, by Testament, Donation, or otherwise; and their Heirs, subjects of one of the Parties, and residing in the Country of the other, or elsewhere, shall receive such successions, even ab intestato, whether in person or by their Attorney or Substitute, even although they shall not have obtained Letters of Naturalization, without having the effect of *Such Commission* contested under pretext of any Rights or Prerogatives of any Province, City or private Person: And if the Heirs, to whom such successions may have fallen, shall be Minors, the Tutors or Curators, established by the Judge Domiciliary, of the said Minors, may govern, direct, administer, sell, and alienate the Effects fallen to the said Minors, by Inheritance, and, in general, in relation to the said Successions and Effects, use all the Rights, and fulfill all the functions, which belong, by the disposition of the Laws, to Guardians, Tutors and Curators: Provided, never the less, that this disposition cannot take place, but in cases where the Testator shall not have named Guardians, Tutors, Curators, by Testament, Codicil, or other legal Instrument.

ARTICLE 7

It shall be lawfull and free for the Subjects of each Party, to employ such Advocates, Attorneys, Notaries, Solicitors, or Factors, as they shall judge proper.

ARTICLE 8

Merchants, Masters and Owners of Ships, Mariners, Men of all kinds, ships and Vessells, and all Merchandizes, and Goods, in general, and Effects, of one of the Confederates, or of the Subjects thereof, shall not be seized, or detained in any of the Countries, Lands, Islands, Cities, Places, Ports, Shores, or Dominions, what so ever of the other Confederate, for any Military Expedition, publick or private use of any one, by Arrests, Violence, or any Colour thereof: much less shall it be permitted to the Subjects of either Party, to take or extort by force, any thing from the Subjects of the other Party, without the consent of the Owner: which, however, is not to be understood of Seizures, Detentions and Arrests, which shall be made by the command and authority of Justice, and by the ordinary methods, on account of debts or Crimes, in respect whereof, the Proceedings must be, by way of Law, according to the forms of Justice.

ARTICLE 9

It is further agreed and concluded that it shall be wholly free for all Merchants, Commanders of Ships, and other Subjects and Inhabitants, of

the contracting Parties, in every Place, subjected to the Jurisdiction of the Two Powers respectively, to manage, themselves, their Own Business: And more over, as to the use of Interpreters or Brokers, as also, in relation to the loading, or unloading of their Vessells, and every thing which has relation there to, they shall be, on one side and on the other, considered and treated upon the footing of natural Subjects, or, at least, upon an equality with the most favored Nation.

ARTICLE 10

The Merchant Ships, of either of the Parties, coming from the Port of an Enemy, or from their Own, or a Neutral Port, may navigate freely towards any Port of an Enemy of the other Ally: They shall be, never the less, held, when ever it shall be required, to exhibit, as well upon the high-Seas, as in the Ports, their Sea-Letters, and other Documents, described in the Twenty Fifth Article, stating expressly that their Effects are not of the Number of those, which are prohibited, as Contraband: And, not having any Contraband Goods, for an Enemy's Port, they may freely, and without hindrance, pursue their Voyage towards the Port of an Enemy. Nevertheless, it shall not be required to examine the Papers of Vessells, convoyed by Vessells of War, but Credence shall be given to the word of the Officer, who shall conduct the Convoy.

ARTICLE 11

If by exhibiting the Sea-Letters, and other Documents, described more particularly in the Twenty Fifth Article of this Treaty, the other Party shall discover there are any of those sorts of Goods, which are declared prohibited, and Contraband, and that they are consigned for a Port under the obedience of his Enemy, it shall not be lawfull to break up the Hatches of such Ship, nor to open any Chest, Coffer, Packs, Casks, or other Vessells found therein, or to remove the smallest Parcell of her Goods, whether the said Vessel belongs to the Subjects of Their High-Mightinesses, the States General of the United-Netherlands, or to the Subjects or Inhabitants of the said United States of America, unless the Lading be brought on Shore, in presence of the Officers of the Court of Admiralty, and an Inventory thereof made, but there shall be no allowance to sell, exchange, or alienate the same, untill, after that, due and lawfull Process, shall have been had against such prohibited Goods of Contraband, and the Court of Admiralty, by a Sentence pronounced, shall have confiscated the same, saving always as well the Ship itselff, as any other Goods found therein, which are to be esteemed free, and may not be detained, on pretence of their being infected by the prohibited Goods, much less shall they be confiscated as lawfull Prize: But, on the contrary, when, by the visitation at Land, it shall be found that there are no Contraband Goods in the Vessel, and, it shall not appear by the Papers, that he, who has taken and carried in the Vessel, has been able to discover any there, he ought to

be condemned in all the Charges, Damages and Interests of them, which he shall have caused, both to the Owners of Vessells, and to the Owners and Freighters of Cargoes, with which they shall be loaded, by his temerity in taking and carrying them in; declaring most expressly the free Vessells shall assure the liberty of the Effects, with which they shall be loaded, and that this liberty shall extend itselff equally to the Persons who shall be found in a free Vessel, who may not be taken out of her, unless they are Military Men, actually in the service of an Enemy.

ARTICLE 12

On the contrary, it is agreed, that whatever shall be found to be laden by the Subjects and Inhabitants of either Party, on any Ship, belonging to the Enemies of the other, or to their Subjects, although it be not comprehended under the sort of prohibited Goods, the whole may be confiscated, in the same manner, as if it belonged to the Enemy; except, never the less, such Effects and Merchandizes, as were put on board such Vessel, before the Declaration of War, or in the space of Six Months after it, which effects shall not be, in any manner, subject to confiscation, but shall be faithfully and without delay, restored in nature to the Owners, who shall claim them, or cause them to be claimed, before the Confiscation and sale, as also their Proceeds, if the Claim could not be made, but in the space of Eight Months, after the sale, which ought to be publick: provided nevertheless, that if the said Merchandizes are contraband, it shall, by no means, be lawfull to transport them afterwards to any Port, belonging to Enemies.

ARTICLE 13

And, that more effectual care may be taken for the Security of Subjects, and People of either Party, that they do not suffer molestation from the Vessells of War or Privateers of the other Party, it shall be forbidden to all Commanders of Vessells of War, and other armed Vessells of the said States-General of the United-Netherlands, and the said United-States of America, as well as to all their Officers, Subjects and People, to give any offence or do any damage to those of the other Party: And, if they act to the contrary, they shall be, upon the first complaint, which shall be made of it, being found guilty, after a just examination, punished by their proper Judges, and, moreover, obliged to make satisfaction for all damages and Interests thereof, by reparation, under pain and obligation of their Persons and Goods.

ARTICLE 14

For further determining of what has been said, all Captains of Privateers, or Fitters-out of Vessells, armed for War, under Commission and on account of private Persons, shall be held, before their departure, to give sufficient Caution, before competent Judges, either, to be entirely responsible for the

Malversations, which they may commit in their Cruizes or Voyages, as well as, for the Contraventions of their Captains and Officers against the present Treaty and against the Ordinances and Edicts, which shall be published in consequence of, and conformity to it, under pain of forfeiture and nullity of the said Commissions.

ARTICLE 15

All Vessels and Merchandizes, of whatsoever nature, which shall be rescued out of the Hands of any Pirates or Robbers, navigating the High-Seas, without requisite Commissions, shall be brought into some Port of one of the Two States, and deposited in the hands of the Officers of that Port, in order to be restored entire to the true Proprietor, as soon as due and sufficient proofs shall be made, concerning the Property thereof.

ARTICLE 16

If any Ships or Vessells, belonging to either of the Parties, their Subjects or People, shall, within the Coasts or Dominions of the other, stick upon the Sands, or be wrecked or suffer any other Sea-Damage, all friendly assistance and relief shall be given to the Persons shipwrecked, or such as shall be in danger thereof; and the Vessells, Effects and Merchandizes, or the part of them which shall have been saved, or the proceeds of them, if, being perishable, they shall have been sold, being claimed within a Year and a day, by the Masters or Owners, or their Agents or Attornies, shall be restored, paying only the reasonable Charges, and that which must be paid, in the same case, for the salvage, by the proper Subjects of the Country: There shall also be delivered them safe Conducts or Passports, for their free and safe passage from thence, and to returne, each one, to his own Country.

ARTICLE 17

In case the Subjects or People of either Party, with their shipping, whether public and of War, or private and of Merchants, be forced, through stress of Weather, pursuit of Pirates or Enemies, or any other urgent necessity for seeking of shelter and Harbour, to retract and enter in to any of the Rivers, Creeks, Bays, Ports, Roads, or Shores, belonging to the other Party, they shall be received with all humanity and kindness, and enjoy all friendly Protection and help, and they shall be permitted to refresh and provide them selves, at reasonable Rates, with Victualls, and all things needfull for the sustenance of their Persons, or reparation of their Ships, and they shall no ways be detained or hindred from returning out of the said Ports, or Roads, but may remove and depart, when and whither they please, without any let or hindrance.

ARTICLE 18

For the better promoting of Commerce, on both sides, it is agreed, that if a War should break out, between Their High Mightinesses, the States General

of the United Netherlands, and the United States of America, there shall always be granted, to the Subjects on each side, the Term of Nine Months, after the date of the Rupture, or the proclamation of War, to the end that they may retire, with their Effects, and transport them, where they please, which it shall be lawfull for them to do, as well as to sell or transport their Effects and Goods, in all freedom, and without any hindrance, and without being able to proceed, during the said Term of Nine Months, to any Arrest of their Effects, much less of their Persons; on the contrary, there shall be given them, for their Vessells and their Effects, which they would carry away, Passports and safe Conducts, for the nearest Ports of their respective Countries, and for the time necessary for the Voyage. And no Prize, made at Sea, shall be adjudged lawfull, at least, if the Declaration of War was not or could not be known, in the last Port, which, the Vessel taken, has quitted. But, for what ever may have been taken from the Subjects and Inhabitants of either Party, and, for the Offences, which may have been given them, in the Interval of the said Terms, a compleat satisfaction shall be given them.

ARTICLE 19

No Subject of Their High-Mightinesses the States General of the United-Netherlands, shall apply for, or take any Commission or Letters of Marque, for arming any Ship or Ships, to act as Privateers, against the said United-States of America, or any of them, or the Subjects and Inhabitants of the said United-States, or any of them, or against the Property of the Inhabitants of any of them, from any Prince or State, with which the said United-States of America may happen to be at War: Nor shall any subject or Inhabitant of the said United States of America, or any of them, apply for or take any Commission or Letters of Marque, for arming any Ship or Ships, to act as Privateers against the High and Mighty Lords, the States-General of the United Netherlands, or against the subjects of Their High-Mightinesses, or any of them, or against the Property of any one of them, from any Prince or State, with which Their High Mightinesses may be at war: And if any person, of either Nation, shall take such Commission, or Letters of Marque, he shall be punished as a Pirate.

ARTICLE 20

If the Vessells of the Subjects or Inhabitants, of one of the Parties, come upon any Coast, belonging to either of the said Allies, but not willing to enter in to Port, or, being entered in to Port and not willing to unload their Cargoes or break Bulk, or take in any Cargoe, they shall not be obliged to pay, neither for the Vessells, nor the Cargoes, any Duties of Entry in, or out, nor to render any Account of their Cargoes, at least, if there is not just cause to presume, that they carry, to an Enemy, Merchandizes of Contraband.

ARTICLE 21

The Two contracting Parties grant to each other, mutually, the liberty of having, each in the Ports of the other, Consuls, Vice-Consuls, Agents and Commissaries of their own appointing, whose Functions shall be regulated by particular Agreement, when ever either Party chuses to make such Appointments.

ARTICLE 22

This Treaty shall not be understood, in any manner, to derogate from the Ninth, Tenth, Nineteenth, and Twenty Fourth Articles of The Treaty with France, as they were numbered in the same Treaty, concluded the sixth of February 1778,⁴ and which make the Articles Ninth, Tenth, Seventeenth, and Twenty second of the Treaty of Commerce, now subsisting, between the United-States of America and the Crown of France: Nor shall it hinder his Catholic Majesty, from acceding to that Treaty, and enjoying the Advantages of the said Four Articles.

ARTICLE 23

If at any time, the United-States of America, shall judge necessary, to commence Negotiations, with the King or Emperor of Marocco and Fez, and with the Regencies of Algiers, Tunis or Tripoli, or with any of them to obtain Passports for the security of their Navigation in the Mediteranean Sea, Their High-Mightinesses promise, that, upon the Requisition, which the United States of America shall make of it, they will second such Negotiations, in the most favourable manner, by means of Their Consuls, residing near the said King, Emperor, and Regencies.

CONTRABAND**ARTICLE 24**

The liberty of Navigation and Commerce shall extend to all sorts of Merchandizes, excepting only those, which are distinguished under the name of Contraband or Merchandizes prohibited: And, under this Denomination of Contraband and Merchandizes-prohibited, shall be comprehended only Warlike Stores and Arms, as Mortars, Artillery, with their Artifices and Ap-purtenances, Fusils, Pistols, Bombs, Grenades, Gun-Powder, Salt-Petre, Sulphur, Match, Bullets and Balls, Pikes, Sabres, Lances, Halberts, Casques, Cuirasses, and other sorts of Arms; as also, Soldiers, Horses, Saddles and Furniture for Horses. All other Effects and Merchandizes, not before specified expressly, and even all sorts of Naval Matters, however proper they may be, for the Construction and Equipment of Vessells of War, or for the Manufacture of one or another sort of Machines of War, by Land or sea, shall not be judged

⁴ TS 83, *ante*, vol. 7, p. 763.

Contraband, neither by the Letter, nor, according to any pretended Interpretation whatever, ought they, or can they be comprehended, under the Notion of Effects prohibited or Contraband: so that all Effects and Merchandizes, which are not expressly before named, may, without any exception, and in perfect liberty, be transported, by the Subjects and Inhabitants of both Allies, from and to Places, belonging to the Enemy; excepting only the Places, which, at the same time, shall be besieged, blocked or invested; and those Places only shall be held for such, which are surrounded nearly, by some of the belligerent Powers.

ARTICLE 25

To the end that all dissention and Quarrel may be avoided, and prevented, it has been agreed, that in case that one of the Two Parties happens to be at War, the Vessells belonging to the Subjects or Inhabitants of the other Ally, shall be provided with Sea-Letters or Passports, expressing the Name, the property and the Burthen of the Vessell, as also the Name and the Place of Abode of the Master, or Commander of the said Vessell; to the end that, thereby, it may appear, that the Vessell, really and truly, belongs to Subjects or Inhabitants of one of the Parties; which Passports shall be drawn and distributed, according to the Form, annexed to this Treaty, each time that the Vessell shall return, she should have such her Passport renewed, or, at least, they ought not to be of more antient Date than Two Years, before the Vessell has been returned to her Own Country. It has been also agreed, that such Vessells, being loaded, ought to be provided not only with the said Passports or Sea-Letters; but also, with a general Passport, or with particular Passports, or Manifests, or other publick Documents, which are ordinarily given to Vessells outward bound, in the Ports from whence the Vessells have set sail in the last place, containing a specification of the Cargo, of the Place from whence the Vessell departed; and of that of her destination, or, instead of all these, with Certificates from the Magistrates or Governors of Cities, Places and Colonies from whence the Vessell came, given in the usual Form, to the end that it may be known, whether there are any Effects prohibited or Contraband, on board the Vessells, and whether they are destined to be carried to an Enemy's Country or not. And in case any one judges proper, to express, in the said documents, the Persons, to whom the effects, on board, belong, he may do it freely, without, however, being bound to do it; and the Omission of such expression cannot and ought not to cause a Confiscation.

ARTICLE 26

If the Vessells of the said subjects or Inhabitants of either of the parties, sailing along the Coasts, or on the High-Seas, are met by a Vessell of War, or Privateer, or other Armed Vessell of the other Party, the said Vessells of War, Privateers, or armed Vessells, for avoiding all disorder, shall remain,

without the reach of Cannon, but may send their Boats on board the Merchant Vessel, which they shall meet in this manner, upon which, they may not pass more than two or three men, to whom the Master or Commander shall exhibit his Passport, containing the Property of the Vessel, according to the Form Annexed to this Treaty: And the Vessel, after having exhibited such a Passport, Sea-Letter, and other Documents, shall be free to continue her Voyage, so that it shall not be lawfull to molest her, or search her, in any manner, nor to give her Chase, nor to force her to alter her Course.

ARTICLE 27

It shall be lawfull, for Merchants, Captains and Commanders of Vessells, whether public and of War, or private and of Merchants, belonging to the said United-States of America, or any of them, or to their Subjects and Inhabitants, to take freely into their service, and receive on board of their Vessells, in any Port or Place, in the Jurisdiction of Their High-Mightinesses, aforesaid, Seamen or others, Natives or Inhabitants of any of the said States, upon such conditions, as they shall agree on, with out being subject, for this, to any Fine, Penalty, Punishment, Process, or Reprehension, whatsoever.

And reciprocally, all Merchants, Captains and Commanders, belonging to the said United Netherlands, shall enjoy, in all the Ports and Places under the obedience of the said United States of America, the same Priviledge of engaging and receiving, Seamen or others, Natives or Inhabitants of any Country of the Domination of the said States-General; provided, that neither on One side nor the other, they may not take in to their service such of their Countrymen, who have already engaged in the service of the other Party contracting, whether in War or Trade, and Whether they meet them by Land or Sea; at least, if the Captains or Masters, under the command of whom such Persons may be found, will not, of his own consent, discharge them from their Service; upon pain of being otherwise treated and punished as Deserters.

ARTICLE 28

The affair of the Refraction shall be regulated, in all equity and Justice, by the Magistrates of Cities respectively, where it shall be judged, that there is any room to complain, in this respect.

ARTICLE 29

The present Treaty shall be ratified and approved, by Their High Mightinesses, the States General of the United-Netherlands, and by the United-States of America; and, the Acts of Ratification, shall be delivered, in good and due form, on one side and on the other, in the space of Six Months, or sooner, if possible, to be computed from the Day of the signature.

In Faith of which, We the Deputies and Plenipotentiaries of the Lords the States General of the United Netherlands, and the Minister Plenipoten-

tiary of the United-States of America, in virtue of our respective Authorities and full Powers, have signed the present Treaty and apposed thereto the Seals of our Arms.

Done at the Hague the Eight of October, One Thousand Seven Hundred
Eighty Two.

JOHN ADAMS	[SEAL]
GEORGE VAN RANDWYCK	[SEAL]
B. V. D. SANTHEUVEL	[SEAL]
P. V. BLEISWYK	[SEAL]
W. C. H. VAN LYNDEN	[SEAL]
D. I. VAN HEECKEREN	[SEAL]
JOAN VAN KUFFELEER	[SEAL]
F. G. VAN DEDEM	[SEAL]
<i>tot den Gelder</i>	
H. T JASSSENS	[SEAL]

THE FORM OF THE PASSPORT WHICH SHALL BE GIVEN TO SHIPS AND VES-
SELLS, IN CONSEQUENCE OF THE 25th ARTICLE OF THIS TREATY

To all who shall see these presents, Greeting: Be it known, that leave and permission, are, hereby, given to Master or Commander of the Ship or Vessel, called of the Burthen of Tons, or there abouts, lying at present in the Port or Haven of bound for and laden with to depart and proceed with his said Ship or Vessel on his said Voyage, such Ship or Vessel having been visited, and the said Master and Commander having made Oath before the proper Officer, that the said Ship or Vessel belongs to one or more of the Subjects, People, or Inhabitants of and to him or them only.

In witness whereof, We have subscribed our Names to these presents, and affixed the Seal of our Arms thereto, and caused the same to be countersigned by at this day of in the Year
of our Lord Christ.

FORM OF THE CERTIFICATE, WHICH SHALL BE GIVEN TO SHIPS OR VESSELS,
IN CONSEQUENCE OF THE 25th ARTICLE OF THIS TREATY

We Magistrates or Officers of the Customs, of the City or
Port of do Certify and attest, that on the day of
in the Year of our Lord C D of personally appeared, be-
fore us, and declared by solemn Oath, that the Ship or Vessel, called
Tons or there abouts, whereof of is at present
Master or Commander, does, rightfully and proper belong to him or them
only:

That she is now bound, from the City or Port of _____ to the Port
of _____ laden with goods and Merchandizes hereunder particularly
described and enumerated, as follows.

In Witness whereof, we have signed this Certificate, and sealed it with the
Seal of our Office, this _____ day of _____ in the Year of our Lord
Christ

FORM OF THE SEA-LETTER

Most Serene, Serene, Most Puissant, Puissant, High, Illustrious, Noble,
Honourable, Venerable, Wise and Prudent, Lords, Emperors, Kings, Re-
publicks, Princes, Dukes, Earls, Barons, Lords, Burgomasters, Schepens,
Councillors, as also Judges, Officers, Justiciaries and Regents of all the good
Cities and Places, whether Ecclesiastical or Secular, who shall see these
patents, or hear them read: We Burgomasters and Regents of the City of
make known that the Master of _____ appear-
ing before us, has declared upon Oath, that the Vessell, called
of the Burthen of about _____ Lasts, which he at present navigates, is of the
United Provinces, and that no Subjects of the Enemy, have any Part or
Portion therein, directly nor indirectly, So may God Almighty help him.
And as we wish to see the said Master prosper in his lawfull Affairs, our
prayer is, to all the before mentioned, and to each of them separately, where
the said Master shall arrive, with his Vessell and Cargo, that they may please
to receive the said Master, with goodness, and to treat him in a becoming
manner, permitting him, upon the usual Tolls and Expences, in passing and
repassing, to pass, navigate and frequent the Ports, Passes and Territories,
to the End to transact his Business, where, and in what manner he shall
judge proper: whereof We shall be willingly indebted.

In Witness and for cause where of, we affix hereto the Seal of this Citty.

(:in the Margin:)

By Ordinance of the High and Mighty Lords, the States-General of the
United-Netherlands.

RECAPTURED VESSELS

Convention signed at The Hague October 8, 1782

Ratified by the Netherlands December 27, 1782

Ratified by the Congress of the United States (Continental Congress)

January 23, 1783

Proclaimed by the Congress of the United States (Continental Congress)

January 23, 1783

Ratifications exchanged at The Hague June 23, 1783

Entered into force June 23, 1783

Abrogated by overthrow of Netherlands Government in 1795¹

8 Stat. 50; Treaty Series 250²

CONVENTION BETWEEN THE LORDS, THE STATES-GENERAL OF THE UNITED- NETHERLANDS, AND THE UNITED STATES OF AMERICA, CONCERNING VESSELS RECAPTURED

The Lords, the States-General of the United Netherlands, and the United States of America, being inclined to establish some uniform Principles, with relation to Prizes, made by Vessels of War, and Commissioned by the Two contracting Powers, upon their common Enemies, and to Vessels of the Subjects of either Party, captured by the Enemy, and recaptured by Vessels of War, commissioned by either Party, have agreed upon the following Articles.

ARTICLE 1

The Vessels of either of the Two Nations, recaptured by the Privateers of the other, shall be restored to the first Proprietor, if such Vessels have not been Four and Twenty Hours in the Power of the Enemy; provided the Owner of the Vessel recaptured pay therefor, one Third of the Value of the Vessel, as also, of that of the Cargo, the Cannons and Apparel, which Third shall be valued, by agreement, between the parties interested; or, if they cannot agree, thereon, among themselves they shall address themselves to the Officers of the Admiralty, of the Place, where the Privateer, who has retaken the Vessel, shall have conducted her.

¹ See footnote 2, *ante*, p. 6.

² For a detailed study of this convention, see 2 Miller 91.

ARTICLE 2

If the Vessel recaptured, has been, more than Twenty Four Hours, in the power of the Enemy, she shall belong, entirely, to the Privateer who has retaken her.

ARTICLE 3

In case a Vessel shall have been recaptured, by a Vessel of War, belonging to the States General of the United-Netherlands, or to the United-States of America, she shall be restored to the first Owner, he paying a Thirtieth Part of the Value of the Ship, her Cargo, Cannons and Apparel, if she has been recaptured, in the Interval of Twenty Four Hours, and the Tenth Part, if she has been recaptured, after the Twenty Four Hours: which Sums shall be distributed, in form of Gratifications, to the Crews of the Vessels, which shall have retaken her.

The valuation of the said Thirtieth Parts and Tenth Parts, shall be regulated, according to the Tenour of the first Article of the present Convention.

ARTICLE 4

The restitution of Prizes, whether they may have been retaken by Vessels of War, or by Privateers, in the meantime and untill requisite and sufficient Proofs can be given of the Property of Vessels recaptured, shall be admitted in a reasonable time, under sufficient sureties, for the observation of the aforesaid Articles.

ARTICLE 5

The Vessels of War and Privateers, of One and of the other of the Two Nations, shall be reciprocally, both in Europe, and in the other Parts of the World, admitted in the respective Ports of each, with their Prizes, which may be unloaded and sold, according to the formalities used in the State where the Prize shall have been conducted, as far as may be consistent with the 22^a: Article of the Treaty of Commerce: ³ Provided always, that the Legality of Prizes, by the Vessels of the Low-Countries, shall be decided conformably to the Laws and Regulations, established in the United-Netherlands; as likewise, that, of Prizes, made by American Vessels, shall be judged, according to the Laws and Regulations determined by the United-States of America.

ARTICLE 6

More over, it shall be free, for the States-General of the United-Netherlands, as well as for the United States of America, to make such Regulations, as they shall judge necessary, relative to the Conduct, which their respective Vessels and Privateers ought to hold, in relation to the Vessels, which they shall have taken and conducted in to the Ports of the Two Powers.

² TS 249, *ante*, p. 14.

In Faith of which, We, the Deputies and Plenipotentiaries of the Lords, the States-General of the United-Netherlands, and Minister Plenipotentiary of the United-States of America, have, in virtue of our respective Authorities and Full-Powers, signed these presents and confirmed the Same, with the Seal of our Arms.

Done at the Hague, the Eight of October, One Thousand Seven Hundred Eighty Two.

JOHN ADAMS	[SEAL]
GEORGE VAN RANDWYCK	[SEAL]
B. V. D. SANTHEUVEL	[SEAL]
P. V. BLEISWYK	[SEAL]
W. C. H. VAN LYNDEN	[SEAL]
D. I. VAN HEECKEREN	[SEAL]
JOAN VAN KUFFELER	[SEAL]
F. G. VAN DEDEM	[SEAL]
<i>tot den Gelder</i>	
H. TJASSENS	[SEAL]

COMMERCE AND NAVIGATION

Treaty signed at Washington January 19, 1839

Senate advice and consent to ratification January 31, 1839

Ratified by the President of the United States February 1, 1839

Ratified by the Netherlands March 19, 1839

Ratifications exchanged at Washington May 23, 1839

Proclaimed by the President of the United States May 24, 1839

Entered into force July 4, 1839

Articles I and II superseded by convention of August 26, 1852¹

*Article III abrogated July 1, 1916, by the United States in accordance
with Seamen's Act of March 4, 1915²*

Terminated May 10, 1919³

8 Stat. 524; Treaty Series 251⁴

The United States of America and His Majesty the King of the Netherlands, anxious to regulate the commerce and navigation carried on between the two countries in their respective vessels, have, for that purpose, named Plenipotentiaries; that is to say:

The President of the United States has appointed John Forsyth, Secretary of State of the said United States; and His Majesty the King of the Netherlands, Jonkheer Evert Marius Adrian Martini, Member of the body of Nobles of the province of North Brabant, Knight of the order of the Netherland Lion, and His Chargé d'Affaires near the United States, who having exchanged their respective full powers, found in good and due form, have agreed to the following articles:

ARTICLE I⁵

Goods and merchandise, whatever their origin may be, imported into or exported from, the ports of the United States, from or to the ports of the Netherlands in Europe, in vessels of the Netherlands, shall pay no higher or other duties than shall be levied on the like goods and merchandise so imported or exported in national vessels. And reciprocally, goods and mer-

¹ TS 252, *post*, p. 25.

² 38 Stat. 1164.

³ Pursuant to notice of termination given by the United States May 10, 1918.

⁴ For a detailed study of this treaty, see 4 Miller 171.

⁵ Superseded by art. I of convention of Aug. 26, 1852 (TS 252, *post*, p. 25).

chandise, whatever their origin may be, imported into, or exported from, the ports of the Netherlands in Europe, from or to the ports of the United States, in vessels of the said States, shall pay no higher or other duties, than shall be levied on the like goods and merchandise so imported or exported in national vessels. The bounties, drawbacks, or other favors of this nature, which may be granted in the States of either of the contracting parties, on goods imported or exported in national vessels, shall also and in like manner be granted on goods directly exported or imported in vessels of the other country, to and from the ports of the two countries; it being understood, that in the latter as in the preceding case, the goods shall have been loaded in the ports from which such vessels have been cleared.

ARTICLE II⁶

Neither party shall impose upon the vessels of the other, whether carrying cargoes between the United States and the ports of the Netherlands in Europe, or arriving in ballast from any other country, any duties of tonnage, harbour dues, lighthouses, salvage, pilotage, quarantine, or port charges of any kind or denomination which shall not be imposed in like cases on national vessels.

ARTICLE III

It is further agreed between the two contracting parties, that the Consuls and Vice Consuls of the United States in the ports of the Netherlands in Europe; and reciprocally the Consuls and Vice Consuls of the Netherlands in the ports of the said States, shall continue to enjoy all privileges, protection and assistance, as may be usual and necessary for the duly exercising of their functions, in respect also of the deserters from the vessels, whether public or private, of their countries.

ARTICLE IV

The Contracting Parties agree to consider and treat as vessels of the United States and of the Netherlands, all such as, being furnished by the competent authority with a passport or sealetter, shall, under the then existing laws and regulations, be recognized as national vessels by the country to which they respectively belong.

ARTICLE V

In case of shipwreck or damage at sea, each party shall grant to the vessels, whether public or private, of the other, the same assistance and protection which would be afforded to its own vessels in like cases.

⁶ Superseded by art. II of convention of Aug. 26, 1852 (TS 252, *post*, p. 26).

ARTICLE VI

The present treaty shall be in force for the term of ten years, commencing six weeks after the exchange of the ratifications; and further until the end of twelve months after either of the Contracting Parties shall have given to the other notice of its intention to terminate the same: Each of the contracting parties reserving to itself the right of giving such notice to the other, after the expiration of the said term of ten years. And it is hereby mutually agreed, that in case of such notice this treaty, and all the provisions thereof, shall at the end of the said twelve months, altogether cease and determine.

ARTICLE VII

The present treaty shall be ratified, and the ratifications shall be exchanged at Washington, within six months of its date, or sooner, if practicable.

In witness whereof, the respective Plenipotentiaries have signed the same, and have affixed thereto the seals of their arms.

Done in duplicate, at the city of Washington, this nineteenth day of January in the year of our Lord one thousand eight hundred and thirty-nine.

JOHN FORSYTH [SEAL]
ADR. MARTINI [SEAL]

COMMERCE

*Convention signed at Washington August 26, 1852, supplementing
treaty of January 19, 1839*

Ratified by the Netherlands January 11, 1853

Senate advice and consent to ratification February 17, 1853

Ratified by the President of the United States February 21, 1853

Ratifications exchanged at Washington February 25, 1853

Proclaimed by the President of the United States February 26, 1853

Entered into force April 8, 1853

Replaced December 5, 1957, by treaty of March 27, 1956¹

10 Stat. 982; Treaty Series 252²

The United States of America and His Majesty the King of the Netherlands, being desirous of placing the commerce of the two countries on a footing of greater mutual equality, have appointed as their Plenipotentiaries for that purpose; that is to say: the President of the United States of America, Daniel Webster, Secretary of State of the United States, and His Majesty the King of the Netherlands, François Mathieu Wenceslas Baron Testa, Commander of the Royal Grand Ducal Order of the Crown of Oak of Luxembourg, Knight of the Royal Order of the Lion of the Netherlands, and of the Grand Ducal Order of the White Falcon, third class; Counsellor of Legation, and His Majesty's Chargé d'Affaires to the Government of the United States of America; who, after having communicated to each other their respective powers, found in good and due form, have agreed that, for and in lieu of the first and second articles of the treaty of commerce and navigation signed at Washington on the 19th of January, 1839,³ between the High Contracting Parties, the following articles shall be substituted:

ARTICLE I

Goods and merchandise, whatever their origin may be, imported into, or exported from, the ports of the United States, from and to any other country, in vessels of the Netherlands, shall pay no higher or other duties than shall be levied on the like goods and merchandise imported or exported in national vessels. Reciprocally, goods and merchandise, whatever their origin may be, imported into or exported from the ports of the Netherlands, from and to

¹ 8 UST 2043; TIAS 3942.

² For a detailed study of this convention, see 6 Miller 75.

³ TS 251, *ante*, p. 22.

any other country, in vessels of the United States, shall pay no higher or other duties than shall be levied on the like goods and merchandise imported or exported in national vessels.

The bounties, drawbacks, and other privileges of this nature, which may be granted in the States of either of the Contracting Parties, on goods imported or exported in national vessels, shall also and in like manner be granted on goods imported or exported in vessels of the other country.

ARTICLE II

The above reciprocal equality in relation to the flags of the two countries is understood to extend also to the ports of the colonies and dominions of the Netherlands beyond the seas, in which goods and merchandise, whatever their origin may be, imported or exported from and to any other country in vessels of the United States, shall pay no higher or other duties than shall be levied on the like goods and merchandise imported or exported from and to the same places in vessels of the Netherlands.

The bounties, drawbacks, or other privileges of similar denomination which may be there granted on goods and merchandise imported or exported in vessels of the Netherlands, shall also and in like manner be granted on goods and merchandise imported or exported in vessels of the United States.

ARTICLE III

Neither party shall impose upon the vessels of the other, whether carrying cargoes or arriving in ballast from either of the two countries, or any other country, any duties of tonnage, harbor dues, lighthouse, salvage, pilotage, quarantine, or port charges of any kind or denomination, which shall not be imposed in like cases on national vessels.

ARTICLE IV

The present arrangement does not extend to the coasting trade and fisheries of the two countries respectively, which are exclusively allowed to national vessels; it being moreover understood that, in the East Indian Archipelago of the Netherlands the trade from island to island is considered as coasting trade, and likewise in the United States, the trade between their ports on the Atlantic and their ports on the Pacific; and if, at any time, either the Netherlands or the United States shall allow to any other nation the whole or any part of the said coasting trade, the same trade shall be allowed on the same footing, and to the same extent, to the other party. It being however expressly understood and agreed that nothing in this article shall prevent the vessels of either nation from entering and landing a portion of their inward cargoes at one port of the other nation, and then proceeding to any other port or ports of the same, to enter and land the remainder, nor from preventing them in like manner from loading a portion of their outward cargoes at one port

and proceeding to another port or ports to complete their lading, such landing or lading to be done under the same rules and regulations as the two Governments may respectively establish for their national vessels in like cases.

ARTICLE V

The above reciprocal equality in relation to the flags of the two countries is not understood to prevent the Government of the Netherlands from levying discriminating duties of import or export in favor of the direct trade between Holland and her colonies and dominions beyond the seas; but American vessels engaged in such direct commerce, shall be entitled to all the privileges and immunities, whether as regards import or export duties, or otherwise, that are or may be enjoyed by vessels under the Dutch flag. Likewise, the United States shall continue to levy the discriminating duties imposed by the present tariff on teas and coffee, in favor of the direct importation of these articles from the place of their growth, but also without discriminating between the flags of the two countries. And if, at any time, the Netherlands or the United States shall abolish the said discriminating duties, it is understood that the same shall be in like manner abolished in relation to the commerce of the other country.

ARTICLE VI

The present convention shall be considered as additional to the above mentioned treaty of the 19th of January, 1839, and shall, altogether with the unmodified articles of that treaty, be in force for the term of two years, commencing six weeks after the exchange of the ratifications; and further until the end of twelve months after either of the Contracting Parties shall have given to the other notice of its intention to terminate the same: each of the Contracting Parties reserving to itself the right of giving such notice to the other, after the expiration of the said term of two years. And it is hereby mutually agreed that, in case of such notice, this convention, and all the provisions thereof, as well as the said treaty of 19th January, 1839, and the provisions thereof, shall, at the end of the said twelve months altogether cease and determine.

ARTICLE VII

The present convention shall be ratified, and the ratifications shall be exchanged at Washington within six months of its date, or sooner, if possible.

In witness whereof, the respective Plenipotentiaries have signed the same, and have affixed thereto the seals of their arms.

Done, in duplicate, at the City of Washington, this twenty-sixth day of August, in the year of our Lord one thousand eight hundred and fifty-two.

DANL WEBSTER [SEAL]
Fs. TESTA [SEAL]

CONSULS

Convention signed at The Hague January 22, 1855

Senate advice and consent to ratification March 3, 1855

Ratified by the President of the United States March 5, 1855

Ratified by the Netherlands April 18, 1855

Ratifications exchanged at Washington May 25, 1855

Entered into force May 25, 1855

Proclaimed by the President of the United States May 26, 1855

*Article 10 abrogated by the United States July 1, 1916, in accordance
with Seamen's Act of March 4, 1915¹*

10 Stat. 1150; Treaty Series 253²

His Majesty the King of the Netherlands wishing to strengthen the bonds of friendship subsisting between the United States of America and the Kingdom of the Netherlands and to give the amplest possible development to the commercial intercourse, so happily established between the two nations, has for the accomplishment of that purpose, and in order to satisfy a desire repeatedly expressed by the Government of the United States, consented to receive Consuls from said States in the principal ports of the Dutch Colonies, with the reservation however of making this concession the subject of a special convention, which shall determine in a clear and precise manner, the rights, duties and privileges of said Consuls in the Colonies above mentioned.

Accordingly the President of the United States has named August Belmont, a citizen of the United States and their Minister Resident near His Majesty the King of the Netherlands.

His Majesty the King of the Netherlands: the Sieur Floris Adriaan van Hall, Grand Cross of the Order of the Netherlands Lion, His Majesty's Minister of State and for Foreign Affairs, and the Sieur Charles Ferdinand Pahud, Grand Cross of the Order of the Netherlands Lion, His Majesty's Minister for the Colonies.

Who after communicating to each other their full powers found in good and due form, have agreed upon the following articles.

¹ 38 Stat. 1164.

² For a detailed study of this convention, see 7 Miller 3.

ARTICLE 1

Consuls General, Consuls and Vice Consuls of the United States of America will be admitted into all the ports in the transmarine possessions or colonies of the Netherlands, which are open to the vessels of all nations.

ARTICLE 2

The Consuls General, Consuls and Vice Consuls of the United States of America are considered as commercial agents, protectors of the maritime commerce of their countrymen in the ports within the circumference of their consular districts.

They are subject to the laws both civil and criminal of the country in which they reside; with such exceptions as the present Convention establishes in their favor.

ARTICLE 3

The Consuls General and Consuls before being admitted to exercise their functions and to enjoy the immunities attached thereto, must present a commission in due form to the Government of His Majesty the King of the Netherlands.

After having obtained the Exequatur, which shall be countersigned, as promptly as possible by the Governor of the Colony, the said Consular agents shall be entitled to the protection of the Government and to the assistance of the local authorities in the free exercise of their functions.

The Government in granting the Exequatur, reserves the right of withdrawing the same, or to cause it to be withdrawn by the Governor of the Colony, on a statement of the reasons for doing so.

ARTICLE 4

The Consuls general and Consuls are authorised to place on the outer door of their Consulates the arms of their Government, with the inscription: "Consulate of the United States of America."

It is well understood, that this outward mark shall never be considered as conferring the right of asylum, nor as having the power to exempt the house and those dwelling therein from the prosecution of the local justice.

ARTICLE 5

It is nevertheless understood that the archives and documents relating to the affairs of the Consulate shall be protected against all search, and that no authority or magistrate shall have the power under any pretext whatever to visit or seize them or to examine their contents.

ARTICLE 6

The Consuls General, Consuls and Vice Consuls shall not be invested with any diplomatic character.

When a request is to be addressed to the Netherlands Government, it must be done through the medium of the diplomatic agent residing at the Hague, if one be there.

The Consul may in case of urgency apply to the Governor of the Colony himself, showing the urgency of the case, and stating the reasons, why the request cannot be addressed to the subordinate authorities, or that previous applications made to such authorities have not been attended to.

ARTICLE 7

Consuls General and Consuls shall be free to establish Vice Consuls in the ports mentioned in art. 1, and situated in their Consular districts.

The Vice Consuls may be taken indiscriminately from among the subjects of the Netherlands, or from citizens of the United States, or of any other country residing or having the privilege according to the local laws to fix their residence in the port to which the Vice Consul shall be named.

These Vice Consuls whose nomination shall be submitted to the approval of the Governor of the Colony, shall be provided with a certificate given to them by the Consul under whose orders they exercise their functions.

The Governor of the Colony may in all cases withdraw from the Vice Consuls the afore said sanction, in communicating to the Consul General or Consul of the respective district, the motives for his doing so.

ARTICLE 8

Passports delivered or signed by Consuls or Consular agents do not dispense the bearer from providing himself with all the papers required by the local laws, in order to travel or to establish himself in the Colonies.

The right of the Governor of the Colony to prohibit the residence in, or to order the departure from the Colony of any person, to whom a passport may have been delivered, remains undisturbed.

ARTICLE 9

When a ship of the United States is wrecked upon the coast of the Dutch colonies, the Consul General, Consul or Vice Consul, who is present at the scene of the disaster, will in case of the absence, or with the consent of the Captain or supercargo, take all the necessary measures for the salvage of the Vessel, the cargo and all that appertains to it.

In the absence of the Consul General, Consul or Vice Consul, the Dutch authorities of the place where the wreck has taken place, will act in the premises, according to the regulations prescribed by the laws of the Colony.

ARTICLE 10³

Consuls General, Consuls and Vice Consuls may, in so far, as the extradition of deserters from merchant vessels or ships of war shall have been stipulated by treaty, request the assistance of the local authorities for the arrest, detention and imprisonment of deserters from Vessels of the United States. To this end they shall apply to the competent functionaries and claim said deserters in writing, proving by the register of the Vessel, the list of the crew or by any other authentic document, that the persons claimed belonged to the crew.

The reclamation being thus supported, the local functionaries shall exercise what authority they possess, in order to cause the deserters to be delivered up.

These deserters being arrested, shall be placed at the disposal of said Consuls and may be confined in the public prisons at the request, and at the expense of those who claim them, in order that they may be taken to the Vessels, to which they belong or to other Vessels of the same nation. But if they are not sent back within four months, from the day of their arrest, they shall be set at liberty and shall not again be arrested for the same cause.

It is understood however, that if the deserter be found to have committed any crime, offence, or contravention, his extradition may be delayed, until the court having cognizance of the matter shall have pronounced its sentence and the same has been carried into execution.

ARTICLE 11

In case of the death of a citizen of the United States, without having any known heirs or testamentary executors, the Dutch authorities, who according to the laws of the colonies are charged with the administration of the estate, will inform the Consuls or Consular agents of the circumstance, in order that the necessary information may be forwarded to parties interested.

ARTICLE 12

The Consuls General, Consuls and Vice Consuls, have in that capacity, in so far as the laws of the United States of America allow it, the right to be named arbiters in the differences, which may arise between the masters and the crews of the Vessels belonging to the United States, and this without the interference of the local authorities; unless the conduct of the crew or of the captain should have been such as to disturb the order and tranquillity of the country or that the Consuls General, Consuls or Vice Consuls should request the assistance of the said authorities, in order to carry out their decisions or to maintain their authority.

³ Abrogated by the United States July 1, 1916, in accordance with Seamen's Act of Mar. 4, 1915 (38 Stat. 1164).

It is understood however that this decision or special arbitrament is not to deprive on their return the parties in litigation of the right of appeal to the judiciary authorities of their own country.

ARTICLE 13

The Consuls General, Consuls and Vice Consuls who are not subjects of the Netherlands, who at the time of their appointment are not established as residents in the Kingdom of the Netherlands, or its Colonies, and who do not exercise any calling, profession or trade, besides their Consular functions, are, in so far as in the United States the same privileges are granted to the Consuls General, Consuls and Vice Consuls of the Netherlands, exempt from military billetings, from personal taxation, and moreover from all public or municipal taxes, which are considered of a personal character, so that this exemption shall never extend to custom house duties or other taxes whether indirect or real.

The Consuls General, Consuls and Vice Consuls who are not natives or recognized subjects of the Netherlands, but who may exercise conjointly with their Consular functions, any professional or trade whatever, are obliged to fulfill duties and pay taxes and contributions like all Dutch subjects and other inhabitants.

Consuls General, Consuls and Vice Consuls, subjects of the Netherlands, but to whom it has been accorded to exercise Consular functions conferred by the Government of the United States of America, are obliged to fulfill duties and pay taxes and contributions like all Dutch subjects and other inhabitants.

ARTICLE 14

The Consuls General, Consuls and Vice Consuls of the United States shall enjoy all such other privileges, exemptions and immunities in the Colonies of the Netherlands, as may at any future time be granted to the agents of the same rank of the most favored nations.

ARTICLE 15

The present convention shall remain in force for the space of five years from the day of the exchange of the ratifications, which shall take place within the delay of twelve months or sooner if possible.

In case neither of the contracting parties gives notice twelve months before the expiration of the said period of five years, of its intention not to renew this convention, it shall remain in force a year longer, and so on from year to year, until the expiration of a year from the day on which one of the parties shall give such notice.

In witness whereof, the respective Plenipotentiaries have signed the present Convention, and have affixed thereto the seals of their arms.

Done at the Hague, this twenty second day of January, in the year of our Lord one thousand eight hundred and fifty five.

AUGUST BELMONT [SEAL]

VAN HALL [SEAL]

F. PAHUD [SEAL]

RIGHTS, PRIVILEGES, AND IMMUNITIES OF CONSULAR OFFICERS

Convention signed at Washington May 23, 1878

Senate advice and consent to ratification June 6, 1878

Ratified by the President of the United States June 21, 1878

Ratified by the Netherlands July 10, 1879

Ratifications exchanged at Washington July 31, 1879¹

Entered into force July 31, 1879; operative September 18, 1879

Proclaimed by the President of the United States August 1, 1879

Terminated May 10, 1919²

21 Stat. 662; Treaty Series 254

CONSULAR CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE NETHERLANDS

The United States and His Majesty, the King of the Netherlands, being equally actuated by a desire to determine with precision the reciprocal rights, privileges, immunities and duties of their respective consular officers, together with their functions, have resolved to conclude a Consular Convention, and have appointed their plenipotentiaries, viz.,

The President of the United States of America, William M. Evarts, Secretary of State of the United States, His Majesty, the King of the Netherlands, Jonkheer Rudolph Alexander August Eduard von Pestel, Knight of the Order of the Netherland's Lion, His Majesty's Minister Resident in the United States, who having exchanged their respective full powers which were found to be in good and due form, have agreed upon the following articles—

ARTICLE I

Each of the high contracting parties agrees to receive Consuls General, Vice Consuls General, Consuls, Vice Consuls and Consular Agents of the other, into all its ports, cities and places, except in those localities where there may be some objection to admitting such officers.

¹ By resolutions dated Jan. 29 and May 8, 1879, the Senate gave its advice and consent to a six-month extension of the period for exchange of ratifications and to "the earliest date at which it may be found possible by both Governments to effect the exchange".

² Pursuant to notice of termination given by the United States May 10, 1918.

This exception, however, shall not be made in regard to one of the high contracting parties, without being made likewise in regard to every other Power.

ARTICLE II

The Consuls General, Vice Consuls General, Consuls, Vice Consuls and Consular Agents of the two high contracting parties, shall be reciprocally received and recognized on producing their commissions in the forms established in their respective countries, and the necessary exequaturs shall be delivered to them free of cost, on exhibiting which they shall enjoy the rights, prerogatives and immunities which are granted by the present convention.

The government granting the exequatur shall be at liberty to withdraw the same on stating the reasons for which it has thought proper so to do.

Notice shall be given, on producing the commission, of the extent of the district allotted to the consular officer, and subsequently of the changes that may be made in this district.

ARTICLE III

The respective Consuls General, Vice Consuls General, Consuls, Vice-Consuls, Consular Agents, Consular Pupils and Consular Clerks of the high contracting parties, shall enjoy in the two countries all the privileges, exemptions and immunities which are enjoyed or which may be hereafter enjoyed by the officers of the same rank of the most favored nation. Such consular officers being citizens or subjects of the country which has appointed them shall be exempted from military billeting and contributions, and from all military service by land or by sea, whether in the regular army, in the national or civic guard, or in the militia, and shall enjoy personal immunity from arrest or imprisonment except for acts constituting crimes or misdemeanors by the laws of the country in which they reside. They shall, moreover, when citizens or subjects of the country which has appointed them, and provided they be not engaged in commerce or manufactures, likewise be exempt from capitation or sumptuary taxes, and from all other fiscal duties or contributive taxes of a direct or personal character; but this immunity shall not extend to customs, excise or octroi duties, nor to taxes upon real or personal property which they may acquire or own in the country in which they exercise their functions.

Consular officers who engage in commerce shall not plead their consular privileges to avoid their commercial liabilities.

ARTICLE IV

If the testimony of a consular officer, who is a citizen or subject of the State by which he was appointed, and who is not engaged in business, is needed before the courts of either country, he shall be invited in writing to

appear in court, and if unable to do so, his testimony shall be requested in writing, or be taken orally at his dwelling or office.

To obtain the testimony of such consular officer before the courts of the country where he may exercise his functions, the interested party in civil cases, or the accused in criminal cases, shall apply to the competent judge, who shall invite the consular officer in the manner prescribed in § I, to give his testimony.

It shall be the duty of said consular officer to comply with this request, without any delay which can be avoided.

Nothing in the foregoing part of this article, however, shall be construed to conflict with the provisions of the sixth article of the amendments to the constitution of the United States, or with like provisions in the constitutions of the several States, whereby the right is secured to persons charged with crimes, to obtain witnesses in their favor, and to be confronted with the witnesses against them.

ARTICLE V

Consuls General, Vice-Consuls General, Consuls, Vice-Consuls and Consular Agents may place above the outer door of their offices, or residences, the arms of their nation, together with a proper inscription indicative of their office. They may also display the flag of their country over their offices, or dwellings, and may hoist their flag upon any vessel employed by them in port in the discharge of their duty.

ARTICLE VI

The consular archives shall be at all times inviolable, and the local authorities shall under no pretext, examine or seize the papers belonging thereto.

When a consular officer is engaged in business, the papers relating to the Consulate shall be kept in a separate enclosure and apart from the papers pertaining to his business.

The offices and dwellings of consular officers shall in no event be used as places of asylum.

ARTICLE VII

In the event of inability to act, absence or decease of Consuls General, Vice Consuls General, Consuls, Vice Consuls, Consular Agents, their Consular Pupils and Consular Clerks, Chancellors or Secretaries, whose official character may have previously been made known to the Department of State at Washington, or to the Minister of Foreign Affairs at the Hague, shall be permitted to take charge *ad interim* of the business of the Consulate, and while thus acting, and so far as may be competent according to Article III, if foreign citizens not engaged in commerce, shall enjoy all the rights, privileges and immunities granted to the incumbents.

ARTICLE VIII

Consuls General and Consuls may with the approval of their respective governments, appoint Vice Consuls General, Vice-Consuls and Consular Agents in the cities, ports and places within their consular district. They may appoint as such, without distinction, citizens of the United States, subjects of the Netherlands, or citizens or subjects of other countries. The persons so appointed shall be furnished with a commission, and shall enjoy the privileges, rights and immunities provided for in this Convention in favor of consular officers, subject to provisions and limitations as specified in Article III, and in other articles hereof.

ARTICLE IX

The Consuls General, Vice Consuls General, Consuls, Vice Consuls and Consular Agents of the two high contracting parties, shall have the right to address the authorities of the respective countries, national or local, judicial or executive, within the extent of their respective consular districts, for the purpose of complaining of any infraction of the treaties or conventions existing between the two countries, or for purposes of information, or for the protection of the rights and interests of their countrymen.

If such application shall not receive proper attention, such consular officers may, in the absence of the Diplomatic Agent of their Country, apply directly to the government of the country in which they reside.

ARTICLE X

Consuls General, Vice-Consuls General, Consuls, Vice-Consuls or Consular Agents of the two countries, or their Chancellors, shall have the right conformably to the laws and regulations of their country:

1: To take at their office or dwelling, at the residence of the parties, or on board of vessels of their own nation, the depositions of the captains and crews, of passengers on board of them, of merchants, or of any other persons.

2: To receive and verify certificates of births and deaths of their countrymen and of marriages between them, and all unilateral acts, wills and bequests of their countrymen, and any and all acts of agreement entered upon between subjects or citizens of their own country, and between such subjects or citizens and the subjects or citizens or other inhabitants of the country where they reside, and also all contracts between the latter; provided such unilateral acts, acts of agreement or contracts relate to property situated or to business to be transacted in the territory of the nation by which the said consular officers are appointed.

All such acts of agreement and other instruments, and also copies and translations thereof, when duly authenticated by such Consul General, Vice Consul General, Consul, Vice Consul or Consular Agent under his official seal, shall

be received in Courts of Justice, as legal documents or as authenticated copies as the case may be, subject to the provisions of law on such subject, however, in the two countries.

ARTICLE XI

Consuls General, Vice Consuls-General, Consuls, Vice Consuls and Consular Agents shall have charge of the internal order on board of the merchant vessels of their nation, to the exclusion of all local authorities. They shall take cognizance of all disputes and determine all differences which may have arisen at sea, or which may arise in port, between the captains, officers and crews, including disputes concerning wages and the execution of contracts reciprocally entered into. The courts or other authorities of either country, shall on no account interfere in such disputes unless such differences on board ship be of a nature to disturb the public peace on shore or in port, or unless persons other than the officers and crew are parties thereto.

The Consuls-General, Vice-Consuls-General, Consuls, Vice-Consuls and Consular-Agents shall be at liberty to go, either in person or by proxy, on board vessels of their nation admitted to entry, and to examine the officers and crews, to examine the ships' papers, to receive declarations concerning their voyage, their destination and the incidents of the voyage; also to draw up manifests and lists of freight or other documents, to facilitate the entry and clearance of their vessels, and finally to accompany the said officers or crews before the judicial or administrative authorities of the country to assist them as their interpreters or agents.

ARTICLE XII

The Consuls General, Vice-Consuls General, Consuls, Vice-Consuls and Consular Agents of the two countries may respectively cause to be arrested and sent on board, or cause to be returned to their own country, such officers, seamen or other persons forming part of the crew of ships of war or merchant vessels of their nation, who may have deserted in one of the ports of the other.

To this end they shall respectively address the competent national or local authorities in writing and make request for the return of the deserter, and furnish evidence by exhibiting the register, crew list or other official documents of the vessel, or a copy or extract therefrom, duly certified, that the persons claimed belong to said ship's company. On such application being made, all assistance shall be furnished for the pursuit and arrest of such deserters, who shall even be detained and guarded in the jails of the country, pursuant to the requisition and at the expense of the Consuls General, Vice Consuls-General, Consuls, Vice-Consuls or Consular Agents until they find an opportunity to send the deserters home.

If, however, no such opportunity shall be had for the space of three months from the day of the arrest, the deserters shall be set at liberty, and shall not

again be arrested for the same cause. It is understood that persons who are subjects or citizens of the country within which the demand is made, shall be exempted from these provisions.

If the deserter shall have committed any crime or offence in the country within which he is found, he shall not be placed at the disposal of the Consul until after the proper tribunal having jurisdiction in the case shall have pronounced sentence, and such sentence shall have been executed.

ARTICLE XIII

Except in the case of agreement to the contrary, between the owners, freighters and insurers, all damages suffered at sea by the vessels of the two countries, whether they put into port voluntarily, or are forced so to do by stress of weather, shall be adjusted by the Consuls General, Vice-Consuls General, Consuls, Vice Consuls and Consular Agents of the respective countries.

If, however, any inhabitants of the country, or subjects or citizens of a third nation shall be interested in such damages, and if the parties cannot agree, recourse may be had to the competent local authorities.

ARTICLE XIV

All necessary measures connected with the salvage of vessels of the United States which shall have been wrecked on the coasts of the Netherlands, with their cargoes and all that appertains to such vessel, shall be taken by the Consuls General, Vice Consuls-General, Consuls, Vice Consuls and Consular Agents of the United States, and reciprocally, the Consuls General, Vice Consuls General, Consuls, Vice Consuls and Consular Agents of the Netherlands shall take such necessary measures in the case of the wreck of vessels of their country on the coasts of the United States.

The local authorities shall not otherwise interfere than for the maintenance of order, the protection of the interest of the salvors, if they do not belong to the crews that have been wrecked, and to carry into effect the arrangements made for the entry and exportation of the merchandise saved.

In the absence of and until the arrest of the Consuls General, Vice Consuls General, Consuls, Vice Consuls and Consular Agents, it shall be the duty of the local authorities to take all necessary measures for the preservation of the persons and property on board of the wrecked vessel.

It is understood that the merchandise saved is not to be subjected to any Custom-House charges, unless it be intended for consumption in the country where the wreck may have taken place.

ARTICLE XV

In case of death of any citizen of the United States in the Netherlands, or of any subject of the Netherlands in the United States, without having in

the country of his decease any known heirs, or testamentary executors by him appointed, or in case of minority of the heirs, there being no guardian, the competent local authorities shall at once inform the nearest consular officer of the nation to which the deceased belongs, of the circumstance, in order that the necessary information may be immediately forwarded to parties interested.

The said consular officer shall have the right to appear personally or by delegate, in all proceedings on behalf of the absent or minor heirs, or creditors, until they are duly represented.

ARTICLE XVI

The present convention shall not be applicable to colonies of either of the high contracting parties, and shall not take effect until the Twentieth day after its promulgation in the manner prescribed by the laws of the two countries.

It shall remain in force for five years from the date of the exchange of ratifications.

In case neither of the contracting parties shall have given notice twelve months before the expiration of the said period, of its desire to terminate this convention, it shall remain in force for one year longer, and so on from year to year, until the expiration of a year from the day on which one of the parties shall have given such notice for its termination.

ARTICLE XVII

The present convention shall be ratified, and the ratifications thereof shall be exchanged at the city of Washington, within six months from the date hereof, and sooner if possible.³

In testimony whereof, the respective plenipotentiaries have signed this convention, and have hereunto affixed their seals.

Done in duplicate at Washington, in the English and Dutch languages, on the twenty third day of May, in the year of Grace, one thousand eight hundred and seventy eight.

WILLIAM MAXWELL EVARTS

[SEAL]

R VON PESTEL

[SEAL]

³ See footnote 1, p. 34.

EXTRADITION

*Convention signed at Washington May 22, 1880
Senate advice and consent to ratification June 15, 1880
Ratified by the Netherlands June 20, 1880
Ratified by the President of the United States June 25, 1880
Ratifications exchanged at Washington June 29, 1880
Proclaimed by the President of the United States July 30, 1880
Entered into force August 19, 1880
Abrogated July 11, 1889, by convention of June 2, 1887¹*

21 Stat. 769; Treaty Series 255

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND HIS MAJESTY THE KING OF THE NETHERLANDS, FOR THE EXTRADITION OF CRIMINALS

The United States of America and His Majesty the King of the Netherlands having judged it expedient, with a view to the better administration of justice and the prevention of crime within their respective territories and jurisdictions, that persons charged with, or convicted of, the crimes hereinafter enumerated, and being fugitives from justice, should under certain circumstances, be reciprocally delivered up, have resolved to conclude a convention for that purpose, and have appointed as their Plenipotentiaries:

The President of the United States: William Maxwell Evarts, Secretary of State of the United States, and His Majesty the King of the Netherlands: Jonkheer Rudolph Alexander August Edward von Pestel, Knight of the Order of the Netherlands Lion, His Majesty's Minister Resident in the United States; who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following articles.

ARTICLE I

The United States of America and His Majesty the King of the Netherlands reciprocally engage to deliver up to justice all persons convicted of or charged with any of the crimes or offences enumerated in the following article, committed within the respective jurisdiction of the United States of America, or of the Kingdom of the Netherlands, exclusive of the Colonies thereof, such persons being actually within such jurisdiction when the crime

¹ TS 256, *post*, p. 47.

or offence was committed, who shall seek an asylum or shall be found within the jurisdiction of the other, exclusive of the Colonies of the Netherlands: Provided, That this shall only be done upon such evidence of criminality as, according to the laws of the place where the fugitive so charged shall be found, would justify his apprehension and commitment for trial, if the crime or offence had been there committed.

ARTICLE II

Persons shall be delivered up, according to the provisions of this convention, who shall have been charged with, or convicted of, any of the following crimes:

1. Murder, comprehending the crimes of assassination, parricide, infanticide and poisoning.
2. The attempt to commit murder.
3. Rape.
4. Arson.
5. Burglary; or the corresponding crime in the Netherlands law under the description of thefts committed in an inhabited house by night, and by breaking in, by climbing, or forcibly.
6. The act of breaking into and entering public offices, or the offices of banks, banking houses, savings banks, trust companies, or insurance companies, with intent to commit theft therein; and also the thefts resulting from such act.
7. Robbery; or the corresponding crime punished in the Netherlands law under the description of theft committed with violence or by means of threats.
8. Forgery, or the utterance of forged papers including the forgery or falsification of official acts of the Government or public authority or courts of justice affecting the title or claim to money or property.
9. The counterfeiting, falsifying or altering of money, whether coin or paper, or of bank notes, or instruments of debt created by National, State or Municipal Governments, or coupons thereof, or of seals, stamps, dies or marks of state; or the utterance or circulation of the same.
10. Embezzlement by public officers charged with the custody or receipt of public funds.
11. Embezzlement by any person or persons hired or salaried, to the detriment of their employers, where the offence is subject to punishment by the law of the Netherlands as *abus de confiance*, if extradition is demanded by the United States, or is subject to punishment as a crime in the United States, if extradition is demanded by the Netherlands.

ARTICLE III

The provisions of this convention shall not apply to any crime or offence of a political character, nor to acts connected with such crimes or offences;

and no person surrendered under the provision hereof shall in any case be tried or punished for a crime or offence of a political character, nor for any act connected therewith, committed previously to his extradition.

ARTICLE IV

The present Convention shall not apply to any crime or offence committed previous to the exchange of the ratifications hereof; and no person shall be tried or punished after surrender for any crime or offence other than that for which he was surrendered if committed previous to his surrender, unless such crime or offence be one of those enumerated in Article II hereof, and shall have been committed subsequent to the exchange of ratifications.

ARTICLE V

A fugitive criminal shall not be surrendered under the provisions hereof when, by lapse of time, he is exempt from prosecution or punishment for the crime or offence for which the surrender is asked, according to the laws of the country from which the extradition is demanded, or when his extradition is asked for the same crime or offence for which he has been tried, convicted or acquitted in that country, or so long as he is under prosecution for the same.

ARTICLE VI

If a fugitive criminal, whose extradition may be claimed pursuant to the stipulations hereof, be actually under prosecution for a crime or offence in the country where he has sought asylum, or shall have been convicted thereof, his extradition may be deferred until such proceedings be terminated, and until such criminal shall be set at liberty in due course of law.

ARTICLE VII

If a fugitive criminal claimed by one of the parties hereto shall also be claimed by one or more powers, pursuant to treaty provisions on account of crimes committed within their jurisdiction, such criminal shall be delivered in preference in accordance with that demand which is the earliest in date.

ARTICLE VIII

Neither of the contracting parties shall be bound to deliver up, under the stipulations of this convention, its own citizens or subjects.

ARTICLE IX

The expenses of the arrest, detention, examination and transportation of the accused shall be paid by the government which has preferred the demand for extradition.

ARTICLE X

Everything found in the possession of the fugitive criminal, at the time of his arrest, which may be material as evidence in making proof of the crime, shall, so far as practicable according to the laws or practice in the respective countries, be delivered up with his person at the time of surrender. Nevertheless, the rights of third parties, with regard to all such articles, shall be duly respected.

ARTICLE XI

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the contracting parties. In the event of the absence of such agents from the country, or its seat of government, requisition may be made by consular officers.

When the person whose extradition shall have been asked, shall have been convicted of the crime, a copy of the sentence of the court in which he may have been convicted, authenticated under its seal and accompanied by an attestation of the official character of the judge by the proper authority, shall be furnished.

If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed, and of the depositions upon which such warrant may have been issued, shall be produced, authenticated as above provided, with such other evidence or proof as may be deemed competent in the case.

If, after an examination, it shall be decided, according to the law and evidence, that extradition is due pursuant to this convention, the fugitive shall be surrendered according to the forms of law prescribed in such cases.

ARTICLE XII

The present convention shall take effect on the twentieth day after its promulgation in the manner prescribed by the laws of the respective countries. After the convention shall so have gone into operation, it shall continue until one of the two parties shall give to the other six months notice of its desire to terminate it.

This convention shall be ratified, and the ratifications shall be exchanged at Washington or the Hague as soon as possible.

In testimony whereof the respective Plenipotentiaries have signed the present convention, in duplicate, and have hereunto affixed their seals.

Done at Washington, in the English and Dutch languages, on the twenty-second day of May in the year of our Lord eighteen hundred and eighty.

WILLIAM MAXWELL EVARTS [SEAL]
RUDOLPH VON PESTEL [SEAL]

TRADEMARKS

Exchange of notes at Washington February 10 and 16, 1883

Entered into force February 16, 1883

Replaced December 5, 1957, by treaty of March 27, 1956¹

Treaty Series 470

The Netherlands Minister Resident to the Secretary of State

[TRANSLATION]

WASHINGTON, February 10, 1883

Mr. SECRETARY OF STATE: I have the honor herewith to transmit to Your Excellency a copy of the official edition of the Dutch Law relative to trade-marks, bearing date of May 25, 1880.²

The provisions of this law make no distinction between natives of the Netherlands and foreigners, so that citizens of the United States of America receive the same usage in the Netherlands as my countrymen, as regards everything connected with the registration and protection of their trade-marks.

It consequently seems that, so far as the Netherlands are concerned, the conditions of reciprocity are fulfilled which are established for the registration and protection of foreign trade-marks in the United States of America by the act of Congress approved March 3, 1881,³ ("Public" No. 72) which allows the registration of trade-marks whose owners reside in foreign countries the laws of which grant the same privilege to citizens of the United States of America.

I have, therefore, been instructed by my government to beg Your Excellency to be pleased, if there are no objections, to cause the adoption of the measures necessary in order that subjects of the Netherlands may hereafter avail themselves, in the United States of America, of the Act of Congress to which I have just referred.

Be pleased to accept, Mr. Secretary of State, a renewed assurance of my highest consideration.

G. DE WECKHERLIN

To His Excellency F. T. FRELINGHUYSEN,
Secretary of State, Washington.

¹ 8 UST 2043; TIAS 3942.

² Not printed here.

³ 21 Stat. 502.

The Secretary of State to the Netherlands Minister Resident

WASHINGTON, Feb. 16, 1883

MR. G. DE WECKHERLIN,
Etc., etc., etc.

SIR: I have the honor to acknowledge the receipt of your note of the 10th instant, by which you communicate to me the text of the Netherlands law of the 25th of May, 1880, concerning Marks of Trade and Commerce.

I have taken due note of your statement that this law makes no distinction between Netherlanders and foreigners, so that the citizens of the United States are treated in the Low Countries on the same footing as the natives thereof in all that concerns the registration and protection of their commercial and trade marks. As the enacting clause of the Act of Congress of March 3, 1881 "to authorize the registration of trade marks and protect the same", provides in terms as follows: "That owners of trade-marks used in commerce with foreign nations, or with the Indian tribes, provided such owners shall be domiciled in the United States, or *located in any foreign country or tribes which by treaty, convention or law,* afford similar privileges to citizens of the United States, may obtain registration of such trade-marks by complying with" the requirement of that act, and as your declaration establishes the fact that the Netherlands law gives similar privileges to citizens of the United States located in the Low Countries, the fact of entire reciprocity of usage between the two countries in this respect may now be regarded as established and evidenced by the present exchange of diplomatic notes, and as henceforth operative without further formalities between them.

As soon as a translation of the law you communicate to me can be prepared, a copy thereof, with copies of the present correspondence, will be communicated to the Secretary of the Interior, for the governance of the Commissioner of Patents in all that may pertain to the lawful registration of trade-marks by Netherlanders.

Accept, Sir, a renewed assurance of my highest consideration.

FREDK. T. FRELINGHUYSEN

EXTRADITION

Convention signed at Washington June 2, 1887

Senate advice and consent to ratification March 26, 1889

Ratified by the President of the United States April 17, 1889

Ratified by the Netherlands May 5, 1889

Ratifications exchanged at The Hague May 31, 1889

Proclaimed by the President of the United States June 21, 1889

Entered into force July 11, 1889

*Extended to island possessions and colonies by treaty of January 18,
1904¹*

26 Stat. 1481; Treaty Series 256

CONVENTION BETWEEN THE UNITED STATES AND THE NETHERLANDS FOR THE EXTRADITION OF CRIMINALS

The United States of America and His Majesty the King of the Netherlands having judged it expedient, with a view to the better administration of justice and the prevention of crime within their respective territories and jurisdictions, that persons charged with, or convicted of, the crimes herein-after enumerated, and being fugitives from justice, should, under certain circumstances, be reciprocally delivered up, have resolved to conclude a new convention for that purpose, and have appointed as their plenipotentiaries:

The President of the United States of America; Thomas F. Bayard, Secretary of State of the United States, and

His Majesty the King of the Netherlands; William Ferdinand Henry von Weckherlin, His Majesty's Envoy Extraordinary and Minister Plenipotentiary to the United States, who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

The United States of America and His Majesty the King of the Netherlands reciprocally engage to deliver up to justice all persons convicted of or charged with any of the crimes or offences enumerated in the following article, committed within the respective jurisdiction of the United States of

¹ TS 436, *post*, p. 53.

America, or of the Kingdom of the Netherlands, exclusive of the Colonies thereof, such persons being actually within such jurisdiction when the crime or offence was committed, who shall seek an asylum or shall be found within the jurisdiction of the other, exclusive of the Colonies of the Netherlands: Provided, That this shall only be done upon such evidence of criminality as, according to the laws of the place where the fugitive so charged shall be found, would justify his apprehension and commitment for trial, if the crime or offence had been there committed.

ARTICLE II

Persons shall be delivered up, according to the provisions of this convention, who shall have been charged with, or convicted of, any of the following crimes:

1. Murder, including infanticide; manslaughter.
2. Rape, bigamy, abortion.
3. Arson.
4. Mutiny, and rebellion on shipboard by two or more passengers against the authority of the commander of the ship, or by the crew or part of the crew, against the commander or the ship's officers.
5. Burglary; or the corresponding crime in the Netherlands law under the description of thefts committed in an inhabited house by night, and by breaking in, by climbing, or forcibly.
6. The act of breaking into and entering public offices or the offices of banks, banking-houses, savings-banks, trust companies, or insurance companies, with intent to commit theft therein; and also the thefts resulting from such act.
7. Robbery; or the corresponding crime punished in the Netherlands law under the description of theft committed with violence or by means of threats.
8. Forgery, or the utterance of forged papers including the forgery or falsification of official acts of the Government or public authority or courts of justice affecting the title or claim to money or property.
9. The counterfeiting, falsifying or altering of money, whether coin or paper, or of instruments of debt created by national, state, provincial, or municipal governments, or coupons thereof, or of bank-notes, or the utterance or circulation of the same, or the counterfeiting, falsifying or altering of the seals of State.
10. Embezzlement by public officers.
11. Embezzlement by any person or persons hired or salaried, to the detriment of their employers, when the offence is subject to punishment by imprisonment by the laws of both countries.
12. Destruction or loss of a vessel on the high seas, or within the jurisdiction of the party asking the extradition, caused intentionally.

13. Kidnapping of minors, defined to be the abduction or detention of a minor for any unlawful end.

14. Obtaining by false devices money, valuables or other personal property, and the purchase of the same with the knowledge that they have been so obtained, when the crimes or offences are punishable by imprisonment or other corporal punishment by the laws of both countries.

15. Larceny, defined to be the theft of effects, personal property, or money.

16. Wilful and unlawful destruction or obstruction of railroads, which endangers human life.

Extradition shall also be granted for complicity in any of the crimes or offences enumerated in this article, provided that the persons charged with or convicted of such complicity may be punished as accessories with imprisonment of a year or more, by the laws of both countries.

Extradition may also be granted for the attempt to commit any of the crimes above enumerated, when such attempt is punishable with imprisonment of a year or more, by the laws of both contracting parties.

ARTICLE III

The provisions of this convention shall not apply to any crime or offence of a political character, nor to acts connected with such crimes or offences; and no person surrendered under the provisions hereof shall in any case be tried or punished for a crime or offence of a political character, nor for any act connected therewith, committed previously to his extradition.

ARTICLE IV

No person shall be tried or punished, after surrender, for any crime or offence other than that for which he was surrendered, if committed previous to his surrender, unless such crime or offence be one of those enumerated in Article II hereof.

ARTICLE V

A fugitive criminal shall not be surrendered under the provisions hereof when, by lapse of time, he is exempt from prosecution or punishment for the crime or offence for which the surrender is asked, according to the laws of the country from which the extradition is demanded, or when his extradition is asked for the same crime or offence for which he has been tried, convicted or acquitted in that country, or so long as he is under prosecution for the same.

ARTICLE VI

If the person whose extradition may be claimed pursuant to the stipulations hereof, be actually under prosecution for a crime or offence in the coun-

try where he has sought asylum, or shall have been convicted thereof, his extradition may be deferred until such proceedings be terminated, and until such criminal shall be set at liberty in due course of law.

ARTICLE VII

If the person claimed by one of the parties hereto shall also be claimed by one or more powers, pursuant to treaty provisions on account of crimes committed within their jurisdiction, such criminal shall be delivered in preference, in accordance with that demand which is the earliest in date.

ARTICLE VIII

Neither of the contracting parties shall be bound to deliver up, under the stipulations of this convention, its own citizens or subjects.

ARTICLE IX

The expenses of the arrest, detention, examination and transportation of the accused shall be paid by the government which has preferred the demand for extradition.

ARTICLE X

All articles found in the possession of the fugitive criminal at the time of his arrest, which were obtained through the commission of the act of which he is convicted or with which he is charged, or which may be material as evidence in making proof of the crime, shall, so far as practicable according to the laws or practice in the respective countries, be delivered up with his person at the time of surrender. Nevertheless, the rights of third parties, with regard to all such articles, shall be duly respected.

ARTICLE XI

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the contracting parties. In the event of the absence of such agents from the country, or its seat of government, requisition may be made by consular officers.

When the person whose extradition shall have been asked, shall have been convicted of the crime, a copy of the sentence of the court in which he may have been convicted, authenticated under its seal and accompanied by an attestation of the official character of the judge by the proper authority, shall be furnished.

If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed, and of the depositions upon which such warrant may have been issued, shall be produced, authenticated as above provided, with such other evidence or proof as may be deemed competent in the case.

If, after an examination, it shall be decided, according to the law and evidence, that extradition is due pursuant to this convention, the fugitive shall be surrendered according to the forms of law prescribed in such cases.

ARTICLE XII

It shall be lawful for any competent judicial authority of the United States of America, upon production of a certificate issued by the Secretary of State that request has been made by the Government of the Netherlands for the provisional arrest of a person convicted or accused of the commission therein of a crime extraditable under this convention, and upon legal complaint that such crime has been so committed, to issue his warrant for the apprehension of such person. But if the formal requisition for surrender with the documentary proofs hereinbefore prescribed be not made as aforesaid, by the diplomatic agent of the demanding government, or, in his absence, by a consular officer thereof, within forty days from the date of the commitment of the person convicted or accused, the prisoner shall be discharged from custody.

And it shall be lawful for any competent judicial authority of the Netherlands, upon production of a certificate issued by the Minister of Foreign Affairs that request has been made by the Government of the United States for the provisional arrest of a person convicted or accused of the commission therein of a crime extraditable under this convention, to issue his warrant for the apprehension of such person. But if the formal requisition for surrender with the documentary proofs hereinbefore prescribed be not made as aforesaid by the diplomatic agent of the demanding government, or, in his absence, by a consular officer thereof, within forty days from the date of the arrest of the person convicted or accused, the prisoner shall be discharged from custody.

ARTICLE XIII

The present convention shall take effect on the twentieth day after its promulgation in the manner prescribed by the laws of the respective countries. On the same day the convention entered into by the two contracting parties on the 22d day of May, 1880,² shall be abrogated and annulled. But the present convention shall be held to apply to crimes enumerated in the former convention and committed prior to its abrogation and annulment. And as to other crimes, the present convention shall not be held to operate retroactively.

After the present convention shall have gone into operation, it shall continue until one of the two parties shall give to the other six months' notice of its desire to terminate it.

² TS 255, *ante*, p. 41.

This convention shall be ratified, and the ratifications shall be exchanged at Washington or The Hague as soon as possible.

In testimony whereof the respective plenipotentiaries have signed the present convention, in duplicate, and have hereunto affixed their seals.

Done at the City of Washington the second day of June in the year of our Lord, one thousand eight hundred and eighty-seven.

T. F. BAYARD [SEAL]
W. F. H. VON WECKHERLIN [SEAL]

EXTRADITION

*Convention signed at Washington January 18, 1904, supplementing
convention of June 2, 1887*

Senate advice and consent to ratification January 27, 1904

Ratified by the Netherlands April 4, 1904

Ratified by the President of the United States May 26, 1904

Ratifications exchanged at Washington May 28, 1904

Proclaimed by the President of the United States May 31, 1904

Entered into force August 28, 1904

33 Stat. 2257; Treaty Series 436

The United States of America and Her Majesty the Queen of the Netherlands, having judged it expedient to extend to their respective island possessions and colonies the Convention for the extradition of criminals, concluded at Washington on June 2, 1887,¹ by means of an additional Convention, have to that end appointed as their plenipotentiaries:

The President of the United States of America: John Hay, Secretary of State of the United States; and

Her Majesty the Queen of the Netherlands: Baron Willem Alexander Frederik Gevers, Her Majesty's Envoy Extraordinary and Minister Plenipotentiary to the United States;

who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

The provisions of the Convention for the extradition of criminals concluded at Washington June 2, 1887, shall be applicable to the island possessions of the United States of America and the colonies of the Netherlands; but, since they are based upon the law of the mother country, only provided that they are compatible with the laws or regulations in force in those island possessions and colonies, and with the observance of the following stipulations:

¹ TS 256, *ante*, p. 47.

ARTICLE II

In addition to the persons mentioned in article II of that Convention, those shall also be surrendered who are charged with or have been convicted of the crime of bribery, provided it be an extradition crime by the laws or regulations in force in the respective island possessions and colonies of the contracting parties, or of the crime of piracy by statute or by the law of nations.

ARTICLE III

Application for the surrender of a criminal may be made directly to the governor or chief magistrate of the island possession or colony in which the criminal has sought refuge, by the governor or chief magistrate of an island possession or colony of the other contracting party, *provided* that both island possessions or colonies are situated in Asia, or both in America (including the West India Islands); in making such application, the intervention of a consular officer in such a possession or colony may be used, although no modification shall thereby be made in his capacity as a commercial agent. The aforesaid governors or chief magistrates shall have authority either to grant the extradition or to refer the matter for decision to the mother country. In all other cases, application for extradition shall be made through the diplomatic channel.

ARTICLE IV

The beginning of paragraph 2 (in the alternat paragraph 1) of article XII of the Convention of June 2, 1887, shall, as regards the Dutch East Indies, read as follows: "It shall be lawful for any competent authority," etc.

ARTICLE V

In the cases of direct application for extradition described in article III of the Convention, the certificate mentioned in the second (first in the alternat) paragraph of the said article XII may be given by the governor or the chief magistrate of the Dutch Colony; the certificate mentioned in the first (second in alternat) paragraph of the last named article, by the Chief Magistrate of the North American island possession. The term of preliminary arrest provided for in article XII of the Convention of June 2, 1887, shall for the enforcement of this article, be made sixty days.

ARTICLE VI

The present additional Convention shall take effect three months after the exchange of the instruments of ratification. It shall remain in force for six months after a declaration to the contrary, made by one of the two Governments. Nevertheless, it shall be considered to have been denounced by the fact of the denunciation of the Convention of June 2, 1887.

It shall be ratified, and the instruments of ratification shall be exchanged as speedily as possible.

In testimony whereof, the respective plenipotentiaries have signed the present convention, in duplicate and have hereunto affixed their seals.

Done at Washington in the English and Dutch languages, on the eighteenth day of January in the year of our Lord nineteen hundred and four.

JOHN HAY [SEAL]
GEVERS [SEAL]

PROTECTION OF TRADEMARKS IN CHINA

Exchange of notes at Peking October 23, 1905; related note dated January 22, 1906

Entered into force October 23, 1905

Made obsolete by United States relinquishment of extraterritorial rights in China, in accordance with terms of treaty of January 11, 1943¹

Treaty Series 479

The American Minister at Peking to the Netherlands Minister at Peking

OCTOBER 23, 1905

MR. MINISTER AND DEAR COLLEAGUE: The Government of the United States being desirous of reaching an understanding with the Government of the Netherlands for the reciprocal protection against infringement in China by citizens of our respective nations of trade marks duly registered in the United States and the Netherlands, I am authorized by the Secretary of State of the United States to inform you that effectual provision exists in American Consular Courts in China for the trial and punishment² of all persons subject to the jurisdiction of the United States who may be charged with and found guilty of infringing in any way trade marks of persons subject to the jurisdiction of the Netherlands which have been duly registered in the United States.

I beg that you will kindly inform me whether American citizens are entitled to the same legal remedies in the Consular Courts of the Netherlands in China as regards the protection from infringement of their trade marks duly registered in the Netherlands.

I have the honor to be, My dear Colleague, Your obedient servant,

W. W. ROCKHILL

His Excellency, Monsieur VAN CITTERS,
etc., etc., etc.

The Netherlands Minister at Peking to the American Minister at Peking

[TRANSLATION]

PEKING, CHINA, October 23, 1905

MR. MINISTER AND DEAR COLLEAGUE: Under date of the 23d of October, 1905, Your Excellency was pleased to inform me by your note numbered

¹ TS 984, *ante*, vol. 6, p. 739, CHINA.

² For an explanation regarding the use of the word "punishment," see related note, p. 57.

173 that the Government of the United States of America was desirous of reaching an agreement with the Government of the Netherlands concerning the reciprocal protection of trade marks in China. You added that you had been authorized to declare that the American Consular Courts in China had jurisdiction in all matters concerning the infringement of trade marks by persons under the jurisdiction of the United States, and that consequently complaints made by any person subject to the jurisdiction of the Consular Courts of the Netherlands, in China, to an American Consular Court, for the purpose of securing from persons subject to the jurisdiction of the United States protection for trade marks duly registered in the United States of America, would be tried before said courts in First Instance and on appeal by the competent Courts.

In reply to this communication I have the honor to inform Your Excellency that my Government accepts with pleasure the above agreement and has directed me to do so by the present note.

The Minister of Foreign Affairs at The Hague has furthermore authorized me to state on my part that the laws of the Netherlands protect duly registered trade marks regardless of the nationality of the owner, and that, not only when infringements have been committed in the country itself, but when they have been committed in a country subject to extraterritoriality, as in China.

Consequently the Consular Courts of the Netherlands in China will take cognisance in First Instance, and the Courts of Justice in Amsterdam and Batavia on Appeal, of any complaints made to them on this subject by persons subject to the jurisdiction of the United States.

I avail myself of this opportunity to add that for the object of putting the above agreement into effect I have written to the Consular Officials of the Netherlands in China, giving them the necessary instructions, and I would be pleased if you would inform me what action you have taken to this end.

I avail myself of this opportunity to renew to Your Excellency the assurances of my high consideration.

A. J. CITTERS

His Excellency, W. W. ROCKHILL,
etc., etc., etc.

The American Minister at Peking to the Netherlands Minister at Peking

PEKING, January 22, 1906

Mr. MINISTER AND DEAR COLLEAGUE: In connection with the notes which I had the honor to exchange with Your Excellency on October 23, 1905, looking to the reciprocal protection from infringement by our respective nationals in China of trade marks belonging to them I duly transmitted copies of the same to my Government.

In reply the Secretary of State has called to my attention, as possibly misleading, the use made in my note to you of the word "punishment" by our Consular Courts in China of American citizens who may have infringed in China trade marks the property of persons under the jurisdiction of The Netherlands.

In view of the fact that there is no statute in the United States making the infringement, counterfeiting, etc. of a trade mark a criminal offense, and that effectual provision exists by a civil action for damages by the owner of a trade mark, my Government is of the opinion that the word "punishment" should be understood to refer to a civil action only, and not to a criminal procedure, as might be inferred from the use of the word in question without the present explanation added thereto.

I beg leave to call Your Excellency's attention to the above provision of our law, so that nothing in my note of October 23rd, last, may be construed as conflicting therewith.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

W. W. ROCKHILL

To His Excellency A. J. VAN CITTERS,
etc., etc., etc.

COMMERCE

Agreement and related note signed at Washington May 16, 1907

Ratified by the Netherlands July 11, 1908

Proclaimed by the President of the United States August 12, 1908

Entered into force August 12, 1908

Terminated August 7, 1910¹

35 Stat. 2199; Treaty Series 505

AGREEMENT

The President of the United States and Her Majesty the Queen of the Netherlands, mutually desiring by means of a Commercial Agreement to facilitate the commercial intercourse between the two countries, have appointed for that purpose their respective plenipotentiaries, namely:

The President of the United States of America, Elihu Root, Secretary of State of the United States; and

Her Majesty the Queen of the Netherlands, Jonkheer R. de Marees van Swinderen, Her Majesty's Envoy Extraordinary and Minister Plenipotentiary to the United States;

Who, having exchanged their respective full powers, which were found to be in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

It is agreed on the part of the United States, pursuant to and in accordance with the provisions of the third section of the Tariff Act of the United States approved July 24, 1897,² and in consideration of the concessions hereinafter made on the part of the Netherlands in favor of the products of the soil and industry of the United States, that brandies, or other spirits manufactured or distilled from grain or other materials, products of the industry of the Netherlands imported into the United States, shall, from and after the date when this Agreement shall be put in force, be subject to the reduced tariff duty provided by said Section 3, namely, one dollar and seventy-five cents per proof gallon.

¹ Pursuant to notice of termination given by the United States Aug. 7, 1909.

² 30 Stat. 151.

ARTICLE II

Reciprocally and in consideration of the preceding concession, the Royal Government of the Netherlands agrees that, during the continuance in force of this Agreement, the duties imposed upon the following named products of the industry of the United States imported into the Netherlands shall not exceed the tariff rates hereinafter specified, viz:

Upon mutton, salt pork, and salted bacon, 0.75 florin per 100 kilograms.

Upon mutton, salt pork, and salted bacon, when smoked or dried, 1 florin per 100 kilograms.

ARTICLE III

The Royal Government of the Netherlands further guarantees to continue to admit into the Netherlands during the aforesaid period canned meats manufactured in the United States in packages weighing more than four pounds (English) at the rates of duty hitherto levied, namely: one, six, and eight florins per one hundred kilograms, according to quality and the distinctions made in the Tariff of the Netherlands respecting meats, although entitled under strict application of the law to levy upon such canned meats a duty of twenty-five florins per one hundred kilograms.

ARTICLE IV

It is mutually agreed by the High Contracting Parties that in the event that the Royal Government of the Netherlands shall, at any time during the continuance in force of this Agreement, withdraw from any product of the soil or industry of the United States imported into the Netherlands the benefit of the lowest tariff rates imposed by the Netherlands upon a like product of any other origin, either Party shall thereupon have the right to terminate this Agreement upon giving to the other three months' prior notice of its intention to do so.

ARTICLE V

It is further agreed on the part of the United States that the instructions to the Customs Officers set forth in the annexed diplomatic note and made a part of the consideration of this Agreement shall go into effect not later than July 1, 1907.

ARTICLE VI

This Agreement shall be ratified by the Royal Government of the Netherlands as soon as possible, and upon official notice thereof the President of the United States shall issue his proclamation giving full effect to the provisions of Article I of this Agreement. From and after the date of such proclamation this Agreement shall be in full force and effect, and shall continue in force until one year from the date when either Party shall notify the other of its intention to terminate the same.

Done in duplicate, in the English and Dutch languages, at Washington this 16th day of May, one thousand nine hundred and seven.

ELIHU ROOT

[SEAL]

R. DE MAREES VAN SWINDEREN

[SEAL]

RELATED NOTE

The Secretary of State to the Netherlands Minister

WASHINGTON, May 16, 1907

SIR: Referring to the Commercial Agreement signed this day between the Government of the Netherlands and the Government of the United States, I have the honor to inform you that instructions will be issued to the Customs Officers of the United States to the following effect:

"Market value as defined by section 19 of the Customs Administrative Act shall be construed to mean the export price whenever goods, wares, and merchandise are sold wholly for export, or sold in the home market only in limited quantities, by reason of which facts there can not be established a market value based upon the sale of such goods, wares, and merchandise in usual wholesale quantities, packed ready for shipment to the United States."

These instructions shall take effect not later than July 1, 1907, and shall remain in force thereafter for the term of the aforesaid Agreement. In pursuance thereof the export price of Maastricht pottery imported into the United States from the Netherlands under the conditions described in your Note of March 23, 1907, shall be accepted by the customs officers of the United States as the true market value of the aforesaid articles of merchandise.

Receive, Mr. Minister, the renewed assurance of my highest consideration.

ELIHU ROOT

JONKHEER R. DE MAREES VAN SWINDEREN,
Minister of the Netherlands.

ARBITRATION

Convention signed at Washington May 2, 1908

Senate advice and consent to ratification May 6, 1908

Ratified by the President of the United States January 8, 1909

Ratified by the Netherlands March 5, 1909

Ratifications exchanged at Washington March 25, 1909

Entered into force March 25, 1909

Proclaimed by the President of the United States March 25, 1909

Extended by agreements of May 9, 1914; ¹ March 8, 1919; ² February 13, 1924; ³ and February 27, 1929 ⁴

Expired March 25, 1930 ⁵

36 Stat. 2148; Treaty Series 519

The Government of the United States of America and Her Majesty the Queen of the Netherlands, signatories of the Convention for the pacific settlement of international disputes, concluded at The Hague on July 29, 1899; ⁶

Taking into consideration that by Article XIX of that Convention the High Contracting Parties have reserved to themselves the right of concluding Agreements, with a view to referring to arbitration all questions which they shall consider possible to submit to such treatment;

Have appointed as their Plenipotentiaries to conclude the following agreement, to wit:

The President of the United States of America, Elihu Root, Secretary of State of the United States; and

Her Majesty the Queen of the Netherlands, Mr. W. A. Royaards, Counselor of Legation and Chargé d'Affaires ad interim of the Netherlands at Washington;

Who, after communicating to each other their respective full powers, found in good and due form, have agreed on the following articles:

¹ TS 617, *post*, p. 67.

² TS 641, *post*, p. 71.

³ TS 682, *post*, p. 73.

⁴ TS 786, *post*, p. 95.

⁵ A new arbitration treaty signed at Washington Jan. 13, 1930 (TS 820, *post*, p. 100), entered into force July 17, 1930.

⁶ TS 392, *ante*, vol. 1, p. 230.

ARTICLE I

Differences which may arise of a legal nature or relating to the interpretation of treaties existing between the two Contracting Parties, and which it may not have been possible to settle by diplomacy, shall be referred to the Permanent Court of Arbitration established at The Hague by the Convention of the 29th July, 1899, provided, nevertheless, that they do not affect the vital interests, the independence, or the honor of the two contracting States, and do not concern the interests of third Parties.

ARTICLE II

In each individual case the High Contracting Parties, before appealing to the Permanent Court of Arbitration, shall conclude a special Agreement defining clearly the matter in dispute, the scope of the powers of the Arbitrators, and the periods to be fixed for the formation of the Arbitral Tribunal and the several stages of the procedure. It is understood that on the part of the United States such special agreements will be made by the President of the United States, by and with the advice and consent of the Senate, and on the part of the Netherlands they will be subject to the procedure required by the constitutional laws of the Netherlands.

ARTICLE III

This Convention is concluded for a period of five years, counting from the date of the exchange of ratifications, which shall take place as soon as possible.

Done in duplicate at Washington, in the English and Dutch languages, this second day of May, 1908.

ELIHU ROOT [SEAL]
W. A. ROYAARDS [SEAL]

ADVANCEMENT OF PEACE

Treaty signed at Washington December 18, 1913; declaration signed at Washington February 13, 1928

Senate advice and consent to ratification of treaty August 13, 1914, of declaration February 24, 1928

Treaty ratified by the President of the United States March 14, 1917; declaration ratified February 27, 1928

Treaty ratified by the Netherlands July 8, 1924

Ratifications of treaty exchanged at Washington March 10, 1928

Entered into force March 10, 1928

Proclaimed by the President of the United States March 12, 1928

Modified by agreement of September 8, 1928¹

45 Stat. 2462; Treaty Series 760

TREATY

The President of the United States of America and Her Majesty the Queen of the Netherlands, being desirous to strengthen the bonds of amity that bind them together and also to advance the cause of general peace, have resolved to enter into a treaty for that purpose, and to that end have appointed as their plenipotentiaries:

The President of the United States, the Honorable William Jennings Bryan, Secretary of State; and

Her Majesty the Queen of the Netherlands, Chevalier W. L. F. C. van Rappard, Envoy Extraordinary and Minister Plenipotentiary of the Netherlands to the United States;

Who, after having communicated to each other their respective full powers, found to be in proper form, having agreed upon and concluded the following articles:

ARTICLE I

The High Contracting Parties agree that all disputes between them, of every nature whatsoever, to the settlement of which previous arbitration treaties or agreements do not apply in their terms or are not applied in fact, shall, when diplomatic methods of adjustment have failed, be referred for

¹ TS 760-A, *post*, p. 93.

investigation and report to a permanent International Commission, to be constituted in the manner prescribed in the next succeeding article; and they agree not to declare war or begin hostilities during such investigation and before the report is submitted.

ARTICLE II

The International Commission shall be composed of five members, to be appointed as follows: One member shall be chosen from each country, by the Government thereof; one member shall be chosen by each Government from some third country; the fifth member shall be chosen by common agreement between the two Governments, it being understood that he shall not be a citizen of either country. The expenses of the Commission shall be paid by the two Governments in equal proportion.

The International Commission shall be appointed within six months after the exchange of the ratifications of this treaty; and vacancies shall be filled according to the manner of the original appointment.²

ARTICLE III

In case the High Contracting Parties shall have failed to adjust a dispute by diplomatic methods, they shall at once refer it to the International Commission for investigation and report. The International Commission may, however, spontaneously offer its services to that effect, and in such case it shall notify both Governments and request their cooperation in the investigation.

The High Contracting Parties agree to furnish the Permanent International Commission with all the means and facilities required for its investigation and report.

The report of the International Commission shall be completed within one year after the date on which it shall declare its investigation to have begun, unless the High Contracting Parties shall limit or extend the time by mutual agreement. The report shall be prepared in triplicate; one copy shall be presented to each Government, and the third retained by the Commission for its files.

The High Contracting Parties reserve the right to act independently on the subject matter of the dispute after the report of the Commission shall have been submitted.

ARTICLE IV

The present treaty shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof; and by Her Majesty the Queen of the Netherlands; and the ratifications shall be exchanged as soon as possible. It shall take effect immediately after the ex-

² For an agreement of Sept. 8, 1928, extending time for appointment of Commission, see TS 760-A, *post*, p. 93.

change of ratifications, and shall continue in force for a period of five years; and it shall thereafter remain in force until twelve months after one of the High Contracting Parties have given notice to the other of an intention to terminate it.

In witness whereof the respective plenipotentiaries have signed the present treaty and have affixed thereunto their seals.

Done in Washington on the eighteenth day of December, in the year of our Lord nineteen hundred and thirteen.

WILLIAM JENNINGS BRYAN [SEAL]
W. L. F. C. v RAPPARD [SEAL]

DECLARATION

The Government of the United States and the Government of the Netherlands, desiring to remove any doubt or uncertainty that may exist or that may hereafter arise as to the interpretation to be placed on Article I of the Treaty signed between the two Governments on December 18, 1913, with respect to disputes that may exist between them at the time of the taking effect of the said treaty, have authorized the undersigned to declare that the said Article I is meant and intended to apply, subject to the terms of that Article, to all disputes between the two Governments existing at the time of the taking effect of the Treaty as well as to those arising thereafter.

IN WITNESS WHEREOF the undersigned have hereto signed their names and have affixed their respective seals at the City of Washington, this thirteenth day of February in the year one thousand nine hundred and twenty-eight.

FRANK B. KELLOGG [SEAL]
J. H. VAN ROIJEN [SEAL]

ARBITRATION

*Agreement signed at Washington May 9, 1914, extending convention
of May 2, 1908*

Senate advice and consent to ratification May 20, 1914

Ratified by the President of the United States May 28, 1914

Ratified by the Netherlands July 10, 1915

Ratifications exchanged at Washington August 20, 1915

Proclaimed by the President of the United States August 21, 1915

Entered into force September 3, 1915

Expired March 25, 1930

39 Stat. 1626; Treaty Series 617

The Government of the United States of America and Her Majesty the Queen of the Netherlands, being desirous of extending the period of five years during which the Convention of Arbitration, concluded between them on May 2, 1908,¹ remained in force, which period has expired on March 25, 1914, have authorized the undersigned, to wit: The Honorable William Jennings Bryan, Secretary of State of the United States, and W. L. F. C. Ridder van Rappard, Envoy Extraordinary and Minister Plenipotentiary of Her Majesty the Queen of the Netherlands at Washington, to conclude the following Agreement:

ARTICLE I

The Convention of Arbitration of May 2, 1908, between the Government of the United States of America and Her Majesty the Queen of the Netherlands, the duration of which by Article III thereof was fixed at a period of five years from the date of the exchange of ratifications, which period terminated on March 25, 1914, is hereby extended and continued in force for a further period of five years from March 25, 1914.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by Her Majesty the Queen of the Netherlands, and it shall become

¹ TS 519, *ante*, p. 62.

effective upon the fourteenth day after the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

Done in duplicate in Washington, in the English and Dutch languages, this 9th day of May, one thousand nine hundred and fourteen.

WILLIAM JENNINGS BRYAN [SEAL]
W. L. F. C. v RAPPARD [SEAL]

PROTECTION OF OIL INTERESTS IN MEXICO

*Exchange of notes at Washington June 2, 1914
Entered into force June 2, 1914*

1914 For. Rel. 707

The Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON, June 2, 1914

EXCELLENCY: As you are aware from the conversations which we have had upon the subject, many nationals of the United States, Great Britain, and the Netherlands, interested in the oil properties in the vicinity of Tampico and Tuxpan, Mexico, are seriously concerned over the possible cancellation or confiscation of their rights because of their failure to meet their contractual obligations or to conform to the requirements of the Mexican authorities, which failure has resulted from the military operations and perturbed political situation in that region.

This Government considers that the loss by bona fide owners of interests in oil properties in Mexico as a result solely of conditions over which they have no control would be most unjust and inequitable and that the Governments whose nationals are affected should take such steps as they are able to prevent this wrong from being done.

As a means to this end I have the honor to propose to your excellency that this Government and the Netherlands Government agree that they will withhold all diplomatic support from their respective citizens or subjects, who claim directly or indirectly any right, title, or interest in oil properties in Mexico, which they have acquired since April 20, 1914, or may hereafter acquire, directly or indirectly, by reason of the cancellation of contracts, leases, or other form of conveyance or by reason of the confiscation or taking by de facto authorities of properties, in which American citizens or Dutch subjects are interested, on the ground of default in contractual obligations or non-compliance with legal requirements, provided such default or noncompliance was unavoidable because of military operations or political disturbances in Mexico.

It should, however, be distinctly understood that this agreement will not apply to any case in which the failure of the American or Dutch owner of an interest in oil properties in Mexico to perform his contractual obligations or

to comply with a legal requirement was not the direct result of the political unrest prevailing in Mexico at the time of default, or to any case of bona fide transfer.

If the proposed agreement is acceptable to your Government, a note stating their acceptance will be considered by this Government as putting the agreement into effect.

I have the honor to further inform your excellency that I have addressed a note to the British Ambassador in Washington proposing an agreement between the Governments of the United States and Great Britain in terms identical with the one here proposed.

I am [etc.].

W. J. BRYAN

The Netherlands Minister to the Secretary of State

THE NETHERLANDS LEGATION
WASHINGTON, June 2, 1914

EXCELLENCY: I have the honor to acknowledge receipt of your note of to-day, in which is stated:

[For text of U.S. note, see above.]

I have the honor to inform you in reply that I am authorized by my Government to accept in their name the agreement as described above, which they will therefore regard as coming into effect from this day's date.

Accept [etc.].

W. L. F. C. v RAPPARD

ARBITRATION

*Agreement signed at Washington March 8, 1919, extending convention
of May 2, 1908*

Ratified by the Netherlands May 1, 1919

Senate advice and consent to ratification July 17, 1919

Ratified by the President of the United States July 29, 1919

Ratifications exchanged at Washington August 22, 1919

Proclaimed by the President of the United States August 25, 1919

Entered into force September 8, 1919

Expired March 25, 1930

41 Stat. 1667; Treaty Series 641

The Government of the United States of America and Her Majesty the Queen of the Netherlands, being desirous of further extending the Convention of Arbitration concluded between them on May 2, 1908,¹ which Convention in consequence of Article I of the Agreement between both High Contracting Parties of May 9, 1914,² will remain in force until March 25, 1919, have authorized the undersigned, to wit:

Frank L. Polk, Acting Secretary of State of the United States, and

J. T. Cremer, Envoy Extraordinary and Minister Plenipotentiary of Her Majesty the Queen of the Netherlands at Washington, to conclude the following Agreement:

ARTICLE I

The Convention of Arbitration of May 2, 1908, between the Government of the United States of America and Her Majesty the Queen of the Netherlands, which in consequence of Article I of the Agreement of May 9, 1914, will remain in force until March 25, 1919, is hereby extended and continued in force for a further period of five years from March 25, 1919.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof,

¹ TS 519, *ante*, p. 62.

² TS 617, *ante*, p. 67.

NETHERLANDS

and by Her Majesty the Queen of the Netherlands, and it shall become effective upon the fourteenth day after the date of the exchange of ratifications which shall take place at Washington as soon as possible.

Done in duplicate at Washington, in the English and Dutch languages, this eighth day of March, one thousand nine hundred and nineteen.

FRANK L. POLK [SEAL]
J. T. CREMER [SEAL]

ARBITRATION

*Agreement and exchange of notes signed at Washington February 13,
1924, extending convention of May 2, 1908*

Senate advice and consent to ratification February 26, 1924

Ratified by the Netherlands March 22, 1924

Ratified by the President of the United States April 2, 1924

Ratifications exchanged at Washington April 5, 1924

Entered into force April 5, 1924

Proclaimed by the President of the United States April 7, 1924

Expired March 25, 1930

43 Stat. 1746; Treaty Series 682

AGREEMENT

The Government of the United States of America and Her Majesty the Queen of the Netherlands, desiring to extend for another five years the period during which the Arbitration Convention concluded between them on May 2, 1908,¹ and extended by the Agreement concluded between the two Governments on May 9, 1914,² and further extended by the Agreement concluded between the two Governments on March 8, 1919,³ shall remain in force, have respectively authorized the undersigned, to wit:

Charles Evans Hughes, Secretary of State of the United States of America,
and

Jonkheer Dr. A. C. D. de Graeff, Envoy Extraordinary and Minister Plenipotentiary of Her Majesty the Queen of the Netherlands at Washington,

to conclude the following Agreement:

ARTICLE I

The Convention of Arbitration of May 2, 1908, between the Government of the United States of America and Her Majesty the Queen of the Netherlands, the duration of which by Article III thereof was fixed at a period of five years from the date of the exchange of ratifications, which period, by the Agreement of May 9, 1914, between the two Governments was extended for five years from March 25, 1914, and was extended by the Agreement between them of March 8, 1919, for the further period of five years from March 25,

¹ TS 519, *ante*, p. 62.

² TS 617, *ante*, p. 67.

³ TS 641, *ante*, p. 71.

1919, is hereby extended and continued in force for the further period of five years from March 25, 1924.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by Her Majesty the Queen of the Netherlands, and it shall become effective upon the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

DONE in duplicate in the English and Dutch languages at Washington this thirteenth day of February, 1924.

CHARLES EVANS HUGHES	[SEAL]
DE GRAEFF	[SEAL]

EXCHANGE OF NOTES

The Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON, February 13, 1924

SIR:

In connection with the signing today of an agreement for the renewal of the Convention of Arbitration concluded between the United States and the Government of the Netherlands, May 2, 1908, and renewed from time to time, I have the honor, in pursuance of our informal conversations, to state the following understanding which I shall be glad to have you confirm on behalf of your Government.

On February 24 last the President proposed to the Senate that it consent under certain stated conditions to the adhesion by the United States to the Protocol of December 16, 1920,⁴ under which the Permanent Court of International Justice has been created at The Hague. In the event that the Senate gives its assent to the proposal, I understand that the Government of the Netherlands will not be averse to considering a modification of the Convention of Arbitration which we are renewing, or the making of a separate agreement, providing for the reference of disputes mentioned in the Convention to the Permanent Court of International Justice.

Accept, Sir, the renewed assurances of my highest consideration.

CHARLES E. HUGHES

Jonkheer Dr. A. C. D. DE GRAEFF,
Minister of the Netherlands.

* 6 LNTS 380.

The Netherlands Minister to the Secretary of State

LÉGATION DES PAYS-BAS

WASHINGTON, D.C., February 13, 1924

No. 475

SIR:

With reference to your note of today I have the honor to state that the Royal Government has instructed me to inform you that in the event of the adhesion by the United States to the Protocol of December 16, 1920 under which the Permanent Court of International Justice has been created at The Hague, the Government of the Netherlands will be willing to consider a modification of the Convention of Arbitration between the Government of the Netherlands and the United States, which we have renewed today, or to make a separate agreement, providing for the reference of disputes mentioned in the Convention to the Permanent Court of International Justice.

Accept, Sir, the renewed assurances of my highest consideration.

DE GRAEFF

Honorable CHARLES E. HUGHES,
Secretary of State, Washington, D.C.

SMUGGLING OF INTOXICATING LIQUORS

*Convention and exchange of notes signed at Washington August 21,
1924*

Senate advice and consent to ratification December 10, 1924

Ratified by the President of the United States February 26, 1925

Ratified by the Netherlands March 31, 1925

Ratifications exchanged at Washington April 8, 1925

Entered into force April 8, 1925

Proclaimed by the President of the United States April 8, 1925

44 Stat. 2013; Treaty Series 712

CONVENTION

The President of the United States of America and Her Majesty the Queen of the Netherlands being desirous of avoiding any difficulties which might arise between them in connection with the laws in force in the United States on the subject of alcoholic beverages have decided to conclude a Convention for that purpose, and have appointed as their Plenipotentiaries:

The President of the United States of America: Charles Evans Hughes, Secretary of State of the United States; and

Her Majesty the Queen of the Netherlands: Jonkheer Dr. A. C. D. de Graeff, Her Envoy Extraordinary and Minister Plenipotentiary to the United States of America;

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I

The High Contracting Parties declare that it is their firm intention to uphold the principle that 3 marine miles extending from the coastline outwards and measured from low-water mark constitute the proper limits of territorial waters.

ARTICLE II

(1) Her Majesty agrees that she will raise no objection to the boarding of private vessels under the Netherlands flag outside the limits of territorial waters by the authorities of the United States, its territories or possessions in order that enquiries may be addressed to those on board and an examination

be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavoring to import or have imported alcoholic beverages into the United States, its territories or possessions in violation of the laws there in force. When such enquiries and examination show a reasonable ground for suspicion, a search of the vessel may be initiated.

(2) If there is reasonable cause for belief that the vessel has committed or is committing or attempting to commit an offense against the laws of the United States, its territories or possessions prohibiting the importation of alcoholic beverages, the vessel may be seized and taken into a port of the United States, its territories or possessions for adjudication in accordance with such laws.

(3) The rights conferred by this article shall not be exercised at a greater distance from the coast of the United States, its territories or possessions than can be traversed in one hour by the vessel suspected of endeavoring to commit the offense. In cases, however, in which the liquor is intended to be conveyed to the United States, its territories or possessions by a vessel other than the one boarded and searched, it shall be the speed of such other vessel and not the speed of the vessel boarded, which shall determine the distance from the coast at which the right under this article can be exercised.

ARTICLE III

No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors, when such liquors are listed as sea stores or cargo destined for a port foreign to the United States, its territories or possessions on board Netherlands vessels voyaging to or from ports of the United States, or its territories or possessions or passing through the territorial waters thereof, and such carriage shall be as now provided by law with respect to the transit of such liquors through the Panama Canal, provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters and that no part of such liquors shall at any time or place be unlaiden within the United States, its territories or possessions.

ARTICLE IV

Any claim by a Netherlands vessel for compensation on the grounds that it has suffered loss or injury through the improper or unreasonable exercise of the rights conferred by Article II of this Treaty or on the ground that it has not been given the benefit of Article III shall be referred for the joint consideration of two persons, one of whom shall be nominated by each of the High Contracting Parties.

Effect shall be given to the recommendations contained in any such joint report. If no joint report can be agreed upon, the claim shall be referred to

the Permanent Court of Arbitration at The Hague described in the Convention for the Pacific Settlement of International Disputes, concluded at The Hague, October 18, 1907.¹ The arbitral tribunal shall be constituted in accordance with Article 87 (Chapter IV) and with Article 59 (Chapter III) of the said Convention. The proceedings shall be regulated by so much of Chapter IV of the said Convention and of Chapter III thereof (special regard being had for Articles 70 and 74, but excepting Articles 53 and 54) as the tribunal may consider to be applicable and to be consistent with the provisions of this agreement. All sums of money which may be awarded by the Tribunal on account of any claim shall be paid within eighteen months after the date of the final award without interest and without deduction, save as hereafter specified. Each Government shall bear its own expenses. The expenses of the Tribunal shall be defrayed by a ratable deduction of the amount of the sums awarded by it, at a rate of five per cent on such sums, or at such lower rate as may be agreed upon between the two Governments; the deficiency, if any, shall be defrayed in equal moieties by the two Governments.

ARTICLE V

This Treaty shall be subject to ratification and shall remain in force for a period of one year from the date of the exchange of ratifications.

Three months before the expiration of the said period of one year, either of the High Contracting Parties may give notice of its desire to propose modifications in the terms of the Treaty.

If such modifications have not been agreed upon before the expiration of the term of one year mentioned above, the Treaty shall lapse.

If no notice is given on either side of the desire to propose modifications, the Treaty shall remain in force for another year, and so on automatically, but subject always in respect of each such period of a year to the right on either side to propose as provided above, three months before its expiration, modifications in the Treaty, and to the provision that if such modifications are not agreed upon before the close of the period of one year, the Treaty shall lapse.

ARTICLE VI

In the event that either of the High Contracting Parties shall be prevented either by judicial decision or legislative action from giving full effect to the provisions of the present Treaty the said Treaty shall automatically lapse, and, on such lapse or whenever this Treaty shall cease to be in force, each High Contracting Party shall enjoy all the rights which it would have possessed had this Treaty not been concluded.

¹ TS 536, *ante*, vol. 1, p. 577.

The present Convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by Her Majesty the Queen of the Netherlands; and the ratifications shall be exchanged at Washington as soon as possible.

In witness whereof, the respective Plenipotentiaries have signed the present Convention in duplicate in the English and Dutch languages and have thereunto affixed their seals.

Done at the city of Washington this twenty-first day of August, in the year of our Lord one thousand nine hundred and twenty-four.

CHARLES EVANS HUGHES [SEAL]
DE GRAEFF [SEAL]

EXCHANGE OF NOTES

The Netherlands Minister to the Secretary of State

LÉGATION DES PAYS-BAS

No. 2330 WASHINGTON, D.C., August 21, 1924

SIR:

In connection with the signing today of a convention pertaining to avoid difficulties which might arise between our two Governments in connection with the laws in force in the United States on the subject of alcoholic beverages and in pursuance of our previous correspondence on the subject, I have the honor to inform you that the Royal Government understands that in the event of the adhesion by the United States to the Protocol of December 16, 1920² under which the Permanent Court of International Justice has been created at The Hague, the Government of the United States will not be averse to considering a modification of the said Convention, or the making of a separate agreement, providing that claims as mentioned in Article IV of that Convention, which cannot be settled in the way as indicated in the first paragraph of that article, shall be referred to the Permanent Court of International Justice instead of the Permanent Court of Arbitration.

I shall be glad to have you confirm this understanding on behalf of your Government.

Accept, Sir, the renewed assurances of my highest consideration.

DE GRAEFF

Honorable CHARLES E. HUGHES,
Secretary of State, Washington, D. C.

² 6 LNTS 380.

The Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON, August 21, 1924

SIR:

I have the honor to acknowledge the receipt of your note of today's date, in which you were so good as to inform me, in connection with the signing this day of the Convention between the United States and the Netherlands to aid in the prevention of the smuggling of intoxicating liquors into the United States, that the Government of the Netherlands understands that in the event of the adhesion by the Government of the United States to the Protocol of December 16, 1920, under which the Permanent Court of International Justice has been created at The Hague, the Government of the United States will not be averse to considering a modification of the said Convention, or the making of a separate Agreement, providing that claims mentioned in Article IV of that Convention which can not be settled in the way indicated in the first paragraph of that Article, shall be referred to the Permanent Court of International Justice instead of to the Permanent Court of Arbitration.

Complying with your request for confirmation of this understanding, I have the honor to state that the Netherlands Government's understanding of the attitude of the Government of the United States in this respect is correct, and that in the event that the Senate gives its assent to the proposal made by the President on February 24, 1923, that it consent under certain stated conditions to the adhesion by the United States to the Protocol of December 16, 1920, under which the Permanent Court of International Justice has been created at The Hague, the Government of the United States will not be averse to considering a modification of the Convention this day signed, or the making of a separate Agreement, providing for the reference of claims mentioned in Article IV of the Convention which can not be settled in the way indicated in the first paragraph of that Article, to the Permanent Court of International Justice instead of to the Permanent Court of Arbitration.

Accept, Sir, the renewed assurances of my highest consideration.

CHARLES E. HUGHES

Jonkheer Dr. A. C. D. DE GRAEFF,
Minister of the Netherlands

ARBITRATION OF DIFFERENCES RESPECTING SOVEREIGNTY OVER ISLAND OF PALMAS

*Special agreement signed at Washington January 23, 1925
Senate advice and consent to ratification February 10, 1925
Ratified by the President of the United States March 2, 1925
Ratified by the Netherlands March 3, 1925
Ratifications exchanged at Washington April 1, 1925
Entered into force April 1, 1925
Proclaimed by the President of the United States April 2, 1925
Terminated April 4, 1928¹*

44 Stat. 2007; Treaty Series 711

The United States of America and Her Majesty the Queen of the Netherlands;

Desiring to terminate in accordance with the principles of international law and any applicable treaty provisions the differences which have arisen and now subsist between them with respect to the sovereignty over the Island of Palmas (or Miangas) situated approximately fifty miles southeast from Cape San Augustin, Island of Mindanao, at about five degrees and thirty-five minutes ($5^{\circ}35'$) north latitude, one hundred and twenty-six degrees and thirty-six minutes ($126^{\circ}36'$) longitude east from Greenwich;

Considering that these differences belong to those which, pursuant to Article I of the Arbitration Convention concluded by the two high contracting parties on May 2, 1908,² and renewed by agreements dated May 9, 1914,³ March 8, 1919,⁴ and February 13, 1924,⁵ respectively, might well be submitted to arbitration;

Have appointed as their respective plenipotentiaries for the purpose of concluding the following special agreement;

The President of the United States of America: Charles Evans Hughes, Secretary of State of the United States of America, and

¹ Date of decision of arbitrator that "The Island of Palmas (or Miangas) forms in its entirety a part of Netherlands territory."

² TS 519, *ante*, p. 62.

³ TS 617, *ante*, p. 67.

⁴ TS 641, *ante*, p. 71.

⁵ TS 682, *ante*, p. 73.

Her Majesty the Queen of the Netherlands: Jonkheer Dr. A. C. D. de Graeff, Her Majesty's Envoy Extraordinary and Minister Plenipotentiary at Washington;

Who, after exhibiting to each other their respective full powers, which were found to be in due and proper form, have agreed upon the following articles:

ARTICLE I

The United States of America and Her Majesty the Queen of the Netherlands hereby agree to refer the decision of the above mentioned differences to the Permanent Court of Arbitration at The Hague. The arbitral tribunal shall consist of one arbitrator.

The sole duty of the arbitrator shall be to determine whether the Island of Palmas (or Miangas) in its entirety forms a part of territory belonging to the United States of America or of Netherlands territory.

The two Governments shall designate the arbitrator from the members of the Permanent Court of Arbitration. If they shall be unable to agree on such designation, they shall unite in requesting the President of the Swiss Confederation to designate the arbitrator.

ARTICLE II

Within six months after the exchange of ratifications of this special agreement, each Government shall present to the other party two printed copies of a memorandum containing a statement of its contentions and the documents in support thereof. It shall be sufficient for this purpose if the copies aforesaid are delivered by the Government of the United States at the Netherlands Legation at Washington and by the Netherlands Government at the American Legation at The Hague, for transmission. As soon thereafter as possible and within thirty days, each party shall transmit two printed copies of its memorandum to the International Bureau of the Permanent Court of Arbitration for delivery to the Arbitrator.

Within six months after the expiration of the period above fixed for the delivery of the memoranda to the parties, each party may, if it is deemed advisable, transmit to the other two printed copies of a counter-memorandum and any documents in support thereof in answer to the memorandum of the other party. The copies of the counter-memorandum shall be delivered to the parties, and within thirty days thereafter to the Arbitrator, in the manner provided for in the foregoing paragraph respecting the delivery of memoranda.

At the instance of one or both of the parties, the Arbitrator shall have authority, after hearing both parties and for good cause shown, to extend the above mentioned periods.

ARTICLE III

After the exchange of the counter-memoranda, the case shall be deemed closed unless the Arbitrator applies to either or both of the parties for further written explanations.

In case the Arbitrator makes such a request on either party, he shall do so through the International Bureau of the Permanent Court of Arbitration which shall communicate a copy of his request to the other party. The party addressed shall be allowed for reply three months from the date of the receipt of the Arbitrator's request, which date shall be at once communicated to the other party and to the International Bureau. Such reply shall be communicated to the other party and within thirty days thereafter to the Arbitrator in the manner provided for above for the delivery of memoranda, and the opposite party may if it is deemed advisable, have a further period of three months to make rejoinder thereto, which shall be communicated in like manner.

The Arbitrator shall notify both parties through the International Bureau of the date upon which, in accordance with the foregoing provisions, the case is closed, so far as the presentation of memoranda and evidence by either party is concerned.

ARTICLE IV

The parties shall be at liberty to use, in the course of arbitration, the English or Netherlands language or the native language of the Arbitrator. If either party uses the English or Netherlands language, a translation into the native language of the Arbitrator shall be furnished if desired by him.

The Arbitrator shall be at liberty to use his native language or the English or Netherlands language in the course of the arbitration and the award and opinion accompanying it may be in any one of those languages.

ARTICLE V

The Arbitrator shall decide any questions of procedure which may arise during the course of the arbitration.

ARTICLE VI

Immediately after the exchange of ratifications of this special agreement each party shall place in the hands of the Arbitrator the sum of one hundred pounds sterling by way of advance of costs.

ARTICLE VII

The Arbitrator shall, within three months after the date upon which he declares the case closed for the presentation of memoranda and evidence, render his award in writing and deposit three signed copies thereof with the

International Bureau at The Hague, one copy to be retained by the Bureau and one to be transmitted to each party, as soon as this may be done.

The award shall be accompanied by a statement of the grounds upon which it is based.

The Arbitrator shall fix the amount of the costs of procedure in his award. Each party shall defray its own expenses and half of said costs of procedure and of the honorarium of the Arbitrator.

ARTICLE VIII

The parties undertake to accept the award rendered by the Arbitrator within the limitations of this special agreement, as final and conclusive and without appeal.

All disputes connected with the interpretation and execution of the award shall be submitted to the decision of the Arbitrator.

ARTICLE IX

This special agreement shall be ratified in accordance with the constitutional forms of the contracting parties and shall take effect immediately upon the exchange of ratifications, which shall take place as soon as possible at Washington.

In witness whereof the respective plenipotentiaries have signed this special agreement and have hereunto affixed their seals.

Done in duplicate in the City of Washington in the English and Netherlands languages this 23d day of January, 1925.

CHARLES EVANS HUGHES [SEAL]
DE GRAEFF [SEAL]

DOUBLE TAXATION: SHIPPING PROFITS

Exchange of notes at Washington September 13, October 19, and November 27, 1926

*Entered into force November 27, 1926; operative from January 1, 1921
Made applicable to the Netherlands Indies by exchange of notes
March 8, May 23, and November 8, 1939¹*

Suspended January 1, 1947²

47 Stat. 2601; Executive Agreement Series 11

The Secretary of State to the Netherlands Chargé d'Affaires ad interim

DEPARTMENT OF STATE
WASHINGTON, September 13, 1926

SIR:

The Department informs you of the receipt of a communication from the Treasury Department regarding the draft of a Royal Decree, with English translation, to be issued by Her Majesty the Queen of the Netherlands, relative to the prevention of double taxation on income derived exclusively from the operation of ships, which was left at the Treasury Department on July 29, 1926. The English translation of the proposed decree reads as follows:

"We, Wilhelmina, by the Grace of God, Queen of The Netherlands, Princess of Orange-Nassau etc. etc.

"Whereas it is provided in the Unique Section of the Law of June 26, 1926, (Statute book No. 209), that we reserve Ourselves under No. 2 to make provisions, on a basis of reciprocity, preventing double taxation on earnings derived from the operation of ships, corresponding with equivalent provisions existing in the laws of foreign nations; and

"Whereas under Section 213, litt. b, No. 8 of the Revenue Act of the United States no tax is imposed on the income of an alien individual non-resident in the United States or of a foreign corporation which consists exclusively of earnings derived from the operation of a ship or ships documented

¹ Not printed.

² For duration of convention of Apr. 29, 1948 (TIAS 1855, post, p. 225).

under the laws of a foreign country which grants an equivalent exemption to citizens of the United States and to corporations organized in the United States, do hereby proclaim and make known:

“UNIQUE SECTION

“CITIZENS OF THE UNITED STATES NON-RESIDENT IN THE NETHERLANDS AND CORPORATIONS ORGANIZED IN THE UNITED STATES WHICH EFFECTUATE IN THE NETHERLANDS THE SEA TRANSPORT WITH SHIPS DOCUMENTED UNDER THE LAW OF THE UNITED STATES ARE (WITH RETROACTIVE POWER TILL JANUARY 1, 1921) NOT SUBJECT TO TAXATION AS FAR AS INCOME DERIVED EXCLUSIVELY FROM SUCH INDUSTRY IS CONCERNED.”

The Treasury Department states that it interprets the proposed decree as exempting from tax the income from sources within the Netherlands received by citizens of the United States non-resident in the Netherlands and by corporations organized in the United States, which consists exclusively of earnings derived from the operation of ships documented under the laws of the United States, such exemption applying to income received on or after January 1, 1921. It notes that the exemption is granted to corporations organized in the United States without limiting such exemption in any way.

The Treasury Department states that the decree as submitted to it meets the equivalent exemption requirements of Section 213(b)(8) of the United States Revenue Acts of 1921, 1924 and 1926.³

I shall be pleased to have you inform me when the decree is issued.

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State:

JOSEPH C. GREW

JONKHEER DR. H. VAN ASCH VAN WYCK,
Chargé d’Affaires ad interim of the Netherlands.

The Netherlands Chargé d’Affaires ad interim to the Secretary of State

THE NETHERLAND LEGATION

WASHINGTON, October 19, 1926

SIR:

I had the honor to receive your note of September 13, 1926 by which you informed me of the receipt of a communication from the Treasury Department regarding the draft of a Royal Decree, with English translation, to be issued by Her Majesty the Queen of the Netherlands, relative to the prevention of double taxation on income derived exclusively from the operation of ships, which was left at the Treasury Department on July 29, 1926.

³ 42 Stat. 239; 43 Stat. 269; 44 Stat. 25.

In this note you stated that the English translation of the proposed decree reads as follows:

[For text of proposed decree, see U.S. note, above.]

You further informed me that the Treasury Department states that it interprets the proposed decree as exempting from tax the income from sources within the Netherlands received by citizens of the United States non-resident in the Netherlands and by corporations organized in the United States, which consists exclusively of earnings derived from the operation of ships documented under the laws of the United States, such exemption applying to income received on or after January 1, 1921, and that it notes that the exemption is granted to corporations organized in the United States without limiting such exemption in any way.

You also advised me that the Treasury Department states that the decree as submitted to it meets the equivalent exemption requirements of Section 213(b)(8) of the United States Revenue Acts of 1921, 1924, and 1926, and you finally stated that you should be pleased to have me inform you when the decree is issued.

In reply thereto I have in compliance with instructions from my Government the honor to inform you that the Treasury Department's above mentioned interpretation of the Royal Decree in question is correct and that the Decree in the form in which it was submitted was published on October 8, 1926 after having been promulgated on October 1, 1926.

Please accept, Sir, the renewed assurances of my highest consideration.

H. VAN ASCH VAN WYCK

THE HONORABLE,
THE SECRETARY OF STATE,
Washington, D.C.

The Secretary of State to the Netherlands Chargé d'Affaires ad interim

DEPARTMENT OF STATE
WASHINGTON, November 27, 1926

SIR:

Referring to your note of October 19, 1926, and to other correspondence in regard to the double taxation of income derived exclusively from the operation of ships, it affords me pleasure to inform you that I have received from the Acting Secretary of the Treasury a letter dated November 8, 1926, from which the following is quoted:

"Inasmuch as the Netherlands Government has promulgated the Royal Decree in the form in which it was submitted to this Department, and has informed this Government that the Treasury Department's interpretation of the Royal Decree is correct, it is held that the Netherlands satisfies the equiva-

lent exemption requirements of Section 213(b)(8) of the Revenue Acts of 1921, 1924 and 1926. Consequently, the income of a non-resident alien or a foreign corporation which consists exclusively of earnings derived from the operation of a ship or ships documented under the laws of the Netherlands is exempt from income tax imposed by the Revenue Acts of 1921, 1924 and 1926."

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State:
LELAND HARRISON

JONKHEER DR. H. VAN ASCH VAN WYCK,
Chargé d'Affaires ad interim of the Netherlands.

REDUCTION OF VISA FEES FOR NONIMMIGRANTS

Exchange of notes at Washington March 29 and 31, 1928

Entered into force March 31, 1928; operative May 1, 1928

*Supplemented by agreements of September 11 and 30 and December 9,
14, and 17, 1929,¹ and May 21 and June 7, 1930²*

Replaced by agreement of November 12 and 13, 1931³

Department of State files

The Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON, March 29, 1928

SIR:

I have the honor to refer to Mr. van Hoorn's note No. 880 of March 22, 1928, proposing an agreement to reduce passport visa fees in the cases of non-immigrants, and to the conversation over the telephone between Mr. van Hoorn and the Chief of the Visa Office in which the proposition of the Netherlands Government was accepted.

Confirming the conversation just referred to, it may be stated that this Government agrees to reduce passport visa fees in the cases of Dutch subjects who are proceeding to the United States in the status of non-immigrants as defined in Section 3 of the Immigration Act of 1924,⁴ to one dollar, no fee to be collected for applications for such visas, in consideration for the granting of equal privileges to American citizens of like classification by the Netherlands Government.

American diplomatic and consular officers in the Netherlands have been advised by cablegram of the conclusion of the above agreement and have been instructed to put it into effect beginning May 1, 1928. I should appreciate

¹ Post, p. 97.

² Post, p. 103.

³ Post, p. 110.

⁴ 43 Stat. 154.

receiving a note from the Netherlands Legation confirming the agreement made for the completion of the Department's records.

Accept, Sir, the renewed assurance of my highest consideration.

For the Secretary of State:

WILBUR J. CARR

Mr. J. H. VAN ROIJEN,
Minister of The Netherlands.

The Netherlands Counselor of Legation to the Secretary of State

THE NETHERLANDS LEGATION,
WASHINGTON, D.C., March 31, 1928

SIR:

I have the honor to acknowledge the receipt of Your Excellency's note of March 30th [29th] stating that the Government of the United States agrees to reduce passport visa fees in the cases of Dutch subjects who are proceeding to the United States in the status of non-immigrants as defined in Section 3 of the Immigration Act of 1924 to one dollar, no fee to be collected for applications for such visas, in consideration for the granting of equal privileges to American citizens of like classification by the Netherlands Government.

In return I am instructed to inform Your Excellency that the Netherlands Government will from the first of May 1928 on also reduce the passport visa fees for American subjects proceeding to the Netherlands, to the same amount above mentioned, and charge two and a half florins.

Please accept, Sir, the renewed assurances of my highest consideration.

L. G. VAN HOORN

The Honorable,
THE SECRETARY OF STATE,
Washington, D.C.

NARCOTIC DRUGS

*Exchange of aide memoire and note at The Hague December 24, 1927,
and April 25, 1928*

Entered into force April 25, 1928

Department of State files

The American Legation to the Foreign Office

AIDE MEMOIRE

Endeavoring to bring about stricter control of the illicit traffic in narcotic drugs, the American Treasury Department has requested that an effort be made to establish closer cooperation between the appropriate administrative officials of the United States and certain European countries, including the Netherlands.

The arrangement contemplated by the Treasury Department includes

(1) The direct exchange between the Treasury Department and the corresponding office in the Netherlands of information and evidence with reference to persons engaged in the illicit traffic. This would include such information as photographs, criminal records, finger prints, Bertillon measurements, description of the methods which the persons in question have been found to use, the places from which they have operated, the partners they have worked with, etc.;

(2) The immediate direct forwarding of information by letter or cable as to the suspected movements of narcotic drugs or of those involved in smuggling drugs if such movements might concern the other country unless such information as this reaches its destination directly and speedily issued by usual methods;

(3) Mutual cooperation in detective and investigating work.

The American Legation is instructed to endeavor to arrange with the Netherland Government for such a direct exchange of information along the lines above outlined.

The officer of the Treasury Department who would have charge, in behalf of the United States Government of the cooperation in the suppression of the illicit traffic in narcotics is Colonel L. G. Nutt, whose mail and telegraph address is Deputy Commissioner in Charge of Narcotics, Treasury Department, Washington, D.C., U.S. of America.

Should the proposed arrangement meet with the approval of Her Majesty's Government, the American legation would be pleased to learn the name of the Dutch official with whom Colonel Nutt should communicate.

THE HAGUE

December 24, 1927.

The Foreign Office to the American Legation

NOTE

Referring to the Aide Memoire transmitted to the Ministry of Foreign Affairs by the Legation of the United States of America on December 24, 1927, in relation to cooperation between the appropriate authorities of the United States and certain European countries, including the Netherlands, the Ministry of Foreign Affairs has the honor to report as follows.

Her Majesty's Government approves the arrangement proposed by the Treasury Department as outlined in the above-mentioned Aide Memoire and gladly complies with the desire expressed by the Legation of the United States that it designate a Dutch official with whom Colonel Nutt could communicate. To this end it has designated the Chief of Police at Amsterdam, in collaboration with his colleague at Rotterdam.

THE HAGUE, *April 25, 1928.*

To the Legation of the
United States of America

ADVANCEMENT OF PEACE

*Exchange of notes at Washington September 8, 1928
Entered into force September 8, 1928*

Treaty Series 760-A

*The Acting Secretary of State to the Netherlands Chargé d'Affaires
ad interim*

DEPARTMENT OF STATE
WASHINGTON, September 8, 1928

SIR:

The time specified in the Treaty for the Advancement of Peace between the United States and the Netherlands, signed at Washington December 18, 1913,¹ the ratifications of which were exchanged at Washington on March 10, 1928, having expired without the fifth Member in the Commission provided for in Article II of that Treaty being named, I beg to suggest for the consideration of your Government that the date within which the organization of the Commission may be completed be extended from September 10, 1928 to March 10, 1929.

Your formal notification in writing, of the same date as this, that your Government receives this suggestion favorably, will be regarded on the part of this Government as sufficient to give effect to the extension, and I shall be glad to receive your assurance that it will be so regarded by your Government also.

Accept, Sir, the renewed assurance of my high consideration.

J. REUBEN CLARK, JR.
Acting Secretary of State

Mr. L. G. VAN HOORN
Chargé d'Affaires ad interim of the Netherlands

¹ TS 760, *ante*, p. 64.

*The Netherlands Chargé d'Affaires ad interim to the the Acting
Secretary of State*

No. 2906

LÉGATION DES PAYS-BAS
WASHINGTON, D.C., 8 September 1928

SIRI

I have the honor to acknowledge the receipt of your note of today's date suggesting the extension from September 10, 1928 to March 10, 1929 of the time within which the organization of the International Commission provided for in the Treaty of December 18, 1913, between the Netherlands and the United States Looking to the Advancement of the General Cause of Peace may be completed.

I have the honor to inform you that the Netherland Government fully concurs with the suggestion made by the Government of the United States and that this exchange of notes will be regarded by it as sufficient to give effect to the extension.

Please accept, Sir, the renewed assurances of my highest consideration.

L. G. VAN HOORN

The Honorable

The ACTING SECRETARY OF STATE
Washington, D.C.

ARBITRATION

Agreement signed at Washington February 27, 1929, extending convention of May 2, 1908

Senate advice and consent to ratification March 2, 1929

Ratified by the President of the United States March 6, 1929

Ratified by the Netherlands April 19, 1929

Ratifications exchanged at The Hague April 25, 1929

Entered into force April 25, 1929; operative from March 25, 1929

Proclaimed by the President of the United States April 26, 1929

Expired March 25, 1930

46 Stat. 2274; Treaty Series 786

The Government of the United States of America and Her Majesty the Queen of the Netherlands, desiring to extend further the period during which the Arbitration Convention concluded between them on May 2, 1908,¹ and extended by the Agreement concluded between the two Governments on May 9, 1914² and further extended by the Agreements concluded by the two Governments on March 8, 1919³ and February 13, 1924,⁴ shall remain in force, have respectively authorized the undersigned to wit:

Frank B. Kellogg, Secretary of State of the United States of America; and

Dr. J. H. van Roijen, Envoy Extraordinary and Minister Plenipotentiary of Her Majesty the Queen of the Netherlands in Washington,

to conclude the following agreement:

ARTICLE I

The Convention of Arbitration of May 2, 1908, between the Government of the United States of America and Her Majesty the Queen of the Netherlands, the duration of which by Article III thereof was fixed at a period of five years from the date of the exchange of ratifications, which period, by the Agreement of May 9, 1914, between the two Governments was extended for five years from March 25, 1914, and was extended by the Agreement between them of March 8, 1919, for the further period of five years from March 25,

¹ TS 519, *ante*, p. 62.

² TS 617, *ante*, p. 67.

³ TS 641, *ante*, p. 71.

⁴ TS 682, *ante*, p. 73.

1919, and by the Agreement of February 13, 1924, for the further period of five years from March 25, 1924, is hereby extended and continued in force from March 25, 1929, for the further period of one year or until within that year a new arbitration convention shall be brought into force between them.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by Her Majesty the Queen of the Netherlands, and it shall become effective upon the date of the exchange of ratifications, which shall take place at The Hague as soon as possible.

Done in duplicate in the English and Dutch languages at Washington this 27th day of February, 1929.

FRANK B. KELLOGG [SEAL]
J. H. VAN ROIJEN [SEAL]

REDUCTION OF VISA FEES FOR NONIMMIGRANTS

Exchanges of notes at Washington September 11 and 30 and December 9, 14 and 17, 1929, supplementing agreement of March 29 and 31, 1928

Entered into force February 1, 1930

Replaced by agreement of November 12 and 13, 1931¹

Department of State files

The Netherlands Legation to the Department of State

No. 3350

WASHINGTON, D.C.

NOTA VERBALE

By notes of March 30th [29th] and 31st, 1928² exchanged between the State Department and the Royal Netherland Legation it has been agreed upon that the visa fees in case of nonimmigrants should be reduced in the case of Dutch subjects who are proceeding to the United States from \$10.00 to \$1.00 and in the case of American citizens proceeding to the Netherlands from Fl. 25.00 to Fl. 2.50.

The attention of the Foreign Office at The Hague has been drawn upon the fact that after this agreement the reciprocity is not entirely complete. In fact the Netherland visa is valid for two years and the American visa only for one year, so that in certain cases from a Netherland subject a fee twice as high should have to be taken than from an American citizen.

As the Netherlands have agreed to the final act of the Passport Convention of Geneva of 1926 where for passports and visa a validity of two years has been adopted it would be rather difficult for the Netherland Government to make a discrimination to this policy specially against citizens of the United States.

For this reason the Royal Netherland Legation has the honor to ask the State Department if it could suggest a just and equitable solution to this problem compatible with the laws and regulations of the United States.

WASHINGTON, D.C.,

September 11, 1929.

¹ Post, p. 110.

² Ante, p. 89.

The Department of State to the Netherlands Legation

The Secretary of State refers to the Royal Netherland Legation's Note Verbale No. 3350 of September 11, 1929, suggesting, with reference to a reciprocal agreement recently concluded under which the passport visa fee for Netherland subjects who are non-immigrants was reduced from \$10.00 to \$1.00, that the validity of American passport visas be two years instead of one year, thus effecting complete reciprocity of treatment between nationals of the two countries concerned.

In reply, the Legation is advised that the Department, while not in a position under its regulations to authorize the issue by American consular officers abroad of passport visas valid for two years, will nevertheless be glad to supplement the agreement in question by the addition of the following conditions for the issue of passport visas to Netherland subjects thereunder.

The visa itself may be valid for one year and good for any number of visits, provided the non-immigrant status of its recipient is maintained and the passport remains valid. A second visa subject to the same conditions may be issued gratis if applied for by the date of the expiration of the original visa or within one year thereafter, provided that the validity of such visa shall not exceed one year nor extend beyond two years from the date on which the original visa was issued, and provided further that the passport on which the original visa was placed has not expired.

The Department will be pleased to be advised whether the conditions suggested would be satisfactory and if such be the case it will take immediate steps to send appropriate notification to its consular officers abroad, including a statement as to the date when the change is to become effective, which it is suggested be fixed as November 1, 1929.

DEPARTMENT OF STATE

WASHINGTON, September 30, 1929.

The Netherlands Legation to the Department of State

No. 4208

WASHINGTON, D.C.

By note of September 30, 1929 the Department of State was kind enough to inform the Royal Netherland Legation that it would be glad to supplement the agreement concerning the reducing of the passport visa fee for Netherland subjects who are non-immigrants and American citizens with a provision that under certain conditions a second visa may be issued gratis to holders of Netherland passports.

Acting upon instructions from its Government the Netherland Legation has the honor to inform the State Department, that the conditions as sug-

gested in the above mentioned note of September 30, 1929 are satisfactory to the Netherland Government and that the Minister of Foreign Affairs appreciates the intention of the Secretary of State to send appropriate notification to the consular officers of the United States abroad.

The Legation would highly appreciate being informed when this notification will be sent and at what date the change in the visa instructions will become effective.

WASHINGTON, D.C.,
December 9, 1929.

The Department of State to the Netherlands Legation

The Secretary of State refers to the Royal Netherland Legation's Note No. 4208 of October [December] 9, 1929, expressing its approval of the Department's note of September 30, 1929, suggesting an extension in the scope of the existing reciprocal agreement for the reduction of passport visa fees.

The Department is pleased to note the Legation's acceptance of its proposals and would suggest that the change in question be effective as of February 1, 1930.

Immediately upon the receipt of a statement from the Legation that the latter date is acceptable, the Department will send appropriate notifications to its officers abroad.

DEPARTMENT OF STATE,
WASHINGTON, *December 14, 1929.*

The Netherlands Legation to the Department of State

No. 4365

WASHINGTON, D.C.

The Minister of the Netherlands has the honor to acknowledge the receipt of the note of the Honorable Secretary of State, dated December 14, 1929, suggesting that the change in the existing reciprocal agreement for the reduction of passport visa fees become effective on February 1, 1930.

The Netherland Minister is pleased to state, that this date is entirely acceptable to the Royal Legation.

WASHINGTON, D.C.,
December 17, 1929.

ARBITRATION

Treaty signed at Washington January 13, 1930

Senate advice and consent to ratification January 31, 1930

Ratified by the President of the United States February 6, 1930

Ratified by the Netherlands June 20, 1930

Ratifications exchanged at Washington July 17, 1930

Entered into force July 17, 1930

Proclaimed by the President of the United States July 19, 1930

46 Stat. 2769; Treaty Series 820

The President of the United States of America and Her Majesty the Queen of the Netherlands

Determined to prevent so far as in their power lies any interruption in the peaceful relations that have always existed between the two nations;

Desirous of reaffirming their adherence to the policy of submitting to impartial decision all justiciable controversies that may arise between them; and

Eager by their example not only to demonstrate their condemnation of war as an instrument of national policy in their mutual relations, but also to hasten the time when the perfection of international arrangements for the pacific settlement of international disputes shall have eliminated forever the possibility of war among any of the Powers of the world;

Have decided to conclude a new treaty of arbitration enlarging the scope and obligations of the arbitration convention signed at Washington on May 2, 1908,¹ which expires by limitation on March 25, 1930, and for that purpose they have appointed as their respective Plenipotentiaries:

The President of the United States of America: Joseph P. Cotton, Acting Secretary of State of the United States; and

Her Majesty the Queen of the Netherlands: Dr. J. H. van Roijen, Her Envoy Extraordinary and Minister Plenipotentiary to the United States of America;

who, having communicated to one another their full powers found in good and due form, have agreed upon the following articles:

¹ TS 519, *ante*, p. 62.

ARTICLE I

All differences relating to international matters in which the High Contracting Parties are concerned by virtue of a claim of right made by one against the other under treaty or otherwise, which it has not been possible to adjust by diplomacy, which have not been adjusted as a result of reference to the Permanent International Commission constituted pursuant to the treaty signed at Washington, December 18, 1913,² and which are justiciable in their nature by reason of being susceptible of decision by the application of the principles of law or equity, shall be submitted to the Permanent Court of Arbitration established at The Hague by the Convention of October 18, 1907,³ or to some other competent tribunal, as shall be decided in each case by special agreement, which special agreement shall provide for the organization of such tribunal if necessary, define its powers, state the question or questions at issue, and settle the terms of reference.

The special agreement in each case shall be made on the part of the United States of America by the President of the United States of America by and with the advice and consent of the Senate thereof, and on the part of the Netherlands in accordance with its constitutional laws.

ARTICLE II

The provisions of this treaty shall not be invoked in respect of any dispute the subject matter of which

- (a) is within the domestic jurisdiction of either of the High Contracting Parties,
- (b) involves the interests of third Parties,
- (c) depends upon or involves the maintenance of the traditional attitude of the United States concerning American questions, commonly described as the Monroe Doctrine,
- (d) depends upon or involves the observance of the obligations of the Netherlands in accordance with the Covenant of the League of Nations.

ARTICLE III

The present treaty shall be ratified by the President of the United States of America by and with the advice and consent of the Senate thereof and by Her Majesty the Queen of the Netherlands.

The ratifications shall be exchanged at Washington as soon as possible, and the treaty shall take effect on the date of the exchange of the ratifications, from which date the arbitration convention signed May 2, 1908, shall cease to have any force or effect. It shall thereafter remain in force continuously

² TS 760, *ante*, p. 64.

³ TS 536, *ante*, vol. 1, p. 577.

unless and until terminated by one year's written notice given by either High Contracting Party to the other.

In faith whereof the respective Plenipotentiaries have signed this treaty in duplicate in the English and Dutch languages, both texts having equal force, and hereunto affixed their seals.

Done at Washington the thirteenth day of January, nineteen hundred and thirty.

J. P. COTTON [SEAL]
J. H. VAN ROIJEN [SEAL]

REDUCTION OF VISA FEES FOR NONIMMIGRANTS

*Exchange of notes at Washington May 21 and June 7, 1930, supplementing agreement of March 29 and 31, 1928, as supplemented
Entered into force June 7, 1930
Replaced by agreement of November 12 and 13, 1931,¹ as amended
by agreement of August 9 and 13, 1932²*

Department of State files

The Netherlands Minister to the Secretary of State

No. 1633

WASHINGTON, D.C., 21 May 1930

SIR:

I have the honor to inform Your Excellency, that the agreement made on 30 [29] and 31 March 1928³ between the Department of State and this Legation, in order to reduce passport visa fees to \$1.00 for American citizens entering the Netherlands and for Dutch subjects proceeding to the United States as non-immigrants, has been interpreted since by the Royal Government as also applying to American citizens going to the Netherland East Indies.

On the other hand it has been reported to me that the American Consuls still charge a fee of \$10 for a visa on Dutch passport of a person proceeding to the Philippines.

Considering the broad interpretation given by my Government to the above mentioned agreement, I should feel greatly obliged if Your Excellency would consider whether there would be any objection to a ruling that as an act of reciprocity, the agreement, reducing the passport visa fees, will also apply to Dutch subjects going to the possessions of the United States.

I should greatly appreciate being informed in due time of the opinion of Your Excellency on this subject.

¹ Post, p. 110.

² Post, p. 113.

³ Ante, p. 89.

I avail myself of this opportunity to renew to you, Sir, the assurances of my highest consideration.

J. H. VAN ROIJEN

The Honorable

THE SECRETARY OF STATE
Washington, D.C.

The Secretary of State to the Netherlands Minister

JUNE 7, 1930

SIR:

I have the honor to refer to your note No. 1633 of May 21, 1930, inquiring as to whether the reciprocal agreement recently made between the United States Government and the Netherland Legation for the mutual reduction of passport visa fees to \$1.00 is considered as applicable to citizens of the Netherlands proceeding to the Philippine Islands.

The Department, with a view to giving the broadest interpretation possible to its legal authority in connection with the reciprocal agreement in question, advises the Legation that it considers the agreement as applicable to subjects of the Netherlands proceeding to the United States and its insular possessions, including the Philippine Islands.

Copies of the Legation's note and of the present reply are being submitted to the American Legation at The Hague, as well as to the American consular officers at Amsterdam and Rotterdam, respectively.

Accept, Sir, the renewed assurance of my highest consideration.

For the Secretary of State:

WILBUR J. CARR

Mr. J. H. VAN ROIJEN,
Minister of the Netherlands.

CUSTOMS PRIVILEGES FOR CONSULAR OFFICERS

*Exchange of notes at The Hague and at Washington April 7, June 17,
August 20, and September 19, 1930; exchange of memorandums
at Washington May 19 and June 30, 1931*

Entered into force September 19, 1930

Amended by agreement of February 1, 1947, and August 20, 1948¹

1931 For. Rel. (II) 771

The American Minister to the Minister of Foreign Affairs

No. 52

THE HAGUE, April 7, 1930

EXCELLENCY: I have the honor to inform Your Excellency that the Treasury Department of my Government has consented to extend the privilege of free importation to Dutch Consular Officers in the United States. Therefore, in addition to the free entry of baggage and effects upon arrival and return to their posts in the United States after visits abroad, which Dutch consular officers assigned to the United States already enjoy, such officers who are Dutch nationals and not engaged in any other business, on a basis of reciprocity would be accorded the privilege of importing free of duty articles for their personal or family use at any time during their official residence with the understanding that no article the importation of which is prohibited by the laws of the United States shall be imported by them.

The Legation is informed that according to article 19 of the Tariff Law of the Netherlands (Free Entry Decree, 1925, Article 22-B) free entry may be accorded to Consular Officers of other powers on the condition of reciprocity. I should therefore like to propose on a basis of reciprocity that free entry privileges as outlined above be granted to American Consular Officers assigned to the Netherlands.

I may add that this suggestion applies only to Consular Officers as my Government deems it advisable to limit the free importation privilege to diplomatic and consular officers and not to extend it to members of clerical staffs of Legations or Consulates.

I avail myself [etc.]

GERRIT J. DIEKEMA

¹ Post, p. 257.

The Minister of Foreign Affairs to the American Minister

[TRANSLATION]

Economic Section
No. 18242

THE HAGUE, June 17, 1930

MR. MINISTER: By Your Note of April 7th, last, No. 52, Your Excellency informed me that the "Treasury Department" at Washington has consented, on a basis of reciprocity, to extend the privilege of free importation already enjoyed partially by the Dutch Consular Officers in the United States in such a manner that the Officers of Dutch Nationality who are not engaged in any other business would be accorded the privilege of importing articles free of duty for their personal or family use at any time during their official residence.

Upon the basis of this information and referring to Article 19 of the Dutch Customs Act of 1924 (Statute No. 568), Your Excellency proposes that such a privilege, as referred to above, be granted on the condition of reciprocity by the Government of the United States and Her Majesty's Government to the respective Consular Officers residing in both countries, with the understanding that they comply with the above-mentioned stipulations.

In reply, after having consulted my colleague, the Minister of Finance, I have the honor to inform Your Excellency that Her Majesty's Government accepts the proposition made. This must be understood in such manner that conformable to the last paragraph of Article 19 of the aforesaid Customs Act of 1924, exemption be equally accorded to excise and import duties on gold and silver articles. I add that I do not know if such taxes are collected in the United States, but, should such be the case, I am convinced that Your Government would be willing to accord exemption of these taxes to the Dutch Consular Officers above-mentioned.

I should be obliged if Your Excellency would let me know if the Government of the United States of America is in agreement with the foregoing; in that case I would ask my above-mentioned Colleague to give the necessary instructions so that this arrangement becomes in force.

I avail myself [etc.]

For the Minister:
The Secretary General,
 A. M. SNOUCK HURGRONJE

The Acting Secretary of State to the Netherlands Chargé d'Affaires

WASHINGTON, August 20, 1930

SIR: In view of the provisions of Article 19 of the Tariff Law of the Netherlands to the effect that the privilege of importing articles for their personal use, free of duty during official residence would be extended to foreign consular officers on a reciprocal basis, the American Legation at The

Hague was instructed to take the matter up with the appropriate authorities of the Netherland Government with a view to arranging for the extension of this privilege to American consular officers assigned to the Netherlands.

The Department is now in receipt of a despatch from the American Minister at the Netherlands, enclosing a copy of a note from the Minister of Foreign Affairs in which it is stated that the Netherland Government accepts this Government's proposition on the understanding that gold and silver articles imported by Dutch consular officers will be exempt from excise tax, as well as import duties in case such taxes are assessed in the United States.

As the Department is informed by the Treasury Department that no excise tax is assessed on gold or silver articles imported for personal or family use, the American Minister at The Hague has been instructed to inform the Netherland Foreign Office accordingly, and I have pleasure in advising you that in addition to the free entry of baggage and effects upon arrival and return to their posts in this country after visits abroad, which Dutch consular officers assigned to the United States already enjoy, effective at once, upon the request of the Netherland Legation in each instance, this Department will arrange for the free entry of articles imported for personal use during their official residence in the United States by Dutch consular officers who are Dutch nationals and not engaged in any other business, and their families, with the understanding that no article, the importation of which is prohibited by the laws of the United States, shall be imported by them.

Accept [etc.]

W. R. CASTLE, JR.

The Minister of Foreign Affairs to the American Chargé d'Affaires

[TRANSLATION]

Economic Section
No. 29588

THE HAGUE, September 19, 1930

MR. CHARGÉ D'AFFAIRES: In his note No. 105 of September 5th last, His Excellency Mr. Dickema was good enough to inform me that the Government of the United States of America has already taken the necessary steps in order that Netherland consular officers of Dutch nationality, established in the United States of America, who have no other business in the United States, may be exempt from import duties with respect to articles imported for their own use or for the use of their family during the period of their official residence.

In thanking you for this kind communication, I take the liberty of making the following observation:

In my letter of June 17th last, Economic Section, in which I had the honor to inform His Excellency Mr. Dickema that the Government of the Queen accepted the proposal made by Your Government, I stated that this

should be interpreted in such a way that, in conformity with article 19 of the 1924 Tariff Act (Bulletin of Laws No. 568), exemption would also be accorded from excise taxes and duty on gold and silver articles. I added that I was not aware whether such duties were also levied in the United States but that, if so, I was convinced that your Government would also accord the Netherland consular officers in question exemption from these duties. In view of the fact that in the aforementioned letter of Mr. Diekema mention is only made of the fact that "no excise tax is assessed on gold or silver imported for personal and family use" (see also enclosure), it seems that I have perhaps not expressed myself with sufficient clarity. For this reason I take the liberty of observing that the third paragraph of my above-mentioned letter of June 17th referred to two different duties, to wit, excise taxes in general and, besides these, a special tax called tax on gold and silver objects, neither of which are import duties.

However, my colleague the Minister of Finance, whom I did not delay acquainting with the above-mentioned note from Mr. Diekema, and whom I consulted with regard to the above, has notified me and I have the honor to inform you that he has advised the competent Netherland authorities that objects imported into the Netherlands, destined for consular officers of the United States of America, of American nationality, who have no other business in the Netherlands—for so far as these objects are for their own use or the use of their family—may enjoy freedom from import duties, statistical duty, excise taxes and the tax on gold and silver objects, and that consequently this franchise in the future is not restricted to the baggage (imported or forwarded afterwards) of these consular officers. In issuing these instructions, my colleague felt he should count on exemption from excise taxes in general being likewise granted to Netherland consular officers stationed in the United States of America.

In bringing the foregoing to your attention, I would be grateful if you would kindly inform me of the viewpoint of Your Government regarding the question of excise duties in general to which reference is made above.

I seize this occasion [etc.]

For the Minister:
The Secretary General
A. M. SNOUCK HURGRONJE

The Netherlands Legation to the Department of State

No. 1645

MEMORANDUM

During the year 1930 an arrangement has been made between the Department of Foreign Affairs at The Hague and the United States Legation, extending on a basis of reciprocity the privilege of free importation in such

a manner, that consular officers, having the nationality of the country they represent, and not being engaged in any other business, will be accorded the privilege of importing articles free of duty for their personal and family use at any time during their official residence.

At that time it was understood, that the American consular officers in the Netherlands would likewise be exempted from excise duties when importing articles under above mentioned conditions.

In answer, however, to its suggestion that also this exemption from excise duties should be made reciprocal, the Netherland Government has been informed that in the absence of appropriate treaty provisions between the Netherlands and the United States exemption from excise taxes cannot be included in the free entry privileges for articles imported by consular officers of the Netherlands into the United States.

Acting under instructions of its Government, the Royal Netherland Legation has the honor to recur to the kind intermediary of the Department of State in order to be informed if and in what form eventually could be concluded between the two governments a binding provision to the effect that Netherland consular officers in the United States, as well as the United States consular officers in the Netherlands, would enjoy the privilege of exemption of excise taxes by importation of articles for their personal use.

WASHINGTON, 19 May, 1931.

The Department of State to the Netherlands Legation

MEMORANDUM

Reference is made to a memorandum from the Netherland Legation, No. 1645, dated May 19, 1931, in which inquiry is made regarding the exemption of Netherland consular officers in the United States from excise taxes on articles imported for their personal use.

It is the Department's understanding that as a matter of practice excise taxes are not levied on goods which are imported free of duty by foreign consular officers in the United States. Should it develop that consuls of the Netherlands, who are nationals of that country and not engaged in any other business, are required to pay excise taxes on the importation of articles for their personal use, this Department will be pleased to take the matter up with the Treasury Department to ascertain if such a tax exemption may be arranged informally. If such an arrangement is not feasible, this Department will be glad to give consideration to providing for the exemption in any negotiations for a treaty containing provisions relating to consular officers which may be undertaken by the two Governments.

WASHINGTON, June 30, 1931.

WAIVER OF VISAS AND VISA FEES FOR NONIMMIGRANTS

Exchange of notes at The Hague November 12 and 13, 1931

Entered into force January 1, 1932

Suspended during World War II

*Replaced by agreement of January 21, February 11, and March 5
and 13, 1946¹*

Department of State files

The American Minister to the Minister of Foreign Affairs

THE HAGUE, NETHERLANDS

November 12, 1931

No. 77

EXCELLENCY:

With reference to previous correspondence relating to the reciprocal waiver of visas and visa fees, I have the honor to inform Your Excellency that I have been authorized to effect the following agreement, the conclusion of which may appropriately be evidenced by your reply to this Note:

The Government of the United States will, from and after January 1, 1932, waive passport visa fees for all Netherlands subjects, including those who belong to the population of the Netherlands overseas territories, who wish to proceed to the United States, provided that they fulfil the requirements for their admission into that country and that they are not "immigrants" as defined in the Immigration Act of the United States of 1924;² and from the same date the Government of the Netherlands will waive visas for all American citizens and for the American nationals of the territorial and insular possessions of the United States who wish to proceed to the Netherlands; and such American citizens or nationals will be admitted into the Netherlands territory in Europe upon the mere presentation of their valid American passports, provided that they fulfil the further conditions for their admission into this country.

Inasmuch as some doubt exists as to the sovereignty of certain islands claimed by the United States, it is not possible at this time to furnish an exact list of American insular possessions. However, the territorial and principal insular possessions of the United States comprise: The Territory of Alaska (which includes all of the Aleutian Islands east of longitude 167°

¹ TIAS 1728, *post*, p. 178.

² 43 Stat. 153.

east of Greenwich); the Territory of Hawaii (including Midway Islands, Ocean or Kure Island, Johnston or Cornwallis Island, and Palmyra Island); the Philippine Islands; American Samoa (including the island of Tutuila, the Manua Islands, and all other islands of the Samoan group east of longitude 171° west of Greenwich, together with Swains Island); the Island of Guam; Porto Rico; the Virgin Islands of the United States; and the Canal Zone (including the small islands in the Bay of Panama named Perico, Naos, Culebra, and Flamenco). It is believed that the foregoing possessions include, for all practical purposes, all of the inhabited territorial and insular possessions of the United States.

It is understood that under this agreement the Government of the United States and that of the Netherlands retain the right to deport or refuse to admit a citizen or national of the other country who may have shown himself undesirable or dangerous as regards the maintenance of general security or of public order or who for some other reason may be barred from entry or subject to deportation in accordance with the laws of their respective countries.

In view of the fact that for the time being the waiver of Dutch visas will only apply to admission into the Netherlands territory in Europe, I am instructed to express to Your Excellency the earnest hope that the Netherlands Government may find its way to extend the present agreement as soon as possible to American citizens and nationals who wish to proceed to the Netherlands overseas territories, in which case the Government of the United States is ready to waive visa fees for the admission of Netherlands subjects of the non-immigrant class to the above-mentioned territorial and insular possessions of the United States.

I avail myself of this occasion to renew to Your Excellency the assurance of my high consideration.

Laurits S. Swenson

His Excellency

Jhr. Mr. F. BEELAERTS VAN BLOKLAND,
Minister for Foreign Affairs,
Etc., Etc., Etc.

The Minister of Foreign Affairs to the American Minister

THE HAGUE
November 13, 1931

MR. MINISTER:

Referring to Your Excellency's Note No. 77 of today's date,³ I have the honor to inform you that Her Majesty's Government has decided to abolish

³ The U.S. note is dated Nov. 12, 1931.

visa requirements from January 1, 1932, for American citizens as well as for the inhabitants of the American insular possessions who are American citizens and who desire to proceed to the Netherlands. They will be admitted in this country on the mere presentation of their valid American passports unless they fail to satisfy the other conditions for the admission of foreigners. The above-mentioned decision applies only to the admission to the territory of the Netherlands in Europe and not to the overseas possessions.

I have taken note of the fact that in view of the foregoing arrangement, the Government of the United States of America has decided to exempt as from January 1, 1932, Netherlands subjects, including those of the Netherlands overseas possessions, who desire to proceed to the United States from the payment of American visa fees, provided they comply with the conditions for the admission of foreigners and provided they are not "immigrants" under the provisions of the "Immigration Act of the United States of America of 1924".

It is understood that in the application of the preceding agreement, the Governments of the Netherlands and the United States reserve to themselves the right to refuse admittance or deport a national of the other country who has shown himself undesirable or dangerous as regards the maintenance of general security or of public order, or who for any reason whatsoever would be refused admission or be subject to deportation in accordance with the laws of their respective countries.

With reference to the desire expressed at the close of Your Excellency's Note mentioned above, I have the honor to inform you that I will not fail to communicate it to the Minister of the Colonies at the earliest possible moment.

In expressing to Your Excellency the hope that the exchange of views will bring satisfactory results and reserving a further communication on this subject, I beg Your Excellency to accept the assurance of my high consideration.

BEELAERTS VAN BLOKLAND

His Excellency

LAURITS S. SWENSON,

*Envoy Extraordinary and Minister Plenipotentiary
of the United States of America.*

VISAS: NETHERLANDS INDIES AND U.S. TERRITORIAL AND INSULAR POSSESSIONS

Exchange of notes at The Hague August 9 and 13, 1932

Entered into force November 1, 1932

Suspended during World War II

*Replaced by agreement of January 21, February 11, and March 5
and 13, 1946¹*

Department of State files

The Minister of Foreign Affairs to the American Minister

[TRANSLATION]

THE HAGUE

August 9, 1932

MR. MINISTER:

With reference to the end of my letter of November 13, 1931² (Legal Division No. 36023), I have the honor to inform Your Excellency that from November first, next, American citizens desiring to visit the Netherlands Indies will not require a Netherlands visa.

Please accept, Mr. Minister, the assurance of my high consideration.

For the Minister,
The Secretary-General
W. C. BEUCKER ANDREAE

His Excellency

LAURITS S. SWENSON,

*Envoy Extraordinary and Minister Plenipotentiary
of the United States of America.*

¹ TIAS 1728, *post*, p. 178.

² *Ante*, p. 111.

NETHERLANDS

The American Minister to the Minister of Foreign Affairs

THE HAGUE, NETHERLANDS

No. 176

August 13, 1932

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's Note No. 26077, dated August 9, 1932, stating that American citizens will not require a Netherlands visa for visits to the Netherlands Indies beginning with November 1, 1932.

As I had the honor to inform Your Excellency in Note No. 77, of November 12, 1931,³ the Government of the United States is ready to waive visa fees for the admission of Netherlands subjects of the non-immigrant class to the territorial and insular possessions of the United States. Accordingly, the competent American authorities will be instructed to issue gratis visas to the categories above referred to from November 1, 1932.

I avail myself of this occasion to renew to Your Excellency the assurance of my high consideration.

Laurits S. Swenson

His Excellency

Jhr. Mr. F. BEELAERTS VAN BLOKLAND,

Minister for Foreign Affairs,

Etc., Etc., Etc.

³ *Ante*, p. 110.

RECOGNITION OF LOAD-LINE CERTIFICATES

*Exchange of notes at Washington August 26 and November 16, 1931,
and March 18, April 22, June 29, and September 30, 1932;
Netherlands decrees of October 8, 1931, and January 29, 1932
Entered into force September 30, 1932
Terminated January 1, 1933¹*

48 Stat. 1757; Executive Agreement Series 42

EXCHANGE OF NOTES

The Acting Secretary of State to the Netherland Chargé d'Affaires ad interim

DEPARTMENT OF STATE
WASHINGTON, August 26, 1931

SIR:

Further reference is made to the Legation's note No. 113, dated January 20, 1931, enclosing copies of the Netherland Shipping Act and Royal Decree and Order in Council relating to load lines for the consideration of this Government in relation to its proposal to the Netherland Government to conclude a reciprocal load line agreement with this Government pending the coming into force of the International Load Line Convention.

Note has been made of the Legation's statement that the laws, rules and regulations pertaining to load lines for vessels now enforced by the Netherland Government are identical with those enforced by the Government of Great Britain, with the sole exception of the rules and regulations pertaining to the carriage of deck cargoes of wood goods.

The competent authorities of this Government consider that the 1906 rules of the British Board of Trade, concerning load lines, are as effective as the United States Load Line Regulations for the determination of load lines on ordinary merchant vessels. The rules of the Netherland Government for determining the load lines of vessels with wood cargoes have been examined by these authorities and have likewise been found to be as effective as the

¹ Upon entry into force for the United States and the Netherlands of the International Load Line Convention of July 5, 1930 (TS 858, *ante*, vol. 2, p. 1076).

rules contained in the United States Load Line Regulations applicable to vessels carrying wood cargo on deck.

Pending the coming into effect of the International Load Line Convention in the United States and the Netherlands, the competent authorities of the Government of the United States are prepared to recognize the load line marks and the certificate of such marking of merchant vessels of the competent authorities of the Netherland Government as equivalent to their own load line marks and certificates of marking: provided, that the load line marks are in accordance with the load line certificates; that the hull and superstructures of the vessel certificated have not been so materially altered since the issuance of the certificate, as to affect calculations on which the load line was based, and that alterations have not been made so that the—

- (1) Protection of openings,
- (2) Guard Rails,
- (3) Freeing Ports,
- (4) Means of Access to Crews Quarters,

have made the vessel manifestly unfit to proceed to sea without danger to human life.

It will be understood that on the receipt of a note from you to the effect that the competent authorities of the Netherland Government will give full recognition to the load line marks made and the certificates issued by the competent authorities of this Government and expressing the Netherland Government's concurrence in the foregoing understanding, the reciprocal agreement will become effective.

Accept, Sir, the renewed assurances of my high consideration.

W. R. CASTLE, Jr.
Acting Secretary of State

MR. L. G. VAN HOORN,
*Charge d'Affaires ad interim
of the Netherlands.*

The Netherlands Minister to the Secretary of State

ROYAL NETHERLAND LEGATION
WASHINGTON, D.C., 16 November 1931

SIR:

I have the honor to refer to the Department's note of August 26, 1931, No. 856.8561/4, concerning the conclusion of a reciprocal load line agreement between the United States of America and the Netherlands pending the coming into force of the International Load Line Convention.

Pursuant to instructions from the Minister of Foreign Affairs at The Hague, I beg leave to transmit herewith four copies of the Royal Decree of October 8, 1931,² published in the Collection of Official Documents ("Staatsblad") No. 414, by which the laws, rules and regulations pertaining to load lines for vessels now enforced by the United States Government are recognized by the Netherlands Government.

I am further requested to inform Your Excellency that the Netherlands Government has designated the following bureaus as private investigation bureaus recognized in accordance with the "Schepenwet" (Netherlands Merchant Shipping Act of July 1, 1909) :

1. Lloyd's Register of British and Foreign Shipping;
2. British Corporation for the survey and registry of shipping;
3. Bureau Veritas;
4. Germanischer Lloyd;
5. Det Norske Veritas.

I avail myself of this opportunity to renew to you, Sir, the assurance of my highest consideration.

J. H. VAN ROIJEN

THE HONORABLE
THE SECRETARY OF STATE
Washington, D.C.

The Netherlands Minister to the Secretary of State

No. 985

LÉGATION DES PAYS-BAS
WASHINGTON, D.C., 18 March 1932

SIR:

Pursuant to instructions received from my Government, I have the honor to enclose herewith copy of the Royal Decree of January 29, 1932,³ (*Official Gazette* No. 25) regarding load line regulations in the Netherlands, purporting modification of the Royal Decree of September 22, 1909, which was amended last by Royal Decree of November 4, 1926 and copy of which was transmitted to Your Excellency by my note of January 20, 1931, No. 113.

According to this new Decree in certain cases a somewhat more lenient rule may be adopted in the Netherlands with regard to load line marks, provided this will not endanger ship and crew and will be in conformity with the minimum requirements as stipulated in the International Load Line Convention of London of July 5, 1930.

² For text, see p. 120.

³ For text, see p. 121.

I may remark at the same time that the Netherland Government, according to this measure, has already put into force the stipulations of the London Convention before it has been ratified.

Please accept, Sir, the renewed assurances of my highest consideration.

J. H. VAN ROIJEN

THE HONORABLE
THE SECRETARY OF STATE
Washington, D.C.

The Acting Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON, April 22, 1932

SIR:

I have the honor to refer to your note No. 3956, dated November 16, 1931, and likewise to your note No. 935 of March 18, 1932, both of which relate to the proposed load-line agreement between the Governments of the United States and the Netherlands.

It is noted that the Government of the Netherlands has designated the following bureaus as private investigation bureaus recognized in accordance with the "Schepenwet" (Netherlands Merchant Shipping Act of July 1, 1909):

1. Lloyd's Register of British and Foreign Shipping;
2. British Corporation for the survey and registry of shipping;
3. Bureau Veritas;
4. Germanischer Lloyd;
5. Det Norske Veritas.

The United States Government is willing to recognize the load-line certificates issued by the aforementioned classification societies to merchant ships of the Netherlands when they are issued under the authority thus granted by the Netherland Government.

This Government has authorized the marking of load-lines and the issuance of certificates therefor, on American vessels, by the American Bureau of Shipping, the American Committee of Lloyd's Registry of Shipping, and the American representatives of the Bureau Veritas.

The Government of the United States is also willing to recognize the certificates issued by the Netherland Government pursuant to the Royal Decree of January 29, 1932, (*Official Gazette* No. 25) which amends certain regulations under the Shipping Law of the Netherlands so as to allow the assignment of smaller freeboards than hitherto authorized provided it can be done without danger to ship and crew, and that the freeboards so as-

signed are in accordance with the provisions contained in the International Load Line Convention of July 5, 1930.

Note has been taken of Royal Decree No. 414 of October 8, 1931, by which the provisions in force in the United States in regard to the minimum water-line as established under the law of March 2, 1929, will be recognized by the Netherland Government. It is the view of this Government, therefore, that the agreement for the recognition by each Government of the load-lines marked and of the certificates issued under the authority of the other Government, may now be regarded as complete.

Accept, Sir, the renewed assurances of my highest consideration.

W. R. CASTLE, Jr.
Acting Secretary of State

Mr. J. H. VAN ROIJEN,
Minister of the Netherlands.

The Netherlands Minister to the Secretary of State

No. 2168
LÉGATION DES PAYS-BAS
WASHINGTON, D.C., 29 June 1932

SIR:

Referring to my note of April 27, 1932, No. 1393, regarding the load-line agreement between the Governments of the Netherlands and the United States and to the third paragraph of Your Excellency's letter of April 22, 1932 on the same subject, I have the honor, pursuant to instructions received from The Hague, to inform you, that, according to article 34 of the Royal Decree of 1929, referred to in articles 5, 9 and 17 of the "Schepenwet" (Netherland Merchant Shipping Act) of July 1, 1909 published in the "Staatsblad" (*Official Gazette*) No. 219 of said year,—of which two documents I presented you with a copy by my letter of January 20, 1931, No. 113,—the Netherland load-line certificates are exclusively issued by the "Commissie tot Vaststelling van de minimum-Uitwatering" (Commission for the Determination of loadlines) and never by the classification societies even when recognized in accordance with the "Schepenwet".

These classification bureaux, when recognized by the Netherland Government, act on the subject of the marking of loadlines and the issuance of certificates, only in advisory capacity; however, the advice of the majority of these bureaux is generally followed.

I avail myself of this opportunity to renew to you Sir, the assurances of my highest consideration.

J. H. VAN ROIJEN

THE HONORABLE
THE SECRETARY OF STATE
Washington, D.C.

NETHERLANDS

The Netherlands Minister to the Secretary of State

No. 3031

LÉGATION DES PAYS-BAS
WASHINGTON, D.C., 30 September 1932

SIR:

By note of April 27, 1932, No. 1393, I had the honour to inform Your Excellency that I did not fail to communicate to the Department of Foreign Affairs at The Hague the contents of Your communication of April 22, 1932, regarding the LOADLINE AGREEMENT between the Governments of The Netherlands and the United States.

I am now instructed by the Minister of Foreign Affairs and take pleasure to inform Your Excellency that it is also the view of the Royal Government that said agreement for the recognition by each Government of the loadlines marked and of the certificates issued under the authority of the other Government, may now be regarded as complete.

I avail myself of this opportunity to renew to You, Sir, the assurances of my highest consideration.

J. H. VAN ROIJEN

THE HONORABLE
THE SECRETARY OF STATE
Washington, D.C.

NETHERLANDS DECREES

[TRANSLATION]

OFFICIAL GAZETTE OF THE KINGDOM OF THE NETHERLANDS

(No. 414.) DECREE of October 8, 1931, recognizing the minimum freeboard regulations in force in the United States.

WE, WILHELMINA, BY THE GRACE OF GOD, QUEEN OF THE NETHERLANDS, PRINCESS OF ORANGE-NASSAU, ETC., ETC., ETC.

On the recommendation of Our Minister of Waterways (Waterstaat) of October 2, 1931, La. L. Transportation and Mining Section, have approved and agreed as follows on the basis of article 67, paragraph 1, under *a*, of the Law on Shipping:

That the provisions in force in the United States in regard to the minimum freeboard, as fixed by the law of March 2, 1929, shall be recognized as having fully the same extent and scope as the provisions of law in force in this country in regard to the minimum freeboard.

Our Minister of Waterways is intrusted with the execution of this decree, which shall be inserted in the *Official Gazette*.

Het Loo, October 8, 1931.

WILHELMINA

*The Minister of Waterways,
P. J. REYMER.*

Published October 26, 1931
The Minister of Justice
J. DONNER

(No. 25.) DECREE of January 29, 1932, in further amendment of the general administrative regulations under Articles 5, 9, and 17 of the Shipping Law, promulgated by Royal Decree of September 22, 1909 (*Official Gazette* No. 315), last amended by Royal Decree of November 4, 1926 (*Official Gazette* No. 369).

WE, WILHELMINA, BY THE GRACE OF GOD, QUEEN OF THE NETHERLANDS, PRINCESS OF ORANGE-NASSAU, ETC., ETC., ETC.

On the recommendation of Our Minister of Waterways, of January 9, 1932, La. G.G., Transportation and Mining Division;

The Council of State having been consulted, opinion of January 19, 1932, No. 21;

In view of the further report of Our Minister aforesaid, of January 25, 1932, La. F., Transportation and Mining Division;

Referring to articles 5, 9 and 17 of the Shipping Law;

Have approved and agreed:

The following amendment is made to the general administrative regulations mentioned in articles 5, 9 and 17 of the Shipping Law, promulgated by Royal Decree of September 22, 1909 (*Official Gazette* No. 315), last amended by Royal Decree of November 4, 1926 (*Official Gazette* No. 369):

ARTICLE I

A new paragraph is added to article 54, reading as follows:

"3. Whenever it can be done without danger to ship and crew, a smaller freeboard may be permitted by the commission mentioned in article 39, under the stipulations to be made by it, than in accordance with the provisions of this decree, provided that as a minimum the requirements established concerning the freeboard of ships by the convention concluded at London on July 5, 1930, be met."

ARTICLE II

This decree goes into effect on the second day after the date of the *Official Gazette* in which it appears.

Our Minister of Waterways is intrusted with the execution of this decree, which is to be inserted in the *Official Gazette*, and a copy of which shall be sent to the Council of State.

The Hague, January 29, 1932.

WILHELMINA

The Minister of Waterways,

P. J. REYMER.

Published February 11, 1932

The Minister of Justice,

J. DONNER

RECIPROCAL TRADE

*Agreement and exchange of notes signed at Washington December 20,
1935¹*

Proclaimed by the President of the United States December 28, 1935

Ratified by the Netherlands March 8, 1937

Proclamation and ratification exchanged at Washington April 8, 1937

*Entered into force May 8, 1937; articles I-XVI, inclusive, operative
from February 1, 1936*

Made inoperative by agreement of October 30, 1947²

Terminated December 7, 1962³

50 Stat. 1504; Executive Agreement Series 100

AGREEMENT

The President of the United States of America and Her Majesty the Queen of the Netherlands, being desirous of improving and extending the commercial relations between the two countries by granting mutual and reciprocal concessions and advantages for the development of trade, have resolved to conclude a Trade Agreement with that object and have appointed their respective Plenipotentiaries, as follows:

The President of the United States of America:

Mr. Cordell Hull, Secretary of State of the United States of America, and

Her Majesty the Queen of the Netherlands:

Mr. Arnold Theodoor Lamping, Director of Trade Agreements,

who, after communicating to each other their respective full powers, found to be in good and due form, have agreed upon the following Articles:

ARTICLE I

The United States of America and the Kingdom of the Netherlands will grant each other unconditional and unrestricted most-favored-nation treat-

¹ For schedules annexed to agreement, see 50 Stat. 1526 or p. 24 of EAS 100. For proclamations relating to allocation of tariff quotas on crude petroleum and fuel oil dated Dec. 12, 1939, Dec. 28, 1940, and Dec. 26, 1941, see 54 Stat. 2451, 54 Stat. 2456, 55 Stat. 1393; EAS 191, 192, 226.

² TIAS 1705, *post*, p. 222.

³ Pursuant to notice of termination given by the United States June 7, 1962.

ment in all matters concerning customs duties and charges of every kind and in the method of levying duties, and, further, in all matters concerning the rules, formalities and charges imposed in connection with the clearing of goods through the customs, and with respect to all laws or regulations affecting the sale or use of imported goods within the country.

Accordingly, natural or manufactured products having their origin in either of the countries shall in no case be subject, in regard to the matters referred to above, to any duties, taxes or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like products having their origin in any third country are or may hereafter be subject.

Similarly, natural or manufactured products exported from the territory of the United States of America or the Kingdom of the Netherlands and consigned to the territory of the other country shall in no case be subject with respect to exportation and in regard to the above-mentioned matters, to any duties, taxes or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like products when consigned to the territory of any third country are or may hereafter be subject. The provisions of this paragraph shall not apply to taxes or charges levied in the Netherlands for the purpose of equalizing in some cases the differences in prices existing in the Netherlands and in foreign countries.

Any advantage, favor, privilege or immunity which has been or may hereafter be granted by the United States of America or the Kingdom of the Netherlands in regard to the above-mentioned matters, to a natural or manufactured product originating in any third country or consigned to the territory of any third country shall be accorded immediately and without compensation to the like product originating in or consigned to the territory of the Kingdom of the Netherlands or the United States of America, respectively.

It is understood that so long as and insofar as existing law of the United States of America may otherwise require, the provisions of this Article, insofar as they would otherwise relate to duties, taxes or charges on coal, coke manufactured therefrom, or coal or coke briquettes, shall not apply to such products imported into the United States of America. If the law of the United States of America shall not permit the complete operation of the provisions of this Article with respect to the above-mentioned products, the Kingdom of the Netherlands reserves the right to impose on such products originating in the United States of America, after September 1, 1936, duties or charges other or higher than those imposed on like products originating in third countries, or within fifteen days after the aforesaid date, to terminate this Agreement in its entirety on thirty days' written notice.

ARTICLE II

Articles the growth, produce or manufacture of the United States of America, enumerated and described in Sections A and B of Schedule I⁴ annexed to this Agreement, shall, on their importation into the Netherlands and the Netherlands Indies, respectively, be exempt from ordinary customs duties and monopoly fees in excess of those set forth in the respective Sections of the said Schedule. The said articles shall also be exempt from all duties, taxes, fees, charges or exactions, other than ordinary customs duties and monopoly fees, imposed on or in connection with importation, other than or in excess of those imposed on the day of the signature of this Agreement or required to be imposed thereafter under laws of the Netherlands or the Netherlands Indies, in force on the day of the signature of this Agreement. It is understood that in the application of the aforesaid laws, articles the growth, produce or manufacture of the United States of America shall receive as favorable treatment as that accorded under like circumstances and conditions to like articles of any third country.

With respect to the articles the growth, produce or manufacture of the United States of America enumerated and described in Schedule III annexed to this Agreement, the provisions set forth in the said Schedule shall be applied.

With respect to articles enumerated and described in Section B of Schedule I, the Government of the Netherlands Indies reserves the right to change the ad valorem rates of duty specified in the said Section to specific rates of duty: Provided, That no resulting rate of duty applicable to any such article originating in the United States of America shall be higher than the average specific rate equivalent to the ad valorem rate of duty during the latest practicable six months' period preceding the conversion.

It is understood that an increase in the statistical duties at present levied in the Netherlands shall not be considered contrary to the provisions of this Article provided such duties do not exceed eight florin cents per package on postal importations or two-tenths of one per centum ad valorem on other importations.

ARTICLE III

Articles the growth, produce or manufacture of the Kingdom of the Netherlands enumerated and described in Schedule II annexed to this Agreement, shall, on their importation into the United States of America, be exempt from ordinary customs duties in excess of those set forth in the said Schedule. The said articles shall also be exempt from all duties, taxes, fees charges or exactions, other than ordinary customs duties, imposed on or in connection with importation, other than or in excess of those imposed on the day of the signature of this Agreement or required to be imposed thereafter under laws

⁴ See footnote 1, p. 122.

of the United States of America in force on the day of the signature of this Agreement. It is understood that in the application of the aforesaid laws, articles the growth, produce or manufacture of the Kingdom of the Netherlands shall receive as favorable treatment as that accorded under like circumstances and conditions to like articles of any third country.

ARTICLE IV

The provisions of Articles II and III of this Agreement shall not prevent the United States of America or the Kingdom of the Netherlands from imposing on the importation of any article a charge constituting a compensation for or an equivalent of an internal tax imposed on a like domestic article or on a commodity from which the imported article has been processed or manufactured in whole or in part.

Articles the growth, produce or manufacture of the United States of America or the Kingdom of the Netherlands, enumerated and described in Schedules I and II, respectively, which are or shall be subject on their importation into the other country to a duty, tax or any other exaction, imposed solely as the equivalent of or to compensate for an internal tax or any other exaction imposed on or with respect to the processing of domestic articles, shall continue to be subject to such duty, tax or other exaction on importation only to the extent that such duty, tax or exaction shall be not more than fairly equivalent or compensatory to the internal tax or other exaction imposed on or with respect to the processing of domestic articles.

ARTICLE V

Articles the growth, produce or manufacture of the United States of America or the Kingdom of the Netherlands, shall, after importation into the other country, be exempt from all internal taxes, fees, charges or exactions other or higher than those payable on like articles of national origin or any other foreign origin.

The provisions of this Article in regard to the granting of national treatment shall not prevent the Netherlands from maintaining the existing differential between imported and domestic articles in connection with the stamping tax for works in gold or silver or from applying the existing regulations in regard to the excise tax on the juices of fresh fruits other than grapes, whether or not fermented, and on molasses and other liquids containing sugar.

ARTICLE VI

1. Neither the United States of America nor the Kingdom of the Netherlands shall establish or maintain any import or export prohibition or restriction on any article originating in or destined for the territory of the other country, which is not applied to the like article originating in or destined for any third country. Any abolition of an import or export prohibition or

restriction which may be granted even temporarily by either country in favor of an article originating in or destined for a third country shall be applied immediately and unconditionally to the like article originating in or destined for the territory of the other country.

2. With respect to the articles enumerated and described in Schedule IV annexed to this Agreement, which are now subject to quantitative restrictions in the Netherlands or the Netherlands Indies, the quantities of such articles originating in the United States of America which shall be permitted to be imported annually into the respective territories, beginning February 1, 1936, shall not be less than those specified in the said Schedule.

3. With respect to articles not specified in Schedule IV, originating in the United States of America, which are now subject to quantitative restrictions in the Netherlands, the quantities permitted to be imported annually, beginning February 1, 1936, shall not be less than those established in the form of percentages of the importations in the basic periods by the published quota decrees in effect on the day of the signature of this Agreement.

4. With respect to articles in which the United States of America has an interest and which are not now subject to quantitative restrictions in the Netherlands, it is agreed that if the Netherlands shall establish any form of quantitative restriction or control of the importation or sale of any such article, there will be allotted to the United States of America a share of the total quantity of any such article permitted to be imported or sold, during a specified period, equivalent to the proportion of the total importation of such article which the United States of America supplied in a basic period prior to the imposition of such quantitative restriction on such article, unless it is mutually agreed to dispense with such allotment. It is understood that in calculating the quotas to be allotted to the United States of America under the provisions of this paragraph, importations into the Netherlands from the Netherlands Indies, Surinam and Curaçao may be omitted from the aforesaid total quantity permitted to be imported or sold and from the aforesaid total importation in the basic period.

5. If the Netherlands imposes or shall hereafter impose on the importation or sale of a specified quantity of any article in which the United States of America has an interest a lower import duty or charge than the duty or charge imposed on importations in excess of such quantity, there will be allotted to the United States of America a share of the total quantity of any such article permitted to be imported or sold at such lower duty or charge, during a specified period, equivalent to the proportion of the total importation of such article which the United States of America supplied in a basic period prior to the imposition of any quantitative restriction on such article, unless it is mutually agreed to dispense with such allotment. It is understood that in calculating the quotas to be allotted to the United States of America under the provisions of this paragraph, importations into the

Netherlands from the Netherlands Indies, Surinam and Curaçao may be omitted from the aforesaid total quantity permitted to be imported or sold at such lower duty or charge and from the aforesaid total importation in the basic period.

6. With respect to articles in which the United States of America has an interest, it is agreed that if a quota for the importation or sale of any such article, or a quota for the importation or sale of a specified quantity of any such article at a lower duty or charge than the duty or charge imposed on importations or sales in excess of such quantity, is or shall be allotted by the Netherlands Indies to any third country, other than the Netherlands, Surinam or Curaçao, there will be allotted to the United States of America a share of the total quantity of such article permitted to be imported or sold, or permitted to be imported or sold at such lower duty or charge, during a specified period, equivalent to the proportion of the total importation of such article which it supplied in a basic period prior to the imposition of such quantitative restriction on such article, unless it is mutually agreed to dispense with such allotment. It is understood that in calculating the quotas to be allotted to the United States of America under the provisions of this paragraph, importations into the Netherlands Indies from the Netherlands, Surinam and Curaçao may be omitted from the aforesaid total quantity permitted to be imported or sold, or permitted to be imported or sold at such lower duty or charge, and from the aforesaid total importation in the basic period.

7. If the Government of the United States of America establishes or maintains any form of quantitative restriction or control of the importation or sale of any article in which the Kingdom of the Netherlands has an interest, or imposes a lower duty or charge on the importation or sale of a specified quantity of any such article than the duty or charge imposed on importations in excess of such quantity, the Government of the United States of America will allot to the Kingdom of the Netherlands a share of the total quantity of such article permitted to be imported or sold, or permitted to be imported or sold at such lower duty or charge, during a specified period, equivalent to the proportion of the total importation of such article which the Kingdom of the Netherlands supplied in a basic period prior to the imposition of such quantitative restriction on such article, unless it is mutually agreed to dispense with such allotment. It is understood that in calculating the quotas to be allotted to the Kingdom of the Netherlands under the provisions of this paragraph, importations into the United States of America from Cuba, the Philippine Islands, the Panama Canal Zone, and the territories and possessions of the United States of America may be omitted from the aforesaid total quantity permitted to be imported or sold, or permitted to be imported or sold at such lower duty or charge, and from the aforesaid total importation in the basic period.

8. If, after February 1, 1937, the Government of the Netherlands should desire to reduce the quota established for any article under the second or the third paragraph of this Article, it shall give at least thirty days' advance notice to the Government of the United States of America, and shall give sympathetic consideration to any suggestion or request which the latter Government may make with respect to the proposed action; and if an agreement with respect thereto is not reached within thirty days following receipt of the aforesaid notice, the Government of the United States of America shall be free, within fifteen days after the expiration of the aforesaid period of thirty days, to terminate this Agreement in its entirety on thirty days' written notice.

9. The quantity allotted to the United States of America for any article on which a quota is established under the second or the third paragraph of this Article shall not in any case be reduced unless the global quota for that article is also reduced in the same proportion. If the global quota for any such article shall at any time be increased, the quantity allotted to the United States of America shall, after February 1, 1937, be increased in the same proportion, unless it is mutually agreed to dispense with such allotment. The term "global quota" means the total quantity or value of an article permitted to be imported from all foreign countries.

10. With respect to the import quotas, which are now in effect or which may hereafter be established by either the United States of America or the Kingdom of the Netherlands, each Government will take appropriate measures to facilitate as much as possible the exhaustion of such quotas. Any representations which either Government may make with a view to effectuating this purpose shall be given the most sympathetic consideration by the other Government.

11. Sympathetic consideration will be given by either Government to any request which the other Government may make for a readjustment of the quota allotment for any article or to any request or representation with respect to any other matter relating to quotas or other quantitative restrictions.

ARTICLE VII

With respect to the articles enumerated and described in Schedules I and II, no prohibitions, import quotas, import licenses, or any other form of quantitative regulation, whether or not operated in connection with any agency of centralized control, shall be imposed by the Kingdom of the Netherlands and the United States of America, respectively.

The foregoing provision shall not apply to quantitative restrictions in whatever form imposed by either country on the importation or sale of any article the growth, produce or manufacture of the other country in conjunction with governmental measures operating to regulate or control the production, market supply, or prices of like domestic articles, nor shall it apply to such

necessary measures as may be adopted in extraordinary and abnormal circumstances to protect the vital economic or financial interests of the country. Whenever either Government establishes or changes any restriction authorized by this paragraph, it shall notify the other Government and shall afford such other Government an opportunity to consult with it in respect of such action; and if, objection being made to such action, an agreement with respect thereto is not reached within thirty days following receipt of the aforesaid notice, such other Government shall be free within fifteen days after the expiration of the aforesaid period of thirty days to terminate this Agreement in its entirety on thirty days' written notice.

The first paragraph of this Article shall not prevent the application of the quantitative restrictions in the form of quotas provided for in Schedule I nor the application of the quantitative restrictions in the form of quotas which are specified in Schedule IV for the articles enumerated and described therein.

ARTICLE VIII

In the event that the United States of America or the Kingdom of the Netherlands establishes or maintains a monopoly for the importation, production or sale of an article or grants exclusive privileges, formally or in effect, to one or more agencies to import, produce or sell an article, the Government of the country establishing or maintaining such monopoly, or granting such monopoly privileges, shall, in respect of the foreign purchases of such monopoly or agency, accord the commerce of the other country fair and equitable treatment. In making its foreign purchases of any article such monopoly or agency shall, within the quantitative limitations permitted by other provisions of this Agreement, be influenced solely by competitive considerations, such as price, quality, marketability, and terms of sale.

ARTICLE IX

In the event that a wide variation occurs in the rate of exchange between the currencies of the United States of America and the Kingdom of the Netherlands, the Government of either country, if it considers the variation so substantial as to prejudice the industries or commerce of the country, shall be free to propose negotiations for the modification of this Agreement; and if an agreement with respect thereto is not reached within thirty days following receipt of such proposal, the Government making such proposal shall be free to terminate this Agreement in its entirety on thirty days' written notice.

ARTICLE X

Each Government will accord sympathetic consideration to such representations as the other Government may make regarding the operation of customs regulations, the observance of customs formalities, and the appli-

cation of sanitary laws and regulations for the protection of human, animal or plant health or life.

If either Government makes representations to the other Government in respect of the application of any sanitary law or regulation for the protection of human, animal or plant health or life, and if there is disagreement with respect thereto, a committee of technical experts on which each Government will be represented shall, on the request of either Government, be established as soon as possible to consider the matter and to submit recommendations to the two Governments.

Whenever practicable each Government, before applying any new measure of a sanitary character, will consult with the Government of the other country with a view to insuring that there will be as little injury to the commerce of the latter country as may be consistent with the purpose of the proposed measure. The provisions of this paragraph do not apply to actions affecting individual shipments under sanitary measures already in effect or to actions based on pure food and drug laws.

ARTICLE XI

The provisions of this Agreement relating to the treatment to be accorded by the United States of America or the Kingdom of the Netherlands to the commerce of the other country do not apply to advantages now accorded or which may hereafter be accorded to neighboring states in order to facilitate frontier traffic, or to advantages resulting from a customs union to which either country may become a party so long as such advantages are not extended to any other country.

Nothing in this Agreement shall be construed to prevent the adoption of measures prohibiting or restricting the exportation or importation of gold or silver, or to prevent the adoption of such measures as either Government may see fit with respect to the control of the export or sale for export of arms, ammunition, or implements of war, and, in exceptional circumstances, all other military supplies.

Subject to the requirement that, under like circumstances and conditions, there shall be no arbitrary discrimination by either country against the other country in favor of any third country, and without prejudice to Article X, the provisions of this Agreement shall not extend to prohibitions or restrictions (1) relating to public security; (2) imposed on moral or humanitarian grounds; (3) designed to protect human, animal or plant health or life; (4) relating to prison-made goods; or (5) relating to the enforcement of police or revenue laws.

Nothing in this Agreement shall prevent either Government from assessing duties or taxes on certain imported articles on the basis of arbitrary quantities in lieu of actual measurement, as required by laws in force on the day of the signature of this Agreement.

ARTICLE XII

In the event that either Government adopts any measure which, even though it does not conflict with the terms of this Agreement, is considered by the other Government to have the effect of nullifying or materially and considerably impairing any object of the Agreement, the Government which has adopted any such measure shall consider such written representations or proposals as the other Government may make with a view to effecting a mutually satisfactory adjustment of the matter. If no agreement is reached with respect to such representations or proposals within thirty days after they are received, the Government making them shall be free, within fifteen days after the expiration of the aforesaid period of thirty days, to terminate this Agreement in its entirety on sixty days' written notice.

ARTICLE XIII

Except as otherwise provided in the second paragraph of this Article, the provisions of this Agreement relating to the treatment to be accorded by the United States of America and the Kingdom of the Netherlands, respectively, to the commerce of the other country, shall not apply to the Philippine Islands, the Virgin Islands, American Samoa, the Island of Guam, or to the Panama Canal Zone.

The provisions of this Agreement regarding most-favored-nation treatment shall apply to articles the growth, produce or manufacture of any territory under the sovereignty or authority of the United States of America or the Kingdom of the Netherlands, imported from or exported to any territory under the sovereignty or authority of the other country. It is understood, however, that the provisions of this paragraph do not apply to the Panama Canal Zone.

The advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another or to the Republic of Cuba shall be excepted from the operation of this Agreement. The provisions of this paragraph shall continue to apply in respect of any advantages now or hereafter accorded by the United States of America, its territories or possessions or the Panama Canal Zone to the Philippine Islands irrespective of any change in the political status of the Philippine Islands.

This Agreement shall not apply to the advantages which the Netherlands and its overseas territories have granted or hereafter may grant to one another nor to the advantages which these overseas territories have granted or hereafter may grant to one another.

ARTICLE XIV

Each Government reserves the right to withdraw or to modify the concession granted on any article under this Agreement, or to impose quantita-

tive restrictions on any such article if, as a result of the extension of such concession to third countries, such countries obtain the major benefit of such concession and in consequence thereof an unduly large increase in importations of such article takes place: Provided, That before either Government shall avail itself of the foregoing reservations, it shall give notice in writing to the other Government of its intention to do so, and shall allow a period of not less than thirty days before such action is taken for reaching an agreement with respect thereto or with respect to such compensatory modifications of the terms of the present Agreement as may be appropriate. If at the end of the aforesaid period of thirty days a satisfactory agreement has not been reached, the Government which proposed to take such action shall be free to do so at any time thereafter, and the other Government shall be free within fifteen days after such action has been taken to terminate this Agreement in its entirety on thirty days' written notice.

ARTICLE XV

The Kingdom of the Netherlands embraces the Netherlands, the Netherlands Indies, Surinam, and Curaçao; wherever the term "Netherlands" is used in this Agreement it refers only to the territory in Europe.

Wherever the term "United States of America" is used in this Agreement, it is understood to embrace the territories of Hawaii and Alaska, and Puerto Rico, as well as continental United States.

ARTICLE XVI

Schedules I, II, III and IV, and the notes included in them, shall have force and effect as integral parts of this Agreement.

ARTICLE XVII

The present Agreement shall be proclaimed by the President of the United States of America and shall be ratified by Her Majesty the Queen of the Netherlands.

Pending ratification of this Agreement by Her Majesty the Queen of the Netherlands, the provisions of Articles I to XVI, inclusive, shall be applied reciprocally, by the United States of America and the Kingdom of the Netherlands on February 1, 1936, and thereafter until the day on which the entire Agreement shall come into force.

The entire Agreement shall come into force one month after the day on which the Netherlands Government has communicated the ratification by Her Majesty the Queen of the Netherlands to the Government of the United States of America and the Government of the United States of America has communicated the proclamation of the President of the United States of

America to the Netherlands Government. The Agreement shall continue in force until January 1, 1939, subject to the provisions of Article I, Article VI, Article VII, Article IX, Article XII, and Article XIV.

Unless at least six months before January 1, 1939, either Government shall have given to the other Government notice of intention to terminate the Agreement on that date, the Agreement shall remain in force thereafter, subject to the provisions of Article I, Article VI, Article VII, Article IX, Article XII, and Article XIV, until six months from the day on which either Government shall have given such notice to the other Government.

In witness whereof the respective Plenipotentiaries have signed this Agreement and have affixed their seals hereto.

Done in duplicate, in the English and Netherlands languages, both authentic, at the City of Washington this twentieth day of December, nineteen hundred and thirty-five.

For the President of the United States of America:

CORDELL HULL [SEAL]

For Her Majesty the Queen of the Netherlands:

LAMPING [SEAL]

[For schedules annexed to agreement, see 50 Stat. 1526 or p. 24 of EAS 100.]

EXCHANGE OF NOTES

The Secretary of State to the Netherlands Director of Trade Agreements

DEPARTMENT OF STATE
WASHINGTON, December 20, 1935

SIR:

I have the honor to make the following statement of my understanding of the agreement reached through recent conversations held at Washington by representatives of the Government of the United States and the Netherlands Government with reference to certain special duties.

These conversations have disclosed a mutual understanding between the two Governments, which is that neither will impose on products of territories of the other Government any antidumping duty or new or additional duty to countervail the payment or bestowal of a bounty or grant, without first giving the other Government, through an informal notice, an opportunity to present representations with respect to the proposed duty. No decision to impose such duty will be made within thirty days after the date of the informal notice, unless an earlier decision is required by law. Any represen-

tations submitted by the other Government will be carefully considered by the Government contemplating the imposition of the duty.

Accept, Sir, the assurances of my highest consideration.

CORDELL HULL
*Secretary of State
of the United States of America*

The Honorable ARNOLD THEODOOR LAMPING,
Director of Trade Agreements,
Chief of the Netherlands Delegation,
Washington.

The Netherlands Director of Trade Agreements to the Secretary of State

[TRANSLATION]

20 DECEMBER 1935

EXCELLENCY:

I have the honor to acknowledge the receipt of your Excellency's note of today's date containing a statement of Your Excellency's understanding of the agreement reached through recent conversations held at Washington by representatives of the Government of the United States and the Netherlands Government with reference to certain special duties.

These conversations have disclosed a mutual understanding between the two Governments, which is that neither will impose on products of territories of the other Government any antidumping duty or new or additional duty to countervail the payment or bestowal of a bounty or grant, without first giving the other Government, through an informal notice, an opportunity to present representations with respect to the proposed duty. No decision to impose such duty will be made within thirty days after the date of the informal notice, unless an earlier decision is required by law. Any representations submitted by the other Government will be carefully considered by the Government contemplating the imposition of the duty.

I beg to confirm to Your Excellency the agreement thus reached.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest consideration.

LAMPING
Director of Trade Agreements

WASHINGTON, D.C.

His Excellency MR. CORDELL HULL,
Secretary of State
of the United States of America,
Washington, D.C.

CLAIMS: PAYMENT FOR CERTAIN MILITARY SUPPLIES

Convention signed at Washington March 18, 1938

Senate advice and consent to ratification June 13, 1938

Ratified by the Netherlands June 16, 1938

Ratified by the President of the United States July 6, 1938

Ratifications exchanged at Washington August 2, 1938

Entered into force August 2, 1938

Proclaimed by the President of the United States August 15, 1938

Terminated May 28, 1947¹

53 Stat. 1564; Treaty Series 935

WHEREAS, in November 1917, the Government of the United States of America requisitioned certain military supplies of the Government of the Netherlands, for which it paid a sum not considered by the Government of the Netherlands to be the full amount to which it was entitled therefor, while the Government of the United States of America considers, on the contrary, that it has paid more than was due,

WHEREAS it has been found impossible to adjust the resulting differences of opinion by diplomacy,

WHEREAS the President of the United States of America and Her Majesty, the Queen of the Netherlands, are desirous of reaching an amicable settlement of their differences, by arbitration if necessary, and that a convention be concluded for that purpose, have named as their plenipotentiaries, that is to say:

The President of the United States of America:

Cordell Hull, Secretary of State of the United States of America, and

Her Majesty, the Queen of the Netherlands:

Jonkheer H. M. van Haersma de With, Envoy Extraordinary and Minister Plenipotentiary of the Netherlands to the United States of America,

Who, having communicated to each other their respective full powers, found in good and due form, have agreed upon the following articles:

¹ Upon entry into force of lend-lease settlement agreement dated May 28, 1947 (TIAS 1750, *post*, p. 188).

ARTICLE I

First. Within six months from the date of the exchange of ratifications hereof the Agent for the Government of the Netherlands shall present to the Agent for the Government of the United States of America a Memorial in which shall be fully set forth:

- (a) the facts on which the Netherlands Government rests its claim against the Government of the United States of America,
- (b) the amount of additional compensation demanded, the principal of which compensation shall in no event exceed the difference between the florins alleged to have been expended by the Netherlands Government and the amount in dollars received by it, leaving to the Arbitrator the question as to whether, in the event of an award, interest should be granted,
- (c) an explanation of the grounds and theory on which the claim is predicated.

Such Memorial shall be accompanied by all the evidence upon which the claim is considered to be based, it being clearly understood that no further evidence may be injected into the case either during the discussions mentioned in Article II below or during the possible adjudication of the claim, except as hereinafter provided.

Second. Within eight months from the date of receipt by the Agent for the Government of the United States of America of such Memorial, he shall present to the Agent for the Government of the Netherlands an Answer to the Memorial, in which shall be fully set forth:

- (a) the facts relied upon by the Government of the United States of America in defense of the claim of the Government of the Netherlands and the facts on which the Government of the United States of America rests any counterclaim,
- (b) the amount of such counterclaim,
- (c) an explanation of the grounds and theory on which the defense and any such counterclaim are predicated.

To such Answer there shall be attached all the evidence upon which the defense of the claim and upon which the counterclaim are considered to be based, and no further evidence shall be injected into the case, either in support or defense, either during the stage of discussions mentioned in Article II below or during possible arbitration, except as hereinafter provided.

Third. With all issues of fact and law thus defined, the Agent for the Government of the Netherlands shall, within six months from the date of the receipt of the Answer, file with the Agent for the Government of the United States of America a written Brief containing all such factual and legal contentions as he may desire to make in support of the claim and in defense of the counterclaim. In such Brief the Agent for the Netherlands Govern-

ment, without being allowed to change the general grounds of the claim as stated in the Memorial, may further explain such grounds in the light of the Answer and the evidence filed therewith and he may file with such Brief only such evidence as is strictly in refutation of the Answer or of the evidence filed with the Answer, but which does not lay the basis of any new grounds for the claim. With the Brief there may be filed also an Answer to the counterclaim, which Answer shall be governed by paragraph "Second" above.

Fourth. Within six months from the date of the receipt of such Brief the Agent for the Government of the United States of America shall file with the Agent for the Government of the Netherlands a Reply Brief containing all such factual and legal contentions as he may desire to make in defense of the claim and in support of the counterclaim. In such Reply Brief the Agent for the Government of the United States of America, without being allowed to change the general grounds of the defense of the claim or the general grounds of the counterclaim, may further explain such grounds in the light of the Brief of the Government of the Netherlands, the Answer to the counterclaim, and the evidence filed therewith, and he may file with such Reply Brief only such evidence as is strictly in refutation of the Brief or the evidence filed therewith, but which does not lay the basis of any new grounds for defense of the claim or any new grounds for the counterclaim.

ARTICLE II

In the event that the two Governments shall be unable to agree upon a disposition of the claim and the counterclaim or upon any portions thereof within the six months next succeeding the delivery of the Reply Brief of the Government of the United States of America, the pleadings thus exchanged shall be referred to arbitration for the decision of any such unsettled questions, it being clearly understood, however, that in no event shall the issues of the claim or of the counterclaim, either factual or legal, or the contentions of either party, as herein submitted to diplomatic discussion, be changed in character, or the written record above described augmented in the event the matter is so referred to arbitration.

ARTICLE III

The issues to be decided shall be those formulated by the pleadings exchanged in pursuance of Article I hereof, or such of those issues as shall not have been previously settled by agreement of the two Governments.

The Arbitrator shall decide such issues in conformity with applicable law.

ARTICLE IV

The arbitral tribunal shall consist of a sole Arbitrator, to be selected by mutual agreement of the two Governments, who shall be a jurist of repute,

familiar with the English language, and who shall not be a national of the Netherlands or of the United States of America.

ARTICLE V

Within thirty days from the termination of the period specified in Article II above, if the diplomatic negotiations referred to therein shall not have resulted in a full settlement of the claim and counterclaim, the pleadings provided for in Article I above shall be delivered to the Arbitrator by means of a joint communication of the two Agents.

ARTICLE VI

As soon as possible after the date of the receipt of the above-mentioned pleadings by the Arbitrator, and not later than four months from that date, he shall convene the parties at a place to be determined by the two Governments for the purpose of hearing such oral arguments by Agents or Counsel, or both, for each Government, as they may desire to make. The conduct of the oral proceedings shall be under the control of the Arbitrator. Authentic minutes of the meetings shall be kept by a Secretary, to be designated by the Arbitrator, and shall be signed by the Arbitrator and the Secretary.

The periods of time mentioned in Articles V and VI hereof may be extended by mutual agreement of the two Governments.

ARTICLE VII

The Arbitrator shall be obligated to render his decision within three months from the date on which the oral arguments close, unless, upon the request of the Arbitrator, the two Governments agree to extend that period.

The decision of the Arbitrator shall be rendered in two signed copies, one of which shall be sent to each Government. It shall state the grounds of the decision and shall be in the English language.

The language of the pleadings and oral proceedings shall be English. All evidence submitted in any language other than English shall be accompanied by a full and correct translation in the English language.

The decision of the Arbitrator shall be accepted as final and binding upon the two Governments.

ARTICLE VIII

Each Government shall pay the expenses of the presentation and conduct of its own case before the Arbitrator, all joint expenses, including the honorarium for the Arbitrator, to be borne by the two Governments in equal proportions.

ARTICLE IX

This convention shall be ratified by the High Contracting Parties and shall take effect immediately upon the exchange of ratifications, which shall take place at Washington as soon as possible.

IN WITNESS WHEREOF, the respective plenipotentiaries have signed this convention and have hereunto affixed their seals.

DONE in duplicate at Washington, this eighteenth day of March, 1938.

CORDELL HULL

[SEAL]

H. M. VAN HAERSMA DE WITH

[SEAL]

LEND-LEASE

Agreement signed at Washington August 9, 1941

Entered into force August 9, 1941

Replaced by agreement of July 8, 1942¹

1941 For. Rel. (II) 808

Whereas the United States of America and the Kingdom of the Netherlands declare that, with self-restraint and sober purpose, they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941,² that the defense of the Kingdom of the Netherlands against further aggression is vital to the defense of the United States of America;

And whereas the United States of America and the Kingdom of the Netherlands are mutually desirous of concluding an agreement for the providing of defense articles and defense information by either country to the other country, and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of the Kingdom of the Netherlands have been performed, fulfilled or executed as required;

The undersigned, being duly authorized for that purpose, have agreed as follows:

ARTICLE I

The United States of America will supply the Kingdom of the Netherlands with such defense articles and defense information as the President shall authorize to be transferred.

ARTICLE II

The Kingdom of the Netherlands will, until further notice, pay in advance for all defense articles and defense information requested by it and the transfer of which has been authorized. The United States of America, however, reserves the right at any time to suspend, defer, or stop deliveries of such articles or information whenever in the opinion of the President further deliveries are not consistent with the needs of the defense of the United States of America.

¹ EAS 259, *post*, p. 142.

² 55 Stat. 31.

Records shall be kept of all defense articles transferred under this Agreement, and not less than every ninety days schedules of such defense articles shall be exchanged and reviewed.

ARTICLE III

The Kingdom of the Netherlands will not, without the consent of the President of the United States of America, transfer title to or possession of any defense article or defense information transferred to the Kingdom of the Netherlands under this Agreement, or permit its use by anyone not an officer, employee, or agent of the Kingdom of the Netherlands.

ARTICLE IV

If, as a result of the transfer to the Kingdom of the Netherlands of any defense articles or defense information, it becomes necessary for the Kingdom of the Netherlands to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such article or information, the Kingdom of the Netherlands will take such action or make such payment when requested to do so by the President of the United States of America.

ARTICLE V

In the event that circumstances arise in which the United States of America in its own defense or in the defense of the Americas shall require defense articles or defense information which the Kingdom of the Netherlands is in a position to supply, the Kingdom of the Netherlands will make such defense articles or defense information available to the United States of America on terms similar to the terms expressed above in this Agreement.

ARTICLE VI

This Agreement shall continue in force from the date on which it is signed until a date agreed upon between the two Governments.

Signed and sealed at Washington in duplicate this ninth day of August, 1941.

For the United States of America:

CORDELL HULL

*Secretary of State of the United
States of America*

For the Kingdom of the Netherlands:

A. LOUDON

*Envoy Extraordinary and Minister
Plenipotentiary of Her Majesty
the Queen of The Netherlands at
Washington*

LEND-LEASE¹

*Agreement and exchange of notes signed at Washington July 8, 1942
Entered into force July 8, 1942*

Supplemented by agreements of June 14, 1943,² and April 30, 1945³

56 Stat. 1554; Executive Agreement Series 259

AGREEMENT

Whereas the Governments of the United States of America and the Kingdom of the Netherlands declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the Governments of the United States of America and the Kingdom of the Netherlands, as signatories of the Declaration by United Nations of January 1, 1942,⁴ have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941⁵ by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941,⁶ that the defense of the Kingdom of the Netherlands against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to the Kingdom of the Netherlands aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Government of the Kingdom of the Netherlands receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United

¹ See also lend-lease settlement agreements of May 28, 1947 (TIAS 1750, *post*, p. 188), and June 1 and 8, 1950 (1 UST 638; TIAS 2119).

² EAS 326, *post*, p. 154.

³ EAS 480, *post*, p. 158.

⁴ EAS 236, *ante*, vol. 3, p. 697.

⁵ EAS 236, *ante*, vol. 3, p. 686.

⁶ 55 Stat. 31.

States of America and the Kingdom of the Netherlands and will promote the establishment and maintenance of world peace;

And whereas the Governments of the United States of America and the Kingdom of the Netherlands are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of the Kingdom of the Netherlands have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

ARTICLE I

The Government of the United States of America will continue to supply the Government of the Kingdom of the Netherlands with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

ARTICLE II

The Government of the Kingdom of the Netherlands will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

ARTICLE III

The Government of the Kingdom of the Netherlands will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act of March 11, 1941 of the Congress of the United States of America or permit the use thereof by anyone not an officer, employee, or agent of the Government of the Kingdom of the Netherlands.

ARTICLE IV

If, as a result of the transfer to the Government of the Kingdom of the Netherlands of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such defense article or information, the Government of the Kingdom of the Netherlands will take such action or

make such payment when requested to do so by the President of the United States of America.

ARTICLE V

The Government of the Kingdom of the Netherlands will return to the United States of America at the end of the present emergency, as determined by the President of the United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

ARTICLE VI

In the final determination of the benefits to be provided to the United States of America by the Government of the Kingdom of the Netherlands full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Government of the Kingdom of the Netherlands subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

ARTICLE VII

In the final determination of the benefits to be provided to the United States of America by the Government of the Kingdom of the Netherlands in return for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Kingdom of the Netherlands, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

ARTICLE VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed in duplicate at Washington this eighth day of July, 1942.

For the Government of the United States of America:

CORDELL HULL [SEAL]
*Secretary of State
of the United States of America*

For the Government of the Kingdom of the Netherlands:

A. LOUDON [SEAL]
*Ambassador of the Kingdom
of the Netherlands at Washington*

EXCHANGE OF NOTES

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON
July 8, 1942

EXCELLENCE:

In connection with the signature on this date of the Agreement between our two Governments on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression, I have the honor to confirm our understanding that this Agreement replaces and renders inoperative, as from today, the prior Agreement between our two Governments on the same subject, dated August 9, 1941.⁷

I have the honor also to confirm our understanding that the signature of this Agreement does not affect in any way the arrangements now being made through the Office of Lend-Lease Administration for the transfer to various agencies of the United States Government of certain aircraft, munitions, military property and procurement contracts of the Royal Netherlands Government in the United States, and for the reimbursements to be made to the Royal Netherlands Government in that connection.

Accept, Excellency, the renewed assurances of my highest consideration.

CORDELL HULL
*Secretary of State
of the United States of America*

His EXCELLENCE

Dr. A. LOUDON,
Ambassador of the Netherlands.

⁷ *Ante*, p. 140.

The Netherlands Ambassador to the Secretary of State

No GA 1513

JULY 8, 1942

SIR,

In connection with the signature on this date of the Agreement between our two Governments on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression, I have the honor to confirm our understanding that this Agreement replaces and renders inoperative, as from today, the prior Agreement between our two Governments on the same subject, dated August 9, 1941.

I have the honor also to confirm our understanding that the signature of this Agreement does not affect in any way the arrangements now being made through the Office of Lend-Lease Administration for the transfer to various agencies of the United States Government of certain aircraft, munitions, military property and procurement contracts of the Royal Netherlands Government in the United States, and for the reimbursements to be made to the Royal Netherlands Government in that connection.

Accept, Sir, the renewed assurances of my highest consideration.

A. LOUDON
*Ambassador of the Kingdom
of the Netherlands*

The Honorable
THE SECRETARY OF STATE
Washington, D.C.

MILITARY SERVICE

*Exchange of notes at Washington March 31, July 2, and September 24
and 30, 1942*

*Entered into force July 8, 1942
Terminated March 31, 1947¹*

56 Stat. 1900; Executive Agreement Series 306

The Acting Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON
March 31, 1942

SIR:

I have the honor to refer to conversations which have taken place between officers of the Netherlands Legation and of the Department with respect to the application of the United States Selective Training and Service Act of 1940,² as amended, to Netherlands subjects residing in the United States.

As you are aware, the Act provides that with certain exceptions every male citizen of the United States and every other male person residing in the United States between the ages of eighteen and sixty-five shall register. The Act further provides that, with certain exceptions, registrants within specified age limits are liable for active military service in the United States armed forces.

This Government recognizes that from the standpoint of morale of the individuals concerned and the over-all military effort of the countries at war with the Axis Powers, it would be desirable to permit certain classes of individuals who have registered or who may register under the Selective Training and Service Act of 1940, as amended, to enlist in the armed forces of a cobelligerent country, should they desire to do so. It will be recalled that during the World War this Government signed conventions with certain associated powers on this subject. The United States Government believes, however, that under existing circumstances the same ends may now be accomplished through administrative action, thus obviating the delays incident to the signing and ratification of conventions.

¹ Upon termination of functions of U.S. Selective Service System (60 Stat. 341).

² 54 Stat. 885.

This Government is prepared, therefore, to initiate a procedure which will permit aliens who have registered under the Selective Training and Service Act of 1940, as amended, who are nationals of cobelligerent countries and who have not declared their intention of becoming American citizens to elect to serve in the forces of their respective countries, in lieu of service in the armed forces of the United States, at any time prior to their induction into the armed forces of this country. Individuals who so elect will be physically examined by the armed forces of the United States, and if found physically qualified, the results of such examinations will be forwarded to the proper authorities of the cobelligerent nation for determination of acceptability. Upon receipt of notification that an individual is acceptable and also receipt of the necessary travel and meal vouchers from the cobelligerent government involved, the appropriate State Director of the Selective Service System will direct the local Selective Service Board having jurisdiction in the case to send the individual to a designated reception point for induction into active service in the armed forces of the cobelligerent country. If upon arrival it is found that the individual is not acceptable to the armed forces of the cobelligerent country, he shall be liable for immediate induction into the armed forces of the United States.

Before the above-mentioned procedure will be made effective with respect to a cobelligerent country, this Department wishes to receive from the diplomatic representative in Washington of that country a note stating that his government desires to avail itself of the procedure and in so doing agrees that:

(a) No threat or compulsion of any nature will be exercised by his government to induce any person in the United States to enlist in the forces of any foreign government;

(b) Reciprocal treatment will be granted to American citizens by his government; that is, prior to induction in the armed forces of his government they will be granted the opportunity of electing to serve in the armed forces of the United States in substantially the same manner as outlined above. Furthermore, his government shall agree to inform all American citizens serving in its armed forces or former American citizens who may have lost their citizenship as a result of having taken an oath of allegiance on enlistment in such armed forces and who are now serving in those forces that they may transfer to the armed forces of the United States provided they desire to do so and provided they are acceptable to the armed forces of the United States. The arrangements for effecting such transfers are to be worked out by the appropriate representatives of the armed forces of the respective governments.

(c) No enlistments will be accepted in the United States by his government of American citizens subject to registration or of aliens of any nationality who have declared their intention of becoming American citizens and are subject to registration.

This Government is prepared to make the proposed regime effective immediately with respect to the Kingdom of the Netherlands upon the receipt from you of a note stating that your Government desires to participate in it and agrees to the stipulations set forth in lettered paragraphs (a), (b), and (c) above.

Accept, Sir, the renewed assurances of my highest consideration.

SUMNER WELLES
Acting Secretary of State

The Honorable

Dr. A. LOUDON,
Minister of the Netherlands.

The Netherlands Ambassador to the Secretary of State

No 4521

WASHINGTON, D.C., July 2, 1942

SIR,

I have the honor to acknowledge receipt of Your Excellency's further note of May 6, 1942, No 811.2222 (1940/712) in the matter of the application of the United States Selective Training and Service Act of 1940, as amended, to Netherlands subjects residing in the United States.

After giving the most careful attention to the reasons set forth in that note which have prompted the Government of the United States to reach a decision as explained therein, my Government cannot but express its great disappointment at the policy adopted by the United States Government which will prevent an important number of Netherlands subjects to fulfill their military duties in the armed forces of their own country, while it also seriously hampers the efforts of the Netherlands Government to reinforce their military effectives, a considerable part of which were lost in the fight against the common enemies of the United Nations. In previous conferences and in correspondence with the Department of State on this subject the Netherlands Embassy has already had an opportunity to stress the obvious advantage for the common war effort to use preferably men of Netherlands nationality fighting under the Netherlands flag for the future liberation of Netherlands territory and the re-establishing of law and order there. As Your Excellency is undoubtedly aware, the number of men in the Netherlands Armed Forces is already extremely limited under existing conditions, whereas by the proposed arrangement the principal source of manpower for those forces, to wit from among those living in the United States would henceforth be reduced to unappreciable figures.

The Netherlands Government regrets that apparently no alternative is left but to comply with the proposals in question, although they are being felt as a considerable handicap in the Government's constant endeavor to

prepare for the liberation of its country from the invader as one of its contributions to the combined war effort.

My Government has noted that the United States Government is prepared to permit Netherlands nationals who have registered under the Selective Training and Service Act of 1940 as amended, and who have not declared their intention of becoming American citizens, to elect to serve in the Netherlands forces, in lieu of service in the armed forces of the United States, at any time prior to their induction into the armed forces of this country.

The Netherlands Government assumes that the names and addresses of Netherlands subjects, who are free to elect to serve in the armed forces of the Netherlands will be made available immediately to the Director of Netherlands Military Registration in the United States, 10 Rockefeller Plaza, New York. It is therefore requested that the National Headquarters Selective Service System be instructed accordingly and that the Netherlands Military authorities will be allowed to exchange information with the local boards.

Individuals who elect to serve in the Netherlands Armed Forces need not be physically examined by the medical service of the armed forces of the United States. The appropriate Netherlands authorities will provide for the medical examination. If it is found that the individual is not acceptable for the armed forces of the Netherlands, he shall then become liable for immediate induction into the armed forces of the United States.

In connection with the foregoing the attention of the Government of the United States is invited to the fact that in case Netherlands subjects enter the American military service of their own free choice, without previously having obtained the official permission of the Netherlands Government to do so, they thereby lose the status of Netherlands subject according to article 7, paragraph 4 of the Netherlands Law on nationality and citizenship.

The Netherlands Government therefore would feel obliged if the United States authorities concerned could see their way not to accept such aliens for military service without such permission previously having been obtained, in which connection the Netherlands Government explicitly reserves full authority to grant or refuse permission, as each particular case would seem to warrant.

In view of the foregoing, the Netherlands Government on its part agrees that:

A) No threat or compulsion of any nature will be exercised by the Netherlands Government to induce any person in the United States to enlist in the forces of any foreign government.

B) Reciprocal treatment will be granted to American citizens by the Netherlands Government; that is, prior to induction in the Armed Forces of that Government, they will be granted the opportunity of electing to serve in the Armed Forces of the United States in substantially the same manner as outlined above. Furthermore the Netherlands Government agrees to in-

form all American citizens serving in the Netherlands Armed Forces or former American citizens who may have lost their citizenship as a result of having taken an oath of allegiance on enlistment in such Armed Forces, and who are now serving in those Forces, that they may transfer to the Armed Forces of the United States provided that they desire to do so and provided they are acceptable to the Armed Forces of the United States. The arrangements for effecting such transfers are to be worked out by the appropriate representatives of the Armed Forces of our Governments.

C) No enlistments will be accepted in the United States by the Netherlands Government of American citizens subject to registration or of aliens of any nationality who have declared their intention of becoming American citizens and are subject to registration.

It should, however, be understood that the arrangement set forth above does not intend to prevent the Netherlands Government from exercising its sovereign powers under existing treaties and international law to protect the rights and to impose duties upon its citizens residing in the United States, and to take such measures to that effect as may appear necessary.

The Netherlands Government suggests the regime as proposed above to become effective immediately upon receipt of a note from Your Excellency stating that the Government of the United States agrees thereto, particularly with regard to the names and addresses to be supplied by the Selective Service System.

The Netherlands Government assumes that pending the negotiations concerning the above the Selective Service Headquarters will instruct the local Boards to refrain from enlisting persons into the armed forces of the United States who under the proposed agreement are free to elect to serve in the Netherlands armed forces.

Please accept, Sir, the renewed assurances of my highest consideration.

A. LOUDON

The Honorable

The SECRETARY OF STATE
Washington, D.C.

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON
September 24, 1942

EXCELLENCY:

I have the honor to refer to your note no. 4521 of July 2, 1942, concerning the proposed arrangement regarding the service of nationals of one country in the armed forces of the other country.

The appropriate authorities of this Government have given careful con-

sideration to the contents of your note, and consider it to contain satisfactory assurances in regard to the points raised in the Department's note of March 31, 1942. Accordingly, the arrangement is being regarded as having taken effect on July 8, 1942, the date on which your note of July 2, 1942, was received in the Department.

The Selective Service System, in connection with your request to be given the names and addresses of Netherlands subjects who are free to opt for service in the Netherlands armed forces, has made the following statement:

"This Headquarters has no available list of declarant citizens of the Netherlands except the names taken from Alien's Personal History and Statement (DSS Form 304). It is now contemplated that the use of this form will be discontinued shortly, at least as far as cobelligerent and neutral countries are concerned. If this should be the case, it will be very difficult and practically impossible to furnish the names desired, since it will be inadvisable to request local boards to undertake the added burden of compiling such lists."

Major Sherrow G. Parker of the Selective Service System, and Brigadier General Guy W. [V.] Henry of the Inter-Allied Personnel Board of the War Department, will be available to discuss with the Netherlands Embassy all details pertaining to the reciprocal induction arrangements.

The enclosed memorandum (I-422)³ contains information as to the manner in which reciprocal induction arrangements are being carried out by the Selective Service System. It is presumed that, in the case of the Netherlands, the procedure will be identical.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

G. HOWLAND SHAW

Enclosure:

Memorandum to all State Directors (I. 422).

His Excellency

Dr. A. LOUDON,

Ambassador of the Netherlands.

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE

WASHINGTON

September 30, 1942

EXCELLENCY:

I have the honor to refer to the arrangement between the Netherlands and the United States concerning the services of nationals of one country in

³ Not printed.

the armed forces of the other country, and to inform you that the War Department is prepared to discharge, for the purpose of transferring to the armed forces of their own country, nondeclarant Netherlands nationals now serving in the United States forces who have not heretofore had an opportunity of electing to serve in the forces of their own country, under the same conditions existing for the transfer of American citizens from the Netherlands forces.

The Inter-Allied Personnel Board of the War Department, which is headed by Major General Guy V. Henry, is prepared to make the necessary arrangements for the contemplated transfers, and to discuss matters related thereto. In the case of a person serving outside the United States, however, the commanding officer of the theater of operations in which he may be serving is the proper authority to arrange the release.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:
BRECKINRIDGE LONG

His Excellency

Dr. A. LOUDON,
Ambassador of the Netherlands.

LEND-LEASE: AID TO U.S. ARMED FORCES¹

Exchange of notes at Washington June 14, 1943, supplementing agreement of July 8, 1942

Entered into force June 14, 1943; operative from July 8, 1942

Superseded by agreement of April 30, 1945²

57 Stat. 991; Executive Agreement Series 326

The Netherlands Ambassador to the Secretary of State

GA 1928

JUNE 14, 1943

SIR:

In the United Nations' declaration of January 1, 1942,³ the contracting governments pledged themselves to employ their full resources, military or economic, against those nations with which they are at war; and in the Agreement of July 8, 1942⁴ between the Governments of the United States and of the Netherlands, on the Principles Applying to Mutual Aid in the Prosecution of the War against Aggression, each contracting government undertook to provide the other with such articles, services, facilities, or information useful in the prosecution of their common war effort as it might be in a position to supply. It is the understanding of the Government of the Kingdom of the Netherlands that the general principle to be followed in providing mutual aid as set forth in the said Agreement of July 8, 1942 is that the war production and the war resources of both Nations should be used by each in ways which most effectively utilize the available materials, manpower, production facilities and shipping space.

With a view, therefore, to supplementing the Agreement of July 8, 1942, I have the honor to set forth below the understanding of the Government of the Kingdom of the Netherlands of the principles and procedures applicable to the provision of aid by the Government of the Kingdom of the Netherlands to the armed forces of the United States and the manner in which such aid will be correlated with the maintenance of those forces by the United States Government.

¹ See also lend-lease settlement agreements of May 28, 1947 (TIAS 1750, *post*, p. 188), and June 1 and 8, 1950 (1 UST 638; TIAS 2119).

² EAS 480, *post*, p. 167.

³ EAS 236, *ante*, vol. 3, p. 697.

⁴ EAS 259, *ante*, p. 142.

1. The Government of the Kingdom of the Netherlands, retaining the right of final decision, in the light of its own potentialities and responsibilities, will provide the United States or its forces with the following types of assistance as such reciprocal aid, when and to the extent that it is found that they can most effectively be procured in territory of the Kingdom of the Netherlands:

(a) Supplies, materials, facilities, information and services for the United States forces except for the pay and allowances of such forces, administrative expenses, and such local purchases as its official establishments may make other than through the official establishments of the Government of the Netherlands as specified in paragraph 2.

(b) Supplies, materials, information and services needed in the construction of military projects, tasks and similar capital works required for the common war effort in territory of the Kingdom of the Netherlands, except for the wages and salaries of United States citizens.

(c) Supplies, materials, information and services needed in the construction of such military projects, tasks and capital works in territory other than territory of the Kingdom of the Netherlands or territory of the United States, to the extent that territory of the Kingdom of the Netherlands is a more practicable source of supply than the United States, or another of the United Nations.

2. The practical application of the principles formulated in this note, including the procedure by which requests for aid by either Government are made and acted upon, shall be worked out as occasion may require by agreement between the two Governments, acting when possible through their appropriate military or civilian administrative authorities. Requests by the United States Government for such aid will be presented by duly authorized authorities of the United States to official agencies of the Netherlands which will be designated or established in Washington, or in the areas where United States forces are located, for the purpose of facilitating the provision of reciprocal aid.

3. It is the understanding of the Government of the Kingdom of the Netherlands that all such aid, as well as other aid, including information, received under Article 6 of the Agreement of July 8, 1942, accepted by the President of the United States or his authorized representatives from the Government of the Netherlands will be received as a benefit to the United States under the Act of March 11, 1941.⁵ In so far as circumstances will permit, appropriate record of aid received under this arrangement will be kept by each Government.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two Governments in this matter

⁵ 55 Stat. 31.

and that for clarity and convenience of administration this understanding be considered to be effective as from July 8, 1942, the date of the Agreement of the two Governments on the principles of mutual aid.

Accept, Sir, the renewed assurances of my highest consideration.

A. LOUDON

*Ambassador of the Kingdom
of the Netherlands at Washington*

The Honorable

CORDELL HULL

*Secretary of State
Washington, D.C.*

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON

June 14, 1943

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of the Kingdom of the Netherlands to the armed forces of the United States of America.

In reply I wish to inform you that the Government of the United States agrees with the understanding of the Government of the Kingdom of the Netherlands as expressed in that note. In accordance with the suggestion contained therein, your note and this reply will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

Accept, Sir, the renewed assurances of my highest consideration.

CORDELL HULL

His Excellency

Dr. A. LOUDON,

*Ambassador of the
Kingdom of the Netherlands.*

CIVIL AFFAIRS: ADMINISTRATION AND JURISDICTION

Agreement signed at London May 16, 1944

Entered into force May 16, 1944

Obsolete

[For text, see 2 UST 601; TIAS 2212.]

LEND-LEASE: SUPPLIES AND SERVICES¹

*Agreement, memorandum, and exchange of notes at Washington
April 30, 1945*

Entered into force April 30, 1945

59 Stat. 1627; Executive Agreement Series 480

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE KINGDOM OF THE NETHERLANDS UNDER SECTION 3(C) OF THE LEND-LEASE ACT

As parties signatory to the United Nations Declaration of January 1, 1942,² the Government of the United States of America and the Government of the Kingdom of the Netherlands have pledged themselves to employ their full resources, military and economic, against those nations with which they are at war. In the Agreement of July 8, 1942³ between the Government of the United States of America and the Government of the Kingdom of the Netherlands, each contracting government undertook to provide the other with such articles, services, facilities and information useful in the prosecution of their common war undertaking as each may be in a position to supply.

The Government of the United States of America and the Government of the Kingdom of the Netherlands desire to insure the continuing provision of such articles, services, facilities or information without interruption owing to any uncertainty as to the date when the military resistance of the common enemy may cease; and desire to insure further that such articles, services, facilities or information as shall be agreed to be furnished by the United States of America for the purpose of providing war aid to the Government of the Kingdom of the Netherlands, shall be disposed of and transferred, following a determination by the President that such aid is no longer necessary to the prosecution of the war, in an orderly manner which will best promote their mutual interests.

For the purpose of attaining the above-stated objectives, the Government of the United States of America and the Government of the Kingdom of the Netherlands agree as follows:

¹ See also lend-lease settlement agreements of May 28, 1947 (TIAS 1750, *post*, p. 188), and June 1 and 8, 1950 (1 UST 638; TIAS 2119).

² EAS 236, *ante*, vol. 3, p. 697.

³ EAS 259, *ante*, p. 142.

ARTICLE I

All aid undertaken to be provided by the United States of America under this Agreement shall be made available under the authority and subject to the terms and conditions of the Act of Congress of March 11, 1941,⁴ as amended, and any appropriation acts thereunder.

ARTICLE II

The United States of America will transfer or render to the Government of the Kingdom of the Netherlands such of the articles and services set forth in the Schedule annexed hereto as the President of the United States of America may authorize to be provided prior to a determination by the President that such articles and services are no longer necessary to the prosecution of the war. Any articles and services set forth in that Schedule transferred or rendered to the Government of the Kingdom of the Netherlands prior to such determination shall be provided upon terms the final determination of which shall be deferred until the extent of lend-lease aid provided by the United States of America and of reciprocal aid provided by the Government of the Kingdom of the Netherlands is known and until the progress of events makes clearer the final terms, conditions and benefits which will be in the mutual interests of the United States of America and the Kingdom of the Netherlands in accordance with the terms of the agreement of July 8, 1942, and which will promote the establishment and maintenance of world peace.

ARTICLE III

After a determination by the President of the United States of America that any of the articles and services set forth in the Schedule annexed hereto are no longer necessary to the prosecution of the war, the United States of America will transfer or render, within such periods of time as may be authorized by law, and the Government of the Kingdom of the Netherlands will accept, such articles and services as shall not have been transferred or rendered to the Government of the Kingdom of the Netherlands prior to said determination.

The Government of the Kingdom of the Netherlands undertakes to pay the United States of America in dollars for the articles and services transferred or rendered under the provisions of this Article in accordance with the terms and conditions prescribed in the Schedule annexed hereto.

ARTICLE IV

Changes may be made from time to time in the items set forth in the Schedule annexed hereto, by mutual agreement between the Government

⁴ 55 Stat. 31.

of the United States of America and the Government of the Kingdom of the Netherlands.

The Government of the Kingdom of the Netherlands shall be released from its obligation to accept articles or services, under Article III above, upon payment to the Government of the United States of America of any net losses to the Government of the United States of America including contract cancellation charges resulting from the determination of the Government of the Kingdom of the Netherlands not to accept such articles or services.

Delivery of any articles or services, under the provisions of Article III, may be withheld by the Government of the United States of America without cost to the Government of the Kingdom of the Netherlands whenever the President determines that such action is in the national interest.

ARTICLE V

Any amounts paid to the Government of the United States of America pursuant to the terms of this Agreement shall be deemed to be among the benefits or considerations provided by the Government of the Kingdom of the Netherlands pursuant to Article VI of the Agreement of July 8, 1942.

ARTICLE VI

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed at Washington this 30th day of April, 1945.

For the Government of the United States of America:

JOSEPH C. GREW [SEAL]
*Acting Secretary of State of the
United States of America*

For the Government of the Kingdom of the Netherlands:

W. v. BOETZELAER [SEAL]
Minister of the Netherlands

SCHEDULE

The terms and conditions upon which the articles and services listed below are to be transferred by the United States of America to the Government of the Kingdom of the Netherlands after the determination by the President of the United States of America that such aid is no longer necessary to the prosecution of the war, in accordance with Article III of this Agreement, are as follows:

A. Unless otherwise provided by mutual agreement, transfers of articles to the Government of the Kingdom of the Netherlands shall take place

immediately upon loading of the articles on board ocean vessel in a United States port, provided, that those articles which, prior to the end of the periods authorized by law, shall have been contracted for by the United States Government and shall not have been transferred to the Government of the Kingdom of the Netherlands as above set forth, shall be deemed to be transferred to the Government of the Kingdom of the Netherlands upon the last day of such periods. Risk of loss with respect to articles to be transferred to the Government of the Kingdom of the Netherlands shall pass in accordance with the customary practice of the United States Government with respect to transfers under the Act of Congress of March 11, 1941, unless otherwise provided by mutual agreement.

B. The amount which the Government of the Kingdom of the Netherlands shall pay to the United States of America for articles transferred under the provisions of Article III of this Agreement shall be the total purchase price, as determined by the President of the United States of America, and said total purchase price shall be the price of the articles as determined under paragraph 2 hereof plus the additional costs (incidental to delivery at ship-side) set forth in paragraph 3 hereof.

1. In the determination of the price under paragraph 2 the following definitions shall apply:

(a) The term "contract price" means the contract price f.o.b. point of origin paid by the United States Government to the contractor.

(b) The term "current sale price" with respect to any articles means the market price as of the date of transfer to the Government of the Kingdom of the Netherlands of articles of similar quality and in similar quantity as determined by the President.

2. The price of the articles shall be determined as follows:

(a) If the articles transferred to the Government of the Kingdom of the Netherlands are provided out of articles delivered to a United States Government agency pursuant to an order or contract determined by the President to have been placed for some purpose other than that of filling a requisition or request filed by the Government of the Kingdom of the Netherlands, the price shall be the current sale price.

(b) If the articles transferred to the Government of the Kingdom of the Netherlands have been the subject of a contract or order placed by a United States Government agency for the purpose of filling a requisition or request filed by the Government of the Kingdom of the Netherlands and have been made available by the supplier for shipment prior to the day on which the President shall have determined that such articles are no longer necessary to the prosecution of the war, the price shall be the current sale price or the contract price less 5 per cent thereof, whichever is lower.

(c) If the articles transferred to the Government of the Kingdom of the Netherlands have been the subject of a contract or order placed by a United States Government agency for the purpose of filling a requisition or request filed by the Government of the Kingdom of the Netherlands and have been made available by the supplier for shipment on or after the day on which the President shall have determined that such articles are no longer necessary to the prosecution of the war, the price shall be the contract price.

(d) For the purpose of subparagraphs (b) and (c) above, the articles shall be deemed to have been made available by the supplier for shipment on the date of issuance of the United States Government Bill of Lading (inland) under which the articles were shipped.

3. The additional costs to be added to the price to arrive at the total purchase price shall be the costs incurred by the United States of America for inland transportation, storage and other charges incidental to delivery of the articles at shipside. The United States of America will inform the Government of the Kingdom of the Netherlands from time to time of the amount of such costs incurred and the bases on which they have been determined.

C. Payment of the total purchase price for all articles transferred under the provisions of Article III of this Agreement, shall be made by the Government of the Kingdom of the Netherlands on or before July 1, 1975.

1. Payment of the total purchase price of any article so transferred shall be made in equal annual installments, the first of which shall become due and payable on July 1, 1946, or on the first of July next following the day on which such article shall have been transferred, whichever is later.

2. Nothing herein shall be construed to prevent the Government of the Kingdom of the Netherlands from anticipating the payment of any of such installments or any part thereof.

3. If by agreement of the United States of America and the Government of the Kingdom of the Netherlands it is determined that, because of extraordinary and adverse economic conditions arising during the course of payment, the payment of a due installment would not be in the joint interest of the United States of America and the Government of the Kingdom of the Netherlands, payment may be postponed for an agreed upon period.

D. Interest on the unpaid balances of the total purchase price determined under Section B above for any article so transferred, shall be paid by the Government of the Kingdom of the Netherlands at the fixed rate of two and three-eighths per cent per annum, accruing from the first day of July, 1946 or from the first day of July next following the day on which such article shall have been transferred, whichever is later. Interest shall be

payable annually, the first payment to be made on the first day of July next following the first day of July on which such interest began to accrue.

E. The Government of the Kingdom of the Netherlands shall pay to the United States of America the cost of the services listed in this Schedule to the extent that such services shall be rendered to the Government of the Kingdom of the Netherlands following the determination by the President that such services are no longer necessary to the prosecution of the war. The cost of such services, so rendered, shall be determined by the President of the United States of America and shall be paid by the Government of the Kingdom of the Netherlands in accordance with the same terms as provided for the payment of the total purchase price of the articles provided hereunder, as set forth in Section C above. Interest shall be paid on the unpaid balances of the cost of such services in accordance with the terms of Section D hereof.

F. The articles and services in this Schedule shall be for the territory indicated herein and their total purchase price value shall not exceed \$242,000,000. Such articles and services and their estimated cost to the Government of the United States of America are as follows:

FOR METROPOLITAN NETHERLANDS

Raw materials for war use and essential civilian supply, including emergency repair of industrial and housing facilities	\$65,000,000
Petroleum	10,000,000
Food	70,000,000
Agricultural supplies and equipment	13,000,000
Clothing, footwear and shoe repair materials	5,000,000
Medical supplies	5,000,000
Short life equipment and repair parts for use in war production and transportation	47,000,000
Prefabricated civilian housing for emergency shelter	5,000,000
Freight charges on United States vessels	22,000,000
Total	\$242,000,000

MEMORANDUM

The Government of the United States of America directs the attention of the Government of the Kingdom of the Netherlands to the proposed agreement under Section 3 (c) of the Lend-Lease Act and in particular to Article IV thereof. Under Article IV this Government will review, from time to time, and particularly at the conclusion of hostilities in Europe, as determined by the President, articles and services set forth in the Schedule annexed to the Agreement in order to determine whether the delivery of such articles or services should be withheld in the national interest of the United States. The reservation made by this Government in Article IV to withhold delivery of articles and services "whenever the President determines that such action is in the national interest" constitutes a broad power to cancel or revoke procurement programs or contracts. It is not possible to predict with precision

what occasions or circumstances may arise in the future which may require this Government to withhold delivery. Actual delivery will always be subject to the development of the military situation, and the changing demands of strategy, as well as to economic and financial factors which affect the national interest of this Government.

It is further understood that the Government of the Kingdom of the Netherlands will be obligated to pay currently for civilian supplies furnished by the combined military authorities under "Plan A" or "Plan A" as modified. Payment will be made in accordance with the arrangements to be made with the governments which have furnished the supplies, and in United States dollars to the extent determined under such arrangements.

It is, of course, understood that in the implementation of the provisions of any lend-lease agreement with the Government of the Kingdom of the Netherlands, the Government of the United States of America will act in accordance with its Constitutional procedures.

J. C. G.

DEPARTMENT OF STATE,

WASHINGTON, April 30, 1945.

EXCHANGE OF NOTES

The Netherlands Minister to the Acting Secretary of State

WASHINGTON, April 30th, 1945

MY DEAR MR. SECRETARY:

Several questions of interpretation have arisen with respect to the language of the Agreement between our two Governments under Section 3(c) of the Lend-Lease Act. I believe it will be helpful to indicate the understanding which my Government now has with respect to these questions and I would appreciate an expression from you as to whether or not these understandings are correct.

1. It is the understanding of my Government that the Agreement does not apply to arms and munitions, and that arms and munitions now or hereafter provided to my Government will be supplied, on a straight lend-lease basis, under the Agreement of July 8, 1942 between our two Governments on the principles applying to mutual aid.

2. We understand that in general it is not the intention of the United States Government to exercise its right under Article V of the Agreement between our two Governments dated July 8, 1942 to recapture any articles for which the Government of the Kingdom of the Netherlands has paid or is to pay the United States Government. If, however, the United States Gov-

ernment should exercise this right with respect to any such articles, appropriate arrangements will be made for repayment to the Government of the Kingdom of the Netherlands.

3. With reference to the last paragraph of Article III of the Agreement under Section 3(c) of the Lend-Lease Act, it is the understanding of my Government that no articles or services will be transferred or rendered to my Government under that Article unless they have been requisitioned by my Government.

4. In the first paragraph of Article IV of the Agreement under Section 3(c) of the Lend-Lease Act, it is stated that changes may be made from time to time in the items set forth in the Schedule annexed thereto, by mutual agreement between the United States of America and the Government of the Kingdom of the Netherlands. It is our understanding that this language means that not only the items but also the values expressed for each item in the Schedule and the total value expressed for the whole Schedule, may be modified by mutual agreement taking into consideration among other things the supply situation in the United States and the established needs of the Kingdom of the Netherlands.

5. With regard generally to the provisions of the Agreement under Section 3(c) of the Lend-Lease Act with reference to risk of loss and transfer, as expressed in Section A of the Schedule annexed to the Agreement, it is my understanding that a suitable opportunity will be given to representatives of my Government, in accordance with the general procedure of your Government, to inspect articles proposed to be transferred before their transfer.

6. With reference to the provision of the Schedule annexed to the Agreement under Section 3(c) of the Lend-Lease Act that risk of loss shall pass in accordance with the customary practice of the United States Government with respect to transfers under the Act of Congress of March 11, 1941, it is the understanding of my Government that under the practice referred to risk of loss usually passes when the articles leave the possession of the supplier or are withdrawn from the United States Government stock.

7. With reference to the provision of Section A of the Schedule annexed to the Agreement under Section 3(c) of the Lend-Lease Act that "those articles which, prior to the end of the periods authorized by law, shall have been contracted for by the United States Government and shall not have been transferred to the Government of the Kingdom of the Netherlands as above set forth, shall be deemed to be transferred to the Government of the Kingdom of the Netherlands upon the last day of such periods", it is the understanding of my Government that the term "periods" refers to the period as now provided for by the last clause of Section 3(c) of the Lend-Lease Act, or as such period may hereafter be extended by amendment of that Act, during which the powers conferred by or pursuant to Section 3(a)

of that Act may be exercised to the extent necessary to carry out a contract or agreement made under Section 3(c) of that Act.

Sincerely yours,

W. V. BOETZELAER
Minister of the Netherlands

The Honorable

MR. JOSEPH C. GREW,
Acting Secretary of State,
Washington, D.C.

The Acting Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON
April 30, 1945

MY DEAR MR. MINISTER:

In reply to your letter of today's date outlining your Government's understanding of seven questions which have arisen with respect to the language of the Agreement between our two Governments under Section 3(c) of the Lend Lease Act, I am pleased to state that the understanding of your Government coincides with the views held by the Government of the United States in respect to these matters.

Sincerely yours,

JOSEPH C. GREW
Acting Secretary

The Honorable

BARON W. VAN BOETZELAER,
Minister of the Netherlands.

LEND-LEASE: AID TO U.S. ARMED FORCES¹

*Exchanges of notes at Washington April 30, 1945, supplementing
agreement of July 8, 1942*

Entered into force April 30, 1945; operative from July 8, 1942

59 Stat. 1635; Executive Agreement Series 480

The Netherlands Minister to the Acting Secretary of State

WASHINGTON, April 30th, 1945

SIR,

In the United Nations declaration of January 1, 1942,² the contracting governments pledged themselves to employ their full resources, military and economic, against those nations with which they are at war; and in the Agreement of July 8, 1942³ between the Government of the United States and the Government of the Kingdom of the Netherlands on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression each contracting government undertook to provide the other with such articles, services, facilities or information useful in the prosecution of their common war undertaking as it might be in a position to supply. It is the understanding of the Government of the Kingdom of the Netherlands that the general principle to be followed in providing mutual aid as set forth in the said Agreement of July 8, 1942 is that the war production and the war resources of both nations should be used by each in ways which most effectively utilize the available materials, manpower, production facilities and shipping space.

With a view, therefore, to supplementing the Agreement of July 8, 1942, I have the honor to set forth below the understanding of the Government of the Kingdom of the Netherlands of the principles and procedures applicable to the provision of aid by the Government of the Kingdom of the Netherlands to the armed forces of the United States and in the manner in which such aid will be correlated with the maintenance of such forces by the United States Government.

¹ See also lend-lease settlement agreements of May 28, 1947 (TIAS 1750, *post*, p. 188), and June 1 and 8, 1950 (1 UST 638; TIAS 2119).

² EAS 236, *ante*, vol. 3, p. 697.

³ EAS 259, *ante*, p. 142.

1. The Government of the Kingdom of the Netherlands, retaining the right of final decision in each case in the light of its own potentialities and responsibilities, will provide the United States or its armed forces with the following types of assistance as reciprocal aid when and to the extent that it is found that they can most effectively be procured in the territory of the Kingdom of the Netherlands:

- (a) Military equipment, munitions and military and naval stores;
- (b) Other supplies, materials, facilities, services and information for the United States forces including payment of those civil claims against the United States and its armed forces, employees and officers that shall be mutually agreed upon by the two Governments as a proper charge against the Government of the Kingdom of the Netherlands, but not including the pay and allowances of United States forces, the wages and salaries of civilian officials of the United States Government and the administrative expenses of United States missions;
- (c) Supplies, materials, facilities, services and information needed in the construction of military projects, tasks and similar capital works required for the common war effort in the territory of the Kingdom of the Netherlands, except for the wages and salaries of United States citizens;
- (d) Supplies, materials, facilities, services and information needed in the construction of such military projects, tasks and capital works in territory other than territory of the Kingdom of the Netherlands or territory of the United States to the extent that territory of the Kingdom of the Netherlands is a more practicable source of supply than the United States or another of the United Nations;
- (e) Such other supplies, materials, facilities, services and information as may be agreed upon as necessary in the prosecution of the war.

2. The practical application of the principles formulated in this note, including the procedure by which requests for aid are made and acted upon, shall be worked out as occasion may require by agreement between the two governments, acting when possible through their appropriate military or civilian administrative authorities. Requests by the United States Government for such aid will be presented by duly authorized authorities of the United States to official agencies of the Government of the Netherlands which will be designated or established by the Government of the Kingdom of the Netherlands for the purpose of facilitating the provision of reciprocal aid.

3. It is the understanding of the Government of the Kingdom of the Netherlands that all such aid, as well as other aid, including information received under Article VI of the Agreement of July 8, 1942, accepted by the President of the United States or his authorized representatives from the Government of the Kingdom of the Netherlands will be received as a benefit to the United States under the Act of March 11, 1941.⁴ In so far

⁴ 55 Stat. 31.

as circumstances will permit, appropriate record of aid received under this arrangement will be kept by each Government.

4. In order to facilitate the procurement in the territory of the Kingdom of the Netherlands of supplies, materials, facilities, information and services described in Section 1, by permitting their direct purchase rather than their procurement by the methods contemplated in Section 2, during the period of military operations and until such time as the official agencies of the Government of the Kingdom of the Netherlands are able to provide such reciprocal aid in the manner contemplated in Section 2, the Government of the Kingdom of the Netherlands agrees to make available to designated officers of the United States Government such Netherlands currency or credits as may be needed for the purpose. The necessary arrangements will be made by the appropriate authorities of the two governments.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two Governments in this matter and as superseding the exchange of notes of June 14, 1943,⁵ on this subject, and that for clarity and convenience of administration the present note and your reply be made retroactive to July 8, 1942, the date of the Agreement of the two Governments on the principles applying to mutual aid.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

W. V. BOETZELAER

The Honorable,

Mr. JOSEPH C. GREW,
Acting Secretary of State,
Washington, D.C.

The Acting Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON
April 30, 1945

SIR:

I have the honor to acknowledge the receipt of your note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of the Kingdom of the Netherlands to the United States of America or its forces.

In reply I wish to inform you that the Government of the United States agrees with the understanding of the Government of the Kingdom of the

⁵ EAS 326, *ante*, p. 154.

Netherlands as expressed in that note. It is also agreed that the exchange of notes of June 14, 1943 on this subject is hereby superseded by your present note and this reply, both of which in accordance with the suggestion contained in your present note, will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

Accept, Sir, the renewed assurances of my highest consideration.

JOSEPH C. GREW
Acting Secretary

The Honorable

Baron W. VAN BOETZELAER,
Minister of the Netherlands.

The Acting Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON
April 30, 1945

MY DEAR MR. MINISTER:

By the Agreement under Section 3 (c) of the Lend-Lease Act signed today⁶ between the Government of the United States of America and the Government of the Kingdom of the Netherlands, the Government of the United States has undertaken, on the terms and subject to the conditions therein stated, to make aid available under the Lend-Lease Act to the Kingdom of the Netherlands. By the Reciprocal Aid Agreement also entered into today⁷ between our two Governments, your Government has undertaken to render reciprocal aid from the territory of the Kingdom of the Netherlands, including the Netherlands East Indies. It is the understanding of both Governments that this reciprocal aid will include mutually agreed upon quantities of raw materials from the Netherlands East Indies for the use of the United States military or naval forces or for war production in the United States.

The articles and services now specifically covered by the Agreement under Section 3(c) of the Lend-Lease Act are those listed in the Schedule annexed to the Agreement. These are for Metropolitan Netherlands only. Article IV of the Agreement, however, provides that changes may be made in that Schedule by mutual agreement between the two Governments, and my Government is prepared in the light of the military situation and its developments to consider changes under that Article with a view to providing essen-

⁶ EAS 480, *ante*, p. 158.

⁷ EAS 480, *ante*, p. 167.

tial supplies, of the general type of those listed in the Schedule, necessary for the prosecution of the combined war effort in the Pacific. Any articles and services agreed upon between our two Governments as aid to be so furnished for the Netherlands East Indies under the Agreement will, when so agreed upon, become additions to the Schedule and will be transferred by the Government of the United States of America and accepted by the Government of the Kingdom of the Netherlands for the Netherlands East Indies, subject to the terms of the Agreement.

It is not the intention of this Government to provide to the Government of the Kingdom of the Netherlands under the 3(c) Agreement articles having a long production cycle and a long life.

Sincerely yours,

JOSEPH C. GREW
Acting Secretary

The Honorable

Baron W. VAN BOETZELAER,
Minister of the Netherlands.

The Netherlands Minister to the Acting Secretary of State

WASHINGTON
April 30, 1945

MY DEAR MR. SECRETARY,

I beg to acknowledge receipt of your letter of April 30th outlining your Government's views concerning certain aspects of the agreements entered into between our two Governments on this date.

I am pleased to state that the views of your Government coincide with those held by the Government of the Kingdom of the Netherlands in respect to these matters.

Sincerely yours,

W. v. BOETZELAER
Minister of the Netherlands

The Honorable

JOSEPH C. GREW
Acting Secretary of State,
Washington, D.C.

The Netherlands Minister to the Acting Secretary of State

WASHINGTON, April 30th, 1945

MY DEAR MR. SECRETARY:

Some questions of interpretation have arisen with respect to the language of my note to you dated April 30, 1945, setting forth the understanding of

the Government of the Kingdom of the Netherlands of the principles and procedures applicable to the provision of aid by the Government of the Kingdom of the Netherlands to the armed forces of the United States. I am, therefore, giving you the interpretation placed by my Government on those questions, and I would appreciate an expression from you whether or not you agree to these interpretations:

1. The Government of the Kingdom of the Netherlands, taking into consideration its own potentialities and responsibilities, retains the final decision as to the scope, extent and duration of its provision of aid to the armed forces of the United States.

2. As regards services and supplies procured by the armed forces of the United States either by direct requisition or by use of the funds or credits made available under the terms of Section 4 of my note, the Government of the Kingdom of the Netherlands retains the right of deciding whether or not they can be provided as reverse lend-lease.

Finally, I want to state that although the Government of the Kingdom of the Netherlands is fully prepared to give reciprocal aid up to the limits of its possibilities, the extent of reciprocal aid will necessarily depend on the economic situation of the Kingdom of the Netherlands after its liberation from enemy occupation, on the flow of imported supplies and on the development of its foreign exchange position.

Sincerely yours,

W. V. BOETZELAER
Minister of the Netherlands

The Honorable

Mr. JOSEPH C. GREW,
Acting Secretary of State,
Washington, D.C.

The Acting Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON
April 30, 1945

SIR:

In reply to your letter of today's date outlining your Government's interpretation of two questions arising in respect to your note on reciprocal aid

also of today's date, I am pleased to state that your Government's interpretation is concurred in by the Government of the United States.

Sincerely yours,

JOSEPH C. GREW
Acting Secretary

The Honorable

Baron W. VAN BOETZELAER,
Minister of the Netherlands.

The Acting Secretary of State to the Netherlands Minister

DEPARTMENT OF STATE
WASHINGTON
April 30, 1945

MY DEAR MR. MINISTER:

You will recall that on June 14, 1943, Dean Acheson, Assistant Secretary of State, addressed a letter to the Ambassador of the Kingdom of the Netherlands with respect to the receipt by this Government as reciprocal aid of articles previously purchased abroad and imported into territories of the Kingdom of the Netherlands. In this letter Mr. Acheson stated that this Government does not expect the Government of the Kingdom of the Netherlands or the authorities in its territories to furnish such articles to American forces as reciprocal aid and that, if such articles were furnished as reciprocal aid in emergency situations, this Government would be entirely agreeable to the principle that they should be replaced from the United States as soon as possible. Mr. Acheson further stated that American forces would not request or accept as reciprocal aid any such articles, the replacement of which was regarded by the Government of the Kingdom of the Netherlands as desirable, without specific authorization in each case from the War Department.

The exigencies of war has made strict compliance with this procedure impractical, and your Government has furnished such articles to this Government and its armed forces without compliance with this procedure. The quantity and value of the articles so furnished are not yet known and it is anticipated that considerable time may be required before mutual agreement can be reached as to the exact value of the articles to be replaced under the terms of Mr. Acheson's letter.

At the time of Mr. Acheson's letter no non-military supplies were being provided by my Government to your Government as straight lend-lease. Now, however, our two Governments have concluded an agreement under Section

3(c) of the Lend-Lease Act, under which this Government will furnish non-military supplies as straight lend-lease aid to your Government to the extent provided therein.

I should therefore like to propose that the obligation in Mr. Acheson's letter to replace articles provided as reciprocal aid which have previously been purchased abroad and imported into territories of the Kingdom of the Netherlands should not apply to articles hereafter made available to this Government as reciprocal aid.

With respect to such articles transferred as reciprocal aid by the Government of the Kingdom of the Netherlands to the United States or its armed forces prior to the date of the signing of the Agreement under Section 3(c) of the Lend-Lease Act, I should like to propose that final action with respect to replacement be deferred until the final determination of the terms and conditions upon which mutual aid has been provided and received by the two Governments in accordance with the terms of the Agreement of July 8, 1942, with respect to the principles applying to mutual aid. At the time such a final determination is reached, and the full extent of the aid furnished by the United States and the reciprocal aid furnished by the Government of the Kingdom of the Netherlands becomes known, the United States will make such replacement in accordance with the principles expressed in Mr. Acheson's letter to any extent then mutually agreed upon between the two Governments as just and equitable.

Sincerely yours,

JOSEPH C. GREW
Acting Secretary

The Honorable
Baron W. VAN BOETZELAER,
Minister of the Netherlands.

The Netherlands Minister to the Acting Secretary of State

WASHINGTON, April 30th, 1945

MY DEAR MR. SECRETARY:

I have your letter of today with reference to the letter of June 14, 1943 from Dean Acheson, Assistant Secretary of State, to the Ambassador of the Kingdom of the Netherlands with respect to the receipt by your Government as reciprocal aid of articles previously purchased abroad and imported into territories of the Kingdom of the Netherlands. In your letter you make certain proposals in relation to the obligation assumed by your Government in Mr. Acheson's letter.

I have the honor to advise you that your proposals are satisfactory to my Government.

Sincerely yours,

W. V. BOETZELAER
Minister of the Netherlands

The Honorable

JOSEPH C. GREW,
*Acting Secretary of State,
Washington, D.C.*

PURCHASE OF NATURAL RUBBER

*Exchange of notes at Washington January 28 and February 9, 1946
Entered into force February 9, 1946
Operative September 2, 1945, through June 30, 1946*

60 Stat. 1688; Treaties and Other
International Acts Series 1524

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON
Jan 28 1946

EXCELLENCY:

I have the honor to inform Your Excellency that the Government of the United States of America is prepared to enter into an agreement for the purchase of all natural rubber allocated from all Netherlands areas in the Far East to the United States of America by the Combined Raw Materials Board, or successor body, according to the following terms:

The Rubber Development Corporation, which is the agency of the Government of the United States of America which has been designated to negotiate for and effect the purchase of all natural rubber allocated to the United States of America by the Combined Raw Materials Board or successor body, shall purchase from the Government of the Netherlands all natural rubber which has been or shall be so allocated from all Netherlands areas in the Far East at a price of 20½ cents United States currency per pound for standard top grades with appropriate differentials for other types and grades, at Far Eastern port free on board ocean going steamer destined for United States port. This price shall be paid on all rubber covered by ocean bills of lading bearing dates between September 2, 1945 (VJ Day) and June 30, 1946, inclusive. Payment for such rubber will be effected by the opening of an appropriate letter or letters of credit in favor of such agency of the Government of the Netherlands as shall be designated (or such other method of payment as may be mutually agreed upon); which letters of credit shall provide for payment against shipping documents endorsed "on board" ocean going steamer evidencing that the rubber has been shipped consigned to "Reconstruction Finance Corporation, 15 Williams Street, New York 5, New York". Quality

and weights shall be as determined upon inspection and weighing at United States port.

This note, together with your reply indicating acceptance by the Government of the Netherlands of the offer contained herein, shall be deemed by the Government of the United States of America as bringing the above agreement into full force and effect. The Rubber Development Corporation will execute with the appropriate authority of the Government of the Netherlands a contract embodying the details of the above agreement.

Accept, Excellency, the renewed assurance of my highest consideration.

For the Secretary of State:

WILLIAM L. CLAYTON

His Excellency

Dr. A. LOUDON,

Ambassador of the Netherlands.

The Netherlands Ambassador to the Secretary of State

No. 937

9 FEBRUARY, 1946

SIR,

I have the honor to acknowledge the receipt of Your Excellency's note of January 28, 1946, expressing the willingness on the part of the United States Government to enter into an agreement, upon the terms as set forth therein, for the purchase of all natural rubber allocated from all Netherlands areas in the Far East to the United States of America by the Combined Raw Materials Board or successor body.

Acting upon instructions from my Government I have the honor to convey to Your Excellency my Government's acceptance of the offer in accordance with the stipulations contained in Your Excellency's above-mentioned note.

Accept, Excellency, the renewed assurance of my highest consideration.

A. LOUDON

The Honorable

The Secretary of State

Washington, D.C.

WAIVER OF VISA FEES FOR NONIMMIGRANTS

Exchanges of notes at The Hague January 21, February 11, and March 5 and 13, 1946

Entered into force March 13, 1946; operative April 15, 1946

Replaced by agreement of July 30 and August 20, 1947,¹ with respect to Netherlands territory in Europe

61 Stat. 3834; Treaties and Other International Acts Series 1728

The American Embassy to the Ministry for Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 238

The Embassy of the United States of America presents its compliments to the Royal Netherlands Ministry for Foreign Affairs and, with reference to the Ministry's note No. 8149 of October 20, 1945, has the honor to state that the non-immigrant passport visa fees would be waived by the United States Government on a reciprocal basis for all Netherlands nationals wherever they may be resident.

It is hoped that in the light of the foregoing assurance the Ministry will be in a position to advise the Embassy at an early date regarding the willingness of the Netherlands Government to revive the reciprocal agreement between the Government of the United States and the Netherlands Government for the waiving of fees for passport visas to non-immigrants.

THE HAGUE, January 21, 1946.

J. W. B.

The Ministry for Foreign Affairs to the American Embassy

DIVISION FOR
ADMINISTRATIVE AFFAIRS
No. 6325

NOTE

The Royal Netherlands Ministry for Foreign Affairs presents its compliments to the Embassy of the United States of America and, in reply to the Embassy's note No. 238 of January 21, 1946, has the honor to state that

¹ TIAS 1729, *post*, p. 220.

the Netherlands Government is quite willing to accept the proposal to waive fees for passports visas to nonimmigrants on a reciprocal basis for American citizens and Netherlands nationals wherever they may be resident.

The Ministry for Foreign Affairs would be glad to learn at as early a date as possible if the Government of the United States of America agrees to put this new understanding into force on the 15th of March next.

THE HAGUE, February 11th 1946

[SEAL]

TO THE EMBASSY OF THE
UNITED STATES OF AMERICA.

The American Embassy to the Ministry for Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 273

The Embassy of the United States of America presents its compliments to the Royal Netherlands Ministry for Foreign Affairs, and has the honor to refer to the Ministry's note No. 6325, of February 11, 1946, in regard to the reciprocal waiving of passport visa fees for American citizens and Netherlands nationals who are non-immigrants.

Under instructions, the Embassy proposes that April 15, 1946, be adopted as the date upon which there shall become effective the waiving of passport visa fees for American citizens who are proceeding as non-immigrants to the Netherlands and overseas territories of the Netherlands and for Netherlands subjects who are proceeding as non-immigrants to the territorial and insular possessions of the United States.

In order that there may be sufficient time for the notification of the appropriate authorities, it would be appreciated if the Ministry would be good enough to inform the Embassy at an early date of the Netherlands Government's acceptance of the foregoing.

THE HAGUE, March 5, 1946.

S. K. H.

The Ministry for Foreign Affairs to the American Embassy

ADMINISTRATIVE AND
LEGAL DEPARTMENT
No. 19487

The Ministry for Foreign Affairs begs to acknowledge receipt of the note of March 5th 1946 No. 273 of the Embassy of the United States of America and in reply has the honor to state that the Netherlands Government fully

agree with the proposal that April 15th 1946 shall be adopted as the date upon which shall become effective the waiving of fees for passport visas for American citizens who are proceeding as non-immigrants to the Netherlands and overseas territories of the Netherlands and for Netherlands subjects who are proceeding as non-immigrants to the territorial and insular possessions of the United States.

Instructions in conformity with the foregoing have been forwarded to the Netherlands representatives abroad.

THE HAGUE, *March 13th 1946*

[SEAL]

To THE EMBASSY OF THE
UNITED STATES OF AMERICA.

COMMERCIAL RELATIONS

*Exchange of notes at Washington November 21, 1946
Entered into force November 21, 1946*

6 Stat. 2424; Treaties and Other
International Acts Series 1564

The Acting Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON
Nov 21 1946

EXCELLENCY:

I have the honor to make the following statement of the understanding reached during the discussions concerning the "Proposals for Expansion of World Trade and Employment", transmitted to the Netherlands Government by the Government of the United States of America, and the general international conference on trade and employment contemplated by those Proposals.

Pending the conclusion of the negotiations at this conference, the Netherlands Government and the Government of the United States of America declare it to be their policy to abstain from adopting new measures which would prejudice the objectives of the conference. In this connection your Government has indicated that it may need to adopt special measures for the Netherlands and for the Netherlands Indies in view of the extraordinary conditions consequent upon the termination of the war. My Government recognizes that it may be necessary for the Netherlands Government to take certain emergency measures during the post-war transitional period, and in fact has provided for such measures in the aforementioned Proposals. Any such emergency measures would not, of course, prejudice the objectives of the conference. It is understood, moreover, that modifications in the Netherlands customs tariff, on the basis of the Customs Agreement of September 5, 1944 between the Governments of the Netherlands, Belgium and Luxembourg, would not be considered new measures, since a result of this customs agreement will be that the general level of tariff rates for the three countries as a whole will not be raised. Our two Governments shall afford each other an adequate opportunity for consultation regarding proposed measures falling within the scope of this paragraph.

I have the honor to suggest that this note and Your Excellency's reply confirming the foregoing shall be regarded as constituting an agreement between our two Governments concerning this matter.

Accept, Excellency, the renewed assurances of my highest consideration.

DEAN ACHESON
Acting Secretary of State

His Excellency

Dr. A. LOUDON,
Ambassador of the Netherlands.

The Netherlands Ambassador to the Acting Secretary of State

NOVEMBER 21, 1946

SIR:

I have the honor to acknowledge the receipt of your note of today's date in regard to the understanding reached during the recent discussions concerning the proposed general international conference on trade and employment, and hereby confirm your statement of the understanding reached as therein set out.

Accept, Sir, the renewed assurances of my highest consideration.

A. LOUDON

The Honorable

DEAN ACHESON,
Acting Secretary of State,
Washington, D.C.

WAR GRAVES

Exchange of notes at The Hague April 11, 1947

Entered into force April 11, 1947

Amended by agreement of November 17, 1950, and January 2, February 1, and March 2, 1951¹

Extended by agreement of January 14 and August 29, 1955, and March 9, 1956²

Terminated November 18, 1970, by agreement of May 4, 1970³

61 Stat. 4037; Treaties and Other International Acts Series 1777

*The American Chargé d'Affaires ad interim to the Minister
of Foreign Affairs*

No. 705

THE HAGUE, April 11, 1947

EXCELLENCY:

I have the honor to refer to my note No. 688, of March 26, 1947, in which I informed Your Excellency that the Department of State had authorized the Embassy to effect an exchange of notes with Your Excellency concerning American War Graves in the Netherlands and in its Overseas Territories.

The plan presented by the American Graves Registration Command, including the "major concessions" desired, in connection with American War Graves in the Netherlands and the Netherlands Overseas Territories, is as follows:

"1. The Plan Presented:

1. It is the declared policy of the Government of the United States of America, upon application by the next of kin, to return to the Homeland for interment at places designated by the next of kin, or in national cemeteries, the remains of persons who died on or after September 3, 1939, and are buried outside the continental limits of the United States, and who were:

- a. Members of the armed forces of the United States who died in the service.
- b. Civilian officers and employees of the United States.

¹ 149 UNTS 426.

² 8 UST 377; TIAS 3786.

³ 21 UST 2416; TIAS 6978.

- c. Citizens of the United States who served in the armed forces of any Government at war with Germany, Italy, Japan, or any other belligerent power, and who died while in such service and who were citizens of the United States at the time of such service.
 - d. Citizens of the United States whose homes are in fact in the United States and whose death, outside the continental limits thereof can be directly attributed to the war or who died while employed or otherwise engaged in activities contributing to the prosecution of the war.
 - e. Such other citizens of the United States, the return of the remains of whom would, in discretion of the Secretary of War, serve the public interest.
2. Future policy of the Government of the United States and the desires of the next of kin of deceased persons may also necessitate the concentration of remains into "Fields of Honors" in each of the United Nations or in other Nations, their possessions or territories, for perpetual care by the United States Government.
3. It may be fitting and proper, at a future date, to commemorate the accomplishment, heroism and sacrifices of the Armed Forces of the United States by monuments or other suitable means.
4. There are presently interred in temporary United States Military Cemeteries in many of the various United Nations and other Nations, or the possessions or territories subject to their jurisdiction, the remains of members of Allied Armed Forces, Italian, German, Japanese and other former belligerent powers which require transfer of the custody of the remains to another country in order to secure perpetual care and maintenance of the graves of such deceased.
5. In furtherance of the objectives hereinbefore set forth, major concessions as enumerated below are desired from each of the Nations in order that the United States of America, through its duly designated representatives, may conduct these sacred operations without undue restrictions upon the Government of the United States.

Major Concessions Requested:

- a. The right to establish and maintain temporary cemeteries within the Nation, its possessions or territories subject to the control of the respective Government as are necessary for the burial of deceased persons subject to its control and to make exhumations therefrom or from other locations for repatriation or for concentration into permanent cemeteries abroad including movement of bodies from other countries into said Nation, its possessions or territories, provided however that no remains may be removed from the Netherlands to any colony or possession of the Netherlands, nor be removed from the Netherlands to any Netherlands territory over sea out of Europe, nor be removed from those territories to the Netherlands.

- b. The right to be exempt from all national, local or other laws and/or regulations relating to the securing of permits for disinterments; sanitation, upon an assurance that such work will be conducted in a manner not detrimental to public health, any question as to detriment, in case same shall be raised by the respective Government, to be determined by mutual accord; and from the payment of any duties, taxes or fees of any kind whatsoever for the burial, disinterment for reburial or movement of bodies or the maintenance of permanent graves.
- c. Free entrance and exit for all personnel, supplies, transportation (air, motor, and water), including the use of highways and inland and coastal waterways necessary or incident to repatriation and concentration activities.
- d. Use of such ports, port facilities, including but not limited to, warehousing, docks, pilotage, supplies and services as are essential to repatriation and concentration activities subject only to payment of the established rates of compensation therefor.
- e. Use of rail and water transportation, including but not limited to that belonging or subject to the regulations of the respective Government to the extent required for the work involved and subject to payment for the use thereof at prevailing rates.
- f. The right to the use of buildings, services and to employ labor within the respective Nation, the possessions or territories subject to the jurisdiction thereof, as are required for all activities involved by payment for use thereof at prevailing rates.
- g. The respective Government shall procure possession of such sites for permanent cemeteries (Field of Honor) and/or memorials as are deemed necessary by the Government of the United States and will be pleased to grant to the United States of America the use thereof in perpetuity without payment by the United States of compensation therefor. Such sites shall be at location judged appropriate for the purpose by designated representatives of the Netherlands, and shall include sufficient ground in addition to burial space, for proper beautification, approach roads where required, and the construction of such buildings as are essential to the housing of caretakers, reception of visitors and general maintenance work and memorials at or separate and apart from cemeteries.
- h. The right without regard to any national or local laws, customs, or regulations, to plan, layout, improve, construct buildings thereon, and beautify and provide for the perpetual custody and maintenance of such cemeteries and memorials as are directed by the United States Government, but subject however to the following provisions:
 - a. The determination of the boundaries of any such cemetery, and particularly those portions lying outside of the burial plots and serving for beautification and/or as a site for the erection of a memorial,

- must be discussed with and approved by appropriate agencies of the respective government or political component thereof.
- b. Like discussion and agreement is required with respect to the course of access roads leading into any such cemetery, the landscaping of portions of any such cemetery, lying outside of the burial plots, the fencing or hedging of the cemetery, and the height, exterior plans and site of any memorial or the permanent structure to be erected thereon.
 - i. All salaries and other remuneration paid to personnel, who are citizens of the United States, by the United States while engaged in, and all facilities, material and supplies whether purchased locally or otherwise, utilized in these operations, including land for permanent cemeteries and memorials, and improvements thereto and buildings constructed thereon shall be exempt from any and all forms of taxation, direct or indirect.
 - j. The respective Government, at such time and place as the United States Government so requests, will assume custody of the remains and provide for the permanent maintenance of the graves of personnel formally serving with other Allied Armed Forces, Italy, Germany, Japan, or any other belligerent power which are now buried in temporary United States Military Cemeteries or other places now within custody of the United States Government located in the respective country, its possessions or territories, provided, however, that the United States reserves similar rights, as hereinbefore set forth to be exercised, if so desired, to disinter and transport the remains of members of other Allied Nations to cemeteries designated by such Nation within said respective country, the possessions or territories subject to the jurisdiction thereof.
 - k. The provisions of this section shall apply with equal force and effect to the shipment of remains from other foreign countries into the respective Nation, the possessions or territories subject to the jurisdiction of said nation, where the next of kin reside in said country, or one of its possessions or territories, and request final interment of remains therein, provided however that no remains may be removed from the Netherlands to any Netherlands territory over sea out of Europe, nor be removed from those territories to the Netherlands.
 - l. The rights, privileges and prerogatives reserved to the United States herein shall be exercised prior to January 1, 1955, except as relates to use of land acquired for cemeteries, memorials and improvements thereto, including buildings constructed thereon, which shall run in perpetuity."

As Your Excellency is aware, the question of the above mentioned "major concessions" have been the subject of various informal conversations between officers of this Embassy and representatives of the Ministry for Foreign

Affairs; and it is my understanding that Your Excellency's Government is prepared to grant these concessions. If such is indeed the case, I shall appreciate receiving Your Excellency's confirmation thereof.

Accept, Excellency, the assurances of my highest consideration.

J. WEBB BENTON
Chargé d'Affaires, a.i.

His Excellency

Baron C. G. W. H. VAN BOETZELAER VAN OOSTERHOUT,
Royal Netherlands Minister for Foreign Affairs,
The Hague.

*The Minister of Foreign Affairs to the American Chargé d'Affaires
ad interim*

No. 37378

THE HAGUE, April 11, 1947

SIR,

I have the honour to acknowledge receipt of your note of to-day's date, no. 705, in the following terms:

[For text of U.S. note, see above.]

I have the honour to confirm that the Netherlands Government is prepared to grant the concessions as laid down in the abovementioned note. Please accept, Sir, the assurance of my high consideration.

For the Minister of Foreign Affairs:

SNOUCK HURGRONJE

To J. WEBB BENTON ESQ.,
Chargé d'Affaires a.i.
of the United States of America.

LEND-LEASE SETTLEMENT

Agreement, with appendixes and exchanges of notes, signed at Washington May 28, 1947

Entered into force May 28, 1947

*Period for purchase of surplus property extended by arrangements of December 10, 1947,¹ February 24, 1948,¹ and June 10, 1948¹
Paragraph 4A(1) supplemented by agreement of June 1 and 8, 1950²*

61 Stat. 3924; Treaties and Other International Acts Series 1750

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE KINGDOM OF THE NETHERLANDS REGARDING SETTLEMENT FOR LEND-LEASE, RECIPROCAL AID, SURPLUS PROPERTY, MILITARY RELIEF, AND CLAIMS

The Government of the United States of America (hereinafter referred to as the United States Government) and the Government of the Kingdom of the Netherlands (hereinafter referred to as the Netherlands Government), comprising the Kingdom in Europe, the Netherlands Indies and the Territories of Surinam and Curaçao, have reached an understanding regarding a settlement for lend-lease and reciprocal aid, for certain surplus property, for the Netherlands Government's obligation to the United States Government for civilian supplies furnished as military relief in the Netherlands and in the Netherlands Indies, and for other financial claims of each Government against the other arising out of the conduct of the war. This settlement is complete and final, and both Governments agree that, except as herein specifically provided, no further benefits will be sought by either Government as consideration for the foregoing. In arriving at this understanding, both Governments have recognized the benefits accruing to each from their contributions to the defeat of their common enemies, and have adhered to and hereby reaffirm their adherence to the principles expressed in Article VII of the Preliminary Agreement on Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression, signed on July 8, 1942.³

¹ Not printed.

² 1 UST 638; TIAS 2119.

³ EAS 259, *ante*, p. 142.

1. Amount Due

As used in this Agreement the "total principal amount" due from the Netherlands Government to the United States Government is the sum of:

A. \$67,500,000, which is agreed by the two Governments to be the net amount due from the Netherlands Government to the United States Government with respect to lend-lease, reciprocal aid, civilian supplies furnished as military relief in the Netherlands (Plan A) and in the Netherlands Indies, certain aircraft heretofore sold by the United States Government to the Netherlands Government, certain claims between the two Governments settled by this Agreement, and guilders in the accounts of finance officers of the United States armed forces, and

B. The amount due to the United States Government from the Netherlands Government under the \$30,000,000 line of credit (referred to in paragraph 5 of this Agreement) for the purchase of surplus property.

The terms of payment of the total principal amount are set forth in paragraph 6 of this Agreement.

2. Military Relief and Related Operations

In view of the benefits accruing to the two Governments from their contributions to the common war effort and in view of the payment specified in sub-paragraph 1A of this Agreement and of the other provisions of this Agreement:

A. The obligation of the Netherlands Government for the United States Government's share of the combined bills for civilian supplies furnished as military relief in the Netherlands (Plan A) is considered settled. The Netherlands Government recognizes that the settlement hereby made with the United States Government in no way impairs the obligation of the Netherlands Government to the United Kingdom and Canadian Governments for their shares of the combined claim for Plan A.

B. The United States Government's share of guilder proceeds from the sale of Allied publications distributed in the Netherlands in connection with military operations reverts to the Netherlands Government.

3. Intergovernmental Claims⁴

A. The following financial claims between the two Governments will be settled and paid in dollars in accordance with procedures already established:

(1) Claims of the United States Government for the cost of lend-lease supplies and services transferred to the Netherlands Government by the

⁴ See also exchanges of notes relating to para. 3, p. 202.

United States Government on cash reimbursement terms not subsequently converted to other terms, and claims of the Netherlands Government for the excess of the amounts deposited by it with the United States Government under cash reimbursement lend-lease requisitions (including requisitions subsequently converted wholly or partly to other terms) over the cost of supplies and services transferred thereunder to the Netherlands Government on cash reimbursement terms not subsequently converted to other terms.

(2) Balance owing to the Netherlands Government under the portion of the agreement described in the Memorandum signed on May 30, 1942 by representatives of the United States Department of State and Office of Lend-Lease Administration whereby the United States Government took over the war material in the United States procured by, or at that time under contracts in the United States let by, the Netherlands Government.

(3) Claims covered by the "Memorandum Concerning Disposition of and Payment for Cargoes Carried on Twelve Dutch Ships Diverted to Australia", dated December 20, 1944, and claims covered by the "Memorandum Concerning Disposition of and Payment for Certain Aircraft and Gun Parts Shipped to Australia by Netherlands Purchasing Commission", dated December 20, 1944.

(4) Claims of either Government against the other arising under the terms of the Netherlands-American Charter Plan dated March 6, 1942.

(5) Claims of either Government against the other arising under the "bareboat out-time charter back" chartering arrangements, including claims of the Netherlands Government against the United States Government as war or marine risk insurer or assurer by reason of (a) any loss or damage to the chartered vessel or (b) any claims against the chartered vessel other than (i) those waived or assumed under this Agreement, (ii) those waived or assumed by a third government or UNRRA under any present or future agreement with the United States Government, and (iii) those subject to the practice of the United States Government regarding interdepartmental waiver of claims.

(6) The claim of the Netherlands Government for repayment of the net balance of guilders advanced by it to the United States War Shipping Administration.

(7) The claim of the Netherlands Government for the repayment of the payment previously made to the United States Government under the "Agreement between the United States of America and the Kingdom of the Netherlands under Section 3(c) of the Lend-Lease Act", signed on April 30, 1945.⁵

B. To avoid the necessity of making adjustments hereafter in certain accounts and to facilitate the determination of certain amounts payable

⁵ EAS 480, *ante*, p. 158.

under sub-paragraph 3A of this Agreement, the two Governments agree upon \$17,820,000 as the cost of supplies and services transferred to the Netherlands Government through the agency of the United States War and Navy Departments, on cash reimbursement terms not subsequently converted to straight lend-lease terms, under lend-lease requisitions which, when filed by the Netherlands Government, called for direct cash reimbursement, but not including lend-lease requisitions filed directly with the United States Navy Department. This sum of \$17,820,000, heretofore paid by the Netherlands Government, includes an allowance for charges not yet reported and is not subject to adjustment. Such allowance will be disregarded in determining claims under subparagraph 3A(3) of this Agreement.

C. The two Governments have agreed upon arrangements and procedures with respect to payment for articles and services procured in the Kingdom of the Netherlands for the United States armed forces and certain aircraft procured by the United States armed forces in the United States from the Netherlands Government and with respect to the return to the Netherlands Government of guilders held by the United States armed forces.

D. The claims between the two Governments listed in Appendix 1 hereto are among those settled by this Agreement and appropriate allowances have been made therefor in computing the net amount due from the Netherlands Government to the United States Government under sub-paragraph 1A of this Agreement.

E. The following arrangements are agreed on with respect to the time during which the large U.S. 7(c) ships and the small U.S. 7(c) ships (as defined in Appendix 1 hereto), as the case may be, were severally operated by the Netherlands Government for the United States Government during the 7(c) period (as defined in Appendix 1 hereto) :

(1) The United States Government will bear the cost of all services and supplies, not hitherto paid for by the Netherlands Government, furnished by the United States Government to the Netherlands Government for the large U.S. 7(c) ships and the small U.S. 7(c) ships during such time.

(2) The Netherlands Government will retain all earnings, if any, arising from the commercial carriage of passengers and cargo on the large U.S. 7(c) ships and the small U.S. 7(c) ships during such time.

(3) The Netherlands Government will process all claims against the United States Government, or respecting which the ultimate liability is that of the United States Government, arising from the commercial carriage of passengers and cargo on the large U.S. 7(c) ships and the small U.S. 7(c) ships during such time, and will discharge the liability of the United States Government with respect thereto, except to the extent that third Governments have already undertaken to do so without being reimbursed in cash.

F. As further specified in Appendix 2 hereto, each Government waives all its claims against the other which arose out of requisitioning for use in the war program of property of the claimant Government and, except as provided in sub-paragraph 3A(5) of this Agreement, all its claims against the other, and all its claims respecting which the ultimate liability is that of the other, which arose out of maritime incidents occurring on or after May 10, 1940 and prior to July 1, 1946.

G. Each Government waives all other financial claims against the other Government not otherwise dealt with in this Agreement which

- (a) have arisen or may hereafter arise out of lend-lease or reciprocal aid, or
- (b) otherwise arose out of incidents occurring on or after May 10, 1940 and prior to July 1, 1946 connected with or incidental to the conduct of the war,

except

- (1) claims arising out of established arrangements where liability has heretofore been acknowledged and the method of computation agreed;
- (2) claims arising out of retransfers, consented to by the United States Government after December 31, 1946, of lend-lease articles by a third government to the Netherlands Government; and
- (3) claims presented in accordance with the practice whereby one government espouses a claim of one of its nationals and submits it through diplomatic channels to another government.

4. Private Claims

A. The Netherlands Government will process the claims described in the following sub-paragraphs (1) to (4) and will discharge the liability with respect thereto of the United States Government and of the individuals, firms and corporations against whom such claims are asserted as there described, except to the extent that third governments have already undertaken to do so without being reimbursed in cash, namely:

- (1) Claims against the United States Government, or respecting which the ultimate liability is that of the United States Government, arising from maritime incidents (including those specified in Appendix 2 hereto) occurring on or after May 10, 1940 and prior to July 1, 1946, asserted or about to be asserted in courts of the Kingdom of the Netherlands, or asserted anywhere by individuals, firms and corporations, subjects of the Kingdom of the Netherlands at the time of the event giving rise to the claim, but not including claims of Netherlands subjects based upon service as seamen. In addition, as part of the general settlement, the Netherlands Government, without giving rise to any financial obligation on the part of the United

States Government, will, at the request of the United States Government, take such steps as may be necessary, including the assumption of financial responsibility, to release vessels and cargoes belonging to the United States Government from legal actions brought to enforce any such claims.⁶

(2) Claims of individuals, firms and corporations, domiciled in territory of the Kingdom of the Netherlands at any time between May 10, 1940, and September 2, 1945 (except individuals who are exclusively United States nationals) against the United States Government, its contractors or sub-contractors, for royalties under contracts for the use of inventions, patented or unpatented, or for infringement of patent rights, in connection with war production carried on or contracted for prior to September 2, 1945 by the United States Government, its contractors or sub-contractors.

(3) Claims, whether contractual or non-contractual, against the United States Government and against members of its armed forces and civilian personnel attached thereto arising out of acts or omissions in territory of the Kingdom of the Netherlands of members of such armed forces or such civilian personnel, both line-of-duty, and non-line-of-duty, occurring on or after May 10, 1940 and prior to September 2, 1945 in the case of contracts, and occurring on or after May 10, 1940 and prior to July 1, 1946 in the case of other acts or omissions.

(4) Claims of individuals, firms and corporations, subjects of the Kingdom of the Netherlands at the time of the event giving rise to the claim, against the United States Government arising out of the requisitioning (as specified in Appendix 2 hereto) for use in the war program of property located in the United States in which the claimant asserts an interest.

B. An appropriate allowance for the undertaking of the Netherlands Government in sub-paragraph 4A of this Agreement has been made in computing the net amount of \$67,500,000 due from the Netherlands Government to the United States Government under sub-paragraph 1A of this Agreement.

5. Surplus Property

A. The two Governments agree that their rights and obligations in connection with the line of credit for the purchase of surplus property heretofore granted by the United States Government in the amount of \$30,000,000 (originally \$20,000,000) shall be as stated in this Agreement; and the letters dated May 14, 1946 and December 9, 1946, from the United States Central Field Commissioner for Europe, Office of the Foreign Liquidation Commissioner, to the Netherlands Treasurer General, accepted by the Netherlands Government, establishing the line of credit, and subsequent communications relating thereto, are superseded by this Agreement. Like provision regarding the rights and obligations under the line of credit for the purchase of surplus

⁶ For an agreement of June 1 and 8, 1950, relating to interpretation and implementation of para. 4A(1), see 1 UST 638; TIAS 2119.

property heretofore granted by the United States Government to the Netherlands Indies Government in the amount of \$100,000,000 is made in a separate agreement signed concurrently herewith by the United States Government and the Netherlands Indies Government.⁷

B. The terms of payment of the amount due under the \$30,000,000 line of credit shall be as stated in paragraph 6 of this Agreement. This change from the original terms of payment, and the like change regarding the \$100,000,000 line of credit made in the separate agreement signed concurrently herewith by the United States Government and the Netherlands Indies Government, have been consented to by the United States Government as part of the general settlement herein made.

C. The \$30,000,000 line of credit is for use in purchasing prior to January 1, 1948⁸ United States surplus property, wherever situated, made available by the Office of the Foreign Liquidation Commissioner.

D. Charges heretofore made against the \$30,000,000 line of credit shall continue to be charges against it as from the respective dates of the charges, but, with respect to the accrual of interest, shall be subject to the provisions of sub-paragraph 6C of this Agreement. The bulk sales of surplus property in the Territories of Curaçao and Surinam shall be charges against the \$30,000,000 line of credit.

E. Procedural arrangements heretofore made in connection with the \$30,000,000 line of credit shall continue in force until changed.

6. Terms of Payment

A. The Netherlands Government undertakes that, as and when the amounts payable by the United States Government under sub-paragraph 3A of this Agreement are paid, it will pay equivalent amounts in dollars to the United States Government up to a total of \$19,500,000, in partial payment of the total principal amount due from it to the United States Government.

B. The remainder of the total principal amount due from the Netherlands Government to the United States Government will be paid by the Netherlands Government to the United States Government in dollars in thirty annual instalments, which shall become payable on July 1 of each year beginning July 1, 1951. The first instalment shall be equal to one-thirtieth of the unpaid portion as of July 1, 1951 of the total principal amount. Each subsequent instalment shall be equal to so much of the unpaid portion (as of the date of the instalment) of the total principal amount as has not previously become payable, divided by the number of instalments that have not previously become payable.

⁷ TIAS 1750, *ante*, vol. 8, p. 1250, INDONESIA.

⁸ Period for purchase extended to Dec. 31, 1948, by arrangements of Dec. 10, 1947, Feb. 24, 1948, and June 10, 1948 (not printed).

C. Interest will be paid to the United States Government by the Netherlands Government in dollars at the fixed rate of two percent per annum on \$50,000,000 (which is agreed to be the net sum of such of the charges constituting the total principal amount as are attributable to the period before July 1, 1946) for the period from July 1, 1946 through June 30, 1947, and, accruing from July 1, 1947, on the unpaid remainder of the total principal amount. With respect, however, to charges made under the \$30,000,000 line of credit, interest shall accrue from the first day of July next following the date on which each charge is made. With respect to the amount of any reduction in the total principal amount under the terms of sub-paragraph 6D and paragraph 7 of this Agreement interest for the period from the preceding July 1 shall be charged only to the date of such reduction. Interest shall be payable annually on July 1 of each year beginning July 1, 1947.

D. The Netherlands Government may at any time or times make payments to the United States Government under this Agreement of amounts not then payable or larger than are then payable. Any such payments will be credited first to past due interest, if any, and then to past due instalments, if any, and then to the unpaid remainder of the total principal amount.

E. If by agreement of both Governments it is determined that because of extraordinary and adverse economic conditions arising during the course of payment, any of the periodic payments of interest, of principal, of interest and principal, or of any part thereof would not be to the common advantage of both Governments, payment may be postponed on such terms and conditions as may be agreed.

7. Provision of Netherlands Currency and of Property

A. The Netherlands Government, when requested by the United States Government, will make available at any time or times, by payment to the United States Government or to such persons or organizations as the United States Government may designate, Netherlands currency in any amount (computed as provided in sub-paragraph 7E of this Agreement) not in excess of the then unpaid portion of the total principal amount plus past due interest, for:

- (1) The payment of any or all of the ordinary governmental expenditures in the Kingdom of the Netherlands (other than the Netherlands Indies) of the United States Government or any department or agency thereof;
- (2) The acquisition of real property, improvements thereon or furnishings therefor, agreed upon by the two Governments; and
- (3) The payment of the cost of educational programs agreed upon by the two Governments.

B. In case the United States Government wishes to acquire any property (located in the Kingdom of the Netherlands, other than the Netherlands Indies), real or personal, tangible or intangible (other than for export except

by mutual agreement), or to improve or furnish any property so located in which it has an interest, the Netherlands Government will at any time or times, as requested by the United States Government, enter into negotiations, and use its best efforts consistent with its public policy, to reach an agreement with the United States Government whereby there will be delivered to the United States Government the properties, improvements or furnishings which the United States Government desires or which the representatives of the United States Government have selected. Representatives of the United States Government may at their discretion conduct discussions directly with owners of property or with contractors for improvements or furnishings as to fair terms and prices prior to the delivery of such property or improvements or furnishings to the United States Government.

C. The United States Government declares that it is now its intention to request that Netherlands currency be made available for agreed educational programs under sub-paragraph 7A of this Agreement to the value of \$5,000,000 and that it is now its intention to request that Netherlands currency be made available for, or that there be delivered, real property, improvements and furnishings, or both, under sub-paragraphs 7A and 7B of this Agreement to the value of \$8,700,000. This statement of intention does not prevent the United States Government from later proposing different amounts from these in these connections. The foregoing amounts are inclusive of amounts heretofore requested under corresponding arrangements hitherto existing under the \$30,000,000 line of credit.

D. The dollar equivalent (computed in accordance with sub-paragraph 7E of this Agreement) of any Netherlands currency made available and of the Netherlands currency value of any properties, improvements and furnishings delivered under this paragraph 7 or under corresponding arrangements hitherto existing under the \$30,000,000 line of credit shall be credited first to interest, if any, and then to instalments, if any, past due to the United States Government under this Agreement and then to the unpaid remainder of the total principal amount due under this Agreement.

E. Any Netherlands currency made available and the Netherlands currency value of any properties, improvements and furnishings delivered under this paragraph 7 or under corresponding arrangements hitherto existing under the \$30,000,000 line of credit will be valued at the par value between such currency and dollars established in conformity with procedures of the International Monetary Fund, or, if no such par value exists, at the rate most favorable to the United States Government used by the Netherlands Government in any official transaction at the time of the request by the United States Government that such currency be made available or that such properties, improvements or furnishings be delivered.

8. Silver

Nothing in this Agreement affects the obligation of the Netherlands Gov-

ernment in connection with silver transferred to it by the United States Government under lend-lease.

9. Transfer of Title

A. Except as provided in sub-paraphraphs 9B and 9C of this Agreement, the United States Government and the Netherlands Government receive full title, without qualification as to disposition or use, to all articles now held by them respectively which were supplied under lend-lease or reciprocal aid, but including retransferred lend-lease articles only to the extent that consent to the retransfer was given by the United States Government before January 1, 1947.

B. Each Government reserves the right of recapture of any arms, ammunition and implements of war (as defined in Appendix 2 hereto) which were supplied under lend-lease or reciprocal aid and are held by the other Government on the date on which notice requesting return is communicated to the other Government (excepting, however, those supplied under lend-lease on cash reimbursement terms not subsequently converted to straight lend-lease terms); but each Government has indicated that it does not intend to exercise generally its right of recapture of such articles. Disposals of such articles in or for use in third countries will be made only with the consent of the supplying Government and with payment to the supplying Government of any proceeds of such disposals. Each Government agrees that all such articles held by it will be used only for purposes compatible with the principles of international security and welfare set forth in the Charter of the United Nations.⁹

C. To the extent required by United States law, naval and merchant vessels which were made available to the Netherlands Government under lend-lease will be returned to the United States Government.

10. Miscellaneous Provisions

A. References in this Agreement to articles supplied under lend-lease, and to lend-lease transfers, include lend-lease articles transferred by the United States Government to a third government and retransferred by the third government to the Netherlands Government.

B. To the extent that the provisions of this Agreement are inconsistent with those contained in any previous agreement, the provisions of this Agreement shall prevail.

C. Nothing in this Agreement affects the obligation of the Netherlands Government under Article IV of the Preliminary Agreement of July 8, 1942, relating to patents.

⁹ TS 993, *ante*, vol. 3, p. 1153.

D. The two Governments agree to conclude such specific agreements as may be necessary to implement this general understanding.

E. This Agreement will be effective upon signature.

DONE at Washington, in duplicate, this twenty-eighth day of May, 1947.

For the Government of the United States of America:

G. C. MARSHALL
*Secretary of State of the
United States of America*

For the Government of the Kingdom of the Netherlands:

A. LOUDON
*Ambassador Extraordinary and Plenipotentiary
of the Kingdom of the Netherlands*

APPENDIX 1

CERTAIN CLAIMS BETWEEN THE TWO GOVERNMENTS SETTLED BY THIS AGREEMENT

As stated in sub-paragraph 3D of this Agreement, the claims between the two Governments listed in this Appendix are among those settled by this Agreement and appropriate allowances have been made therefor in computing the net amount due from the Netherlands Government to the United States Government under sub-paragraph 1A of this Agreement.

I. CLAIMS OF THE NETHERLANDS GOVERNMENT

As used in this Agreement the term "large U.S. 7(c) ships" means the ships listed in Schedule 1 hereto attached, and the term "small U.S. 7(c) ships" means the ships listed in Schedule 2 hereto attached. All these ships were originally among those chartered by the British Minister of War Transport from the Netherlands Government pursuant to the "Memorandum of Arrangement Regarding Netherland East Indies Shipping, 5th June 1942" and allocated to the United States Government. They were the ships later removed from that arrangement, with the concurrence of the United Kingdom Government, by an exchange of notes between the Netherlands Embassy at Washington and the United States Department of State dated June 6, 1945 and July 31, 1945, and they were severally operated by the Netherlands Government for the United States Government in conformity with that exchange of notes for the whole of the 7(c) period (as defined below) or from the beginning of the 7(c) period until they were allocated during the 7(c) period to the United Kingdom Government. The designation "7(c)" derives from the application to these ships of paragraph 7(c) (second sentence) of the Agreement on Principles Having Reference

to the Co-ordinated Control of Merchant Shipping, signed in London on August 5, 1944.¹⁰

The term "7(c) period" means, as used in this Agreement in respect of the large U.S. 7(c) ships and the small U.S. 7(c) ships, the period from midnight May 23, 1945 until the date of redelivery in each case to the Netherlands Government, or until March 2, 1946, whichever was the earlier.

As used in this Agreement the term "June 5 Memorandum" means the above mentioned Memorandum of June 5, 1942.

A. The following claims of the Netherlands Government against the United States Government in connection with the large U.S. 7(c) ships are among those settled by this Agreement:

1. Services and supplies for the large U.S. 7(c) ships during the 7(c) period.
2. (a) Reconditioning and reconversion of the ships listed in Part A of Schedule 1 hereto attached, and (b) reconversion, as distinguished from reconditioning, of the ships listed in Part B of Schedule 1 hereto attached.
 - (i) The contribution of the United States Government toward vessel expenses during the respective periods of reconditioning/reconversion, forming part of the allowance for the claims set forth in clauses 2(a) and 2(b) immediately above, has been computed on the basic bareboat rate under the June 5 Memorandum and respective time estimates for reconditioning/reconversion provided by the Netherlands Government.
 - (ii) The allowance made by the United States Government for the replacement of furniture has been computed on the basis of the articles named in the respective off-survey reports, and on the basis of the cost of procurement and installation of the furniture at the respective ports of reconversion.
 - (iii) The allowance made by the United States Government in respect of reconversion has been made, *inter alia*, on the basis of removing and making good in the way thereof fittings added during the conversion of the ships, and takes account of an allowance made by the Netherlands Government to the United States Government for equipment of the United States Government left aboard. Such equipment becomes the property of the Netherlands Government.
 - (iv) The allowance made by the United States Government with respect to reconditioning includes war risk insurance damage to the ships listed in Part A of Schedule 1 hereto attached, in so far as such damage was incurred during the 7(c) period.
3. Costs of medical departments maintained by the Netherlands Government in the United States with respect to the large U.S. 7(c) ships during the 7(c) period.

¹⁰ TIAS 1722, *ante*, vol. 3, p. 891.

4. Services as Accounting Line (agency services) for the large U.S. 7(c) ships with respect to the 7(c) period.

B. The following claims of the Netherlands Government against the United States Government in connection with the small U.S. 7(c) ships are among those settled by this Agreement:

1. Services and supplies for the small U.S. 7(c) ships while they were severally operated by the Netherlands Government for the United States Government during the 7(c) period.

2. Reconversion and reconditioning of the small U.S. 7(c) ships. The claim put forward by the Netherlands Government and the allowance therefore made by the United States Government have been restricted to expenses of reconversion and reconditioning attributable to the use of the ships by the United States Government during the 7(c) period and have been computed on a prorata basis on figures submitted by the Netherlands Government covering the over-all reconversion/reconditioning expenses arising from the date of delivery of the vessels under their basic charterparties in 1942. This claim is without prejudice to claims for additional reconversion/reconditioning expenses under the basic charterparties.

3. Services as Accounting Line (agency services) for the small U.S. 7(c) ships with respect to the period while they were severally operated by the Netherlands Government for the United States Government during the 7(c) period.

C. The following further shipping claims of the Netherlands Government against the United States Government are among those settled by this Agreement:

1. A portion of the costs (not paid by the United States Navy) of arming certain Netherlands ships chartered pursuant to the June 5 Memorandum and allocated to the United States Government.

2. 80%, payable in dollars, of the hire increase on ships chartered pursuant to the June 5 Memorandum (the hire increase being one shilling per deadweight ton per month from July 1, 1944 until redelivery and (due to the waiver of off-hire insurance) sixpence per deadweight ton per month from July 1, 1944 to December 31, 1944). The allowance made by the United States Government in respect of this claim is accepted by the Netherlands Government in satisfaction of its claim under the June 5 Memorandum for 80%, payable in dollars, of such hire increase.

3. Dollar expenditures for free Netherlands ships in United States ports between August 21, 1941 and September 30, 1945 of a type eligible for lend-lease.

4. Charter hire in the amount of \$180,000 under "bareboat out-time charter back" chartering arrangements (claim withdrawn in consideration

of the withdrawal by the United States Government of its claim for reduction of charter hire under such arrangements).

II. CLAIMS OF THE UNITED STATES GOVERNMENT

A. The following claims of the United States Government against the Netherlands Government are among those settled by this Agreement:

1. Equipment of the United States Government left aboard the large U.S. 7(c) ships, as stated in sub-paragraph IA2(iii) of this Appendix.
2. Dollar amounts due for retroactive reverse lend-lease under the exchange of letters between E. C. Zimmerman, Chairman of the Netherlands Purchasing Commission, and Charles Denby, Special Assistant for Reciprocal Aid, Foreign Economic Administration, dated September 20 and 26, 1944.

SCHEDULE 1 OF APPENDIX 1

The Large U.S. 7(c) Ships

PART A:

BOSCHFONTEIN	POELAU LAUT
BRASTAGI	SLOTERDIJK
JAPARA	SOMMELSDIJK
KLIPFONTEIN	TABINTA
KOTA AGOENG	TJISADANE
KOTA BAROE	

PART B:

BLOEMFONTEIN	NOORDAM
KOTA INTEN	WELTEVREDEN

SCHEDULE 2 OF APPENDIX 1

The Small U.S. 7(c) Ships

BONTEKOE	TASMAN
BOTH	THEDENS
MAETSUYCKER	VAN DER LIJN
SWARTENHOND'T	VAN HEUTSZ

APPENDIX 2

MEANING OF CERTAIN TERMS

1. Maritime incidents. The term "maritime incidents" as used in sub-paragraphs 3F and 4A (1) of this Agreement includes damages to shore structures, aids to navigation, and port installations, fixed or movable, arising out of marine operations.
2. Requisitioning. As applied to action by the United States Government the term "requisitioning", as used in sub-paragraphs 3F and 4A (4) of this Agreement, means requisitioning and taking over under the Act of Congress of October 10, 1940, 54 Statutes at Large 1090, and amendments thereto, or under the Act of Congress of October 16, 1941, 55 Statutes at Large 742, and amendments thereto, as the case may be.

3. Corporations. The term "corporations", as used in the first sentence of paragraph 4 of this Agreement, includes public bodies of United States nationality of whatever character, and, as used in subparagraphs 4A (1), (2) and (4) of this Agreement, includes public bodies of Netherlands nationality of whatever character.

4. Arms, Ammunition and Implements of War. As used in paragraph 9 of this Agreement the term "arms, ammunition and implements of war" means supplies of the types listed in Proclamation number 2717 of the President of the United States, dated February 14, 1947, 12 Federal Register 1127.

EXCHANGES OF NOTES

An Officer of the Department of State to the Netherlands Minister

DEPARTMENT OF STATE

WASHINGTON

May 28, 1947

MY DEAR MR. DAUBANTON:

In connection with the overall settlement of lend-lease and other war accounts between our two Governments certain cash reimbursement lend-lease requisitions heretofore filed by your Government with this Government have been converted in specified amounts, aggregating \$7,510,785.09, to credit terms.

In accordance with our understanding, the amount so converted has been included in the computation of the net amount of \$67,500,000 due from your Government to this Government under sub-paragraph 1A of the settlement agreement signed today, and payment of the amount converted will therefore be upon the terms set forth in that agreement.

As a result of these actions the amount of \$7,510,785.09 is now refundable to your Government from the amount deposited by your Government under these requisitions. Refund will be made promptly under sub-paragraph 3A (1) of today's agreement.

Sincerely yours,

N. T. N.

Norman T. Ness

*Director, Office of Financial
and Development Policy*

Mr. CH. J. H. DAUBANTON
Minister Plenipotentiary
Netherlands Embassy
Washington 9, D.C.

The Netherlands Minister to an Officer of the Department of State

HA-5334

MAY 28, 1947

MY DEAR MR. NESS:

I have your letter of today in which you advise me that certain cash reimbursement lend-lease requisitions heretofore filed by my Government with your Government have, to the extent of \$7,510,785.09, been converted to credit terms.

I am glad to confirm that your letter is in accordance with the understanding of my Government.

Sincerely yours,

CH. J. H. DAUBANTON
Minister Plenipotentiary

Mr. NORMAN T. NESS, *Director*

Office of Financial and Development Policy
Department of State
Washington, D.C.

The Netherlands Ambassador to the Secretary of State

HA-5335

MAY 28, 1947

SIR:

I have the honor to advise you on instructions from my Government that in view of the general terms of the Agreement for the settlement of lend-lease and other war accounts signed today by our two Governments my Government has withdrawn its claims against your Government arising out of the requisitioning by your Government of certain military supplies of the Netherlands Government in 1917 and 1918.

Accept, Sir, the renewed assurances of my highest consideration.

A. LOUDON
Ambassador of the Netherlands

The Honorable

GEORGE C. MARSHALL,
Secretary of State.

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON
May 28, 1947

EXCELLENCY:

I have the honor to refer to your note of today in which you advise me that, in view of the general terms of the agreement for the settlement of

lend-lease and other war accounts signed today by our two Governments, your Government has withdrawn its claims against my Government arising out of the requisitioning by my Government of certain military supplies of the Netherlands Government in 1917 and 1918.

My Government is much gratified at this action on the part of your Government and I desire to express to you and your Government the appreciation of my Government thereof.

Accept, Excellency, the renewed assurances of my highest consideration.

G. C. MARSHALL

His Excellency

Dr. A. LOUDON,

Ambassador of the Netherlands.

The Netherlands Ambassador to the Secretary of State

HA-5336

MAY 28, 1947

SIR:

I have the honor to refer to the Agreement for the settlement of lend-lease and other war accounts signed concurrently herewith by the Government of the Kingdom of the Netherlands, which comprises the Kingdom in Europe, the Netherlands Indies and the Territories of Surinam and Curaçao, and by the United States Government, and have the honor to confirm that the terms of that Agreement have received the concurrence of the Government of the Netherlands Indies, and of the Territorial Governments of Curaçao and Surinam, in so far as these terms relate to these Governments by implication or by direct reference in the text.

With particular reference to paragraph 3, sub-paragraphs F and G, of the Agreement, I am authorized to confirm that the intergovernmental waiver of claims (with the exceptions thereto) is understood to apply as well to obligations and claims between your Government and the Government of the Netherlands Indies, and the Territorial Governments of Surinam and Curaçao, respectively.

Accept, Sir, the renewed assurances of my highest consideration.

A. LOUDON

Ambassador of the Netherlands

The Honorable

GEORGE C. MARSHALL,

Secretary of State.

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON
May 28, 1947

EXCELLENCY:

I have the honor to refer to your note to me of today in which you refer to the Agreement signed concurrently herewith by the Government of the Kingdom of the Netherlands and by the United States Government for the settlement of lend-lease and other war accounts.

I note your confirmation that the terms of the Agreement have received the concurrence of the Government of the Netherlands Indies, and of the Territorial Governments of Surinam and Curacao, in so far as these terms relate to these Governments by implication or by direct reference in the text.

With particular reference to paragraph 3, sub-paragraphs F and G, of the Agreement, I am glad to confirm that my Government shares the understanding that the intergovernmental waiver of claims (with the exceptions thereto) applies as well to obligations and claims between my Government and the Government of the Netherlands Indies, and the Territorial Governments of Surinam and Curacao, respectively.

Accept, Excellency, the renewed assurances of my highest consideration.

G. C. MARSHALL

His Excellency

Dr. A. LOUDON,
Ambassador of the Netherlands.

The Netherlands Ambassador to the Secretary of State

HA-5337

MAY 28, 1947

MY DEAR MR. SECRETARY:

In accordance with arrangements made in 1945, the Netherlands Government advanced to the United States War Shipping Administration a total amount of 5,250,000 Netherlands guilders. These guilders were used by the War Shipping Administration to cover ship disbursements and other expenses in the Netherlands both before and after VJ-Day up to November, 1946.

The Netherlands Government has agreed that the principle of reciprocal aid shall be applied to the period up to November 1, 1945 (VJ-Day + 60) and in the course of the negotiations between representatives of our Governments on the over-all settlement of lend-lease, the United States Maritime Commission, as successor to the War Shipping Administration, has stated a figure of 1,393,438 Netherlands guilders as having been spent during that

period, for the type of expenditure eligible for reverse lend-lease under a broad interpretation of the general principle of reciprocal aid.

It has been agreeable to the Netherlands Government to accept that statement without further proof or investigation. Accordingly the remaining United States obligation is now agreed to be 3,856,562 Netherlands guilders (5,250,000 minus 1,393,438), which will be paid by the United States Maritime Commission to the Netherlands Ministry of Finance before July 1, 1947.

For this repayment the Maritime Commission may first use the Netherlands guilders remaining in the two War Shipping Administration accounts with the Nederlandsche Bank; the then remaining obligation will be paid in United States dollars computed at the rate of \$0.376,953 to the guilder.

If the foregoing is in accordance with your understanding this letter and your reply to that effect will constitute an agreed interpretation of sub-paragraph 3A(6) of today's Agreement between our two Governments regarding settlement for lend-lease and other war accounts.

Sincerely yours,

A. LOUDON
Ambassador of the Netherlands

The Honorable

GEORGE C. MARSHALL,
Secretary of State.

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON
May 28, 1947

MY DEAR MR. AMBASSADOR:

I have your letter of today with regard to the obligations of my Government arising from the advance of a total amount of 5,250,000 Netherlands guilders by your Government to the United States War Shipping Administration.

I am glad to confirm that your letter is in accordance with the understanding of my Government. Your letter and this reply will therefore constitute an agreed interpretation of sub-paragraph 3A(6) of today's Agreement between our two Governments regarding settlement for lend-lease and other war accounts.

Sincerely yours,

G. C. MARSHALL

His Excellency

Dr. A. LOUDON,
Ambassador of the Netherlands

The Netherlands Ambassador to the Secretary of State

HA-5340

MAY 28, 1947

MY DEAR MR. SECRETARY:

With reference to the Agreement for the settlement of lend-lease and other war accounts signed today between our Governments I am glad to confirm that, under the arrangements and procedures referred to in sub-paragraph 3C of that Agreement, the following claims of the Government of the Kingdom of the Netherlands against the United States War and Navy Departments are settled by the mutual undertakings in that Agreement:

A. Claims totalling \$3,682,274.60:

1. Claims in the amount of \$564,612.84 for certain articles and services supplied to the United States Armed Forces in the Netherlands from September 2, 1945 to March 31, 1946.

2. Claims in the amount of \$882,661.76 for all articles and services supplied to the United States Armed Forces in the Territories of Surinam and Curaçao from September 2, 1945 to August 31, 1946 (\$862,128.59 claimed from the United States Army and \$20,533.17 from the United States Navy).

3. Claims in the amount of \$1,500,000 for those articles (such as coal, wood and cement) which were supplied to the United States Armed Forces in the Netherlands under reciprocal aid procedures before September 2, 1945 and subsequently determined to be ineligible for reciprocal aid on the grounds that they were in very scarce supply and essential to the Netherlands economy and had to be replaced from abroad.

4. Claims in the amount of \$735,000 for airplanes (Beechcraft) originally bought and paid for by the Netherlands Government and turned over to the United States Army on the termination of the Netherlands Flying School at Jackson, Mississippi.

B. All other claims for articles and services supplied to the United States Armed Forces in the Netherlands from September 2, 1945 to March 31, 1946.

I should appreciate your advising me whether the foregoing is in accordance with your understanding.

Sincerely yours,

A. LOUDON
Ambassador of the Netherlands

The Honorable

GEORGE C. MARSHALL,
Secretary of State.

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON
May 28, 1947

MY DEAR MR. AMBASSADOR:

I have your letter of today listing certain claims of the Government of the Kingdom of the Netherlands against the United States War and Navy Departments and stating that those claims are settled by the mutual understandings in the Agreement for the settlement of lend-lease and other war accounts signed today between our two Governments. I am glad to confirm that your letter is in accordance with the understanding of my Government.

Sincerely yours,

G. C. MARSHALL

His Excellency

Dr. A. LOUDON,
Ambassador of the Netherlands

The Secretary of State to the Netherlands Ambassador

DEPARTMENT OF STATE
WASHINGTON
May 28, 1947

MY DEAR MR. AMBASSADOR:

In connection with the Agreement signed today between our Governments for the settlement of lend-lease and other war accounts, and your letter to me of today acknowledging settlement, among others, of certain claims of your Government against the United States War and Navy Departments amounting to \$3,682,274.60, I wish to advise you that the total number of Netherlands guilders in accounts of finance officers of the United States armed forces to be turned over to the Netherlands Government pursuant to the arrangements and procedures referred to in sub-paragraph 3C of the above mentioned Agreement is 61,390,703. This amount will be turned over to the Netherlands Government as soon as the Netherlands Government has made the payment of \$19,500,000 referred to in sub-paragraph 6A of the Agreement and executes appropriate documents in form acceptable to the War Department.

An additional amount of 31,552 guilders now in accounts of finance officers of the United States Army is shown by United States Army records to have been captured from the enemy. This amount will be turned over to the Netherlands Government unconditionally. If further examination of United States Army records should hereafter reveal that any portion of the above mentioned amount of 61,390,703 guilders was captured from the

enemy, the War Department will promptly pay to the Netherlands Government its dollar equivalent, computed at the rate of \$0.377415 per guilder. If other captured guilders are found among other guilder holdings of the United States Army, such captured guilders will be turned over to the Netherlands Government unconditionally. The United States Army, by arrangement with representatives of the Netherlands Government, will render any assistance agreed to be necessary to discover such items.

It is my understanding that the Netherlands Government agrees, upon request, to convert into dollars, at the rate specified above, guilders tendered by the United States Army up to an aggregate dollar value of \$100,000 over and above the 61,390,703 guilders above referred to and in addition to guilders acquired by the United States Army through official government channels. No request for conversion of guilders in excess of such \$100,000 will be made by or on behalf of the United States Army other than in respect to guilders acquired by the United States Army through official Netherlands Government channels.

It is further my understanding that this Agreement settles any claims that the Netherlands Government may have for guilder advances made to the United States armed forces in the Territories of Surinam and Curacao prior to September 1, 1946 and in the Netherlands in Europe prior to the date of this Agreement.

I should appreciate your advising me whether the foregoing is in accordance with your understanding.

Sincerely yours,

G. C. MARSHALL

His Excellency

Dr. A. LOUDON,

Ambassador of the Netherlands

The Netherlands Ambassador to the Secretary of State

HA-5341

MAY 28, 1947

MY DEAR MR. SECRETARY:

With reference to your letter to me of today concerning guilders held by the United States Armed Forces, I am glad to confirm that your letter is in accordance with the understanding of my Government.

Sincerely yours,

A. LOUDON

Ambassador of the Netherlands

The Honorable

GEORGE C. MARSHALL,

Secretary of State

An Officer of the War Department to the Netherlands Minister

28 MAY 1947

Mr. CH. J. H. DAUBANTON
Minister Plenipotentiary
Netherlands Embassy
1470 Euclid Street, N.W.
Washington 25, D.C.

DEAR MR. DAUBANTON:

In connection with the Agreement signed today between our Governments for the settlement of lend-lease and other war accounts and recent conversations between representatives of our Governments in that connection, I am glad to confirm that, upon presentation of appropriate documents in form acceptable to the United States Army, articles and services procured by the United States Army in the Netherlands and received after March 31, 1946 will be paid for in dollars by the United States Army in the European Theater and articles and services procured by the United States Army in the Territories of Surinam and Curacao and received after August 31, 1946 will be paid for by the United States Army in local currency presently held or to be acquired with the United States dollars.

It is understood that the liability of the United States Army to the Netherlands Government, including liability to the Governments of Surinam and Curacao, for procurement by the United States Army of articles and services received before the above mentioned dates is settled by that Agreement, which settles also other claims against the War Department as stated in that Agreement.

I shall appreciate your confirming that the foregoing is in accordance with your understanding.

Sincerely yours,

GEORGE J. RICHARDS
Major General, GSC
Budget Officer for the War Department

The Netherlands Minister to an Officer of the War Department

HA-5342

MAY 28 1947

DEAR GENERAL RICHARDS:

I have your letter of today concerning payment and other settlement for articles and services procured by the United States Army in the Kingdom of

the Netherlands. I am glad to confirm that your letter is in accordance with the understanding of my Government.

Sincerely yours,

CH. J. H. DAUBANTON
Minister Plenipotentiary

Major General GEORGE J. RICHARDS

*Budget Officer for the War Department
The Pentagon
Washington 25, D.C.*

LEND-LEASE SETTLEMENT

*Agreement with the Government of the Netherlands Indies signed at
Washington May 28, 1947
Entered into force May 28, 1947
Netherlands released from its obligations as guarantor by agreement of
September 17 and October 15, 1952, and April 8, 1953¹*

[For text, see TIAS 1750, *ante*, vol. 8, p. 1250, INDONESIA.]

¹ 4 UST 1557; TIAS 2820.

LEND-LEASE SETTLEMENT

Memorandum of arrangement, with annexes, signed for the United States, the United Kingdom, and the Netherlands at Washington May 28, 1947

Entered into force May 28, 1947

61 Stat. 3951; Treaties and Other International Acts Series 1750

MEMORANDUM OF ARRANGEMENT BETWEEN THE UNITED STATES OF AMERICA, THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE KINGDOM OF THE NETHERLANDS

Memorandum of Arrangement between the Government of the United States of America (hereinafter referred to as the United States Government), of the one part, the Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as the United Kingdom Government), represented by the Minister of Transport, of the second part, and the Government of the Kingdom of the Netherlands (hereinafter referred to as the Netherlands Government), of the third part.

1. As used in this Memorandum:

A. The term "June 5 Memorandum" means the "Memorandum of Arrangement Regarding Netherland East Indies Shipping. 5th June, 1942.", and the amendments thereto, between the United Kingdom Government and the Netherlands Government.

B. The term "Dollar Agreement" means the "Memorandum of Agreement for Payment of Hire on Netherlands Vessels Chartered to the British Minister of War Transport under the Memorandum of June 5th, 1942, as amended", dated as of June 5, 1942, between the United States Government and the United Kingdom Government.

C. The term "7(c) ships" means the ships listed in Annex A hereto.

D. The term "7(c) period" means, in the case of each 7(c) ship, the period commencing the date, on or about May 23, 1945, on which the ship became subject either to the exchange of notes between the Netherlands Embassy at Washington and the United States Department of State, dated June 6, 1945 and July 31, 1945, or to the exchange of notes between the Netherlands Embassy at London and the British Foreign Office, dated June 9,

1945 and August 11, 1945, and ending on the date of redelivery to the Netherlands Government or March 2, 1946, whichever was the earlier.

2. The three Governments have discussed certain claims regarding dollar overpayments of charter hire by the United Kingdom Government to the Netherlands Government under the June 5 Memorandum, corresponding overpayments by the United States Government to the United Kingdom Government under the Dollar Agreement, and adjustments of charter hire under the June 5 Memorandum. Annexes A, B, C, D, and E hereto are copies of letters exchanged between the three Governments in these connections. This Memorandum is executed to carry out the intentions expressed by the three Governments in those letters.

3. The United States Government hereby waives all its claims against the United Kingdom Government respecting overpayments by the United States Government to the United Kingdom Government under the Dollar Agreement arising from the removal of the 7 (c) ships during the 7 (c) period from the operation of the June 5 Memorandum.

4. The United Kingdom Government hereby waives all its claims against the Netherlands Government respecting dollar overpayments of charter hire by the United Kingdom Government to the Netherlands Government under the June 5 Memorandum arising from the removal of the 7 (c) ships during the 7 (c) period from the operation of the June 5 Memorandum.

5. The Netherlands Government hereby waives all its claims against the United Kingdom Government for the dollar portion of any outstanding or further adjustments in charter hire with respect to the ships named in the June 5 Memorandum.

DONE at Washington, in triplicate, this twenty-eighth day of May, 1947.

For the Government of the United States of America:

WILLARD L. THORP

Assistant Secretary of State for Economic Affairs

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

Represented by the Minister of Transport:

By F. V. CROSS

*Shipping Attaché
British Embassy at Washington*

For the Government of the Kingdom of the Netherlands:

CH. J. H. DAUBANTON

*Envoy Extraordinary and Minister Plenipotentiary
of the Kingdom of the Netherlands
at Washington*

ANNEX A

MAY 23, 1947

MY DEAR MR. CROSS:

This is to confirm the conversations between representatives of the British Embassy and the State Department with regard to overpayment of charter hire on the ships named in the ensuing list. These ships, hereinafter referred to as the 7(c) ships, became known by that designation in 1945 from the application to them of Article 7(c) (second sentence) of the Agreement on Principles Having Reference to the Continuation of Coordinated Control of Merchant Shipping, dated August 5, 1944.¹ They are the following:

BLINJOE	KOTA BAROE	TASMAN
BLOEMFONTEIN	KOTA INTEN	TEGELBERG
BOISSEVAIN	MAETSUYCKER	THEDENS
BONTEKOE	MELCHIOR TREUB	TJISADANE
BOSCHFONTEIN	NOORDAM	TJITJALENGKA
BOTH	OPHIR	TOBA
BRASTAGI	PAHUD	VALENTIJN
GENERAAL MICHIELS	POELAU LAUT	VAN DEN BOSCH
GENERAAL VERSPYCK	RUYS	VAN DER LIJN
JAPARA	SLOTERDIJK	VAN HEUTSZ
KHOEN HOEA	SOMMELSDIJK	VAN OUTHOORN
KLIPFONTEIN	SWARTENHONDT	VAN SPILBERGEN
KOTA AGOENG	TABINTA	WELTEVREDEN

The circumstances of the overpayment of charter hire on these ships were as follows:

Pursuant to the "Memorandum of Arrangement Regarding Netherland East Indies Shipping, 5th June 1942." (known as the June 5 Memorandum), signed on behalf of the Netherlands Government and the British Minister of War Transport, the Netherlands Government chartered certain ships to the United Kingdom Government, with the provision that 80 percent of the stipulated charter hire should be paid by the United Kingdom Government to the Netherlands Government in dollars. The 7(c) ships were a part of the ships so chartered. By a collateral agreement (known as the Dollar Agreement), dated as of June 5, 1942, between the United Kingdom Government and this Government, this Government undertook to pay to the United Kingdom Government the amount of dollars required for the payment of the dollar charter hire due from the United Kingdom Government to the Netherlands Government under the June 5 Memorandum. Pursuant to these agreements dollar charter hire was paid by the United Kingdom Government to the Netherlands Government, and the United States Government reimbursed the United Kingdom Government in dollars for the dollar charter hire so paid. These arrangements applied not only to those of the chartered ships that were allocated to the United States Government but also to those which continued in service with the British Ministry of War Transport within the framework of the United Maritime Authority.

¹ TIAS 1722, *ante*, vol. 3, p. 891.

In 1945, more than three years after the effective date of these arrangements, the 7(c) ships were retroactively removed from them. The change was made by an exchange of notes between the Netherlands Embassy at London and the Foreign Office, dated June 9, 1945 and August 11, 1945, and by an exchange of notes between the Netherlands Embassy at Washington and the State Department, dated June 6, 1945 and July 31, 1945.²

Under the new arrangement the 7(c) ships were made available by the Netherlands Government at a nominal charter hire to either the United Kingdom Government or the United States Government. This arrangement was retroactive to specific dates on or about May 23, 1945, and from those dates, therefore, the United Kingdom Government had no obligation, with respect to these ships, to pay the charter hire stipulated in the June 5 Memorandum.

Nevertheless, between the specific dates on or about May 23, 1945 and the establishment of the new arrangement, and for a short time thereafter while negotiations were being conducted, the administrative machinery for the payment of charter hire under the June 5 Memorandum continued to function as before, with the result that, in addition to payments owing with respect to ships remaining under the June 5 Memorandum, overpayments of dollar charter hire for the period ending August 31, 1945 in the amount of \$1,487,056.95 (as shown by the statement certified by the Ministry of Transport dated October 25, 1946) were made by the United Kingdom Government to the Netherlands Government with respect to the 7(c) ships and this same amount of dollars was paid under the Dollar Agreement by the United States Government to the United Kingdom Government with respect to the 7(c) ships.

These overpayments became in due course the subject of discussion among the three Governments concerned, and it has been understood that the United Kingdom Government would ask for repayment by the Netherlands Government of the amount overpaid by the United Kingdom Government to the Netherlands Government, and the United Kingdom Government would in turn repay to the United States Government the amount overpaid by the United States Government to the United Kingdom Government. We understand that the United Kingdom Government has in fact asked the Netherlands Government for the repayment expected from the Netherlands Government.

As you know from discussions which we have had with you of matters of common concern to the three Governments, the United States Government and the Netherlands Government are now negotiating an overall settlement of lend-lease and other war accounts. Because of undertakings which the Netherlands Government is prepared to give to the United States Government as part of this settlement, the United States Government desires to

² Not printed.

submit to your Government the following proposals with respect to the overpayment of charter hire arising by reason of the removal of the 7(c) ships from the operation of the June 5 Memorandum during the 7(c) period (which in each case commenced on a specific date on or about May 23, 1945 and ended on the date of redelivery to the Netherlands Government or March 2, 1946, whichever was the earlier) :

- (1) The United States Government will waive all its claims against the United Kingdom Government for overpayments so arising under the Dollar Agreement.
- (2) The United Kingdom Government will waive all its claims against the Netherlands Government for dollar overpayments of charter hire so arising under the June 5 Memorandum.

If this course is acceptable to your Government, we shall be glad to arrange with you for the necessary waivers, to be delivered concurrently with the signing of the overall lend-lease settlement with the Netherlands Government.

Sincerely yours,

NORMAN T. NESS
*Director, Office of Financial
 and Development Policy*

Mr. F. V. CROSS
*Shipping Attaché
 British Embassy
 Washington 8, D.C.*

ANNEX B

BRITISH EMBASSY
 WASHINGTON 8, D.C.
May 23rd, 1947

MY DEAR MR. NESS:

This is in reply to your letter of May 23rd, 1947, about overpayment of charter hire arising by reason of the removal of the 7(c) ships from the operation of the June 5th Memorandum during the 7(c) period. I am instructed to confirm that the course proposed in your letter is acceptable.

Sincerely yours,

F. V. CROSS
Shipping Attaché

Mr. NORMAN T. NESS,
*Department of State,
 Room 1235, 1818 "H" Street,
 Washington, D.C.*

ANNEX C

HA-5432

MAY 23, 1947

Mr. F. V. CROSS
Shipping Attaché
British Embassy
Washington 8, D.C.

Mr. NORMAN T. NESS, *Director*
Office of Financial and Development Policy
Department of State,
Washington 25, D.C.

DEAR SIRS:

In view of the terms of the proposed agreement between the Netherlands Government and the United States Government for the settlement of lend-lease and other war accounts, and in view of the proposed waiver by the United Kingdom Government of its claim against the Netherlands Government for dollar overpayments of charter hire on the so-called 7(c) ships under the "Memorandum of Arrangement Regarding Netherland East Indies Shipping, 5th June 1942.", the Netherlands Government, upon the signing of the proposed settlement agreement with the United States Government, and upon receipt of the proposed waiver by the United Kingdom Government of its claim for such dollar overpayments of charter hire, will deliver a waiver to the United Kingdom Government of the claim of the Netherlands Government for the dollar portion of any outstanding or further adjustments in charter hire with respect to the ships named in the June 5 Memorandum. The dollar portion of such adjustments in charter hire is now estimated at \$120,000 to \$140,000.

Sincerely yours,

CH. J. H. DAUBANTON
Minister Plenipotentiary

ANNEX D

MAY 23, 1947

MY DEAR MR. DAUBANTON:

This is in reply to your letter of May 23, 1947 addressed to Mr. F. V. Cross, British Shipping Attaché, and to me with regard to a proposed waiver by the Netherlands Government of its claim for the dollar portion of any outstanding or further adjustments in charter hire with respect to the ships named in the memorandum of June 5, 1942 to which you refer. As you

know, the necessary arrangements in this connection are now being made by representatives of your Embassy, the British Embassy, and the State Department.

Sincerely yours,

NORMAN T. NESS
*Director, Office of Financial
and Development Policy*

Mr. CH. J. H. DAUBANTON,
Minister Plenipotentiary,
Netherlands Embassy,
Washington 9, D.C.

ANNEX E

BRITISH EMBASSY
WASHINGTON 8, D.C.
May 23rd, 1947

MY DEAR MR. DAUBANTON:

This is in reply to your letter of May 23rd, 1947, addressed to Mr. Ness and to me with regard to a proposed waiver by the Netherlands Government of its claim for the dollar portion of any outstanding or further adjustments in charter hire with respect to the ships named in the memorandum of June 5th, 1942, to which you refer. As you know, the necessary arrangements in this connection are now being made by representatives of your Embassy, the State Department and the British Embassy.

Sincerely yours,

F. V. CROSS
Shipping Attaché

Mr. CH. J. H. DAUBANTON,
Minister Plenipotentiary,
Netherlands Embassy,
Washington 9, D.C.

WAIVER OF VISA REQUIREMENTS FOR NETHERLANDS TERRITORY IN EUROPE

*Exchange of notes at The Hague July 30 and August 20, 1947
Entered into force August 20, 1947; operative September 1, 1947*

61 Stat. 3838; Treaties and Other International Acts Series 1729

The Ministry for Foreign Affairs to the American Embassy

ADMINISTRATIVE AND

LEGAL DEPARTMENT

No. 63638

Referring to the American Embassy's Memorandum of June 12th, 1947, the Ministry of Foreign Affairs has the honour to inform the Embassy that the Netherlands Government have decided to waive from the 15th of August next all visa requirements for American citizens who are the rightful bearers of valid American passports and who wish to proceed to the Netherlands either for a short stay or for transit.

The foregoing does not apply to the Netherlands overseas territories.

It should be well understood that otherwise the Netherlands legislation concerning sojourn, establishment and employment of foreigners in this country remains applicable to American citizens as before.

The Ministry of Foreign Affairs has noted with pleasure that the American Government contemplate granting to Netherlands subjects who intend to pay a temporary visit to the United States non-immigrant visas which would be valid for presentation at a port of entry at any time, or any number of times during a period of two years, provided that the passport of the applicant is valid for such period. Should the passport not be valid for the full period of two years at the time the visa is granted but later on be extended by the proper authorities for the full period of two years or more, the visa would be considered as valid for the full period of two years.

The Ministry of Foreign Affairs would appreciate very much if the necessary instructions to that effect could be issued as soon as possible to all American representatives concerned abroad and to learn when those instructions will come into force.

THE HAGUE, 30th July, 1947

TO THE AMERICAN EMBASSY.

[SEAL]

The American Embassy to the Ministry for Foreign Affairs

No. 101

The Embassy of the United States of America presents its compliments to the Royal Netherlands Ministry for Foreign Affairs, and has the honor to acknowledge with pleasure the Ministry's Note No. 63638 of July 30, 1947, regarding the decision of the Netherlands Government to waive from the 15th of August, 1947, all visa requirements for American citizens who are the rightful bearers of valid American passports and who wish to proceed to the Netherlands either for a short stay or for transit.

It is understood that the waiver does not apply to the Netherlands overseas territories and that Netherlands legislation concerning sojourn, establishment and employment of foreigners remains applicable to American citizens as before.

Pursuant to instructions from the Department of State, the Embassy may now inform the Ministry that American Consular Officers are being instructed, effective September 1, 1947, to grant non-immigrant visas valid for twenty-four months to Netherlands subjects as long as visa requirements are waived for American citizens proceeding to the Netherlands for a visit or in transit. Visas issued to government officials and members of international organizations under Sections 3(1) and 3(7) of the United States immigration laws will continue to be issued valid for twelve months. The waiver of passport visa fees for non-immigrant temporary visitors is continued.

In considering the period of validity for two years it should be understood that the visas granted would be valid for presentation at a port of entry at any time, or any number of times, during the two year period. It would have no relation to the period of stay in the country which may be granted to the bearer of such a visa if he is admitted into the country after inspection at the port of entry. In accordance with existing procedure, the immigration officials at the port of entry would continue to specify the authorized length of stay of an alien for each visit. In general the passport of an alien must be valid for a period of at least 60 days beyond the period of the alien's contemplated stay in the United States.

No visa granted for a period of two years would be valid for such period unless the passport or other acceptable travel document of the bearer is valid for such period. However, if the passport or travel document is not valid for the full period of two years at the time the visa is granted the passport or travel document may be extended by the issuing authority for the full period of two years or more, in which event the visa would be considered as valid for the full period of two years.

W. D. F.

THE HAGUE,
August 20, 1947.

RECIPROCAL TRADE

*Agreement and exchange of letters signed at Geneva October 30, 1947
Entered into force October 30, 1947; operative January 1, 1948
Terminated December 7, 1962¹*

61 Stat. 3721; Treaties and Other
International Acts Series 1705

AGREEMENT BETWEEN THE NETHERLANDS AND THE UNITED STATES OF AMERICA SUPPLEMENTARY TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE

The Governments of the Kingdom of the Netherlands and the United States of America,

Having participated in the framing of a General Agreement on Tariffs and Trade and a Protocol of Provisional Application,² the texts of which have been authenticated by the Final Act adopted at the conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment, signed this day,

Hereby agree that the Trade Agreement between the Netherlands and the United States of America, signed December 20, 1935,³ with accompanying exchange of notes and protocol, shall be inoperative for such time as the Netherlands and the United States of America are both contracting parties to the General Agreement on Tariffs and Trade as defined in Article XXXII thereof; *Provided*, that in the event that either the Netherlands or the United States of America should withdraw its application of the General Agreement, and the said Trade Agreement should thereupon again become operative, the customs treatment accorded by the Netherlands to products of the United States of America described in Schedule I (Section A), Schedule III, and Schedule IV (Section A) of the said Trade Agreement shall be no less favorable than that provided for such products in the Customs Tariff annexed to the Belgo-Luxemburg-Netherlands Customs Convention concluded September 5, 1944, as amended by the protocol signed March 14, 1947.

¹ Pursuant to notice of termination given by the United States June 7, 1962.

² TIAS 1700, *ante*, vol. 4, p. 639.

³ EAS 100, *ante*, p. 122.

IN WITNESS WHEREOF the representatives of the Governments of the Kingdom of the Netherlands and the United States of America, after having exchanged their full powers, found to be in good and due form, have signed this Supplementary Agreement.

DONE in duplicate, at Geneva, this thirtieth day of October, one thousand nine hundred and forty-seven.

For the Government of the Kingdom of the Netherlands:

A. B. SPEEKENBRINK

For the Government of the United States of America:

WINTHROP G. BROWN

EXCHANGE OF LETTERS

The Acting Chairman of the United States Delegation to the Acting Chairman of the Netherlands Delegation

OCTOBER 30, 1947

DEAR DR. SPEEKENBRINK:

A point of legal detail has been brought to my attention in connection with the Agreement Supplementary to the General Agreement on Tariffs and Trade which we propose to sign on behalf of our two Governments on October 30 making the Reciprocal Trade Agreement of 1935 between the United States and the Netherlands inoperative so long as both the United States and the Netherlands are parties to the General Agreement on Tariffs and Trade.

As you know, Article XVII of the 1935 Agreement provides that it may be terminated by either party after three years or six months' notice. The inclusion of such a provision in all our trade agreements is required by the Trade Agreements Act. Our lawyers have suggested that the very general terms of the proposed Supplementary Agreement might possibly be interpreted as making it impossible for either party to the 1935 Agreement to exercise this right of termination.

It is, of course, improbable that either of our Governments would wish to exercise this right of termination, but under our law we must, nevertheless, retain it in force. To suggest a formal amendment to the proposed Supplementary Agreement expressly excepting Article XVII of the 1935 Agreement at this late date would cause considerable inconvenience and would give greater emphasis to this point than it deserves. I am therefore writing to make it clear that we would be signing the Supplementary Agreement with the understanding that its general language would not prevent notice of termination of the 1935 Agreement given by either party while we were

both parties to the General Agreement on Tariffs and Trade from effecting termination of the 1935 Agreement in six months.

I would appreciate it if you could give me the assurance that your Government has the same understanding.

Sincerely yours,

WINTHROP G. BROWN
Acting Chairman

Dr. A. B. SPEEKENBRINK,
Netherlands Delegation,
Palais des Nations.

The Acting Chairman of the Netherlands Delegation to the Acting Chairman of the United States Delegation

NETHERLANDS DELEGATION

GENEVA, October 30th, 1947

DEAR MR. BROWN,

Referring to your letter of October 30, 1947, I have the honour to affirm that the contents thereof are agreeable to the Netherlands Government. On behalf of my Government I can therefore assure you that they are in perfect accord with the understanding, that the general language of the Supplementary Agreement, which we sign today, would not prevent notice of termination of the 1935 Agreement given by either party, while both parties were parties to the General Agreement on Tariffs and Trade, from effecting termination of the 1935 Agreement in six months.

Yours sincerely,

A. B. SPEEKENBRINK
Acting Chairman, Netherlands Delegation

Mr. WINTHROP G. BROWN
Acting Chairman, United States Delegation
Palais des Nations
Geneva.

DOUBLE TAXATION: TAXES ON INCOME

*Convention signed at Washington April 29, 1948; protocol of exchange
of ratifications signed December 1, 1948*

*Senate advice and consent to ratification, with reservations, June 17,
1948¹*

Ratified by the Netherlands November 2, 1948

*Ratified by the President of the United States, with reservations,
November 19, 1948¹*

Ratifications exchanged at Washington December 1, 1948

Entered into force December 1, 1948; operative from January 1, 1947

Proclaimed by the President of the United States December 8, 1948

*Modified and supplemented to facilitate extension to Netherlands
Antilles by protocol of June 15, 1955;² agreement of June 24 and
August 7, 1952, and September 15 and November 4 and 10, 1955;³
and protocol of October 23, 1963⁴*

Modified and supplemented by convention of December 30, 1965⁵

62 Stat. 1757; Treaties and Other
International Acts Series 1855

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE KINGDOM OF THE NETHERLANDS WITH RESPECT TO TAXES ON INCOME AND CERTAIN OTHER TAXES

The Government of the United States of America and the Government of the Kingdom of the Netherlands, desiring to conclude a convention for

¹ The Senate's resolution of advice and consent contains the following reservations:

"(1) The Government of the United States of America does not accept Article XI of the convention relating to gains from the sale or exchange of capital assets.

"(2) The Government of the United States of America does not accept Article XIII of the convention relating to United States taxation of the undistributed earnings, profits, income or surplus of a Netherlands corporation.

"(3) The Government of the United States of America does not accept Article XIV of the convention relating to settlement of unpaid United States income tax liability unless there be eliminated therefrom, (a) references now appearing therein to Article XIII and (b) any language which might prevent the taxation by the United States of capital gains, if any, taxable under the revenue laws of the United States for the respective years in which such gains were realized."

These reservations were communicated to the Netherlands Government and accepted by it. See protocol of exchange of ratifications, *post*, p. 238.

² 6 UST 3696; TIAS 3366.

³ 6 UST 3703; TIAS 3367.

⁴ 15 UST 1900; TIAS 5665.

⁵ 17 UST 896; TIAS 6051.

the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and certain other taxes, have appointed for that purpose as their respective Plenipotentiaries:

The Government of the United States of America:

Mr. George C. Marshall, Secretary of State, and

The Government of the Kingdom of the Netherlands:

Mr. E. N. van Kleffens, Ambassador Extraordinary and Plenipotentiary of the Kingdom of the Netherlands, who, having communicated to each other their full powers, found in good and due form, have agreed upon the following Articles:

ARTICLE I

(1) The taxes which are the subject of the present Convention are:

(a) In the case of the United States: the Federal income taxes.

(b) In the case of the Netherlands:

(i) for the application of the provisions of the Convention other than Article XX, the income tax and the Netherlands taxes credited against it, the corporation tax and the Netherlands taxes credited against it, the property tax, and the tax on fees of directors and managers of corporations; and

(ii) for the application of Articles XX to XXVIII inclusive (except Articles XXIV and XXVII), the capital accretions tax and the extraordinary capital tax.

(2) The present Convention shall apply also to any other taxes of a substantially similar character imposed by either Contracting State subsequently to the date of signature of the present Convention, or, by the government of any overseas part of the Kingdom (in the case of the Netherlands) or overseas territory (in the case of the United States) to which the present Convention is extended under Article XXVII, subsequently to the date of the notification of extension.

(3) In the event of appreciable changes in the fiscal laws of either of the Contracting States the competent authorities of the Contracting States will consult together.

ARTICLE II

(1) In the present Convention, unless the context otherwise requires:

(a) The term "United States" means the United States of America, and when used in a geographical sense means the States, the Territories of Alaska and of Hawaii, and the District of Columbia.

(b) The term "Netherlands" means only the Kingdom of the Netherlands in Europe.

(c) The term "United States corporation" means a corporation, association or other organization or juridical entity created in the United States or under the laws of the United States or of any State or territory of the United States.

(d) The term "Netherlands corporation" means a corporation, association or other organization or juridical entity created in the Netherlands or under the laws of the Netherlands.

(e) The terms "corporation of one Contracting State" and "corporation of the other Contracting State" mean a United States corporation or a Netherlands corporation, as the context requires.

(f) The term "United States enterprise" means an industrial or commercial enterprise or undertaking carried on in the United States by a citizen or resident of the United States or by a United States corporation.

(g) The term "Netherlands enterprise" means an industrial or commercial enterprise or undertaking carried on in the Netherlands by a citizen or resident of the Netherlands or by a Netherlands corporation.

(h) The terms "enterprise of one of the Contracting States" and "enterprise of the other Contracting State" mean a United States enterprise or a Netherlands enterprise, as the context requires.

(i) The term "permanent establishment", when used with respect to an enterprise of one of the Contracting States, means a branch, factory, or other fixed place of business, but does not include an agency unless the agent has, and habitually exercises, a general authority to negotiate and conclude contracts on behalf of such enterprise or has a stock of merchandise from which he regularly fills orders on behalf of such enterprise. An enterprise of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business dealings in such other Contracting State through a *bona fide* commission agent, broker or custodian acting in the ordinary course of his business as such. The fact that an enterprise of one of the Contracting States maintains in the other Contracting State a fixed place of business exclusively for the purchase of goods or merchandise shall not of itself constitute such fixed place of business a permanent establishment of such enterprise. When a corporation of one Contracting State has a subsidiary corporation which is a corporation of the other Contracting State or which is engaged in trade or business in such other Contracting State, such subsidiary corporation shall not, merely because of that fact, be deemed to be a permanent establishment of its parent corporation.

(j) The term "competent authority" or "competent authorities" means, in the case of the United States, the Commissioner of Internal Revenue or his duly authorized representative; in the case of the Netherlands, the Directeur-General der Belastingen or his duly authorized representative; and,

in the case of any part or territory to which provisions of the present Convention are extended under Article XXVII, the competent authority for the administration in such part or territory of the taxes to which such provisions apply.

(2) In the application of the provisions of the present Convention by either of the Contracting States, any term which is not defined in the present Convention shall, unless the context otherwise requires, have the meaning which that term has under the laws of such Contracting State relating to the taxes which are the subject of the present Convention.

ARTICLE III

(1) An enterprise of one of the Contracting States shall not be subject to taxation by the other Contracting State in respect of its industrial or commercial profits unless it is engaged in trade or business in the other Contracting State through a permanent establishment situated therein. If it is so engaged the other Contracting State may impose the tax only upon the income of such enterprise from sources within such other State.

(2) Where an enterprise of one of the Contracting States is engaged in trade or business in the other Contracting State through a permanent establishment situated therein, there shall be attributed to such permanent establishment the industrial or commercial profits which it might be expected to derive if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing at arm's length with the enterprise of which it is a permanent establishment, and the profits so attributed shall, subject to the law of such other Contracting State, be deemed to be income from sources within such other Contracting State.

(3) In determining the industrial or commercial profits from sources within one of the Contracting States of an enterprise of the other Contracting State, no profits shall be deemed to arise from the mere purchase of goods or merchandise within the former Contracting State by such enterprise.

(4) The competent authorities of the Contracting States may lay down rules by agreement for the apportionment of industrial or commercial profits.

ARTICLE IV

Where an enterprise of one of the Contracting States, by reason of its participation in the management, control or capital of an enterprise of the other Contracting State, makes with or imposes on the latter enterprise, in their commercial or financial relations, conditions different from those which would be made with an independent enterprise, any profits which would, but for those conditions, have accrued to one of the enterprises, may be included in the taxable profits of that enterprise.

ARTICLE V

Income of whatever nature derived from real property and interest from mortgages secured by real property shall be taxable only in the Contracting State in which the real property is situated.

ARTICLE VI

(1) Income which an enterprise of one of the Contracting States derives from the operation of ships or aircraft registered in that State shall be taxable only in the State in which such ships or aircraft are registered. Income derived by such an enterprise from the operation of ships or aircraft not so registered shall be subject to the provisions of Article III.

(2) The present Convention shall be deemed to suspend, for the duration of the Convention as between the parties to which this Article applies, the provisions of the arrangement effected by exchange of notes between the United States and the Netherlands, dated September 13, October 19, and November 27, 1926,⁶ providing for relief from double income taxation on shipping profits.

(3) In the event that the application of this Article is extended to the Netherland Indies in accordance with Article XXVII, the exchange of notes between the United States and the Netherlands, dated March 8, May 23, and November 8, 1939,⁷ relating to the applications to the Netherland Indies of the arrangement referred to in paragraph (2) of this Article, shall be deemed to be suspended for so long as this Article continues to be applicable with respect to the Netherland Indies.

ARTICLE VII

(1) The rate of United States tax on dividends derived from a United States corporation by a resident or corporation of the Netherlands not engaged in trade or business in the United States through a permanent establishment shall not exceed 15 percent: Provided that such rate of tax shall not exceed 5 percent if such Netherlands corporation controls, directly or indirectly, at least 95 percent of the entire voting power in the corporation paying the dividend, and not more than 25 percent of the gross income of such paying corporation is derived from interest and dividends, other than interest and dividends from its own subsidiary corporation. Such reduction of the rate to 5 percent shall not apply if the relationship of the two corporations has been arranged or is maintained primarily with the intention of securing such reduced rate.

(2) Dividends derived from sources within the Netherlands by a resident or corporation of the United States not engaged in trade or business in the

⁶ EAS 11, *ante*, p. 85.

⁷ Not printed.

Netherlands through a permanent establishment shall be exempt from Netherlands tax.

(3) Either of the Contracting States may terminate this Article, by giving written notice of termination to the other Contracting State through diplomatic channels, on or before the thirtieth day of June in any year after the first year for which the present Convention becomes effective. In such event this Article shall cease to be effective on and after the first day of January in the year next following that in which such notice is given.

ARTICLE VIII

(1) Interest (on bonds, securities, notes, debentures, or on any other form of indebtedness), other than interest referred to in Article V of the present Convention, derived from sources within the United States by a resident or corporation of the Netherlands not engaged in trade or business in the United States through a permanent establishment, shall be exempt from United States tax; but such exemption shall not apply to such interest paid by a United States corporation to a Netherlands corporation controlling, directly or indirectly, more than 50 percent of the entire voting power in the paying corporation.

(2) Interest (on bonds, securities, notes, debentures, or on any other form of indebtedness), other than interest referred to in Article V of the present Convention, derived from sources within the Netherlands by a resident or corporation of the United States not engaged in trade or business in the Netherlands through a permanent establishment, shall be exempt from Netherlands tax; but such exemption shall not apply to such interest paid by a Netherlands corporation to a United States corporation controlling, directly or indirectly, more than 50 percent of the entire voting power in the paying corporation.

ARTICLE IX

Royalties for the right to use copyrights, patents, designs, secret processes and formulae, trade marks, and other analogous property, and royalties, including rentals, in respect of motion picture films or for the use of industrial, commercial or scientific equipment, derived from sources within one of the Contracting States by a resident or corporation of the other Contracting State not engaged in trade or business in the former State through a permanent establishment, shall be exempt from tax imposed by the former State.

ARTICLE X

A resident or corporation of one of the Contracting States, deriving from sources within the other Contracting State royalties in respect of the operation of mines, quarries, or natural resources, or rentals from real property, may elect for any taxable year to be subject to the tax of such other Contracting State, on a net basis, as if such resident or corporation were engaged in trade

or business within such other Contracting State through a permanent establishment therein during such taxable year.

ARTICLE XI⁸

A resident or corporation of one of the Contracting States not engaged in trade or business in the other Contracting State shall be exempt from tax in such other State on gains from the sale or exchange of capital assets.

ARTICLE XII

Dividends and interest paid by a Netherlands corporation shall be exempt from United States tax except where the recipient is a citizen, resident, or corporation of the United States.

ARTICLE XIII⁸

A Netherlands corporation shall be exempt from United States tax on its accumulated or undistributed earnings, profits, income or surplus if it can prove to the satisfaction of the competent authorities of the United States that individuals who are residents of the Netherlands (other than citizens of the United States) control, directly or indirectly, throughout the last half of the taxable year, more than 50 percent of the entire voting power in such corporation.

ARTICLE XIV⁹

(1) The United States income tax liability for any taxable year beginning prior to January 1, 1936 of any individual (other than a citizen of the United States) resident in the Netherlands, or of any Netherlands corporation, remaining unpaid on the effective date of the present Convention, may be adjusted on a basis satisfactory to the United States Commissioner of Internal Revenue: Provided that the amount to be paid in settlement of such liability shall not exceed the amount of the liability which would have been determined if

(a) the United States Revenue Act of 1936¹⁰ (except in the case of a Netherlands corporation in which more than 50 percent of the entire voting power was controlled, directly or indirectly, throughout the latter half of the taxable year, by citizens or residents of the United States), and

(b) Articles XII and XIII of the present Convention, had been in effect for such year. If the taxpayer was not, within the meaning of such Revenue Act, engaged in trade or business in the United States and had no office or place of business therein during the taxable year, the amount of interest and

⁸ Articles XI and XIII deemed deleted. See U.S. reservations, footnote 1, *ante*, p. 225, and protocol of Dec. 1, 1948, p. 238.

⁹ Article XIV deemed amended. See U.S. reservations, footnote 1, *ante*, p. 225, and protocol of Dec. 1, 1948, p. 238.

¹⁰ 49 Stat. 1648.

penalties shall not exceed 50 percent of the amount of the tax with respect to which such interest and penalties have been computed.

(2) The United States income tax unpaid on the effective date of the present Convention for any taxable year beginning after December 31, 1935 and prior to the effective date of the Present Convention in the case of an individual (other than a citizen of the United States) resident of the Netherlands, or in the case of any Netherlands corporation, shall be determined as if the provisions of Articles XII and XIII of the present Convention had been in effect for such taxable year.

- (3) The provisions of paragraph (1) of this Article shall not apply
- (a) unless the taxpayer files with the Commissioner of Internal Revenue within a period of two years following the effective date of the Present Convention a request that such tax liability be so adjusted and furnishes such information as the Commissioner may require; or
 - (b) in any case in which the Commissioner is satisfied that any deficiency in tax is due to fraud with intent to evade the tax.

ARTICLE XV

(1) Wages, salaries and similar compensation, and pensions and life annuities, paid either directly by, or from funds created by, one of the Contracting States or the political subdivisions or territories thereof to individuals in the other Contracting State shall be exempt from taxation in the latter State.

(2) Private pensions and life annuities derived from within one of the Contracting States and paid to individuals in the other Contracting State shall be exempt from taxation in the former State.

(3) The term "pensions" as used in this Article means periodic payments made in consideration for services rendered or by way of compensation for injuries received.

(4) The term "life annuities" as used in this Article means a stated sum payable periodically at stated times during life, or during a specified number of years, under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

ARTICLE XVI

(1) A resident of the Netherlands shall be exempt from United States tax upon compensation for labor or personal services performed within the United States if he is temporarily present within the United States for a period or periods not exceeding a total of one hundred eighty-three days during the taxable year and his compensation is received for labor or personal services performed as a worker or employee of, or under contract with,

a resident of the Netherlands, or a Netherlands corporation, carrying the actual burden of the remuneration.

(2) The provisions of paragraph (1) of this Article shall apply, *mutatis mutandis*, to a resident of the United States deriving compensation for labor or personal services performed within the Netherlands.

ARTICLE XVII

Professors or teachers, residents of one of the Contracting States, who, in accordance with agreements between the Contracting States or between teaching establishments in the Contracting States for the exchange of professors and teachers, visit the other Contracting State to teach, for a maximum period of two years, in a university, college or other teaching establishment in such other Contracting State, shall not be taxed by such other State with respect to the remuneration which they receive for such teaching.

ARTICLE XVIII

Students or business apprentices of one Contracting State residing in the other Contracting State exclusively for purposes of study or for acquiring business experience shall not be taxable by the latter State in respect of remittances received by them from abroad for the purpose of their maintenance or studies.

ARTICLE XIX

(1) Notwithstanding any provisions of the present Convention (other than paragraph (1) of Article XV when applicable in the case of an individual who is deemed by each Contracting State to be a citizen thereof), each of the two Contracting States, in determining the taxes, including all surtaxes, of its citizens or residents or corporations, may include in the basis upon which such taxes are imposed all items of income taxable under its own revenue laws as though this Convention had not come into effect.

(2) As far as may be in accordance with the provisions of the United States Internal Revenue Code, the United States agrees to allow as a deduction from the income taxes imposed by the United States the appropriate amount of taxes paid to the Netherlands, whether paid directly by the taxpayer or by withholding at the source.

(3) As far as may be in accordance with the provisions of Netherlands law, the Netherlands agrees to allow a deduction from Netherlands tax with respect to income from sources within the United States, in order to take into account the Federal income taxes paid to the United States, whether paid directly by the taxpayer or by withholding at the source.

ARTICLE XX

(1) All persons who left the Netherlands between April 30, 1939 and December 31, 1945, inclusive (other than persons who were citizens of the

United States at the time of leaving the Netherlands or Netherlands subjects who by reason of their function as governmental officials in established service reside abroad and the members of their family living with them), and who are deemed to be taxpayers under the provisions of Netherlands law relating to the capital accretions tax or the extraordinary capital tax, and who became residents of the United States (according to the income tax law of the United States) during that period, and who did not return to the Netherlands on or before December 31, 1945 to resume residence in the Netherlands (according to the income tax law of the Netherlands), shall be taxable by the Netherlands:

(a) under the law relating to the capital accretions tax, only in respect of accretions arising from their property situated in the Netherlands (as defined in that law in the case of nonresidents) and from their activities in the Netherlands;

(b) under the law relating to the extraordinary capital tax, only in respect of their property situated in the Netherlands (as defined in that law in the case of nonresidents).

(2) All persons who left the Netherlands between April 30, 1939 and December 31, 1945, inclusive, and who were citizens of the United States at the time of leaving the Netherlands, and who are deemed to be taxpayers under the provisions of Netherlands law relating to the capital accretions tax or the extraordinary capital tax, and who became residents of the United States (according to the income tax law of the United States) on or before December 31, 1945, shall be taxable by the Netherlands:

(a) under the law relating to the capital accretions tax, only in respect of accretions arising from their property situated in the Netherlands (as defined in that law in the case of nonresidents) and from their activities in the Netherlands;

(b) under the law relating to the extraordinary capital tax, only in respect of their property situated in the Netherlands (as defined in that law in the case of nonresidents).

(3) The provisions of this Article shall be deemed to be effective as though the present Convention had entered into force on the effective date of the Netherlands law relating to the capital accretions tax or the extraordinary capital tax, as the case may be.

ARTICLE XXI

The competent authorities of the Contracting States shall exchange such information (being information which such authorities have in proper order at their disposal) as is necessary for carrying out the provisions of the present Convention or for the prevention of fraud or the administration of statutory

provisions against legal avoidance in relation to the taxes which are the subject of the present Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any person other than those concerned with the assessment and collection of the taxes which are the subject of the present Convention. No information as aforesaid shall be exchanged which would disclose any trade, business, industrial or professional secret or trade process.

ARTICLE XXII

(1) The Contracting States undertake to lend assistance and support to each other in the collection of the taxes which are the subject of the present Convention, together with interest, costs, and additions to the taxes and fines not being of a penal character.

(2) In the case of applications for enforcement of taxes, revenue claims of each of the Contracting States which have been finally determined may be accepted for enforcement by the other Contracting State and collected in that State in accordance with the laws applicable to the enforcement and collection of its own taxes. The State to which application is made shall not be required to enforce executory measures for which there is no provision in the law of the State making the application.

(3) Any application shall be accompanied by documents establishing that under the laws of the State making the application the taxes have been finally determined.

(4) The assistance provided for in this Article shall not be accorded with respect to the citizens, corporations, or other entities of the State to which application is made, except as is necessary to insure that the exemption or reduced rate of tax granted under the convention to such citizens, corporations or other entities shall not be enjoyed by persons not entitled to such benefits.

ARTICLE XXIII

(1) In no case shall the provisions of Article XXI and XXII be construed so as to impose upon either of the Contracting States the obligation

(a) to carry out administrative measures at variance with the regulations and practice of either Contracting State, or

(b) to supply particulars which are not procurable under its own legislation or that of the State making application.

(2) The State to which application is made for information or assistance shall comply as soon as possible with the request addressed to it. Nevertheless, such State may refuse to comply with the request for reasons of public policy or if compliance would involve violation of a trade, business, industrial or professional secret or trade process. In such case it shall inform, as soon as possible, the State making the application.

ARTICLE XXIV

Where the action of the revenue authorities of the Contracting States has resulted or will result in double taxation contrary to the provisions of the present Convention, the taxpayer shall be entitled to lodge a claim with the State of which he is a citizen or subject or, if he is not a citizen or subject of either of the Contracting States, with the State of which he is a resident, or, if the taxpayer is a corporation, with the State in which it is created or organized. Should the claim be upheld, the competent authority of such State shall undertake to come to an agreement with the competent authority of the other State with a view to equitable avoidance of the double taxation in question.

ARTICLE XXV

(1) The provisions of the present Convention shall not be construed to restrict in any manner any exemption, deduction, credit or other allowance accorded by the laws of one of the Contracting States in the determination of the tax imposed by such State.

(2) Should any difficulty or doubt arise as to the interpretation or application of the present Convention, the competent authorities of the Contracting States shall undertake to settle the question by mutual agreement.

(3) The citizens or subjects of one of the Contracting States shall not, while resident in the other Contracting State, be subjected therein to other or more burdensome taxes than are the citizens or subjects of such other Contracting State residing in its territory. The term "citizens" or "subjects" as used in this Article includes all legal persons, partnerships and associations deriving their status from, or created or organized under the laws in force in, the respective Contracting States. In this Article the word "taxes" means taxes of every kind or description whether national, federal, state, provincial or municipal.

ARTICLE XXVI

(1) The authorities of each of the Contracting States, in accordance with the practices of that State, may prescribe regulations necessary to carry out the provisions of the present Convention.

(2) With respect to the provisions of the present Convention relating to exchange of information and mutual assistance in the collection of taxes, the competent authorities may, by common agreement, prescribe rules concerning matters of procedure, forms of application and replies thereto, conversion of currency, disposition of amounts collected, minimum amounts subject to collection, and related matters.

ARTICLE XXVII

(1) Either of the Contracting States may, at the time of exchange of instruments of ratification or thereafter while the present Convention continues

in force, by a written notification of extension given to the other Contracting State through diplomatic channels, declare the desire of the government of any overseas part of the Kingdom (in the case of the Netherlands) or overseas territory (in the case of the United States), which imposes taxes substantially similar in character to those which are the subject of the present Convention, that the operation of the present Convention, either in whole or as to such provisions thereof as may be deemed to have special application, shall extend to such part or territory.

(2) In the event that a notification is given by one of the Contracting States in accordance with paragraph (1) of this Article, the present Convention, or such provisions thereof as may be specified in the notification, shall apply to any part or territory named in such notification on and after the first day of January following the date of a written communication through diplomatic channels addressed to such Contracting State by the other Contracting State, after such action by the latter State as may be necessary in accordance with its own procedures, stating that such notification is accepted in respect of such part or territory. In the absence of such acceptance, none of the provisions of the present Convention shall apply to such part or territory.

(3) At any time after the expiration of one year from the effective date of an extension made by virtue of paragraphs (1) and (2) of this Article, either of the Contracting States may, by a written notice of termination given to the other Contracting State through diplomatic channels, terminate the application of the present Convention to any part or territory to which the Convention, or any of its provisions, has been extended. In that case, the present Convention, or the provisions thereof specified in the notice of termination, shall cease to be applicable to the part or territory named in such notice of termination on and after the first day of January following the expiration of a period of six months after the date of such notice; provided, however, that this shall not affect the continued application of the Convention, or any of the provisions thereof, to the United States, to the Netherlands, or to any part or territory (not named in the notice of termination) to which the Convention, or such provision thereof, applies.

(4) For the application of the present Convention in relation to any part or territory to which it is extended by notification given by the United States or the Netherlands, references to "the United States" or to "the Netherlands" or to one or the other Contracting State, as the case may be, shall be construed to refer to such part or territory.

ARTICLE XXVIII

(1) The present Convention shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

(2) The present Convention shall become effective on the first day of January in the year last preceding the year in which the exchange of instru-

ments of ratification takes place. It shall continue effective for a period of five years beginning with that date and indefinitely after that period, but may be terminated by either of the Contracting States at the end of the five-year period or at any time thereafter, provided that at least six months' prior notice of termination has been given, the termination to become effective on the first day of January following the expiration of the six-month period.

DONE at Washington, in duplicate, in the English and Dutch languages, the two texts having equal authenticity, this 29th day of April, 1948.

For the Government of the United States of America:

G. C. MARSHALL [SEAL]

For the Government of the Kingdom of the Netherlands:

E. N. VAN KLEFFENS [SEAL]

PROTOCOL OF EXCHANGE OF RATIFICATIONS

The undersigned, Robert A. Lovett, Acting Secretary of State of the United States of America, and E. N. van Kleffens, Ambassador Extraordinary and Plenipotentiary of the Kingdom of the Netherlands to the United States of America, duly authorized thereto by their respective Governments, having met for the purpose of exchanging the instruments of ratification by their respective Governments of the convention between the United States of America and the Kingdom of the Netherlands for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and certain other taxes, signed at Washington on April 29, 1948, and the respective instruments of ratification of the convention aforesaid having been carefully compared and found to be in due form, the exchange took place this day.

The ratification by the Government of the United States of America of the convention aforesaid recites in their entirety the reservations contained in the resolution of June 17, 1948 of the Senate of the United States of America advising and consenting to ratification of the convention aforesaid, the texts of which reservations were communicated by the Government of the United States of America to the Government of the Kingdom of the Netherlands. The Government of the Kingdom of the Netherlands has accepted the reservations aforesaid. Accordingly, it is the understanding of both Governments that Article XI and Article XIII of the convention aforesaid shall be deemed to be deleted and of no effect and further that, with respect to Article XIV, there shall be deemed to be deleted therefrom and of no effect (a) all references therein to Article XIII and (b) any language which might prevent the taxation of capital gains, if any, taxable under the revenue laws of either of the two Governments for the respective years in which such gains were realized.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed the present Protocol of Exchange of Instruments of Ratification.

DONE in duplicate, in the English and Dutch languages, at Washington this first day of December, 1948.

For the Government of the United States of America:

ROBERT A. LOVETT

For the Government of the Kingdom of the Netherlands:

E. N. VAN KLEFFENS

ECONOMIC COOPERATION

Agreement signed at The Hague July 2, 1948, with annex

Entered into force July 2, 1948

*Amended by agreements of January 16 and February 2, 1950;¹ March 7
and April 3, 1951;² and November 28, 1952³*

62 Stat. 2477; Treaties and Other
International Acts Series 1791

ECONOMIC COOPERATION AGREEMENT BETWEEN THE GOVERNMENTS OF THE UNITED STATES OF AMERICA AND THE KINGDOM OF THE NETHERLANDS

The Governments of the United States of America and the Netherlands:

Recognizing that the restoration or maintenance in European countries of principles of individual liberty, free institutions, and genuine independence rests largely upon the establishment of sound economic conditions, stable international economic relationships, and the achievement by the countries of Europe of a healthy economy independent of extraordinary outside assistance;

Recognizing that a strong and prosperous European economy is essential for the attainment of the purposes of the United Nations;

Considering that the achievement of such conditions calls for a European recovery plan of self-help and mutual cooperation, open to all nations which cooperate in such a plan, based upon a strong production effort, the expansion of foreign trade, the creation or maintenance of internal financial stability and the development of economic cooperation, including all possible steps to establish and maintain valid rates of exchange and to reduce trade barriers;

Considering that in furtherance of these principles the Government of the Netherlands has joined with other like-minded nations in a Convention for European Economic Cooperation signed at Paris on April 16, 1948 under which the signatories of that Convention agreed to undertake as their immediate task the elaboration and execution of a joint recovery program, and that the Government of the Netherlands is a member of the Organization for European Economic Cooperation created pursuant to the provisions of that Convention;

¹ 1 UST 665; TIAS 2126.

² 2 UST 1319; TIAS 2285.

³ 3 UST 5260; TIAS 2721.

Considering also that, in furtherance of these principles, the Government of the United States of America has enacted the Economic Cooperation Act of 1948,⁴ providing for the furnishing of assistance by the United States to nations participating in a joint program for European recovery, in order to enable such nations through their own individual and concerted efforts to become independent of extraordinary outside economic assistance;

Taking note that the Government of the Netherlands has already expressed its adherence to the purposes and policies of the Economic Cooperation Act of 1948;

Desiring to set forth the understandings which govern the furnishing of assistance by the Government of the United States of America under the Economic Cooperation Act of 1948, the receipt of such assistance by the Netherlands, and the measures which the two Governments will take individually and together in furthering the recovery of the Netherlands as an integral part of the joint program for European recovery;

Have agreed as follows:

ARTICLE I

(Assistance and Cooperation)

1. The Government of the United States of America undertakes to assist the Netherlands, by making available to the Government of the Netherlands or to any person, agency or organization designated by the latter Government such assistance as may be requested by it and approved by the Government of the United States of America. The Government of the United States of America will furnish this assistance under the provisions, and subject to all of the terms, conditions and termination provisions, of the Economic Cooperation Act of 1948, acts amendatory and supplementary thereto and appropriation acts thereunder, and will make available to the Government of the Netherlands only such commodities, services and other assistance as are authorized to be made available by such acts.

2. The Government of the Netherlands, acting individually and through the Organization for European Economic Cooperation, consistently with the Convention for European Economic Cooperation signed at Paris on April 16, 1948, will exert sustained efforts in common with other participating countries speedily to achieve through a joint recovery program economic conditions in Europe essential to lasting peace and prosperity and to enable the countries of Europe participating in such a joint recovery program to become independent of extraordinary outside economic assistance within the period of this Agreement. The Government of the Netherlands reaffirms its intention to take action to carry out the provisions of the General Obligations of the Convention for European Economic Cooperation, to continue to participate actively in the work of the Organization for European Eco-

⁴ 62 Stat. 137.

nomic Cooperation, and to continue to adhere to the purposes and policies of the Economic Cooperation Act of 1948.

3. With respect to assistance furnished by the Government of the United States of America to the Netherlands and procured from areas outside the United States of America, its territories and possessions, the Government of the Netherlands will cooperate with the Government of the United States of America in ensuring that procurement will be effected at reasonable prices and on reasonable terms and so as to arrange that the dollars thereby made available to the country from which the assistance is procured are used in a manner consistent with any arrangements made by the Government of the United States of America with such country.

ARTICLE II

(General Undertakings)

1. In order to achieve the maximum recovery through the employment of assistance received from the Government of the United States of America, the Government of the Netherlands will use its best endeavors:

a) to adopt or maintain the measures necessary to ensure efficient and practical use of all the resources available to it including

(i) such measures as may be necessary to ensure that the commodities and services obtained with assistance furnished under this Agreement are used for purposes consistent with this Agreement and, as far as practicable, with the general purposes outlined in the schedules furnished by the Government of the Netherlands in support of the requirements of assistance to be furnished by the Government of the United States of America;

(ii) the observation and review of the use of such resources through an effective follow-up system approved by the Organization for European Economic Cooperation; and

(iii) to the extent practicable, measures to locate, identify and put into appropriate use in furtherance of the joint program for European recovery, assets, and earnings therefrom which belong to nationals of the Netherlands and which are situated within the United States of America, its territories or possessions. Nothing in this clause imposes any obligation on the Government of the United States of America to assist in carrying out such measures or on the Government of the Netherlands to dispose of such assets;

b) to promote the development of industrial and agricultural production on a sound economic basis; to achieve such production targets as may be established through the Organization for European Economic Cooperation; and when desired by the Government of the United States of America, to communicate to that Government detailed proposals for specific projects contemplated by the Government of the Netherlands to be undertaken in

substantial part with assistance made available pursuant to this Agreement, including whenever practicable projects for increased production of coal, steel, transportation facilities and food;

c) to stabilize its currency, establish or maintain a valid rate of exchange, balance its governmental budget as soon as practicable, create or maintain internal financial stability, and generally restore or maintain confidence in its monetary system; and

d) to cooperate with other participating countries in facilitating and stimulating an increasing interchange of goods and services among the participating countries and with other countries and in reducing public and private barriers to trade among themselves and with other countries.

2. Taking into account Article 8 of the Convention for European Economic Cooperation looking toward the full and effective use of manpower available in the various participating countries, the Government of the Netherlands will accord sympathetic consideration to proposals made in conjunction with the International Refugee Organization directed to the largest practicable utilization of manpower available in any of the participating countries in furtherance of the accomplishment of the purposes of this Agreement.

3. The Government of the Netherlands will take the measures which it deems appropriate, and will cooperate with other participating countries, to prevent, on the part of private or public commercial enterprises, business practices or business arrangements affecting international trade which restrain competition, limit access to markets or foster monopolistic control whenever such practices or arrangements have the effect of interfering with the achievement of the joint program of European recovery.

ARTICLE III

(Guaranties)

1. The Governments of the United States of America and the Netherlands will, upon the request of either Government, consult respecting projects in the Netherlands proposed by nationals of the United States of America and with regard to which the Government of the United States of America may appropriately make guaranties of currency transfer under section 111 (b) (3) of the Economic Cooperation Act of 1948.

2. The Government of the Netherlands agrees that if the Government of the United States of America makes payment in United States dollars to any person under such a guaranty, any guilders, or credits in guilders, assigned or transferred to the Government of the United States of America pursuant to that section shall be recognized as property of the Government of the United States of America.

ARTICLE IV

(Local Currency)

1. The provisions of this Article shall apply only with respect to assistance which may be furnished by the Government of the United States of America on a grant basis.

2. The Government of the Netherlands will establish a special account in The Netherlands Bank in the name of the Government of the Netherlands (hereinafter called the Special Account) and will make deposits in guilders to this account as follows:

(a) The unencumbered balances of the deposits made by the Government of the Netherlands pursuant to the exchange of notes between the two Governments dated April 20, 1948.⁵

(b) Amounts commensurate with the indicated dollar cost to the Government of the United States of America of commodities, services and technical information (including any costs of processing, storing, transporting, repairing or other services incident thereto) made available to the Netherlands on a grant basis by any means authorized under the Economic Cooperation Act of 1948, less, however, the amount of the deposits made pursuant to the exchange of notes referred to in sub-paragraph (a). The Government of the United States of America shall from time to time notify the Government of the Netherlands of the indicated dollar cost of any such commodities, services and technical information, and the Government of the Netherlands will thereupon deposit in the Special Account a commensurate amount of guilders computed at a rate of exchange which shall be the par value agreed at such time with the International Monetary Fund. The Government of the Netherlands may at any time make advance deposits in the Special Account which shall be credited against subsequent notifications pursuant to this paragraph.

3. The Government of the United States of America will from time to time notify the Government of the Netherlands of its requirements for administrative expenditures in guilders within the Netherlands incident to operations under the Economic Cooperation Act of 1948, and the Government of the Netherlands will thereupon make such sums available out of any balances in the Special Account in the manner requested by the Government of the United States of America in the notification.

4. Five percent of each deposit made pursuant to this Article in respect of assistance furnished under authority of the Foreign Aid Appropriation Act,

⁵ Not printed here; for background, see *Department of State Bulletin*, May 23, 1948, p. 686.

1949,⁶ shall be allocated to the use of the Government of the United States of America for its expenditures in the Netherlands, and sums made available pursuant to paragraph 3 of this Article shall first be charged to the amounts allocated under this paragraph.

5. The Government of the Netherlands will further make such sums of guilders available out of any balances in the Special Account as may be required to cover costs (including port, storage, handling and similar charges) of transportation from any point of entry in the Netherlands to the consignee's designated point of delivery in the Netherlands of such relief supplies and packages as are referred to in Article VI.

6. The Government of the Netherlands may draw upon any remaining balance in the Special Account for such purposes as may be agreed from time to time with the Government of the United States of America. In considering proposals put forward by the Government of the Netherlands for drawings from the Special Account, the Government of the United States of America will take into account the need for promoting or maintaining internal monetary and financial stabilization in the Netherlands and for stimulating productive activity and international trade and the exploration for and development of new sources of wealth within the Netherlands, including in particular:

(a) expenditures upon projects or programs, including those which are part of a comprehensive program for the development of the productive capacity of the Netherlands and the other participating countries, and projects or programs the external costs of which are being covered by assistance rendered by the Government of the United States of America under the Economic Cooperation Act of 1948 or otherwise, or by loans from the International Bank for Reconstruction and Development;

(b) expenditures upon the exploration for and development of additional production of materials which may be required in the United States of America because of deficiencies or potential deficiencies in the resources of the United States of America; and

(c) effective retirement of the national debt, especially debt held by the central bank or other banking institutions.

7. Any unencumbered balance other than unexpended amounts allocated under paragraph 4 of this Article remaining in the Special Account on June 30, 1952, shall be disposed of within the Netherlands for such purposes as may hereafter be agreed between the Governments of the United States of America and the Netherlands, it being understood that the agreement of the United States of America shall be subject to approval by Act or joint resolution of the Congress of the United States of America.

⁶ 62 Stat. 1054.

ARTICLE V

(Access to Materials)

1. The Government of the Netherlands will facilitate the transfer to the United States of America, for stockpiling or other purposes, of materials originating in the Netherlands which are required by the United States of America as a result of deficiencies or potential deficiencies in its own resources, upon such reasonable terms of sale, exchange, barter or otherwise, and in such quantities, and for such period of time, as may be agreed to between the Governments of the United States of America and the Netherlands, after due regard for the reasonable requirements of the Netherlands for domestic use and commercial export of such materials. The Government of the Netherlands will take such specific measures as may be necessary to carry out the provisions of this paragraph, including the promotion of the increased production of such materials within the Netherlands, and the removal of any hindrances to the transfer of such materials to the United States of America. The Government of the Netherlands will, when so requested by the Government of the United States of America, enter into negotiations for detailed arrangements necessary to carry out the provisions of this paragraph.

2. Recognizing the principle of equity in respect to the drain upon the natural resources of the United States of America and of the participating countries, the Government of the Netherlands will, when so requested by the Government of the United States of America, where applicable negotiate (a) a future schedule of minimum availabilities to the United States of America for future purchase and delivery of a fair share of materials originating in the Netherlands which are required by the United States of America as a result of deficiencies or potential deficiencies in its own resources at world market prices so as to protect the access of United States industry to an equitable share of such materials either in percentages of production or in absolute quantities from the Netherlands, (b) arrangements providing suitable protection for the right of access for any citizen of the United States of America or any corporation, partnership, or other association created under the laws of the United States of America or of any State or Territory thereof and substantially beneficially owned by citizens of the United States of America, in the development of such materials on terms of treatment equivalent to those afforded to the nationals of the Netherlands, and, (c) an agreed schedule of increased production of such materials where practicable in the Netherlands and for delivery of an agreed percentage of such increased production to be transferred to the United States of America on a long-term basis in consideration of assistance furnished by the United States of America under this Agreement.

3. The Government of the Netherlands, when so requested by the Government of the United States of America, will cooperate, wherever appro-

priate, to further the objectives of paragraphs 1 and 2 of this Article in respect of materials originating outside of the Netherlands.

ARTICLE VI

(Travel Arrangements and Relief Supplies)

1. The Government of the Netherlands will cooperate with the Government of the United States of America in facilitating and encouraging the promotion and development of travel by citizens of the United States of America to and within participating countries.

2. The Government of the Netherlands will, when so desired by the Government of the United States of America, enter into negotiations for agreements (including the provision of duty-free treatment under appropriate safeguards) to facilitate the entry into the Netherlands of supplies of relief goods donated to or purchased by United States voluntary non-profit relief agencies and of relief packages originating in the United States of America and consigned to individuals residing in the Netherlands.

ARTICLE VII

(Consultation and Transmittal of Information)

1. The two Governments will, upon the request of either of them, consult regarding any matter relating to the application of this Agreement or to operations or arrangements carried out pursuant to this Agreement.

2. The Government of the Netherlands will communicate to the Government of the United States of America in a form and at intervals to be indicated by the latter after consultation with the Government of the Netherlands:

(a) detailed information of projects, programs and measures proposed or adopted by the Government of the Netherlands to carry out the provisions of this Agreement and the General Obligations of the Convention for European Economic Cooperation;

(b) full statements of operations under this Agreement, including a statement of the use of funds, commodities and services received thereunder, such statements to be made in each calendar quarter;

(c) information regarding its economy and any other relevant information, necessary to supplement that obtained by the Government of the United States of America from the Organization for European Economic Cooperation, which the Government of the United States of America may need to determine the nature and scope of operations under the Economic Cooperation Act of 1948, and to evaluate the effectiveness of assistance furnished or contemplated under this Agreement and generally the progress of the joint recovery program.

3. The Government of the Netherlands will assist the Government of the United States of America to obtain information relating to the materials orig-

inating in the Netherlands referred to in article V which is necessary to the formulation and execution of the arrangements provided for in that Article.

ARTICLE VIII

(Publicity)

1. The Governments of the United States of America and the Netherlands recognize that it is in their mutual interest that full publicity be given to the objectives and progress of the joint program for European recovery and of the actions taken in furtherance of that program. It is recognized that wide dissemination of information on the progress of the program is desirable in order to develop the sense of common effort and mutual aid which are essential to the accomplishment of the objectives of the program.

2. The Government of the United States of America will encourage the dissemination of such information and will make it available to the media of public information.

3. The Government of the Netherlands will encourage the dissemination of such information both directly and in cooperation with the Organization for European Economic Cooperation. It will make such information available to the media of public information and take all practicable steps to ensure that appropriate facilities are provided for such dissemination. It will further provide other participating countries and the Organization for European Economic Cooperation with full information on the progress of the program for economic recovery.

4. The Government of the Netherlands will make public in the Netherlands in each calendar quarter, full statements of operations under this Agreement, including information as to the use of funds, commodities and services received.

ARTICLE IX

(Missions)

1. The Government of the Netherlands agrees to receive a Special Mission for Economic Cooperation which will discharge the responsibilities of the Government of the United States of America in the Netherlands under this Agreement.

2. The Government of the Netherlands will, upon appropriate notification from the Ambassador of the United States of America in the Netherlands, consider the Special Mission and its personnel, and the United States Special Representative in Europe, as part of the Embassy of the United States of America in the Netherlands for the purpose of enjoying the privileges and immunities accorded to that Embassy and its personnel of comparable rank. The Government of the Netherlands will further accord appropriate courtesies to the members and staff of the Joint Committee on Foreign Economic

Cooperation of the Congress of the United States of America, and grant them the facilities and assistance necessary to the effective performance of their responsibilities.

3. The Government of the Netherlands, directly and through its representatives on the Organization for European Economic Cooperation, will extend full cooperation to the Special Mission, to the United States Special Representative in Europe and his staff, and to the members and staff of the Joint Committee. Such cooperation shall include the provision of all information and facilities necessary to the observation and review of the carrying out of this Agreement, including the use of assistance furnished under it.

ARTICLE X

(Settlement of Claims of Nationals)

1. The Government of the United States of America and the Netherlands agree to submit to the decision of the International Court of Justice any claim espoused by either Government on behalf of one of its nationals against the other Government for compensation for damage arising as a consequence of governmental measures (other than measures concerning enemy property or interests) taken after April 3, 1948, by the other Government and affecting property or interest of such national, including contracts with or concessions granted by duly authorized authorities of such other Government. It is understood that the undertaking of each Government in respect to claims espoused by the other Government pursuant to this paragraph is made in the case of each Government under the authority of and is limited by the terms and conditions of such effective recognition as that heretofore given to the compulsory jurisdiction of the International Court of Justice under Article 36 of the Statute of the Court.⁷ The provisions of this paragraph shall be in all respects without prejudice to other rights of access, if any, of either Government to the International Court of Justice or to the espousal and presentation of claims based upon alleged violations by either Government of rights and duties arising under treaties, agreements or principles of international law.

2. The Governments of the United States of America and the Netherlands further agree that such claims may be referred, in lieu of the Court, to any arbitral tribunal mutually agreed upon.

3. It is further understood that neither Government will espouse a claim pursuant to this Article until its national has exhausted the remedies available to him in the administrative and judicial tribunals of the country in which the claim arose.

⁷ TIAS 993, *ante*, vol. 3, p. 1186.

ARTICLE XI

(Definitions)

As used in this Agreement:

- (a) the Netherlands means the Kingdom of the Netherlands consisting of its territory in Europe, the Netherlands Indies, Surinam and Curaçao;
- (b) the term "participating country" means
 - (i) any country which signed the Report of the Committee of European Economic Cooperation at Paris on September 22, 1947, and territories for which it has international responsibility and to which the Economic Cooperation Agreement concluded between that country and the Government of the United States of America has been applied, and
 - (ii) any other country (including any of the zones of occupation of Germany, and areas under international administration or control, and the Free Territory of Trieste or either of its zones) wholly or partly in Europe, together with dependent areas under its administration;

for so long as such country is a party to the Convention for European Economic Cooperation and adheres to a joint program for European recovery designed to accomplish the purposes of this Agreement.

ARTICLE XII

(Entry into Force, Amendment, Duration)

1. This Agreement shall become effective on this day's date. Subject to the provisions of paragraphs 2 and 3 of this Article, it shall remain in force until June 30, 1953, and, unless at least six months before June 30, 1953, either Government shall have given notice in writing to the other of intention to terminate the Agreement on that date, it shall remain in force thereafter until the expiration of six months from the date on which such notice shall have been given.

2. If, during the life of this Agreement, either Government should consider there has been a fundamental change in the basic assumptions underlying this Agreement, it shall so notify the other Government in writing and the two Governments will thereupon consult with a view to agreeing upon the amendment, modification or termination of this Agreement. If, after three months from such notification, the two Governments have not agreed upon the action to be taken in the circumstances, either Government may give notice in writing to the other of intention to terminate this Agreement. Then, subject to the provisions of paragraph 3 of this Article, this Agreement shall terminate either:

(a) six months after the date of such notice of intention to terminate,
or

(b) after such shorter period as may be agreed to be sufficient to ensure
that the obligations of the Government of the Netherlands are performed in
respect of any assistance which may continue to be furnished by the Govern-
ment of the United States of America after the date of such notice;

provided, however, that Article V and paragraph 3 of Article VII shall re-
main in effect until two years after the date of such notice of intention to
terminate, but not later than June 30, 1953.

3. Subsidiary agreements and arrangements negotiated pursuant to this
Agreement may remain in force beyond the date of termination of this Agree-
ment and the period of effectiveness of such subsidiary agreements and ar-
rangements shall be governed by their own terms. Article IV shall remain in
effect until all the sums in the currency of the Netherlands required to be
deposited in accordance with its own terms have been disposed of as provided
in that Article. Paragraph 2 of Article III shall remain in effect for so long
as the guaranty payments referred to in that Article may be made by the
Government of the United States of America.

4. This Agreement may be amended at any time by agreement between
the two Governments.

5. The Annex to this Agreement forms an integral part thereof.

6. This Agreement shall be registered with the Secretary-General of
the United Nations.

IN WITNESS WHEREOF the respective representatives, duly authorized for
the purpose, have signed the present Agreement.

DONE at The Hague, in duplicate, in the English and the Dutch languages,
both texts authentic, this second day of July, 1948.

For the Government of the United
States of America:

HERMAN BENJAMIN BARUCH

Voor de Nederlandse Regering:

W. v. BOETZELAER

ANNEX

(Interpretative Notes)

1. It is understood that the requirements of paragraph 1 (a) of Article II,
relating to the adoption of measures for the efficient use of resources, would
include, with respect to commodities furnished under the Agreement, effec-
tive measures for safeguarding such commodities and for preventing their
diversion to illegal or irregular markets or channels of trade.

2. It is understood that the obligation under paragraph 1 (c) of Article II to balance the budget as soon as practicable would not preclude deficits over a short period but would mean budgetary policy involving the balancing of the budget in the long run.

3. It is understood that the business practices and business arrangements referred to in paragraph 3 of Article II mean:

- (a) fixing prices, terms or conditions to be observed in dealing with others in the purchase, sale or lease of any product;
- (b) excluding enterprises from, or allocating or dividing, any territorial market or field of business activity, or allocating customers, or fixing sales quotas or purchase quotas;
- (c) discriminating against particular enterprises;
- (d) limiting production or fixing production quotas;
- (e) preventing by agreement the development or application of technology or invention whether patented or unpatented;
- (f) extending the use of rights under patents, trademarks or copyrights granted by either country to matters which, according to its laws and regulations, are not within the scope of such grants, or to products or conditions of production, use or sale which are likewise not the subjects of such grants; and
- (g) such other practices as the two Governments may agree to include.

4. It is understood that the Government of the Netherlands is obligated to take action in particular instances in accordance with paragraph 3 of Article II only after appropriate investigation or examination.

5. It is understood that the phrase in Article V "after due regard for the reasonable requirements of the Netherlands for domestic use" would include the maintenance of reasonable stocks of the materials concerned and that the phrase "commercial export" might include barter transactions. It is also understood that arrangements negotiated under Article V might appropriately include provision for consultation, in accordance with the principles of Article 32 of the Havana Charter for an International Trade Organization,⁸ in the event that stockpiles are liquidated.

6. It is understood that the Government of the Netherlands will not be requested, under paragraph 2 (a) of Article VII, to furnish detailed information about minor projects or confidential commercial or technical information the disclosure of which would injure legitimate commercial interests.

⁸ Unperfected. Art. 32(3) of the Havana Charter reads as follows:

"Such Member shall, at the request of any Member which considers itself substantially interested, consult as to the best means of avoiding substantial injury to the economic interests of producers and consumers of the primary commodity in question. In cases where the interests of several Members might be substantially affected, the Organization may participate in the consultations, and the Member holding the stocks shall give due consideration to its recommendations."

7. It is understood that the Government of the United States of America in making the notifications referred to in paragraph 2 of Article IX would bear in mind the desirability of restricting, so far as practicable, the number of officials for whom full diplomatic privileges would be requested. It is also understood that the detailed application of Article IX would, when necessary, be the subject of intergovernmental discussion.

8. It is understood that any agreements which might be arrived at pursuant to paragraph 2 of Article X would be subject to ratification by the Senate of the United States of America.

9. It is understood that the definitions contained in Article XI imply no restriction upon the Government of the Netherlands with regard to the carrying forward of contemplated changes in the structure of the Kingdom of the Netherlands. It is further understood that if while this Agreement is in effect arrangements are made for a change in status of territories presently a part of the Kingdom of the Netherlands, the relation of such territories to this Agreement will be the subject of future consultation.

MOST-FAVORED-NATION TREATMENT FOR AREAS UNDER OCCUPATION OR CONTROL

Exchange of notes at The Hague July 2, 1948

Entered into force July 2, 1948

Expired in accordance with its terms

62 Stat. 2921; Treaties and Other
International Acts Series 1831

The American Ambassador to the Minister of Foreign Affairs

THE HAGUE, July 2, 1948

SIR:

I have the honor to refer to the conversations which have recently taken place between representatives of our two Governments relating to the territorial application of commercial arrangements between the United States of America and the Kingdom of the Netherlands and to confirm the understanding reached as a result of these conversations as follows:

1. For such time as the Government of the United States of America participates in the occupation or control of any areas in western Germany, and the Free Territory of Trieste, the Government of the Netherlands will apply to the merchandise trade of such area the provisions of the General Agreement on Tariffs and Trade, dated October 30, 1947,¹ as now or hereafter amended, relating to most-favored-nation treatment.

2. The undertaking in point 1, above, will apply to the merchandise trade of any area referred to therein only for such time and to such extent as such area accords reciprocal most-favored-nation treatment to the merchandise trade of the Netherlands.

3. The undertakings in points 1 and 2, above, are entered into in the light of the absence at the present time of effective or significant tariff barriers to imports into the areas herein concerned. In the event that such tariff barriers are imposed, it is understood that such undertakings shall be without prejudice to the application of the principles set forth in the Havana Charter for

¹ TIAS 1700, *ante*, vol. 4, p. 639.

an International Trade Organization² relating to the reduction of tariffs on a mutually advantageous basis.

4. It is recognized that the absence of a uniform rate of exchange for the currency of the areas in western Germany, referred to in point 1, above, may have the effect of indirectly subsidizing the exports of such areas to an extent which it would be difficult to calculate exactly. So long as such a condition exists, and if consultation with the Government of the United States of America fails to reach an agreed solution to the problem, it is understood that it would not be inconsistent with the undertaking in point 1 for the Government of the Netherlands to levy a countervailing duty on imports of such goods equivalent to the estimated amount of such subsidization, where the Government of the Netherlands determines that the subsidization is such as to cause or threaten material injury to an established domestic industry or is such as to prevent or materially retard the establishment of a domestic industry.

5. The undertakings in this note shall remain in force until January 1, 1951, and, unless at least six months before January 1, 1951, either Government shall have given notice in writing to the other of intention to terminate these undertakings on that date, they shall remain in force thereafter until the expiration of six months from the date on which such notice shall have been given.

Please accept, Excellency, the renewed assurances of my highest consideration.

HERMAN BENJAMIN BARUCH

His Excellency

Baron C. G. W. H. VAN BOETZELAER VAN OOSTERHOUT,
Minister of Foreign Affairs,
The Hague.

The Minister of Foreign Affairs to the American Ambassador

THE HAGUE, July 2, 1948

SIR,

I have the honour to acknowledge the receipt of your Excellency's Note of to-day's date, reading as follows:

[For text of U.S. note, see above.]

I have the honour to inform your Excellency that the Netherlands Government agree with the contents of the above Note.

² Unperfected; for excerpts, see *A Decade of American Foreign Policy: Basic Documents, 1941–49* (S. Doc. 123, 81st Cong., 1st sess.), p. 391.

I avail myself of this opportunity to renew to your Excellency the assurances of my highest consideration.

B. v. BOETZELAER

His Excellency

Dr. HERMAN B. BARUCH,
*Ambassador Extraordinary
and Plenipotentiary of the
United States of America,
The Hague.*

CUSTOMS PRIVILEGES FOR DIPLOMATIC AND CONSULAR EMPLOYEES

*Exchange of notes at The Hague and Washington February 1, 1947,
and August 20, 1948, amending agreement of April 7, June 17,
August 20, and September 19, 1930
Entered into force August 20, 1948*

Department of State files

The Ministry for Foreign Affairs to the American Embassy

No. 5225

The Ministry for Foreign Affairs presents its compliments to the Embassy of the United States of America and, with reference to the Ministry's note No. 95666 dated December 13th 1946, has the honour to inform the Embassy that the Netherlands Government is prepared, on a basis of reciprocity, to recognize extension of the Agreement of 1930¹ in the manner indicated in the Embassy's Memorandum of November 1, 1946.

In view of the foregoing, the Ministry of Finance has authorized the Collectors of Customs, Excise and Taxes to extend the privilege of freedom from certain taxes and duties enjoyed by Diplomatic and Consular Officers to all Employees in the diplomatic and consular offices provided that they are nationals of the United States, not engaged in business or the exercise of a profession in the Netherlands.

The privilege includes exemption from the payment of customs duties, import tax (turn-over tax on goods imported), statistical duties, all excises, including those on tobacco and spirits, and the tax on gold and silverware on goods imported by the aforementioned employees for their personal use, official use, or that of their family.

In consequence of the above, the interim arrangement mentioned in the Ministry's note, No. 86526 of November 28th, 1946,² should be regarded as having been cancelled.

THE HAGUE, 1st February, 1947

[SEAL]

TO THE EMBASSY OF
THE UNITED STATES OF AMERICA.

¹ Exchange of notes at The Hague and at Washington Apr. 7, June 17, Aug. 20 and Sept. 19, 1930, and exchange of memorandums at Washington May 19 and June 30, 1931 (*ante*, p. 105).

² Not printed.

The Secretary of State to the Netherlands Ambassador

The Secretary of State presents his compliments to His Excellency the Ambassador of the Netherlands and has the honor to inform him that the American Embassy at The Hague notified the Department of State in February, 1947, that the Netherlands Minister of Finance had authorized the extension to all American employees in the diplomatic and consular offices in the Netherlands the same exemption from duties and certain taxes as those enjoyed by American diplomatic and consular officers stationed in the Netherlands.

Immediately upon the receipt of this information the Treasury Department was informed that on a basis of reciprocity this Department would request for employees of Netherlands nationality at the Embassy at Washington and at the consulates in the United States, as well as for the members of their families living with them, who are not engaged in any private occupation for gain, the privilege of free importation.

It is regretted that through an oversight the Embassy was not formally notified of this action. However, upon the request of the Embassy in each instance, this Department will be glad to request the extension of these privileges, which will include the free entry of the baggage and effects of members of these groups upon arrival in the United States and upon return from leave, and the free entry of articles imported by them during official residence, provided the importation of such articles is not prohibited by the laws of the United States.

Under the provisions of Public Law 58, 77th Congress,³ exemption from the payment of internal revenue tax on importations of liquor and tobacco will also be requested for employees of Netherlands consulates in the United States.

DEPARTMENT OF STATE,
WASHINGTON, August 20, 1948

³ 55 Stat. 184.

RELIEF ASSISTANCE

*Exchange of notes at The Hague January 17, 1949
Entered into force January 17, 1949*

63 Stat. 2322; Treaties and Other
International Acts Series 1881

The American Embassy to the Ministry for Foreign Affairs

No. 693

The Embassy of the United States of America presents its compliments to the Royal Netherlands Ministry of Foreign Affairs, and, under reference to Article VI Paragraph 2 and Article IV Paragraph 5 of the Economic Cooperation Agreement between the United States of America and the Netherlands,¹ has the honor to propose an agreement between the two Governments in the following terms:

I. The Government of the Netherlands shall accord duty-free treatment on entry into the Netherlands of:

(a) Supplies of relief goods or standard packs donated to or purchased by United States voluntary non-profit relief agencies qualified under the Economic Cooperation Administration (hereafter referred to as ECA) regulations and consigned to charitable organizations including Netherlands branches of these agencies which have been or hereafter shall be approved by the Government of the Netherlands.

(b) Relief packages originating in the United States sent by parcel post or commercial channels, addressed to an individual residing in the Netherlands, whether packed privately or by order placed with a commercial firm.

(c) Standard packs put up by United States voluntary non-profit relief agencies or their approved agents, qualified under ECA regulations, to the order of individuals in the United States and sent for delivery to individuals residing in the Netherlands.

II. The Netherlands Government will retain all rights of inspection and customs formalities in connection with such packages and shipments, including the levy of duty on packages and shipments which do not comply with ECA regulations and to provisions of this Agreement.

¹ TIAS 1791, *ante*, p. 240.

III. For the purposes of this Agreement:

(a) "relief goods" shall not include tobacco, cigars, cigarettes or alcoholic liquors or goods other than food-stuffs, clothing, shoes, household supplies and utensils, bedding, medical and health supplies and articles which qualify under ECA regulations and are approved by the Government of the Netherlands;

(b) "relief packages" shall not include goods other than food-stuffs, secondhand clothing, secondhand shoes, medical and health supplies, and shall not exceed twenty kilograms gross weight. The combined retail value in the United States of all streptomycin, quinine sulfate and quinine hydrochloride included in each relief package must not exceed \$5;

(c) "standard packs" shall contain only such articles which qualify under ECA regulations and are approved by the Government of the Netherlands;

(d) weight, size and other limitations not specified herein shall comply with ECA regulations;

(e) "relief packages" and "standard packs" shall all be marked "U.S.A. gift parcels".

IV. Transportation charges (as defined in Paragraph 5 of Article IV of the Economic Cooperation Agreement) in the Netherlands on "relief goods", "relief packages", and "standard packs", which comply with the provisions of Paragraphs I and III above, shall be defrayed as follows:

(a) The amount of the terminal charges for shipments which are sent by United States parcel post to addressees in the Netherlands, shall be computed by the Netherlands postal service in the manner now or hereafter provided by the applicable Agreements. Such charges shall be reimbursed to the Netherlands postal service out of the Special Account provided for in Article IV of the Economic Cooperation Agreement (hereafter referred to as the Special Account) and no claim for such charges shall be made against the United States.

(b) With respect to shipments which are originally despatched from the United States by any regular established commercial channels and forwarded in the Netherlands by an approved agent of the shipper to the addressee by Netherlands carrier, or Netherlands parcel post service, the Netherlands shall reimburse such agent or Netherlands carrier, or Netherlands parcel post service, as the case may be, out of the Special Account upon presentation of adequate documentation.

(c) With respect to any charges incidental to transportation, including warehouse, storage and dock charges, which may be incurred by an agent of a shipper under sub-paragraph (b) of this Paragraph, other than parcel post charges and carrier charges, such approved agent shall be reimbursed by the Government of the Netherlands out of the Special Account upon presentation of adequate documentation.

V. The Government of the Netherlands shall make payments out of the Special Account for the purposes mentioned in Paragraph IV above, and shall submit to the ECA Mission in the Netherlands with a copy to the Controller, ECA Washington, monthly statements of the amounts so expended in forms satisfactory to the Government of the Netherlands and the said Mission, provided that each such statement shall at least show total weight carried and charges therefor and adjustments shall be made to the Special Account if shown to be required by ECA audit.

VI. So far as practicable, effect shall be given to Paragraphs IV and V as though they had come into force on April 3, 1948.

VII.

(a) The present Agreement shall come into force immediately. Subject to the provisions of sub-paragraph (b) of this Paragraph and to such modifications as may be agreed upon by the competent authorities of the Government of the United States and the Netherlands, it shall remain in force for the same period as the Economic Cooperation Agreement.

(b) The present Agreement may be terminated by six months' notice given in writing by either party to the other at any time.

If the above proposal is acceptable to the Government of the Netherlands, the Embassy of the United States of America has the honor further to propose that this Note and the reply by the Netherlands Ministry of Foreign Affairs to that effect shall constitute an Agreement on the above terms between the two Governments.

THE HAGUE

January 17, 1949

HERMAN B. BARUCH

The Ministry for Foreign Affairs to the American Embassy

The Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honour to acknowledge the receipt of the Embassy's Note of to-day's date, reading as follows:

[For text of U.S. note, see above.]

The Ministry of Foreign Affairs has the honour to inform the Embassy of the United States of America that the Netherlands Government agrees with the contents of the above Note.

THE HAGUE, 17th January, 1949

[SEAL]

To the EMBASSY OF THE
UNITED STATES OF AMERICA.

FINANCING OF EDUCATIONAL EXCHANGE PROGRAM

*Agreement and exchange of notes signed at The Hague May 17, 1949
Entered into force May 17, 1949*

Supplemented by agreement of June 22, 1966¹

63 Stat. 2559; Treaties and Other
International Acts Series 1946

AGREEMENT

between the Government of the United States of America and the Government of the Kingdom of the Netherlands for the use of funds made available in accordance with the Agreement between the Government of the United States of America and the Government of the Kingdom of the Netherlands Regarding Settlement for Lend-Lease, Reciprocal Aid, Surplus Property, Military Relief, and Claims, signed at Washington, D.C., on May 28, 1947

The Government of the United States of America and the Government of the Kingdom of the Netherlands;

Desiring to promote further mutual understanding between the peoples of the United States of America and the Kingdom of the Netherlands by a wider exchange of knowledge and professional talents through educational contacts;

Considering that Section 32(b) of the United States Surplus Property Act of 1944, as amended by Public Law 584, 79th Congress,² provides that the Secretary of State of the United States of America may enter into an agreement with any foreign government for the use of currencies or credits for currencies of such foreign government acquired as a result of surplus property disposals for certain educational activities; and

Considering that under the provisions of the Agreement between the Government of the United States of America and the Government of the Kingdom of the Netherlands Regarding Settlement for Lend-Lease, Reciprocal Aid, Surplus Property, Military Relief, and Claims, signed at Washington, D.C., on May 28, 1947³ (hereinafter designated the "Settlement Agree-

¹ 18 UST 234; TIAS 6223.

² 60 Stat. 754.

³ TIAS 1750, *ante*, p. 188.

ment”), it is provided that the Government of the Kingdom of the Netherlands, when requested by the Government of the United States of America, will make available at any time or times, by payment to the Government of the United States of America or to such persons or organizations as the Government of the United States of America may designate, Netherlands currency in any amount (computed as provided in Sub-paragraph 7 E of the Settlement Agreement) not in excess of the then unpaid portion of the total principal amount plus past due interest, for the payment of the cost of educational programs agreed upon by the two Governments,

Have agreed as follows:

ARTICLE 1

There shall be established a foundation to be known as the United States Educational Foundation in the Netherlands (hereinafter designated “the Foundation”), which shall be recognized by the Government of the United States of America and the Government of the Kingdom of the Netherlands as an organization created and established to facilitate the administration of the educational program to be financed by funds made available by the Government of the Kingdom of the Netherlands under the terms of the present Agreement. Except as provided in Article 3 hereof the Foundation shall be exempt from the domestic and local laws of the United States of America and the Kingdom of the Netherlands, as they relate to the use and expenditure of currencies and credits for currencies, for the purposes set forth in the present Agreement.

The funds made available by the Government of the Kingdom of the Netherlands, within the conditions and limitations hereinafter set forth, shall be used by the Foundation or such other instrumentality as may be agreed upon by the Government of the United States of America and the Government of the Kingdom of the Netherlands for the purpose, as set forth in Section 32(b) of the United States Surplus Property Act of 1944, as amended, of

(1) financing studies, research, instruction, and other educational activities of or for citizens of the United States of America in schools and institutions of higher learning located in the Netherlands, Surinam, and the Netherlands West Indies, or of the nationals of the Netherlands, Surinam, and the Netherlands West Indies in United States schools and institutions of higher learning located outside the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, including payment for transportation, tuition, maintenance, and other expenses incident to scholastic activities; or

(2) furnishing transportation for nationals of the Netherlands, Surinam, and the Netherlands West Indies who desire to attend United States schools and institutions of higher learning in the continental United States, Hawaii,

Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands and whose attendance will not deprive citizens of the United States of America of an opportunity to attend such schools and institutions.

ARTICLE 2

In the furtherance of the aforementioned purposes, the Foundation may, subject to the provisions of Article 10 of the present Agreement, exercise all powers necessary to the carrying out of the purposes of the present Agreement including the following:

- (1) Receive funds.
- (2) Open and operate bank accounts in the name of the Foundation in a depository or depositories to be designated by the Secretary of State of the United States of America.
- (3) Disburse funds and make grants and advances of funds for the authorized purposes of the Foundation.
- (4) Acquire, hold, and dispose of property in the name of the Foundation as the Board of Directors of the Foundation may consider necessary or desirable, provided, however, that the acquisition of any real property shall be subject to the prior approval of the Secretary of State of the United States of America.
- (5) Plan, adopt, and carry out programs, in accordance with the purposes of Section 32(b) of the United States Surplus Property Act of 1944, as amended, and the purposes of this Agreement.
- (6) Recommend to the Board of Foreign Scholarships, provided for in the United States Surplus Property Act of 1944, as amended, students, professors, research scholars, residents in the Netherlands, Surinam, and the Netherlands West Indies, and institutions of the Netherlands, Surinam, and the Netherlands West Indies qualified to participate in the program in accordance with the aforesaid Act.
- (7) Recommend to the aforesaid Board of Foreign Scholarships such qualifications for the selection of participants in the programs as it may deem necessary for achieving the purpose and objectives of the Foundation.
- (8) Provide for periodic audits of the accounts of the Foundation as directed by auditors selected by the Secretary of State of the United States of America.
- (9) Engage administrative and clerical staff and fix the salaries and wages thereof.

ARTICLE 3

All expenditures by the Foundation shall be made pursuant to an annual budget to be approved by the Secretary of State of the United States of America pursuant to such regulations as he may prescribe.

ARTICLE 4

The Foundation shall not enter into any commitments or create any obligation which shall bind the Foundation in excess of the funds actually on hand nor acquire, hold, or dispose of property except for the purposes authorized in the present Agreement.

ARTICLE 5

The management and direction of the affairs of the Foundation shall be vested in a Board of Directors consisting of ten members (hereinafter designated the "Board"), five of whom shall be citizens of the United States of America and five of whom shall be nationals of the Kingdom of the Netherlands. Of the citizens of the United States a minimum of three shall be officers of the United States Foreign Service establishment in the Netherlands. The principal officer in charge of the diplomatic mission of the United States of America to the Netherlands (hereinafter designated as the "Chief of Mission"), shall be Honorary Chairman of the Board. He shall cast the deciding vote in the event of a tie vote by the Board and shall appoint the Chairman of the Board. The United States citizens on the Board shall be appointed and removed by the Chief of Mission; the nationals of the Kingdom of the Netherlands on the Board shall be designated by the Government of the Kingdom of the Netherlands.

The members shall serve from the time of their appointment until one year from the following December 31 and shall be eligible for reappointment. Vacancies by reason of resignation, transfer of residence outside the Netherlands, expiration of term of service or otherwise, shall be filled in accordance with this procedure. The members shall serve without compensation, but the Board is authorized to pay the necessary expenses of the members in attending the meetings of the Board.

ARTICLE 6

The Board shall adopt such by-laws and appoint such committees as it shall deem necessary for the conduct of the affairs of the Foundation.

ARTICLE 7

Reports as directed by the Secretary of State of the United States of America shall be made annually on the activities of the Foundation to the Secretary of State of the United States of America and the Government of the Kingdom of the Netherlands.

ARTICLE 8

The principal office of the Foundation shall be in The Hague, but meetings of the Board and of any of its committees may be held in such other places as the Board may from time to time determine, and the activities of any of the

Foundation's officers or staff may be carried on at such places as may be approved by the Board.

ARTICLE 9

The Board may appoint an Executive Officer and determine his salary and term of service, provided however, that in the event it is found to be impracticable for the Board to secure an appointee acceptable to the Chairman, the Government of the United States of America may provide an Executive Officer and such assistants as may be deemed necessary to ensure the effective operation of the program. The Executive Officer shall be responsible for the direction and supervision of the Board's programs and activities in accordance with the Board's resolutions and directives. In his absence or disability, the Board may appoint a substitute for such time as it deems necessary or desirable.

ARTICLE 10

The decisions of the Board in all matters may, in the discretion of the Secretary of State of the United States of America, be subject to his review.

ARTICLE 11

The Government of the Kingdom of the Netherlands shall, within 30 days from the date of signature of the present Agreement, and on each January 1 thereafter, deposit with the Treasurer of the United States of America an amount of currency of the Government of the Kingdom of the Netherlands equivalent to \$250,000 (U.S. currency) until an aggregate amount of the currency of the Government of the Kingdom of the Netherlands equivalent to \$5,000,000 (U.S. currency) shall have been deposited. The deposits specified above shall be made in partial fulfillment of the provisions under paragraph 7 of the Settlement Agreement.

The rate of exchange between currency of the Government of the Kingdom of the Netherlands and United States currency to be used in determining the amount of currency of the Government of the Kingdom of the Netherlands to be deposited from time to time hereunder, shall be determined in accordance with Article 7 E of the Settlement Agreement.

The Government of the Kingdom of the Netherlands shall guarantee the United States of America against loss resulting from any alteration in the above rate of exchange or from any currency conversion with respect to any currency of the Government of the Kingdom of the Netherlands received hereunder and held by the Treasurer of the United States of America or by the Foundation by undertaking to pay to the Government of the United States of America such amounts of currency of the Government of the Kingdom of the Netherlands as are necessary to maintain the dollar value of such currency of the Government of the Kingdom of the Netherlands as is held by the Treasurer of the United States of America or the Foundation. The pur-

pose of this provision is to assure that the operations of the Foundation will not be interrupted or restricted by any deficits resulting from alterations in the above rate of exchange or from currency conversions.

The Secretary of State of the United States of America will make available for expenditure by the Foundation currency of the Government of the Kingdom of the Netherlands in such amounts as may be required by the Foundation but in no event in excess of the budgetary limitation established pursuant to Article 3 of the present Agreement.

ARTICLE 12⁴

Furniture, equipment, supplies, and any other articles intended for the official use of the Foundation shall be exempt in the territory of the Kingdom of the Netherlands, Surinam, and the Netherlands West Indies from customs duties, excises, and surtaxes, and every other form of taxation.

All funds and other property used for the purposes of the Foundation, and all official acts of the Foundation within the scope of its purposes shall likewise be exempt from taxation of every kind in the territory of the Kingdom of the Netherlands, Surinam, and the Netherlands West Indies.

ARTICLE 13

The Government of the Kingdom of the Netherlands shall extend to American citizens residing in the Kingdom of the Netherlands, Surinam, and the Netherlands West Indies and engaged in educational activities under the auspices of the Foundation such privileges with respect to exemption from taxation and other burdens affecting the entry, travel, and residence of such persons as are extended to nationals of the Kingdom of the Netherlands residing in the United States of America engaged in similar activities.

ARTICLE 14

Wherever, in the present agreement, the term "Secretary of State of the United States of America" is used, it shall be understood to mean the Secretary of State of the United States of America or any officer or employee of the Government of the United States of America designated by him to act in his behalf.

ARTICLE 15

The present Agreement may be amended by the exchange of diplomatic notes between the Government of the United States of America and the Government of the Kingdom of the Netherlands.

If any difference arises in regard to the interpretation of any article of or expression in this Agreement, the parties to the Agreement shall settle such difference by direct negotiation through diplomatic channels.

⁴ For interpretations relating to art. 12, see exchange of notes, p. 268.

ARTICLE 16

The Government of the United States of America and the Government of the Kingdom of the Netherlands shall make every effort to facilitate the exchange of persons programs authorized in this Agreement and to resolve problems which may arise in the operation thereof.

ARTICLE 17

The present Agreement shall come into force upon the date of signature.

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

DONE at The Hague, in duplicate, in the English and Dutch languages, this 17th day of May, 1949.

For the Government of the United States of America:

HERMAN B. BARUCH [SEAL]

For the Government of the Kingdom of the Netherlands:

STIKKER [SEAL]

EXCHANGE OF NOTES

The Minister of Foreign Affairs to the American Ambassador

THE HAGUE, 17th May 1949

YOUR EXCELLENCY,

On signing today the Agreement for the use of funds made available in accordance with the Agreement between the Government of the Kingdom of the Netherlands and the Government of the United States of America, regarding Settlement for Lend-Lease, Reciprocal Aid, Surplus Property, Military Relief and Claims, signed at Washington D.C. on May 28, 1947, I have the honour to refer to the exchange of letters during the months of June and July 1948 between Her Majesty's Embassy at Washington D.C. and the Department of State, concerning the interpretation of paragraphs 1 and 2 of Article 12 of the aforesaid Agreement and pursuant thereto I herewith confirm that it is agreed that:

Article 12, paragraph 1:

"Furniture, equipment, supplies and any other articles intended for the official use of the Foundation" does not include such articles intended for personal use of members of the Board of Directors.

Article 12, paragraph 2:

It is understood that the Foundation will be exempt from custom-duties, excises or surtaxes in all cases where such taxation is clearly distinguishable

such as import duties on imported goods. If goods are bought in the open market, excise and other indirect taxes will not be deducted from the purchasing price when the goods are bought.

The Netherlands Government, in order to avoid administrative complications, would appreciate if the Foundation should refrain from requesting a refund of such indirect, more or less "hidden" taxes. If this would not be feasible a procedure would have to be considered by which a refund could be made on for instance sales-tax.

The Foundation itself will not be taxed. No exemption can be granted of payment of registration dues, stampduties or notary-fees in the case of sales of real property or leases thereof.

I would be grateful to have Your Excellency's confirmation on behalf of the Government of the United States of the above interpretations and I have the honour to suggest that the present Note and Your Excellency's reply to that effect should be considered as placing on record the formal agreement of the two Governments in this matter.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

STIKKER

His Excellency

Dr. HERMAN B. BARUCH,
*Ambassador Extraordinary and
Plenipotentiary
of the United States of America.*

The American Ambassador to the Minister of Foreign Affairs

THE HAGUE, 17th May 1949

YOUR EXCELLENCY,

On signing today the Agreement for the use of funds made available in accordance with the Agreement made between the Government of the United States of America and the Government of the Kingdom of the Netherlands regarding Settlement for Lend-Lease, Reciprocal Aid, Surplus Property, Military Relief and Claims, signed at Washington on May 28, 1947, I have the honor to refer to the exchange of letters during the months of June and July 1948 between the Department of State and the Netherlands Embassy in Washington concerning the interpretation of paragraphs 1 and 2 of Article 12 of the aforesaid Agreement and pursuant thereto I herewith confirm that it is agreed that:

Article 12, Paragraph 1:

"Furniture, equipment, supplies, and any other articles intended for the official use of the Foundation" does not include such articles intended for personal use of members of the Board of Directors.

Article 12, Paragraph 2:

It is understood that the Foundation will be exempt from custom-duties, excises or surtaxes in all cases where such taxation is clearly distinguishable, such as import duties on imported goods. If goods are bought in the open market, excise and other indirect taxes will not be deducted from the purchase price when goods are bought.

The Government of the United States of America acknowledges that administrative complications may be involved in the collection of refunds of indirect taxes. It however suggests that a procedure be established whereby refunds can be made upon presentation of suitable documentation to the Netherlands Government.

The Government of the United States of America understands that the Educational Foundation established under the Fulbright Agreement will itself not be taxed. No exemption will be made, however, of payment of registration dues, stamp duties, or notary fees in the case of sales of real property or leases thereof.

I have the honor to agree that this Note, together with Your Excellency's Note dated 17th May 1949, shall be considered as placing on record the formal agreement of the two Governments in this matter.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

HERMAN B. BARUCH

His Excellency

Dr. D. U. STIKKER,
*Royal Netherlands Minister
for Foreign Affairs,
The Hague.*

New Zealand¹

TENURE AND DISPOSITION OF REAL AND PERSONAL PROPERTY

Convention signed at Washington for the United States, the United Kingdom, Australia, and New Zealand May 27, 1936, supplementing and amending convention of March 2, 1899²

Senate advice and consent to ratification June 13, 1938

Ratified by the President of the United States July 5, 1938

Ratified by the United Kingdom in respect of Great Britain and Northern Ireland August 2, 1938; in respect of New Zealand December 18, 1939; in respect of Australia September 2, 1940

Ratifications exchanged at Washington March 10, 1941

Entered into force March 10, 1941

Proclaimed by the President of the United States March 17, 1941

[For text, see TS 964, *ante*, vol. 5, p. 140, AUSTRALIA.]

¹ Certain agreements between the United States and the United Kingdom were, or are, applicable also to New Zealand. See *post*, vol. 12, UNITED KINGDOM.

² TS 146, *post*, vol. 12, UNITED KINGDOM.

CERTIFICATES OF AIRWORTHINESS FOR EXPORT

*Exchange of notes at Wellington January 30 and February 28, 1940,
with text of arrangement*

*Entered into force March 1, 1940
Terminated November 8, 1961¹*

54 Stat. 2263; Executive Agreement Series 167

The American Consul General at Wellington to the Prime Minister

JANUARY 30, 1940

SIR:

I have the honor to set forth below the terms of the Arrangement between the United States and New Zealand relating to the importation into New Zealand of aircraft and aircraft components manufactured in the United States as understood by me to have been approved in the course of the negotiations recently conducted by the Consulate General with the Office of the Prime Minister:

ARRANGEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE DOMINION OF NEW ZEALAND RELATING TO THE IMPORTATION INTO NEW ZEALAND OF AIRCRAFT AND AIRCRAFT COMPONENTS MANUFACTURED IN THE UNITED STATES

ARTICLE I—SCOPE OF ARRANGEMENT

(a) This Arrangement applies to civil aircraft and to aircraft components constructed in the continental United States of America, including Alaska, and exported to the Dominion of New Zealand.

(b) This Arrangement shall extend to complete aircraft of all types, and to aircraft components when imported into New Zealand as merchandise and not as a part of a complete aircraft.

(c) For the purpose of classifying import procedure, aircraft and aircraft components are divided into three general classes of aircraft Units as follows:

(1) Class I Units are defined as any complete aircraft or aircraft compo-

¹ Pursuant to notice of termination given by New Zealand May 8, 1961.

nents having type approvals in themselves, or any major assemblies of aircraft structural parts exported not as a part of a complete aircraft.

Items in this class include, among others, complete aircraft, aircraft engines, propellers, appliances, and such major assemblies of structural parts as wings, tail surfaces, ailerons and fuselages.

(2) Class II Units are defined as any assemblies or parts, other than those included in Class I, which directly influence the airworthiness of an aircraft or aircraft component, except small standard parts and materials. Items in this class include components not having type approvals in themselves, such as any structural part or assembly of an aircraft, and any functioning or structural part of an engine or propeller, except small standard parts.

(3) Class III Units are defined as small standard parts and materials not having type approvals in themselves. Items in this class include, among others, sound-proofing materials, cowling, ventilation equipment, tires, bolts, nuts, rivets, cotter pins, and standard ball or roller bearings.

ARTICLE II—IMPORTATION OF CLASS I UNITS

The competent aeronautical authorities of New Zealand will confer the same validity upon Certificates of Airworthiness for Export issued by the competent aeronautical authorities of the United States for complete aircraft subsequently to be registered in New Zealand, and for other Class I Units imported into New Zealand, as if such certificates had been issued pursuant to the regulations in force on the subject in New Zealand, upon receipt of the applicable documents and technical data specified in special requirements prescribed by the New Zealand authorities pursuant to Article III of this Arrangement.

As used in this Arrangement, the term "Certificate of Airworthiness for Export" means a document issued by the competent aeronautical authorities of the United States, certifying that, at the time of the issuance thereof, a specified aircraft Unit identified by specific markings or otherwise, has been found, after inspection by a qualified representative of such authorities, to comply with any special requirements specified by the New Zealand authorities as provided in Article III of this Arrangement; and

(1) to conform to a type which the competent aeronautical authorities of the United States have found to be of proper design, material, specifications, construction and performance for safe operation; or

(2) to be airworthy (either generally or subject to special conditions).

ARTICLE III—SPECIAL REQUIREMENTS

The competent aeronautical authorities of New Zealand may make the validity conferred upon Certificates of Airworthiness for Export and the im-

portation and use of Class II and Class III Units dependent upon the fulfillment of any special requirements which are for the time being specified by them for the issuance of certificates of airworthiness, or for the use of similar Units, in New Zealand, provided such requirements shall have been communicated to the United States authorities 60 days or more prior to the date of shipment of the aircraft Unit or Units involved. Pursuant to Article VII, the details of such special requirements shall be communicated by the competent aeronautical authorities of New Zealand directly to the competent aeronautical authorities of the United States.

ARTICLE IV—IMPORTATION OF CLASS II UNITS

The competent aeronautical authorities of New Zealand will approve the importation and use of Class II Units provided each Unit or shipment of like Units is accompanied by an Inspection Tag and by the technical data specified in the special requirements prescribed by the competent aeronautical authorities of New Zealand pursuant to Article III of this Arrangement.

As used in this Arrangement, the term "Inspection Tag" means a document signed by a qualified representative of the competent aeronautical authorities of the United States, certifying that at the time of issuance thereof, the specified Unit to which the tag is affixed has been inspected and approved as airworthy by such authorities.

ARTICLE V—IMPORTATION OF CLASS III UNITS

The competent aeronautical authorities of New Zealand will approve the importation and use of Class III Units provided each Unit or shipment of like Units is accompanied by a manufacturer's invoice which shall set forth

- (1) that such Units were manufactured for use with aircraft or aircraft components for which the competent aeronautical authorities of the United States issue Certificates of Airworthiness for Export;
- (2) that the Units are new and were manufactured in accordance with approved specifications, naming the applicable specifications;
- (3) full details of the conditions under which the Unit may be operated, such as permissible loads and information of like nature, if necessary; and
- (4) with respect to materials, their conformity with certain stated specifications and a report of tests of specimens taken from the material under consideration.

ARTICLE VI—COMPULSORY AND NONCOMPULSORY MODIFICATION

- (a) As used in this Arrangement, the term "compulsory modification" means a modification of an aircraft Unit required by the competent aero-

nautical authorities of the United States. The term "noncompulsory modification" means a modification approved, but not required, with respect to an aircraft Unit, by the competent aeronautical authorities of the United States.

(b) The competent aeronautical authorities of the United States shall arrange for the effective communication to the competent aeronautical authorities of New Zealand of the particulars of compulsory modifications affecting aircraft Units of such make and model as have been imported under this Arrangement.

(c) The competent aeronautical authorities of the United States shall, to the extent that they may from time to time deem practicable and desirable, advise the competent aeronautical authorities of New Zealand of the provisions of noncompulsory modifications affecting aircraft Units of such make and model as have been imported pursuant to this Arrangement.

ARTICLE VII—DIRECT CORRESPONDENCE

(a) The competent aeronautical authorities of each Party shall keep the competent aeronautical authorities of the other Party fully and currently informed of all their regulations in force in regard to the airworthiness of aircraft Units and any changes therein that may from time to time be made.

(b) In the event that, as a result of difficulties encountered in service (such as structural failure, etc.), the competent aeronautical authorities of New Zealand should suspend or prohibit the further operation of aircraft imported pursuant to the terms of this Arrangement, they shall promptly inform the competent aeronautical authorities of the United States of the nature of the difficulties encountered.

(c) The furnishing of the information required by this Arrangement and the notification of special requirements pursuant to Article III shall be communicated by the competent aeronautical authorities of one Party directly to the competent aeronautical authorities of the other Party. All questions of procedure to be followed in the application of the provisions of the present Arrangement shall be the subject of direct correspondence, whenever necessary, between the competent aeronautical authorities of the Parties.

ARTICLE VIII—TERMINATION

The present Arrangement shall be subject to termination by either Party upon six months' notice given in writing to the other Party.

I should be pleased if you would inform me whether your Government accepts the foregoing text as the text which was agreed to in the course

of the recent negotiations. If so, my Government suggests that the Arrangement become effective on March 1, 1940.

I have the honor to be, Sir,

Your obedient servant,

L. C. PINKERTON
American Consul General

The Right Honorable MICHAEL JOSEPH SAVAGE, P.C.,
*Prime Minister of the Dominion
of New Zealand,
Wellington.*

SPECIAL REQUIREMENTS SPECIFIED BY THE NEW ZEALAND AERONAUTICAL AUTHORITIES FOR THE IMPORTATION OF UNITED STATES AIRCRAFT AND AIRCRAFT COMPONENTS INTO THE DOMINION OF NEW ZEALAND AS OF MARCH 1, 1940²

1. (a) A Licence to Import, issued by the competent authorities of New Zealand, shall be required for each shipment of aircraft Units. With respect to Class I Units the License to Import, together with a Certificate of Compliance, must be produced at the time release is secured of such shipment of Class I Units from the customs authorities of New Zealand.

As used in this Arrangement, the term "Certificate of Compliance" means a document issued by the competent aeronautical authorities of the United States to a United States manufacturer certifying that a particular Class I Unit, produced by such manufacturer, complies with all of the special requirements for the importation of Class I Units into New Zealand.

(b) The prospective importer shall file a separate application for a License to Import with the competent aeronautical authorities of New Zealand for each shipment of aircraft Units. Such application shall be supported by full information:

(1) *With Respect to Each Complete Aircraft:*

- (i) The type of aircraft,
- (ii) The type of engine/s, and
- (iii) The type of propeller/s.,

(2) *With Respect to Other Aircraft Units or Shipments of Aircraft Units:*

- (i) The type of aircraft Unit, and
- (ii) The aircraft in which the Unit may be installed or used, if any,

² Subject to change. For definition of terms, see Arrangement between the United States of America and the Dominion of New Zealand relating to the importation into New Zealand of aircraft and aircraft units manufactured in the United States, effective March 1, 1940. [Footnote in original.]

CERTIFICATES OF AIRWORTHINESS—JAN. 30 AND FEB. 28, 1940 277

and will be considered by the New Zealand authorities at whose discretion the granting of a license remains.

(c) The actual License to Import will not be issued until the documents and technical data specified in special requirements 3 (a), (b), and (c) have been received from the United States manufacturer and approved by the competent aeronautical authorities of New Zealand.

(d) In cases which are considered to be of sufficient urgency, permission to anticipate the issue of a License to Import for a Class I Unit or Class II Unit which is the first of its make and model to be imported, or incorporates changes or modifications in a model previously imported into New Zealand, may be given subject to receipt by the competent aeronautical authorities of New Zealand of assurance from the manufacturer that the required information has actually been despatched, but the actual license will not be issued until the technical data relative to the make and model have been received.

(e) The competent aeronautical authorities of the United States will be advised directly by the competent aeronautical authorities of New Zealand of the issue or contemplated issue of a License to Import in respect to a Class I or a Class II Unit of American manufacture.

2. The competent aeronautical authorities of the United States shall furnish the following documents and data upon receipt of advice from the competent aeronautical authorities of New Zealand that a License to Import has been or will be issued:

(a) *With Respect to Each Class I Unit Imported into New Zealand:*

- (1) Certificate of Airworthiness for Export.
- (2) Loading schedule if applicable.

The competent aeronautical authorities of the United States shall issue Certificates of Airworthiness for Export under the Arrangement effective March 1, 1940, only in respect to new aircraft Units. For the purpose of this clause, no aircraft Unit shall be regarded as new if it has been flown or used in an aircraft in flight for more than fifty (50) hours before the date of shipment to New Zealand.

(b) *With Respect to the First Aircraft of Its Make and Model To Be Imported into New Zealand from the United States (in addition to the items listed in (a) above):*

- (1) Type flight test report.
- (2) Rigging information when applicable.
- (3) Three-view drawing, containing general dimensions.
- (4) Approved aircraft specification describing the aircraft limitations in detail and containing a list of approved standard and optional equipment.
- (5) A list of the approved drawings of the aircraft structure, including drawing numbers and titles.

(c) *With Respect to the First Aircraft of a Make and Model Previously Imported into New Zealand which Incorporates Changes or Modifications:*

- (1) Revised type of flight test report, if prepared.
- (2) Revised rigging information, if applicable.
- (3) Revised three-view drawing, if prepared.
- (4) Approved aircraft specifications showing the changes or modifications from the original specifications submitted for the model, pursuant to Special Requirement 2(b)(4).
- (5) Drawing list revised to show the changes and modifications from the original list submitted for the model, pursuant to Special Requirement 2(b)(5).

3. The United States manufacturers shall forward directly to the competent aeronautical authorities of New Zealand the following:

(a) *With Respect to the First Aircraft of Its Make and Model to be Imported into New Zealand from the United States:*

- (1) A complete set of drawings of the aircraft structure, showing dimensions and materials of all component parts, which drawings are contained on the list furnished by the United States authorities pursuant to the provisions of Special Requirement 2(b)(5).
- (2) A stress analysis summary showing for all members of the primary structure their design load, size, material, strength, and margin of safety.
- (3) Instruction manuals for the care and operation of the aircraft and its engine/s and propeller/s, if available.

(b) *With Respect to the First Aircraft of a Make and Model Previously Imported into New Zealand, which Incorporates Changes or Modifications:*

- (1) A complete set of drawings showing the changes and modifications in the original drawings of the model submitted pursuant to Special Requirement 3(a)(1).
- (2) A revised stress analysis summary if such changes and modifications have affected the primary structure.
- (3) Revised instruction manuals for the care and operation of the aircraft and its engines and propellers, if available.

(c) *With Respect to the First of Each Class I and Class II Unit to be Imported into New Zealand from the United States not as a Component of a Complete Aircraft:*

- (1) A set of specifications descriptive of the Unit, if not adequately included in data previously furnished for the aircraft in which the Unit may be installed or used.

- (2) A repair manual for the Unit, stating limits of accuracy, recommended overhaul times, and similar information, if such a manual has been issued, and if such information is not contained in data previously furnished for the complete aircraft in which the Unit may be installed or used.

(d) *With Respect to Each Class I Unit Imported into New Zealand:*

- (1) A Certificate of Compliance.
(2) Information in the nature of Service Bulletins, etc., issued from time to time by the manufacturer pertaining to such aircraft and aircraft Unit subsequent to the shipment thereof.

4. Aircraft, aircraft engines, propellers, and appliances of all descriptions shall comply fully either (1) with the applicable provisions of the following Parts of the Civil Air Regulations issued by the competent aeronautical authorities of the United States, as revised to May 31, 1938:

- Part 04—Airplane Airworthiness
Part 13—Aircraft Engine Airworthiness
Part 14—Aircraft Propeller Airworthiness
Part 15—Aircraft Equipment Airworthiness

or (2) with the requirements of said Parts of the Civil Air Regulations as revised to May 31, 1938 plus any or all further amendments or revisions thereof, provided that if the competent aeronautical authorities of New Zealand shall have notified the competent aeronautical authorities of the United States that any such amendments or revisions are not acceptable, or if such further amendments or revisions have not been communicated to the competent aeronautical authorities of New Zealand sixty (60) days prior to the date of shipment of the aircraft Unit, compliance with the amendments or revisions in question shall not entitle aircraft Units to be imported under these requirements.

5. Provisions shall be made in all aircraft for protection against the effect of static electricity while refueling.

6. Provision shall be made in all aircraft to prevent accidental or unauthorized operation of air controls and throttles, and to avoid accidental interference with the ignition switches and fuel shut-off valves.

7. The aircraft structure shall be investigated for and comply with the British center of pressure back (CPB) condition for normal category aircraft.

8. All engines shall be fitted with dual ignition.

9. All ignition switches of the "toggle" type shall be so arranged that ignition is "off" when the knob of the switch is in the downward position.

10. All filler openings in the fuel and oil systems shall be plainly marked with the capacity in imperial gallons and the word "fuel" and "oil" as the case may be. Fuel and oil gauges showing tank contents in gallons shall be calibrated in imperial gallons.

11. All flexible fuel lines forward of the fireproof bulkhead shall be of a fireproof type approved by the competent aeronautical authorities of the United States.

12. Oil lines carried forward of the fireproof bulkhead shall be provided with fireproof flexible joints of a type approved by the competent aeronautical authorities of the United States. In other parts of the oil system, joints shall be of a flexible type approved by the competent aeronautical authorities of the United States.

13. Valves and cocks in fuel lines shall be so arranged that the effect of vibration and/or gravity shall not cause the valve or cock to move to the "closed" or "off" position.

14. All New Zealand registration marks affixed to the aircraft prior to shipment from the United States shall be affixed in accordance with the requirements of the New Zealand Air Navigation Regulations, 1933.

15. A carburetor mixture control, if one is installed, shall be so connected to the throttle control that it will automatically return to the proper position for sea level flying when the throttle is closed.

The Prime Minister to the American Consul General

WELLINGTON,
28th. February, 1940

SIR:

I have the honour to acknowledge the receipt of your note of January 30th, 1940, requesting to be informed whether my Government accepts the text set forth in the note under acknowledgement as the text of the Arrangement between New Zealand and the United States relating to the importation into New Zealand of aircraft and aircraft components manufactured in the United States, which was agreed to in the course of the negotiations recently conducted by the Office of the Prime Minister with the Consulate General. The text as set forth in the note from the Consul General is as follows:

[For text of arrangement, see p. 272.]

I am glad to assure you that my Government accepts the foregoing text as the text which was agreed to by it in the course of the recent negotiations. My Government also accepts your Government's suggestion that the Arrange-

ment become effective on March 1, 1940, and will accordingly regard it as becoming effective on that date.

I have the honour to be Sir,

Your obedient servant,

P. FRASER
for the Prime Minister

L. C. PINKERTON, Esquire,

*Consul General of the United States of America,
Wellington, C. I.*

ADVANCEMENT OF PEACE

Treaty signed at Washington September 6, 1940, amending treaty of September 15, 1914, between the United States and the United Kingdom

Senate advice and consent to ratification November 26, 1940

Ratified by the President of the United States December 20, 1940

Ratified by the United Kingdom, in respect of New Zealand, April 28, 1941

Ratifications exchanged at Washington August 13, 1941

Entered into force August 13, 1941

Proclaimed by the President of the United States August 21, 1941

55 Stat. 1217; Treaty Series 976

The President of the United States of America and His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India, in respect of the Dominion of New Zealand, being desirous, in view of the present constitutional position and international status of New Zealand, to amend in their application to the Dominion of New Zealand certain provisions of the Treaty for the Advancement of Peace between the President of the United States of America and His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India, signed at Washington, September 15, 1914,¹ have for that purpose appointed as their plenipotentiaries:

The President of the United States of America:

Mr. Cordell Hull, Secretary of State of the United States of America; and

His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India, for the Dominion of New Zealand:

The Right Honorable the Marquess of Lothian, C.H., His Majesty's Ambassador Extraordinary and Plenipotentiary at Washington;

Who, having communicated to each other their respective full powers, found to be in proper form, have agreed upon and concluded the following articles:

¹ TS 602, *post*, vol. 12, UNITED KINGDOM.

ARTICLE I

Article II of the Treaty for the Advancement of Peace between the President of the United States of America and His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India, signed at Washington, September 15, 1914, is hereby superseded in respect of the Dominion of New Zealand by the following:

Insofar as concerns disputes arising in the relations between the United States of America and the Dominion of New Zealand, the International Commission shall be composed of five members to be appointed as follows: One member shall be chosen from the United States of America by the Government thereof; one member shall be chosen from the Dominion of New Zealand by the Government thereof; one member shall be chosen by each Government from some third country; the fifth member shall be chosen by agreement between the Government of the United States of America and the Government of the Dominion of New Zealand, it being understood that he shall be a citizen of some third country of which no other member of the Commission is a citizen. The expression "third country" means a country not under the sovereignty or authority of the United States of America nor under the sovereignty, suzerainty, protection or mandate of His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India. The expenses of the Commission shall be paid by the two Governments in equal proportions.

The International Commission shall be appointed within six months after the exchange of the ratifications of the present Treaty; and vacancies shall be filled according to the manner of the original appointment.

ARTICLE II

The second paragraph of Article III of the said Treaty of September 15, 1914, is hereby abrogated so far as concerns its application to disputes which are mainly those of the Dominion of New Zealand.

ARTICLE III

Except as provided in Articles I, II and IV of the present Treaty the stipulations of the said Treaty of September 15, 1914, shall be considered as an integral part of the present Treaty and shall be observed and fulfilled by the two Governments as if they were literally herein embodied.

ARTICLE IV

The present Treaty shall be ratified by the President of the United States of America by and with the advice and consent of the Senate thereof and by His Majesty in respect of the Dominion of New Zealand. It shall take

effect on the date of the exchange of the ratifications which shall take place at Washington as soon as possible. It shall continue in force for a period of five years; and it shall thereafter remain in force until twelve months after one of the High Contracting Parties has given notice to the other of an intention to terminate it.

On the termination of the present Treaty in accordance with the provisions of the preceding paragraph, the said Treaty of September 15, 1914, shall in respect of the Dominion of New Zealand cease to have effect.

In witness whereof the respective plenipotentiaries have signed the present Treaty and have affixed their seals thereto.

Done in duplicate at the City of Washington this sixth day of September, one thousand nine hundred and forty.

CORDELL HULL [SEAL]
LOTHIAN [SEAL]

LEND-LEASE¹

*Exchange of notes at Washington September 3, 1942
Entered into force September 3, 1942*

56 Stat. 1611; Executive Agreement Series 272

The New Zealand Minister to the Secretary of State

NEW ZEALAND LEGATION
Washington, D.C.

SIR:

As contracting parties to the United Nations Declaration of January 1, 1942,² the Governments of the United States of America and New Zealand pledged themselves to employ their full resources, military and economic, against those nations with which they are at war.

In the agreement of February 23, 1942,³ between the Governments of the United Kingdom and of the United States of America, the provisions and principles of which the Government of New Zealand considers applicable to its relations with the Government of the United States, each contracting Government undertook to provide the other with such articles, services, facilities or information useful in the prosecution of their common war undertaking as each may be in a position to supply.

It is the understanding of the Government of New Zealand that the general principle to be followed in providing such aid is that the war production and war resources of both nations should be used by each, in the ways which most effectively utilize available materials, manpower, production facilities and shipping space.

I now set forth the understanding of the Government of New Zealand of the principles and procedure applicable to the provision of aid by the Government of New Zealand to the armed forces of the United States and the manner in which such aid will be correlated with the maintenance of those forces by the United States Government.

1. While each Government retains the right of final decision, in the light of its own potentialities and responsibilities, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

¹ See also lend-lease settlement agreement of July 10, 1946 (TIAS 1536), *post*, p. 296.

² EAS 236, *ante*, vol. 3, p. 697.

³ EAS 241, *post*, vol. 12, UNITED KINGDOM.

2. As to financing the provision of such aid, within the fields mentioned below, it is my understanding that the general principle to be applied, to the point at which the common war effort is most effective, is that as large a portion as possible of the articles and services to be provided by each Government to the other shall be in the form of reciprocal aid so that the need of each Government for the currency of the other may be reduced to a minimum.

It is accordingly my understanding that the United States Government will provide, in accordance with the provisions of, and to the extent authorized under, the Act of March 11, 1941,⁴ the share of its production made available to New Zealand. The Government of New Zealand will provide on the same terms and as reciprocal aid so much of its production made available to the United States as it authorizes in accordance with the principles enunciated in this note.

3. The Government of New Zealand will provide the United States or its armed forces with the following types of assistance, as such reciprocal aid, when it is found that they can most effectively be procured in New Zealand.

(a) Military equipment, munitions and military and naval stores;
(b) Other supplies, materials, facilities and services for the United States forces, except for the pay and allowances of such forces, administrative expenses, and such local purchases as its official establishments may make other than through the official establishments of the Government of New Zealand as specified in Paragraph 4.

(c) Supplies, materials and services needed in the construction of military projects, tasks and similar capital works required for the common war effort in New Zealand, except for the wages and salaries of United States citizens.

(d) Supplies, materials and services needed in the construction of such military projects, tasks and capital works in territory other than New Zealand or territory of the United States to the extent that New Zealand is a more practicable source of supply than the United States or another of the United Nations.

4. The practical application of the principles formulated in this note, including the procedure by which requests for aid by either Government are made and acted upon, shall be worked out as occasion may require by agreement between the two Governments, acting when possible through their appropriate military or civilian administrative authorities.

5. It is my understanding that all such aid accepted by the President of the United States or his authorized representatives from the Government of New Zealand will be received as a benefit to the United States under the Act of March 11, 1941. In so far as circumstances will permit, appropriate

⁴ 55 Stat. 31.

record of aid received under this arrangement, except for miscellaneous facilities and services, will be kept by each Government.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two Governments in this matter.

I have the honour to be, Sir,
Your obedient servant,

W. NASH
Minister of New Zealand

SEPTEMBER 3, 1942.

The Honourable CORDELL HULL,
Secretary of State, United States Department of State,
Washington, D.C.

The Secretary of State to the New Zealand Minister

WASHINGTON
September 3, 1942

SIR:

I have the honor to acknowledge receipt of your note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of New Zealand to the armed forces of the United States of America.

In reply I have the honor to inform you that the Government of the United States of America likewise considers the provisions and principles contained in the agreement of February 23, 1942 between it and the Government of the United Kingdom as applicable to its relations with the Government of New Zealand. My Government agrees with the understanding of the Government of New Zealand as expressed in your note of today's date, and, in accordance with the suggestion contained therein, your note and this reply will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

Accept, Sir, the renewed assurances of my highest consideration.

CORDELL HULL
*Secretary of State of the United States
of America*

The Honorable
WALTER NASH,
Minister of New Zealand.

MILITARY SERVICE

Exchange of notes at Washington March 31, July 1, August 15, and September 30, 1942

Entered into force July 2, 1942

Terminated March 31, 1947¹

56 Stat. 1896; Executive Agreement Series 305

The Acting Secretary of State to the New Zealand Minister

DEPARTMENT OF STATE

WASHINGTON

March 31, 1942

SIR:

I have the honor to inform you that the Selective Training and Service Act of 1940,² as amended, provides that with certain exceptions every male citizen of the United States and every other male person residing in the United States between the ages of 18 and 65 shall register. The Act further provides that, with certain exceptions, registrants within specified age limits are liable for active military service in the United States armed forces.

This Government recognizes that from the standpoint of morale of the individuals concerned and the over-all military effort of the countries at war with the Axis Powers, it would be desirable to permit certain classes of individuals who have registered or who may register under the Selective Training and Service Act of 1940, as amended, to enlist in the armed forces of a co-belligerent country, should they desire to do so. It will be recalled that during the World War this Government signed conventions with certain associated powers on this subject. The United States Government believes, however, that under existing circumstances the same ends may now be accomplished through administrative action, thus obviating the delays incident to the signing and ratification of conventions.

This Government is prepared, therefore, to initiate a procedure which will permit aliens who have registered under the Selective Training and Service Act of 1940, as amended, who are nationals of co-belligerent countries and

¹ Upon termination of functions of U.S. Selective Service System (60 Stat. 341).

² 54 Stat. 885.

who have not declared their intention of becoming American citizens to elect to serve in the forces of their respective countries, in lieu of service in the armed forces of the United States, at any time prior to their induction into the armed forces of this country. Individuals who so elect will be physically examined by the armed forces of the United States, and if found physically qualified, the results of such examinations will be forwarded to the proper authorities of the co-belligerent nation for determination of acceptability. Upon receipt of notification that an individual is acceptable and also receipt of the necessary travel and meal vouchers from the co-belligerent government involved, the appropriate State Director of the Selective Service System will direct the local Selective Service Board having jurisdiction in the case to send the individual to a designated reception point for induction into active service in the armed forces of the co-belligerent country. If upon arrival it is found that the individual is not acceptable to the armed forces of the co-belligerent country, he shall be liable for immediate induction into the armed forces of the United States.

Before the above-mentioned procedure will be made effective with respect to a co-belligerent country, this Department wishes to receive from the diplomatic representative in Washington of that country a note stating that his government desires to avail itself of the procedure and in so doing agrees that:

(a) No threat or compulsion of any nature will be exercised by his government to induce any person in the United States to enlist in the forces of any foreign government;

(b) Reciprocal treatment will be granted to American citizens by his government; that is, prior to induction in the armed forces of his government they will be granted the opportunity of electing to serve in the armed forces of the United States in substantially the same manner as outlined above. Furthermore, his government shall agree to inform all American citizens serving in its armed forces or former American citizens who may have lost their citizenship as a result of having taken an oath of allegiance on enlistment in such armed forces and who are now serving in those forces that they may transfer to the armed forces of the United States provided they desire to do so and provided they are acceptable to the armed forces of the United States. The arrangements for effecting such transfers are to be worked out by the appropriate representatives of the armed forces of the respective governments.

(c) No enlistments will be accepted in the United States by his government of American citizens subject to registration or of aliens of any nationality who have declared their intention of becoming American citizens and are subject to registration.

This Government is prepared to make the proposed regime effective immediately with respect to New Zealand upon the receipt from you of a note

stating that your government desires to participate in it and agrees to the stipulations set forth in lettered paragraphs (a), (b), and (c) above.

Accept, Sir, the renewed assurances of my highest consideration.

SUMNER WELLES
Acting Secretary of State

The Honorable
WALTER NASH,
Minister of New Zealand.

The New Zealand Minister to the Under Secretary of State

NEW ZEALAND LEGATION
WASHINGTON, D.C.
July 1, 1942

SIR,

I have the honour to acknowledge receipt of your letter dated March 31, in reference to the Selective Training and Service Act of 1940, as amended, and in reply have to inform you that His Majesty's Government in New Zealand desires to participate in the proposals and stipulations of the United States Government as set forth in your communication now under reply and agrees to adopt reciprocal arrangements whereby subjects liable for military service and resident in the United States may elect to serve in their own countries.

Accept, Sir, the renewed assurances of my highest consideration.

Yours sincerely,
W. NASH
Minister of New Zealand

Mr. SUMNER WELLES,
Under Secretary of State,
Department of State,
Washington, D.C.

The Secretary of State to the New Zealand Chargé d'Affaires ad interim

DEPARTMENT OF STATE
WASHINGTON
August 15, 1942

SIR:

I acknowledge the receipt of your Legation's note of July 1, 1942, in which reference is made to the Department's note of March 31, 1942 proposing an

arrangement concerning the induction of nationals of one country in the armed forces of the other. You state that His Majesty's Government in New Zealand desires to participate in the proposals and stipulations of this Government as set forth in the Department's note of March 31, 1942 and agrees to adopt reciprocal arrangements whereby subjects liable for military service and resident in the United States may elect to serve in their own countries.

The competent authorities of this Government consider your note to contain satisfactory assurances concerning the points raised in the Department's note of March 31, 1942. Accordingly, the arrangement is now considered as being in effect.

The Selective Service System expresses the view that all arrangements relating to the matter will be identical with those now in effect in regard to Canada, which are detailed in a Memorandum to All State Directors (I-422), a copy of which is enclosed.³ Major Sherrow G. Parker, of the National Headquarters, Selective Service System, will be available to discuss any details of the arrangement.

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State:

G. HOWLAND SHAW

Enclosure:

Memorandum to All State
Directors (I-422).

Mr. GEOFFREY S. COX,
Charge d'Affaires ad interim of New Zealand.

The Secretary of State to the New Zealand Minister

DEPARTMENT OF STATE

WASHINGTON

September 30, 1942

SIR:

I have the honor to refer to the arrangement between New Zealand and the United States concerning the services of nationals of one country in the armed forces of the other country, and to inform you that the War Department is prepared to discharge, for the purpose of transferring to the armed forces of their own country, nondeclarant New Zealand nationals now serving in the United States forces who have not heretofore had an opportunity of electing to serve in the forces of their own country, under the same conditions existing for the transfer of American citizens from the New Zealand forces.

³ Not printed here.

The Inter-Allied Personnel Board of the War Department, which is headed by Major General Guy V. Henry, is prepared to make the necessary arrangements for the contemplated transfers, and to discuss matters related thereto. In the case of a person serving outside the United States, however, the commanding officer of the theater of operations in which he may be serving is the proper authority to arrange the release.

Accept, Sir, the renewed assurances of my highest consideration.

For the Secretary of State:

BRECKINRIDGE LONG

The Honorable

WALTER NASH,

Minister of New Zealand.

JURISDICTION OVER PRIZES

Exchange of notes at Wellington November 3, 1942, and January 28, 1943

Reciprocity proclaimed by the President of the United States April 1, 1943¹

Entered into force April 1, 1943

Expired at conclusion of World War II

59 Stat. 1301; Executive Agreement Series 454

The American Chargé d'Affaires ad interim to the Prime Minister

LEGATION OF THE
UNITED STATES OF AMERICA
Wellington, New Zealand
November 3, 1942

SIR:

I have the honor to refer to my note dated February 21, 1942 and to your note dated April 13, 1942 in reply with regard to changes under consideration by my Government concerning vessels taken as prizes by United States Naval forces in foreign waters far from a United States port.

The changes in prize court procedure proposed by my Government are contained in Public Law 704—77th Congress, an Act to facilitate the disposition of prizes captured by the United States during the present war, and for other purposes, which was approved on August 18, 1942. A copy of the Act is enclosed.²

Section 3 of the Act provides that the authority contained in the Act shall not be exercised over prizes brought into the territorial waters of a cobelligerent, and that prizes shall not be taken or appropriated within such territorial waters for the use of the United States unless the government having jurisdiction over such territorial waters consents thereto.

Section 5 of the Act provides for the exercise abroad by special prize commissioners of the duties prescribed for such commissioners and such

¹ 57 Stat. 736.

² See 56 Stat. 746; not printed here.

additional duties as the district courts of the United States may deem necessary or proper for carrying out the purposes of the Act. The duties of prize commissioners are set out in Title 34, U.S.C., Section 1138, which reads as follows:

"§ 1138. Duties of prize commissioners. The prize commissioners, or one of them, shall receive from the prize master the documents and papers, and inventory thereof, and shall take the affidavit of the prize master required by section 1134 of this title, and shall forthwith take the testimony of the witnesses sent in, separate from each other, on interrogatories prescribed by the Court, in the manner usual in prize courts; and the witnesses shall not be permitted to see the interrogatories, documents, or papers, or to consult with counsel, or with any persons interested without special authority from the court; and witnesses who have the rights of neutrals shall be discharged as soon as practicable. The prize commissioners shall also take depositions *de bene esse* of the prize crew and others, at the request of the district attorney, on interrogatories prescribed by the court. They shall also, as soon as any prize property comes within the district for adjudication, examine the same, and make an inventory thereof, founded on an actual examination, and report to the court whether any part of it is in a condition requiring immediate sale for the interests of all parties, and notify the district attorney thereof; and if it be necessary to the examination or making of the inventory that the cargo be unladen, they shall apply to the court for an order to the marshal to unlade the same, and shall, from time to time, report to the court anything relating to the condition of the property, or its custody or disposal, which may require any action by the court, but the custody of the property shall be in the marshal only. They shall also seasonably return into court, sealed and secured from inspection, the documents and papers which shall come to their hands, duly scheduled and numbered, and the other preparatory evidence, and the evidence taken *de bene esse*, and their own inventory of the prize property; and if the captured vessel, or any of its cargo or stores, are such as in their judgment may be useful to the United States in war, they shall report the same to the Secretary of the Navy."

I have been instructed by my Government to request the Government of New Zealand, in view of the above provisions of law, to give its consent to the exercise within its jurisdiction of the authority contained in the Act. Upon the receipt of such consent, appropriate measures will be taken by my Government in accordance with Section 7 of the Act to accord reciprocal privileges in prize matters to the Government of New Zealand. I would therefore be grateful to have the reply of the Government of New Zealand

in this matter at as early a moment as possible for communication to my Government.

I have the honor to be, Sir
Your obedient servant,

RAYMOND E. COX
Chargé d'Affaires a.i.

Enclosure—cited.

The Right Honorable
PETER FRASER,
*Prime Minister of the Dominion of New Zealand,
Wellington.*

The Prime Minister to the American Chargé d'Affaires ad interim

DOMINION OF NEW ZEALAND
PRIME MINISTER'S OFFICE
WELLINGTON
28th January, 1943

SIR,

I have the honour to acknowledge the receipt of your note of November 3rd requesting the consent of the New Zealand Government to the exercise within its jurisdiction of the authority contained in the cited Public Law 704—77th Congress and offering, upon receipt of such consent, reciprocal privileges in prize matters.

I note that the cited Act is described as "an act to facilitate the disposition of prizes captured by the United States during the present war, and for other purposes". I take it that the arrangement will, therefore, apply for the period of the co-belligerency of the United States of America and of the Dominion of New Zealand, and for such period thereafter as may be necessary to conclude current cases.

I have to advise that consent is given, as requested, to the exercise in the Dominion of New Zealand and its dependencies, including Territorial Waters, of the authority contained in the Act, and to advise that the reciprocal privileges offered would be appreciated.

I have the honour to be, Sir,
Your obedient servant,

P. FRASER
Prime Minister

RAYMOND E. COX Esq.,
Chargé d'Affaires a.i.,
*Legation of the United States of America,
Wellington, C.I.*

LEND-LEASE SETTLEMENT

*Agreement signed at Washington July 10, 1946
Entered into force July 10, 1946*

60 Stat. 1791; Treaties and Other
International Acts Series 1536

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF NEW ZEALAND ON SETTLEMENT FOR LEND-LEASE AND RECIPROCAL AID, SURPLUS WAR PROPERTY, AND CLAIMS

The Government of the United States of America and the Government of New Zealand have reached agreement as set forth below regarding settlement for lend-lease and reciprocal aid, for certain surplus war property, and for the financial claims of each Government against the other arising as a result of World War II. This settlement is complete and final. Both Governments, in arriving at this settlement, have taken full cognizance of the benefits already received by them in the defeat of their common enemies, and of the aid furnished by each Government to the other in the course of the war. No further benefits will be sought as consideration for lend-lease and reciprocal aid, for surplus war property covered by this Agreement, or for the settlement of other financial claims arising as a result of World War II, except as herein specifically provided.

I

LEND-LEASE AND RECIPROCAL AID

1. (a) The term "lend-lease article" as used in this Agreement means any article heretofore transferred by the Government of the United States under the Act of March 11, 1941¹

- (1) to the Government of New Zealand, or
- (2) to any other government and heretofore retransferred to the Government of New Zealand.

(b) The term "reciprocal aid article" as used in this Agreement means any article heretofore transferred by the Government of New Zealand to the Government of the United States under reciprocal aid.

¹ 55 Stat. 31.

2. In recognition of the mutual benefits received by the two Governments from the interchange of lend-lease and reciprocal aid, neither Government will be required to make any payment to the other for lend-lease and reciprocal aid articles and services used in the achievement of the common victory.

3. (a) The Government of New Zealand hereby acquires, and shall be deemed to have acquired as of September 2, 1945, full title, without qualification as to disposition or use, to all lend-lease articles in the possession of the Government of New Zealand, its agents or transferees, on September 2, 1945, and not subsequently returned to the Government of the United States, other than lend-lease articles which on that date were in the possession of the armed forces of the Government of New Zealand.

(b) The Government of New Zealand hereby acquires, and shall be deemed to have acquired as of the date of loading on board ocean vessel for shipment to New Zealand, full title, without qualification as to disposition or use, to all lend-lease articles transferred to the Government of New Zealand on or after September 2, 1945, pursuant to lend-lease requisitions filed by the Government of New Zealand, and not subsequently returned to the Government of the United States, which articles constituted the lend-lease pipeline for the Government of New Zealand and in respect of which no further deliveries remain to be made.

(c) The Government of New Zealand hereby acquires, and shall be deemed to have acquired as of the date of delivery to the custody of the Government of New Zealand, full title, without qualification as to disposition or use, to all lend-lease articles, other than arms, ammunition and other lethal weapons, in addition to the articles covered by sub-paragraph (b) hereof, transferred to the Government of New Zealand between September 2, 1945, and December 31, 1945, both dates inclusive, and not subsequently returned to the Government of the United States.

(d) In consideration of the mutual undertakings of this Agreement, no payment shall be required from the Government of New Zealand with respect to the articles covered by sub-paragraphs (a), (b) and (c) hereof.

4. (a) The Government of the United States hereby acquires, and shall be deemed to have acquired as of September 2, 1945, full title, without qualification as to disposition or use, to all reciprocal aid articles in the possession of the Government of the United States, its agents or transferees, on September 2, 1945, and not subsequently returned to the Government of New Zealand, other than reciprocal aid articles which on that date were in the possession of the armed forces of the Government of the United States.

(b) The Government of the United States hereby acquires, and shall be deemed to have acquired as of the date of delivery to United States depot in New Zealand, or of loading aboard ocean vessel for shipment from New Zealand, whichever is the earlier, full title, without qualification as to disposition or use, to all reciprocal aid articles transferred to the Government

of the United States between September 2, 1945, and December 31, 1945, both dates inclusive, and not subsequently returned to the Government of New Zealand, which articles constituted the reciprocal aid pipeline for the Government of the United States and in respect of which no further deliveries remain to be made.

(c) The Government of the United States hereby acquires, and shall be deemed to have acquired as of the date of delivery to the custody of the Government of the United States, full title, without qualification as to disposition or use, to all reciprocal aid articles, other than arms, ammunition and other lethal weapons, in addition to the articles covered by sub-paragraph (b) hereof, transferred to the Government of the United States between September 2, 1945, and December 31, 1945, both dates inclusive, and not subsequently returned to the Government of New Zealand.

(d) In consideration of the mutual undertakings of this Agreement, no payment shall be required from the Government of the United States with respect to articles covered by sub-paragraphs (a), (b) and (c) hereof.

5. (a) The Government of the United States, with respect to lend-lease articles, and the Government of New Zealand, with respect to reciprocal aid articles, reserve a right to recapture, at any time after September 1, 1945, any such articles other than those to which title is passed pursuant to paragraphs 3 and 4 hereof, which are now in the possession of the armed forces of the other Government and, as of the date upon which notice requesting return is communicated to the other Government, are in the possession of or under the control of such other Government, although neither Government intends to exercise generally this right of recapture. Where either Government wishes from time to time to exercise this right of recapture, such Government will give reasonable notice of its intention and, without limiting the right of recapture, will provide full opportunity to the other Government for discussion of that Government's need for the articles in question.

(b) The Government of New Zealand may, except as provided in paragraph 8 hereof, divert any such lend-lease articles covered by paragraph 5 (a) hereof to any uses in or outside of New Zealand or its territories, but will not, without the prior consent of the Government of the United States and without payment of any proceeds to the Government of the United States, transfer to any third country any such lend-lease articles in the categories of arms, ammunition and other lethal weapons.

(c) The Government of the United States may divert any such reciprocal aid articles covered by paragraph 5(a) hereof to any uses in or outside of the United States, its territories or possessions, but will not, without the prior consent of the Government of New Zealand and without payment of any proceeds to the Government of New Zealand, transfer to any third country any such reciprocal aid articles in the categories of arms, ammunition and other lethal weapons.

(d) The Government of the United States, with respect to vessels transferred to the United States Navy under reciprocal aid, and the Government of New Zealand, with respect to vessels transferred by the United States Navy under lend-lease, will, unless otherwise agreed, each return to the other Government any such vessels in the possession of the recipient Government on the date when the request for return is communicated to such Government.

6. Both Governments agree that, when they dispose of articles acquired pursuant to paragraphs 3 and 4 hereof, they will use their best endeavors to avoid discrimination against the legitimate interests of the manufacturers or producers of such articles, or their agents or distributors, in each country.

II

SURPLUS WAR PROPERTY

7. The Government of New Zealand, in consideration of the value of surplus non-combat lend-lease aircraft and related spares diverted to civilian use, and of the other surplus property covered by the contract between the Government of the United States and the Government of New Zealand dated December 18, 1945,² as amended in this Agreement, and in order to further educational and cultural relationships between the two countries by means of scholarships or otherwise in a manner mutually agreeable, will pay to the Government of the United States the value of such aircraft and related spares and surplus property as provided in paragraphs 8 and 9 hereof, by any of the following methods or any combination thereof designated by the Government of the United States, employing in every case the rate of 3.2442 United States dollars to one New Zealand pound:

- (i) (a) by delivery of title to the Government of the United States by the Government of New Zealand of such real property and improvements to real property in New Zealand as may be selected and determined by agreement between the two Governments, aggregating in value not more than \$1,200,000;
(b) by establishment of a fund in New Zealand pounds, equivalent to not more than the remaining amount due to the Government of the United States hereunder, for expenditure in accordance with agreements to be reached between the two Governments for carrying out educational and cultural programs of benefit to the two countries;
- (ii) by delivery to the Government of the United States of such other property or services in New Zealand as may be selected and determined by agreement between the two Governments, aggregating in value not more than such part of the amount due to the Government of the United States as may not have been expended under the provisions of sub-paragraphs (i)(a) and (i)(b) hereof;
- (iii) in the event that, after three years from the date of this Agreement the two Governments have been unable to agree that the purposes

² Not printed.

described in sub-paragraphs (i) and (ii) above hereof can be carried out to the full extent now contemplated, any residue will be paid by the Government of New Zealand to the Government of the United States in United States dollars.

8. The Government of New Zealand will not divert to any civilian use any lend-lease non-combat aircraft or related spares in the possession of the Government of New Zealand except those acquired by the Government of New Zealand pursuant to separate agreement or agreements of sale between the two Governments. The Government of the United States will accept the return of, and will declare as surplus, all lend-lease non-combat aircraft and related spares now in the possession of the Government of New Zealand which may be selected by the Government of New Zealand for diversion to civilian use. The Government of the United States will sell and the Government of New Zealand will purchase such aircraft and related spares under the terms and conditions of the contract dated December 18, 1945, described and amended in paragraph 9 hereof. The consideration for any such sales shall be calculated at the world disposal prices as determined by the Government of the United States for aircraft and related spares of the types covered by such sales. Payment for any such aircraft and related spares shall be made in accordance with paragraphs 7 and 9 of this Agreement.

9. In the contract dated December 18, 1945, the Government of the United States agreed to sell and the Government of New Zealand agreed to purchase certain surplus property described therein up to a total value of four million dollars. The terms and conditions of that contract shall remain in full force with the following amendments:

(a) additional schedules listing non-combat aircraft and related spares and meteorological, communication, navigational and other airport articles and equipment shall be added to the contract;

(b) the amount of four million dollars shall be increased by an amount up to \$750,000 to cover the value of non-combat aircraft and related spares and by a further amount sufficient to cover the value of the meteorological, communication, navigational and other airport articles and equipment described in sub-paragraph (a) hereof;

(c) in lieu of the method of payment provided for in that contract, payment shall be made in accordance with paragraph 7 of this Agreement.

III

OTHER FINANCIAL CLAIMS

10. (a) The Government of New Zealand hereby assumes responsibility for the settlement and payment of all claims against the Government of the United States or members of the armed forces of the Government of the United States, arising from acts or omissions of members of the armed

forces of the Government of the United States occurring in New Zealand before June 30, 1946.

(b) The following financial claims between the two Governments, arising out of existing arrangements in which the liability for payment has heretofore been acknowledged and the method of computation mutually agreed upon, are not covered by this settlement, as they will be settled in accordance with such arrangements:

- (i) Claims by either Government arising out of lend-lease requisitions filed by the Government of New Zealand in which the Government of New Zealand agreed to make direct cash reimbursement to the Government of the United States for the material therein requisitioned and at the time of filing such requisitions deposited with the Government of the United States the estimated cost of such material;
- (ii) Claims arising out of the agreement by the Government of the United States to pay the Government of New Zealand for the articles and services furnished by the Government of New Zealand to the Government of the United States not eligible for reciprocal aid, and for the articles and services furnished by the Government of New Zealand to the Government of the United States after December 31, 1945.

(c) In consideration of the mutual undertakings described in this Agreement, and with the objective of arriving at as comprehensive a settlement as possible and of obviating protracted negotiations between the two Governments, all other financial claims whatsoever of one Government against the other which arose out of lend-lease or reciprocal aid or otherwise arose on or after September 3, 1939, and prior to September 2, 1945, out of or incidental to the conduct of World War II, and which are not otherwise dealt with in this Agreement, are hereby waived, and neither Government will hereafter raise or pursue any such claims against the other.

11. This Agreement shall take effect on the date of signature. Signed at Washington in duplicate this 10th day of July, 1946.

For the Government of the United States of America:

DEAN ACHESON

*Acting Secretary of State
of the United States of America*

For the Government of New Zealand:

W. NASH

*Minister of Finance
of the Government of New Zealand*

AIR TRANSPORT SERVICES

*Agreement signed at Washington December 3, 1946, with annex
Entered into force December 3, 1946*

*Supplemented by agreement of December 30, 1960, as amended and
extended¹*

Superseded by agreement of June 24, 1964²

61 Stat. 2453; Treaties and Other
International Acts Series 1573

AIR TRANSPORT AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF NEW ZEALAND

The Government of the United States of America and the Government of New Zealand,

Desiring to conclude an Agreement for the purpose of promoting direct air services as rapidly as possible between their respective territories,

Have accordingly appointed authorized representatives for this purpose, who have agreed as follows:

ARTICLE I

For the purpose of this Agreement and its Annex unless the context otherwise requires:

(A) The term "territory" shall mean in respect of either Contracting Party the land areas and territorial waters adjacent thereto under the sovereignty, suzerainty, protection, mandate, or trusteeship of such Party.

(B) The term "aeronautical authorities" shall mean in the case of New Zealand the Minister in Charge of Civil Aviation, and in the case of the United States the Civil Aeronautics Board, and in both cases any person or body authorized by the respective Contracting Parties to perform the functions presently exercised by the above-mentioned authorities.

(C) The term "designated airline" shall mean the air transport enterprise or enterprises which the aeronautical authorities of one of the Contracting Parties have notified in writing to the aeronautical authorities of

¹ 11 UST 2563, 12 UST 880, 13 UST 1309, 14 UST 900; TIAS 4645, 4789, 5085, 5374.

² 15 UST 1362; TIAS 5605.

the other Contracting Party as the airline designated by the first Contracting Party in accordance with Article III of this Agreement for the route specified in such notification.

(D) The terms "airline" and "route" shall be deemed to include "airlines" and "routes" respectively.

(E) The definitions contained in paragraphs (a), (b), and (d) of Article 96 of the Convention on International Civil Aviation signed at Chicago on December 7, 1944³ shall apply.

(F) The term "National of New Zealand" shall mean

- (i) The Government of New Zealand or a British subject who is ordinarily resident in New Zealand or
- (ii) A partnership comprised entirely of a number of such subjects or of one or more of such subjects and the Government of New Zealand or
- (iii) A corporation or association created or organized under the laws of New Zealand or of any Territory thereof and which is substantially owned and effectively controlled by the Government of New Zealand or by such subjects or by both such Government and one or more of such subjects.

(G) The term "National of Australia" shall mean

- (i) The Government of Australia or a British subject who is ordinarily resident in Australia or
- (ii) A partnership comprised entirely of a number of such subjects or of one or more of such subjects and the Government of Australia or
- (iii) A corporation or association created or organized under the laws of Australia or of any State or Territory thereof and which is substantially owned and effectively controlled by the Government of Australia or by such subjects or by both such Government and one or more of such subjects.

(H) The term "National of the United States" shall mean a citizen of the United States within the meaning of the Civil Aeronautics Act of 1938,⁴ as amended.

ARTICLE II

Each Contracting Party grants to the other Contracting Party right to the extent described in the Annex to this Agreement for the purpose of the establishment of the international air services set forth in that Annex, or as amended in accordance with Article XI of the present Agreement (hereinafter referred to as the "agreed services").

³ TIAS 1591, *ante*, vol. 3, p. 969.

⁴ 52 Stat. 973.

ARTICLE III

(A) The agreed services may be inaugurated immediately or at a later date at the option of the Contracting Party to whom the rights are granted, but not before:

(1) The Contracting Party to whom the rights have been granted shall have designated an airline for the specified route;

(2) The Contracting Party which grants the rights shall have given the appropriate operating permission to the the airline concerned which (subject to the provision of paragraph (B) of this Article and of Article VII) it shall do with the least possible delay.

(B) The designated airline may be required to satisfy the aeronautical authorities of the Contracting Party granting the rights that it is qualified to fulfill the conditions prescribed by or under the laws and regulations normally applied by those authorities to the operations of international commercial air services.

ARTICLE IV

(A) The charges which either of the Contracting Parties may impose or permit to be imposed on the designated airline of the other Contracting Party for the use of airports and other facilities shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(B) Subject to paragraph (C) of this Article, aircraft of the designated airline of one Contracting Party operating on the agreed services, as well as fuel, lubricating oils, and spare parts introduced into or taken on board aircraft in the territory of the second Contracting Party by or on behalf of the designated airline of the other Contracting Party and intended solely for use by the aircraft of such airline, shall be accorded with respect to customs duties, inspection fees, or other charges imposed in the territory of the second Contracting Party treatment not less favorable than that granted to national airlines engaged in international air transport or the airlines of any other nation.

(C) Aircraft of the designated airline of one Contracting Party operating on the agreed services on a flight to, from, or across the territory of the other Contracting Party shall be admitted temporarily free from customs duties, subject otherwise to the customs regulations of such other Contracting Party. Supplies of fuel, lubricating oils, spare parts, regular equipment, and aircraft stores retained on board aircraft of the designated airline of one Contracting Party shall be exempt in the territory of the other Contracting Party from customs duties, inspection fees, or similar duties or charges, even though such supplies be used by such aircraft on flights in that territory.

(D) Each of the designated airlines shall have the right to use all airports, airways, and other facilities provided by the Contracting Parties for use by international air services on the specified routes.

(E) Each Contracting Party shall grant equal treatment to its own designated airline and that of the other Contracting Party in the administration of its customs, immigration, quarantine, and similar regulations.

ARTICLE V

Certificates of airworthiness, certificates of competency, and licenses issued or rendered valid by one Contracting Party and still in force shall be recognized as valid by the other Contracting Party for the purpose of operation of the agreed services. Each Contracting Party reserves the right, however, to refuse to recognize for the purpose of flight above its own territory certificates of competency and licenses granted to its own nationals by the other Contracting Party or by another State.

ARTICLE VI

(A) The laws and regulations of one Contracting Party relating to entry into or departure from its territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft while within its territory shall apply to aircraft of the designated airline of the other Contracting Party.

(B) The laws and regulations of one Contracting Party relating to the entry into, sojourn in, and departure from its territory of passengers, crew, or cargo of aircraft (such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine) shall be applicable to the passengers, crew, or cargo of the aircraft of the designated airline of the other Contracting Party while in the territory of the first Contracting Party.

ARTICLE VII

(A) Each Contracting Party reserves the right to itself to withhold or revoke the certificate or permit of an airline designated by the other Contracting Party if it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of the other Contracting Party, or in nationals of New Zealand and of Australia with respect to an airline designated by New Zealand. Each Contracting Party also reserves the right to itself to withhold or revoke, or impose such appropriate conditions as it may deem necessary with respect to, any certificate or permit in case of failure by the designated airline of the other Contracting Party to comply with the laws and regulations of the first Contracting Party or in case, in the judgment of the first Contracting Party, there is failure to fulfill the conditions under which the rights are granted pursuant to this Agreement. In the event of

action by one Contracting Party under this Article the rights of the other Contracting Party under Article IX shall not be prejudiced.

(B) Prior to exercising the right conferred in paragraph (A) of this Article to withhold or revoke, or to impose conditions with respect to, any certificate or permit issued to the designated airline of the other Contracting Party, the Contracting Party desiring to exercise such right shall give notice thereof to the other Contracting Party and simultaneously to the designated airline concerned. Such notice shall state the basis of the proposed action and shall afford opportunity to the other Contracting Party to consult in regard thereto. Any revocation or imposition of conditions shall become effective on the date specified in such notice (which shall not be less than one calendar month after the date on which the notice would in the ordinary course of transmission be received by the Contracting Party to whom it is addressed) unless the notice is withdrawn before such date.

ARTICLE VIII

(A) In a spirit of close collaboration the aeronautical authorities of the two Contracting Parties will consult regularly with a view to assuring the observance of the principles and the implementation of the provisions outlined in this Agreement and its Annex.

(B) In the event of the aeronautical authorities of either Contracting Party failing or ceasing to publish information in relation to the agreed services on lines similar to that included in the Airline Traffic Surveys (Station to Station and Origination and Destination) now published by the Civil Aeronautics Board and failing or ceasing to supply such data of this character as may be required by the Provisional International Civil Aviation Organization or its successor, the aeronautical authorities of such Contracting Party shall supply, on the request of the aeronautical authorities of the other Contracting Party, such information of that nature as may be requested.

ARTICLE IX

Any dispute between the Contracting Parties relating to the interpretation or application of this Agreement or its Annex which cannot be settled through consultation shall be referred for an advisory report to the Interim Council of the Provisional International Civil Aviation Organization (in accordance with the provisions of Article III, Section 6(8) of the Interim Agreement on International Civil Aviation signed at Chicago on December 7, 1944)⁵ or its successor, and the executive authorities of each Contracting Party will

⁵ EAS 469, *ante*, vol. 3, p. 934.

use their best efforts under the powers available to them to put into effect the opinion expressed in such report.

ARTICLE X

This Agreement shall be registered by both Contracting Parties with the United Nations and shall also be registered, together with all relative contracts, with the Provisional International Civil Aviation Organization set up by the Interim Agreement on International Civil Aviation signed at Chicago December 7, 1944 or its successor.

ARTICLE XI

(A) If a general multilateral air transport convention enters into force in relation to both Contracting Parties, the present Agreement shall be amended so as to conform with the provisions of such convention.

(B) Either Contracting Party may at any time request consultation with the other with a view to initiating any amendments of this Agreement or its Annex which may be desirable in the light of experience.

(C) If either of the Contracting Parties considers it desirable to modify the terms of the Annex to this Agreement, it may request consultation between the aeronautical authorities of both Contracting Parties, and such consultation shall begin within a period of sixty days from the date of the request. When these authorities agree on modifications to the Annex, these modifications will come into effect when they have been confirmed by the Contracting Parties by an exchange of notes through the diplomatic channel.

ARTICLE XII

It shall be open to either Contracting Party at any time to give notice to the other of its desire to terminate this Agreement. Such notice shall be simultaneously communicated to the Provisional International Civil Aviation Organization or its successor. If such notice is given, this Agreement shall terminate twelve calendar months after the date of receipt of the notice by the other Contracting Party unless the notice to terminate is withdrawn by agreement before the expiry of this period. In the absence of acknowledgment by the other Contracting Party specifying an earlier date of receipt, notice shall be deemed to have been received fourteen days after the receipt of the notice by the Provisional International Civil Aviation Organization or its successor.

ARTICLE XIII

This Agreement, including the provisions of the Annex thereof, will come into force on the day it is signed.

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

Done in duplicate at Washington, this third day of December, 1946.

For the Government of the United States of America:
DEAN ACHESON

For the Government of New Zealand:
C. A. BERENDSEN
JOHN S. REID

ANNEX

SECTION I

The airline of the United States of America designated pursuant to the present Agreement is accorded rights of transit and of stop for non-traffic purposes in the territory of New Zealand, as well as the right to pick up and discharge international traffic in passengers, cargo, and mail at Auckland, on the following route:

The United States via Honolulu, Canton Island, the Fiji Islands, New Caledonia (optional), to Auckland; in both directions.

This service shall terminate at Auckland.

SECTION II

The airline of New Zealand designated pursuant to the present Agreement is accorded rights of transit and of stop for non-traffic purposes in the territory of the United States of America, as well as the right to pick up and discharge international traffic in passengers, cargo, and mail at Honolulu and San Francisco, on the following route:

New Zealand via the Fiji Islands, Canton Island, Honolulu, to San Francisco, and (optional) beyond to Vancouver; in both directions.

SECTION III

It is agreed between the Contracting Parties:

(A) That the two Governments desire to foster and encourage the widest possible distribution of the benefits of air travel for the general good of mankind at the cheapest rates consistent with sound economic principles, and desire to stimulate international air travel as a means of promoting friendly understanding and good will among peoples and insuring as well the many indirect benefits of this new form of transportation to the common welfare of both countries.

(B) The designated airlines of the two Contracting Parties operating on the routes described in this Annex shall enjoy fair and equal opportunity for the operation of the agreed services. If the designated airline of one Contracting Party is temporarily unable, as a result of the war or for reasons within the control of the other Contracting Party, to take advantage of such opportunity, the Contracting Parties shall review the situation with the object of assisting the said airline to take full advantage of the fair and equal opportunity to participate in the agreed services.

(C) That in the operation by the designated airline of either Contracting Party of the trunk services described in the present Annex, the interests of any airline of the other Contracting Party shall be taken into consideration so as not to affect unduly the services which the latter provides on all or part of the same route.

(D) That the total air transport services offered by the designated airlines of the two Contracting Parties over the routes specified in this Annex shall bear a close relationship to the requirements of the public for such services.

(E) That the services provided by each designated airline under this Agreement and its Annex shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country which designates such airline and the country of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the route specified in the Annex to this Agreement shall be applied in accordance with the general principles of orderly development to which both Governments subscribe and shall be subject to the general principle that capacity should be related:

- (a) to traffic requirements between the country of origin and the countries of destination;
- (b) to the requirements of through airline operation; and
- (c) to the traffic requirements of the area through which the airline passes after taking account of local and regional services.

SECTION IV

(A) The determination of rates in accordance with the following paragraphs shall be made at reasonable levels, due regard being paid to all relevant factors, such as cost of operation, reasonable profit, and the rates charged by any other airline, as well as the characteristics of each service.

(B) The rates to be charged by the designated airline of either Contracting Party between points in the territory of the United States and points in New Zealand territory referred to in this Annex, shall, consistent with the provisions of the present Agreement and its Annex, be subject to the approval of the aeronautical authorities of the Contracting Parties, who

shall act in accordance with their obligations under the present Agreement and its Annex, within their respective constitutional powers and obligations.

(C) The Civil Aeronautics Board of the United States having approved the traffic conference machinery of the International Air Transport Association (hereinafter called "IATA"), for a period of one year beginning in February 1946, any rate agreements concluded through this machinery during this period and involving any United States airline will be subject to approval by the Board.

(D) Any new rate proposed by the designated airline of either Contracting Party shall be filed with the aeronautical authorities of both Contracting Parties at least thirty days before the proposed date of introduction; provided that this period of thirty days may be reduced in particular cases if so agreed by the aeronautical authorities of both Contracting Parties.

(E) The Contracting Parties agree that the procedure described in paragraphs (F), (G), and (H) of this section shall apply

(1) if, during the period of the Civil Aeronautics Board's approval of the IATA traffic conference machinery, either any specific rate agreement is not approved within a reasonable time by either Contracting Party or a conference of IATA is unable to agree on a rate, or

(2) at any time no IATA machinery is applicable, or

(3) if either Contracting Party at any time withdraws or fails to renew its approval of that part of the IATA traffic conference machinery relevant to this provision.

(F) In the event that power is conferred by law upon the aeronautical authorities of the United States to fix fair and economic rates for the transport of persons and property by air on international services, and to suspend proposed rates in a manner comparable to that in which the Civil Aeronautics Board at present is empowered to act with respect to such rates for the transport of persons and property by air within the United States, each of the Contracting Parties shall thereafter exercise its authority in such manner as to prevent any rate or rates proposed by its designated airline for services from the territory of one Contracting Party to a point or points in the territory of the other Contracting Party from becoming effective, if in the judgment of the aeronautical authorities of the Contracting Party whose designated airline is proposing such rate, that rate is unfair or uneconomic. If one of the Contracting Parties on receipt of the notification referred to in paragraph (D) above is dissatisfied with the new rate proposed by the designated airline of the other Contracting Party, it shall so notify the other Contracting Party prior to the expiry of the first fifteen of the thirty days referred to, and the Contracting Parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each Contracting Party will exercise its statutory powers to give effect to such agreement.

If agreement has not been reached at the end of the thirty-day period referred to in paragraph (D) above, the proposed rate may, unless the aeronautical authorities of the country of the airline concerned see fit to suspend its application, go into effect provisionally pending the settlement of any dispute in accordance with the procedure outlined in paragraph (H) below.

(G) Prior to the time when such power may be conferred by law upon the aeronautical authorities of the United States, if one of the Contracting Parties is dissatisfied with any new rate proposed by the designated airline of either Contracting Party for services from the territory of one Contracting Party to a point or points in the territory of the other Contracting Party, it shall so notify the other prior to the expiry of the first fifteen of the thirty-day period referred to in paragraph (D) above, and the Contracting Parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each Contracting Party will use its best efforts to cause such agreed rate to be put into effect by its designated airline.

It is recognized that if no such agreement can be reached prior to the expiry of such thirty days, the Contracting Party raising the objection to the rate may take such steps as it may consider necessary to prevent the inauguration or continuation of the service in question at the rate complained of.

(H) When in any case under paragraphs (F) and (G) above the aeronautical authorities of the two Contracting Parties cannot agree within a reasonable time upon the appropriate rate after consultation initiated by the complaint of one Contracting Party concerning the proposed rate or an existing rate of the designated airline of the other Contracting Party, upon the request of either, both Contracting Parties shall submit the question to the Provisional International Civil Aviation Organization or its successor for an advisory report, and the executive authorities of each Contracting Party will use their best efforts under the powers available to them to put into effect the opinion expressed in such report.

(I) The Executive Branch of the Government of the United States agrees to use its best efforts to secure legislation empowering the aeronautical authorities of the United States to fix fair and economic rates for the transport of persons and property by air on international services, and to suspend proposed rates in a manner comparable to that in which the Civil Aeronautics Board at present is empowered to act with respect to such rates for the transport of persons and property by air within the United States.

(J) In this Annex references to rates between a point in the territory of one Contracting Party and a point in the territory of the other Contracting Party shall be deemed to include round-trip rates for a journey from the territory of the first mentioned Contracting Party to the territory of the

second mentioned Contracting Party and back to the territory of the first mentioned Contracting Party.

SECTION V

It is recognized that the determination of rates to be charged by an airline of one Contracting Party over a segment of the specified route, which segment lies between the territories of the other Contracting Party and a third country, is a complex question the overall solution of which cannot be sought through consultation between only the two Contracting Parties. Pending the acceptance by both Contracting Parties of any multilateral agreement or recommendations with respect to such rates, the rates to be charged by the designated airlines of the two Contracting Parties over the route segment involved shall be set in the first instance by agreement between such airlines operating over such route segment, subject to the approval of the aeronautical authorities of the two Contracting Parties. In case such designated airlines can not reach agreement or in case the aeronautical authorities of both Contracting Parties do not approve any rates set by such airlines, the question shall become the subject of consultation between the aeronautical authorities of the two Contracting Parties. In considering such rates the aeronautical authorities shall have regard particularly to subparagraph (C) of Section III of this Annex and to the desire of both Contracting Parties to foster and encourage the development of efficient and economically sound trunk air services by the designated airlines over the specified routes and the development of efficient and economically sound regional air services along and in areas adjacent to the specified routes. If the aeronautical authorities can not reach agreement the matter shall be referred for an advisory report to the Interim Council of the Provisional International Civil Aviation Organization or its successor, and the executive authorities of each Contracting Party shall use their best efforts under the powers available to them to put into effect the opinion expressed in such report. Pending determination of the rates in the manner herein provided, the rates to be charged over the particular route segment or segments involved shall be as fixed by the aeronautical authorities of the Contracting Party whose territory is on the segment or segments involved, provided that no discrimination is made between the rates to be charged by the designated airlines of the two Contracting Parties. After any rate has been agreed to in accordance with the procedure described in this Section, such rate shall remain in effect until changed in accordance with this procedure.

SECTION VI

After the present Agreement comes into force the aeronautical authorities of both Contracting Parties will exchange information as promptly as possible concerning the authorizations extended to their respective designated

airline to render service to, through, and from the territory of the other Contracting Party. This will include copies of current certificates and authorizations for service on the routes which are the subject of this Agreement and, for the future, such new certificates and authorizations as may be issued together with amendments, exemption orders, and authorized service patterns.

COPYRIGHT

*Exchange of notes at Washington April 24, 1947, with New Zealand
order in council and proclamation by the President of the United
States*

Entered into force April 24, 1947

Terminated December 29, 1950, by proclamation of May 26, 1950

61 Stat. 2842; Treaties and Other
International Acts Series 1613

NEW ZEALAND NOTE

The New Zealand Minister to the Acting Secretary of State

WASHINGTON, D.C.

April 24, 1947

EXCELLENCY,

The attention of the New Zealand Government has been invited to the Act of Congress of the United States of America approved September 25, 1941,¹ which provides for extending, on a reciprocal basis, the time for the fulfilment of the conditions and formalities prescribed by the copyright laws of the United States in the case of authors, copyright owners, or proprietors of works first produced or published abroad who are or may have been temporarily unable to comply with those conditions and formalities because of the disruption or suspension of the facilities essential for their compliance.

My Government has requested me to inform you that, by reason of the conditions arising out of World War II, New Zealand authors, copyright owners, and proprietors have lacked during several years of the time since the outbreak of war between New Zealand and Germany on September 3, 1939 the facilities essential to compliance with and to the fulfilment of the conditions and formalities established by the laws of the United States relating to copyright.

It is the desire of the New Zealand Government that, in accordance with the procedure provided in the said Act of September 25, 1941, the time for fulfilling the conditions and formalities of the copyright laws of the United

¹ 55 Stat. 732.

States be extended for the benefit of citizens of New Zealand whose works are eligible to copyright in the United States.

With a view to assuring the Government of the United States of America of reciprocal protection for authors, copyright owners, and proprietors of the United States, the Governor-General has made an Order in Council, the text of which is annexed hereto, which comes into effect today, on which date it is understood that the President of the United States of America shall proclaim, in accordance with the said Act of September 25, 1941, that by reason of the disruption or suspension of facilities during several years of the time since September 3, 1939 citizens of New Zealand who are authors, copyright owners, or proprietors of works first produced or published outside the United States and subject to copyright, *ad interim* copyright, or renewal of copyright under the laws of the United States, have been temporarily unable to comply with the conditions and formalities prescribed with respect to such works by the copyright laws of the United States.

The New Zealand Government is prepared, if this proposal is acceptable to the Government of the United States of America, to regard the present note and Your Excellency's reply to the same effect as constituting an agreement between the two Governments, which shall take effect this day.

Accept, Excellency, the renewed assurances of my highest consideration.

CARL BERENDSEN

Enclosure

The Honourable THE ACTING SECRETARY OF STATE,
Washington, D.C.

THE COPYRIGHT (UNITED STATES OF AMERICA) ORDER 1946

Michael Myers

Administrator of the Government

ORDER IN COUNCIL

At the Government House at Wellington, this 5th day of June, 1946

Present:

HIS EXCELLENCY THE ADMINISTRATOR
OF THE GOVERNMENT

IN COUNCIL

WHEREAS, by reason of conditions arising out of the present war, difficulties have been experienced by citizens of the United States of America in complying with the requirements of the Copyright Act, 1913, as to the first publication within New Zealand of their works first published in the United States of America during the present war: And whereas the Administrator of the Government is advised that the Government of the United States of America has undertaken to grant such extension of time as may be deemed appropriate

for the fulfilment of the conditions and formalities prescribed by the laws of the United States with respect to the works of citizens of New Zealand first produced or published outside the United States and subject to copyright or to renewal of copyright under the laws of the United States, including works subject to *ad interim* copyright: And whereas by reason of the said undertaking of the Government of the United States of America the Administrator of the Government is satisfied that the said Government has made, or has undertaken to make, such provision as it is expedient to require for the protection of works first made or published in New Zealand during the period commencing on the 3rd day of September, 1939, and ending one year after the termination of the present war and entitled to copyright under Part I of the Copyright Act, 1913: And whereas by the Copyright Act, 1913, authority is conferred to extend, by Order in Council, the protection of the said Act to certain classes of foreign works within New Zealand: And whereas by reason of these premises it is desirable to provide protection within New Zealand for literary or artistic works first published in the United States of America during the period commencing on the 3rd day of September, 1939, and ending one year after the termination of the present war which have failed to accomplish the formalities prescribed by the Copyright Act, 1913, by reason of conditions arising out of the war:

Now, therefore, His Excellency the Administrator of the Government, acting by and with the advice and consent of the Executive Council of the Dominion of New Zealand, and in pursuance and exercise of the power and authority conferred by the Copyright Act, 1913, doth hereby direct as follows:

1. This Order may be cited as the Copyright (United States of America) Order 1946.
2. This Order shall come into force on the date of the notification in the *Gazette* of the making thereof.
3. The Copyright Act, 1913, shall, subject to the provisions of the said Act and of this Order, apply to works first published in the United States of America during the period commencing on the 3rd day of September, 1939, and ending one year after the termination of the present war, which have not been republished in New Zealand within fourteen days of the publication in the United States of America, in like manner as if they had been first published within New Zealand:

Provided that the enjoyment by any such work of the rights conferred by the Copyright Act, 1913, shall be conditional upon publication of the work within New Zealand not later than one year after the termination of the present war, and shall commence from and after such publication, which shall not be colourable only, but shall be intended to satisfy the reasonable requirements of the public.

4. The provisions of section 52 of the Copyright Act, 1913, as to the delivery of books to the General Assembly Library, shall apply to works to which this Order relates upon their publication in New Zealand.

5. Nothing in this Order shall be construed as depriving any work of any rights which have been lawfully acquired under the provisions of the Copyright Act, 1913, or any Order in Council thereunder.

6. Where any person has, before the commencement of this Order, taken any action whereby he has incurred any expenditure or liability in connection with the reproduction or performance of any work which at the time was lawful, or for the purpose of or with a view to the reproduction or performance of a work at a time when such reproduction or performance would, but for the making of this Order, have been lawful, nothing in this Order shall diminish or prejudice any rights or interest arising from or in connection with such action which were subsisting and valuable at the said date, unless the person who by virtue of this Order becomes entitled to restrain such reproduction or performance agrees to pay such compensation as, failing agreement, may be determined by arbitration.

W. O. HARVEY
Acting Clerk of the Executive Council

UNITED STATES NOTE

The Acting Secretary of State to the New Zealand Minister

WASHINGTON
Apr 24 1947

SIR:

I have the honor to acknowledge the receipt of your note of today's date in which you refer to the Act of Congress approved September 25, 1941 which authorizes the President to extend by proclamation the time for compliance with the conditions and formalities prescribed by the copyright laws of the United States of America with respect to works first produced or published outside the United States of America and subject to copyright under the laws of the United States of America when the authors, copyright owners, or proprietors of such works are or may have been temporarily unable to comply with those conditions and formalities because of the disruption or suspension of the facilities essential to such compliance.

You state that by reason of conditions arising out of World War II authors, copyright owners, and proprietors who are citizens of New Zealand have lacked during several years of the time since the outbreak of war between New Zealand and Germany on September 3, 1939, the facilities essential to compliance with and to the fulfilment of the conditions and formalities established by laws of the United States of America relating to copyright.

You express the desire of the New Zealand Government that, in accordance with the procedure provided in the Act of September 25, 1941, the time for fulfilling the conditions and formalities of the copyright laws of the United States of America be extended for the benefit of citizens of New Zealand whose works are eligible to copyright in the United States of America. You add that with a view to assuring the Government of the United States of America reciprocal protection for authors, copyright owners, and proprietors of the United States of America, the Governor-General has made an Order in Council, the text of which accompanies your note under acknowledgment, which comes into effect today, on which date it is understood that the President of the United States of America shall proclaim, in accordance with the Act of September 25, 1941, that by reason of the disruption or suspension of facilities during several years of the time since September 3, 1939 citizens of New Zealand who are authors, copyright owners, or proprietors of works first produced or published outside the United States of America and subject to copyright, *ad interim* copyright, or renewal of copyright under the laws of the United States of America have been temporarily unable to comply with the conditions and formalities prescribed with respect to such works by the copyright laws of the United States of America.

You further state that the New Zealand Government is prepared, if this proposal should be accepted by the Government of the United States of America, to regard the note under acknowledgement and this Government's reply thereto to that effect as constituting an agreement between the two Governments, which shall take effect this day.

I have the honor to inform you that, with a view to giving effect to the commitment proposed in the note under acknowledgement, the President has issued today a proclamation, a copy of which is annexed hereto, declaring and proclaiming, pursuant to the provisions of the aforesaid Act of September 25, 1941 on the basis of the assurances set forth in your note and the Order in Council annexed thereto, that as regards (1) works of citizens of New Zealand which were first produced or published outside the United States of America on or after September 3, 1939 and subject to copyright under the laws of the United States of America, including works subject to *ad interim* copyright, and (2) works of citizens of New Zealand subject to renewal of copyright under the laws of the United States of America on or after September 3, 1939, there has existed during several years of the time since September 3, 1939 such disruption or suspension of facilities essential to compliance with the conditions and formalities prescribed with respect to such works by the copyright laws of the United States of America as to bring such works within the terms of the said Act of September 25, 1941; and that accordingly the time within which compliance with such conditions and formalities may take place is extended in respect of such works until the day on which the President of the United States of America

shall, in accordance with the said Act, terminate or suspend that declaration and proclamation. The proclamation provides that it shall be understood that the term of copyright in any case is not and cannot be altered or affected by the President's action and that the extension is subject to the proviso of the said Act of September 25, 1941 that no liability shall attach under the Copyright Act for lawful uses made or acts done prior to the effective date of that proclamation in connection with the works to which it relates, or in respect to the continuance for one year subsequent to such date of any business undertaking or enterprise lawfully undertaken prior to such date involving expenditure or contractual obligation in connection with the exploitation, production, reproduction, circulation, or performance of any such work.

The Government of the United States of America accordingly considers the agreement in regard to such extension of time to be in effect as of today's date.

Accept, Sir, the renewed assurances of my highest consideration.

DEAN ACHESON
Acting Secretary of State

Enclosure:

Copy of Proclamation.

The Honorable

Sir CARL BERENDSEN, K.C.M.G.,
Minister of New Zealand.

PROCLAMATION

COPYRIGHT EXTENSION : NEW ZEALAND

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS by the act of Congress approved September 25, 1941 (55 Stat. 732) the President is authorized, on the conditions prescribed in that act, to grant an extension of time for the fulfilment of the conditions and formalities prescribed by the copyright laws of the United States of America with respect to works first produced or published outside the United States of America and subject to copyright or to renewal of copyright under the laws of the United States of America, including works subject to *ad interim* copyright, by nationals of countries which accord substantially equal treatment to citizens of the United States of America; and

WHEREAS the Governor-General of New Zealand has issued an Order in Council, effective from this day, by the terms of which treatment substantially equal to that authorized by the aforesaid act of September 25, 1941 is

accorded in New Zealand to literary and artistic works first produced or published in the United States of America; and

WHEREAS the aforesaid Order in Council is annexed to and is part of an agreement embodied in notes exchanged this day between the Government of the United States of America and the Government of New Zealand; and

WHEREAS by virtue of a proclamation by the President of the United States of America dated April 9, 1910 (36 Stat. 2685) citizens of New Zealand are, and since July 1, 1909 have been, entitled to the benefits of the act of Congress approved March 4, 1909 (35 Stat. 1075) relating to copyright, other than the benefits of section 1(e) of that act; and

WHEREAS by virtue of a proclamation by the President of the United States of America dated February 9, 1917 (39 Stat. 1815) the citizens of New Zealand are, and since December 1, 1916 have been, entitled to the benefits of section 1(e) of the aforesaid act of March 4, 1909;

Now, THEREFORE, I, HARRY S. TRUMAN, President of the United States of America, under and by virtue of the authority vested in me by the aforesaid act of September 25, 1941, do declare and proclaim:

That with respect to (1) works of citizens of New Zealand which were first produced or published outside the United States of America on or after September 3, 1939 and subject to copyright under the laws of the United States of America, including works subject to *ad interim* copyright and (2) works of citizens of New Zealand subject to renewal of copyright under the laws of the United States of America on or after September 3, 1939, there has existed during several years of the time since September 3, 1939 such disruption or suspension of facilities essential to compliance with the conditions and formalities prescribed with respect to such works by the copyright laws of the United States of America as to bring such works within the terms of the aforesaid act of September 25, 1941; and that accordingly the time within which compliance with such conditions and formalities may take place is hereby extended with respect to such works until the day on which the President of the United States of America shall, in accordance with that act, terminate or suspend the present declaration and proclamation.

It shall be understood that the term of copyright in any case is not and cannot be altered or affected by this proclamation, and that, as provided by the aforesaid act of September 25, 1941, no liability shall attach under the Copyright Act for lawful uses made or acts done prior to the effective date of this proclamation in connection with the above-described works, or in respect to the continuance for one year subsequent to such date of any business undertaking or enterprise lawfully undertaken prior to such date involving expenditure or contractual obligation in connection with the exploitation, production, reproduction, circulation, or performance of any such work.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-fourth day of April, in the year of our Lord nineteen hundred and forty-seven, and of the Independence of the United States of America the one hundred and seventy-first.

HARRY S. TRUMAN

By the President:

DEAN ACHESON

Acting Secretary of State

DOUBLE TAXATION: TAXES ON INCOME

Convention signed at Washington March 16, 1948

Ratified by New Zealand April 5, 1951

Senate advice and consent to ratification, with a reservation, September 17, 1951

Ratified by the President of the United States, with a reservation, December 10, 1951

Ratifications exchanged at Washington December 18, 1951

Entered into force December 18, 1951; operative for United States tax January 1, 1951, for New Zealand tax April 1, 1952

Proclaimed by the President of the United States December 20, 1951

[For text, see 2 UST 2378; TIAS 2360.]

FINANCING OF EDUCATIONAL PROGRAM

Agreement signed at Wellington September 14, 1948

Entered into force September 14, 1948

Article 5 amended by agreement of March 3 and 9, 1949¹

Terminated March 3, 1970 by agreement of February 3, 1970²

62 Stat. 2802; Treaties and Other
International Acts Series 1812

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF NEW ZEALAND FOR THE USE OF FUNDS MADE AVAILABLE IN ACCORDANCE WITH THE AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF NEW ZEALAND ON SETTLEMENT FOR LEND-LEASE AND RECIPROCAL AID, SURPLUS WAR PROPERTY, AND CLAIMS, SIGNED AT WASHINGTON ON JULY 10, 1946

The Government of the United States of America and the Government of New Zealand;

Desiring to promote further mutual understanding between the peoples of the United States of America and New Zealand by a wider exchange of knowledge and professional talents through educational contacts;

Considering that Section 32(b) of the United States Surplus Property Act of 1944, as amended by Public Law No. 584, 79th Congress,³ provides that the Secretary of State of the United States of America may enter into an agreement with any foreign government for the use of currencies or credits for currencies of such foreign government acquired as a result of surplus property disposals for certain educational activities; and

Considering that under the provisions of Section II of the Agreement between the Government of the United States of America and the Government of New Zealand on Settlement for Lend-Lease, Reciprocal Aid, Surplus War Property, and Claims, signed at Washington on July 10, 1946⁴ (hereinafter designated "the Settlement Agreement") it is provided that the Government of New Zealand, in consideration of the value of surplus noncombat lend-lease aircraft and related spares diverted to civilian use, and of other

¹ TIAS 1912, *post*, p. 329.

² 21 UST 421; TIAS 6827.

³ 60 Stat. 754.

⁴ TIAS 1536, *ante*, p. 296.

surplus property covered by the contract between the Government of the United States and the Government of New Zealand dated December 18, 1945,⁵ as amended in the Settlement Agreement, and in order to further educational and cultural relationships between the two countries by means of scholarships or otherwise in a manner mutually agreeable, will pay to the Government of the United States the value of such aircraft and related spares and surplus property as provided in paragraphs 8 and 9 of the Settlement Agreement, by any of the following methods (*inter alia*) or any combination thereof designated by the Government of the United States, employing in every case the rate of 3.2442 United States dollars to one New Zealand pound:

(a) by delivery of title to the Government of the United States by the Government of New Zealand of such real property and improvements to real property in New Zealand as may be selected and determined by agreement between the two Governments, aggregating in value not more than \$1,200,000;

(b) by establishment of a fund in New Zealand pounds, equivalent to not more than the remaining amount due to the Government of the United States under the Settlement Agreement, for expenditure in accordance with agreement to be reached between the two Governments for carrying out educational and cultural programs of benefit to the two countries.

Have agreed as follows:

ARTICLE 1

There shall be established a foundation to be known as the United States Educational Foundation in New Zealand (hereinafter designated "the Foundation"), which shall be recognised by the Government of the United States of America and the Government of New Zealand as an organisation created and established to facilitate the administration of the educational program to be financed by funds made available by the Government of New Zealand under the terms of this agreement. Except as provided in Article 3 hereof the Foundation shall be exempt from the domestic and local laws of the United States of America and of New Zealand as they relate to the use and expenditure of currencies and credits for currencies for the purposes set forth in the present agreement.

All of the funds made available by the Government of New Zealand, within the conditions and limitations hereinafter set forth, shall be used by the Foundation or such other instrumentality as may be agreed upon by the Government of the United States of America and the Government of New Zealand for the purpose, as set forth in Section 32 (b) of the United States Surplus Property Act of 1944, as amended, of

(1) financing studies, research, instruction, and other educational activities of or for citizens of the United States of America in schools and institu-

⁵Not printed.

tions of higher learning located in New Zealand or of the nationals of New Zealand in United States schools and institutions of higher learning located outside the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, including payment for transportation, tuition, maintenance, and other expenses incident to scholastic activities; or

(2) furnishing transportation for nationals of New Zealand who desire to attend United States schools and institutions of higher learning in the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands and whose attendance will not deprive citizens of the United States of America of an opportunity to attend such schools and institutions.

ARTICLE 2

In furtherance of the aforementioned purposes, the Foundation may, subject to the provisions of Article 10 of the present agreement, exercise all powers necessary to the carrying out of the purposes of the present agreement including the following:

(1) Receive funds.

(2) Open and operate bank accounts in the name of the Foundation in a depository or depositaries to be designated by the Secretary of State of the United States of America.

(3) Disburse funds and make grants and advances of funds for the authorised purposes of the Foundation.

(4) Acquire, hold, and dispose of property in the name of the Foundation as the Board of Directors of the Foundation may consider necessary or desirable, provided however that the acquisition of any real property shall be subject to the prior approval of the Secretary of State of the United States of America.

(5) Plan, adopt, and carry out programs, in accordance with the purposes of Section 32(b) of the United States Surplus Property Act of 1944, as amended, and the purposes of the present agreement.

(6) Recommend to the Board of Foreign Scholarships, provided for in the United States Surplus Property Act of 1944, as amended, students, professors, research scholars, resident in New Zealand, and institutions of New Zealand qualified to participate in the program in accordance with the aforesaid Act.

(7) Recommend to the aforesaid Board of Foreign Scholarships such qualifications for the selection of participants in the program as it may deem necessary for achieving the purpose and objectives of the Foundation.

(8) Provide for periodic audits of the accounts of the Foundation as directed by auditors selected by the Secretary of State of the United States of America.

(9) Engage administrative and clerical staff and fix the salaries and wages thereof.

ARTICLE 3

All expenditures by the Foundation shall be made pursuant to an annual budget to be approved by the Secretary of State of the United States of America pursuant to such regulations as he may prescribe.

ARTICLE 4

The Foundation shall not enter into any commitment or create any obligation which shall bind the Foundation in excess of the funds actually on hand nor acquire, hold or dispose of property except for the purposes authorised in the present agreement.

ARTICLE 5^e

The management and direction of the affairs of the Foundation shall be vested in a Board of Directors consisting of eight Directors (hereinafter designated the "Board").

The principal officer in charge of the Diplomatic Mission of the United States of America to New Zealand (hereinafter designated "Chief of Mission") shall be Honorary Chairman of the Board. The members of the Board shall be as follows: (a) three officers of the United States Foreign Service Establishment in New Zealand, one of whom shall serve as Chairman and one of whom shall serve as Treasurer; (b) two citizens of the United States of America, preferably one representative of American business interests in New Zealand and preferably one representative of American educational interests in New Zealand; and (c) three nationals of New Zealand, one of whom shall be prominent in the field of education. The United States members shall be appointed and removed by the Chief of Mission; the New Zealand members by the Chief of Mission after consultation and agreement with the Government of New Zealand. Vacancies by reason of resignations, transfers of residence outside of New Zealand, expiration of term of service, or otherwise shall be filled in accordance with this procedure.

The five members specified in (b) and (c) of the last preceding paragraph shall be resident in New Zealand and, subject to removal as hereinbefore provided, shall serve from the time of their appointment until the succeeding December 31 next following such appointment. They shall be eligible for reappointment.

The Directors shall serve without compensation, but the Foundation is authorised to pay the necessary expenses of the Directors in attending meetings of the Board.

ARTICLE 6

The Board shall adopt such by-laws and appoint such committees as it shall deem necessary for the conduct of the affairs of the Foundation.

^e For an amendment of art. 5, see agreement of Mar. 3 and 9, 1949 (TIAS 1912), *post*, p. 329.

ARTICLE 7

Reports as directed by the Secretary of State of the United States of America shall be made annually on the activities of the Foundation to the Secretary of State of the United States of America and the Government of New Zealand.

ARTICLE 8

The principal office of the Foundation shall be in Wellington, but meetings of the Board and any of its committees may be held in such other places as the Board may from time to time determine, and the activities of any of the Foundation's officers or staff may be carried on at such places as may be approved by the Board.

ARTICLE 9

The Board may appoint an Executive Officer and determine his salary and term of service, provided however, that in the event it is found to be impracticable for the Board to secure an appointee acceptable to the Chairman, the Government of the United States of America may provide an Executive Officer and such assistants as may be deemed necessary to ensure the effective operation of the program. The Executive Officer shall be responsible for the direction and supervision of the Board's programs and activities in accordance with the Board's resolutions and directives. In his absence or disability, the Board may appoint a substitute for such time as it deems necessary or desirable.

ARTICLE 10

The decisions of the Board in all matters may, in the discretion of the Secretary of State of the United States of America, be subject to his review.

ARTICLE 11

The Government of New Zealand shall, as and when requested by the Government of the United States of America for the purposes of this agreement, make available to the Treasurer of the United States of America, amounts of currency of the Government of New Zealand up to an aggregate amount of the currency of the Government of New Zealand equivalent to \$2,300,000 (United States currency). In accordance with the terms of Section II of the Settlement Agreement the rate of exchange between currency of the Government of New Zealand and United States currency to be used in determining the amount of currency of the Government of New Zealand to be made available from time to time hereunder shall, until July 10, 1949, be 3.2442 United States dollars to one New Zealand pound. After July 10, 1949, the rate shall be the rate available to the United States of America for its diplomatic and other official expenditures in New Zealand, on the respective days such amounts of currency are made available.

The Secretary of State of the United States of America will make available to the Foundation currency of the Government of New Zealand in such amounts as may be required by the Foundation but in no event in excess of the budgetary limitations established pursuant to Article 3 of the present agreement.

ARTICLE 12

Furniture, equipment, supplies, and any other articles intended for official use of the Foundation shall be exempt in the territory of New Zealand from customs duties, excises, and surtaxes, and every other form of taxation.

All funds and other property used for the purposes of the Foundation, and all official acts of the Foundation within the scope of its purposes shall likewise be exempt from taxation of every kind in the territory of New Zealand.

ARTICLE 13

The Government of New Zealand shall extend to citizens of the United States of America residing in New Zealand and engaged in educational activities under the auspices of the Foundation such privileges with respect to exemption from taxation and other burdens affecting the entry, travel, and residence of such persons, as are extended to New Zealand nationals residing in the United States of America engaged in similar activities.

ARTICLE 14

Wherever, in the present agreement the term "Secretary of State of the United States of America" is used, it shall be understood to mean the Secretary of State of the United States of America or any officer or employee of the Government of the United States of America designated by him to act in his behalf.

ARTICLE 15

The present agreement may be amended by the exchange of diplomatic notes between the Government of the United States of America and the Government of New Zealand.

ARTICLE 16

The present agreement shall come into force upon the date of signature.

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

DONE at Wellington this fourteenth day of September, 1948.

For the Government of the United States of America:
R. M. SCOTTEN [SEAL]

For the Government of New Zealand:
P. FRASER [SEAL]

FINANCING OF EDUCATIONAL PROGRAM

*Exchange of notes at Wellington March 3 and 9, 1949, amending
agreement of September 14, 1948*

Entered into force March 9, 1949

Terminated March 3, 1970 by agreement of February 3, 1970¹

63 Stat. 2407; Treaties and Other
International Acts Series 1912

The American Embassy to the Ministry for External Affairs

The Embassy of the United States of America presents its compliments to the Ministry of External Affairs and has the honor to propose, on instructions from the Department of State, an amendment to the Agreement dated September 14, 1948,² between the New Zealand Government and the Government of the United States of America for the Use of Funds made available in accordance with the Lend-Lease Settlement Agreement of July 10, 1946.³

The Government of the United States proposes that Article 5 of the existing Agreement be amended to read as follows:

"The management and direction of the affairs of the Foundation shall be vested in a Board of Directors consisting of ten Directors (hereinafter designated the 'Board'), five of whom shall be citizens of the United States of America and five of whom shall be nationals of New Zealand. In addition, the principal officer in charge of the Diplomatic Mission of the United States of America to New Zealand (hereinafter designated 'the Chief of Mission') shall be Honorary Chairman of the Board. He shall cast the deciding vote in the event of a tie vote by the Board and shall appoint the Chairman of the Board. The citizens of the United States of America on the Board, at least three of whom shall be officers of the United States Foreign Service establishment in New Zealand, shall be appointed and removed by the Chief of Mission; the nationals of New Zealand on the Board shall be appointed and removed by the Government of New Zealand.

"The Directors shall serve from the time of their appointment until the succeeding December 31 next following such appointment and shall be eligible for reappointment. Vacancies by reason of resignation, transfer of resi-

¹ 21 UST 421; TIAS 6827.

² TIAS 1812, *ante*, p. 323.

³ TIAS 1536, *ante*, p. 296.

dence outside New Zealand, expiration of term of service or otherwise, shall be filled in accordance with the appointment procedure set forth in this article.

"The Directors shall serve without compensation but the Foundation is authorized to pay the necessary expenses of the Directors in attending the meetings of the Board."

If this proposal is acceptable to the Government of New Zealand, the Embassy of the United States of America has the honor to suggest that this note, together with the reply of the Ministry of External Affairs in similar terms, should be regarded as an exchange of diplomatic notes between the Government of the United States of America and the Government of New Zealand amending the existing Agreement in accordance with the terms of Article 15 thereof. The amendment could take effect on the date of the Ministry's reply.

R. M. S.

WELLINGTON,
March 3, 1949.

The Ministry for External Affairs to the American Embassy

The Ministry of External Affairs presents its compliments to the Embassy of the United States of America and has the honour to acknowledge receipt of the Embassy's note dated 3 March 1949, referring to the proposal of the Government of the United States of America that Article 5 of the Agreement dated 14 September 1948, between the Government of New Zealand and the Government of the United States of America for the Use of Funds made available in accordance with the Lend-Lease Settlement Agreement of 10 July 1946, be amended to read as follows:

[For text of amendment, see U.S. note, above.]

The Ministry of External Affairs has the honour to inform the Embassy of the United States of America that the terms of this proposed amendment are acceptable to the Government of New Zealand.

The Ministry will regard the Embassy's note, together with this reply, as an exchange of diplomatic notes between the Government of the United States of America and the Government of New Zealand amending the existing agreement in accordance with the terms of Article 15 thereof. The Ministry agrees that the amendment should take effect on the date of this reply.

[initials illegible]

MINISTRY OF EXTERNAL AFFAIRS,
Wellington,
New Zealand.
9 March 1949

REDUCTION OF VISA FEES FOR NONIMMIGRANTS

Exchange of notes at Wellington March 14, 1949

Entered into force March 14, 1949; operative April 1, 1949

*Modified by agreement of December 16, 1957, and May 2 and 5,
1958, as amended¹*

63 Stat. 2538; Treaties and Other
International Acts Series 1940

The American Ambassador to the Minister of External Affairs

SIR,

With reference to recent conversations between representatives of this Embassy and the Ministry of External Affairs regarding arrangements to facilitate non-immigrant travel, I have the honor to inform you that the Government of the United States is prepared to conclude with the Government of New Zealand an agreement by an exchange of notes in the following terms:

(1) New Zealand citizens in possession of valid passports issued by the Government of New Zealand and endorsed "New Zealand Citizen" traveling to the United States and its possessions who are bona fide non-immigrants within the meaning of the immigration laws of the United States and who are eligible to receive visas, will be granted non-immigrant passport visas at a reduced fee of 2 dollars or the equivalent in foreign currency; no fee is to be collected for execution of applications therefor. Diplomatic visas and official visas, as well as visas issued under the provisions of Section 3(7) of the Immigration Act of 1924, as amended,² will, however, continue to be granted without fee to qualified applicants who are traveling to the United States and its possessions.

(2) United States citizens in possession of valid passports issued by the Government of the United States of America proceeding to New Zealand, New Zealand Island Territories and the Trust Territory of Western Samoa, will be granted passport visas (other than single-entry transit visas) at a fee of 2 dollars or the equivalent in foreign currency. Diplomatic visas and offi-

¹ 9 UST 913; TIAS 4053.

² 59 Stat. 672.

cial visas, as well as visas issued to officers and employees of organizations declared by the Governor-General to be organizations within the meaning of Section 3(1) of the Diplomatic Privileges Extension Act 1947, however, will be granted without fee to qualified applicants who are in possession of valid passports issued by the Government of the United States of America and who are traveling to New Zealand, New Zealand Island Territories and the Trust Territory of Western Samoa.

(3) A visa for a single journey in transit through New Zealand, New Zealand Island Territories and the Trust Territory of Western Samoa, will be granted without fee.

(4) A transit certificate valid for a single application for admission in transit on a continuous journey through the United States and its possessions and a limited entry certificate valid for the duration of a vessel's stay in a United States port will be granted without fee.

(5) Non-immigrant passport visas granted to New Zealand citizens in possession of valid passports issued by the Government of New Zealand and endorsed "New Zealand Citizen" who qualify as temporary visitors under the provisions of Section 3(2) of the Immigration Act of 1924, as amended, will be valid for any number of applications for admission into the United States and its possessions during the period of 24 months from date of issuance provided that the passports of the bearers remain valid for that period of time or should they expire are revalidated prior to the expiration date of the visa. All other non-immigrant passport visas granted to qualified New Zealand citizens in possession of valid passports will be valid under the same condition for a period of time not to exceed 12 months from date of issuance. The period of validity of a visa relates only to the period within which it may be used in connection with an application for admission at a port of entry into the United States and its possessions, and not to the length of stay in the United States which may be permitted the bearer after he is admitted. The period of time an alien may be permitted to stay in the United States is determined by the immigration authorities at the time the alien is admitted.

(6) Passport visas other than multiple-entry transit visas granted to United States citizens in possession of valid passports issued by the Government of the United States of America will be valid for any number of applications for admission into New Zealand, New Zealand Island Territories and the Trust Territory of Western Samoa during a period of 24 months from date of issuance provided that the passports of the bearers remain valid for that period of time or should they expire are revalidated prior to the expiration date of the visa. Multiple-entry transit visas will be valid for 12 months on the same terms.

2. The foregoing arrangements will not apply in respect of the grant of visas to aliens applying for admission into the United States and its

possessions, with the privilege of residing permanently therein. The fee for such visa and application therefor is 10 dollars or the equivalent in foreign currency as prescribed by the Immigration Act of 1924. Furthermore, it is understood that this agreement will not exempt United States citizens traveling to New Zealand, New Zealand Island Territories and the Trust Territory of Western Samoa, and those New Zealand citizens covered by the agreement traveling to the United States and its possessions from the necessity of complying with the respective New Zealand and United States laws and regulations concerning the entry, residence (temporary or permanent) and employment or occupation of foreigners and that travelers who are unable to satisfy the Immigration Authorities that they comply with these laws and regulations are liable to be refused leave to enter or land.

3. If the New Zealand Government are prepared to accept the foregoing provisions the present note and your reply in similar terms should be regarded as placing on record the agreement between the two Governments which will take effect on April 1, 1949.

Please accept, Sir, the renewed assurances of my highest consideration.

R. M. SCOTTEN

WELLINGTON,

March 14, 1949.

The Right Honorable

PETER FRASER,

*Prime Minister of the Dominion of New Zealand,
Wellington.*

The Minister of External Affairs to the American Ambassador

MINISTRY OF EXTERNAL AFFAIRS

WELLINGTON, N.Z.

14 March 1949

SIR,

I have the honour to acknowledge the receipt of your letter of 14 March, 1949, in which, with a view to facilitating non-immigrant travel between our two countries, you suggest that an Agreement be concluded in the following terms:

[For terms of agreement, see U.S. note, above.]

3. I have the honour to inform you that the New Zealand Government are prepared to accept the foregoing provisions and they agree that your

note and my present reply should be regarded as placing on record an Agreement between the two Governments to come into force on 1 April, 1949.

I have the honour to be, Sir,
Your obedient servant,

P. FRASER
Minister of External Affairs

THE UNITED STATES AMBASSADOR,
Embassy of the United States of America,
Wellington.

Nicaragua

RIGHTS OF NEUTRALS AT SEA

Declaration of accession signed and exchanged at Granada, June 9, 1855, relating to stipulations contained in convention signed for the United States and Russia July 22, 1854

Entered into force June 9, 1855

7 Miller 139

DECLARATION MADE BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF NICARAGUA, MADE AND EXCHANGED AT GRANADA ON THE 9TH OF JUNE, 1855

Whereas a Convention was concluded at the City of Washington on the 22d day of July 1854¹ between the United States of America and His Majesty the Emperor of all the Russias; by the Plenipotentiaries of the High Contracting Parties; declaring the rules hereafter to be observed with respect to the Ships and property of the citizens of one party while the other may be involved in a war with a third Power;

And whereas the High Contracting Parties desirous of securing the concurrence of all other nations in the approval and observance of the said rules, have agreed to extend all the benefits and privileges which shall result from the said Convention to such Nation as shall consent to accede by a formal declaration to the stipulations therein Contained;

And whereas the Government of Nicaragua has signified to the Government of the United States of America its desire to become a Party to said Convention, and all the stipulations and provisions therein contained, as far as the same are or may be applicable to it;

And whereas the Government of Nicaragua in its anxiety to avoid the possibility of a misconception hereafter of the nature and extent of the obligations which it thus assumes, wishes them fully and distinctly expressed herein; they are accordingly inserted word for word as follows;

¹ TS 300, *post*, vol. 11, U.S.S.R.

ARTICLE 1ST

The two high Contracting Powers recognize as permanent and immutual [immutable] the following principles; to wit;

1st. That Free Ships make Free Goods—that is to say, that the effects, or goods belonging to subjects or citizens of a Power or State at War, are free from Capture and confiscation when found on board of neutral vessels; with the exception of articles contraband of war.

2d. That the property of neutrals on board an enemy's vessel, is not subject to confiscation, unless the same be contraband of war. They engage to apply these principles to the commerce, and navigation of all such Powers, and States as shall consent to adopt them on their part as permanent and immutable.

ARTICLE 2^D

The two high contracting parties reserve themselves to an ulterior understanding as circumstances may require, with the regard to the application and extension to be given; if there be any Cause for it; to the principles laid down in the first article. But they declare from this time, that they will take the stipulations contained in said article 1st as a rule, whenever it shall become a question to judge of the rights of neutrality.

Now therefore the Undersigned John H. Wheeler on the part of the United States and Sebastian Escobar and Agustin Aviles on the part of Nicaragua invested with full power to this effect found in good and due form, have this day signed in duplicate and have exchanged this Declaration.

Done at the City of Granada, on the 9th day of June in the year of our Lord One Thousand Eight Hundred and Fifty Five.

JNO. H. WHEELER [SEAL]
SEBASTⁿ ESCOBAR
AGⁿ AVILES

FRIENDSHIP, COMMERCE, AND NAVIGATION

Treaty signed at Managua June 21, 1867

Senate advice and consent to ratification January 20, 1868

Ratified by the President of the United States February 7, 1868

Ratified by Nicaragua June 20, 1868

Ratifications exchanged at Granada June 20, 1868

Entered into force June 20, 1868

Proclaimed by the President of the United States August 13, 1868

Terminated October 24, 1902¹

15 Stat. 549; Treaty Series 257

TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION, BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF NICARAGUA

The United States of America and the republic of Nicaragua desiring to maintain and to improve the good understanding and the friendly relations which now happily exist between them, to promote the commerce of their citizens, and to make some mutual arrangement with respect to a communication between the Atlantic and Pacific oceans, by the river San Juan, and either or both the lakes of Nicaragua and Managua, or by any other route through the territories of Nicaragua, have agreed for this purpose to conclude a treaty of friendship, commerce and navigation, and have accordingly named as their respective plenipotentiaries, that is to say: the President of the United States, Andrew B. Dickinson, minister resident and extraordinary to Nicaragua, and his excellency the President of the republic of Nicaragua, Señor Licenciado Don Tomas Ayon, minister of foreign relations, who, after communicating to each other their full powers, found in due and proper form, have agreed upon the following articles:

ARTICLE I

There shall be perpetual amity between the United States and their citizens on the one part, and the government of the republic of Nicaragua and its citizens of the other.

ARTICLE II

There shall be between all the territories of the United States and the territories of the republic of Nicaragua a reciprocal freedom of commerce.

¹ Pursuant to notice of termination given by Nicaragua Oct. 24, 1901.

The subjects and citizens of the two countries, respectively, shall have full liberty freely and securely to come with their ships and cargoes to all places, ports, and rivers in the territories aforesaid to which other foreigners are or may be permitted to come, to enter into the same, and to remain and reside in any part thereof, respectively; also to hire and occupy houses and warehouses for the purposes of their commerce; and generally the merchants and traders of each nation, respectively, shall enjoy the most complete protection and security for their commerce, subject always to the laws and statutes of the two countries, respectively. In like manner the respective ships of war and post office packets of the two countries shall have liberty freely and securely to come to all harbors, rivers, and places to which other foreign ships of war and packets are or may be permitted to come, to enter the same, to anchor, and to remain there and refit, subject always to the laws and statutes of the two countries, respectively.

By the right of entering places, ports, and rivers, mentioned in this article, the privilege of carrying on the coasting trade is not understood; in which trade national vessels only of the country where the trade is carried on are permitted to engage.

ARTICLE III

It being the intention of the two high contracting parties to bind themselves by the two preceding articles to treat each other on the footing of the most favored nations, it is hereby agreed between them that any favor, privilege, or immunity whatever, in matters of commerce and navigation, which either contracting party has actually granted, or may grant hereafter, to the subjects or citizens of any other State, shall be extended to the subjects or citizens of the other contracting party gratuitously, if the concession in favor of that other nation shall have been gratuitous, or in return for a compensation, as nearly as possible of a proportionate value and effect, to be adjusted by mutual agreement, if the concession shall have been conditional.

ARTICLE IV

No higher or other duties shall be imposed on the importation into the territories of the United States of any article being the growth, produce, or manufacture of the republic of Nicaragua, and no higher or other duties shall be imposed on the importation into the territories of the republic of Nicaragua of any article being the growth, produce, or manufacture of the United States, than are or shall be payable upon the like articles being the growth, produce, or manufacture of any other foreign country; nor shall any other or higher duties or charges be imposed in the territories of either of the high contracting parties on the exportation of any articles to the territories of the other than such as are or may be payable on the exportation of the like articles to

any other foreign country; nor shall any prohibition be imposed upon the importation or exportation of any articles the growth, produce, or manufacture of the territories of the United States or the republic of Nicaragua to or from the said territories of the United States, or to or from the republic of Nicaragua, which shall not equally extend to all other nations.

ARTICLE V

No higher or other duties or payments on account of tonnage, of light or harbor dues, or pilotage, of salvage in case of either damage or shipwreck, or on account of any local charges, shall be imposed in any of the ports of Nicaragua on vessels of the United States than those payable by Nicaraguan vessels, nor in any of the ports of the United States on Nicaraguan vessels than shall be payable in the same ports on vessels of the United States.

ARTICLE VI

The same duties shall be paid on the importation into the territories of the republic of Nicaragua of any article being the growth, produce, or manufacture of the territories of the United States, whether such importation shall be made in Nicaraguan vessels or in the vessels of the United States; and the same duties shall be paid on the importation into the territories of the United States of any article being the growth, produce, or manufacture of the republic of Nicaragua, whether such importation shall be made in Nicaraguan or United States vessels. The same duties shall be paid, and the same bounties and drawbacks allowed, on the exportation to the republic of Nicaragua of any article being the growth, produce, or manufacture of the territories of the United States, whether such exportation shall be made in Nicaraguan or United States vessels; and the same duties shall be paid, and the same bounties and drawbacks allowed, on the exportation of any articles being the growth, produce, or manufacture of the republic of Nicaragua to the territories of the United States, whether such exportation shall be made in the vessels of the United States or of Nicaragua.

ARTICLE VII

All merchants, commanders of ships, and others, citizens of the United States, shall have full liberty in all the territories of the republic of Nicaragua to manage their own affairs themselves, as permitted by the laws, or to commit them to the management of whomsoever they please, as broker, factor, agent, or interpreter; nor shall they be obliged to employ any other persons in those capacities than those employed by Nicaraguans, nor pay them any other salary or remuneration than such as is paid in like cases by Nicaraguan citizens; and absolute freedom shall be allowed in all cases to the buyer and seller to bargain and fix the price of any goods, wares, or merchandise im-

ported into or exported from the republic of Nicaragua as they shall see good, observing the laws and established custom of the country.

The same privileges shall be enjoyed in the territories of the United States by the citizens of the republic of Nicaragua under the same conditions.

The citizens of the high contracting parties shall reciprocally receive and enjoy full and perfect protection for their persons and property, and shall have free and open access to the courts of justice in said country, respectively, for the prosecution and defence of their just rights; and they shall be at liberty to employ, in all cases, advocates, attorneys, or agents, of whatsoever description, whom they may think proper; and they shall enjoy, in this respect, the same rights and privileges therein as native citizens.

ARTICLE VIII

In whatever relates to the police of the ports, the lading and unlading of ships, the safety of merchandise, goods, and effects, the succession to personal estates, by will or otherwise, and the disposal of personal property of every sort and denomination, by sale, donation, exchange, testament, or any other manner whatsoever, as also the administration of justice, the citizens of the two high contracting parties shall reciprocally enjoy the same privileges, liberties, and rights as native citizens; and they shall not be charged in any of these respects with any higher imposts or duties than those which are or may be paid by native citizens, submitting, of course, to the local laws and regulations of each country, respectively.

The foregoing provisions shall be applicable to real estate situated within the States of the American Union, or within the republic of Nicaragua, in which foreigners shall be entitled to hold or inherit real estate. But in case real estate situated within the territories of one of the contracting parties should fall to a citizen of the other party, who, on account of his being an alien, could not be permitted to hold such property in the State in which it may be situated, there shall be accorded to the said heir, or other successor, such time as the laws of the State will permit to sell such property. He shall be at liberty, at all times, to withdraw and export the proceeds thereof without difficulty, and without paying to the government any other charges than those which would be paid by an inhabitant of the country in which the real estate may be situated.

If any citizen of the two high contracting parties shall die without a will or testament in any of the territories of the other, the minister or consul, or other diplomatic agent, of the nation to which the deceased belonged, (or the representative of such minister or consul, or other diplomatic agent, in case of absence,) shall have the right to nominate curators to take charge of the property of the deceased, so far as the laws of the country will permit, for the benefit of the lawful heirs and creditors of the deceased, giving proper notice of such nomination to the authorities of the country.

ARTICLE IX

1. The citizens of the United States residing in Nicaragua, or the citizens of Nicaragua residing in the United States, may intermarry with the natives of the country; hold and possess, by purchase, marriage, or descent, any estate, real or personal, without thereby changing their national character, subject to the laws which now exist or may be enacted in this respect.

2. The citizens of the United States residents in the republic of Nicaragua, and the citizens of Nicaragua residents in the United States, shall be exempted from all forced or compulsory military service whatsoever, by land or sea; from all contributions of war, military exactions, forced loans in time of war; but they shall be obliged, in the same manner as the citizens of each nation, to pay lawful taxes, municipal and other modes of imposts, and ordinary charges, loans, and contributions in time of peace, (as the citizens of the country are liable,) in just proportion to the property owned.

3. Nor shall the property of either, of any kind, be taken for any public object without full and just compensation to be paid in advance; and

4. The citizens of the two high contracting parties shall have the unlimited right to go to any part of the territories of the other, and in all cases enjoy the same security as the natives of the country where they reside, with the condition that they duly observe the laws and ordinances.

ARTICLE X

It shall be free for each of the two high contracting parties to appoint consuls for the protection of trade, to reside in any of the territories of the other party. But before any consul shall act as such, he shall, in the usual form, be approved and admitted by the government to which he is sent; and either of the high contracting parties may except from the residence of consuls such particular places as they judge fit to be excepted.

The diplomatic agents of Nicaragua and consuls shall enjoy in the territories of the United States whatever privileges, exemptions, and immunities are or shall be allowed to the agents of the same rank belonging to the most favored nations; and in the like manner the diplomatic agents and consuls of the United States in Nicaragua shall enjoy, according to the strictest reciprocity, whatever privileges, exemptions, and immunities are or may be granted in the republic of Nicaragua to the diplomatic agents and consuls of the most favored nations.

ARTICLE XI

For the better security of commerce between the citizens of the United States and the citizens of Nicaragua, it is agreed, that if at any time any interruption of friendly intercourse, or any rupture, should unfortunately take place between the two high contracting parties, the citizens of either, who may be within the territories of the other, shall, if residing on the coast, be allowed

six months, and if in the interior, a whole year, to wind up their accounts, and dispose of their property; and a safe-conduct shall be given to them to embark at any port they themselves may select. Even in case of rupture, all such citizens of either of the high contracting parties, who are established in any of the territories of the other in trade or other employment, shall have the privilege of remaining and of continuing such trade or employment, without any manner of interruption, in the full enjoyment of liberty and property, so long as they behave peacefully, and commit no offence against the laws; and their goods and effects, of whatever description they may be, whether in their own custody, or intrusted to individuals or to the State, shall not be liable to seizure or sequestration, nor to any other changes or demands than those which may be made upon the like effects or property belonging to the native citizens of the country in which such citizens may reside. In the same case, debts between individuals, property in public funds, and shares of companies, shall never be confiscated, nor detained, nor sequestered.

ARTICLE XII

The citizens of the United States and the citizens of the republic of Nicaragua, respectively, residing in any of the territories of the other party, shall enjoy in their houses, persons, and property, the protection of the government, and shall continue in possession of the guarantees which they now enjoy. They shall not be disturbed, molested, or annoyed in any manner on account of their religious belief, nor in the proper exercise of their religion, agreeably to the system of tolerance established in the territories of the high contracting parties: provided they respect the religion of the nation in which they reside, as well as the constitution, laws, and customs of the country.

Liberty shall also be granted to bury the citizens of either of the two high contracting parties, who may die in the territories aforesaid, in burial places of their own, which in the same manner may be freely established and maintained; nor shall the funerals or sepulchres of the dead be disturbed in any way or upon any account.

ARTICLE XIII

Whenever a citizen of either of the contracting parties shall be forced to seek refuge or asylum in the rivers, bays, ports, or dominions of the other with their vessels, whether merchant or war, public or private, through stress of weather, pursuit of pirates or enemies, or want of provisions or water, they shall be received and treated with humanity, and given all favor and protection for repairing their vessels, procuring provisions, and placing themselves in all respects in a condition to continue their voyage without obstacle of any kind.

ARTICLE XIV

The republic of Nicaragua hereby grants to the United States, and to their citizens and property, the right of transit between the Atlantic and Pacific oceans through the territory of that republic, on any route of communication, natural or artificial, whether by land or by water, which may now or hereafter exist or be constructed under the authority of Nicaragua, to be used and enjoyed in the same manner and upon equal terms by both republics and their respective citizens, the republic of Nicaragua, however, reserving its rights of sovereignty over the same.

ARTICLE XV

The United States hereby agree to extend their protection to all such routes of communication as aforesaid, and to guarantee the neutrality and innocent use of the same. They also agree to employ their influence with other nations to induce them to guarantee such neutrality and protection.

And the republic of Nicaragua, on its part, undertakes to establish one free port at each extremity of one of the aforesaid routes of communication between the Atlantic and Pacific oceans. At these ports no tonnage or other duties shall be imposed or levied by the government of Nicaragua on the vessels of the United States, or on any effects or merchandise belonging to citizens or subjects of the United States, or upon the vessels or effects of any other country intended, bona fide, for transit across the said routes of communication, and not for consumption within the republic of Nicaragua. The United States shall also be at liberty, on giving notice to the government or authorities of Nicaragua, to carry troops and munitions of war in their own vessels, or otherwise, to either of said free ports, and shall be entitled to their conveyance between them without obstruction by said government or authorities, and without any charges or tolls whatever for their transportation on either of said routes: *Provided*, said troops and munitions of war are not intended to be employed against Central American nations friendly to Nicaragua. And no higher or other charges or tolls shall be imposed on the conveyance or transit of persons and property of citizens or subjects of the United States, or of any other country, across the said routes of communication, than are or may be imposed on the persons and property of citizens of Nicaragua.

And the republic of Nicaragua concedes the right of the Postmaster General of the United States to enter into contracts with any individuals or companies to transport the mails of the United States along the said routes of communication, or along any other routes across the isthmus, in its discretion, in closed bags, the contents of which may not be intended for distribution within the said republic, free from the imposition of all taxes or duties by the government of Nicaragua; but this liberty is not to be construed so as to permit such individuals or companies, by virtue of this right to transport the mails, to carry also passengers or freight.

ARTICLE XVI

The republic of Nicaragua agrees that, should it become necessary at any time to employ military forces for the security and protection of persons and property passing over any of the routes aforesaid, it will employ the requisite force for that purpose; but upon failure to do this from any cause whatever, the government of the United States may, with the consent, or at the request of the government of Nicaragua, or of the minister thereof at Washington, or of the competent legally appointed local authorities, civil or military, employ such force for this and for no other purpose; and when, in the opinion of the government of Nicaragua, the necessity ceases, such force shall be immediately withdrawn.

In the exceptional case, however, of unforeseen or imminent danger to the lives or property of citizens of the United States, the forces of said republic are authorized to act for their protection without such consent having been previously obtained.

But no duty or power imposed upon or conceded to the United States by the provisions of this article shall be performed or exercised except by authority and in pursuance of laws of Congress hereafter enacted. It being understood that such laws shall not affect the protection and guarantee of the neutrality of the routes of transit, nor the obligation to withdraw the troops which may be disembarked in Nicaragua directly that, in the judgment of the government of the republic, they should no longer be necessary, nor in any manner bring about new obligations on Nicaragua, nor alter her rights in virtue of the present treaty.

ARTICLE XVII

It is understood, however, that the United States, in according protection to such routes of communication, and guaranteeing their neutrality and security, always intend that the protection and guarantee are granted conditionally, and may be withdrawn if the United States should deem that the persons or company undertaking or managing the same adopt or establish such regulations concerning the traffic thereupon as are contrary to the spirit and intention of this treaty, either by making unfair discriminations in favor of the commerce of any country or countries over the commerce of any other country or countries, or by imposing oppressive exactions or unreasonable tolls upon mails, passengers, vessels, goods, wares, merchandise, or other articles. The aforesaid protection and guarantee shall not, however, be withdrawn by the United States without first giving six months' notice to the republic of Nicaragua.

ARTICLE XVIII

And it is further agreed and understood that in any grants or contracts

which may hereafter be made or entered into by the government of Nicaragua, having reference to the interoceanic routes above referred to, or either of them, the rights and privileges granted by this treaty to the government and citizens of the United States shall be fully protected and reserved. And if any such grants or contracts now exist, of a valid character, it is further understood that the guarantee and protection of the United States, stipulated in Article XV of this treaty, shall be held inoperative and void until the holders of such grants and contracts shall recognize the concessions made in this treaty to the government and citizens of the United States with respect to such interoceanic routes, or either of them, and shall agree to observe and be governed by these concessions as fully as if they had been embraced in their original grants or contracts; after which recognition and agreement said guarantee and protection shall be in full force: provided, that nothing herein contained shall be construed either to affirm or to deny the validity of the said contracts.

ARTICLE XIX

After ten years from the completion of a railroad, or any other route of communication through the territory of Nicaragua from the Atlantic to the Pacific ocean, no company which may have constructed or be in possession of the same shall ever divide, directly or indirectly, by the issue of new stock, the payment of dividends or otherwise, more than fifteen per cent. per annum, or at that rate, to its stockholders from tolls collected thereupon; but whenever the tolls shall be found to yield a larger profit than this, they shall be reduced to the standard of fifteen per cent. per annum.

ARTICLE XX

The two high contracting parties, desiring to make this treaty as durable as possible, agree that this treaty shall remain in full force for the term of fifteen years from the day of the exchange of the ratifications; and either party shall have the right to notify the other of its intention to terminate, alter, or reform this treaty, at least twelve months before the expiration of the fifteen years; if no such notice be given, then this treaty shall continue binding beyond the said time, and until twelve months shall have elapsed from the day on which one of the parties shall notify the other of its intention to alter, reform, or abrogate this treaty.

ARTICLE XXI

The present treaty shall be ratified, and the ratifications exchanged at the city of Managua, within one year, or sooner if possible.

In faith whereof the respective plenipotentiaries have signed the same, and affixed thereto their respective seals.

Done at the city of Managua, this twenty-first day of June, in the year of our Lord one thousand eight hundred and sixty-seven.

A. B. DICKINSON [SEAL]
TOMAS AYON [SEAL]

EXTRADITION

Convention signed at Managua June 25, 1870

Ratified by Nicaragua March 27, 1871

*Senate advice and consent to ratification, with amendments,
March 31, 1871¹*

*Ratified by the President of the United States, with amendments,
April 11, 1871¹*

Ratifications exchanged at Managua June 24, 1871

Entered into force June 24, 1871

Proclaimed by the President of the United States September 19, 1871

Terminated April 24, 1902²

17 Stat. 815; Treaty Series 258

EXTRADITION CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF NICARAGUA

The United States of America and the Republic of Nicaragua, having judged it expedient, with a view to the better administration of justice, and to prevention of crimes within their respective territories and jurisdiction, that persons convicted of, or charged with the crimes hereinafter mentioned, and being fugitives from justice, should, under certain circumstances, be reciprocally delivered up, have resolved to conclude a convention for that purpose, and have appointed as their Plenipotentiaries: the President of the United States, Charles N. Riotte, a citizen and Minister Resident of the United States in Nicaragua, the President of the Republic of Nicaragua, Mister Tomas Ayon, Minister for For[eign] Relations, who, after reciprocal communication of their full powers, found in good and due form, have agreed upon the following articles, viz:

ARTICLE I

The government of the United States and the government of Nicaragua mutually agree to deliver up persons who, having been convicted of or

¹ The U.S. amendments called for deleting from art. II, para. 5, the phrase "things being" after "all" and preceding "titles," and substituting "of" for "on" between "titles" and "instruments of credit."

The text printed here is the amended text as proclaimed by the President.

² Pursuant to notice of termination given by Nicaragua Oct. 24, 1901.

charged with the crimes specified in the following article, committed within the jurisdiction of one of the contracting parties, shall seek an asylum or be found within the territories of the other: Provided, That this shall only be done upon such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his or her apprehension and commitment for trial, if the crime had been there committed.

ARTICLE II

Persons shall be delivered up, who shall have been convicted of, or be charged, according to the provisions of this convention, with any of the following crimes:

1. Murder, comprehending assassination, parricide, infanticide, and poisoning.
2. The crimes of rape, arson, piracy, and mutiny on board a ship, whenever the crew, or part thereof, by fraud or violence against the commander, have taken possession of the vessel.
3. The crime of burglary, defined to be the action of breaking and entering by night into the house of another with the intent to commit felony; and the crime of robbery, defined to be the action of feloniously and forcibly taking from the person of another, goods or money, by violence or putting him in fear.
4. The crime of forgery, by which is understood the utterance of forged papers, the counterfeiting of public, sovereign, or government acts.
5. The fabrication or circulation of counterfeit money, either coin or paper, of public bonds, bank notes, and obligations, and in general of all titles of instruments of credit, the counterfeiting of seals, dies, stamps, and marks of State and public administrations and the utterance thereof.
6. The embezzlement of public moneys, committed within the jurisdiction of either party, by public officers or depositors.
7. Embezzlement by any person or persons hired or salaried, to the detriment of their employers, when these crimes are subjected to infamous punishment.

ARTICLE III

The provisions of this treaty shall not apply to any crime or offence of a political character, and the person or persons delivered up for the crimes enumerated in the preceding article, shall in no case be tried for any ordinary crime, committed previously to that for which his or their surrender is asked.

ARTICLE IV

If the person, whose surrender may be claimed pursuant to the stipula-

tions of the present treaty, shall have been arrested for the commission of offences in the country where he has sought an asylum, or shall have been convicted thereof, his extradition may be deferred until he shall have been acquitted, or have served the term of imprisonment to which he may have been sentenced.

ARTICLE V

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the contracting parties, or, in the event of the absence of these from the country or its seat of government, they may be made by superior consular officers. If the person whose extradition may be asked for shall have been convicted of a crime, a copy of the sentence of the court in which he may have been convicted, authenticated under its seal, and an attestation of the official character of the judge by the proper executive authority, and of the latter by the minister or consul of the United States or of Nicaragua, respectively, shall accompany the requisition. When, however, the fugitive shall have been merely charged with crime, a duly authenticated copy of the warrant for his arrest in the country where the crime may have been committed, and of the depositions upon which such warrant may have been issued, must accompany the requisition as aforesaid. The President of the United States, or the proper executive authority in Nicaragua, may then issue a warrant for the apprehension of the fugitive, in order that he may be brought before the proper judicial authority for examining the question of extradition. If it should then be decided that, according to law and evidence, the extradition is due pursuant to this treaty, the fugitive may be given up according to the forms prescribed in such cases.

ARTICLE VI

The expenses of the arrest, detention, and transportation of the persons claimed shall be paid by the government in whose name the requisition shall have been made.

ARTICLE VII

This convention shall continue in force during five (5) years from the day of exchange of ratifications, but if neither party shall have given to the other six (6) months previous notice of its intention to terminate the same, the convention shall remain in force five (5) years longer, and so on.

The present convention shall be ratified and the ratifications exchanged at the capital of Nicaragua, or any other place temporarily occupied by the Nicaraguan government, within twelve (12) months, or sooner if possible.

In witness whereof the respective Plenipotentiaries have signed the present convention in duplicate, and have thereunto affixed their seals.

Done at the city of Managua, capital of the Republic of Nicaragua, the twenty-fifth day of June, one thousand eight hundred and seventy, of the Independence of the United States the ninety-fourth, and of the Independence of Nicaragua the fifty-ninth.

CHARLES N. RIOTTE [SEAL]
TOMAS AYON [SEAL]

CLAIMS: PAYMENT OF DUTIES TO REBEL CHIEFS

Agreement singed at Bluefields, Nicaragua, April 29, 1899

Entered into force April 29, 1899

Terminated on fulfillment of its terms

1899 For. Rel. 576

[TRANSLATION]

The undersigned, Joaquin Sanson, minister of foreign affairs of Nicaragua, and William L. Merry, envoy extraordinary and minister plenipotentiary of the United States of America, desiring to find a friendly solution which will put an end to the difficulties which have lately presented themselves between the fiscal authorities of the Republic and some American merchants by reason of the occurrences which have taken place on the Atlantic coast in relation to the payment of duties which they made during the month of February, 1899, to the rebel chiefs who operated here, and which the Government has not wanted to recognize as legitimate, have agreed to celebrate the following agreement:

1. The merchants, Messrs. Samuel Weil & Co., The New Orleans and Central American Trading Company, Allen & Caldwell, J. A. Peterson, S. D. Spellman, and Orr & Laubenheimer, will deposit in the consulate of Her Britannic Majesty the value claimed as owing to the fiscal authorities and which they object to pay directly by reason of having once paid to the employees of the revolutionary organization of General Reyes after the 3d and before the 25th of February, 1899.
2. The fiscal authorities on their part will rescind the provisions of "embargo" on merchandise which they had decreed to make effective the payment aforesaid.
3. The difficulty overcome, once that it has been discussed before whom it may appertain, and as a last resort by the secretary of foreign relations of Nicaragua and the Department of State of the United States, the deposit shall be paid by Her Britannic Majesty's consul to the authorities of the custom-house if it is decided that Government has had the right to demand the payment claimed, or to its owners, the American merchants, if it is decided that the payment made to the revolutionists of Bluefields was legal for the reason that they pretend that the revolutionary organization of General Reyes, between February 3 and 25, 1899, was the government *de facto*.

4. If the Government should collect the duties which are now charged to the merchants owing, it can not make any charge for fines in regard to the default in paying the demand.

5. The undersigned, in case that the present matter results in diplomatic action, will request their respective Governments to the end that it may be decided within four months.

6. The present convention does not diminish or alter in any manner the rights of the parties which they may have in other matters, and has been prompted entirely by the spirit of fraternity which invites our respective peoples and Governments.

Signed at Bluefields, Nicaragua, in duplicate, on the 29th day of April, 1899.

JOAQUIN SANSON
WILLIAM LAWRENCE MERRY

CLAIMS: THE CASE OF ORR AND LAUBENHEIMER AND THE POST-GLOVER ELECTRIC COMPANY

Protocol of agreement signed at Washington March 22, 1900

Entered into force March 22, 1900

Terminated June 16, 1900¹

1900 For. Rel. 824; Treaty Series 259

CLAIMS OF ORR AND LAUBENHEIMER AND THE POST-GLOVER ELECTRIC COMPANY V. NICARAGUA

Protocol of an agreement between the United States and Nicaragua for the arbitration of the amount of damages to be awarded Orr and Laubenheimer and the Post-Glover Electric Company, signed at Washington, March 22, 1900.

The United States of America and the Republic of Nicaragua, through their representatives, John Hay, Secretary of State of the United States of America, and Luis F. Corea, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Nicaragua, have agreed upon and signed the following protocol:

Whereas, the said Orr and Laubenheimer, citizens of the United States of America, have claimed through the Government of the United States from the Government of Nicaragua indemnity on account of damages sustained through the alleged seizure and detention by Nicaraguan authorities of said Orr and Laubenheimer's steam launches "the Buena Ventura" and "the Alerta;" and

Whereas, the said Post-Glover Electric Company, a citizen of the United States of America, has claimed through the Government of the United States from the Government of Nicaragua indemnity on account of the alleged seizure at Bluefields of certain goods and chattels of the Post-Glover Electric Company:

It is agreed between the two Governments:

I. That the question of the amount of the indemnity in each of said cases shall be referred to General E. P. Alexander, who is hereby appointed as

¹ Date on which the arbitrator rendered the award (TS 398; 1900 For. Rel. 826).

Arbitrator to hear said cases and to determine the respective amounts of said indemnities.

II. The Government of the United States will lay before the arbitrator and before the Nicaraguan Government a copy of all the correspondence sent, received by and on file in the Department of State in relation to said claims.

III. The Government of the United States having declined to submit any matter in dispute herein to arbitration, except the amount of indemnity to be awarded in each of said cases, the Government of Nicaragua, as an act of deference to the United States, waives its denial of liability in said cases and agrees that said arbitrator may award such sum as he believes said Orr and Laubenheimer and said Post-Glover Electric Company may be justly entitled to; but the award shall not exceed the amount claimed in the memorials filed in the Department of State in each case.

IV. The said evidence is to be submitted to the Nicaraguan Government and to the arbitrator on or before the first day of May, 1900, who may, if he deems it necessary in the interests of justice, require the production of further evidence and each Government agrees to comply with said request so far as possible; but he shall not for that purpose delay his decision beyond July 1, 1900.

V. Each Government may furnish to the arbitrator an argument or brief not later than June 1, 1900, but the arbitrator need not for that purpose delay his decision.

VI. The Government of Nicaragua shall pay the indemnity fixed by the arbitrator, if any, in American gold or its equivalent in silver, at the General Treasury at Managua, as soon as the Legislative Assembly of Nicaragua shall authorize the payment; but the time thus allowed shall in no case exceed six months from the day the decision is pronounced, unless an extension of time of its payment should be granted by the Government of the United States.

VII. Reasonable compensation to the arbitrator is to be paid in equal moieties by both Governments.

VIII. Any award given by the arbitrator shall be final and conclusive.

Done in duplicate at Washington this 22d day of March, 1900.

JOHN HAY
LUIS F. COREA

INTEROCEANIC CANAL

Protocol signed at Washington December 1, 1900

Entered into force December 1, 1900

Made obsolete April 25, 1971¹

Treaty Series 260

PROTOCOL OF AN AGREEMENT BETWEEN THE GOVERNMENTS OF THE UNITED STATES AND OF NICARAGUA IN REGARD TO FUTURE NEGOTIATIONS FOR THE CONSTRUCTION OF AN INTER-OCEANIC CANAL BY WAY OF LAKE NICARAGUA

It is agreed between the two Governments that when the President of the United States is authorized by law to acquire control of such portion of the territory now belonging to Nicaragua as may be desirable and necessary on which to construct and protect a canal of depth and capacity sufficient for the passage of vessels of the greatest tonnage and draft now in use, from a point near San Juan del Norte on the Caribbean Sea, via Lake Nicaragua to Brito on the Pacific Ocean, they mutually engage to enter into negotiations with each other to settle the plan and the agreements, in detail, found necessary to accomplish the construction and to provide for the ownership and control of the proposed canal.

As preliminary to such future negotiations it is forthwith agreed that the course of said canal and the terminals thereof shall be the same that were stated in a treaty signed by the plenipotentiaries of the United States and Great Britain on February 5, 1900,² and now pending in the Senate of the United States for confirmation, and that the provisions of the same shall be adhered to by the United States and Nicaragua.

In witness whereof, the undersigned have signed this protocol and have hereunto affixed their seals.

Done in duplicate at Washington, this first day of December, 1900.

JOHN HAY [SEAL]
LUIS F. COREA [SEAL]

¹ Upon entry into force of convention of July 14, 1970 (22 UST 663; TIAS 7120).

² Unperfected; for text, see 1901 For. Rel. 241.

EXTRADITION

Treaty signed at Washington March 1, 1905

Senate advice and consent to ratification March 16, 1905

Ratified by Nicaragua April 26, 1907

Ratified by the President of the United States June 11, 1907

Ratifications exchanged at Washington June 14, 1907

Proclaimed by the President of the United States June 15, 1907

Entered into force July 14, 1907

35 Stat. 1869; Treaty Series 462

The United States of America and the Republic of Nicaragua, being desirous to confirm their friendly relations and to promote the cause of justice, have resolved to conclude a treaty for the extradition of fugitives from justice between the United States of America and the Republic of Nicaragua, and have appointed for that purpose the following Plenipotentiaries:

The President of the United States of America, John Hay, Secretary of State of the United States; and

The President of Nicaragua, Señor Don Luis F. Corea, Envoy Extraordinary and Minister Plenipotentiary of Nicaragua to the United States;

Who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

The Government of the United States and the Government of Nicaragua mutually agree to deliver up persons who, having been charged, as principals or accessories, with or convicted of any of the crimes and offenses specified in the following article committed within the jurisdiction of one of the contracting parties, shall seek an asylum or be found within the territories of the other: Provided, that this shall only be done upon such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his or her apprehension and commitment for trial if the crime had been there committed.

ARTICLE II

Persons shall be delivered up, according to the provisions of this convention, who shall have been charged with, or convicted of, any of the following crimes or offenses:

1. Murder, comprehending the crimes known as parricide, assassination, poisoning, and infanticide; assault with intent to commit murder; manslaughter, when voluntary.
2. Mayhem and other wilful mutilation causing disability or death.
3. The malicious and unlawful destruction or attempted destruction of railways, trains, bridges, vehicles, vessels, and other means of travel, or of public edifices and private dwellings, when the act committed shall endanger human life.
4. Rape.
5. Bigamy.
6. Arson.
7. Crimes committed at sea:
 - (a) Piracy, by statute or by the law of nations.
 - (b) Wrongfully sinking or destroying a vessel at sea, or attempting to do so.
 - (c) Revolt, or conspiracy to revolt, by two or more persons on board a ship on the high seas against the authority of the master.
 - (d) Assaults on board a ship on the high seas with intent to do grievous bodily harm.
8. Burglary, defined to be the act of breaking and entering into the house of another in the nighttime, with intent to commit a felony therein.
9. The act of breaking into and entering public offices, or the offices of banks, banking houses, savings banks, trust companies, or insurance companies, with intent to commit theft therein, and also the thefts resulting from such acts.
10. Robbery, defined to be the felonious and forcible taking from the person of another of goods or money, by violence or by putting the person in fear.
11. Forgery, or the utterance of forged papers.
12. The forgery, or falsification of the official acts of the Government or public authority, including courts of justice, or the utterance or fraudulent use of any of the same.
13. The fabrication of counterfeit money, whether coin or paper, counterfeit titles or coupons of public debt, bank notes, or other instruments of public credit; of counterfeit seals, stamps, dies, and marks of State or public administration, and the utterance, circulation, or fraudulent use of any of the above mentioned objects.

14. The introduction of instruments for the fabrication of counterfeit coin or bank notes or other paper current as money.

15. Embezzlement or criminal malversation of public funds committed within the jurisdiction of either party by public officers or depositaries, where the amount of money embezzled is not less than two hundred dollars.

16. Embezzlement of funds of a bank of deposit or savings bank, or trust company chartered under Federal or State laws, where the amount of money embezzled is not less than two hundred dollars.

17. Embezzlement by any person or persons hired or salaried to the detriment of their employers, when the crime is subject to punishment by the laws of the place where it was committed, and where the amount of money or the value of the property embezzled is not less than two hundred dollars.

18. Kidnapping of minors or adults, defined to be the abduction or detention of a person or persons in order to exact money from them or their families, or for any unlawful end.

19. Obtaining by threats of injury, or by false devices, money, valuables or other personal property, and the receiving of the same with the knowledge that they have been so obtained, when such crimes or offenses are punishable by imprisonment or other corporal punishment by the laws of both countries, and the amount of money or the value of the property so obtained is not less than two hundred dollars.

20. Larceny, defined to be the theft of effects, personal property, horses, cattle, or live stock, or money, of the value of twenty-five dollars or more, or receiving stolen property, of that value, knowing it to be stolen.

21. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, or other person acting in a fiduciary capacity, or director or member or officer of any company, when such act is made criminal by the laws of both countries and the amount of money or the value of the property misappropriated is not less than two hundred dollars.

22. Perjury; violation of an affirmation or a promise to state the truth, when required by law; subornation to commit said crimes.

23. Bribery, defined to be the giving, offering or receiving of a reward to influence one in the discharge of a legal duty.

24. Extradition shall also be granted for the attempt to commit any of the crimes and offenses above enumerated, when such attempt is punishable as a felony by the laws of both contracting parties.

ARTICLE III

A person surrendered under this convention shall not be tried or punished in the country to which his extradition has been granted, nor given up to a third power for a crime or offense, not provided for by the present con-

vention and committed previously to his extradition, until he shall have been allowed one month to leave the country after having been discharged; and, if he shall have been tried and condemned to punishment, he shall be allowed one month after having suffered his penalty or having been pardoned. He shall moreover not be tried or punished for any crime or offense provided for by this convention committed previous to his extradition, other than that which gave rise to the extradition, without the consent of the Government which surrendered him, which may, if it think proper, require the production of one of the documents mentioned in Article XI of this convention.

The consent of that Government shall likewise be required for the extradition of the accused to a third country; nevertheless, such consent shall not be necessary when the accused shall have asked of his own accord to be tried or to undergo his punishment, or when he shall not have left within the space of time above specified the territory of the country to which he has been surrendered.

ARTICLE IV

The provisions of this convention shall not be applicable to persons guilty of any political crime or offense or of one connected with such a crime or offense. A person who has been surrendered on account of one of the common crimes or offenses mentioned in Article II shall consequently in no case be prosecuted and punished in the State to which his extradition has been granted on account of a political crime or offense committed by him previously to his extradition, or on account of an act connected with such a political crime or offense, unless he has been at liberty to leave the country for one month after having been tried and, in case of condemnation, for one month after having suffered his punishment or having been pardoned.

ARTICLE V

Neither of the contracting parties shall be bound to deliver up its own citizens under the stipulations of this convention, but the executive authority of each shall have the power to deliver them up, if, in its discretion, it be deemed proper to do so.

ARTICLE VI

If the person whose surrender may be claimed, pursuant to the stipulations of the present convention, shall have been accused or arrested for the commission of any offense in the country where he or she has sought asylum, or shall have been convicted thereof, his or her extradition may be deferred until he or she is entitled to be liberated on account of the offense charged, for any of the following reasons: acquittal; expiration of term of imprisonment; expiration of the period to which the sentence may have been commuted, or pardon.

ARTICLE VII

If a fugitive criminal claimed by one of the parties hereto shall be also claimed by one or more powers, pursuant to treaty provisions on account of crimes or offenses committed within their jurisdiction, such criminal shall be delivered up in preference in accordance with that demand which is the earliest in date, unless the State from which extradition is sought is bound to give preference otherwise.

ARTICLE VIII

Extradition shall not be granted, in pursuance of the provisions of this convention, if legal proceedings or the enforcement of the penalty for the act committed by the person claimed has become barred by limitation, according to the laws of the country to which the requisition is addressed.

ARTICLE IX

On being informed by telegraph or otherwise, through the diplomatic channel, that a warrant has been issued by competent authority for the arrest of a fugitive criminal charged with any of the crimes enumerated in the foregoing articles of this treaty, and on being assured from the same source that a requisition for the surrender of such criminal is about to be made, accompanied by such warrant and duly authenticated depositions or copies thereof in support of the charge, each government shall endeavor to procure the provisional arrest of such criminal and to keep him in safe custody for such time as may be practicable, not exceeding sixty days, to await the production of the documents upon which the claim for extradition is founded.

ARTICLE X

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the contracting parties, or, in the event of the absence of these from the country or its seat of government, they may be made by superior consular officers.

If the person whose extradition may be asked for shall have been convicted of a crime or offense, a copy of the sentence of the court in which he has been convicted, authenticated under its seal, with attestation of the official character of the judge, by the proper executive authority, and of the latter by the minister or consul of the United States or of Nicaragua, respectively, shall accompany the requisition. When, however, the fugitive shall have been merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime has been committed, and of the depositions upon which such warrant has been issued, must accompany the requisition as aforesaid.

ARTICLE XI

The expenses of the arrest, detention, examination and delivery of fugitives under this convention shall be borne by the State in whose name the extradition is sought: Provided, that the demanding government shall not be compelled to bear any expenses for the services of such officers of the government from which extradition is sought as receive a fixed salary; and provided that the charge for the services of such public officials as receive only fees shall not exceed the fees to which such officials are entitled under the laws of the country for services rendered in ordinary criminal proceedings.

ARTICLE XII

All articles found in the possession of the accused party and obtained through the commission of the act with which he is charged, and that may be used as evidence of the crime for which his extradition is demanded, shall be seized if the competent authority shall so order and shall be surrendered with his person.

The rights of third parties to the articles so found shall nevertheless be respected.

ARTICLE XIII

Each of the contracting parties shall exercise due diligence in procuring the extradition and prosecution of its citizens who may be charged with the commission of any of the crimes or offenses mentioned in Article II, exclusively committed in its territory against the government or any of the citizens of the contracting party, when the person accused may have taken refuge or be found within the territory of the latter, provided the said crime or offense is one that is punishable, as such, in the territory of the demanding country.

ARTICLE XIV

The present convention shall take effect thirty days after the exchange of ratifications, and shall continue to have binding force for six months after a desire for its termination shall have been expressed in due form by one of the two governments to the other.

It shall be ratified and its ratifications shall be exchanged at Washington as soon as possible.

In witness whereof, the respective plenipotentiaries have signed the above articles both in the English and Spanish languages, and have hereunto affixed their seals.

Done, in duplicate, at the City of Washington, this first day of March, one thousand nine hundred and five.

JOHN HAY [SEAL]
LUIS F. COREA [SEAL]

NATURALIZATION

*Convention signed at Managua December 7, 1908
Senate advice and consent to ratification January 21, 1909
Ratified by the President of the United States March 1, 1909
Supplemented by convention of June 17, 1911¹
Ratified by Nicaragua March 28, 1912
Ratifications exchanged at Managua March 28, 1912
Entered into force March 28, 1912
Proclaimed by the President of the United States May 10, 1912*

37 Stat. 1560; Treaty Series 566

The President of the United States of America and the President of the Republic of Nicaragua, desiring to regulate the citizenship of those persons who emigrate from the United States of America to Nicaragua, and from Nicaragua to the United States of America, have resolved to conclude a Convention on this subject and for that purpose have appointed their Plenipotentiaries to conclude a Convention, that is to say: the President of the United States of America, John Hanaford Gregory Jr., Chargé d'Affaires ad Interim of the United States at Managua, and the President of Nicaragua, Rodolfo Espinosa R., Minister for Foreign Affairs, who having exchanged their full powers, found in good and due form have agreed to and signed the following articles.

ARTICLE I

1. Citizens of the United States who have been or may be voluntarily naturalized in Nicaragua in conformity with the laws thereof, shall be considered and treated by the Government of the United States as citizens of Nicaragua.

¹ TS 567, *post*, p. 377.

2. Reciprocally, citizens of Nicaragua who have been or may be voluntarily naturalized in the United States in conformity with the laws thereof, shall be considered and treated by the Government of Nicaragua as citizens of the United States.

ARTICLE II

1. If a citizen of the United States naturalized in Nicaragua renews his residence in the United States without the intention to return to Nicaragua, it shall be considered that he has renounced his citizenship in Nicaragua.

2. Reciprocally, if a citizen of Nicaragua naturalized in the United States renews his residence in Nicaragua without intention to return to the United States it shall be deemed that he has renounced his citizenship in the United States.

3. The intention not to return shall be deemed to exist when a person naturalized in one of the two countries resides for more than two years continuously in the other country; however, such presumption may be destroyed by evidence to the contrary.

ARTICLE III

A mere declaration of intention to become naturalized in either country shall not, in either country, have the effect of legally acquired citizenship.

ARTICLE IV

Citizens naturalized in one of the two countries and returning to the country of their origin shall be subject to trial and punishment in the latter for any punishable act committed before their emigration, but not for the act of emigrating itself, always excepting cases of limitation or any other remission of liability.

ARTICLE V

It is agreed between both parties to define the word "citizenship", as used in this Convention, to mean the status of a person possessing the nationality of the United States or Nicaragua.

ARTICLE VI

The present Convention shall be in force for a period of ten years from the date of the exchange of ratifications. If, one year before the expiration of this period, neither of the parties gives notice to the other that it shall expire, it shall continue in force until twelve months after such notice is given.

ARTICLE VII

The present Convention shall be ratified constitutionally by each country, and the ratifications shall be exchanged at Washington or at Managua within two years from date at the latest.²

DONE in Managua the seventh of December one thousand nine hundred and eight, sealed and signed in two copies of same tenor in English and Spanish.

JOHN HANAFORD GREGORY Jr. [SEAL]
RODOLFO ESPINOSA R. [SEAL]

² For an agreement prolonging period for exchange of ratifications, see supplementary convention of June 17, 1911 (TS 567), *post*, p. 377.

CLAIMS: THE CASE OF GEORGE D. EMERY COMPANY

Protocol of agreement and supplementary protocol signed at Washington May 25, 1909; protocol of settlement signed at Washington September 18, 1909

Protocol of agreement and supplementary protocol entered into force May 25, 1909

Protocol of agreement terminated September 18, 1909, in accordance with article IX

1909 For. Rel. 460; Treaty Series 532½

CLAIM OF THE GEORGE D. EMERY CO., AN AMERICAN CORPORATION,
v. NICARAGUA

PROTOCOL OF AGREEMENT

The United States of America and the Republic of Nicaragua through their respective plenipotentiaries, Philander C. Knox, Secretary of State of the United States of America, and Señor Doctor Don Pedro Gonzales, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Nicaragua on Special Mission, being duly authorized thereto, and Señor Doctor Don Rodolfo Espinosa, Envoy Extraordinary and Minister Plenipotentiary of Nicaragua to the United States, have agreed upon and concluded the following protocol:

Whereas, the United States of America, on behalf of the George D. Emery Company, an American corporation, claims that the annulment by the Government of Nicaragua of a certain concession granted by said Government to one Herbert C. Emery, and by him assigned to said George D. Emery Company, was contrary to law and in contravention of the rights of said corporation, under its concession; and

Whereas, the Republic of Nicaragua maintains both the legality and justice of such annulment, and

Whereas, the two Governments have concluded to submit the determination of the controversy to arbitration it is therefore agreed as follows:

ARTICLE I

The High Contracting parties will submit to an international tribunal of arbitration, for decision, the questions hereinafter stated in their order, namely:

1. Whether by the decision of June 11th, 1903, rendered by the arbitrators provided for in the concession, said concession was annulled.
2. Whether (a) the annulment of said concession by the Nicaraguan Government; (b) the proceedings and judgment of the Nicaraguan courts for 500,000 silver dollars and the embargo of the property of said corporation and the interference with the work and business of said corporation by the Nicaraguan Government; (c) the sale by the Nicaraguan Government by contract of May 18th, 1905, to Angel Caligaris of forty thousand hectares of national lands in the Department of Zelaya; (d) the grant by the Nicaraguan Government to Lomax S. Anderson of the concession dated February 7th, 1906, were in contravention of the rights of said corporation and of the principles of equity and international law.

If the arbitral tribunal find in the affirmative on any of the foregoing questions contained in Clause 2 of this article, they shall then assess and award damages against the Nicaraguan Government to cover whatever loss, damages, costs and expenses, if any, said corporation has suffered and incurred by reason of such act or acts in contravention of justice, equity and international law; it being understood that for the purposes of any arbitral assessment of damages the Government of the United States recognizes the right of the Government of Nicaragua to set off by way of reduction of damages any counterclaims against the Company.

ARTICLE II

Any award that the tribunal may render against said Nicaraguan Government shall be payable in United States gold and shall include interest at the rate of six per cent per annum on all losses or damages from the time they occurred until the award is fully paid.

ARTICLE III

The said questions shall be referred to a tribunal composed of three arbitrators, one to be named by the President of the United States, and one by the President of Nicaragua, at or before the time of signing this protocol, and the third, who shall be one learned in the law and able to speak, write and understand the English language, to be selected by mutual accord between the two first named arbitrators. In the event no selection of the third arbitrator is made within thirty days after the signing of this protocol, then such third arbitrator, who shall be a citizen of neither the United States nor Nicaragua, is to be selected by the King of Great Britain.

In case of death, absence or incapacity of any arbitrator, or in the event of his ceasing or omitting to act the vacancy shall within thirty days be filled in the same manner as the original appointment, the period of thirty days to be calculated from the date of the happening of the vacancy.

ARTICLE IV

Within sixty days from the date of the signing of this protocol, the Government of the United States, through the Department of State, shall furnish to the Government of Nicaragua, through its Legation at Washington, and to each arbitrator a copy of its case, stating therein all the claims of the George D. Emery Company against the Government of Nicaragua, together with all correspondence between the two Governments and between said corporation and each of said Governments, respectively, and also all documents, affidavits and other evidence in its possession in relation to the case.

Within sixty days from the signing of this protocol, the Government of Nicaragua, through its Legation at Washington, shall furnish to the Government of the United States through the Department of State, and to each arbitrator a copy of its case, stating therein all its claims against the George D. Emery Company, together with copies of all correspondence between the two Governments and between said corporation and the Government of Nicaragua, respectively, as well as all documents, affidavits and other evidence in its possession in relation to the case.

Within sixty days after filing such cases and the accompanying evidence, each Government shall in the same manner furnish to the other Government and to each arbitrator its counter-case, which shall contain only answers in defense to the other's case, and shall admit of no other charges against each other.

Such counter-cases shall be accompanied with copies of all documents, affidavits and other evidence in support thereof.

The period for submission of evidence shall thereupon be closed; provided that the tribunal may, however, allow or require either Government to furnish such additional evidence as may be deemed necessary, in the interest of justice.

The tribunal shall be at liberty to employ for its information all manner of documents and statements which it shall consider necessary, without being bound by strict judicial rules of evidence.

ARTICLE V

The arbitrators shall organize and hold their first session in the City of Washington, District of Columbia, U. S. A., as soon as practicable, within one month following the filing of the counter-cases, and shall subscribe as their first act a solemn declaration to examine, consider and decide the ques-

tions submitted to them in accordance with justice and equity and the principles of international law. The concurrent action of any two arbitrators shall be adequate for a decision on all matters and questions submitted to the arbitral tribunal.

ARTICLE VI

The arbitrators shall establish such rules of procedure as they may deem expedient, and shall hear one person as agent on behalf of each Government, and consider such arguments, written or oral, as said agent may present, and may with the consent of either agent hear other counsel on the side such agent represents.

ARTICLE VII

The arbitrators shall decide the case by taking into consideration every circumstance connected with the Emery concession, the diplomatic correspondence between the two Governments relative thereto, and such documents and other evidence as may be submitted to them by the High Contracting Parties, or as may be required by the Tribunal. Their decision shall be final and conclusive, and shall be rendered within thirty days from the date of the first meeting, unless deferred by the tribunal for the purpose either of allowing or requiring further evidence, or of filling a vacancy in the tribunal.

ARTICLE VIII

Reasonable compensation to the arbitrators for their services and all expenses incident to the arbitration, including the cost of such clerical aid as may be necessary to and be appointed by the tribunal, shall be paid by the two Governments in equal moieties.

ARTICLE IX

It is furthermore mutually agreed by the Contracting Parties that the Government of Nicaragua reserves the right at any time within four months after the signature of this protocol to negotiate for a settlement directly with the Company, and it is understood that if within the said months such settlement is made, approved by the Government of the United States and definitively consummated, the arbitration herein provided for will not be carried out.

IN WITNESS WHEREOF, the respective plenipotentiaries of the two Governments have signed and sealed the present protocol in duplicate in the English and Spanish languages.

DONE at Washington, this twenty-fifth day of May, in the year 1909.

PHILANDER C. KNOX	[SEAL]
PEDRO GONZÁLES	[SEAL]
RODOLFO ESPINOSA	[SEAL]

Supplementary Protocol

The United States of America and the Republic of Nicaragua, through their respective Plenipotentiaries, Philander C. Knox, Secretary of State of the United States of America, and Señor Doctor Don Pedro Gonzales, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Nicaragua on Special Mission, being duly authorized thereto, and Señor Doctor Don Rodolfo Espinosa, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Nicaragua to the United States, have agreed upon and concluded the following protocol supplementary to the protocol signed this day for the submission to arbitration of the Emery case.

SOLE ARTICLE

It is understood and agreed between the High Contracting Parties that for the purposes of arbitration provided for in the protocol signed this day submitting to arbitration the claim of the George D. Emery Company against the Government of Nicaragua, all the dates and periods of time therein indicated, except the period provided for in Article IX, shall for the purposes of such arbitration and for the preparation therefor be computed as if the said protocol of arbitration had been signed four months from this date.

IN WITNESS WHEREOF, the respective plenipotentiaries of the two Governments have signed and sealed the present Supplementary Protocol in duplicate in the English and Spanish languages.

DONE at Washington, this twenty-fifth day of May in the year nineteen hundred and nine.

PHILANDER C. KNOX	[SEAL]
PEDRO GONZÁLES	[SEAL]
RODOLFO ESPINOSA	[SEAL]

Protocol of Settlement

THE UNITED STATES OF AMERICA and the REPUBLIC OF NICARAGUA through their respective plenipotentiaries, Alvey A. Adeé, Acting Secretary of State of the United States of America, and Señor Doctor Pedro Gonzales, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Nicaragua on Special Mission, duly authorized thereto, and Señor Doctor Don Rodolfo Espinosa, Envoy Extraordinary and Minister Plenipotentiary of Nicaragua to the United States, have agreed upon and signed the following protocol of settlement:

WHEREAS under a certain protocol between the United States of America and the Republic of Nicaragua, signed at Washington on the 25th day of

May, 1909, it was agreed that the claim of the George D. Emery Company, an American corporation, against the Republic of Nicaragua, should be submitted to the jurisdiction and adjudication of an arbitration tribunal composed of three arbitrators; and,

WHEREAS it was provided in Article IX of said protocol that the Government of Nicaragua reserved the right at any time within four months after the signature of said protocol to negotiate with said company for a settlement of all difficulties existing between them, it being understood that if within the said four months such settlement were made, approved by the Government of the United States, and definitely consummated, that then and in that event the arbitration provided for in said protocol should not be carried out; now

THEREFORE, the respective governments, animated by the spirit of sincere friendship that should exist between the two nations, and actuated by the firmest desire to maintain and continue the good understanding which should exist and increase between them, and to the end of avoiding all possible future differences regarding this matter and of settling existing differences concerning said claim by common accord instead of further proceedings under the said protocol, and in pursuance of the express provision of Article IX of said protocol as above set forth, have now reached an amicable arrangement and settlement of the said claim and have agreed to and do settle the same in the manner and form hereinafter stated:

ARTICLE I

The United States of America for and in behalf of the George D. Emery Company hereby sells, sets over, and assigns to the Republic of Nicaragua forever all the right, title and interest of the George D. Emery Company in, to, and under the following described property and releases the following claims:

1. A certain timber concession granted to Herbert Clark Emery on July 27, 1894, as well as certain modifications of said concession granted to said Herbert Clark Emery on May 5, 1898 and on August 11, 1900, and by him assigned to the George D. Emery Company, it being understood that all operations under this concession shall cease and determine from and upon the date of the signing of this agreement, provided that this shall not effect the rights of the George D. Emery Company to remove under the conditions hereinafter set forth in this agreement, all timber which, prior to the date of this agreement, the Emery Company has felled.

2. The plant and equipment owned by the George D. Emery Company and located within the territory of the Republic of Nicaragua, including the steamers *Yulu*, *Pioneer*, the launch *Yamni*, the schooner *Atlantic* and all small boats, together with all railroads, tram-roads, and their equipment, all cattle, tools, and working outfit of camps, work expended in the woods, and all other assets within said territory not herein enumerated but belonging to

said company, all said equipment and boats to be delivered to the Government of Nicaragua on or before May 18, 1910, said equipment and boats when so delivered to be in as good condition as they are upon the date of the signing of this protocol of settlement, necessary wear and tear excepted, the Emery Company hereby undertaking and agreeing to execute to the Government of Nicaragua bills of sale for all personal property transferred by said Company to said Government under the terms of this protocol, and said Company also agreeing that for a period of eight months, or until said boat shall on or before the expiration of said period of eight months be delivered to the Government of Nicaragua, it will insure the steamer *Yulu* for the sum of Thirty-five thousand dollars (\$35,000), United States Gold, and will assign and deliver the policy to said Government of Nicaragua.

3. All damages of whatsoever name or nature which the George D. Emery Company has suffered or claim to have suffered by reason of any interference, lawful or unlawful, with its operations by the Government of Nicaragua or any of its officials, or by reason of any interruption, lawful or unlawful, of its work by said government or any of its officials.

ARTICLE II

In consideration of the above premises and for a full, complete and final settlement of all claims of whatsoever name or nature made by the George D. Emery Company against the Government of Nicaragua, and in full and complete payment of all property sold and transferred by this instrument to the Government of Nicaragua by the George D. Emery Company, the Government of Nicaragua promises and agrees:

1. To pay to the United States of America the sum of Six Hundred Thousand Dollars (\$600,000) in gold coin of the United States of America of the present standard of weight and fineness at the office of the Secretary of State, Washington, D.C., in the United States of America, in the following installments and at the following times, namely: Fifty thousand dollars (\$50,000) in thirty (30) days, Fifty thousand dollars (\$50,000) in ninety (90) days, Fifty thousand dollars (\$50,000) in one hundred eighty (180) days, One hundred thousand dollars (\$100,000) in one (1) year, One hundred thousand dollars (\$100,000) in two (2) years, One hundred thousand dollars (\$100,000) in three (3) years, One hundred thousand dollars (\$100,000) in four (4) years, and Fifty thousand dollars (\$50,000) in five (5) years, after the date of the signing of this protocol, the last four of said installments to bear interest beginning one year from the date of the signing of this protocol at the rate of five per cent (5%) per annum, payable annually.

2. The Government of Nicaragua hereby releases all its claims of whatsoever name or nature which it has against the George D. Emery Company no matter upon what act or acts or omissions said claim for damages may be

based, the Government of Nicaragua hereby acknowledging itself fully paid and compensated for all such damages of all kinds and descriptions.

3. The Government of Nicaragua hereby agrees to dismiss or cause to be dismissed all suits now pending in the courts of Nicaragua on the part of said government against the George D. Emery Company, and to cause all judgments heretofore secured against said Company by said Government to be set aside.

4. The Government of Nicaragua hereby grants to the said George D. Emery Company the full right and privilege to export from Nicaragua all timbers which the said George D. Emery Company has felled prior to the date of the signing of this protocol of settlement, it being agreed and understood that all timber exported in accordance with this agreement shall be free from the duty of one dollar (\$1.00) per log, provided for in the above-named Emery concession, and further that the said company shall not be required to pay the ten thousand dollars (\$10,000) annually due the Government, nor any part thereof, as provided in said concession.

5. The Government of Nicaragua hereby undertakes that local municipal taxes of all kinds to which the George D. Emery Company may be subjected shall not be different or other than those hitherto imposed upon the company, and that under no circumstances or upon no excuse shall said taxes be increased or be made payable at any other place, nor in any other currency than those levied or provided by said local authorities at the date of the signing of this protocol of settlement.

6. The Government of Nicaragua undertakes that it will not, prior to May 18, 1910, increase with reference to the Emery Company, the present import duties levied by the Government of Nicaragua upon the articles specified in the Emery concession as entitled to entrance duty free, nor will it change the kind or nature of said duties, nor make them payable at a different place or in a different currency from that which they are now paid by importers generally.

7. The Government of Nicaragua hereby grants to the George D. Emery Company, its officers and employees, for a period of eight months or until May 18, 1910 —; (a) free access to all parts of the territory of Nicaragua covered by the concession of the George D. Emery Company; (b) the right to remove from said territory during the period above specified and under the provisions above set forth, all timber which the George D. Emery Company has felled prior to the date of this instrument; (c) the right to the free, undisturbed and unimpeded use of the entire plant and equipment, free of all charges, including the boats *S. S. Yulu*, steam tug *Pioneer* and Schooner *Atlantic*, by this document sold, assigned and transferred to the Government of Nicaragua, for a period of eight months from the date of this protocol of settlement or until the same shall on or before the expiration of the said period of eight months be delivered to the Government of Nica-

ragua by said Company, said plant and equipment to be used only in connection with the winding up of the Company's business in Nicaragua, as set forth and provided for in this protocol of settlement, *Provided* that it is expressly understood that for a period of eight months (unless sooner delivered), the Emery Company shall be permitted to use the boats *Yulu*, *Pioneer* and *Atlantic* in connection with its business in British and Spanish Honduras and Colombia, and *Provided further* that in case the said Emery Company shall use the steamer *Pioneer* or the schooner *Atlantic* or both in connection with any other work than that of winding up its business in Nicaragua, the Emery Company shall be liable for all loss or damage occurring during such use, the total value of either or both of said boats, in case of loss or damage, to be estimated at the sum or sums named as the value of such boat or boats in the inventory of the Emery Company.

9.¹ The Government of Nicaragua agrees and undertakes that within fifteen days of written notification thereto by the said George D. Emery Company or its representatives, the said Government or its duly authorized representative will receive, accept and take charge of all such parts of the plant and equipment of the said Company as said Company may indicate its readiness to surrender, as provided in this protocol, and that in the event the said Government or its duly authorized representative fails to accept, take charge of, and receive all or any parts of said plant and equipment within fifteen days from the date of notification as above specified, that then and in that event the George D. Emery Company shall be relieved from all responsibility for the further safe and proper keeping and maintenance of said property thus notified to be delivered.

In witness whereof, the undersigned have hereunto set their hands and seals this eighteenth day of September, 1909.

ALVEY A. ADEE	[SEAL]
PEDRO GONZÁLES	[SEAL]
RODOLFO ESPINOSA	[SEAL]

¹ Paragraph 8 does not appear in the original. This paragraph was probably inadvertently numbered 9.

CLAIMS: FORMATION OF TRIBUNAL

Exchange of notes at Managua March 21 and 24, 1911

Entered into force March 24, 1911

Terminated on fulfillment of its terms

1911 for. Rel. 630; Treaty Series 566½

EXCHANGE OF NOTES

The American Minister to the Minister of Foreign Affairs

AMERICAN LEGATION

Managua, March 21, 1911

SIR: I have the honor to inform your excellency that I am directed by my Government to inform the Government of your excellency that pursuant to the desire heretofore expressed by the Government of Nicaragua to place itself in accord with the Department of State of the Government of the United States in the formation of a tribunal to investigate and pass upon all unliquidated claims against the Government of Nicaragua, including such as may arise out of the abolition or discontinuance of the monopolies, concessions, leases, and other contracts created during prior Nicaraguan administrations, so that there may be given a guaranty of impartiality to foreigners in the adjustment of these matters, the Government of the United States has assented to the proposal made by your excellency's Government to form such a tribunal, and agrees to join the Nicaraguan Government in the constitution and establishment thereof.

It is understood by my Government that the said tribunal or claims commission shall be composed, for all cases, of three persons acting as one tribunal; the three persons being: One Nicaraguan, and one citizen of the United States, the latter recommended by the Government of the United States, both to be appointed by the Government of Nicaragua, and an umpire to be appointed by the Department of State of the United States; every case in which the above-mentioned claims are involved to be initially presented before the tribunal so constituted and to be heard in its entirety and decided by the tribunal, a majority vote of the three members being sufficient for a decision upon all matters coming before it; the two commissioners and

the umpire all sitting as a court on all cases presented and all voting on each case.

I have the honor further to inform your excellency that I am directed to say that my Government recommends Thomas P. Moffat, Esq., to your excellency's Government for appointment as the second member of said commission.

I avail, etc.,

ELLIOTT NORTHCOTT

His Excellency

Dr. JOAQUIN GOMEZ,
Minister for Foreign Affairs,
Etc., etc., etc.

The Minister of Foreign Affairs to the American Minister

[TRANSLATION]

MANAGUA, March 24, 1911

MR. MINISTER: I have the honor to acknowledge the receipt of your excellency's courteous communication of the 21st instant in which your excellency is pleased to inform me that, in accordance with the wishes previously expressed by the Government of Nicaragua to place itself in accord with the Department of State of the United States with regard to the organization of a tribunal to examine and pass upon all unliquidated claims pending against my Government including such as may originate from the cancellation or suspension of monopolies, concessions, leases, and other contracts entered into by prior Governments of this Republic for the purpose of guaranteeing the necessary impartiality to foreigners in the adjustment of these questions, the Government of the United States assents and accedes to the proposal of my Government to form such a tribunal and agrees to act with the Government of Nicaragua in constituting and composing the tribunal referred to above.

Your excellency then goes on to explain what is in your opinion the composition, procedure, and practice of the tribunal, and you conclude by informing me that your excellency's Government recommends that Thomas P. Moffat be nominated as the second member of the commission.

I have received instructions from my Government to reply to your excellency that, as the Governments of Nicaragua and the United States are in accord on these points, it will proceed to take the necessary steps leading to the creation, the organization, and the constitution of the tribunal, keeping before it the fact that Mr. Moffat has been recommended, and

assuring your excellency that the name of the Nicaraguan member will very soon be made known.

I avail, etc.,

JOAQUÍN GÓMEZ

To His Excellency

Mr. ELLIOTT NORTHCOTT

etc., etc., etc.

NATURALIZATION

Convention signed at Managua June 17, 1911, supplementing convention of December 7, 1908

Senate advice and consent to ratification August 15, 1911

Ratified by the President of the United States January 24, 1912

Ratified by Nicaragua March 28, 1912

Ratifications exchanged at Managua March 28, 1912

Entered into force March 28, 1912

Proclaimed by the President of the United States May 10, 1912

37 Stat. 1563; Treaty Series 567

The President of the United States of America and the President of the Republic of Nicaragua, considering it expedient to prolong the period in which, by article VII of the Naturalization Convention signed by the respective plenipotentiaries of the United States and Nicaragua at Managua on December 7, 1908,¹ the exchange of the ratifications of the said Convention shall be effected, have for that purpose appointed their respective plenipotentiaries, namely:

The President of the United States of America, Elliott Northcott, Envoy Extraordinary and Minister Plenipotentiary of the United States of America; and

The President of the Republic of Nicaragua, Tomás Martínez, Minister for Foreign Affairs of the Republic of Nicaragua,

Who, after having communicated each to the other their respective full powers, which were found to be in good and due form, have agreed to the following additional and amendatory article to be taken as a part of the said Convention:

SOLE ARTICLE

The respective ratifications of the said Convention shall be exchanged at Washington or at Managua as soon as possible and within two years from December 7, 1910.

¹ TS 566, *ante*, p. 363.

In faith whereof the respective plenipotentiaries have signed the present Supplementary and Amendatory Convention in duplicate in the English and Spanish languages and have hereunto affixed their seals.

Done at Managua this seventeenth day of June, in the year of our Lord one thousand nine hundred and eleven.

ELLIOTT NORTHCOTT
TOMÁS MARTINEZ

[SEAL]

INTEROCEANIC CANAL (BRYAN-CHAMORRO TREATY)

Convention signed at Washington August 5, 1914

Senate advice and consent to ratification, with amendments, February 18, 1916¹

Ratified by Nicaragua April 13, 1916

Ratified by the President of the United States, with amendments, June 19, 1916¹

Ratifications exchanged at Washington June 22, 1916

Entered into force June 22, 1916

Proclaimed by the President of the United States June 24, 1916

Terminated April 25, 1971 by convention of July 14, 1970²

39 Stat. 1661; Treaty Series 624

The Government of the United States of America and the Government of Nicaragua being animated by the desire to strengthen their ancient and cordial friendship by the most sincere cooperation for all purposes of their mutual advantage and interest and to provide for the possible future construction of an inter-oceanic ship canal by way of the San Juan River and the great Lake of Nicaragua, or by any route over Nicaraguan territory, whenever the construction of such canal shall be deemed by the Government of the United States conducive to the interests of both countries, and the

¹ The U.S. amendments read as follows:

"In Article I, line two, after the words 'United States' insert a comma (,) and the following words: 'forever free from all taxation or other public charge,' followed by a comma (,)."

"At the end of Article III strike out the period (.) and add the following: 'or other public purposes for the advancement of the welfare of Nicaragua in a manner to be determined by the two High Contracting Parties, all such disbursements to be made by orders drawn by the Minister of Finance of the Republic of Nicaragua and approved by the Secretary of State of the United States or by such person as he may designate.'

"Provided, That whereas Costa Rica, Salvador, and Honduras have protested against the ratification of said Convention in the fear or belief that said Convention might in some respect impair existing rights of said States; therefore, it is declared by the Senate that in advising and consenting to the ratification of the said Convention as amended such advice and consent are given with the understanding, to be expressed as a part of the instrument of ratification, that nothing in said Convention is intended to affect any existing right of any of the said named States."

The text printed here is the amended text as proclaimed by the President.

² 22 UST 663; TIAS 7120.

Government of Nicaragua wishing to facilitate in every way possible the successful maintenance and operation of the Panama Canal, the two Governments have resolved to conclude a Convention to these ends, and have accordingly appointed as their plenipotentiaries:

The President of the United States, the Honorable William Jennings Bryan, Secretary of State; and

The President of Nicaragua, Señor General Don Emiliano Chamorro, Envoy Extraordinary and Minister Plenipotentiary of Nicaragua to the United States;

Who, having exhibited to each other their respective full powers, found to be in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

The Government of Nicaragua grants in perpetuity to the Government of the United States, forever free from all taxation or other public charge, the exclusive proprietary rights necessary and convenient for the construction, operation and maintenance of an interoceanic canal by way of the San Juan River and the great Lake of Nicaragua or by way of any route over Nicaraguan territory, the details of the terms upon which such canal shall be constructed, operated and maintained to be agreed to by the two governments whenever the Government of the United States shall notify the Government of Nicaragua of its desire or intention to construct such canal.

ARTICLE II

To enable the Government of the United States to protect the Panama Canal and the proprietary rights granted to the Government of the United States by the foregoing article, and also to enable the Government of the United States to take any measure necessary to the ends contemplated herein, the Government of Nicaragua hereby leases for a term of ninety-nine years to the Government of the United States the islands in the Caribbean Sea known as Great Corn Island and Little Corn Island; and the Government of Nicaragua further grants to the Government of the United States for a like period of ninety-nine years the right to establish, operate and maintain a naval base at such place on the territory of Nicaragua bordering upon the Gulf of Fonseca as the Government of the United States may select. The Government of the United States shall have the option of renewing for a further term of ninety-nine years the above leases and grants upon the expiration of their respective terms, it being expressly agreed that the territory hereby leased and the naval base which may be maintained under the grant aforesaid shall be subject exclusively to the laws and sovereign authority of the United States during the terms of such lease and grant and of any renewal or renewals thereof.

ARTICLE III

In consideration of the foregoing stipulations and for the purposes contemplated by this Convention and for the purpose of reducing the present indebtedness of Nicaragua, the Government of the United States shall, upon the date of the exchange of ratification of this Convention, pay for the benefit of the Republic of Nicaragua the sum of three million dollars United States gold coin, of the present weight and fineness, to be deposited to the order of the Government of Nicaragua in such bank or banks or with such banking corporation as the Government of the United States may determine, to be applied by Nicaragua upon its indebtedness or other public purposes for the advancement of the welfare of Nicaragua in a manner to be determined by the two High Contracting Parties, all such disbursements to be made by orders drawn by the Minister of Finance of the Republic of Nicaragua and approved by the Secretary of State of the United States or by such person as he may designate.

ARTICLE IV

This Convention shall be ratified by the High Contracting Parties in accordance with their respective laws, and the ratifications thereof shall be exchanged at Washington as soon as possible.

In witness whereof the respective plenipotentiaries have signed the present treaty and have affixed thereunto their seals.

Done at Washington, in duplicate, in the English and Spanish languages, on the 5th day of August, in the year nineteen hundred and fourteen.

WILLIAM JENNINGS BRYAN [SEAL]
EMILIANO CHAMORRO [SEAL]

MOST-FAVORED-NATION TREATMENT IN CUSTOMS MATTERS

Exchange of notes at Managua June 11 and July 11, 1924¹

Entered into force July 11, 1924

Supplanted October 1, 1936, by agreement of March 11, 1936¹

Treaty Series 697

The American Chargé d'Affaires ad interim to the Minister of Foreign Affairs

LEGATION OF THE
UNITED STATES OF AMERICA
MANAGUA, June 11, 1924

No. 354

MR. MINISTER:

I have the honor to communicate to Your Excellency my understanding of the views developed by the conversations which have recently taken place at Managua on behalf of the Governments of the United States and Nicaragua, with reference to the treatment which the United States shall accord to the commerce of Nicaragua and which Nicaragua shall accord to the commerce of the United States.

These conversations have disclosed mutual understanding between the two Governments, which is that in respect to import, export and other duties and charges affecting commerce, the United States will accord to Nicaragua and Nicaragua will accord to the United States unconditional most favored nation treatment with, however, the exception of:

- (1) The special treatment which the United States accords or may hereafter accord to importations from Cuba;
- (2) Special treatment of commerce between the United States and its dependencies and the Panama Canal Zone and among the dependencies of the United States and,

¹ EAS 95, *post*, p. 395.

(3) The treatment which Nicaragua accords or may hereafter accord to importations from or exportations to Costa Rica, Guatemala, Honduras or Salvador.

The true meaning and effect of this engagement is "that no higher tariff or other duties shall be imposed on the importation into the United States of any articles the produce or manufacture of Nicaragua than are or shall be payable on the importation of like articles the produce or manufacture of any foreign country with the exception of Cuba."

"That no higher or other duties shall be imposed on the importation into Nicaragua of any article the produce or manufacture of the United States than are or shall be payable on like articles the produce or manufacture of any foreign country with the exception of Costa Rica, Guatemala, Honduras or Salvador".

"That, similarly, no higher or other duties or charges shall be imposed in either of the two countries on the exportation of any articles to the other than are payable on the exportation of the like articles to any foreign country with the exception of those mentioned above".

It is understood that, with the above-mentioned exceptions every concession with respect to any duty affecting commerce now accorded or that hereafter may be accorded by the United States or by Nicaragua by Law, Proclamation, Decree or Commercial Treaty or Agreement to the products of any third country will become immediately applicable without request and without compensation to the commerce of Nicaragua and the United States respectively.

It is, however, the purpose of the United States and Nicaragua and it is herein expressly declared that the provisions of this arrangement shall not be construed to affect the right of the United States and Nicaragua to impose on such terms as they may see fit prohibitions or restrictions of a sanitary character designed to protect human, animal or plant life or regulations for the enforcement of police or revenue laws.

The present arrangement may be terminated by either party on thirty days notice. In the event, however, that either the United States or Nicaragua shall be prevented by legislative action from giving full effect to the provisions of this arrangement, it shall automatically lapse. I shall be glad to have your confirmation of the accord thus reached.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

WALTER C. THURSTON

His Excellency
Doctor JOSÉ ANDRÉS URTECHO,
Minister for Foreign Affairs.
Managua.

The Minister of Foreign Affairs to the American Chargé d'Affaires ad interim

[TRANSLATION]

Diplomatic Section No. 460

MANAGUA, July 11, 1924

SIR:

I have the honor to communicate to Your Excellency my understanding of the views developed in the conversations recently had in Managua on behalf of the Governments of Nicaragua and the United States, with reference to the treatment which Nicaragua shall accord to the commerce of the United States and which the United States shall accord to the commerce of Nicaragua.

These conversations have demonstrated mutual understanding between the two Governments, which is that in respect to import, export and other duties and charges affecting commerce Nicaragua will accord to the United States and the United States will accord to Nicaragua unconditional most favored nation treatment with, however, the following exceptions:

- (1) The treatment which Nicaragua accords or may hereafter accord to importations from or exportations to Costa Rica, Guatemala, Honduras or Salvador;
- (2) The special treatment which the United States accords or may hereafter accord to importations from Cuba; and
- (3) The special treatment of commerce between the United States and its dependencies and the Panama Canal Zone and among the dependencies of the United States.

The true meaning and effect of this engagement is "that no higher tariff or duties shall be imposed on the importation into Nicaragua of any articles the produce or manufacture of the United States than are or shall be payable on the importation of like articles the manufacture or produce of any foreign country with the exception of Costa Rica, Guatemala, Honduras and Salvador."

"That no higher tariff or other duties shall be imposed on the importation into the United States of any article the produce or manufacture of Nicaragua than are or shall be payable on like articles the produce or manufacture of any foreign country with the exception of Cuba."

"That, similarly, no higher or other duties or charges shall be imposed in either of the two countries on the exportation of any articles to the other than are or will be payable on the exportation of the like articles to any foreign country with the exception of those mentioned above."

It is understood that with the above mentioned exceptions every concession with respect to any duty affecting commerce now accorded or that hereafter may be accorded by Nicaragua or the United States by law, proclamation, decree or commercial treaty or agreement to the products of any third country

will become immediately applicable without request and without compensation to the commerce of the United States and Nicaragua respectively.

It is, however, the purpose of Nicaragua and of the United States, and it is herein expressly declared that the provisions of this arrangement shall not be construed to affect the right of Nicaragua and the United States to impose on such terms as they may see fit prohibitions or restrictions of a sanitary character designed to protect human, animal or plant life or regulations for the enforcement of police or revenue laws.

This present arrangement may be terminated by either party on thirty days notice. In the event, however, that either Nicaragua or the United States shall be prevented by legislative action from giving full effect to the provisions of this arrangement, it shall automatically lapse. I should be glad to have your confirmation of the accord thus reached.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

J. A. URTECHO

The Honorable

WALTER C. THURSTON,

*Chargeé d'Affaires ad interim of the United States.
Legation.*

VISAS AND VISA FEES FOR NONIMMIGRANTS

Exchange of notes at Managua July 10, 16, 17, and 18, 1925

Entered into force July 20, 1925

Made obsolete by agreement of October 22, 1955¹

Department of State files

The American Chargé d'Affaires to the Minister of Foreign Affairs

No. 106

MANAGUA, July 10, 1925

EXCELLENCY:

I have the honor to confirm as follows the agreement arrived at this morning between Your Excellency and the writer with respect to the mutual modification by the Governments of the United States and Nicaragua of the requirements at present in force with respect to passport visas and applications therefor:

The Government of the United States will, from the 20th of July, 1925, collect no fee for visaing passports or executing applications therefor, in the case of citizens of the Republic of Nicaragua desiring to visit the United States (including the insular possessions) who are not "immigrants" as defined in the Immigration Act of the United States of 1924;² namely, (1) a government official, his family, attendants, servants, and employees, (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure, (3) an alien in continuous transit through the United States, (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory, (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman, and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation; and from the same date the Government of Nica-

¹ 10 UST 1696; TIAS 4319.

² 43 Stat. 153.

ragua will not require non-immigrant citizens of the United States of like classes desiring to visit Nicaragua or its possessions, to present visaed passports.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration and esteem.

WALTER C. THURSTON

His Excellency

Señor Don JOSÉ ANDRÉS URTECHO,
Minister for Foreign Affairs.
Managua.

The Minister of Foreign Affairs to the American Chargé d’Affaires

[TRANSLATION]

NATIONAL PALACE

MANAGUA, July 16, 1925

No. 449

EXCELLENCY:

I have the honor to confirm to you as follows the agreement arrived at this morning between Your Excellency and the undersigned with respect to the reciprocal modifications by the Governments of Nicaragua and the United States, of the requirements now in force relative to passport applications and visas.

The Government of Nicaragua will, from July 20, 1925, collect no fee for visaing passports or executing applications therefor, in the case of citizens of the Republic of the United States desiring to visit Nicaragua (including its insular possessions) who are not immigrants, as defined in the following manner by the Immigration Law of the United States of 1924, namely:

“(1) Government officials, their families, attendants, servants and other employees;

“(2) Aliens visiting the United States temporarily as tourists or on a pleasure or business trip;

“(3) Aliens in uninterrupted or continuous transit through the United States;

“(4) Aliens legally admitted to the United States who afterward pass in transit from one part of the United States to another through foreign contiguous territory;

“(5) Bonafide alien seamen serving in such capacity on board a vessel arriving at a port of the United States in a temporary entry into the United States, solely for purposes of their calling as seamen, and

"(6) Aliens authorized to enter the United States solely for purposes of trade in accordance with and in pursuance to the provisions of a treaty of commerce and navigation now in force."

And from the same date, the Government of the United States will not require non-immigrant citizens of Nicaragua, of the same classes, desiring to visit the United States or its possessions to present their passports to be visaed.

I avail myself of the opportunity to renew to Your Excellency the assurances etc., etc.,

J. A. URTECHO

Honorable WALTER C. THURSTON
*Chargé d'Affaires of the
United States of America,
Legation*

The American Chargé d'Affaires to the Minister of Foreign Affairs

MANAGUA, July 17, 1925

MY DEAR DOCTOR URTECHO:

Upon again reading your note regarding the visa fee arrangement, I have observed that owing to the accidental reversal of the construction the exact meaning is lost.

The effect of the arrangement is that the Government of the United States waives the collection of the \$10 fee at present charged non-immigrant Nicaraguan citizens for the visaing of their passports or for the applications therefor, but continues (in view of the special immigration problem which confronts it) to require that Nicaraguan citizens going to the United States present visaed passports; and that the Government of Nicaragua ceases to require American citizens of like classes desiring to visit Nicaragua to present visaed passports.

By following the exact construction of my note, but in Spanish, of course, your note will be made to meet the intention of the agreement.

Sincerely,

WALTER C. THURSTON

His Excellency
Doctor Don José Andrés URTECHO,
*Minister for Foreign Affairs,
Managua.*

The Minister of Foreign Affairs to the American Chargé d'Affaires

[TRANSLATION]

No. 453

NATIONAL PALACE
MANAGUA, July 18, 1925

EXCELLENCY:

Referring to your kind letter of the 17th instant, I take pleasure in amplifying or modifying as follows my note of the 16th of the current month.

For the effects of the agreement between Nicaragua and the United States on the question of PASSPORT VISAS AND FEES, the said agreement is to be understood as follows: that the Government of the United States discontinues the collection of the fee of ten dollars which is now levied on non-immigrant Nicaraguan citizens for the visaing of their passports or for the formalities in connection therewith, but will continue (in view of the special immigration problem which confronts it) its practice of requiring Nicaraguan citizens visiting the United States to present their passports visaed without paying any fee, and the Government of Nicaragua will cease to require American citizens of the same classes desiring to visit Nicaragua to present visaed passports.

Hoping that this modification will meet the desires of Your Excellency and with assurances of my highest and most distinguished consideration, I subscribe myself your very humble and obedient servant.

J. A. URTECHO

ESTABLISHMENT OF NATIONAL GUARD

Agreement signed at Managua December 22, 1927

Entered into force December 22, 1927

Terminated January 2, 1933¹

1927 For. Rel. (III) 434

Whereas the Republic of Nicaragua is desirous of preserving internal peace and order and the security of individual rights, and is desirous of carrying out plans for the maintenance of domestic tranquillity and the promotion of the prosperity of the Republic and its people;

And whereas the assistance and co-operation of the Government of the United States is deemed essential to an early realization of the measures to be adopted;

And whereas the United States is in full sympathy with these aims and objects of the Republic and is desirous of contributing in all proper ways to their attainment the undersigned duly authorized thereto by their respective Governments have agreed as follows:

I

The Republic of Nicaragua undertakes to create without delay an efficient constabulary to be known as the *Guardia Nacional de Nicaragua*, urban and rural composed of native Nicaraguans, the strength of which and the amounts to be expended for pay, rations, and expenses of operation, et cetera, shall be as set forth in the following table:

<i>Commissioned Personnel</i>		<i>Per annum</i>
		\$ Gold
1	Brigadier General	3,000.00
1	Colonel, Chief of Staff	2,500.00
3	Colonels (Line) at \$2,400.00 per annum	7,200.00
1	Colonel, Quartermaster	2,400.00
1	Colonel, Medical	2,400.00
4	Majors (Line) at \$2,100.00 per annum	8,400.00
1	Major, Paymaster	2,100.00
1	Major, General Headquarters Inspector	2,100.00
1	Major, Law Officer	2,100.00
2	Majors, Medical, at \$2,100.00 per annum	4,200.00
10	Captains, at \$1,800.00 per annum	18,000.00
2	Captains, Medical, at \$1,800.00 per annum	3,600.00

¹ Following withdrawal of American troops.

Commissioned Personnel—Continued

	<i>Per annum</i> \$ Gold
20 First Lieutenants, at \$1,200.00 per annum	24,000.00
2 First Lieutenants, Medical, at \$1,200.00 per annum	2,400.00
20 Second Lieutenants, at \$900.00 per annum	18,000.00
3 Second Lieutenants, Medical, at \$900.00 per annum	2,700.00
20 Student Officers (Cadets), at \$600.00 per annum	12,000.00
<hr/>	
93	\$117,100.00

Enlisted Personnel

	<i>Per annum</i> \$ Gold
4 Sergeants Major, at \$40.00 per month	1,920.00
10 First Sergeants, at \$35.00 per month	4,200.00
10 Q. M. Sergeants, at \$30.00 per month	3,600.00
60 Sergeants, at \$25.00 per month	18,000.00
120 Corporals, at \$18.00 per month	25,920.00
20 Field Musics, at \$14.00 per month	3,360.00
840 Privates, at \$12.00 per month	120,960.00
<hr/>	
1,064	\$177,960.00

Band

	<i>Per annum</i> \$ Gold
1 Leader	1,200.00
1 Assistant Leader	900.00
10 Musicians, 1st class, at \$30.00 per month	3,600.00
10 Musicians, 2nd class, at \$25.00 per month	3,000.00
15 Musicians, 3rd class, at \$20.00 per month	3,600.00
<hr/>	
37	\$12,300.00

Enlisted Medical Personnel

	<i>Per annum</i> \$ Gold
1 First Sergeant, at \$35.00 per month	420.00
4 Sergeants, at \$25.00 per month	1,200.00
20 Corporals, at \$18.00 per month	4,320.00
10 Privates, at \$12.00 per month	1,440.00
<hr/>	
35	\$7,380.00

Operations and Maintenance

Civil employees; uniforms and clothing; Arms equipment and target practice; remounts and forage; Motor vehicles and maintenance; repairs and replacements; Transportation of Supplies and Troops; Maps, stationery and office supplies; Intelligence service; rent, repairs and construction of barracks; Gasoline, kerosene; Lights; Tools and miscellaneous expenditures for operations and maintenance of the Constabulary	\$200,000.00
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Rations

Expenses of procuring and preparing rations for 1136 enlisted at \$0.30 per diem	\$124,392.00
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Prisons and Penitentiaries

Operation and Maintenance	\$40,000.00
Medical Supplies and Maintenance of Constabulary Hospitals, Prison Dispensaries, etc	\$10,000.00
<hr/>	
GRAND TOTAL	\$689,132.00

The foregoing provisions shall be regarded as the minimum requirements for the *Guardia Nacional de Nicaragua*. If the condition of the Nicaraguan Government's finances shall so warrant, the strength of the *Guardia Nacional*, commissioned and enlisted, and the expenses thereof may be increased upon the recommendation of the Chief of the *Guardia Nacional* and upon the consent in writing of the President of Nicaragua.

If the condition of the Nicaraguan Government's finances shall so warrant a suitable Coast Guard and a suitable Aviation Unit may upon the recommendation of the Chief of the *Guardia Nacional de Nicaragua* and upon the consent in writing of the President of Nicaragua be made a part of the *Guardia Nacional de Nicaragua*, similarly officered and manned with appropriate ranks and subject in the same manner to regulations and discipline as provided herein for the personnel of the *Guardia Nacional de Nicaragua*.

II

The *Guardia Nacional de Nicaragua* shall be considered the sole military and police force of the Republic, clothed with full power to preserve domestic peace and the security of individual rights. It shall have control of arms and ammunition, military supplies and supervision of the traffic therein throughout the Republic. It shall have control of all fortifications, barracks, buildings, grounds, prisons, penitentiaries, vessels, and other government property which were formerly assigned to or under the control of the Army, Navy and Police Forces of the Republic. It shall be subject only to the direction of the President of Nicaragua; all other officials desiring the services of the *Guardia Nacional de Nicaragua* shall be required to submit requests through the nearest official of that organization. The Guard of Honor for the Palace of the President shall be a company of selected men and officers from the personnel of the *Guardia Nacional*, and will wear distinctive insignia while employed on this service.

III

All matters of recruiting, appointment, instruction, training, promotion, examination, discipline, operation of troops, clothing, rations, arms and equipment, quarters and administration, shall be under the jurisdiction of the Chief of the *Guardia Nacional*.

IV

Rules and regulations for the administration and discipline of the *Guardia Nacional de Nicaragua*, Prisons and Penitentiaries, shall be issued by the Chief of the *Guardia Nacional* after being approved by the President of Nicaragua. Infraction of these rules and regulations by members of the *Guardia Nacional* may be punished by arrest and imprisonment, suspension from duty without pay, forfeiture of pay, or dismissal, under regulations

promulgated by the Chief of the *Guardia Nacional* and approved by the President of Nicaragua.

V

Other offenses committed by members of the *Guardia Nacional de Nicaragua* shall be investigated by officers of the *Guardia Nacional* as directed by the Chief of the *Guardia Nacional*. If it should appear upon investigation that an offense has been committed, the offender will be turned over to the civil authorities.

VI

Courts-martial constituted under the rules and regulations of the Chief of the *Guardia Nacional* may try native Nicaraguan officers and enlisted men of the *Guardia* for infraction of the rules and regulations. The findings of the courts-martial of the *Guardia Nacional* after approval of the Chief are final, and not subject to appeal or review except by the Supreme Court of Nicaragua and then, only in questions of excess of power or questions of jurisdiction.

VII

Persons violating the Regulations (if there is no civil law) or the Laws (if there is a civil law) governing traffic in arms, ammunition and military stores, shall be punished by a fine of from fifty to one thousand cordobas or imprisonment of from ninety days to five years, or both; for which purpose the Government of Nicaragua will present to Congress a project of law to amend the criminal law, in the sense indicated.

VIII

The *Guardia Nacional de Nicaragua* shall be under the control of the President of Nicaragua and all orders from him pertaining to the *Guardia Nacional* shall be delivered to the Chief thereof. All other civil officials desiring protection or the services of the *Guardia Nacional* will make application to the senior officer of the *Guardia Nacional* in that locality.

IX

An adequate amount as provided in Article I of this Agreement shall be appropriated annually to defray the expenses for pay, allowances, equipment, uniforms, transportation, administration and other current expenses of the *Guardia Nacional de Nicaragua*. Allotments for the various needs of the *Guardia Nacional* shall be made from this sum by the Chief of the *Guardia Nacional*.

X

Reports of expenditures shall be made by the Chief of the *Guardia Nacional* as directed by the President of Nicaragua and audited in accordance with the law.

Savings effected under any title may be expended under any other title upon written approval of the Chief of the *Guardia Nacional*.

XI

The laws necessary to make effective the above provisions shall be submitted to the legislative body of Nicaragua.

XII

In consideration of the foregoing the Government of the United States in virtue of authority conferred on the President by the Act of Congress approved May 19, 1926,² entitled "An Act to authorize the President to detail officers and enlisted men of the United States Army, Navy and Marine Corps to assist the governments of the Latin-American Republics in military and naval matters" undertakes to detail officers and enlisted men of the United States Navy and Marine Corps to assist the Government of Nicaragua in the organizing and training of a constabulary as herein provided.

All American officers serving with the *Guardia Nacional* of Nicaragua shall be appointed from personnel of the United States Navy and Marine Corps by the President of Nicaragua upon nomination of the President of the United States. They will be replaced by Nicaraguans when the latter have successfully completed the course of instructions prescribed by the Chief of the *Guardia Nacional de Nicaragua* and have shown by their conduct and examination that they are fit for command.

Officers and enlisted men of the United States Navy and Marine Corps serving with the *Guardia Nacional* will not be tried by Nicaraguan civil courts or courts-martial but will be subject to trial by court-martial under the laws of the United States for the government of the Navy.

IN WITNESS WHEREOF, the undersigned have hereunto signed their names and affixed their seals in duplicate, in the city of Managua, this twenty-second day of December, 1927.

DANA G. MUNRO
CARLOS CUADRA PASOS

[SEAL]
[SEAL]

² 44 Stat. 565.

RECIPROCAL TRADE

Agreement signed at Managua March 11, 1936¹

Proclaimed by Nicaragua August 31, 1936

Proclaimed by the President of the United States September 1, 1936

Entered into force October 1, 1936

Certain provisions terminated March 10, 1938, by agreement of February 8, 1938²

Remaining provisions terminated April 28, 1950, by agreement of February 28, 1950³

50 Stat. 1413; Executive Agreement Series 95

The President of the United States of America and the President of the Republic of Nicaragua, being desirous of strengthening the traditional bonds of friendship between the two countries by maintaining the principle of equality of treatment as the basis of commercial relations and by granting mutual and reciprocal concessions and advantages for the promotion of trade, have, through their respective Plenipotentiaries, arrived at the following Agreement:

ARTICLE I²

Articles the growth, produce or manufacture of the United States of America, enumerated and described in Schedule I¹ annexed to this Agreement and made a part thereof, shall, on their importation into the Republic of Nicaragua, be exempt from ordinary customs duties in excess of those set forth in the said Schedule. The said articles shall also be exempt from all other duties, taxes, fees, charges or exactions, imposed on or in connection with importation, in excess of those imposed on the day of the signature of this Agreement or required to be imposed thereafter under laws of the Republic of Nicaragua in force on the day of the signature of this Agreement.

ARTICLE II²

Articles the growth, produce or manufacture of the Republic of Nicaragua, enumerated and described in Schedule II annexed to this Agree-

¹ For schedules annexed to agreement, see 50 Stat. 1426 or p. 18 of EAS 95.

² The agreement of Feb. 8, 1938 (EAS 120, *post*, p. 403), terminated the provisions of art. I, the first paragraph of art. II, art. III (except insofar as it related to note I to schedule I), and art. V.

³ 1 UST 701; TIAS 2133.

ment and made a part thereof, shall, on their importation into the United States of America, be exempt from ordinary customs duties in excess of those set forth in the said Schedule. The said articles shall also be exempt from all other duties, taxes, fees, charges or exactions, imposed on or in connection with importation, in excess of those imposed on the day of the signature of this Agreement or required to be imposed thereafter under the laws of the United States of America in force on the day of the signature of this Agreement.

As long as the quota provisions of the Act "to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved by the President of the United States of America on May 9, 1934,⁴ are operative, any sugar imported into the United States of America from the Republic of Nicaragua with respect to which a drawback of duty is allowed, under the provisions of Section 313 of the Tariff Act of 1930,⁵ shall not be charged against the quota established by the Secretary of Agriculture of the United States of America for the Republic of Nicaragua.

ARTICLE III²

The United States of America and the Republic of Nicaragua agree that the notes included in Schedules I and II are hereby given force and effect as integral parts of this Agreement.

ARTICLE IV

Articles the growth, produce or manufacture of the United States of America or the Republic of Nicaragua, shall, after importation into the other country, be exempt from all internal taxes, fees, charges or exactions other or higher than those payable on like articles of national origin or any other foreign origin.

ARTICLE V²

In respect of articles the growth, produce or manufacture of the United States of America or the Republic of Nicaragua, enumerated and described in Schedules I and II, respectively, imported into the other country, on which ad valorem rates of duty, or duties based upon or regulated in any manner by value, are or may be assessed, it is understood and agreed that the bases and methods of determining dutiable value and of converting currencies shall be no less favorable to importers than the bases and methods prescribed under presently existing laws and regulations of the Republic of Nicaragua and the United States of America, respectively.

⁴ 48 Stat. 670.

⁵ 46 Stat. 693.

ARTICLE VI

1. No prohibitions, import or customs quotas, import licenses, or any other form of quantitative regulation, whether or not operated in connection with any agency of centralized control, shall be imposed by the Republic of Nicaragua on the importation or sale of any article the growth, produce or manufacture of the United States of America enumerated and described in Schedule I, nor by the United States of America on the importation or sale of any article the growth, produce or manufacture of the Republic of Nicaragua, enumerated and described in Schedule II.

2. The foregoing provision shall not apply to:

(a) Prohibitions or restrictions (1) related to public security; (2) imposed on moral or humanitarian grounds; (3) designed to protect human, animal or plant life; (4) relating to prison-made goods; (5) relating to the enforcement of police or revenue laws; or

(b) Quantitative restrictions in whatever form imposed by the United States of America or by the Republic of Nicaragua on the importation or sale of any article the growth, produce or manufacture of the other country in conjunction with governmental measures operating to regulate or control the production, market supply or prices of like domestic articles, or tending to increase the labor costs of production of such articles. Whenever the Government of either country proposes to establish or change any restriction authorized by this subparagraph, it shall give notice thereof in writing to the other Government and shall afford such other Government an opportunity within thirty days after receipt of such notice to consult with it in respect of the proposed action; and if an agreement with respect thereto is not reached within thirty days following receipt of the aforesaid notice, the Government which proposes to take such action shall be free to do so at any time thereafter, and the other Government shall be free within fifteen days after such action is taken to terminate this Agreement in its entirety on thirty days' written notice.

3. It is understood that the provisions of this Article do not affect the application of measures directed against misbranding, adulteration and other fraudulent practices, such as are provided for in the pure food and drug laws of the United States of America, or the application of measures directed against unfair practices in import trade, such as are provided for in Section 337 of the United States Tariff Act of 1930.

ARTICLE VII

1. If the Government of the United States of America or the Republic of Nicaragua establishes or maintains any form of quantitative restriction or control of the importation or sale of any article in which the other country has an interest, or imposes a lower import duty or charge on the importation

or sale of a specified quantity of any such article than the duty or charge imposed on importations in excess of such quantity, the Government taking such action will:

(a) Give public notice of the total quantity, or any change therein, of any such article permitted to be imported or sold or permitted to be imported or sold at such lower duty or charge, during a specified period;

(b) Allot to the other country for such specified period a share of such total quantity as originally established or subsequently changed in any manner equivalent to the proportion of the total importation of such article which such other country supplied during a previous representative period, unless it is mutually agreed to dispense with such allotment; and

(c) Give public notice of the allotments of such quantity among the several exporting countries, and at all times upon request advise the Government of the other country of the quantity of any such article the growth, produce or manufacture of each exporting country which has been imported or sold or for which licenses or permits for importation or sale have been granted.

2. Neither the United States of America nor the Republic of Nicaragua shall regulate the total quantity of importations into its territory or sales therein of any article in which the other country has an interest, by import licenses or permits issued to individuals or organizations, unless the total quantity of such article permitted to be imported or sold, during a quota period of not less than three months, shall have been established, and unless the regulations covering the issuance of such licenses or permits shall have been made public before such regulations are put into force.

ARTICLE VIII

In the event that the Government of the United States of America or the Government of the Republic of Nicaragua establishes or maintains a monopoly for the importation, production or sale of a particular commodity or grants exclusive privileges, formally or in effect, to one or more agencies to import, produce or sell a particular commodity, the Government of the country establishing or maintaining such monopoly, or granting such monopoly privileges, agrees that in respect of the foreign purchases of such monopoly or agency the commerce of the other country shall receive fair and equitable treatment. To this end it is agreed that in making its foreign purchases of any product such monopoly or agency will be influenced solely by those considerations, such as price, quality, marketability, and terms of sale, which would ordinarily be taken into account by a private commercial enterprise interested solely in purchasing such product on the most favorable terms.

ARTICLE IX

The tariff advantages and other benefits provided for in this Agreement are granted by the United States of America and the Republic of Nicaragua to each other subject to the condition that if the Government of either country shall establish or maintain, directly or indirectly, any form of control of foreign exchange, it shall administer such control so as to insure that the nationals and commerce of the other country will be granted a fair and equitable share in the allotment of exchange.

With respect to the exchange made available for commercial transactions, it is agreed that the Government of each country shall be guided in the administration of any form of control of foreign exchange by the principle that, as nearly as may be determined, the share of the total available exchange which is allotted to the other country shall not be less than the share employed in a previous representative period prior to the establishment of any exchange control for the settlement of commercial obligations to the nationals of such other country.

The Government of each country shall give sympathetic consideration to any representations which the other Government may make in respect of the application of the provisions of this Article, and if, within thirty days after the receipt of such representations, a satisfactory adjustment has not been made or an agreement has not been reached with respect to such representations, the Government making them may, within fifteen days after the expiration of the aforesaid period of thirty days, terminate this Article or this Agreement in its entirety on thirty days' written notice.

ARTICLE X

With respect to customs duties or charges of any kind imposed on or in connection with importation or exportation, and with respect to the method of levying such duties or charges, and with respect to all rules and formalities in connection with importation or exportation, and with respect to all laws or regulations affecting the sale or use of imported goods within the country, any advantage, favor, privilege or immunity which has been or may hereafter be granted by the United States of America or by the Republic of Nicaragua to any article originating in or destined for any third country, shall be accorded immediately and unconditionally to the like article originating in or destined for the Republic of Nicaragua or the United States of America, respectively.

ARTICLE XI

Laws, regulations of administrative authorities and decisions of administrative or judicial authorities of the United States of America or the Republic of Nicaragua, respectively, pertaining to the classification of articles for customs purposes or to rates of duty shall be published promptly in such

a manner as to enable traders to become acquainted with them. Such laws, regulations and decisions shall be applied uniformly at all ports of the respective country, except as otherwise specifically provided in statutes of the United States of America relating to articles imported into Puerto Rico, and excepting any provisions specifically adopted by the Government of Nicaragua in relation to ports on the Atlantic Coast.

No administrative ruling by the United States of America or the Republic of Nicaragua effecting advances in rates of duties or in charges applicable under an established and uniform practice to imports originating in the territory of the other country, or imposing any new requirement with respect to such importations, shall be effective retroactively or with respect to articles either entered for or withdrawn for consumption prior to the expiration of thirty days after the date of publication of notice of such ruling in the usual official manner. The provisions of this paragraph do not apply to administrative orders imposing anti-dumping duties, or relating to regulations for the protection of human, animal, or plant life, or relating to public safety, or giving effect to judicial decisions.

ARTICLE XII

In the event that a wide variation occurs in the rate of exchange between the currencies of the United States of America and the Republic of Nicaragua, the Government of either country, if it considers the variation so substantial as to prejudice the industries or commerce of the country, shall be free to propose negotiations for the modification of this Agreement or to terminate this Agreement in its entirety on thirty days' written notice.

ARTICLE XIII

Greater than nominal penalties will not be imposed in the United States of America or in the Republic of Nicaragua upon importations of articles the growth, produce or manufacture of the other country because of errors in documentation obviously clerical in origin or where good faith can be established.

The Government of each country will accord sympathetic consideration to, and when requested will afford adequate opportunity for consultation regarding, such representations as the other Government may make with respect to the operation of customs regulations, quantitative restrictions or the administration thereof, the observance of customs formalities, and the application of sanitary laws and regulations for the protection of human, animal, or plant life.

ARTICLE XIV

Except as otherwise provided in the second paragraph of this Article, the provisions of this Agreement relating to the treatment to be accorded by the United States of America or by the Republic of Nicaragua, respec-

tively, to the commerce of the other country, shall not apply to the Philippine Islands, the Virgin Islands, American Samoa, the Island of Guam, or to the Panamá Canal Zone.

Subject to the reservations set forth in the third and fourth paragraphs of this Article, the provisions of Article X shall apply to articles the growth, produce or manufacture of any territory under the sovereignty or authority of the United States of America or of the Republic of Nicaragua, imported from or exported to any territory under the sovereignty or authority of the other country. It is understood, however, that the provisions of this paragraph do not apply to the Panamá Canal Zone.

The advantages now accorded or which may hereafter be accorded by the United States of America or by the Republic of Nicaragua to adjacent countries in order to facilitate frontier traffic, and advantages resulting from a customs union to which either the United States of America or the Republic of Nicaragua may become a party, shall be excepted from the operation of this Agreement.

The advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions or the Panamá Canal Zone to one another or to the Republic of Cuba shall be excepted from the operation of this Agreement. The provisions of this paragraph shall continue to apply in respect of any advantages now or hereafter accorded by the United States of America, its territories or possessions or the Panamá Canal Zone to the Philippine Islands irrespective of any change in the political status of the Philippine Islands.

The advantages now accorded or which may hereafter be accorded by the Republic of Nicaragua to the commerce of Costa Rica, El Salvador, Guatemala, Honduras or Panamá, so long as any special treatment accorded to the commerce of those countries or any of them by the Republic of Nicaragua is not accorded to any other country, shall be excepted from the operation of this Agreement.

Unless otherwise specifically provided in this Agreement, the provisions thereof shall not be construed to apply to police or sanitary regulations; and nothing in this Agreement shall be construed to prevent the adoption of measures prohibiting or restricting the exportation of gold or silver, or to prevent the adoption of such measures as either Government may see fit with respect to the control of the export or sale for export of arms, munitions, or implements of war, and, in exceptional circumstances, all other military supplies.

ARTICLE XV

In the event that the Government of the United States of America or the Government of Nicaragua adopts any measure which, even though it does not conflict with the terms of this Agreement, is considered by the Government of the other country to have the effect of nullifying or im-

pairing any object of the Agreement, the Government which has adopted any such measure shall consider such representations and proposals as the other Government may make with a view to effecting a mutually satisfactory adjustment of the matter.

ARTICLE XVI

The present Agreement shall, from the date on which it comes into force, supplant the Agreement between the United States of America and the Republic of Nicaragua, effected by exchange of notes signed on June 11, 1924, and July 11, 1924,⁶ respectively.

ARTICLE XVII

The present Agreement shall come into full force on the thirtieth day following proclamation thereof by the President of the United States of America and the President of the Republic of Nicaragua, or should the proclamations be issued on different days, on the thirtieth day following the date of the later in time of such proclamations, and shall remain in force for the term of three years thereafter, unless terminated pursuant to the provisions of Article VI, Article IX, or Article XII. The Government of each country shall notify the Government of the other country of the date of its proclamation.

Unless at least six months before the expiration of the aforesaid term of three years the Government of either country shall have given to the other Government notice of intention to terminate this Agreement upon the expiration of the aforesaid term, the Agreement shall remain in force thereafter, subject to termination under the provisions of Article VI, Article IX, or Article XII, until six months from such time as the Government of either country shall have given notice to the other Government.

In witness whereof the respective Plenipotentiaries have signed this Agreement and have affixed their seals hereto.

Done in duplicate, in the English and Spanish languages, both authentic, at the City of Managua, this eleventh day of March, nineteen hundred and thirty six, A. D.

For the President of the United States of America:
ARTHUR BLISS LANE [SEAL]

For the President of the Republic of Nicaragua:
LEONARDO ARGÜELLO [SEAL]

[For schedules annexed to agreement, see 50 Stat. 1426 or p. 18 of EAS 95.]

⁶ TS 697, *ante*, p. 382.

RECIPROCAL TRADE

Exchange of notes at Managua February 8, 1938, amending agreement of March 11, 1936

Entered into force March 10, 1938

Terminated April 28, 1950, by agreement of February 28, 1950¹

52 Stat. 1486; Executive Agreement Series 120

The Minister of Foreign Affairs to the American Minister

[TRANSLATION]

MANAGUA, D. N.

No. 8-38 sk

February 8, 1938

MR. MINISTER:

I have the honor to refer to the recent conversations had with regard to the desire of the Government of Nicaragua that the trade agreement between the Republic of Nicaragua and the United States of America signed at Managua on March 11, 1936,² be modified in certain respects on account of the grave emergency financial conditions which it is obliged to face at the present time.

I now have the honor to confirm and make of record by means of the present note, the agreement which, as a result of the conversations referred to, has been reached between the Government of Nicaragua and the Government of the United States, that the provisions of article I, those of the first paragraph of article II and those of article III (except insofar as relates to note 1 to schedule I appended to the agreement) and those of article V of the said agreement of March 11, 1936, shall cease to be in force and to have effect from the tenth day of March of the current year, inclusive, forward.

Furthermore, I have the honor to confirm that while the rate of exchange between the paper cordoba and the gold cordoba will be increased for purposes of collection of customs duties, the Government of Nicaragua does not

¹ 1 UST 701; TIAS 2133.

² EAS 95, *ante*, p. 395.

in reality contemplate an increase in the basic duties specified in schedule I of the said trade agreement.

I have the satisfaction of adding that the Government of Nicaragua will be pleased to reopen negotiations with the Government of the United States, as soon as it is possible, for the renewal or replacement of the above-mentioned articles of the trade agreement of March 11, 1936.

I avail myself of the opportunity to renew to Your Excellency the assurance of my highest esteem and distinguished consideration.

M. CORDERO REYES

His Excellency Mr. BOAZ W. LONG,
*Envoy Extraordinary and Minister Plenipotentiary
of the United States of America,
Managua, D. N.*

The American Minister to the Minister of Foreign Affairs

No. 235

MANAGUA, D. N., NICARAGUA, February 8, 1938

EXCELLENCY:

Reference is made to recent conversations which have taken place with regard to the desire of the Government of Nicaragua, in view of the emergency financial conditions with which it finds itself confronted, that the Agreement between the United States of America and the Republic of Nicaragua signed at Managua on March 11, 1936, be modified in certain respects.

I have now the honor to confirm and make of record by this note the agreement which as a result of the conversations referred to has been reached between the Government of the United States and the Government of Nicaragua that the provisions of Article I, the First Paragraph of Article Two, Article Three (except insofar as it relates to Note One to Schedule I appended to the Agreement) and Article Five of the Agreement of March 11, 1936, shall cease to have force and effect on and after March 10, 1938.

The Government of the United States has noted that, while the conversion rate between the paper cordoba and gold cordoba will be increased for customs collection purposes, the Government of Nicaragua does not contemplate an increase in the basic rates of duty now specified in Schedule I of the Trade Agreement.

The Government of the United States has noted with pleasure the willingness of the Government of Nicaragua to enter into negotiations, at the earliest practicable date, for the renewal or replacement of the provisions of the above-mentioned articles of the Trade Agreement of March 11, 1936.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest esteem and most distinguished consideration.

BOAZ LONG

His Excellency

Doctor MANUEL CORDERO REYES,
Minister for Foreign Affairs,
Managua, D. N.

CLAIMS: ADJUSTMENT OF ACCOUNTS AND REFUND OF TAXES

Agreement signed at Washington April 14, 1938

Ratified by Nicaragua May 30, 1938

Senate advice and consent to ratification June 13, 1938

Ratified by the President of the United States July 6, 1938

Ratifications exchanged at Washington August 24, 1938

Entered into force August 24, 1938

Proclaimed by the President of the United States August 31, 1938

Terminated September 2, 1939¹

53 Stat. 1573; Treaty Series 937

The United States of America and the Republic of Nicaragua:

Considering that the Government of the Republic of Nicaragua is indebted to the Government of the United States of America in the amount of \$289,-898.78, representing unpaid balance of the principal amount of indebtedness incurred for the purchase from the Government of the United States of America of certain arms and ammunition;

Considering that the Government of the Republic of Nicaragua makes a claim to refund of income taxes from the Government of the United States of America in the principal amount of \$372,879.06, representing payment of income taxes to the Government of the United States of America by the Ferrocarril del Pacifico de Nicaragua; and,

Being desirous of adjusting in a mutually satisfactory manner the aforesaid accounts and of strengthening still further the friendly relations which happily exist between the two Governments:

Have decided to enter into an agreement for that purpose and to that end have appointed their plenipotentiaries:

The President of the United States of America:
Cordell Hull, Secretary of State of the United States of America, and

The President of the Republic of Nicaragua:
Señor Doctor Don León De Bayle, Envoy Extraordinary and Minister Plenipotentiary of Nicaragua in Washington,

¹ Date of payment of full settlement by the United States.

Who, having communicated their respective full powers to each other, which have been found to be in good and due form, have agreed upon the following:

ARTICLE I

The Government of the United States of America shall pay to the Government of the Republic of Nicaragua the sum of \$72,000 in full settlement of the claim of the Government of the Republic of Nicaragua for refund of \$372,879.06, being the principal amount of certain income taxes paid by the Ferrocarril del Pacifico de Nicaragua, and for refund of interest thereon.

ARTICLE II

The Government of the Republic of Nicaragua agrees to accept the payment of \$72,000 in full settlement of its aforesaid claim, and in consideration of such agreement the Government of the United States of America hereby cancels the present indebtedness of the Government of the Republic of Nicaragua to it for arms and ammunition sold to the Government of the Republic of Nicaragua, in the principal amount of \$289,898.78, together with interest thereon.

ARTICLE III

The present agreement shall be ratified in accordance with the constitutional methods of the High Contracting Parties and shall take effect immediately on the exchange of ratifications, which shall take place as soon as possible at Washington.

IN WITNESS WHEREOF, the Plenipotentiaries have signed this agreement in duplicate, in the English and Spanish languages, both texts being authentic, and have hereunto affixed their seals.

DONE at the City of Washington the fourteenth day of April, one thousand nine hundred and thirty-eight.

For the President of the United States of America:
CORDELL HULL [SEAL]

For the President of the Republic of Nicaragua:
LEÓN DE BAYLE [SEAL]

DETAIL OF OFFICER AS DIRECTOR OF MILITARY ACADEMY OF NATIONAL GUARD

Agreement signed at Washington May 22, 1939

Entered into force May 22, 1939

Expired May 22, 1941

53 Stat. 2435; Executive Agreement Series 156

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE REPUBLIC OF NICARAGUA

In conformity with a request of the Government of the Republic of Nicaragua, the President of the United States of America, by virtue of the authority conferred by the Act of Congress, approved May 19, 1926,¹ entitled "An Act to authorize the President to detail officers and enlisted men of the United States Army, Navy and Marine Corps to assist the Governments of the Latin American Republics in military and naval matters", as amended by an Act of May 14, 1935,² to include the Commonwealth of the Philippine Islands, has authorized the detail of an officer to the Republic of Nicaragua upon the following agreed conditions:

TITLE I

Purpose and Duration

Art. 1. The duties of the officer so detailed shall be to serve as Director of the Military Academy of the National Guard of the Republic of Nicaragua.

Art. 2. This agreement shall continue in force for two years from the date of the signature by the accredited representatives of the Governments of the United States of America and the Republic of Nicaragua.

Art. 3. The agreement may be terminated if necessary in the interest of either Government upon notification duly delivered through diplomatic channels three months in advance.

Art. 4. The Government of the Republic of Nicaragua will grant to the officer detailed under this contract the assimilated rank of Colonel for the duration of this contract.

¹ 44 Stat. 565.

² 49 Stat. 218.

Art. 5. The officer detailed under this contract shall be solely responsible to the President and Commander-in-Chief of the Republic of Nicaragua.

Art. 6. The officer detailed under this contract shall receive from the Government of Nicaragua pay and allowances equal, net, to 50 percent of and additional to the pay and allowances which he receives from the Government of the United States, but such additional pay and allowances shall not exceed the sum of Three Hundred Dollars, current money of the United States of America, for any one month. The pay and allowances to be received from the Government of Nicaragua shall be paid monthly in United States currency on the last day of each month in the full amount accrued to and including that day. Should the officer while so serving be promoted in the United States Army, he shall receive from the Government of the Republic of Nicaragua proportionate pay and allowances for his new rank as established according to United States Army Regulations, payable as from the date of his promotion. The pay and allowances due the officer from the Government of Nicaragua shall be computed from the day that he arrives at the capital of Nicaragua and shall terminate on the day on which the contract is completed or is otherwise terminated as provided herein.

Art. 7. It is further stipulated that the compensation received by the officer detailed under this contract shall not be subject to any Nicaraguan tax now in force or which may hereafter be imposed, but should there, however, be at present or during the life of this agreement, any taxes which may affect the said compensation, such taxes shall be borne by the Government of the Republic of Nicaragua in order to comply with the provisions stipulated above that the pay and allowances agreed upon shall be net.

Art. 8. The expenses of transportation by land and sea of the officer detailed under this contract, his family, household effects and baggage, including automobile, from his station in the United States of America to his place of duty in Nicaragua, shall be paid in advance by the Government of Nicaragua, these expenses to include the cost of packing and crating; and, except as provided in article 9 hereof, the Government of Nicaragua shall also pay in advance the expense of transportation, as above defined, covering the return journey from the officer's place of duty in Nicaragua to his station in the United States of America. The officer and his family shall be furnished with first-class transportation accommodations, family being construed as wife and dependent children throughout the contract. It is understood, however, that the accommodations and allowances for travel and transportation of effects shall not exceed the allowances to which the officer detailed under this contract would be entitled, for himself and his family, by virtue of his rank in the Army of the United States of America.

The household effects, baggage and automobile of this officer shall be exempt from customs duties and imposts of any kind in Nicaragua.

Art. 9. If cancellation of this contract be effected upon request of the United States of America for any reason other than war between Nicaragua and a foreign government or civil war in Nicaragua, all expenses of the return of the officer detailed under this contract, his family and all his effects, to his station in the United States shall be borne by the Government of the United States of America; should cancellation be effected on the initiative of the Government of Nicaragua or as a result of war between Nicaragua and a foreign government, or as the result of the outbreak of civil war in Nicaragua, the Government of Nicaragua shall bear these costs.

In witness whereof two copies are signed, in English and in Spanish, both originals, in the City of Washington, D.C., this twenty-second day of May 1939.

CORDELL HULL [SEAL]
LEÓN DE BAYLE [SEAL]

EXCHANGE OF PUBLICATIONS

*Exchange of notes at Managua February 14 and 19, 1940
Entered into force February 14, 1940*

54 Stat. 2294; Executive Agreement Series 171

The American Minister to the Minister of Foreign Affairs

LEGATION OF THE
UNITED STATES OF AMERICA
MANAGUA, D. N., NICARAGUA, February 14, 1940

No. 268

EXCELLENCY:

I have the honor to refer to Your Excellency's Note No. B-24 of February 8, 1940, and to earlier correspondence regarding the exchange of official publications between the United States of America and Nicaragua.

It gives me pleasure to inform you that my Government will be glad to undertake an exchange of official publications with the Government of Nicaragua, which shall be carried out in accordance with the following provisions:

1. The official exchange offices for the transmission of publications shall be, on the part of the United States of America, the Smithsonian Institute, and on the part of Nicaragua, the Ministry for Foreign Affairs.
2. The publications exchanged shall be received on behalf of the United States of America by the Library of Congress; and on behalf of Nicaragua by the Minister for Foreign Affairs.
3. The Government of the United States of America shall furnish regularly one copy of each of the official publications included in the attached List No. 1.
4. The Government of Nicaragua shall furnish regularly one copy of each of the official publications included in the attached List No. 2.
5. Each party to the agreement shall bear the postal, railroad, steamship, and other charges arising in its own country.
6. Both parties express their willingness as far as possible to expedite shipments.
7. This agreement shall not be understood to modify any agreements concerning the exchange of official publications which may be in effect between departments or instrumentalities of the two Governments.

If the Government of Nicaragua is in accord with the foregoing text, my Government will, upon the receipt of a corresponding note from Your Excellency, consider the agreement concluded and in effect from February 14, 1940.

Accept, Excellency, the renewed assurance of my highest esteem and most distinguished consideration.

MEREDITH NICHOLSON

His Excellency
Doctor MARIANO ARGUELLO VARGAS
*Minister for Foreign Affairs,
Managua, D.N.*

The Minister of Foreign Affairs to the American Minister

[TRANSLATION]

No. B-31

MANAGUA, D.N., February 19, 1940

MR. MINISTER:

With reference to the courteous note from the Legation worthily in your charge, No. 268 of the 14th of the present month, I have the honor to advise Your Excellency that the Government of Nicaragua agrees to the exchange of official publications proposed by the Government of the United States of America—to which the note mentioned refers—and I am pleased to state as follows regarding the matter:

There shall be an exchange of official publications between the Government of Nicaragua and the Government of the United States of America, which shall be effected in accordance with the following provisions:

[For terms of agreement, see U.S. note, above.]

I am accordingly pleased to advise Your Excellency that my Government considers the foregoing agreement concluded and in effect from February 14, 1940.

Please accept, Excellency, on this occasion the assurances of my most distinguished consideration.

MARIANO ARGÜELLO

His Excellency MEREDITH NICHOLSON,
*Envoy Extraordinary and Minister Plenipotentiary
of the United States of America,
Managua, D.N.*

LIST NO. 1

OFFICIAL PUBLICATIONS TO BE FURNISHED REGULARLY BY THE
UNITED STATES GOVERNMENT

CONGRESS OF THE UNITED STATES

House Journal

Senate Journal

Code of Laws and supplements

PRESIDENT OF THE UNITED STATES

Annual messages to Congress

DEPARTMENT OF AGRICULTURE

Annual Report of the Secretary of Agriculture

Farmers' Bulletins

Yearbook

WEATHER BUREAU

Monthly Weather Review

DEPARTMENT OF COMMERCE

Annual Report of the Secretary of Commerce

Bureau of the Census

Reports

Abstracts

Bureau of Foreign and Domestic Commerce

Commerce Reports (weekly)

Foreign Commerce and Navigation of the United States (annual)

Statistical Abstract of the United States (annual)

Survey of Current Business (monthly)

Trade Information Bulletins

Foreign Commerce Yearbook (annual)

National Bureau of Standards

Technical News Bulletin

DEPARTMENT OF JUSTICE

Annual Report of the Attorney General

DEPARTMENT OF LABOR

Annual Report of the Secretary of Labor

Bureau of Labor Statistics

Bulletins

Monthly Labor Review

DEPARTMENT OF STATE

Department of State Bulletin

Inter-American Series

Foreign Relations of the United States (annual)

Statutes at Large

Treaty Series

DEPARTMENT OF THE INTERIOR

Annual Report of the Secretary of the Interior

Bureau of Fisheries

Bulletins

Investigational Reports

Bureau of Mines

Minerals Yearbook

Bureau of Reclamation

New Reclamation Era (monthly)

National Park Service

General Publications

DISTRICT OF COLUMBIA

Annual Report of the Commissioners

Annual Report of the Public Utilities Commission

Annual Report of the Insurance Department

Annual Report of the Health Officer

Annual Report of the Engineer Department

FEDERAL SECURITY AGENCY
Office of Education
 School Life (monthly)
Public Health Service
 Public Health Reports (weekly)

FEDERAL WORKS AGENCY
Public Roads Administration
 Public Roads (monthly)

INTERSTATE COMMERCE COMMISSION
 Annual Report

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS
 Annual Report with technical reports

NATIONAL ARCHIVES
 Annual Report

NATIONAL MUSEUM
 Annual Report

NAVY DEPARTMENT
 Annual Report of the Secretary of the Navy
Nautical Almanac Office
 American Ephemeris and Nautical Almanac

PAN AMERICAN UNION
 Bulletin (monthly)

POST OFFICE DEPARTMENT
 Annual Report of the Postmaster General

SMITHSONIAN INSTITUTION
 Annual Report

TREASURY DEPARTMENT
 Annual Report on the State of the Finances
Bureau of Internal Revenue
 Annual Report of the Commissioner
Bureau of the Mint
 Annual Report of the Director
Comptroller of Currency
 Annual Report

WAR DEPARTMENT
 Annual Report

LIST NO. 2

[TRANSLATION]

OFFICIAL PUBLICATIONS WHICH ARE TO BE REGULARLY FURNISHED
 BY THE GOVERNMENT OF NICARAGUA

"La Gaceta" (Official Journal)
 Judicial Bulletin (organ of the Supreme Court of Justice)
 Statistical Bulletin (organ of the Bureau of Statistics)
 Report of the Ministry of Foreign Affairs (annual)
 Report of the Ministry of Public Instruction (annual)
 Report of the Ministry of the Interior and Police (annual)
 Report of the Ministry of War, Navy, and Aviation (annual)
 Report of the Ministry of Agriculture and Labor (annual)
 Report of the Ministry of *Fomento* and Public Works (annual)
 Report of the Bureau of Health (annual)
 Review of the National Bank of Nicaragua (quarterly)
 Review of the Mortgage Bank of Nicaragua (semiannual)
 Report of the Ministry of Finance and Public Credit (annual)
 Commercial Review (organ of the National Chamber of Commerce)
 Police Review (monthly)

DETAIL OF OFFICER AS DIRECTOR OF MILITARY ACADEMY OF NATIONAL GUARD

Agreement signed at Washington May 22, 1941

Entered into force May 22, 1941

*Renewed by agreements of October 22 and 25, 1943,¹ and February 1
and September 20, 1945²*

Expired May 22, 1947

55 Stat. 1327; Executive Agreement Series 217

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF NICARAGUA

In conformity with the request of the Government of the Republic of Nicaragua to the Secretary of State of the United States of America, the President of the United States of America has authorized the appointment of an officer of the United States Army to serve in the Republic of Nicaragua under the conditions specified below:

TITLE I

Duties and Duration

ARTICLE 1. The Government of the United States of America shall place at the disposal of the Government of Nicaragua the technical and professional services of an officer of the United States Army to serve as Director of the Military Academy of the National Guard of the Republic of Nicaragua.

ARTICLE 2. The officer detailed to this duty by the Government of the United States of America shall be Colonel Charles Love Mullins, Jr., United States Army, or another officer of similar qualifications in replacement if necessary as may mutually be agreed upon by the Government of the United States of America and the Government of Nicaragua.

ARTICLE 3. This Agreement shall come into force on the date of signature and shall continue in force for a period of two years, unless previously terminated as hereinafter stipulated.

ARTICLE 4. If the Government of Nicaragua should desire that the services of the officer be extended beyond the period stipulated in Article 3, it

¹ 57 Stat. 1109; EAS 344.

² Not printed.

shall make a written proposal to that effect six months before the expiration of this Agreement.

ARTICLE 5. This Agreement may be terminated before the expiration of the period of two years prescribed in Article 3, or before the expiration of the extension authorized in Article 4, in the following manner:

(a) By either of the Governments, subject to three months' written notice to the other Government;

(b) By recall of the officer by the Government of the United States of America in the public interest of the United States of America, without necessity of compliance with provision (a) of this Article.

ARTICLE 6. This Agreement is subject to cancelation upon the initiative of either the Government of the United States of America or the Government of Nicaragua in case either Government becomes involved in domestic or foreign hostilities.

ARTICLE 7. Should the officer become unable to perform his duties by reason of continued physical disability, he shall be replaced.

TITLE II

Requisites and Conditions

ARTICLE 8. The President and Commander-in-Chief of the Republic of Nicaragua will grant to the officer detailed under this Agreement the assimilated rank of Brigadier General for the duration of this Agreement and said officer shall have precedence over all Nicaraguan officers of the same rank.

ARTICLE 9. The officer shall be governed by the disciplinary regulations of the United States Army.

ARTICLE 10. The officer shall be responsible directly and solely to the President and Commander-in-Chief of the Republic of Nicaragua.

ARTICLE 11. During the period this officer is detailed under this Agreement or any extension thereof, the Government of Nicaragua shall not engage the services of any personnel of any other foreign government for the duties and purposes contemplated by this Agreement.

ARTICLE 12. This officer shall not divulge nor by any means disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant as a natural consequence of his functions, or in any other way, it being understood that this requisite honorably continues even after the expiration or cancelation of the present Agreement or extension thereof.

ARTICLE 13. During the entire duration of this Agreement, this officer shall be entitled to the benefits which the Regulations of the National Guard of Nicaragua provide for officers of corresponding rank in the National Guard of Nicaragua.

ARTICLE 14. Throughout this Agreement the term "family" of the officer is limited to mean wife and dependent children.

ARTICLE 15. The officer shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of a year. Unused portions of said leave shall be cumulative from year to year during the service of the officer under this Agreement.

ARTICLE 16. The leave specified in the preceding Article may be spent in foreign countries, subject to the standing instructions of the War Department of the United States of America concerning visits abroad. In all cases the said leave, or portions thereof, shall be taken by the officer only after consultation with the President and Commander-in-Chief of the Republic of Nicaragua with a view to ascertaining the mutual convenience of the Government of Nicaragua and the officer in respect to this leave.

ARTICLE 17. The expenses of travel and transportation not otherwise provided for in this Agreement shall be borne by the officer in taking such leave. All travel time, including sea travel, shall count as leave and shall not be in addition to the time authorized in the preceding Article.

TITLE III

Compensations

ARTICLE 18. For the services specified in Article 1 of this Agreement, this officer shall receive from the Government of Nicaragua such net annual compensation expressed in United States currency as may be agreed upon between the Government of the United States of America and the Government of Nicaragua. This compensation shall be paid in twelve (12) monthly installments, as nearly equal as possible, each due and payable on the last day of the month. All payments shall be made in the national currency of the United States of America. The compensation shall not be subject to any tax, now or hereafter in effect, of the Government of Nicaragua or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be borne by the Government of the Republic of Nicaragua.

ARTICLE 19. The compensation set forth in Article 18 shall begin on the date of departure of the officer from the United States of America, and it shall continue after the termination of his services in Nicaragua during his return trip to the United States of America, and thereafter for the period of any accumulated leave to which he is entitled.

ARTICLE 20. The compensation due for the period of the return trip and accumulated leave shall be paid to the officer before his departure from Nicaragua, and such payment shall be computed for travel by the shortest usually traveled sea route from Nicaragua to the port of the United States of America from which the officer embarked, regardless of the route and method of travel used by him.

ARTICLE 21. The officer and his family shall be provided by the Government of Nicaragua with first-class accommodations for travel required and performed under this Agreement between the port of embarkation from the United States of America and his official residence in Nicaragua, both for the outward and for the return voyage. The expenses of transportation by land and sea of the officer's household effects and baggage, including automobile, from the port of embarkation in the United States of America to Nicaragua and return, shall also be paid by the Government of Nicaragua. These expenses shall include all necessary costs incidental to unloading from the steamer upon arrival in Nicaragua, cartage from the ship to the officer's residence in Nicaragua, and packing and loading on board the steamer upon departure from Nicaragua, upon termination of services. The transportation of such household effects, baggage and automobile shall be made in a single shipment, and all subsequent shipments shall be at the expense of the officer.

ARTICLE 22. The household effects, personal effects and baggage, including an automobile, of the officer and his family, shall be exempt from customs duties in the Republic of Nicaragua, or if such customs duties are imposed and required, an equivalent additional allowance to cover such charge shall be paid by the Government of Nicaragua. During service in Nicaragua the officer shall be permitted to import articles needed for his personal use and for the use of his family without payment of customs duties, provided that his requests for free entry have received the approval of the Minister or Chargé d'Affaires ad interim of the United States of America in Nicaragua.

ARTICLE 23. If the services of the officer should be terminated by the Government of the United States of America, except as established in the provisions of Article 6, before the completion of two years of service, the provisions of Article 21 shall not apply to the return trip. If the services of the officer should terminate or be terminated before the completion of two years of service, for any other reason, including those established in Article 6, the officer shall receive from the Government of Nicaragua all compensations, emoluments, and perquisites as though he had completed two years of service, but the annual salary shall terminate as provided in Article 19. But in case the Government of the United States of America recalls the officer for breach of discipline, the cost of the return trip to the United States of America of such officer, his family, household effects and baggage, and automobile, shall not be borne by the Government of Nicaragua.

ARTICLE 24. Compensation for transportation and traveling expenses in the Republic of Nicaragua on official business of the Government of Nicaragua shall be provided by the Government of Nicaragua in accordance with the provisions of Article 13.

ARTICLE 25. The Government of Nicaragua shall provide suitable office space and facilities for the use of the officer.

ARTICLE 26. The Government of Nicaragua shall provide the contracted officer with an automobile with chauffeur, for his official use.

ARTICLE 27. If replacement of the officer is made during the life of this Agreement or any extension thereof, the terms as stipulated in this Agreement shall also apply to the replacement officer, with the exception that the replacement officer shall receive an amount of annual compensation which shall be agreed upon by the two Governments.

ARTICLE 28. The Government of Nicaragua shall provide suitable medical attention for the officer and his family. In case the officer or any member of his family becomes ill or suffers injury, he or she shall be placed in such hospital as the officer deems suitable after consultation with the President and Commander-in-Chief of the Republic of Nicaragua. The officer shall in all cases pay the cost of subsistence incident to his hospitalization or that of a member of his family.

ARTICLE 29. If the officer or any member of his family should die in Nicaragua during the period while this Agreement is in effect, the Government of Nicaragua shall have the body transported to such place in the United States of America as the family may decide, but the costs to the Government of Nicaragua shall not exceed the cost of transporting the remains from the place of decease to the city of New York. Should the deceased be the officer, his services shall be considered to have terminated fifteen (15) days after his death. Return transportation to the United States of America for the family of the deceased officer and for their household effects, baggage and automobile shall be provided as prescribed in Article 21. All compensation due the deceased officer and reimbursement due the deceased officer for expenses and transportation on official business of the Government of Nicaragua shall be paid to the widow of the officer, or to any other person who may have been designated in writing by the officer, provided such widow or other person shall not be compensated for the accrued leave of the deceased, and further provided that these compensations shall be paid within fifteen (15) days after the death of the officer.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Agreement in duplicate, in the English and Spanish languages, at Washington, this twenty-second day of May, nineteen hundred and forty-one.

CORDELL HULL [SEAL]
Secretary of State
of the United States of America

LEÓN DE BAYLE [SEAL]
Envoy Extraordinary and Minister
Plenipotentiary of the Republic of
Nicaragua at Washington

LEND-LEASE ¹

*Agreement signed at Washington October 16, 1941
Entered into force October 16, 1941*

1941 For. Rel. (VII) 410

WHEREAS the United States of America and the Republic of Nicaragua declare that in conformity with the principles set forth in the Declaration of Lima, approved at the Eighth International Conference of American States on December 24, 1938,² they, together with all the other American republics, are united in the defense of the Americas, determined to secure for themselves and for each other the enjoyment of their own fortunes and their own talents; and

WHEREAS the President of the United States of America, pursuant to the Act of the Congress of the United States of America of March 11, 1941,³ and the President of the Republic of Nicaragua have determined that the defense of each of the American republics is vital to the defense of all of them; and

WHEREAS the United States of America and the Republic of Nicaragua are mutually desirous of concluding an Agreement for the providing of defense articles and defense information by either country to the other country, and the making of such an Agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an Agreement in conformity with the laws either of the United States of America or of the Republic of Nicaragua have been performed, fulfilled or executed as required;

The undersigned, being duly authorized for that purpose, have agreed as follows:

¹ An arrangement for full settlement within basic terms of the lend-lease agreement was made on Sept. 26, 1951, and reported in the 36th Report on Lend-Lease Operations, p. 4.

² *Ante*, vol. 3, p. 534.

³ 55 Stat. 31.

ARTICLE I

The United States of America proposes to transfer to the Republic of Nicaragua under the terms of this Agreement armaments and munitions of war to a total value of about \$1,300,000. The United States of America proposes to begin deliveries immediately and to continue deliveries as expeditiously as practicable during the coming twelve months to an approximate total value of \$250,000 for use by the Nicaraguan Army and an approximate total value of \$50,000 for use by the Nicaraguan Navy.

In conformity, however, with the Act of the Congress of the United States of America of March 11, 1941, the United States of America reserves the right at any time to suspend, defer, or stop deliveries whenever, in the opinion of the President of the United States of America, further deliveries are not consistent with the needs of the defense of the United States of America or the Western Hemisphere; and the Republic of Nicaragua similarly reserves the right to suspend, defer, or stop acceptance of deliveries under the present Agreement, when, in the opinion of the President of the Republic of Nicaragua, the defense needs of the Republic of Nicaragua or the Western Hemisphere are not served by continuance of the deliveries.

ARTICLE II

Records shall be kept of all defense articles transferred under this Agreement, and not less than every ninety days schedules of such defense articles shall be exchanged and reviewed.

Thereupon the Republic of Nicaragua shall pay in dollars into the Treasury of the United States of America the total cost to the United States of America of the defense articles theretofore delivered up to a total of \$900,000 less all payments theretofore made, and the Republic of Nicaragua shall not be required to pay more than a total of \$150,000 before July 1, 1942, more than a total of \$300,000 before July 1, 1943, more than a total of \$450,000 before July 1, 1944, more than a total of \$600,000 before July 1, 1945, more than a total of \$750,000 before July 1, 1946, or more than a total of \$900,000 before July 1, 1947.

ARTICLE III

The United States of America and the Republic of Nicaragua, recognizing that the measures herein provided for their common defense and united resistance to aggression are taken for the further purpose of laying the bases for a just and enduring peace, agree, since such measures cannot be effective or such a peace flourish under the burden of an excessive debt, that upon the payments above provided all fiscal obligations of the Republic of Nicaragua hereunder shall be discharged; and for the same purpose they further agree, in conformity with the principles and program set forth in Resolution XXV on Economic and Financial Cooperation of the Second Meeting of

the Ministers of Foreign Affairs of the American Republics at Habana, July 1940,⁴ to cooperate with each other and with other nations to negotiate fair and equitable commodity agreements with respect to the products of either of them and of other nations in which marketing problems exist, and to cooperate with each other and with other nations to relieve the distress and want caused by the war wherever, and as soon as, such relief will be succor to the oppressed and will not aid the aggressor.

ARTICLE IV

Should circumstances arise in which the United States of America in its own defense or in the defense of the Americas shall require defense articles or defense information which the Republic of Nicaragua is in a position to supply, the Republic of Nicaragua will make such defense articles and defense information available to the United States of America.

ARTICLE V

The Republic of Nicaragua undertakes that it will not, without the consent of the President of the United States of America, transfer title to or possession of any defense article or defense information received under this Agreement, or permit its use by anyone not an officer, employee, or agent of the Republic of Nicaragua.

Similarly, the United States of America undertakes that it will not, without the consent of the President of the Republic of Nicaragua, transfer title to or possession of any defense article or defense information received in accordance with Article IV of this Agreement, or permit its use by anyone not an officer, employee, or agent of the United States of America.

ARTICLE VI

If, as a result of the transfer to the Republic of Nicaragua of any defense article or defense information, it is necessary for the Republic of Nicaragua to take any action or make any payment in order fully to protect any of the rights of any citizen of the United States of America who has patent rights in and to any such defense article or information, the Republic of Nicaragua will do so, when so requested by the President of the United States of America.

Similarly, if, as a result of the transfer to the United States of America of any defense article or defense information, it is necessary for the United States of America to take any action or make any payment in order fully to protect any of the rights of any citizen of the Republic of Nicaragua who has patent rights in and to any such defense article or information, the United States of America will do so, when so requested by the President of the Republic of Nicaragua.

⁴ For text, see *Department of State Bulletin*, Aug. 24, 1940, p. 141.

ARTICLE VII

This Agreement shall continue in force from the date on which it is signed until a date agreed upon between the two Governments.

Signed and sealed at Washington in duplicate, in the English and Spanish languages, this sixteenth day of October, 1941.

For the United States of America:

CORDELL HULL
*Secretary of State of the
United States of America*

For the Republic of Nicaragua:

LEÓN DE BAYLE
*Envoy Extraordinary and Minister
Plenipotentiary of the Republic
of Nicaragua at Washington*

INTER-AMERICAN HIGHWAY

Exchange of notes at Washington April 8, 1942

Entered into force April 8, 1942

Amended by agreement of April 4 and 20, 1951¹

56 Stat. 1845; Executive Agreement Series 295

The Minister of Foreign Affairs to the Acting Secretary of State

LEGACION DE NICARAGUA
WASHINGTON, D.C.

No. 603

APRIL 8, 1942

SIR:

With reference to conversations which I have had with officials of the Government of the United States, I have the honor to inform you that my Government is desirous of securing the cooperation of the United States in the construction of the Inter-American Highway, envisaged in Public Law 375 of the Congress of the United States of December 26, 1941.²

In accordance with the terms of this Law, I therefore request in the name of my Government that the Government of the United States extend co-operation in the construction of the Inter-American Highway in Nicaragua. In this connection, I herewith give formal assurances that the Government of my country will assume one-third of the expenditures to be incurred subsequent to December 26, 1941 by the United States and Nicaragua in the survey and construction of the highway within the borders of Nicaragua.

On December 16, 1941 my Government secured a credit of \$2,000,000 from the Export-Import Bank of Washington. A sum of \$1,250,000 from this credit has been allocated toward my Government's share of the cost of the survey and construction of the Highway as defined above. In addition my Government is making available, as a contribution toward its share in the Project, roadbuilding equipment and materials which it now owns to a value of \$250,000. In the event that these contributions should prove insufficient to pay my Government's share of the Project, it also agrees to contribute in due time an additional amount sufficient to fulfill the obligations which it has incurred under the assurances given in the preceding paragraph.

¹ 2 UST 1848; TIAS 2320.

² 55 Stat. 860.

My Government is aware that the survey and construction work authorized by Public Law 375 is to be under the administration of the Public Roads Administration, Federal Works Agency. It is therefore the intention of the appropriate Nicaraguan authorities, following this exchange of notes, to reach a subsidiary agreement with that Administration to carry out this provision of the Law.

I trust that these assurances will be satisfactory to your Government for the purposes of the Law.

During the conversations which I have had with officials of the Government of the United States, careful consideration was given to the routing of the Inter-American Highway between Sebaco in Nicaragua and the Honduran frontier. It was generally agreed that in deciding this question there should be taken into account both the international character of the proposed road and the needs of Nicaragua's economy, with neither of these two factors being given exclusive weight. On this basis, it is the proposal of my Government that the Inter-American Highway between the points mentioned be constructed so as to pass through the towns of Matagalpa, Jinotega and Condega, with the definitive routing between those points subject to final survey.

I take pleasure in availing myself of this opportunity to present to you the assurances of my highest consideration.

MARIANO ARGÜELLO

The Honorable

SUMNER WELLES,

Acting Secretary of State of the United States

The Acting Secretary of State to the Minister of Foreign Affairs

DEPARTMENT OF STATE

WASHINGTON

April 8, 1942

EXCELLENCY:

I have the honor to acknowledge receipt of Your Excellency's kind note of April 8, 1942 in which you requested the cooperation of the United States Government in the construction of the Inter-American Highway in Nicaragua.

I take pleasure in informing Your Excellency that the assurances which you offer meet the requirements of Public Law 375 of the Congress of the United States of December 26, 1941. It is consequently the intention of this Government, as soon as the subsidiary agreement which you mention has been concluded between the United States Public Roads Administration and the appropriate Nicaraguan officials, to extend to the Nicaraguan

Government the cooperation envisaged in the above-mentioned Law, subject to the appropriation of the necessary funds by the Congress of the United States and to the receipt of the necessary assurances from the other Republics mentioned in the Law.

My Government has given careful consideration to the route proposed by Your Excellency's Government for the highway between Sebaco and the Honduran frontier and is in agreement therewith. Preliminary surveys have shown that a practicable route exists via Matagalpa, Jinotega, and Condega although in the case of Jinotega, it is indicated that the highway itself will pass somewhat to the north and east of the town, and a short approach road will be required.

My Government is gratified that through this cooperative undertaking it will be possible to complete the Inter-American Highway through Nicaragua. Transportation facilities will be improved, new lands and new natural resources developed, additional markets opened, and local economic conditions benefitted through the useful expenditure of money which this project envisages. Both of our countries should happily profit therefrom. I sincerely trust that the highway will serve not only as a link to increase material intercourse between our nations but also as another bond in the close friendship which unites us.

Accept, Excellency, the renewed assurances of my highest consideration.

SUMNER WELLES
*Acting Secretary of State of the
United States of America*

His Excellency

Dr. MARIANO ARGUELLO,
Minister of Foreign Affairs of Nicaragua.

RAMA ROAD

Exchange of notes at Washington April 8 and 18, 1942

Entered into force April 18, 1942

*Amended by agreements of September 2, 1953,¹ and March 13 and
August 2, 1956²*

[For text, see 2 UST 722; TIAS 2229.]

¹ 4 UST 1944; TIAS 2853.

² 7 UST 2237; TIAS 3623.

HEALTH AND SANITATION PROGRAM

Exchange of notes at Managua May 18 and 22, 1942

Entered into force May 22, 1942

Extended by agreement of March 30 and 31, 1944¹

Expired March 31, 1947

57 Stat. 1307; Executive Agreement Series 368

*The American Chargé d'Affaires ad interim to the Acting Minister
of Foreign Affairs*

LEGATION OF THE

UNITED STATES OF AMERICA

MANAGUA, D.N., NICARAGUA, May 18, 1942

No. 124

EXCELLENCY:

I have the honor to inform you that, in accordance with Resolution XXX of the Third Meeting of Ministers of Foreign Affairs of the American Republics at Rio de Janeiro,² relating to health and sanitary conditions, the Government of the United States is prepared to contribute a sum in the amount of \$500,000 to be expended in ways which will assist the Government of Nicaragua in attaining its objectives in matters of health and sanitation.

My Government notes that projects such as the improvement of water supply, the development of facilities for adequate sewage disposal, and the control of endemic or epidemic diseases have been among the chief objectives of the Nicaraguan Government in health and sanitation matters. My Government considers that the further development of projects of this character will contribute to the realization of the general objectives set forth in the above-mentioned resolution to which our respective Governments are committed.

In this connection, the Government of the United States acting through the agency of the Office of the Coordinator of Inter-American Affairs will send, if it is agreeable to you, a small group of experts to Nicaragua in order to develop a specific program in agreement with your Government, acting through officials designated by it. This group will be under the immediate

¹ EAS 484, *post*, p. 441.

² For text, see *Department of State Bulletin*, Feb. 7, 1942, p. 137.

direction of the Chief Medical Officer of the Office of the Coordinator of Inter-American Affairs, and will work in the closest cooperation with the appropriate Nicaraguan officials. The salaries and expenses of the group of experts will not be debited against project funds. Approval for the actual execution of the specific projects agreed upon will be given by the respective Governments or their duly appointed agents. Expenditures for such projects shall be made upon certification of the Chief Medical Officer and the appropriate Nicaraguan official designated for the areas where projects will be executed.

These projects upon completion will of course become the sole property of Nicaragua. The United States Government will be prepared to facilitate such training of personnel as the two Governments deem advisable.

My Government anticipates that the Nicaraguan Government will be willing to provide, in accordance with its ability, such raw materials, services and funds as may be deemed necessary for the proper execution of the program.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

WILLIAM P. COCHRAN, Jr.

His Excellency

Dr. ANTONIO BARQUERO,

*Acting Minister for Foreign Affairs,
Managua, D.N., Nicaragua.*

*The Acting Minister of Foreign Affairs to the American Chargé d'Affaires
ad interim*

[TRANSLATION]

L/No. 141

MANAGUA, D.N., May 22, 1942

MR. CHARGÉ D'AFFAIRES:

I have the honor to acknowledge the receipt of your courteous note 124, dated the 18th of the current month, in which you were kind enough to inform me that, in conformity with resolution XXX of the Third Consultative Meeting of the Ministers of Foreign Affairs of the American Republics, which refers to the solution of problems of public health, the illustrious Government of the United States is disposed to contribute the sum of \$500,000 in order that the Government of Nicaragua may be able to effect improvement of its sanitary systems and especially those referring to the improvement of water supply, sewage disposal, and control of endemic or epidemic diseases.

You announce the sending of a group of experts who, working through the agency of the Office of the Coordinator of Inter-American Affairs and in cooperation with this Government, will prepare a program and draw up projects which should be realized in agreement and in cooperation with those designated by the Government of Nicaragua, for the training of whom your Government offers facilities.

In the name of my Government I accept and, through you, I profoundly thank the illustrious Government of the United States for its generous offer, furthermore placing at the entire disposal of the committee of experts, in conformity with our resources, the raw materials, services, and funds necessary for the realization of the projects which may be approved, and extending to them every facility required for the realization of such an important labor.

I have today placed the important offer of your Government before His Excellency the President of the Republic and the Director General of Public Health.

I avail myself of this opportunity to reiterate to you my distinguished consideration.

ANTONIO BARQUERO

The Honorable

WILLIAM P. COCHRAN, Jr.,
Chargé d'Affaires a.i.
of the United States of America,
Managua, D.N.

AGRICULTURAL EXPERIMENT STATION

Exchange of notes at Washington October 12 and 27, 1942

Entered into force October 27, 1942; operative from July 15, 1942

Superseded by agreement of January 25 and February 1, 1950¹

56 Stat. 1810; Executive Agreement Series 286

The Acting Secretary of State to the Nicaraguan Minister

DEPARTMENT OF STATE

WASHINGTON

October 12, 1942

SIR:

I have the honor to refer to a Memorandum of Understanding concerning the establishment and operation of an agricultural experiment station in Nicaragua, signed at México, D. F., México, July 15, 1942, by the Honorable Claude R. Wickard, Secretary of Agriculture of the United States of America, and His Excellency José M. Zelaya C., Minister of Agriculture and Labor of the Republic of Nicaragua, which provides as follows:

In conformity with the desire of the Government of Nicaragua that the Government of the United States of America cooperate in the establishment and operation of an agricultural experiment station in Nicaragua for the purpose of promoting the production of basic and strategic tropical products, the Government of the United States of America through the United States Department of Agriculture and the Government of Nicaragua, have reached the following understanding:

1. The general functions of the station shall include: (a) agronomic production investigations necessary to permanent agriculture over the whole of eastern Nicaragua with complementary products, particularly rubber, as the cash crops; (b) establishment of approved agricultural practices by agricultural extension work as liaison between the station and the private farms; (c) the propagation of planting material for distribution to farmers; (d) cooperation with other agricultural institutions of the Western Hemisphere in the promotion of tropical agriculture through consultation and the exchange of propagating material, scientific information, and personnel; (e) cooperation with public health, colonization, and agricultural rehabilitation agencies of the United States of America, Nicaragua, and the Western Hemisphere in the development of agriculture in Nicaragua; (f) considera-

¹ 1 UST 772; TIAS 2152.

tion being given to the possibility that the Government of the United States of America will plant several thousand hectares of Hevea rubber in the Atlantic coast area of Nicaragua, the station will give full technical assistance to such a planting program.

2. The Government of Nicaragua will make available all land necessary to conduct investigations and demonstration work designed to promote the profitable production of export crops, such as rubber, fibers, insecticides, medicinals, vegetable oils, et cetera, and increase the income and foreign trade of the people of Nicaragua. Such land shall be selected by the director of the station in cooperation with the appropriate governmental agency of Nicaragua, and the Government of Nicaragua shall permit the continued use of the land by the experiment station free of charge. The land shall include a minimum of 500 hectares in the vicinity of Recreo, between the Mico River and the Managua-Rama highway, and at least three other parcels with a minimum of 50 hectares each which shall be representative of various natural land divisions.

3. The Government of Nicaragua also agrees to construct: (a) residences, complete with furnishings, for the North American and Nicaraguan members of the staff, except stoves and refrigerators not manufactured in Nicaragua; (b) a laboratory, office and library building for technical work; (c) a four-bed hospital; and (d) service buildings, including repair shops, one or more buildings for the storage of equipment and plant material, and such buildings as may be needed for studies in livestock production and the housing of pilot plants for processing agricultural production for shipment.

4. The Nicaraguan Government shall provide: (a) complete furnishings, services, and equipment, except scientific equipment and apparatus not produced or manufactured in Nicaragua, for the laboratory, office, and library building; (b) an adequate and pure water supply; (c) an electric plant to satisfy the lighting and power needs of the station; (d) recreational facilities such as tennis courts, swimming pools, et cetera; (e) a graduate medical doctor and surgeon; (f) agricultural publications, necessary to the proper functioning of the station, including reference books, and all journals and bulletins published outside of the United States, as well as the binding of journals; and (g) the funds necessary for the preparation, printing and distribution of four types of publications to be issued by the station, as follows:

(1) A popular Spanish periodical written for the farm family and containing articles by the staff and other qualified persons on such subjects as health, hygiene, community organization, information on the Atlantic region, aims of the experiment station, treatment of agricultural practices and methodology,

(2) farm circulars written in Spanish and issued as required, dealing with specific farm practices or products,

(3) technical bulletins in English or Spanish dealing with the results of specific scientific investigation at the station, and

(4) an annual report in Spanish, covering the work of the station performed during the year, and the status of agriculture in the region;

(h) the services of at least one Nicaraguan scientist to cooperate with each scientist detailed to the station by the United States Department of Agriculture, and the services of technologists qualified in the fields of land-surveying, topography, drainage, drafting, minor construction, chemical analysis, and library management; (i) stenographers, clerks, mechanics, machinists, field plot and laboratory assistants, and such unskilled labor as may be necessary to conduct the work of the experiment station; (j) the transportation expenses incurred by Nicaraguan and United States members of the station staff for travel on station business within Nicaragua.

5. The Government of Nicaragua will provide: (a) entry free of customs duties for (1) supplies and equipment for the station, and (2) supplies, clothes, foodstuffs, and personal belongings of the North American members of the station staff whose salaries are paid by the Government of the United States; (b) exemption from all taxes based upon salaries for those North American members of the station staff whose salaries are paid by the Government of the United States; and (c) when possible, Nicaraguan students in graduate study in each of the fields of agriculture in colleges or universities in the United States.

6. The Government of the United States of America, through the United States Department of Agriculture, and subject to the availability of funds for the purpose, agrees to provide: (a) the services of scientists to perform the functions of direction of the station, agronomic, soil, irrigation and drainage, animal, plant, and especially oil producing plants and rubber investigations; (b) current scientific journals on plant and animal science published in the United States; (c) scientific equipment and apparatus not produced or manufactured in Nicaragua; (d) stoves and refrigerators not manufactured in Nicaragua, for the residences of the staff; (e) hand and mechanical tools for the station shops; (f) hospital equipment for the treatment of emergency cases; (g) necessary launches and vehicles for water and land transportation; and (h) for the designing of all buildings, including residences for the Nicaraguan and North American members of the staff.

7. The Government of the United States of America and the Government of Nicaragua mutually agree: (a) that in order to provide joint supervisors over the cooperative aspects of the project and in order to furnish a ready means for consultation between the two Governments in regard thereto, there shall be established a commission composed of one representative of each of the two Governments; that the commission, subject to the approval of the Nicaraguan Government will have authority to establish the qualifications and propose candidates for positions at the station; that the commission may

delegate to the director of the station such of its functions as it may deem fit; (b) that the United States Department of Agriculture shall provide the services of an executive secretary to assist the commission; (c) that, exclusive of salaries of the scientists made available to the station by the United States Department of Agriculture, the obligations of the United States Government shall not exceed \$75,000 the first year, nor more than \$25,000 in any one fiscal year thereafter; (d) that the furnishing of the items described under clauses (c), (d), (e), (f) and (g) of numbered paragraph 6, of this Agreement shall be contingent upon the availability of supplies of such items in the United States; and (e) that the obligations assumed by the Government of Nicaragua under numbered paragraph 3, and clauses (a), (b), (c) and (d) of numbered paragraph 4, shall not be construed to commit the Nicaraguan Government to an expenditure in excess of 750,000 cordobas during the first three years of the life of the agreement.

8. This Agreement shall come in force on the day of signature and shall continue in force for a period of ten years unless the Congress of either country shall fail to appropriate the funds necessary for its execution in which event it may be terminated on sixty days written notice by either Government.

It is a pleasure to inform you that the provisions of the Memorandum of Understanding as herein set forth meet with the approval of the Government of the United States. If they likewise meet with the approval of the Government of Nicaragua, I shall consider this note and your reply to that effect as constituting an agreement between our two Governments on the subject, it being understood that the agreement shall be effective as of July 15, 1942 and that it shall continue in effect for a period of ten years, unless the Congress of either country shall fail to appropriate the funds necessary for its execution in which case it may be terminated on sixty days' written notice by either Government.

Accept, Sir, the renewed assurances of my highest consideration.

SUMNER WELLES
Acting Secretary of State

The Honorable

Señor Dr. Don LEÓN DE BAYLE,
Minister of Nicaragua.

The Nicaraguan Minister to the Acting Secretary of State

LEGACION DE NICARAGUA
WASHINGTON, D.C.

No. 2632

OCTOBER 27, 1942

EXCELLENCY:

I have the honor to acknowledge receipt of Your Excellency's note transcribing the Memorandum of Understanding concerning the establishment

and operation of an agricultural experiment station in Nicaragua, signed at Mexico, D. F., Mexico, on July 15, 1942, by the Honorable Claude R. Wickard, Secretary of Agriculture of the United States of America, and the Honorable José M. Zelaya, Minister of Agriculture and Labor of the Republic of Nicaragua.

In this note Your Excellency stated that the provisions of the Memorandum of Understanding as set forth therein meet with the approval of the Government of the United States.

I take pleasure in informing Your Excellency that the Memorandum of Understanding likewise meets with the approval of my Government and that therefore this present note and that of Your Excellency will be considered as constituting an agreement between our two Governments on the subject, it being understood that the agreement shall be effective as of July 15, 1942, and that it shall continue in effect for a period of ten years, unless the Congress of either country shall fail to appropriate the funds necessary for its execution, in which case it may be terminated on sixty days' written notice by either Government.

Accept, Excellency, the renewed assurances of my highest esteem and consideration.

LEÓN DE BAYLE
Minister of Nicaragua

His Excellency

The Acting Secretary of State,
Honorable SUMNER WELLES,
Washington, D.C.

PLANTATION RUBBER INVESTIGATIONS

*Exchange of notes at Managua June 23 and 26, 1943, extending
agreement of January 11, 1941
Entered into force July 1, 1943*

57 Stat. 1212; Executive Agreement Series 357

EXCHANGE OF NOTES

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 108 MANAGUA, D.N., NICARAGUA, June 23, 1943

EXCELLENCY:

I have the honor to refer to the agreement for extension and continuation of plantation rubber investigations in Nicaragua which was signed on January 11, 1941,¹ in the English and Spanish languages, by the Minister of Agriculture and Labor of the Republic of Nicaragua and the Acting Chief of the Bureau of Plant Industry of the Department of Agriculture of the United States of America.

Among the provisions of that agreement is the following (second paragraph from the end) :

"It is mutually agreed by the cooperating parties that this agreement shall take effect on the date of this letter and shall expire on the thirtieth day of June, nineteen hundred and forty-one, but may be renewed from year to year thereafter (not extending, however, beyond the thirtieth day of June, nineteen hundred and forty-three) at the option of the Department of Agriculture of the United States of America, which option shall be expressed in writing by the Chief of the Bureau of Plant Industry or a duly authorized agent, at least one month before the date upon which this agreement would otherwise expire."

It is the understanding of the Government of the United States of America that the agreement above-mentioned has continued in force up to this time.

I have the honor to inform Your Excellency that it is the desire and option of the Department of Agriculture of the United States of America that the

¹ For text, see p. 438.

agreement should continue in force after June 30, 1943, and should remain in force thereafter until six months from the day on which either Government shall have given notice in writing to the other Government of its intention to terminate the agreement.

In view of the fact that it has not been practicable to give this notice to your Government "at least one month before" June 30, 1943, I have the honor to suggest that, if agreeable to the Government of the Republic of Nicaragua, this note, together with your note in acknowledgment thereof, shall be regarded as placing on record the understanding between the Government of the United States of America and the Government of the Republic of Nicaragua that the agreement above-mentioned shall continue in force after June 30, 1943, and shall remain in force thereafter subject to termination on a notice of six months given by either Government.

Accept, Excellency, the renewed assurances of my highest consideration.

JAMES B. STEWART

His Excellency

Dr. ANTONIO BARQUERO,
Minister for Foreign Affairs,
Managua, D.N., Nicaragua.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY
OF FOREIGN AFFAIRS

Diplomatic Department

No. F. 146

MANAGUA, D.N., June 26, 1943

EXCELLENCY:

I have the honor to refer to Your Excellency's kind note 108 of the 23d of this month, by means of which you are good enough to inform this Ministry that the Department of Agriculture of the United States of America desires to exercise the option that the agreement for the extension and continuation of the studies of rubber plantations in Nicaragua, signed January 11, 1941, shall continue in force after June 30, 1943, and that it shall remain in force thereafter until six months from the date on which either Government shall have given notice in writing to the other Government of its intention to terminate the convention.

In reply I am happy to inform Your Excellency that my Government is pleased to accept the extension of the agreement of January 11, 1941, on

the terms and conditions indicated in the note to which I have the honor to reply.

Accept, Excellency, the renewed assurances of my highest consideration.

ANTONIO BARQUERO

His Excellency

JAMES B. STEWART,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America
in Nicaragua.
City.*

AGREEMENT OF JANUARY 11, 1941

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF PLANT INDUSTRY
WASHINGTON

Rubber Plant Investigations
of the
Division of
Plant Exploration and Introduction

JANUARY 11, 1941

General José MARÍA ZELAYA,
*Minister of Agriculture and Labor,
Managua, D.N.,
Republic of Nicaragua.*

DEAR SIR:

As a result of the cooperative rubber survey mutually agreed upon in my letter of December 11, 1940, the following plan for extension and continuation of the work is submitted, as in the previous instance, for your consideration and approval.

In this cooperative project the Government of Nicaragua agrees to consult with the United States Department of Agriculture representatives and to select two or three areas suitable for nurseries which shall serve as demonstration plots and as centers of distribution of Hevea planting material. The Nicaraguan Government agrees to maintain these nurseries and appoint an agronomist or other trained representative who will be responsible for: the collection of seeds from Nicaraguan sources; the establishment of seed beds in the nurseries; and the distribution of any excess seeds to interested planters. This agronomist or other qualified representative is also to cooperate with representatives of the United States Department of Agriculture in directing and educating the planters in all matters pertaining to the propagation, cultivation and preparation of Hevea rubber.

The Government of Nicaragua will formulate necessary quarantine and other regulations designed to prevent the introduction into Nicaragua of rubber-propagating materials including seeds, trees and budwood from other

countries, excepting such shipments as are duly certified to be free from noxious insects and contagious diseases.

The Department of Agriculture of the United States of America shall be permitted to import and/or export from Nicaragua all planting material (seeds, stumps or budwood) of rubber-producing plants which said Department may require for investigations herein contemplated or desire to ship elsewhere, provided, however, that all such shipments, imports or exports, shall be certified by a duly qualified official of said Department.

The Department of Agriculture of the United States of America shall be allowed entry into Nicaragua, free of all duties or other fees, of all property and materials needed in the proposed cooperative work, and a like exemption from duties and fees shall apply to the personal effects of all employees of the United States Department of Agriculture who are engaged in this cooperation.

The Government of Nicaragua agrees to prohibit the redistribution of any strains of rubber tree furnished it by the United States Department of Agriculture to cooperators, companies or other governments except to those agencies and governments which are willing to reciprocate by furnishing such similar material as they may have in their possession; and this restriction shall be passed on to any other agency or government receiving material to prevent contravening the purpose of this restriction.

The United States Department of Agriculture will furnish to the Government of Nicaragua free of charge at its propagating stations, stocks of superior strains of the rubber tree now in its possession, and any additional superior strains collected on surveys or bred at its experiment stations, which, after test by it, are found to be superior. Such distribution will be made at as early a date and in such quantity as may be possible with the facilities available for propagation and in view of the equitable demands or requirements of other cooperating agencies.

The Department of Agriculture of the United States will supply such investigators and rubber specialists as may be necessary to aid in the establishment of nurseries and/or in the selection of suitable sites for test plantings herein contemplated.

Investigators and rubber specialists will be furnished by the said Department of Agriculture to cooperate with the Government of Nicaragua in directing and educating the planters in proper methods of propagation, planting, cultivation, thinning, tapping, preparation of rubber for market and other operations essential to the proper maintenance and productivity of their plantations. It will also conduct, in cooperation with the Government of Nicaragua, field investigations on specific problems of rubber culture when necessary.

The said Department of Agriculture will make available for the benefit of the rubber industry in Nicaragua the results obtained in the rubber investigations conducted by its Bureau of Plant Industry.

It is mutually agreed by the cooperating parties that this agreement shall take effect on the date of this letter and shall expire on the thirtieth day of June, nineteen hundred and forty-one, but may be renewed from year to year thereafter (not extending, however, beyond the thirtieth day of June, nineteen hundred and forty-three) at the option of the Department of Agriculture of the United States of America, which option shall be expressed in writing by the Chief of the Bureau of Plant Industry or a duly authorized agent, at least one month before the date upon which this agreement would otherwise expire.

It is mutually agreed also that this agreement shall not be assigned in whole or in part; that no member or delegate to Congress of the United States of America, or resident commissioner thereof, after his election or appointment, and either before or after he has qualified, and no officer, agent or employee of the Government of the United States of America shall be admitted to any share or part of this agreement, or to any benefit to arise therefrom.

Very truly yours,

M. A. McCALL
Acting Chief of the Bureau of Plant Industry

JOSÉ M. ZELAYA C
Minister of Agriculture and Labor

HEALTH AND SANITATION PROGRAM

*Exchange of notes at Managua March 30 and 31, 1944, extending
agreement of May 18 and 22, 1942*

Entered into force March 31, 1944

Program expired March 31, 1947

59 Stat. 1673; Executive Agreement Series 484

*The American Chargé d'Affaires ad interim to the Minister of Foreign
Affairs*

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 61

MANAGUA, D. N., NICARAGUA, *March 30, 1944*

EXCELLENCY:

I have the honor to refer to the notes exchanged between His Excellency the Minister of Foreign Affairs of Nicaragua and this Embassy dated May 18, 1942 and May 22, 1942¹ respectively relative to the Cooperative Program of Health and Sanitation in Nicaragua provided for in Resolution XXX approved at the third meeting of Ministers of Foreign Affairs of the American Republics held in Rio de Janeiro in January of 1942.² In accordance with the notes under reference, the United States of America has contributed Five Hundred Thousand Dollars (\$500,000.00) for the Cooperative Health and Sanitation Program that is now being carried out in Nicaragua.

If desired by the Government of Nicaragua, the Government of the United States of America, through the Institute of Inter-American Affairs, an agency of the Office of the Coordinator of Inter-American Affairs, is prepared to contribute an additional sum of Three Hundred Thousand Dollars (\$300,000.00) for the purpose of cooperating with the Government of Nicaragua in extending the cooperative program of public health and sanitation and providing for the termination of the program within a three-year period beginning April 1, 1944. It would be understood that the Government of Nicaragua will contribute the sum of One Hundred and Fifty Thousand Dollars (\$150,000.00) to be combined with the funds contributed by the United States of America and expended over the same three-year period for the cooperative program of health and sanitation in Nicaragua.

¹ EAS 368, *ante*, p. 428.

² For text, see *Department of State Bulletin*, Feb. 7, 1942, p. 137.

The kind of work and specific projects to be undertaken and the costs thereof would be mutually agreed to by the appropriate official of Your Excellency's Government and an appropriate official of the Institute of Inter-American Affairs.

It would be understood that the funds contributed by both Governments will be spent by the special agency created within the Dirección General de Sanidad by Your Excellency's Government, which special agency is known as the Servicio Cooperativo Inter-Americano de Salud Pública de Nicaragua. Detailed arrangements for the continuation of the special service and the prosecution of the cooperative program of health and sanitation in Nicaragua would be effected by agreement between the appropriate official of Your Excellency's Government and an appropriate official of the Institute of Inter-American Affairs.

It would be understood that the Government of the United States of America will continue to furnish such experts as are considered necessary in order to collaborate with Your Excellency's Government in executing the cooperative health and sanitation program.

All projects completed and property acquired in connection with the health and sanitation program would be the property of the Government of Nicaragua.

No project would be undertaken that would require supplies of materials the procurement of which would handicap any phase of the war effort.

I should be glad to be informed whether Your Excellency approves the foregoing general proposal, with the understanding that the details of the program will be the subject of further discussion and agreement as provided for herein.

Accept, Excellency, the renewed assurances of my highest consideration.

HAROLD D. FINLEY

His Excellency

Dr. MARIANO ARGÜELLO VARGAS,
Minister of Foreign Relations.

The Minister of Foreign Affairs to the American Chargé d'Affaires ad interim

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
REPUBLIC OF NICARAGUA

MANAGUA, D.N.
March 31, 1944

Mr. CHARGÉ D'AFFAIRES:

I have the honor to acknowledge receipt of your courteous note No. 61 of

yesterday's date, in which you make mention of the notes of May 18 and 22, 1942 exchanged between your Embassy and this Ministry, relative to the cooperative program of health and sanitation in Nicaragua provided for in Resolution XXX approved at the Third Meeting of Ministers of Foreign Affairs of the American Republics held in Rio de Janeiro in January 1942.

In that note, you explain that besides the contribution of \$500,000 which the Government of the United States of America has made for purposes of health and sanitation in my country, it is prepared to contribute likewise, if my Government so desires, an additional sum of \$300,000, through the Institute of Inter-American Affairs, in order to extend the cooperative program of health and sanitation over a three-year period, beginning April 1, 1944, with the understanding that my Government is to contribute the sum of \$150,000 to be combined with the funds contributed by the United States of America, and to be spent within the same three-year period.

You add, furthermore, that the kind of works and specific projects to be undertaken, as well as the cost thereof, would be determined by mutual agreement between the agents of both Governments and an official of the Institute; that the funds to be contributed by both Governments will be spent by the Special Agency created by my Government within the Dirección General de Sanidad, called the Inter-American Cooperative Public Health Service of Nicaragua; that the detailed arrangements for the continuation of the special service and for carrying on the cooperative program of health and sanitation in Nicaragua will be effected by agreement between the appropriate official of my Government and an appropriate official of the Institute; that it is understood that the Government of the United States will continue to provide such experts as may be considered necessary for the purpose of collaborating with my Government in the cooperative program of health and sanitation; that the finished projects and the property acquired in connection with the aforementioned program shall be the property of my Government; that no project will be undertaken which requires supplying materials, the acquisition of which would impede the war effort; and, lastly, that when the general proposal in reference is approved the details of the program will be the subject of further discussion and agreement.

In reply to the courteous note in reference, I am pleased to inform you that my Government approves the said proposal under the aforementioned terms.

I have instructions, moreover, to thank your Government for the effective cooperation which it is good enough to offer mine and which undoubtedly constitutes a claim on its gratitude for whatever may serve to bind ever more closely the ties that happily unite our respective countries and their Governments.

Accept, Sir, on this occasion the expression of my high and distinguished consideration.

ANTONIO BARQUERO

The Honorable

HAROLD D. FINLEY

*Chargé d'Affaires a. i.
of the United States of America
Embassy of the United States.*

*Norway*¹

EXTRADITION

Treaty signed at Washington June 7, 1893

Ratified by Norway July 10, 1893

Senate advice and consent to ratification November 1, 1893

Ratified by the President of the United States November 3, 1893

Ratifications exchanged at Washington November 8, 1893

Proclaimed by the President of the United States November 9, 1893

Entered into force December 8, 1893

Amended by treaty of December 10, 1904²

Supplemented by treaty of February 1, 1938³

28 Stat. 1187; Treaty Series 262

The United States of America and His Majesty the King of Sweden and Norway, being desirous to confirm their friendly relations and to promote the cause of justice, have resolved to conclude a new treaty for the extradition of fugitives from justice between the United States of America and the Kingdom of Norway, and have appointed for that purpose the following Plenipotentiaries:

The President of the United States of America, W. Q. GRESHAM, Secretary of State of the United States, and

His Majesty the King of Sweden and Norway, J. A. W. GRIP, His Majesty's Envoy Extraordinary and Minister Plenipotentiary to the United States,

who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following articles:

¹ See also agreements applicable to Norway which were made between the United States and the King of Sweden (*post*, vol. 11, SWEDEN) and between the United States and the King of Sweden and Norway (*post*, vol. 11, SWEDEN AND NORWAY).

² TS 444, *post*, p. 450.

³ TS 934, *post*, p. 521.

ARTICLE I

The Government of the United States and the Government of Norway mutually agree to deliver up persons who, having been charged with or convicted of any of the crimes and offenses specified in the following article, committed within the jurisdiction of one of the contracting parties, shall seek an asylum or be found within the territories of the other: Provided, that this shall only be done upon such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his or her apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II

Extradition shall be granted for the following crimes and offenses:

1. Murder, comprehending assassination, parricide, infanticide, and poisoning; attempt to commit murder; manslaughter, when voluntary.
2. Arson.
3. Robbery, defined to be the act of feloniously and forcibly taking from the person of another money or goods, by violence or putting him in fear; burglary.
4. Forgery, or the utterance of forged papers; the forgery or falsification of official acts of government, of public authorities, or of courts of justice, or the utterance of the thing forged or falsified.
5. The counterfeiting, falsifying or altering of money, whether coin or paper, or of instruments of debt created by national, state, provincial, or municipal governments, or of coupons thereof, or of bank notes, or the utterance or circulation of the same; or the counterfeiting, falsifying or altering of seals of state.
6. Embezzlement by public officers; embezzlement by persons hired or salaried, to the detriment of their employers; larceny.
7. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, or other person acting in a fiduciary capacity, or director or member or officer of any company, when such act is made criminal by the laws of both countries and the amount of money or the value of the property misappropriated is not less than \$200 or Kroner 740.
8. Perjury; subornation of perjury.
9. Rape; abduction; kidnapping.
10. Willful and unlawful destruction or obstruction of railroads which endangers human life.
11. Crimes committed at sea:
 - (a) Piracy, by statute or by the law of nations.
 - (b) Revolt, or conspiracy to revolt, by two or more persons on board a ship on the high seas against the authority of the master.

(c) Wrongfully sinking or destroying a vessel at sea, or attempting to do so.

(d) Assaults on board a ship on the high seas with intent to do grievous bodily harm.

12. Crimes and offenses against the laws of both countries for the suppression of slavery and slave-trading.

Extradition is also to take place for participation in any of the crimes and offenses mentioned in this Treaty, provided such participation may be punished, in the United States as a felony, and in Norway by imprisonment at hard labor.⁴

ARTICLE III

Requisitions for the surrender of fugitives from justice shall be made by the diplomatic agents of the contracting parties, or in the absence of these from the country or its seat of government, may be made by the superior consular officers.

If the person whose extradition is requested shall have been convicted of a crime or offense, a duly authenticated copy of the sentence of the court in which he was convicted, or if the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime has been committed, and of the depositions or other evidence upon which such warrant was issued, shall be produced.

The extradition of fugitives under the provisions of this Treaty shall be carried out in the United States and in Norway, respectively, in conformity with the laws regulating extradition for the time being in force in the state on which the demand for surrender is made.

ARTICLE IV

Where the arrest and detention of a fugitive are desired on telegraphic or other information in advance of the presentation of formal proofs, the proper course in the United States shall be to apply to a judge or other magistrate authorized to issue warrants of arrest in extradition cases and present a complaint on oath, as provided by the statutes of the United States.

When, under the provisions of this article, the arrest and detention of a fugitive are desired in the Kingdom of Norway, the proper course shall be to apply to the Foreign Office, which will immediately cause the necessary steps to be taken in order to secure the provisional arrest or detention of the fugitive.

The provisional detention of a fugitive shall cease and the prisoner be released if a formal requisition for his surrender, accompanied by the neces-

⁴ For an amendment to the last paragraph of art. II, see treaty of Dec. 10, 1904 (TS 444), *post*, p. 450; for additions to list of crimes, see treaty of Feb. 1, 1938 (TS 934), *post*, p. 521.

sary evidence of his criminality, has not been produced under the stipulations of this Treaty, within two months from the date of his provisional arrest or detention.

ARTICLE V

Neither of the contracting parties shall be bound to deliver up its own citizens or subjects under the stipulations of this Treaty.

ARTICLE VI

A fugitive criminal shall not be surrendered if the offense in respect of which his surrender is demanded be of a political character, or if he proves that the requisition for his surrender has, in fact, been made with a view to try or punish him for an offense of a political character.

No person surrendered by either of the high contracting parties to the other shall be triable or tried, or be punished, for any political crime or offense, or for any act connected therewith, committed previously to his extradition.

If any question shall arise as to whether a case comes within the provisions of this article, the decision of the authorities of the government on which the demand for surrender is made, or which may have granted the extradition, shall be final.

ARTICLE VII

Extradition shall not be granted, in pursuance of the provisions of this Treaty, if legal proceedings or the enforcement of the penalty for the act committed by the person claimed has become barred by limitation, according to the laws of the country to which the requisition is addressed.

ARTICLE VIII

No person surrendered by either of the high contracting parties to the other shall, without his consent, freely granted and publicly declared by him, be triable or tried or be punished for any crime or offense committed prior to his extradition, other than that for which he was delivered up, until he shall have had an opportunity of returning to the country from which he was surrendered.

ARTICLE IX

All articles seized which are in the possession of the person to be surrendered at the time of his apprehension, whether being the proceeds of the crime or offense charged, or being material as evidence in making proof of the crime or offense, shall, so far as practicable and in conformity with the laws of the respective countries, be given up when the extradition takes place. Nevertheless, the rights of third parties with regard to such articles shall be duly respected.

ARTICLE X

If the individual claimed by one of the high contracting parties, in pursuance of the present Treaty, shall also be claimed by one or several other powers on account of crimes or offenses committed within their respective jurisdictions, his extradition shall be granted to the state whose demand is first received: Provided, that the government from which extradition is sought is not bound by treaty to give preference otherwise.

ARTICLE XI

The expenses incurred in the arrest, detention, examination, and delivery of fugitives under this Treaty shall be borne by the state in whose name the extradition is sought: Provided, that the demanding government shall not be compelled to bear any expense for the services of such public officers of the government from which extradition is sought as receive a fixed salary; And, provided, that the charge for the services of such public officers as receive only fees or perquisites shall not exceed their customary fees for the acts or services performed by them had such acts or services been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XII

The present Treaty shall take effect on the thirtieth day after the date of the exchange of ratifications, and shall not operate retroactively. On the day on which it takes effect the Convention of March 21, 1860,⁵ shall, as between the governments of the United States and of Norway, cease to be in force except as to crimes therein enumerated and committed prior to that day.

The ratifications of the present Treaty shall be exchanged at Washington as soon as possible, and it shall remain in force for a period of six months after either of the contracting governments shall have given notice of a purpose to terminate it.

In witness whereof, the respective Plenipotentiaries have signed the above articles, both in the English and the Norwegian languages, and have hereunto affixed their seals.

DONE in duplicate, at the city of Washington this seventh day of June, one thousand eight hundred and ninety-three.

WALTER Q. GRESHAM [SEAL]
J. A. W. GRIP [SEAL]

⁵ TS 349, *post*, vol. 11, SWEDEN AND NORWAY.

EXTRADITION

*Treaty signed at Washington December 10, 1904, amending treaty of
June 7, 1893*

Senate advice and consent to ratification January 6, 1905

Ratified by Norway February 3, 1905

Ratified by the President of the United States April 1, 1905

Ratifications exchanged at Washington April 4, 1905

Entered into force April 4, 1905

Proclaimed by the President of the United States April 6, 1905

34 Stat. 2865; Treaty Series 444

Whereas the Kingdom of Norway has enacted a new penal code, taking effect January 1, 1905, by which the penalty of imprisonment at hard labor is abolished, the United States of America and His Majesty the King of Sweden and Norway have deemed it expedient to conclude a treaty amending, in this respect, the treaty of extradition concluded between the same High Contracting Parties on June 7, 1893,¹ and have appointed for that purpose the following Plenipotentiaries:

The President of the United States of America, John Hay, Secretary of State of the United States of America; and

His Majesty the King of Sweden and Norway, J. A. W. Grip, His Majesty's Envoy Extraordinary and Minister Plenipotentiary to the United States of America;

Who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

The last paragraph of Article II of the Treaty of Extradition, concluded June 7, 1893, between the United States of America and His Majesty the King of Sweden and Norway, is hereby amended, to take effect on January 1, 1905, by striking out, after the word "Norway," the words "by imprisonment at hard labor," and inserting in their place "by a higher penalty than imprisonment for three months."

¹ TS 262, *ante*, p. 445.

The paragraph in question shall then read, as amended:

"Extradition is also to take place for participation in any of the crimes and offenses mentioned in this Treaty, provided such participation may be punished in the United States as a felony, and in Norway by a higher penalty than imprisonment for three months."

ARTICLE II

The ratifications of the present treaty shall be exchanged as soon as possible, and it shall remain in force as long as the Treaty of Extradition hereby amended, and shall be terminable on the same notice.

In witness whereof, the respective Plenipotentiaries have signed the above articles, both in the English and Norwegian languages, and have hereunto affixed their seals.

Done in duplicate at the City of Washington, this tenth day of December, one thousand nine hundred and four.

JOHN HAY [SEAL]
J. A. W. GRIP [SEAL]

ARBITRATION

*Convention signed at Washington April 4, 1908
Senate advice and consent to ratification April 17, 1908
Ratified by Norway May 23, 1908
Ratified by the President of the United States June 18, 1908
Ratifications exchanged at Washington June 24, 1908
Entered into force June 24, 1908
Proclaimed by the President of the United States June 29, 1908
Extended by agreements of June 16, 1913;¹ March 30, 1918;² and
November 26, 1923³
Expired June 24, 1928*

35 Stat. 1994; Treaty Series 499

The President of the United States of America and His Majesty the King of Norway desiring in pursuance of the principles set forth in articles 15–19 of the Convention for the pacific settlement of international disputes, signed at The Hague July 29, 1899,⁴ to enter into negotiations for the conclusion of an Arbitration Convention, have named as their Plenipotentiaries, to wit:

The President of the United States of America, Elihu Root, Secretary of State of the United States of America; and

His Majesty the King of Norway: O. Skybak, His Chargé d’Affaires at Washington;

who, after having communicated to one another their full powers, found in good and due form, have agreed upon the following articles:

ARTICLE I

Differences which may arise of a legal nature or relating to the interpretation of treaties existing between the two Contracting Parties and which it may not have been possible to settle by diplomacy, shall be referred to the Permanent Court of Arbitration established at The Hague by the Convention

¹ TS 589, *post*, p. 454.

² TS 632, *post*, p. 461.

³ TS 680, *post*, p. 470.

⁴ TS 392, *ante*, vol. 1, p. 230.

of July 29, 1899, provided, nevertheless, that they do not affect the vital interests, the independence, or the honor of the two Contracting States, and do not concern the interests of third Parties.

ARTICLE II

In each individual case the High Contracting Parties, before appealing to the Permanent Court of Arbitration, shall conclude a special Agreement defining clearly the matter in dispute, the scope of the powers of the Arbitrators, and the periods to be fixed for the formation of the Arbitral Tribunal and the several stages of the procedure. It is understood that on the part of the United States such special agreements will be made by the President of the United States by and with the advice and consent of the Senate thereof.

ARTICLE III

The present Convention shall be ratified by the President of the United States of America by and with the advice and consent of the Senate thereof; and by His Majesty the King of Norway. The ratifications shall be exchanged at Washington as soon as possible, and the Convention shall take effect on the date of the exchange of its ratifications.

ARTICLE IV

The present Convention is concluded for a period of five years, dating from the day of the exchange of its ratifications.

Done in duplicate at the City of Washington, in the English and Norwegian languages this 4th day of April in the year 1908.

ELIHU ROOT [SEAL]
O. SKYBAK [SEAL]

ARBITRATION

Agreement signed at Washington June 16, 1913, extending convention of April 4, 1908

Senate advice and consent to ratification February 21, 1914

Ratified by Norway March 13, 1914

Ratified by the President of the United States April 9, 1914

Ratifications exchanged at Washington April 13, 1914

Entered into force April 13, 1914

Proclaimed by the President of the United States April 15, 1914

Expired June 24, 1928

38 Stat. 1771; Treaty Series 589

The Government of the United States of America and the Government of the Kingdom of Norway, being desirous of extending the period of five years during which the Arbitration Convention concluded between them on April 4, 1908,¹ is to remain in force, which period is about to expire, have authorized the undersigned, to wit: William Jennings Bryan, Secretary of State of the United States, and H. H. Bryn, Envoy Extraordinary and Minister Plenipotentiary of Norway to the United States, to conclude the following agreement:

ARTICLE I

The Convention of Arbitration of April 4, 1908, between the Government of the United States of America and the Government of the Kingdom of Norway, the duration of which by Article IV thereof was fixed at a period of five years from the day of the exchange of the ratifications, which period will terminate on June 24, 1913, is hereby extended and continued in force for a further period of five years from June 24, 1913.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof; and by His Majesty the King of Norway, and it shall become effective upon

¹ TS 499, *ante*, p. 452.

the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

Done in duplicate in the English and Norwegian languages, at Washington this sixteenth day of June, one thousand nine hundred and thirteen.

WILLIAM JENNINGS BRYAN [SEAL]
HELMER H. BRYN [SEAL]

ADVANCEMENT OF PEACE

Treaty signed at Washington June 24, 1914

Senate advice and consent to ratification August 13, 1914

Ratified by Norway September 18, 1914

Ratified by the President of the United States October 14, 1914

Ratifications exchanged at Washington October 21, 1914

Entered into force October 21, 1914

Proclaimed by the President of the United States October 22, 1914

Modified by agreement of January 7 and 12, 1915¹

38 Stat. 1843; Treaty Series 599

The President of the United States of America and His Majesty the King of Norway, being desirous to strengthen the bonds of amity that bind them together and also to advance the cause of general peace, have resolved to enter into a treaty for that purpose, and to that end have appointed as their plenipotentiaries:

The President of the United States, William Jennings Bryan, Secretary of State of the United States; and

His Majesty the King of Norway, H. H. Bryn, Envoy Extraordinary and Minister Plenipotentiary of Norway to the United States;

Who, after having communicated to each other their respective full powers, found to be in proper form, have agreed upon and concluded the following articles:

ARTICLE I

The High Contracting Parties agree that all disputes between them of every nature whatsoever shall, when diplomatic methods of adjustment have failed, be referred for investigation and report to a Permanent International Commission; provided, however, that treaties in force between the two parties do not prescribe settlement by arbitration of such dispute.

The Commission shall be constituted in the manner prescribed in the next succeeding article.

The High Contracting Parties agree not to declare war or begin hostilities during such investigation and before the report is submitted.

¹ TS 599½, post, p. 459.

ARTICLE II

The International Commission shall be composed of five members, to be appointed as follows: One member shall be chosen from each country by the Government thereof; one member shall be chosen by each Government from some third country; the fifth member, who shall be the chairman of the Commission, shall be chosen by common agreement between the two Governments, it being understood that he shall not be a citizen of either country nor a resident in either of them. If an agreement is not reached as to this appointment, the fifth member shall be chosen according to the rules laid down in Art. 87 of the Convention signed at The Hague on October 18, 1907,² for the Peaceful Settlement of International Disputes.

The expenses of the Commission shall be paid by the two Governments in equal proportion.

The International Commission shall be appointed within four months after the exchange of the ratifications of this treaty;³ vacancies to be filled according to the manner of the original appointment.

Unless otherwise agreed between the parties, the procedure of the International Commission shall be regulated by the prescriptions contained in Chapter III of the Convention mentioned above.

ARTICLE III

In case the High Contracting Parties shall have failed to adjust a dispute by diplomatic methods, and the dispute is not to be settled by arbitration, the Parties shall at once refer it to the International Commission for investigation and report.

The International Commission may, however, spontaneously offer its services to that effect, and in such case it shall notify both Governments and request their cooperation in the investigation.

The High Contracting Parties agree to furnish the Permanent International Commission with all the means and facilities required for its investigation and report.

The report of the International Commission shall be completed as soon as possible and at the latest within one year after the date on which the Commission shall declare its investigation to have begun, unless the High Contracting Parties shall extend or limit the time by mutual agreement. The report shall be prepared in triplicate; one copy shall be presented to each Government, and the third retained by the Commission for its files.

ARTICLE IV

The High Contracting Parties agree that, upon the receipt of the report of the International Commission, they will immediately endeavor to adjust

² TS 536, *ante*, vol. 1, p. 577.

³ For an agreement of Jan. 7 and 12, 1915, extending time for appointment of Commission, see TS 599½, *post*, p. 459.

the dispute directly between them upon the basis of the Commission's findings. They reserve, however, the right to act independently on the subject matter of the dispute after the report of the Commission shall have been submitted.

ARTICLE V

The present treaty shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Majesty the King of Norway.

The ratifications shall be exchanged at Washington as soon as possible.

The treaty shall take effect immediately after the exchange of ratifications and shall continue in force for a period of five years; and it shall thereafter remain in force until twelve months after one of the High Contracting Parties have given notice to the other of an intention to terminate it.

In witness whereof the respective plenipotentiaries have signed the present treaty and have affixed thereunto their seals.

Done in duplicate, in the English and Norwegian languages, at Washington, this 24th day of June, 1914.

WILLIAM JENNINGS BRYAN [SEAL]
HELMER H. BRYN [SEAL]

ADVANCEMENT OF PEACE

*Exchange of notes at Washington January 7 and 12, 1915, modifying
agreement of June 24, 1914
Entered into force January 12, 1915*

Treaty Series 599½

The Secretary of State to the Norwegian Minister

DEPARTMENT OF STATE
WASHINGTON, January 7, 1915

MY DEAR MR. MINISTER:

Replying to your Government's telegram, of January 4th, 1915, and communicated to this Department on January 7th, 1915, I beg to suggest that the two Governments agree that unless the appointment of the Commission is completed by February 21st, 1915, the time be extended by mutual agreement until the contracting parties are able to complete the selection.

If your Government agrees to this, a favorable answer taken in connection with this note will be regarded as an agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

W. J. BRYAN

His Excellency

Mr. H. H. BRYN,
Minister of Norway.

The Norwegian Minister to the Secretary of State

LEGATION OF NORWAY
WASHINGTON, D.C., January 12, 1915

Mr. SECRETARY OF STATE,

In the note Your Excellency addressed to me on the 7th. instant Your Excellency suggested that the Norwegian and the American Governments agree that unless the appointment of the Commission mentioned in Article II of the Treaty signed on June 24, 1914,¹ is completed by February 21st., 1915, the time be extended by mutual agreement until the contracting parties are able to complete the selection.

¹ TS 599, *ante*, p. 456.

Your Excellency added that if the Norwegian Government agrees to this, a favorable answer taken in connection with the said note would be regarded as an agreement.

In reply to the said note I have been instructed by my Government to inform Your Excellency that my Government agrees to the suggestions set forth in the note, and that an agreement thus is concluded.

Please accept, Mr. Secretary of State, the assurances of my highest consideration.

H. BRYN

His Excellency

Hon. W. J. BRYAN,
Secretary of State
etc., etc., etc.

ARBITRATION

Agreement signed at Washington March 30, 1918, extending convention of April 4, 1908

Senate advice and consent to ratification April 30, 1918

Ratified by Norway May 14, 1918

Ratified by the President of the United States July 1, 1918

Ratifications exchanged at Washington July 1, 1918

Entered into force July 1, 1918

Proclaimed by the President of the United States July 12, 1918

Expired June 24, 1928

40 Stat. 1618; Treaty Series 632

The Government of the United States of America and the Government of the Kingdom of Norway, being desirous of continuing for another period of five years the Arbitration Convention concluded between them on April 4, 1908,¹ which by the terms of the Agreement signed between them on June 16, 1913,² will expire on June 24, 1918, have authorized the undersigned, to wit: Robert Lansing, Secretary of State of the United States, and H. H. Bryn, Envoy Extraordinary and Minister Plenipotentiary of Norway to the United States, to conclude the following Agreement:

ARTICLE I

The Convention of Arbitration of April 4, 1908, between the Government of the United States of America and the Government of the Kingdom of Norway, which by the terms of the Agreement signed between them on June 16, 1913, will terminate on June 24, 1918, is hereby extended and continued in force for a further period of five years from June 24, 1918.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof; and by His Majesty the King of Norway, and it shall become effective upon

¹ TS 499, *ante*, p. 452.

² TS 589, *ante*, p. 454.

the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

Done in duplicate in the English and Norwegian languages, at Washington this 30th day of March one thousand nine hundred and eighteen.

ROBERT LANSING [SEAL]
HELMER H. BRYN [SEAL]

SUBMISSION TO ARBITRATION OF CERTAIN CLAIMS OF NORWEGIAN SUBJECTS

Special agreement signed at Washington June 30, 1921

Senate advice and consent to ratification July 27, 1921

Ratified by Norway July 28, 1921

Ratified by the President of the United States August 10, 1921

Ratifications exchanged at Washington August 22, 1921

Entered into force August 22, 1921

Proclaimed by the President of the United States August 24, 1921

Terminated October 13, 1922¹

42 Stat. 1925; Treaty Series 654

The United States of America and His Majesty the King of Norway, desiring to settle amicably certain claims of Norwegian subjects against the United States arising, according to contentions of the Government of Norway, out of certain requisitions by the United States Shipping Board Emergency Fleet Corporation;

Considering that these claims have been presented to the United States Shipping Board Emergency Fleet Corporation and that the said corporation and the claimants have failed to reach an agreement for the settlement thereof;

Considering, therefore, that the claims should be submitted to arbitration conformably to the Convention of the 18th of October, 1907,² for the pacific settlement of international disputes and the Arbitration Convention concluded by the two Governments April 4, 1908,³ and renewed by agreements dated June 16, 1913,⁴ and March 30, 1918,⁵ respectively;

Have appointed as their plenipotentiaries, for the purpose of concluding the following Special Agreement;

The President of the United States of America: Charles E. Hughes, Secretary of State of the United States; and

¹ Upon rendition of award in favor of Norway (see S. Doc. 288, 67th Cong., 4th sess.). Payment was authorized from appropriation for Shipping Board claims by a joint resolution approved Feb. 20, 1923 (42 Stat. 1280).

² TS 536, *ante*, vol. 1, p. 577.

³ TS 499, *ante*, p. 452.

⁴ TS 589, *ante*, p. 454.

⁵ TS 632, *ante*, p. 461.

His Majesty the King of Norway: Mr. Helmer H. Bryn, His Envoy Extraordinary and Minister Plenipotentiary at Washington;

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed on the following articles:

ARTICLE I

The Arbitral Tribunal shall be constituted in accordance with Article 87 (Chapter IV) and Article 59 (Chapter III) of the said Convention of October 18, 1907, except as hereinafter provided, to wit:

One arbitrator shall be appointed by the President of the United States, one by His Majesty the King of Norway, and the third, who shall preside over the Tribunal, shall be selected by mutual agreement between the two Governments. If the two Governments shall not agree within one month from the date of the exchange of ratifications of the present Agreement in naming such third arbitrator, then he shall be named by the President of the Swiss Confederation, if he is willing.

The tribunal shall examine and decide the aforesaid claims in accordance with the principles of law and equity and determine what sum if any shall be paid in settlement of each claim.

The tribunal shall also examine any claim of Page Brothers, American citizens, against any Norwegian subject in whose behalf a claim is presented under the present Agreement, arising out of a transaction on which such claim is based, and shall determine what portion of any sum that may be awarded to such claimant shall be paid to such American citizens in accordance with the principles of law and equity.

ARTICLE II

As soon as possible, and within five months from the date of the exchange of ratifications of the present Agreement, each Party shall present to the agent of the other Party, two printed copies of its case (and additional copies that may be agreed upon) together with the documentary evidence upon which it relies. It shall be sufficient for this purpose if such copies and documents are delivered at the Norwegian Legation at Washington or at the American Legation at Christiania, as the case may be, for transmission.

Within twenty days thereafter, each Party shall deliver two printed copies of its case and accompanying documentary evidence to each member of the Arbitral Tribunal, and such delivery may be made by depositing these copies within the stated period with the International Bureau at The Hague for transmission to the Arbitrators.

After the delivery on both sides of such printed case, either Party may present, within three months after the expiration of the period above fixed for the delivery of the case to the agent of the other Party, a printed counter-case (and additional copies that may be agreed upon) with documentary

evidence, in answer to the case and documentary evidence of the other Party, and within fifteen days thereafter, as above provided, deliver in duplicate such counter-case and accompanying evidence to each of the Arbitrators.

As soon as possible and within one month after the expiration of the period above fixed for the delivery to the agents of the counter-case, each Party shall deliver in duplicate to each of the Arbitrators and to the agent of the other Party a printed argument (and additional copies that may be agreed upon) showing the points relied upon in the case and counter-case, and referring to the documentary evidence upon which it is based. Delivery in each case may be made in the manner provided for the delivery of the case and counter-case to the Arbitrators and to the agents.

The time fixed by this Agreement for the delivery of the case, counter-case, or argument, and for the meeting of the Tribunal, may be extended by mutual consent of the Parties.

ARTICLE III

The Tribunal shall meet at The Hague within one month after the expiration of the period fixed for the delivery of the printed argument as provided for in Article II.

The agents and counsel of each Party may present in support of its case oral arguments to the Tribunal, and additional written arguments, copies of which shall be delivered by each Party in duplicate to the Arbitrators and to the agents and counsel of the other Party.

The Tribunal may demand oral explanations from the agents of the two Parties as well as from experts and witnesses whose appearance before the Tribunal it may consider useful.

ARTICLE IV

The decision of the Tribunal shall be made within two months from the close of the arguments on both sides, unless on the request of the Tribunal the Parties shall agree to extend the period. The decision shall be in writing.

The decision of the majority of the members of the Tribunal shall be the decision of the Tribunal.

The language in which the proceedings shall be conducted shall be English.

The decision shall be accepted as final and binding upon the two Governments.

Any amount granted by the award rendered shall bear interest at the rate of six per centum per annum from the date of the rendition of the decision until the date of payment.

ARTICLE V

Each Government shall pay the expenses of the presentation and conduct of its case before the Tribunal; all other expenses which by their nature are

a charge on both Governments, including the honorarium for each arbitrator, shall be borne by the two Governments in equal moieties.

ARTICLE VI

This Special Agreement shall be ratified in accordance with the constitutional forms of the contracting parties and shall take effect immediately upon the exchange of ratifications, which shall take place as soon as possible at Washington.

IN WITNESS WHEREOF, the respective plenipotentiaries have signed this Special Agreement and have hereunto affixed their seals.

Done in duplicate at Washington this 30th day of June, 1921.

CHARLES E. HUGHES [SEAL]
HELMER H. BRYN [SEAL]

DOUBLE TAXATION: SHIPPING PROFITS

*Exchange of notes at Washington February 28 and November 14,
1922*

*Entered into force November 14, 1922; operative from January 1,
1921*

*Superseded by exchange of notes of November 26, 1924, and Janu-
ary 23 and March 24, 1925¹*

1923 For. Ref. (II) 635

The Norwegian Minister to the Acting Secretary of State

WASHINGTON, February 28, 1922

Mr. ACTING SECRETARY OF STATE: With reference to my note of February 13, last, in which was stated that foreign shipping is in fact exempt from taxation in Norway I now have the honor to inform your Excellency that, according to information received from my Government, the Norwegian taxation acts of August 18, 1911, contain the following provision: "The question whether foreign steamship-companies are to be taxed for operating a service of liners on Norwegian ports and in case to what an extent such a taxation is to be imposed, is to be decided by the King". There has, however, not been issued any regulations under this provision about taxation of foreign steamship companies operating a service of liners on Norwegian ports. As to taxation of other foreign shipping trade on Norwegian ports no provision is contained in our taxation acts. Such shipping is therefore at present not taxed in Norway at all, and the exemption of foreign shipping from taxation in Norway has thus been effective even further back than January 1, 1917.

In connection herewith my Government has also informed me that specific statutes regarding the exemption from taxation of foreign shipowners are now being framed in Norway.

Under these circumstances I beg again to express the hope that necessary measures may be taken by the United States Government in order to secure that the tax-exemption for Norwegian shipowners in this country may be

¹ EAS 15, *post*, p. 477.

valid not only from January 1, 1921, but also include the years 1917, 1918, 1919 and 1920.

I avail myself [etc.]

H. BRYN

The Secretary of State to the Norwegian Minister

WASHINGTON, November 14, 1922

SIR: With further reference to your note of October 5, 1922, in which you ask to be advised whether the Revenue Act of 1921, Section 213, Paragraph 8, exempts Norwegian shipping corporations from all taxes so long as Norway does not tax American shipping corporations operating ships which use Norwegian ports, I have the honor to inform you that, inasmuch as Norway apparently satisfies the equivalent exemption provision of Section 213 (b) (8) of the Revenue Act of 1921,² it has been ruled that the income of a non-resident alien or foreign corporation, which consists exclusively of earnings derived from the operation of a ship or ships documented under the laws of Norway, is exempt from income and excess and war profits taxes.

In answer to the inquiry made in the penultimate paragraph of your communication under reference, concerning the liability of Norwegian shipping corporations to capital stock tax, I have the honor to advise you that Section 1000 (a) (2) and Section 1000 (b) of the Revenue Act of 1921 provides that:

"Sec. 1000 (a) (2) Every foreign corporation shall pay annually a special excise tax with respect to carrying on or doing business in the United States, equivalent to \$1 for each \$1000 of the average amount of capital employed in the transaction of its business in the United States during the preceding year ending June 30."

"Sec. 1000. (b) The taxes imposed by this section shall not apply in any year to any corporation which was not engaged in business (or, in the case of a foreign corporation, not engaged in business in the United States) during the preceding year ending June 30, nor to any corporation enumerated in section 231, nor to any insurance company subject to the tax imposed by section 243 or 246."

The basis for the tax in the case of foreign corporations is the "carrying on or doing of business" in the United States. Any foreign corporation which enters the United States for the purpose of its business in any manner is liable to this special excise tax. There is no provision in the Revenue Act of 1921 for the exemption of any foreign corporation, shipping or otherwise, from capital stock tax as long as it is doing business in the United States.

² 42 Stat. 239.

It is, therefore, held that the equivalent exemption satisfied by Norway in accordance with the provisions of Section 213 (b) (8) of the Revenue Act of 1921 has no application in so far as capital stock tax is concerned.

Therefore, Norway shipping corporations "carrying on or doing business" in the United States come within the purview of Section 1000 (a) (2) of the Act and will be required to file capital stock tax returns, Form 708, and pay tax equivalent to \$1 for each full \$1,000 of the average amount of capital employed in the transaction of its business in the United States during the preceding year ended June 30.

Accept [etc.]

For the Secretary of State:

WILLIAM PHILLIPS

ARBITRATION

Agreement and exchange of notes signed at Washington November 26, 1923, extending convention of April 4, 1908

Senate advice and consent to ratification December 18, 1923

Ratified by Norway January 11, 1924

Ratified by the President of the United States January 25, 1924

Ratifications exchanged at Washington March 8, 1924

Entered into force March 8, 1924

Proclaimed by the President of the United States March 12, 1924

Expired June 24, 1928

43 Stat. 1746; Treaty Series 680

AGREEMENT

The Government of the United States of America and the Government of the Kingdom of Norway, desiring to extend for another five years the period during which the Arbitration Convention concluded between them on April 4, 1908,¹ and extended by the Agreement concluded between the two Governments on June 16, 1913,² and further extended by the Agreement concluded between the two Governments on March 30, 1918,³ shall remain in force, have respectively authorized the undersigned, to wit: Charles Evans Hughes, Secretary of State of the United States of America, and Mr. Helmer H. Bryn, Envoy Extraordinary and Minister Plenipotentiary of Norway in the United States, to conclude the following Agreement:

ARTICLE I

The Convention of Arbitration of April 4, 1908, between the Government of the United States of America and the Government of the Kingdom of Norway, the duration of which by Article IV thereof was fixed at a period of five years from the date of the exchange of ratifications, which period, by the Agreement of June 16, 1913, between the two Governments was extended for five years from June 24, 1913, and was extended by the Agreement between them of March 30, 1918, for the further period of five years from

¹ TS 499, *ante*, p. 452.

² TS 589, *ante*, p. 454.

³ TS 632, *ante*, p. 461.

June 24, 1918, is hereby extended and continued in force for the further period of five years from June 24, 1923.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Majesty the King of Norway, and it shall become effective upon the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

DONE in duplicate in the English and Norwegian languages at Washington this 26th day of November, 1923.

CHARLES EVANS HUGHES [SEAL]
HELMER H. BRYN [SEAL]

EXCHANGE OF NOTES

The Secretary of State to the Norwegian Minister

DEPARTMENT OF STATE
WASHINGTON, November 26, 1923

SIR:

In connection with the signing today of an agreement for the renewal of the Convention of Arbitration concluded between the United States and the Government of Norway, April 4, 1908, and renewed from time to time, I have the honor, in pursuance of our informal conversations, to state the following understanding which I shall be glad to have you confirm on behalf of your Government.

On February 24 last the President proposed to the Senate that it consent under certain stated conditions to the adhesion by the United States to the Protocol of December 16, 1920, under which the Permanent Court of International Justice has been created at The Hague. As the Senate does not convene in its regular session until December next, action upon this proposal will necessarily be delayed. In the event that the Senate gives its assent to the proposal, I understand that the Government of Norway will not be averse to considering a modification of the Convention of Arbitration which we are renewing, or the making of a separate agreement, providing for the reference of disputes mentioned in the Convention to the Permanent Court of International Justice.

Accept, Sir, the renewed assurances of my highest consideration.

CHARLES E. HUGHES

Mr. H. H. BRYN,
Minister of Norway.

The Norwegian Minister to the Secretary of State

WASHINGTON, D.C., November 26, 1923

SIR:

With reference to the note which Your Excellency has been good enough to address me today in connection with the signing of an agreement for the renewal of the Convention of Arbitration concluded between Norway and the United States, April 4, 1908, and renewed from time to time, I have the honor to state that I have been authorized to confirm, and I hereby do confirm that, in the event that the Senate gives its assent to the proposal made to it by the President of the United States that it consent under certain stated conditions to the adhesion by the United States to the Protocol of December 16, 1920, under which the Permanent Court of International Justice has been created at The Hague, the Government of Norway will not be averse to considering a modification of the Convention of Arbitration which we are renewing, or the making of a separate agreement, providing for the reference of disputes mentioned in the Convention to the Permanent Court of International Justice.

Accept, Sir, the renewed assurances of my highest consideration.

HELMER H. BRYN

His Excellency

Honorable CHARLES E. HUGHES,
Secretary of State,
etc. etc. etc.

SMUGGLING OF INTOXICATING LIQUORS

Convention signed at Washington May 24, 1924

Senate advice and consent to ratification May 31, 1924

Ratified by the President of the United States June 20, 1924

Ratified by Norway June 20, 1924

Ratifications exchanged at Washington July 2, 1924

Entered into force July 2, 1924

Proclaimed by the President of the United States July 2, 1924

43 Stat. 1772; Treaty Series 689

The President of the United States of America and His Majesty the King of Norway being desirous of avoiding any difficulties which might arise between them in connection with the laws in force in the United States on the subject of alcoholic beverages have decided to conclude a Convention for that purpose, and have appointed as their Plenipotentiaries:

The President of the United States of America, Charles Evans Hughes, Secretary of State of the United States;

His Majesty the King of Norway, Helmer H. Bryn, His Envoy Extraordinary and Minister Plenipotentiary to the United States of America;

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I

The High Contracting Parties respectively retain their rights and claims, without prejudice by reason of this agreement with respect to the extent of their territorial jurisdiction.

ARTICLE II

(1) His Majesty agrees that he will raise no objection to the boarding of private vessels under the Norwegian flag outside the limits of territorial waters by the authorities of the United States, its territories or possessions in order that enquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavoring to import or have imported alcoholic beverages into the United States, its territories or possessions in violation of the laws there in force. When such enquiries and examination show a reasonable ground for suspicion, a search of the vessel may be initiated.

(2) If there is reasonable cause for belief that the vessel has committed or is committing or attempting to commit an offense against the laws of the United States, its territories or possessions prohibiting the importation of alcoholic beverages, the vessel may be seized and taken into a port of the United States, its territories or possessions for adjudication in accordance with such laws.

(3) The rights conferred by this article shall not be exercised at a greater distance from the coast of the United States its territories or possessions than can be traversed in one hour by the vessel suspected of endeavoring to commit the offense. In cases, however, in which the liquor is intended to be conveyed to the United States, its territories or possessions by a vessel other than the one boarded and searched, it shall be the speed of such other vessel and not the speed of the vessel boarded, which shall determine the distance from the coast at which the right under this article can be exercised.

ARTICLE III

No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors, when such liquors are listed as sea stores or cargo destined for a port foreign to the United States, its territories or possessions on board Norwegian vessels voyaging to or from ports of the United States, or its territories or possessions, or passing through the territorial waters thereof, and such carriage shall be as now provided by law with respect to the transit of such liquors through the Panama Canal, provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters and that no part of such liquors shall at any time or place be unloden within the United States, its territories or possessions.

ARTICLE IV

Any claim by a Norwegian vessel for compensation on the grounds that it has suffered loss or injury through the improper or unreasonable exercise of the rights conferred by Article II of this Treaty or on the ground that it has not been given the benefit of Article III shall be referred for the joint consideration of two persons, one of whom shall be nominated by each of the High Contracting Parties.

Effect shall be given to the recommendations contained in any such joint report. If no joint report can be agreed upon, the claim shall be referred to the Permanent Court of Arbitration at The Hague described in the Convention for the Pacific Settlement of International Disputes, concluded at The Hague, October 18, 1907.¹ The Arbitral Tribunal shall be constituted in

¹ TS 536, *ante*, vol. 1, p. 577.

accordance with Article 87 (Chapter IV) and with Article 59 (Chapter III) of the said Convention. The proceedings shall be regulated by so much of Chapter IV of the said Convention and of Chapter III thereof (special regard being had for Articles 70 and 74, but excepting Articles 53 and 54) as the Tribunal may consider to be applicable and to be consistent with the provisions of this agreement. All sums of money which may be awarded by the Tribunal on account of any claim shall be paid within eighteen months after the date of the final award without interest and without deduction, save as hereafter specified. Each Government shall bear its own expenses. The expenses of the Tribunal shall be defrayed by a ratable deduction of the amount of the sums awarded by it, at a rate of five per cent. on such sums, or at such lower rate as may be agreed upon between the two Governments; the deficiency, if any, shall be defrayed in equal moieties by the two Governments.

ARTICLE V

This Treaty shall be subject to ratification and shall remain in force for a period of one year from the date of the exchange of ratifications.

Three months before the expiration of the said period of one year, either of the High Contracting Parties may give notice of its desire to propose modifications in the terms of the Treaty.

If such modifications have not been agreed upon before the expiration of the term of one year mentioned above, the Treaty shall lapse.

If no notice is given on either side of the desire to propose modifications, the Treaty shall remain in force for another year, and so on automatically, but subject always in respect of each such period of a year to the right on either side to propose as provided above three months before its expiration modifications in the Treaty, and to the provision that if such modifications are not agreed upon before the close of the period of one year, the Treaty shall lapse.



ARTICLE VI

In the event that either of the High Contracting Parties shall be prevented either by judicial decision or legislative action from giving full effect to the provisions of the present Treaty the said Treaty shall automatically lapse, and, on such lapse or whenever this Treaty shall cease to be in force, each High Contracting Party shall enjoy all the rights which it would have possessed had this Treaty not been concluded.

The present Convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Majesty the King of Norway; and the ratifications shall be exchanged at Washington as soon as possible.

In witness whereof, the respective Plenipotentiaries have signed the present Convention in duplicate in the English and Norwegian languages and have thereunto affixed their seals.

Done at the city of Washington this twenty-fourth day of May, in the year of our Lord one thousand nine hundred and twenty-four.

CHARLES EVANS HUGHES

[SEAL]

HELMER H. BRYN

[SEAL]

DOUBLE TAXATION: SHIPPING PROFITS

Exchange of notes at Washington November 26, 1924, and January 23 and March 24, 1925

*Entered into force March 24, 1925; operative from August 11, 1924
Suspended December 11, 1951, by convention of June 13, 1949¹*

47 Stat. 2617; Executive Agreement Series 15

The Norwegian Minister to the Secretary of State

NORWEGIAN LEGATION
WASHINGTON, November 26, 1924

SIR:

By the note which I had the honor to address to the Acting Secretary of State on February 28, 1922,² and Your Excellency's note of November 14, 1922,² it was established that reciprocal exemption of income and excess and war profits taxes existed for a non-resident Norwegian or Norwegian corporation in the United States, and for a non-resident American or American corporation in Norway, with regard to income consisting exclusively of earnings derived from the operation of ships under their respective flags; see Norwegian Taxation Laws of August 18, 1911, and the United States Revenue Act of 1921, section 213(b)(8).³

By new taxation laws enacted in Norway on August 11, 1924, an amendment has been made to the exemption provisions of the laws of August 18, 1911. I hereby enclose a copy of the new laws and a translation into English of the amended provisions according to which persons, companies and corporations belonging in a foreign country are exempt from taxes on property in and income from ship[s] engaged in traffic on a Norwegian port or between Norwegian ports and from taxes from income arising from the sale of tickets for the transportation of persons out of the kingdom; provided that Norwegian persons, companies and corporations are exempt in the country in question from taxes on corresponding activities.

¹ 2 UST 2323; TIAS 2357.

² *Ante*, p. 467.

³ 42 Stat. 239.

By the new law provisions, the reciprocal exemption of income and excess and war profits taxes in Norway and the United States with regard to income derived from the operation of ships under their respective flags is reaffirmed.

Accept, Sir, the renewed assurances of my highest consideration.

H. BRYN

His Excellency

Honorable CHARLES E. HUGHES,
Secretary of State,
etc. etc. etc.

[ENCLOSURE]

Translation of following provisions of the Norwegian Laws of August 11, 1924, amending Article 15 in fine of the Law of Taxation for the Country Communities, and Article 10 in fine of the Law of Taxation for the Cities of August 18, 1911, which two Law Provisions are identical:

"Persons, companies and corporations belonging in a foreign country are exempt from taxes on property in and income from ship[s] engaged in traffic on a Norwegian port or between Norwegian ports and from taxes on income arising from the sale of tickets for the transportation of persons out of the kingdom; provided that Norwegian persons, companies and corporations are exempt in the country in question from taxes on corresponding activities. If this be not the case, the King can decide that foreign persons, companies and corporations shall pay taxes on property and/or income on activities as mentioned. In so far as sale of tickets for transportation of persons out of the kingdom is concerned, this does not apply but when the sale is effected through an agent or commissioner under the Law on Emigration of May 22, 1869, see Law of June 5, 1897, and Law No. 1 of September 16, 1921. The King will also issue regulations concerning the extent of the taxation and the assessment and collection of the taxes."

The Secretary of State to the Norwegian Minister

DEPARTMENT OF STATE
WASHINGTON, January 23, 1925

SIR:

I have the honor to refer to your note of November 26, 1924, concerning the new taxation laws enacted in Norway on August 11, 1924, which, in your opinion, reaffirm the reciprocal exemption of income and excess and war profits taxes in Norway and the United States with regard to income derived from the operation of ships under their respective flags.

It appears from the enclosures transmitted with your note that the Norwegian laws of August 11, 1924, in translation, provide in part as follows:

"Persons, companies and corporations belonging in a foreign country are exempt from taxes on property in and income from ship[s] engaged in traffic on a Norwegian port or between Norwegian ports and from taxes on income arising from the sale of tickets for the transportation of persons out of the kingdom; provided that Norwegian persons, companies and corporations are exempt in the country in question from taxes on corresponding activities. . . ."

I have the honor to inform you that it has been held by the appropriate authorities of this Government that the provision of the Norwegian laws of August 11, 1924, above quoted, satisfies the equivalent exemption provision of Section 213(b)(8) of the Revenue Act of 1924,⁴ and that, therefore, the income of a non-resident alien or foreign corporation, which consists exclusively of earnings derived from the operation of a ship or ships documented under the laws of Norway, is exempt from Federal income taxes imposed by the Revenue Act of 1924.

Accept, Sir, the renewed assurances of my highest consideration.

CHARLES E. HUGHES

Mr. HELMER H. BRYN,
Minister of Norway.

The Norwegian Minister to the Secretary of State

NORWEGIAN LEGATION
WASHINGTON, March 24, 1925

SIR:

In the note which Your Excellency's predecessor was good enough to address me on January 23, 1925, it was stated that the appropriate authorities of the Government of the United States had held that the provisions of the Norwegian laws of August 11, 1924, satisfy the equivalent exemption provision of Section 213(b)(8) of the Revenue Act of 1924, and that, therefore, the income of a non-resident alien or foreign corporation, which consists exclusively of earnings derived from the operation of a ship or ships documented under the laws of Norway, is exempt from Federal income taxes imposed by the Revenue Act of 1924.

In reply to Mr. Hughes' note I have been authorized by my Government to confirm to Your Excellency the existence of reciprocity under the above mentioned Norwegian and American laws and that, therefore, persons, com-

⁴ 43 Stat. 269.

panies and corporations belonging in the United States of America are exempt in Norway from taxes on property in and income from a ship or ships, documented under the laws of the United States, engaged in traffic on a Norwegian port or between Norwegian ports, and from taxes on income arising from the sale of tickets for the transportation of persons out of the Kingdom of Norway.

Accept, Sir, the renewed assurances of my highest consideration.

H. BRYN

His Excellency,
Honorable FRANK B. KELLOGG,
Secretary of State,
etc. etc. etc.

FRIENDSHIP, COMMERCE, AND CONSULAR RIGHTS

*Treaty and exchange of notes signed at Washington June 5, 1928;
additional article signed at Washington February 25, 1929*

Senate advice and consent to ratification April 5, 1932

Ratified by the President of the United States April 16, 1932

Ratified by Norway July 30, 1932

Ratifications exchanged at Washington September 13, 1932

Entered into force September 13, 1932

Proclaimed by the President of the United States September 15, 1932

Supplemented by agreement of May 4 and July 8, 1946¹

47 Stat. 2135; Treaty Series 852

TREATY

The United States of America and the Kingdom of Norway, desirous of strengthening the bond of peace which happily prevails between them, by arrangements designed to promote friendly intercourse between their respective territories through provisions responsive to the spiritual, cultural, economic and commercial aspirations of the peoples thereof, have resolved to conclude a Treaty of Friendship, Commerce and Consular Rights and for that purpose have appointed as their plenipotentiaries,

The President of the United States of America,

Mr. Frank B. Kellogg, Secretary of State of the United States of America; and

His Majesty the King of Norway,

Mr. H. H. Bachke, His Envoy Extraordinary and Minister Plenipotentiary to the United States of America;

Who, having communicated to each other their full powers found to be in due form, have agreed upon the following Articles:

ARTICLE I

The nationals of each of the High Contracting Parties shall be permitted to enter, travel and reside in the territories of the other; to exercise liberty of

¹ TIAS 1572, *post*, p. 558.

conscience and freedom of worship; to engage in professional, scientific, religious, philanthropic, manufacturing and commercial work of every kind without interference; to carry on every form of commercial activity which is not forbidden by the local law; to employ agents of their choice, and generally to do anything incidental to or necessary for the enjoyment of any of the foregoing privileges upon the same terms as nationals of the State of residence or as nationals of the nation hereafter to be most favored by it, submitting themselves to all local laws and regulations duly established.

The nationals of either High Contracting Party within the territories of the other shall not be subjected to the payment of any internal charges or taxes other or higher than those that are exacted of and paid by its nationals. This paragraph does not apply to charges and taxes on the acquisition and exploitation of waterfalls, energy produced by waterfalls, mines or forests.

The nationals of each High Contracting Party shall enjoy freedom of access to the courts of justice of the other on conforming to the local laws, as well for the prosecution as for the defense of their rights, and in all degrees of jurisdiction established by law.

The nationals of each High Contracting Party shall receive within the territories of the other, upon submitting to conditions imposed upon its nationals, the most constant protection and security for their persons and property, and shall enjoy in this respect that degree of protection that is required by international law. Their property shall not be taken without due process of law and without payment of just compensation.

Nothing contained in this Treaty shall be construed to affect existing statutes of either of the High Contracting Parties in relation to the immigration of aliens or the right of either of the High Contracting Parties to enact such statutes.

ARTICLE II

With respect to that form of protection granted by National, State or Provincial laws establishing civil liability for bodily injuries or for death, and giving to relatives or heirs or dependents of an injured party a right of action or a pecuniary compensation, such relatives or heirs or dependents of the injured party, himself a national of either of the High Contracting Parties and within any of the territories of the other, shall regardless of their alienage or residence outside of the territory where the injury occurred, enjoy the same rights and privileges as are or may be granted to nationals, and under like conditions.

ARTICLE III

The dwellings, warehouses, manufactories, shops, and other places of business, and all premises thereto appertaining of the nationals of each of the High Contracting Parties in the territories of the other, used for any purposes set forth in Article I, shall be respected. It shall not be allowable to make a domiciliary visit to, or search of any such buildings and premises, or there

to examine and inspect books, papers or accounts, except under the conditions and in conformity with the forms prescribed by the laws, ordinances and regulations for nationals.

ARTICLE IV

Where, on the death of any person holding real or other immovable property or interests therein within the territories of one High Contracting Party, such property or interests therein would, by the laws of the country or by a testamentary disposition, descend or pass to a national of the other High Contracting Party, whether resident or non-resident, were he not disqualified by the laws of the country where such property or interests therein is or are situated, such national shall be allowed a term of three years in which to sell the same, this term to be reasonably prolonged if circumstances render it necessary, and withdraw the proceeds thereof, without restraint or interference, and exempt from any succession, probate or administrative duties or charges other than those which may be imposed in like cases upon the nationals of the country from which such proceeds may be drawn.

Nationals of either High Contracting Party may have full power to dispose of their personal property of every kind within the territories of the other, by testament, donation, or otherwise, and their heirs, legatees and donees, of whatsoever nationality, whether resident or non-resident, shall succeed to such personal property, and may take possession thereof, either by themselves or by others acting for them, and retain or dispose of the same at their pleasure subject to the payment of such duties or charges only as the nationals of the High Contracting Party within whose territories such property may be or belong shall be liable to pay in like cases. In the same way, personal property left to nationals of one of the High Contracting Parties by nationals of the other High Contracting Party, and being within the territories of such other Party, shall be subject to the payment of such duties or charges only as the nationals of the High Contracting Party within whose territories such property may be or belong shall be liable to pay in like cases.

ARTICLE V

The nationals of each of the High Contracting Parties in the exercise of the right of freedom of worship, within the territories of the other, as hereinabove provided, may, without annoyance or molestation of any kind by reason of their religious belief or otherwise, conduct services either within their own houses or within any appropriate buildings which they may be at liberty to erect and maintain in convenient situations, provided their teachings or practices are not contrary to public morals; and they may also be permitted to bury their dead according to their religious customs in suitable and convenient places established and maintained for the purpose, subject to the reasonable mortuary and sanitary laws and regulations of the place of burial.

ARTICLE VI

In the event of war between either High Contracting Party and a third State, such Party may draft for compulsory military service nationals of the other having a permanent residence within its territories and who have formally, according to its laws, declared an intention to adopt its nationality by naturalization, unless such individuals depart from the territories of said belligerent Party within sixty days after a declaration of war.

It is agreed, however, that such right to depart shall not apply to natives of the country drafting for compulsory military service who, being nationals of the other Party, have declared an intention to adopt the nationality of their nativity. Such natives shall nevertheless be entitled in respect of this matter to treatment no less favorable than that accorded the nationals of any other country who are similarly situated.

ARTICLE VII

Between the territories of the High Contracting Parties there shall be freedom of commerce and navigation. The nationals of each of the High Contracting Parties equally with those of the most favored nation, shall have liberty freely to come with their vessels and cargoes to all places, ports and waters of every kind within the territorial limits of the other which are or may be open to foreign commerce and navigation. Nothing in this Treaty shall be construed to restrict the right of either High Contracting Party to impose, on such terms as it may see fit, prohibitions or restrictions designed to protect human, animal, or plant health or life, or regulations for the enforcement of revenue or police laws, including laws prohibiting or restricting the importation or sale of alcoholic beverages or narcotics.

Each of the High Contracting Parties binds itself unconditionally to impose no higher or other duties, charges or conditions and no prohibition on the importation of any article, the growth, produce or manufacture, of the territories of the other Party, from whatever place arriving, than are or shall be imposed on the importation of any like article, the growth, produce or manufacture of any other foreign country; nor shall any duties, charges, conditions or prohibitions on importations be made effective retroactively on imports already cleared through the customs, or on goods declared for entry into consumption in the country.

Each of the High Contracting Parties also binds itself unconditionally to impose no higher or other charges or other restrictions or prohibitions on goods exported to the territories of the other High Contracting Party than are imposed on goods exported to any other foreign country.

Any advantage of whatsoever kind which either High Contracting Party may extend by treaty, law, decree, regulation, practice or otherwise, to any article, the growth, produce, or manufacture of any other foreign country

shall simultaneously and unconditionally, without request and without compensation, be extended to the like article the growth, produce or manufacture of the other High Contracting Party.

All articles which are or may be legally imported from foreign countries into ports of the United States or are or may be legally exported therefrom in vessels of the United States may likewise be imported into those ports or exported therefrom in Norwegian vessels, without being liable to any other or higher duties or charges whatsoever than if such articles were imported or exported in vessels of the United States; and reciprocally, all articles which are or may be legally imported from foreign countries into the ports of Norway or are or may be legally exported therefrom in Norwegian vessels may likewise be imported into these ports or exported therefrom in vessels of the United States without being liable to any other or higher duties or charges whatsoever than if such articles were imported or exported in Norwegian vessels.

In the same manner there shall be perfect reciprocal equality in relation to the flags of the two countries with regard to bounties, drawbacks, and other privileges of this nature of whatever denomination which may be allowed in the territories of each of the Contracting Parties, on goods imported or exported in national vessels so that such bounties, drawbacks and other privileges shall also and in like manner be allowed on goods imported or exported in vessels of the other country.

With respect to the amount and collection of duties on imports and exports of every kind, each of the two High Contracting Parties binds itself to give to the nationals, vessels and goods of the other the advantage of every favor, privilege or immunity which it shall have accorded to the nationals, vessels and goods of a third State, whether such favored State shall have been accorded such treatment gratuitously or in return for reciprocal compensatory treatment. Every such favor, privilege or immunity which shall hereafter be granted the nationals, vessels or goods of a third State shall simultaneously and unconditionally, without request and without compensation, be extended to the other High Contracting Party, for the benefit of itself, its nationals, vessels, and goods.

The stipulations of this Article do not extend to the treatment which is accorded by the United States to the commerce of Cuba under the provisions of the Commercial Convention concluded by the United States and Cuba on December 11, 1902,² or any other commercial convention which hereafter may be concluded by the United States with Cuba. Such stipulations, moreover, do not extend to the commerce of the United States with the Panama Canal Zone or with any of the dependencies of the United States or to the commerce of the dependencies of the United States with one another under existing or future laws.

² TS 427, *ante*, vol. 6, p. 1106, CUBA.

No claim may be made by virtue of the stipulations of the present Treaty to any privileges that Norway has accorded, or may accord, to Denmark, Iceland or Sweden, as long as the same privilege has not been extended to any other country.

Neither of the High Contracting Parties shall by virtue of the provisions of the present Treaty be entitled to claim the benefits which have been granted or may be granted to neighboring States in order to facilitate short boundary traffic.

ARTICLE VIII

The nationals, goods, products, wares, and merchandise of each High Contracting Party within the territories of the other shall receive the same treatment as nationals, goods, products, wares, and merchandise of the country with regard to internal taxes, transit duties, charges in respect to warehousing and other facilities and the amount of drawbacks and export bounties.

ARTICLE IX

The vessels and cargoes of one of the High Contracting Parties shall, within the territorial waters and harbors of the other Party in all respects and unconditionally be accorded the same treatment as the vessels and cargoes of that Party, irrespective of the port of departure of the vessel, or the port of destination, and irrespective of the origin or the destination of the cargo. It is especially agreed that no duties of tonnage, harbor, pilotage, lighthouse, quarantine, or other similar or corresponding duties or charges of whatever denomination, levied in the name or for the profit of the Government, public functionaries, private individuals, corporations or establishments of any kind shall be imposed in the ports of the territories or territorial waters of either country upon the vessels of the other, which shall not equally, under the same conditions, be imposed on national vessels.

ARTICLE X

Merchant vessels and other privately owned vessels under the flag of either of the High Contracting Parties, and carrying the papers required by its national laws in proof of nationality shall, both within the territorial waters of the other High Contracting Party and on the high seas, be deemed to be the vessels of the Party whose flag is flown.

ARTICLE XI

Merchant vessels and other privately owned vessels under the flag of either of the High Contracting Parties shall be permitted to discharge portions of cargoes at any port open to foreign commerce in the territories of the other High Contracting Party, and to proceed with the remaining portions of such cargoes to any other ports of the same territories open to foreign commerce,

without paying other or higher tonnage dues or port charges in such cases than would be paid by national vessels in like circumstances, and they shall be permitted to load in like manner at different ports in the same voyage outward, provided, however, that the coasting trade of the High Contracting Parties is exempt from the provisions of this Article and from the other provisions of this Treaty, and is to be regulated according to the laws of each High Contracting Party in relation thereto. It is agreed, however, that nationals of either High Contracting Party shall within the territories of the other enjoy with respect to the coasting trade the most favored nation treatment.

ARTICLE XII

Limited liability and other corporations and associations, whether or not for pecuniary profit, which have been or may hereafter be organized in accordance with and under the laws, National, State or Provincial, of either High Contracting Party and maintain a central office within the territories thereof, shall have their juridical status recognized by the other High Contracting Party provided that they pursue no aims within its territories contrary to its laws. They shall enjoy free access to the courts of law and equity, on conforming to the laws regulating the matter, as well for the prosecution as for the defense of rights in all the degrees of jurisdiction established by law.

The right of such corporations and associations of either High Contracting Party so recognized by the other to establish themselves in the territories of the other Party, establish branch offices and fulfill their functions therein shall depend upon, and be governed solely by, the consent of such Party as expressed in its National, State, or Provincial laws.

ARTICLE XIII

The nationals of either High Contracting Party shall enjoy within the territories of the other, reciprocally and upon compliance with the conditions there imposed, such rights and privileges as have been or may hereafter be accorded the nationals of any other State with respect to the organization of and participation in limited liability and other corporations and associations, for pecuniary profit or otherwise, including the rights of promotion, incorporation, purchase and ownership and sale of shares and the holding of executive or official positions therein. In the exercise of the foregoing rights and with respect to the regulation or procedure concerning the organization or conduct of such corporations or associations, such nationals shall be subjected to no condition less favorable than those which have been or may hereafter be imposed upon the nationals of the most favored nation. The rights of any of such corporations or associations as may be organized or controlled or participated in by the nationals of either High Contracting Party within the territories of the other to exercise any of their functions therein, shall be governed by the laws and regulations, National, State or

Provincial, which are in force or may hereafter be established within the territories of the Party wherein they propose to engage in business.

The nationals of either High Contracting Party shall, moreover, enjoy within the territories of the other, reciprocally and upon compliance with the conditions there imposed, such rights and privileges as have been or may hereafter be accorded the nationals of any other State with respect to the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain of the other.

ARTICLE XIV

Commercial travelers representing manufacturers, merchants and traders domiciled in the territories of either High Contracting Party shall on their entry into and sojourn in the territories of the other Party and on their departure therefrom be accorded the most favored nation treatment in respect of customs and other privileges and of all charges and taxes of whatever denomination applicable to them or to their samples.

If either High Contracting Party require the presentation of an authentic document establishing the identity and authority of a commercial traveler, a signed statement by the concern or concerns represented, certified by a consular officer of the country of destination shall be accepted as satisfactory.

ARTICLE XV

There shall be complete freedom of transit through the territories including territorial waters of each High Contracting Party on the routes most convenient for international transit, by rail, navigable waterway, and canal, other than the Panama Canal and waterways and canals which constitute international boundaries, to persons and goods coming from, going to or passing through the territories of the other High Contracting Party, except such persons as may be forbidden admission into its territories or goods of which the importation may be prohibited by law or regulations. The measures of a general or particular character which either of the High Contracting Parties is obliged to take in case of an emergency affecting the safety of the State or vital interests of the country may, in exceptional cases and for as short a period as possible, involve a deviation from the provisions of this paragraph, it being understood that the principle of freedom of transit must be observed to the utmost possible extent.

Persons and goods in transit shall not be subjected to any transit duty, or to any unnecessary delays or restrictions, or to any discrimination as regards charges, facilities, or any other matter.

Goods in transit must be entered at the proper customhouse, but they shall be exempt from all customs or other similar duties.

All charges imposed on transport in transit shall be reasonable, having regard to the conditions of the traffic.

ARTICLE XVI

Each of the High Contracting Parties agrees to receive from the other, consular officers in those of its ports, places and cities, where it may be convenient and which are open to consular representatives of any foreign country.

Consular officers of each of the High Contracting Parties shall after entering upon their duties, enjoy reciprocally in the territories of the other all the rights, privileges, exemptions and immunities which are enjoyed by officers of the same grade of the most favored nation. As official agents, such officers shall be entitled to the high consideration of all officials, national or local, with whom they have official intercourse in the State which receives them.

The Governments of each of the High Contracting Parties shall furnish free of charge the necessary exequatur of such consular officers of the other as present a regular commission signed by the chief executive of the appointing State and under its great seal; and they shall issue to a subordinate or substitute consular officer duly appointed by an accepted superior consular officer with the approbation of his Government, or by any other competent officer of that Government, such documents as according to the laws of the respective countries shall be requisite for the exercise by the appointee of the consular function. On the exhibition of an exequatur, or other document issued in lieu thereof to such subordinate, such consular officer shall be permitted to enter upon his duties and to enjoy the rights, privileges and immunities granted by this Treaty.

ARTICLE XVII

Consular officers, nationals of the State by which they are appointed, and not engaged in any profession, business or trade, shall be exempt from arrest except when charged with the commission of offenses locally designated as crimes other than misdemeanors and subjecting the individual guilty thereof to punishment. Such officers shall be exempt from military billetings, and from service of any military or naval, administrative or police character whatsoever.

In criminal cases the attendance at the trial by a consular officer as a witness may be demanded by the prosecution or defense, or by the court. The demand shall be made with all possible regard for the consular dignity and the duties of the office; and there shall be compliance on the part of the consular officer.

When the testimony of a consular officer who is a national of the State which appoints him and is engaged in no private occupation for gain, is taken in civil cases, it shall be taken orally or in writing at his residence or office and with due regard for his convenience. The officer should, however,

voluntarily give his testimony at the trial whenever it is possible to do so without serious interference with his official duties.

No consular officer shall be required to testify in either criminal or civil cases regarding acts performed by him in his official capacity.

ARTICLE XVIII

Consular officers, including employees in a consulate, nationals of the State by which they are appointed other than those engaged in private occupations for gain within the State where they exercise their functions shall be exempt from all taxes, National, State, Provincial and Municipal, levied upon their persons or upon their property, except taxes levied on account of the possession or ownership of immovable property situated in, or income derived from property of any kind situated or belonging within the territories of the State within which they exercise their functions. All consular officers and employees, nationals of the State appointing them, and not engaged in any profession, business or trade, shall be exempt from the payment of taxes on the salary, fees or wages received by them in compensation for their consular services.

ARTICLE XIX

Consular officers may place over the outer door of their respective offices the arms of their State with an appropriate inscription designating the official office. Such officers may also hoist the flag of their country on their offices including those situated in the capitals of the two countries. They may likewise hoist such flag over any boat or vessel employed in the exercise of the consular function.

The consular offices and archives shall at all times be inviolable. They shall under no circumstances be subjected to invasion by any authorities of any character within the country where such offices are located. Nor shall the authorities under any pretext make any examination or seizure of papers or other property deposited within a consular office. Consular offices shall not be used as places of asylum. No consular officers shall be required to produce official archives in court or testify as to their contents.

When a consular officer is engaged in business of any kind within the country which receives him, the archives of the consulate and the documents relative to the same shall be kept in a place entirely apart from his private or business papers.

Upon the death, incapacity, or absence of a consular officer having no subordinate consular officer at his post, secretaries or chancellors, whose official character may have previously been made known to the Government of the State where the consular function was exercised, may temporarily exercise the consular function of the deceased or incapacitated or absent consular officer; and while so acting shall enjoy all the rights, prerogatives and immunities granted to the incumbent.

ARTICLE XX

Consular officers of either High Contracting Party may, within their respective consular districts, address the authorities concerned, National, State, Provincial or Municipal, for the purpose of protecting the nationals of the State by which they are appointed in the enjoyment of their rights accruing by treaty or otherwise. Complaint may be made for the infraction of those rights. Failure upon the part of the proper authorities to grant redress or to accord protection may justify interposition through the diplomatic channel, and in the absence of a diplomatic representative, a consul general or the consular officer stationed at the capital may apply directly to the Government of the country.

ARTICLE XXI

Consular officers, may, in pursuance of the laws of their own country, take, at any appropriate place within their respective districts, the depositions of any occupants of vessels of their own country, or of any national of, or of any person having permanent residence within the territories of, their own country. Such officers may draw up, attest, certify and authenticate unilateral acts, deeds and testamentary dispositions of their countrymen, and also contracts to which a countryman is a party. They may draw up, attest, certify and authenticate written instruments of any kind purporting to express or embody the conveyance or encumbrance of property of any kind within the territory of the State by which such officers are appointed, and unilateral acts, deeds, testamentary dispositions and contracts relating to property situated, or business to be transacted within, the territories of the State by which they are appointed, embracing unilateral acts, deeds, testamentary dispositions or agreements executed solely by nationals of the State within which such officers exercise their functions.

Instruments and documents thus executed and copies and translations thereof, when duly authenticated under his official seal by the consular officer shall be received as evidence in the territories of the Contracting Parties as original documents or authenticated copies, as the case may be, and shall have the same force and effect as if drawn by and executed before a notary or other public officer duly authorized in the country by which the consular officer was appointed; provided, always that such documents shall have been drawn and executed in conformity to the laws and regulations of the country where they are designed to take effect.

ARTICLE XXII

A consular officer shall have exclusive jurisdiction over controversies arising out of the internal order of private vessels of his country, and shall alone exercise jurisdiction in cases, wherever arising, between officers and crews, pertaining to the enforcement of discipline on board, provided the vessel and

the persons charged with wrongdoing shall have entered a port within his consular district. Such an officer shall also have jurisdiction over issues concerning the adjustment of wages and the execution of contracts relating thereto provided, however, that such jurisdiction shall not exclude the jurisdiction conferred on local authorities under existing or future laws.

When an act committed on board of a private vessel under the flag of the State by which the consular officer has been appointed and within the territorial waters of the State to which he has been appointed constitutes a crime according to the laws of that State, subjecting the person guilty thereof to punishment as a criminal, the consular officer shall not exercise jurisdiction except in so far as he is permitted to do so by the local law.

A consular officer may freely invoke the assistance of the local police authorities in any matter pertaining to the maintenance of internal order on board of a vessel under the flag of his country within the territorial waters of the State to which he is appointed, and upon such a request the requisite assistance shall be given.

A consular officer may appear with the officers and crews of vessels under the flag of his country before the judicial authorities of the State to which he is appointed for the purpose of observing the proceedings and rendering such assistance as may be permitted by the local laws.

ARTICLE XXIII

In case of the death of a national of either High Contracting Party in the territory of the other without having in the territory of his decease any known heirs or testamentary executors by him appointed, the competent local authorities shall at once inform the nearest consular officer of the State of which the deceased was a national of the fact of his death, in order that necessary information may be forwarded to the parties interested.

Likewise in case of the death of a resident of either of the High Contracting Parties in the territory of the other Party from whose remaining papers which may come into the possession of the local authorities, it appears that the decedent was a native of the other High Contracting Party, the proper local authorities shall at once inform the nearest consular officer of that Party of the death.

In case of the death of a national of either of the High Contracting Parties without will or testament whereby he has appointed testamentary executors, in the territory of the other High Contracting Party, the consular officer of the State of which the deceased was a national and within whose district the deceased made his home at the time of death, shall, so far as the laws of the country permit and pending the appointment of an administrator and until letters of administration have been granted, be deemed qualified to take charge of the property left by the decedent for the preservation and protection of the same. Such consular officer shall have the right to be appointed as

administrator within the discretion of a tribunal or other agency controlling the administration of estates provided the laws of the place where the estate is administered so permit.

Whenever a consular officer accepts the office of administrator of the estate of a deceased countryman, he subjects himself as such to the jurisdiction of the tribunal or other agency making the appointment for all necessary purposes to the same extent as a national of the country where he was appointed.

ARTICLE XXIV

A consular officer of either High Contracting Party shall within his district have the right to appear personally or by delegate in all matters concerning the administration and distribution of the estate of a deceased person under the jurisdiction of the local authorities for all such heirs or legatees in said estate, either minors or adults, as may be non-residents and nationals of the country represented by the said consular officer, with the same effect as if he held their mandate to represent them, unless such heirs or legatees themselves have appeared, either in person or by duly authorized representative.

A consular officer of either High Contracting Party may in behalf of his non-resident countrymen collect and receipt for their distributive shares derived from estates in process of probate or accruing under the provisions of so-called Workmen's Compensation Laws or other like statutes, for transmission through channels prescribed by his Government to the proper distributees.

ARTICLE XXV

A consular officer of either High Contracting Party shall have the right to inspect within the ports of the other High Contracting Party within his consular district, the private vessels of any flag destined or about to clear for ports of the country appointing him in order to observe the sanitary conditions and measures taken on board such vessels, and to be enabled thereby to execute intelligently bills of health and other documents required by the laws of his country, and to inform his Government concerning the extent to which its sanitary regulations have been observed at ports of departure by vessels destined to its ports, with a view to facilitating entry of such vessels therein.

In exercising the right conferred upon them by this Article, consular officers shall act with all possible dispatch and without unnecessary delay.

ARTICLE XXVI

Each of the High Contracting Parties agrees to permit the entry free of all duty of all furniture, equipment and supplies intended for official use in the consular offices of the other, and to extend to such consular officers of

the other and their families and suites as are its nationals, the privilege of entry free of duty of their baggage and all other personal property, accompanying the officer, his family or suite, to his post, provided, nevertheless, that no article, the importation of which is prohibited by the law of either of the High Contracting Parties, may be brought into its territories. Personal property imported by consular officers, their families or suites during the incumbency of the offices shall be accorded on condition of reciprocity the customs privileges and exemptions accorded to consular officers of the most favored nation.

It is understood, however, that this privilege shall not be extended to consular officers who are engaged in any private occupation for gain in the countries to which they are accredited, save with respect to Governmental supplies.

ARTICLE XXVII

All proceedings relative to the salvage of vessels of either High Contracting Party wrecked upon the coasts of the other shall be directed by the consular officer of the country to which the vessel belongs and within whose district the wreck may have occurred, or by some other person authorized thereto by the law of that country. Pending the arrival of such officer, who shall be immediately informed of the occurrence, or the arrival of such other person, whose authority shall be made known to the local authorities by the consular officer, the local authorities shall take all necessary measures for the protection of persons and the preservation of wrecked property. The local authorities shall not otherwise interfere than for the maintenance of order, the protection of the interests of the salvors, if these do not belong to the crews that have been wrecked and to carry into effect the arrangements made for the entry and exportation of the merchandise saved. It is understood that such merchandise is not to be subjected to any customhouse charges, unless it be intended for consumption in the country where the wreck may have taken place.

The intervention of the local authorities in these different cases shall occasion no expense of any kind, except such as may be caused by the operations of salvage and the preservation of the goods saved, together with such as would be incurred under similar circumstances by vessels of the nation.

ARTICLE XXVIII

Subject to any limitation or exception hereinabove set forth, or hereafter to be agreed upon the territories of the High Contracting Parties to which the provisions of this Treaty extend shall be understood to comprise all areas of land, water, and air over which the Parties respectively claim and exercise dominion as sovereign thereof, except the Panama Canal Zone and Svalbard.

ARTICLE XXIX

The present Treaty shall remain in full force for the term of three years from the date of the exchange of ratifications, on which date it shall begin to take effect in all of its provisions.

If within one year before the expiration of the aforesaid period of three years neither High Contracting Party notifies to the other an intention of modifying by change or omission, any of the provisions of any of the Articles in this Treaty or of terminating it upon the expiration of the aforesaid period, the Treaty shall remain in full force and effect after the aforesaid period and until one year from such a time as either of the High Contracting Parties shall have notified to the other an intention of modifying or terminating the Treaty.

The present Treaty shall, from the date of the exchange of ratifications be deemed to supplant, as between the United States and Norway, the Treaty of Commerce and Navigation concluded by the United States and the King of Norway and Sweden on July 4, 1827.³

ARTICLE XXX

The present Treaty shall be ratified, and the ratifications thereof shall be exchanged at Washington as soon as possible.

In witness whereof the respective plenipotentiaries have signed the same and have affixed their seals thereto.

Done in duplicate, in the English and Norwegian languages at Washington, this 5th day of June 1928.

FRANK B. KELLOGG [SEAL]
H. H. BACHKE [SEAL]

ADDITIONAL ARTICLE

The United States of America and the Kingdom of Norway by the undersigned, the Secretary of State of the United States and the Minister of Norway at Washington, their duly empowered Plenipotentiaries, agree as follows:

Notwithstanding the provision in the third paragraph of Article XXIX of the treaty of Friendship, Commerce and Consular Rights between the United States and Norway, signed June 5, 1928, that the said treaty shall from the date of the exchange of ratifications thereof be deemed to supplant as between the United States and Norway the treaty of Commerce and Navigation concluded by the United States and the King of Norway and

³ TS 348, *post*, vol. 11, SWEDEN AND NORWAY. See also additional article, below.

Sweden on July 4, 1827, the provisions of Article I of the latter treaty concerning the entry and residence of the nationals of the one country in the territories of the other for purposes of trade shall continue in full force and effect.

The present additional Article shall be considered to be an integral part of the treaty signed June 5, 1928, as fully and completely as if it had been included in that treaty, and as such integral part shall be subject to the provisions in Article XXIX thereof in regard to ratification, duration and termination concurrently with the other Articles of the treaty.

Done, in duplicate, in the English and Norwegian languages, at Washington this 25th day of February, 1929.

FRANK B. KELLOGG [SEAL]
H. H. BACHKE [SEAL]

EXCHANGE OF NOTES

The Norwegian Minister to the Secretary of State

ROYAL NORWEGIAN LEGATION
WASHINGTON, D.C., June 5, 1928

MR. SECRETARY OF STATE:

During the negotiations relating to the conclusion of the Treaty of Friendship, Commerce and Consular Rights, which to-day has been signed, I was given to understand that under the present tariff laws of the United States Norwegian Sardines are accorded the same tariff treatment as sardines imported from any other country and that such equality of treatment would be continued under the most favored nation provision of the Treaty. Upon the request of my Government I have the honor to inform Your Excellency that my Government would appreciate very much to receive, if this be found possible, a communication from Your Excellency, stating that the tariff treatment of the Norwegian Sardines is as above mentioned.

Please accept, Mr. Secretary of State, the renewed assurances of my highest consideration.

H. H. BACHKE

His Excellency

Honorable FRANK B. KELLOGG,
Secretary of State,
etc. etc. etc.

*The Secretary of State to the Norwegian Minister*DEPARTMENT OF STATE
WASHINGTON, June 5, 1928

SIR:

I have the honor to acknowledge the receipt of your note of this day's date, stating that during the negotiations relating to the conclusion of the Treaty of Friendship, Commerce and Consular Rights between the United States and Norway, which you have this day signed with me, you were given to understand that under the present tariff laws of the United States, Norwegian sardines are accorded the same tariff treatment as sardines imported from any other country, and that such equality of treatment would be continued under the most-favored-nation provision of the treaty.

In reply I am happy to confirm the correctness of your understanding, as above recited, of the equality of treatment which is now accorded under the tariff laws of the United States, and will continue to be accorded under the most-favored-nation provision of the treaty, to Norwegian sardines.

Accept, Sir, the renewed assurances of my highest consideration.

FRANK B. KELLOGG

Mr. HALVARD H. BACHKE,
Minister of Norway.

ARBITRATION

Treaty signed at Washington February 20, 1929

Senate advice and consent to ratification February 28, 1929

Ratified by the President of the United States March 8, 1929

Ratified by Norway April 25, 1929

Ratifications exchanged at Washington June 7, 1929

Entered into force June 7, 1929

Proclaimed by the President of the United States June 7, 1929

46 Stat. 2278; Treaty Series 788

The President of the United States of America and His Majesty the King of Norway

Determined to prevent so far as in their power lies any interruption in the peaceful relations that have always existed between the two nations;

Desirous of reaffirming their adherence to the policy of submitting to impartial decision all justiciable controversies that may arise between them; and

Eager by their example not only to demonstrate their condemnation of war as an instrument of national policy in their mutual relations, but also to hasten the time when the perfection of international arrangements for the pacific settlement of international disputes shall have eliminated forever the possibility of war among any of the Powers of the world;

Have decided to conclude a new treaty of arbitration enlarging the scope and obligations of the arbitration convention signed at Washington on April 4, 1908,¹ which expired by limitation on June 24, 1928, and for that purpose they have appointed as their respective Plenipotentiaries:

The President of the United States of America:

Mr. Frank B. Kellogg, Secretary of State of the United States of America; and

His Majesty the King of Norway:

Mr. H. H. Bachke, His Envoy Extraordinary and Minister Plenipotentiary to the United States of America;

Who, having communicated to one another their full powers found in good and due form, have agreed upon the following articles:

¹ TS 499, *ante*, p. 452.

ARTICLE I

All differences relating to international matters in which the High Contracting Parties are concerned by virtue of a claim of right made by one against the other under treaty or otherwise, which it has not been possible to adjust by diplomacy, which, if they have been referred to the Permanent International Commission constituted pursuant to the treaty signed at Washington June 24, 1914,² have not been adjusted as a result of this procedure, and which are justiciable in their nature by reason of being susceptible of decision by the application of the principles of law or equity, shall be submitted to the Permanent Court of Arbitration established at The Hague by the Convention of October 18, 1907,³ or to some other competent tribunal, as shall be decided in each case by special agreement, which special agreement shall provide for the organization of such tribunal if necessary, define its powers, state the question or questions at issue, and settle the terms of reference.

The special agreement in each case shall be made on the part of the United States of America by the President of the United States of America by and with the advice and consent of the Senate thereof, and on the part of the Kingdom of Norway in accordance with the constitutional laws of that Kingdom.

ARTICLE II

The provisions of this treaty shall not be invoked in respect of any dispute the subject matter of which

- (a) is within the domestic jurisdiction of either of the High Contracting Parties,
- (b) involves the interests of third Parties,
- (c) depends upon or involves the maintenance of the traditional attitude of the United States concerning American questions, commonly described as the Monroe Doctrine,
- (d) depends upon or involves the observance of the obligations of Norway in accordance with the Covenant of the League of Nations.

ARTICLE III

The present treaty shall be ratified by the President of the United States of America by and with the advice and consent of the Senate thereof and by the Kingdom of Norway in accordance with its constitutional laws.

The ratifications shall be exchanged at Washington as soon as possible, and the treaty shall take effect on the date of the exchange of the ratifications. It shall thereafter remain in force continuously unless and until ter-

² TS 599, *ante*, p. 456.

³ TS 536, *ante*, vol. 1, p. 577.

minated by one year's written notice given by either High Contracting Party to the other.

In faith whereof the respective Plenipotentiaries have signed this treaty in duplicate in the English and Norwegian languages, both texts having equal force, and hereunto affixed their seals.

Done at Washington the twentieth day of February in the year of our Lord one thousand nine hundred and twenty-nine.

FRANK B. KELLOGG [SEAL]
H. H. BACHKE [SEAL]

WAIVER OF VISAS AND VISA FEES FOR NONIMMIGRANTS

Exchange of notes at Oslo May 10 and July 23, 1929

Entered into force January 1, 1930

Terminated September 4, 1939

Replaced by agreement of September 7 and 8, 1939¹

Department of State files

The American Minister to the Minister of Foreign Affairs

OSLØ, May 10, 1929

EXCELLENCY:

With reference to my note of April 30, 1925, and conversations recently had with Your Excellency relative to the mutual waiver of visa fees for non-immigrants I have the honor to propose that the following agreement be effected between the Government of the United States and that of Norway:

"The Government of the United States will, from the 1st of January, 1930, collect no fee for visaing passports or executing applications therefor in the case of citizens or subjects of Norway desiring to visit the United States (including the insular possessions) who are not 'immigrants' as defined in the Immigration Act of the United States of 1924,² namely, '(1) a government official, his family, attendants, servants, and employees, (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure, (3) an alien in continuous transit through the United States, (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory, (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman, and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation; and from the same date the Government of Norway will not require non-

¹ Post, p. 523.

² 43 Stat. 153.

immigrant citizens of the United States of like classes desiring to visit Norway or its possessions, to present visaed passports."

In case Your Excellency's Government consents to the above form your reply to that effect will be considered sufficient by my Government for the purpose of concluding the proposed agreement. Early action in this matter will [be] appreciated.

Accept, Excellency, the renewed assurance of my highest consideration.

Laurits S. Swenson

His Excellency

JOHAN LUDWIG MOWINGKEL,
Royal Norwegian Minister for Foreign Affairs,
etc.

The Minister of Foreign Affairs to the American Minister

[TRANSLATION]

ROYAL NORWEGIAN MINISTRY
FOR FOREIGN AFFAIRS

Oslo, July 23, 1929

MR. MINISTER:

Replying to your note of May 10, 1929, I have the honor to inform you that from January 1, 1930, the Norwegian Government will not demand passport visas for citizens of the United States who desire to visit Norway or its possessions in the capacity of non-emigrants, that is, those who belong to the classes of travellers mentioned in your note; provided that from the same date the Government of the United States of America will not collect any fee for visaing passports or executing applications therefor in the case of citizens of Norway desiring to visit the United States (including the insular possessions) who are not immigrants and who belong to the classes of travellers set forth in the above-mentioned note.

Be pleased to receive, Mr. Minister, the assurance of my highest consideration.

JOHAN LUDWIG MOWINGKEL

MILITARY SERVICE: DUAL NATIONALITY

Treaty signed at Oslo November 1, 1930

Ratified by Norway December 19, 1930

Senate advice and consent to ratification December 20, 1930

Ratified by the President of the United States December 31, 1930

Ratifications exchanged at Washington February 11, 1931

Entered into force February 11, 1931

Proclaimed by the President of the United States February 12, 1931

46 Stat. 2904; Treaty Series 832

The President of the United States of America and His Majesty the King of Norway being desirous of regulating the liability for military service and other acts of allegiance for persons who are nationals of both countries, have decided to conclude a Treaty for that purpose, and have appointed as their Plenipotentiaries:

The President of the United States of America, Laurits S. Swenson, Envoy Extraordinary and Minister Plenipotentiary of the United States to Norway;

His Majesty the King of Norway, Johan Ludwig Mowinckel, His Prime Minister and Minister for Foreign Affairs;

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I

A person born in the territory of one party of parents who are nationals of the other party, and having the nationality of both parties under their laws, shall not, if he has his habitual residence, that is, the place of his general abode, in the territory of the state of his birth, be held liable for military service or any other act of allegiance during a temporary stay in the territory of the other party.

Provided, that, if such stay is protracted beyond the period of two years, it shall be presumed to be permanent, in the absence of sufficient evidence showing that return to the territory of the other party will take place within a short time.

ARTICLE II

The present Treaty shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Majesty the King of Norway, and shall enter into effect after the exchange of ratifications at Washington.

It shall thereafter remain in force a period of ten years. If neither party shall have given the other 6 months' previous notice of its intention then to terminate the same, it shall further remain in force until the end of 12 months after either of the contracting parties shall have given notice to the other of such intention.

In witness whereof, the respective Plenipotentiaries have signed the present Treaty in duplicate in the English and Norwegian languages and have thereunto affixed their seals.

Done at Oslo this first day of November in the year of our Lord one thousand nine hundred and thirty.

Laurits S. Swenson

[SEAL]

Joh. Ludw. Mowinckel

[SEAL]

CUSTOMS PRIVILEGES FOR CONSULAR OFFICES AND OFFICERS

*Exchange of notes at Washington January 20, 1932
Operative February 1, 1932*

47 Stat. 2698; Executive Agreement Series 32

The Secretary of State to the Norwegian Minister

DEPARTMENT OF STATE
WASHINGTON, January 20, 1932

SIR:

I have the honor to make the following statement of my understanding of the agreement that has been reached with reference to the treatment which shall be accorded by the Government of the United States of America and the Government of Norway, respectively, to official supplies for the consular offices of the other country, and the personal property of its consular officers on the entry of such supplies and property into their respective territories:

It is agreed between the Government of the United States of America and the Government of Norway to permit the entry free of duty of all furniture, equipment and supplies intended for official use in the consular offices of the other and to extend to such consular officers of the other and their families and suites as are its nationals, the privilege of entry free of duty of their baggage and all other personal property whether accompanying the officer to his post or imported at any time during his incumbency thereof, provided, nevertheless, that no article the importation of which is prohibited by the law of either of the two countries may be brought into its territories.

It is understood, however, that this privilege shall not be extended to unsalaried consular officers (honorary consuls) or to consular officers who are engaged in any private occupation for gain in the countries to which they are accredited, save with respect to governmental supplies.

This agreement shall become operative on February 1, 1932.

Upon receipt of your confirmation of this understanding, the agreement will be understood as completed.

Accept, Sir, the renewed assurances of my highest consideration.

For the Secretary of State:
W. R. CASTLE, Jr.

Mr. HALVARD H. BACHKE,
Minister of Norway.

The Norwegian Minister to the Secretary of State

ROYAL NORWEGIAN LEGATION
WASHINGTON, D.C., January 20th, 1932

SIR:

With reference to your note of to-day, I have the honor, acting under instructions of the Norwegian Government to declare that it is agreed between the Norwegian Government and the Government of the United States of America to permit the entry free of duty of all furniture, equipment and supplies intended for official use in the consular offices of the other and to extend to such consular officers of the other and their families and suites as are its nationals, the privilege of entry free of duty of their baggage and all other personal property whether accompanying the officer to his post or imported at any time during his incumbency thereof, provided, nevertheless, that no article the importation of which is prohibited by the law of either of the two countries may be brought into its territories.

It is understood, however, that this privilege shall not be extended to unsalaried consular officers (honorary consuls) or to consular officers who are engaged in any private occupation for gain in the countries to which they are accredited, save with respect to governmental supplies.

This agreement shall become operative on February 1st, 1932.

Accept, Sir, the renewed assurances of my highest consideration.

H. H. BACHKE

Honorable HENRY L. STIMSON,
Secretary of State,
Washington, D.C.

AIR NAVIGATION

Exchange of notes at Washington October 16, 1933, with text of arrangement

Entered into force November 15, 1933

48 Stat. 1809; Executive Agreement Series 50

The Secretary of State to the Norwegian Minister

DEPARTMENT OF STATE
WASHINGTON, October 16, 1933

SIR:

Reference is made to the negotiations which have taken place between the Government of the United States of America and the Government of Norway for the conclusion of a reciprocal air navigation arrangement between the United States of America and Norway, governing the operation of civil aircraft of the one country in the other country.

It is my understanding that it has been agreed in the course of the negotiations, now terminated, that this arrangement shall be as follows:

ARTICLE 1

Pending the conclusion of a convention between the United States of America and Norway on the subject of air navigation, the operation of civil aircraft of the one country in the other country shall be governed by the following provisions.

ARTICLE 2

The present arrangement shall apply to the United States of America and Norway and likewise territories and possessions over which they respectively exercise jurisdiction, including territorial waters, with the exception of the Philippine Islands, Hawaiian Islands and the Panama Canal Zone.

ARTICLE 3

The term aircraft with reference to one or the other Party to this arrangement shall be understood to mean civil aircraft, including state aircraft used exclusively for commercial purposes, duly registered in the territory of such Party.

ARTICLE 4

Each of the parties undertakes to grant liberty of passage above its territory in time of peace to the aircraft of the other party, provided that the conditions set forth in the present arrangement are observed.

It is, however, agreed that the establishment and operation of regular air routes by an air transport company of one of the parties within the territory of the other party or across the said territory, with or without intermediary landing, shall be subject to the prior consent of the other party given on the principle of reciprocity and at the request of the party whose nationality the air transport company possesses.

Each party to this arrangement agrees that its consent for operations over its territory by air transport companies of the other party may not be refused on unreasonable or arbitrary grounds. The consent may be made subject to special regulations relating to aerial safety and public order.

The parties to this arrangement agree that the period in which pilots may, while holding valid pilot licenses issued or rendered valid by either country, operate registered aircraft of that country in the other country for non-industrial or non-commercial purposes shall be limited to a period not exceeding six months from the time of entry for the purpose of operating aircraft, unless prior to the expiration of this period the pilots obtain from the Government of the country in which they are operating, pilot licenses authorizing them to operate aircraft for non-industrial or non-commercial purposes.

ARTICLE 5

The aircraft of each of the Parties to this arrangement, their crews and passengers, shall, while within the territory of the other Party, be subject to the general legislation in force in that territory as well as the regulations in force therein relating to air traffic in general, to the transport of passengers and goods and to public safety and order in so far as these regulations apply to all foreign aircraft, their crews and passengers.

Each of the Parties to this arrangement shall permit the import or export of all merchandise which may be legally imported or exported and also the carriage of passengers, subject to any customs, immigration and quarantine restrictions, into or from their respective territories in the aircraft of the other Party, and such aircraft, their passengers and cargoes, shall enjoy the same privileges as and shall not be subjected to any other or higher duties or charges than those which the aircraft of the country imposing such duties or charges, engaged in international commerce, and their cargoes and passengers, or the aircraft of any foreign country likewise engaged, and their cargoes and passengers, enjoy or are subjected to.

Each of the parties to this arrangement may reserve to its own aircraft air commerce as defined in the last paragraph of this article. Nevertheless the aircraft of each party may proceed from any aerodrome in the territory

of the other party which they are entitled to use to any other such aerodrome either for the purpose of landing the whole or part of their cargoes or passengers or of taking on board the whole or part of their cargoes or passengers, provided that such cargoes are covered by through bills of lading, and such passengers hold through tickets, issued respectively for a journey whose starting place and destination are not both points between which air commerce has been duly so reserved, and such aircraft, while proceeding as aforesaid, from one aerodrome to another, shall, notwithstanding that both such aerodromes are points between which air commerce has been duly reserved, enjoy all the privileges of this arrangement.

The term "air commerce" as used in the preceding paragraph shall, with respect to the Parties to this arrangement, be understood to mean: (a) navigation of aircraft in territory of either Party in furtherance of a business; (b) navigation of aircraft from one place in territory of either Party to another place in that territory in the conduct of a business; (c) the commercial transport of persons or goods between any two points in the territory of either Party.

ARTICLE 6

Each of the Parties to this arrangement reserves the right to forbid flights over certain areas of its territory which are or may hereafter be designated as prohibited areas.

Each of the Parties reserves the right under exceptional circumstances in time of peace and with immediate effect temporarily to limit or prohibit air traffic above its territory on condition that in this respect no distinction is made between the aircraft of the other Party and the aircraft of any foreign country.

ARTICLE 7

Any aircraft which finds itself over a prohibited area shall, as soon as it is aware of the fact, give the signal of distress prescribed in the Rules of the Air in force in the territory flown over and shall land as soon as possible at an aerodrome situated in such territory outside of but as near as possible to such prohibited area.

ARTICLE 8

All aircraft shall carry clear and visible nationality and registration marks whereby they may be recognized during flight. In addition, they must bear the name and address of the owner.

All aircraft shall be provided with certificates of registration and of airworthiness and with all the other documents prescribed for air traffic in the territory in which they are registered.

The members of the crew who perform, in an aircraft, duties for which a special permit is required in the territory in which such aircraft is registered,

shall be provided with all documents and in particular with the certificates and licenses prescribed by the regulations in force in such territory.

The other members of the crew shall carry documents showing their duties in the aircraft, their profession, identity and nationality.

The certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one of the Parties to this arrangement in respect of an aircraft registered in its territory or of the crew of such aircraft shall have the same validity in the territory of the other Party as the corresponding documents issued or rendered valid by the latter.

Each of the Parties reserves the right for the purpose of flight within its own territory to refuse to recognize certificates of competency and licenses issued to nationals of that Party by the other Party.

ARTICLE 9

Aircraft of either of the Parties to this arrangement may carry wireless apparatus in the territory of the other Party only if a license to install and work such apparatus shall have been issued by the competent authorities of the Party in whose territory the aircraft is registered. The use of such apparatus shall be in accordance with the regulations on the subject issued by the competent authorities of the territory within whose air space the aircraft is navigating.

Such apparatus shall be used only by such members of the crew as are provided with a special license for the purpose issued by the Government of the territory in which the aircraft is registered.

The Parties to this arrangement reserve respectively the right, for reasons of safety, to issue regulations relative to the obligatory equipment of aircraft with wireless apparatus.

ARTICLE 10

No arms of war, explosives of war, or munitions of war shall be carried by aircraft of either Party above the territory of the other Party or by the crew or passengers, except by permission of the competent authorities of the territory within whose air space the aircraft is navigating.

ARTICLE 11

Upon the departure or landing of any aircraft each Party may within its own territory and through its competent authorities search the aircraft of the other Party and examine the certificates and other documents prescribed.

ARTICLE 12

Aerodromes open to public air traffic in the territory of one of the Parties to this arrangement shall in so far as they are under the control of the Party in whose territory they are situated be open to all aircraft of the other Party,

which shall also be entitled to the assistance of the meteorological services, the wireless services, the lighting services, and the day and night signalling services, in so far as the several classes of services are under the control of the Party in whose territory they respectively are rendered. Any scale of charges made, namely, landing, accommodation or other charge, with respect to the aircraft of each Party in the territory of the other Party, shall in so far as such charges are under the control of the Party in whose territory they are made be the same for the aircraft of both Parties.

ARTICLE 13

All aircraft entering or leaving the territory of either of the Parties to this arrangement shall land at or depart from an aerodrome open to public air traffic and classed as a customs aerodrome at which facilities exist for enforcement of immigration regulations and clearance of aircraft, and no intermediary landing shall be effected between the frontier and the aerodrome. In special cases the competent authorities may allow aircraft to land at or depart from other aerodromes, at which customs, immigration and clearance facilities have been arranged. The prohibition of any intermediary landing applies also in such cases.

In the event of a forced landing outside the aerodromes, referred to in the first paragraph of this article, the pilot of the aircraft, its crew and the passengers shall conform to the customs and immigration regulations in force in the territory in which the landing has been made.

Aircraft of each Party to this arrangement are accorded the right to enter the territory of the other Party subject to compliance with quarantine regulations in force therein.

The Parties to this arrangement shall exchange lists of the aerodromes in their territories designated by them as ports of entry and departure.

ARTICLE 14

Each of the Parties to this arrangement reserves the right to require that all aircraft crossing the frontiers of its territory shall do so between certain points. Subject to the notification of any such requirements by one Party to the other Party, and to the right to prohibit air traffic over certain areas as stipulated in Article 6, the frontiers of the territories of the Parties to this arrangement may be crossed at any point.

ARTICLE 15

As ballast, only fine sand or water may be dropped from an aircraft.

ARTICLE 16

No article or substance, other than ballast, may be unloaded or otherwise discharged in the course of flight unless special permission for such purpose

shall have been given by the authorities of the territory in which such unloading or discharge takes place.

ARTICLE 17

Whenever questions of nationality arise in carrying out the present arrangement, it is agreed that every aircraft shall be deemed to possess the nationality of the Party in whose territory it is duly registered.

ARTICLE 18

The Parties to this arrangement shall communicate to each other the regulations relative to air traffic in force in their respective territories.

ARTICLE 19

The present arrangement shall be subject to termination by either Party upon sixty days' notice given to the other Party or by the enactment by either Party of legislation inconsistent therewith.

I shall be glad to have you inform me whether it is the understanding of your Government that the arrangement agreed to in the negotiations is as herein set forth. If so, it is suggested that the arrangement become effective on November 15, 1933.

Accept, Sir, the renewed assurances of my highest consideration.

CORDELL HULL [SEAL]

Mr. HALVARD H. BACHKE,
Minister of Norway.

The Norwegian Minister to the Secretary of State

WASHINGTON, D.C., October 16, 1933

SIR:

I have the honor to acknowledge the receipt of the note of October 16, 1933 in which Your Excellency communicated to me the text of the reciprocal air navigation arrangement between Norway and the United States of America, governing the operation of civil aircraft of the one country in the other country, as understood by Your Excellency to have been agreed to during the negotiations, now terminated, between the two countries.

The text communicated to me by Your Excellency is reproduced below:

[For text of arrangement, see U.S. note, above.]

I am glad to assure Your Excellency that the foregoing text is what has been accepted by my Government in the course of the negotiations and is approved by it.

In accordance with the suggestion of Your Excellency it is understood that the arrangement will come into force on November 15, 1933.

Accept, Sir, the renewed assurances of my highest consideration.

H. H. BACHKE [SEAL]

Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

PILOT LICENSES TO OPERATE CIVIL AIRCRAFT

Exchange of notes at Washington October 16, 1933, with text of arrangement

Entered into force November 15, 1933

48 Stat. 1818; Executive Agreement Series 51

The Secretary of State to the Norwegian Minister

DEPARTMENT OF STATE
WASHINGTON, October 16, 1933

SIR:

Reference is made to the negotiations which have taken place between the Government of the United States of America and the Government of Norway for the conclusion of a reciprocal arrangement between the United States of America and Norway providing for the issuance by the one country of licenses to nationals of the other country authorizing them to pilot civil aircraft.

It is my understanding that it has been agreed in the course of the negotiations, now terminated, that this arrangement shall be as follows:

ARTICLE 1

The present arrangement between the United States of America and Norway relates to the issuance by each country of licenses to nationals of the other country for the piloting of civil aircraft. The term "civil aircraft" shall be understood to mean aircraft used for private, industrial, commercial or transport purposes.

ARTICLE 2

(a) The Ministry of Defense of Norway will issue pilots' licenses to American nationals upon a showing that they are qualified under the regulations of that Ministry covering the licensing of pilots.

(b) The Department of Commerce of the United States of America will issue pilots' licenses to Norwegian nationals upon a showing that they are qualified under the regulations of that Department covering the licensing of pilots.

ARTICLE 3

(a) Pilots' licenses issued by the Department of Commerce of the United States of America to Norwegian nationals shall entitle them to the same privileges as are granted by pilots' licenses issued to American nationals.

(b) Pilots' licenses issued by the Ministry of Defense of Norway to American nationals shall entitle them to the same privileges as are granted by pilots' licenses issued to Norwegian nationals.

ARTICLE 4

Pilots' licenses issued to nationals of the one country by the competent authority of the other country shall not be construed to accord to the licensees the right to register aircraft in such other country.

ARTICLE 5

Pilots' licenses issued to nationals of the one country by the competent authority of the other country shall not be construed to accord to the licensees the right to operate aircraft in air commerce wholly within territory of such other country reserved to national aircraft, unless the aircraft have been registered under the laws of the country issuing the pilots' licenses.

ARTICLE 6

(a) Norwegian nationals shall while holding valid pilot licenses issued by the Ministry of Defense of Norway be permitted to operate in Continental United States of America, exclusive of Alaska, for non-industrial or non-commercial purposes for a period not exceeding six months from the time of entering that country, any civil aircraft registered by the Ministry of Defense of Norway, and/or any civil aircraft registered by the United States Department of Commerce. The period of validity of the licenses first mentioned in this paragraph shall, for the purpose of this paragraph, include any renewal of the license by the pilot's own Government made after the pilot has entered Continental United States of America. No person to whom this paragraph applies shall be allowed to operate civil aircraft in Continental United States of America, exclusive of Alaska, for non-industrial or non-commercial purposes for a period of more than six months from the time of entering that country, unless he shall, prior to the expiration of such period, have obtained a pilot license from the United States Department of Commerce in the manner provided for in this arrangement.

(b) American nationals shall while holding valid pilot licenses issued by the United States Department of Commerce be permitted to operate in Norway for non-industrial or non-commercial purposes for a period not exceeding six months from the time of entering that country, any civil aircraft registered by the United States Department of Commerce, and/or any

civil aircraft registered by the Ministry of Defense of Norway. The period of validity of the licenses first mentioned in this paragraph shall, for the purpose of this paragraph, include any renewal of the license by the pilot's own Government made after the pilot has entered Norway. No person to whom this paragraph applies shall be allowed to operate civil aircraft in Norway for non-industrial or non-commercial purposes for a period of more than six months from the time of entering that country, unless he shall, prior to the expiration of such period, have obtained a pilot's license from the Ministry of Defense of Norway in the manner provided for in this arrangement.

(c) The conditions under which pilots of the nationality of either country may operate aircraft of their country in the other country, as provided for in this article, shall be as stipulated in the air navigation arrangement in force between the parties to this arrangement for the issuance of pilot licenses; and the conditions under which pilots of the nationality of either country may operate aircraft of the other country, as provided for in this article, shall be in accordance with the requirements of such other country.

ARTICLE 7

The present arrangement shall be subject to termination by either Party upon sixty days' notice given to the other Party or by the enactment by either Party of legislation inconsistent therewith.

I shall be glad to have you inform me whether it is the understanding of your Government that the arrangement agreed to in the negotiations is as herein set forth. If so, it is suggested that the arrangement become effective on November 15, 1933.

Accept, Sir, the renewed assurances of my highest consideration.

CORDELL HULL [SEAL]

Mr. HALVARD H. BACHKE,
Minister of Norway.

The Norwegian Minister to the Secretary of State

ROYAL NORWEGIAN LEGATION
WASHINGTON, D.C., October 16, 1933

SIR:

I have the honor to acknowledge the receipt of the note of October 16, 1933 in which Your Excellency communicated to me the text of the reciprocal arrangement between Norway and the United States of America providing for the issuance by the one country of licenses to nationals of the other country authorizing them to pilot civil aircraft, as understood by Your Ex-

cellency to have been agreed to during the negotiations, now terminated, between the two countries.

The text communicated to me by Your Excellency is reproduced below:

[For text of arrangement, see U.S. note, above.]

I am glad to assure Your Excellency that the foregoing text is what has been accepted by my Government in the course of the negotiations and is approved by it.

In accordance with the suggestion of Your Excellency it is understood that the arrangement will come into force on November 15, 1933.

Accept, Sir, the renewed assurances of my highest consideration.

H. H. BACHKE [SEAL]

Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

CERTIFICATES OF AIRWORTHINESS FOR IMPORTED AIRCRAFT

Exchange of notes at Washington October 16, 1933

Entered into force November 15, 1933

Replaced by agreement of February 5, 1957¹

48 Stat. 1823; Executive Agreement Series 52

The Secretary of State to the Norwegian Minister

DEPARTMENT OF STATE
WASHINGTON, October 16, 1933

SIR:

Reference is made to the negotiations which have taken place between the Government of the United States of America and the Government of Norway for the conclusion of a reciprocal arrangement between the United States of America and Norway providing for the acceptance by the one country of certificates of airworthiness for aircraft exported from the other country as merchandise.

It is my understanding that it has been agreed in the course of the negotiations, now terminated, that this arrangement shall be as follows:

ARTICLE 1

The present arrangement applies to civil aircraft constructed in continental United States of America, exclusive of Alaska, and exported to Norway; and to civil aircraft constructed in Norway and exported to continental United States of America, exclusive of Alaska.

ARTICLE 2

The same validity shall be conferred on certificates of airworthiness issued by the competent authorities of the Government of the United States for aircraft subsequently to be registered in Norway as if they had been issued under the regulations in force on the subject in Norway, provided that in each case a certificate of airworthiness for export has also been issued by the United States authorities for the individual aircraft, and provided that

¹ 8 UST 265; TIAS 3769.

certificates of airworthiness issued by the competent authorities of Norway for aircraft subsequently to be registered in the United States of America are similarly given the same validity as if they had been issued under the regulations in force on the subject in the United States.

ARTICLE 3

The above arrangement will extend to civil aircraft of all categories, including those used for public transport and those used for private purposes.

ARTICLE 4

The present arrangement may be terminated by either Government on sixty days' notice given to the other Government. In the event, however, that either Government should be prevented by future action of its legislature from giving full effect to the provisions of this arrangement it shall automatically lapse.

I shall be glad to have you inform me whether it is the understanding of your Government that the arrangement agreed to in the negotiations is as herein set forth. If so, it is suggested that the arrangement become effective on November 15, 1933.

Accept, Sir, the renewed assurances of my highest consideration.

CORDELL HULL [SEAL]

Mr. HALVARD H. BACHKE,
Minister of Norway.

The Norwegian Minister to the Secretary of State

WASHINGTON, D.C., October 16, 1933

SIR:

I have the honor to acknowledge the receipt of the note of October 16, 1933 in which Your Excellency communicated to me the text of the reciprocal arrangement between Norway and the United States of America providing for the acceptance by the one country of certificates of airworthiness for aircraft exported from the other country as merchandise, as understood by Your Excellency to have been agreed to during the negotiations, now terminated, between the two countries.

The text communicated to me by Your Excellency is reproduced below:

[For text of arrangement, see U.S. note above.]

I am glad to assure Your Excellency that the foregoing text is what has been accepted by my Government in the course of the negotiations and is approved by it.

In accordance with the suggestion of Your Excellency it is understood that the arrangement will come into force on November 15, 1933.

Accept, Sir, the renewed assurances of my highest consideration.

H. H. BACHKE [SEAL]

Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

EXTRADITION

*Treaty signed at Washington February 1, 1938, supplementing treaty
of June 7, 1893, as amended*

Ratified by Norway March 10, 1938

Senate advice and consent to ratification June 13, 1938

Ratified by the President of the United States July 6, 1938

Ratifications exchanged at Oslo August 6, 1938

Entered into force August 6, 1938

Proclaimed by the President of the United States August 15, 1938

53 Stat. 1561; Treaty Series 934

The United States of America and the Kingdom of Norway being desirous of enlarging the list of crimes on account of which extradition may be granted under the treaty concluded between the United States of America and Norway on June 7, 1893,¹ with a view to the better administration of justice and prevention of crime within their respective territories and jurisdictions, have resolved to conclude a supplemental treaty for this purpose and have appointed as their Plenipotentiaries:

The President of the United States of America,

Mr. Cordell Hull, Secretary of State of the United States of America; and

His Majesty the King of Norway:

Mr. Wilhelm Munthe de Morgenstierne, his Envoy Extraordinary and Minister Plenipotentiary in Washington;

who, having communicated to each other their respective full powers, which were found to be in due and proper form, have agreed to and concluded the following articles:

ARTICLE I

The following crimes are added to the list of crimes numbered 1 to 12 in Article II of the said treaty of June 7, 1893, on account of which extradition may be granted, that is to say:

13. Crimes or offenses against the bankruptcy laws, provided that the act may be punished in the United States as a felony and in Norway is a crime

¹ TS 262, *ante*, p. 445.

which, under the General Civil Penal Code, may be punished with a more severe penalty than imprisonment for one year.

14. Violations of legislation concerning narcotics, if the act, committed in Norway, would be subject to punishment by imprisonment.

ARTICLE II

The present treaty shall be considered as an integral part of said Extradition Treaty of June 7, 1893, and Article II of the last-mentioned treaty shall be read as if the list of crimes and offenses therein contained had originally comprised the additional crimes and offenses specified and numbered 13 and 14 in the first Article of the present treaty.

The present treaty shall be ratified by the High Contracting Parties in accordance with their respective constitutional methods, and shall take effect on the date of the exchange of ratifications which shall take place at Oslo as soon as possible.

IN WITNESS WHEREOF, the above-mentioned Plenipotentiaries have signed the present treaty in both the English and Norwegian languages and have hereunto affixed their seals.

DONE, in duplicate, at Washington, this first day of February, nineteen hundred and thirty-eight.

CORDELL HULL [SEAL]
W. MORGENSTIERNE [SEAL]

VISA FEES

Exchange of notes at Washington September 7 and 8, 1939

Entered into force September 8, 1939

Suspended during World War II

Replaced by agreement of July 7 and 29, 1947¹

Department of State files

The Minister of Foreign Affairs to the Secretary of State

ROYAL NORWEGIAN LEGATION
WASHINGTON, D.C., September 7, 1939

SIR:

I have the honor to acknowledge the receipt of your note verbale of September 5, 1939 (811.11101 Waivers 57-) by which you have been good enough to inform me that you have taken due note of the desire of the Norwegian Government to terminate, as from September 4, 1939, the visa agreement between Norway and the United States of May 10 and July 23, 1929.²

In your note you suggest that, if it is the desire of the Norwegian Government to have a modification of the agreement just terminated in order that passport visas, issued gratis or at a small nominal fee, shall be required of American citizens entering Norway and of Norwegian citizens entering the United States as non-immigrants, you will gladly consider any proposal of this nature which the Norwegian Government may wish to make.

Referring to my note of the 3rd instant I have the honor to inform you that I submitted the contents of your note of the 5th instant to my Government, and that I have now been authorized to inform you that on a basis of reciprocity they are agreeable to your suggestion. The Norwegian Government are willing, from the day when the present proposal shall have been agreed to by the Government of the United States, not to collect any fee for visaing passports or executing application therefore, in similar cases as the United States Government do not collect any fee for visaing passports or executing application therefore in the case of citizens or subjects of Norway desiring to visit the United States (including the insular possessions).

¹ TIAS 1644, *post*, p. 563.

² *Ante*, p. 501.

The cases in which the United States Government will not collect any fee for visaing passports or executing application therefore, are listed in note of May 10, 1929 from the United States Minister, Oslo, to the Royal Norwegian Minister for Foreign Affairs.

Accept, Sir, the renewed assurances of my highest consideration.

W. MORGENTIERNE

The Honorable CORDELL HULL,
U.S. Secretary of State,
Washington, D.C.

The Secretary of State to the Minister of Foreign Affairs

The Secretary of State presents his compliments to the Honorable the Minister of Norway and has the honor to refer to his note of September 7, 1939, informing the Department, in response to its communication of September 5, 1939, that the Government of Norway is willing, on a reciprocal basis, to waive the fees for passport visas and applications therefor in the case of nonimmigrant citizens of the United States (including its insular possessions) of the categories listed in the note of May 10, 1929 from the American Minister at Oslo to the Royal Norwegian Minister for Foreign Affairs.

The Department is pleased to have received this proposal from the Norwegian Government, which is fully acceptable to the Government of the United States. American diplomatic and consular officers are being appropriately informed by cable and instructed to collect no fees hereinafter for passport visas and applications therefor in the case of nonimmigrant Norwegian subjects of the categories referred to above.

DEPARTMENT OF STATE,
Washington, September 8, 1939

CLAIMS: THE CASES OF CHRISTOFFER HANNEVIG AND GEORGE R. JONES

*Convention signed at Washington March 28, 1940
Senate advice and consent to ratification April 30, 1948
Ratified by the President of the United States June 29, 1948
Ratified by Norway October 1, 1948
Ratifications exchanged at Washington November 9, 1948
Entered into force November 9, 1948
Proclaimed by the President of the United States November 22, 1948
Terminated April 8, 1959¹*

62 Stat. 1798; Treaties and Other
International Acts Series 1865

WHEREAS the Government of Norway has made claim against the Government of the United States of America on account of damages alleged to have been sustained by Christoffer Hannevig as the result of acts of the Government of the United States of America, the United States Shipping Board Emergency Fleet Corporation, their officers and agents, in relation to certain properties in the United States of America in which he claims to have had an interest, the validity of which claim is denied by the Government of the United States of America.

WHEREAS the Government of the United States of America has made claim against the Government of Norway on account of alleged denial of justice by the courts of that country in connection with certain litigation involving the rights and interests of the George R. Jones Company, or the late George R. Jones, the validity of which claim is denied by the Government of Norway.

WHEREAS the President of the United States of America and His Majesty the King of Norway, desirous of reaching an amicable agreement for the disposition of such claims and of concluding a convention for that purpose, have named as their plenipotentiaries, that is to say:

The President of the United States of America:

Cordell Hull, Secretary of State of the United States of America; and

¹ Date of decision by the U.S. Court of Claims regarding the Hannevig case that Norway had no valid claim against the United States. (*In re Norway and the United States*, 145 Ct. Cl. 470). As regards the Jones case, the United States Government, by note dated Apr. 16, 1952, informed the Norwegian Government that it would not pursue the claim.

His Majesty the King of Norway:

Wilhelm Munthe Morgenstierne, Envoy Extraordinary and Minister Plenipotentiary of Norway to the United States of America;

Who, having communicated to each other their respective full powers, found in good and due form, have agreed upon the following articles:

ARTICLE I

First. Within one year from the date of the exchange of ratifications of this convention, the Agent for the Government of Norway shall present to the Agent for the Government of the United States of America a Memorial or a statement of claim in which shall be set forth in a clear, categorical and full manner:

- (a) the precise items of alleged loss or damage composing the claim on behalf of Christoffer Hannevig as they are finally conceived to be by the Government of Norway, indicating definitely the amount of each separate item thereof;
- (b) the facts alleged in support of each such item of the claim;
- (c) the principles of law upon which each item of the claim is alleged to rest.

Such Memorial shall be accompanied by all the evidence upon which all items of the claim are made to rest, it being clearly understood that no further evidence may be submitted in support of the claim, either during the stage hereinafter provided for its diplomatic consideration or during its possible adjudication, except such rebuttal evidence as is referred to hereinafter.

Second. Within one year from the date of the receipt by the Agent for the Government of the United States of America of the Memorial of the Government of Norway, he shall present to the Agent for the latter an Answer to the Memorial, in which shall be set out, in a similarly clear, categorical and full manner:

- (a) the defenses of the Government of the United States of America to each item of the claim;
- (b) the facts upon which such defenses rest;
- (c) the principles of law relied upon in each instance.

To such Answer there shall be attached all of the evidence upon which the defense of the case shall be made to rest and no further evidence shall be filed in defense, either during the stage of diplomatic consideration or during a possible adjudication of the claim, except such rebuttal evidence as is referred to hereinafter.

Third. Within six months from the date of the receipt of the Answer of the Government of the United States of America, the Agent for the Government of Norway may, if he so desires, file a Reply to such Answer. In such Reply the Government of Norway, without being allowed to augment

or change any of the bases of the claim as stated in its Memorial, may explain such alleged bases in the light of the evidence filed with the Answer.

There may be filed with the Reply only such evidence as is strictly in rebuttal to evidence filed with the Answer and as does not present any new bases of claim. Any such evidence filed which is not strictly in rebuttal to the evidence filed with the Answer shall be entirely disregarded in deciding the case.

Fourth. Within six months from the date of the receipt of the Reply of the Government of Norway, the Agent for the Government of the United States of America may, if he so desires, file a Counter-Reply, which Counter-Reply shall be strictly limited to answering contentions advanced in the Reply.

There may be filed with the Counter-Reply only such evidence as is strictly in rebuttal to evidence filed with the Reply. Any such evidence filed which is not strictly in rebuttal to the evidence filed with the Reply shall be entirely disregarded in deciding the case. It is understood that no evidence may thereafter be submitted in support of or in defense of the claim, either during the period of its diplomatic consideration or during its possible adjudication.

Fifth. Within six months from the date of the receipt of the Counter-Reply of the Government of the United States of America, the Agent for the Government of Norway shall file with the Agent for the Government of the United States of America a legal Brief in which the Claimant Government shall set forth with clarity and fullness all its contentions with respect to the factual bases of the claim as already developed and the law applicable thereto.

Sixth. Within six months from the date of the receipt of the Brief of the Government of Norway, the Agent for the Government of the United States of America shall file with the Agent for the Government of Norway a Reply Brief in which the Respondent Government shall set forth with clarity and fullness all its contentions with respect to the factual defenses of the claim and the law applicable thereto.

It is declared to be the purpose of this Article to require a full, systematic and fair development of all the facts and law of the case for consideration by the two Governments and, if necessary, by the tribunal or tribunals.

ARTICLE II

In the event that the two Governments shall be unable to agree upon a disposition of the claim, or any portions thereof, within the six months next succeeding the filing of the Reply Brief of the Government of the United States of America, the pleadings thus exchanged shall be referred to the Court of Claims of the United States of America for a decision on the claim or any such unsettled portions thereof, it being clearly understood, however, that in no event shall the issues of the case, either factual or legal, or the contentions of either party, as submitted to diplomatic discussion, be changed in character, or the written record above described augmented in any manner in

the event that the claim shall be so referred to the Court of Claims for adjudication.

It is understood that the provisions for possible reference of the case to the Court of Claims, and for possible appeal to the Supreme Court of the United States of America, as provided in Article V hereof, are subject to authorization by the Congress of the United States of America.

ARTICLE III

The issues to be decided by the Court of Claims shall be those formulated by the pleadings exchanged pursuant to Article I of this convention, or such of those issues as shall not have been previously settled by agreement of the two Governments.

The Court of Claims shall decide such issues in conformity with applicable law, including international law, and shall state fully the reasons for its decision.

ARTICLE IV

As soon as possible after the receipt of the above-mentioned pleadings by the Court of Claims, the Court shall convene for the purpose of hearing such oral arguments by Agents or Counsel or both for each Government as the respective Agents thereof shall desire to present. The conduct of the oral proceedings shall otherwise be under the control of the Court.

ARTICLE V

Within three months following the date of the decision of the Court of Claims (in the event the case shall be referred to the Court for adjudication), either or both Governments may petition the Supreme Court of the United States of America to review the decision and such review shall comprehend either the factual or the legal bases of the case, or both, as may be requested in the petition or petitions.

ARTICLE VI

In the absence of such a petition to the Supreme Court the decision of the Court of Claims shall be accepted by both Governments as a final and binding disposition of the case. In the event of such a petition to the Supreme Court its decision shall be accepted by the two Governments as a final disposition of the case.

ARTICLE VII

In the event that an award is finally rendered in favor of the Government of Norway, no part thereof shall be paid or credited to that Government for any purpose whatsoever until the claims of creditors of Christoffer Hannevig and of his various American corporations shall have been settled by an agreement between the two Governments.

ARTICLE VIII

The language of the pleadings and of the oral proceedings shall be English. Any evidence submitted in any language other than English shall be accompanied by a full and correct translation thereof into the English language.

ARTICLE IX

The two Governments agree that the claim of the Government of the United States of America against the Government of Norway on behalf of the George R. Jones Company, the late George R. Jones, or his heirs, successors or assigns shall be developed for consideration in the following manner:

- (a) the pleadings shall be limited to four in number, namely, a Memorial, an Answer, a Brief, and a Reply Brief, and they shall be prepared in the same manner, and filed within the same time limits as the corresponding pleadings provided for in Article I of this convention;
- (b) all evidence in support of and in defense of the claim shall be filed with the Memorial and with the Answer in the manner prescribed in Article I, and no further evidence shall be filed except that such evidence may be filed with the Brief as is strictly in rebuttal to that filed with the Answer.

ARTICLE X

If the two Governments shall be unable to agree upon the settlement of the Jones case within the six months next succeeding the date upon which the Reply Brief shall have been filed in that case, the pleadings shall be referred by means of a joint communication of the two Agents, to a sole Arbitrator for decision. The Arbitrator, who shall be agreed upon by the two Governments, shall be a jurist of high reputation, well versed in international law, and shall be a national of neither Norway nor the United States of America.

In the event of the inability of the two Governments to agree upon an Arbitrator within two months from the termination of the period last above mentioned, such Arbitrator shall be selected by His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India.

The place of arbitration of the Jones case (in the event that arbitration becomes necessary) shall not be within the territorial jurisdiction of either of the contracting parties.

In the matter of the conduct of oral proceedings, the Arbitrator shall be bound by the principles of Article IV of this convention. The decision of the Arbitrator, which shall be rendered within three months from the conclusion of oral proceedings, shall be accepted by the two Governments as a final and conclusive disposition of the Jones case.

ARTICLE XI

Each Government shall pay all expenses incident to the preparation and presentation of its own side of each case. All joint expenses, including the honorarium for the Arbitrator, shall be borne by the two Governments in equal proportions.

ARTICLE XII

The periods of time mentioned in Articles I and IX of this convention may be extended by mutual agreement of the two Governments.

ARTICLE XIII

This convention shall be ratified by the High Contracting Parties and shall take effect immediately upon the exchange of ratifications, which shall take place at Washington as soon as possible.

In witness whereof, the respective plenipotentiaries have signed this convention and have hereunto affixed their seals.

Done in duplicate at Washington, this twenty-eighth day of March, 1940.

CORDELL HULL

[SEAL]

W. MUNTHE MORGENTIERNE

[SEAL]

LEND-LEASE¹

*Agreement and exchange of notes signed at Washington July 11, 1942
Entered into force July 11, 1942*

56 Stat. 1565; Executive Agreement Series 262

AGREEMENT

Whereas the Government of the United States of America and the Royal Norwegian Government declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the Government of the United States of America and the Royal Norwegian Government, as signatories of the Declaration by United Nations of January 1, 1942,² have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941 by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;³

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941,⁴ that the defense of the Kingdom of Norway against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to the Kingdom of Norway aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Royal Norwegian Government receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and the Kingdom of Norway and will promote the establishment and maintenance of world peace;

¹ See also lend-lease settlement agreement of Feb. 24, 1948 (TIAS 1716), *post*, p. 566.

² EAS 236, *ante*, vol. 3, p. 697.

³ EAS 236, *ante*, vol. 3, p. 686.

⁴ 55 Stat. 31.

And whereas the Government of the United States of America and the Royal Norwegian Government are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of the Kingdom of Norway have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

ARTICLE I

The Government of the United States of America will continue to supply the Royal Norwegian Government with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

ARTICLE II

The Royal Norwegian Government will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

ARTICLE III

The Royal Norwegian Government will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act of March 11, 1941 of the Congress of the United States of America or permit the use thereof by anyone not an officer, employee, or agent of the Royal Norwegian Government.

ARTICLE IV

If, as a result of the transfer to the Royal Norwegian Government of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such defense article or information, the Royal Norwegian Government will take such action or make such payment when requested to do so by the President of the United States of America.

ARTICLE V

The Royal Norwegian Government will return to the United States of America at the end of the present emergency, as determined by the President

of the United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

ARTICLE VI

In the final determination of the benefits to be provided to the United States of America by the Royal Norwegian Government full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Royal Norwegian Government subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

ARTICLE VII

In the final determination of the benefits to be provided to the United States of America by the Royal Norwegian Government in return for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Kingdom of Norway, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

ARTICLE VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed in duplicate at Washington this eleventh day of July 1942.

For the Government of the United States of America:

CORDELL HULL [SEAL]

*Secretary of State
of the United States of America*

For the Royal Norwegian Government:

W. MUNTHE MORGENSTIERNE [SEAL]

Ambassador of Norway at Washington

EXCHANGE OF NOTES

The Norwegian Ambassador to the Secretary of State

NORWEGIAN EMBASSY
WASHINGTON, D.C.

JULY 11, 1942

EXCELLENCY:

I have the honor to refer to the conversations between representatives of the Royal Norwegian Government and the Government of the United States of America in connection with the negotiation of the Agreement on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression signed this day.

During the course of these conversations the Norwegian representatives have referred to the fact that the Royal Norwegian Government has been driven from its country by Hitler, whose forces are in occupation of the country and are despoiling its resources; they have pointed out that the principal national asset remaining at the disposal of their Government is the Norwegian Merchant Fleet, which that Government is operating for the benefit of the United Nations in the common war effort; that for the protection and maintenance of that Fleet, it is necessary to install armaments and other protective devices and equipment upon its vessels, and to repair damage and replace losses thereto occasioned by acts of war and operation under war conditions; that it will also be necessary for the Royal Norwegian Government, when the invader has been driven from its territory, to ensure the maintenance of reestablished peaceful conditions, and that, for this reason, the need of the Royal Norwegian Government for arms and equipment will not necessarily cease with the general cessation of hostilities.

The conversations referred to have disclosed a mutual understanding on the part of the Royal Norwegian Government and the Government of the

United States of America with respect to the application of certain provisions of the Agreement signed this day, as follows:

1. Armaments and other protective devices and equipment installed upon Norwegian ships subsequent to December 7, 1941, shall, under the provisions of the Agreement signed this day, remain the property of the Government of the United States of America. The installation of such armaments, protective devices, and other equipment shall be at the expense and for the account of the Government of the United States of America, which shall bear any risk of loss, or damage, and shall not be regarded as giving rise to any financial obligation on the part of the Royal Norwegian Government. Such armaments may if found mutually desirable be manned by American gun crews.

2. The repair under the Lend-Lease Act, subsequent to December 7, 1941, of damage to Norwegian ships which is caused by acts of war or by operation under war conditions, as well as repair and replacement necessitated by operation under war conditions shall be made at the expense and for the account of the Government of the United States of America, and shall not be regarded as giving rise to any financial obligation on the part of the Royal Norwegian Government. The repair of damage not caused by acts of war or not necessitated by operation under war conditions shall be made at the expense and for the account of the Royal Norwegian Government or the appropriate agency designated by it.

3. The Government of the United States of America recognizes that the Norwegian Merchant Fleet not only constitutes an important contribution to the war effort of the United Nations but is likewise one of the principal national assets of the Royal Norwegian Government and, accordingly, that the latter Government which is operating its Fleet for the benefit of the United Nations in the common war effort, should be assisted in replacing ships lost in the service of the United Nations. Accordingly, the Government of the United States of America will continue to review the situation with the Royal Norwegian Government with a view to assisting that Government in a program of replacement as soon as conditions permit. The two Governments agree that negotiations to this end should be commenced without delay and should be pressed to a conclusion as promptly as possible.

4. In the application of Article V of the Agreement relating to the return at the end of the present emergency of articles transferred under the Agreement, the Government of the United States of America will take into account the circumstance that when the invader has been driven from Norway it will be necessary for the Royal Norwegian Government to ensure the maintenance of reestablished peaceful conditions. Accordingly, the Government of the United States of America and the Royal Norwegian Government will consider, and will consult with each other with respect to the possible

retention by the latter of such military equipment as may be considered necessary for those purposes.

Accept, Excellency, the renewed assurances of my highest consideration.

W. MUNTHE MORGESTIERNE
Ambassador of Norway at Washington

His Excellency

CORDELL HULL,

*Secretary of State of the
United States of America.*

The Secretary of State to the Norwegian Ambassador

DEPARTMENT OF STATE
WASHINGTON
July 11, 1942

EXCELLENCY:

I have the honor to acknowledge the receipt of your note of today's date concerning the conversations between representatives of the Government of the United States of America and the Royal Norwegian Government in connection with the negotiation of the Agreement on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression signed this day, and to confirm the statement contained therein of the understanding of the two Governments with respect to the application of certain provisions of the Agreement.

Accept, Excellency, the renewed assurance of my highest consideration.

CORDELL HULL
*Secretary of State
of the United States of America*

His Excellency

WILHELM MUNTHE DE MORGESTIERNE,
Ambassador of Norway.

MILITARY COOPERATION IN ICELAND

Exchange of notes at London August 28, 1942

Entered into force August 28, 1942

Obsolete

59 Stat. 1819; Executive Agreement Series 497

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
near the Royal Norwegian Government

No. 101

LONDON, August 28, 1942

EXCELLENCY:

Acting under instructions from my Government, I have the honor to signify my Government's agreement to the following arrangements for regulating military relations between the Armed Forces of the United States and of Norway in Iceland.

Recognizing the advantages of preserving the principle of unity of command in Iceland, it is agreed that since the British Forces in Northeast Iceland have been relieved by United States troops, the independent Norwegian Company stationed at Akureyri, formerly under British command, shall be placed under the operational control of the Commanding General, United States Army Iceland Base Command.

The Norwegian Company shall be placed at the disposal of the United States Commanding General as a Norwegian training unit in winter warfare and for carrying out winter patrol missions in the Akureyri area. However, since the original purpose of the Company was to serve as a depot for the Norwegian detachment garrisoning Jan Mayen Island, the United States Commanding General shall make use of the Company in such a way that this purpose is fulfilled.

The Norwegian Company in Iceland shall be furnished by the Norwegian Government with necessary clothing, equipment and weapons. However, special winter equipment shall be issued by the United States authorities to the extent that the United States Commanding Officer deems desirable. The United States authorities shall provide the Company with rations, quarters and medical service, on the same scale as furnished American forces

stationed in Iceland, and also effect repairs to clothes and equipment, insofar as facilities permit. The cost to the United States of all such equipment, supplies and services shall be refunded by the Norwegian Government, which shall also be responsible for the pay of Norwegian personnel. However, transportation essential for the employment of the Company by United States military authorities shall be at the expense of the United States.

The personnel of the Norwegian Company shall continue to be subject to Norwegian civil and military jurisdiction and Norwegian disciplinary authority.

The Norwegian Government reserves to itself the right to withdraw this personnel, in whole or in part, if a situation should develop rendering advisable its detail to other tasks.

The foregoing arrangement shall enter into effect as of this date and shall remain in force until either party notifies the other of its desire to terminate or modify it.

Accept, Excellency, the renewed assurances of my highest consideration.

A. J. DREXEL BIDDLE, Jr.

His Excellency

Monsieur TRYGVE LIE,
Royal Norwegian Minister for Foreign Affairs,
London.

The Minister of Foreign Affairs to the American Ambassador

ROYAL NORWEGIAN MINISTRY
OF FOREIGN AFFAIRS

KINGSTON HOUSE
PRINCES GATE
LONDON, S.W.7

28th August 1942

YOUR EXCELLENCY,

I have the honour to signify my Government's agreement to the following arrangements for regulating military relations between the Armed Forces of the United States and of Norway in Iceland.

Recognising the advantages of preserving the principle of unity of command in Iceland, it is agreed that since the British Forces in Northeast Iceland have been relieved by United States troops, the independent Norwegian Company stationed at Akureyri, formerly under British command, shall be placed under the operational control of the Commanding General, United States Army Iceland Base Command.

The Norwegian Company shall be placed at the disposal of the United States Commanding General as a Norwegian training unit in winter warfare and for carrying out winter patrol missions in the Akureyri area. However,

since the original purpose of the Company was to serve as a depot for the Norwegian detachment garrisoning Jan Mayen Island, the United States Commanding General shall make use of the Company in such a way that this purpose is fulfilled.

The Norwegian Company in Iceland shall be furnished by the Norwegian Government with necessary clothing, equipment and weapons. However, special winter equipment shall be issued by the United States authorities to the extent that the U.S. Commanding Officer deems desirable. The United States authorities shall provide the Company with rations, quarters and medical service, on the same scale as furnished American forces stationed in Iceland, and also effect repairs to clothes and equipment, insofar as facilities permit. The cost to the United States of all such equipment, supplies and services shall be refunded by the Norwegian Government, which shall also be responsible for the pay of Norwegian personnel. However, transportation essential for the employment of the Company by United States military authorities shall be at the expense of the United States.

The personnel of the Norwegian Company shall continue to be subject to Norwegian civil and military jurisdiction and Norwegian disciplinary authority.

The Norwegian Government reserves to itself the right to withdraw this personnel, in whole or in part, if a situation should develop rendering advisable its detail to other tasks.

The foregoing arrangement shall enter into effect as of this date and shall remain in force until either party notifies the other of its desire to terminate or modify it.

I have the honour to be, with the highest consideration,

Your Excellency's obedient Servant,

TRYGVE LIE

His Excellency

The Hon. ANTHONY J. DREXEL BIDDLE, Jr.,

Ambassador of the United States of America,

etc., etc., etc.

MILITARY SERVICE

Exchange of notes at Washington March 31, October 6, and December 23, 1942, and January 16, 1943

Entered into force December 24, 1942

Terminated March 31, 1947¹

57 Stat. 949; Executive Agreement Series 319

The Acting Secretary of State to the Norwegian Minister

DEPARTMENT OF STATE
WASHINGTON
March 31, 1942

SIR:

I have the honor to refer to your note dated January 22, 1942 and conversations which have taken place between the officers of the Norwegian Legation and of the Department with respect to the application of the United States Selective Training and Service Act of 1940,² as amended, to Norwegian subjects residing in the United States.

As you are aware, the Act provides that with certain exceptions every male citizen of the United States and every other male person residing in the United States between the ages of eighteen and sixty-five shall register. The Act further provides that, with certain exceptions, registrants within specified age limits are liable for active military service in the United States armed forces.

This Government recognizes that from the standpoint of morale of the individuals concerned and the over-all military effort of the countries at war with the Axis Powers, it would be desirable to permit certain classes of individuals who have registered or who may register under the Selective Training and Service Act of 1940, as amended, to enlist in the armed forces of a belligerent country, should they desire to do so. It will be recalled that during the World War this Government signed conventions with certain associated powers on this subject. The United States Government believes, however, that under existing circumstances the same ends may now be accomplished through administrative action, thus obviating the delays incident to the signing and ratification of conventions.

¹ Upon termination of functions of U.S. Selective Service System (60 Stat. 341).

² 54 Stat. 885.

This Government is prepared, therefore, to initiate a procedure which will permit aliens who have registered under the Selective Training and Service Act of 1940, as amended, who are nationals of cobelligerent countries and who have not declared their intention of becoming American citizens to elect to serve in the forces of their respective countries, in lieu of service in the armed forces of the United States, at any time prior to their induction into the armed forces of this country. Individuals who so elect will be physically examined by the armed forces of the United States, and if found physically qualified, the results of such examinations will be forwarded to the proper authorities of the cobelligerent nation for determination of acceptability. Upon receipt of notification that an individual is acceptable and also receipt of the necessary travel and meal vouchers from the cobelligerent government involved, the appropriate State Director of the Selective Service System will direct the local Selective Service Board having jurisdiction in the case to send the individual to a designated reception point for induction into active service in the armed forces of the cobelligerent country. If upon arrival it is found that the individual is not acceptable to the armed forces of the cobelligerent country, he shall be liable for immediate induction into the armed forces of the United States.

Before the above-mentioned procedure will be made effective with respect to a cobelligerent country, this Department wishes to receive from the diplomatic representative in Washington of that country a note stating that his government desires to avail itself of the procedure and in so doing agrees that:

(a) No threat or compulsion of any nature will be exercised by his government to induce any person in the United States to enlist in the forces of any foreign government;

(b) Reciprocal treatment will be granted to American citizens by his government; that is, prior to induction in the armed forces of his government they will be granted the opportunity of electing to serve in the armed forces of the United States in substantially the same manner as outlined above. Furthermore, his government shall agree to inform all American citizens serving in its armed forces or former American citizens who may have lost their citizenship as a result of having taken an oath of allegiance on enlistment in such armed forces and who are now serving in those forces that they may transfer to the armed forces of the United States provided they desire to do so and provided they are acceptable to the armed forces of the United States. The arrangements for effecting such transfers are to be worked out by the appropriate representatives of the armed forces of the respective governments.

(c) No enlistments will be accepted in the United States by his government of American citizens subject to registration or of aliens of any national-

ity who have declared their intention of becoming American citizens and are subject to registration.

This Government is prepared to make the proposed regime effective immediately with respect to the Kingdom of Norway upon the receipt from you of a note stating that your Government desires to participate in it and agrees to the stipulations set forth in lettered paragraphs (a), (b), and (c) above.

Accept, Sir, the renewed assurances of my highest consideration.

SUMNER WELLES
Acting Secretary of State

The Honorable

WILHELM MUNTHE DE MORGESTIERNE,
Minister of Norway.

The Secretary of State to the Norwegian Ambassador

DEPARTMENT OF STATE
WASHINGTON
October 6, 1942

EXCELLENCY:

I have the honor to refer to the Department's note of March 31, 1942 and to your note of August 21, 1942, concerning the proposed arrangement regarding the services of nationals of one country in the armed forces of the other country. In the Department's note of September 24, 1942 it was stated that consideration was being given by the appropriate authorities of this Government to the question of the transfer from the United States forces to their own forces of nondeclarant nationals of co-belligerent countries with which reciprocal induction arrangements have been concluded.

The necessary arrangements have now been made, and the War Department is prepared to discharge, for the purpose of transferring to the armed forces of their own country, nondeclarant Norwegian nationals serving in the United States forces, as soon as the proposed reciprocal induction agreement with Norway becomes effective.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:
G. HOWLAND SHAW

His Excellency

WILHELM MUNTHE DE MORGESTIERNE,
Ambassador of Norway.

The Norwegian Ambassador to the Secretary of State

NORWEGIAN EMBASSY
WASHINGTON, D.C.

DECEMBER 23, 1942.

EXCELLENCY:

I have the honour to refer to your note marked 811.2222 (1940) 1485, of September 24, 1942, concerning a proposed arrangement regarding the service of nationals of one country in the armed forces of the other country.

In this note you point out that the proposal outlined in your note of March 31, 1942, constitutes the most liberal regime which your Government can enter into consistent with existing laws of the United States and with practical considerations.

In my notes of January 22, and August 21, 1942, I referred to the stipulations of Art. VI, of the Treaty of Friendship, Commerce and Consular Rights between Norway and the United States of America, signed in Washington on June 5, 1928,³ which are in the opinion of my Government, inconsistent with the arrangement proposed by you.

The Norwegian Government do not, however, at the present time, wish to raise legal objections, based on treaty rights.

Consequently, the Norwegian Government are willing to participate in the scheme set forth in your note of March 31, 1942, supplemented by your note of October 6, 1942, and in so doing agree to the conditions stipulated in the note of March 31, 1942, full reciprocity on all points being assured by the United States Government.

Accept, Excellency, the renewed assurances of my highest consideration.

W. MORGENTIERNE

His Excellency

CORDELL HULL,
Secretary of State,
Washington, D.C.

The Secretary of State to the Norwegian Ambassador

DEPARTMENT OF STATE
WASHINGTON
January 16, 1943

EXCELLENCY:

I have the honor to acknowledge the receipt of your note of December 23, 1942, with further reference to the Department's suggestion of March 31,

³ TS 852, *ante*, p. 484.

1942 that an arrangement be entered into between our respective Governments concerning the service of nationals of one country in the armed forces of the other country. You state that your Government is willing to participate in the proposal set forth in the Department's notes of March 31, 1942 and October 6, 1942, and in so doing agrees to the conditions stipulated in the Department's note of March 31, 1942, full reciprocity on all points being assured by the United States Government.

I take pleasure in informing you that this Government now considers the agreement to have become effective, with respect to Norway, on December 24, 1942, the date on which your note under acknowledgement was received in the Department. I may assure you that full reciprocity will be accorded by this Government, and that the appropriate authorities of this Government will carry out the agreement in the spirit of full cooperation with your Government.

It is suggested that all the details incident to carrying out the arrangement be discussed directly by officers of the Embassy with the appropriate officers in the War Department and the Selective Service System. Lieutenant Colonel W. D. Partlow of the War Department and Major S. G. Parker of the Selective Service System will be available to discuss questions relating to the exercise of the option prior to induction. The Inter-Allied Personnel Board of the War Department, which is headed by Major General Guy V. Henry, is the agency with which questions relating to the discharge of non-declarant Norwegian nationals who may now be serving in the Army of the United States may be discussed.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:
G. HOWLAND SHAW

His Excellency

WILHELM MUNTHE DE MORGESTIERNE,
Ambassador of Norway.

CIVIL ADMINISTRATION AND JURISDICTION IN LIBERATED TERRITORY

Memorandum of agreement signed at London May 16, 1944

Entered into force May 16, 1944

Obsolete¹

60 Stat. 1581; Treaties and Other
International Acts Series 1514

MEMORANDUM OF AGREEMENT BETWEEN NORWAY AND THE UNITED STATES OF AMERICA RESPECTING THE ARRANGEMENTS FOR CIVIL ADMINISTRA- TION AND JURISDICTION IN NORWEGIAN TERRITORY LIBERATED BY AN ALLIED EXPEDITIONARY FORCE

The discussions which have taken place between the representatives of Norway and the United States of America concerning the arrangements to be made for civil administration and jurisdiction in Norwegian territory liberated by an Allied Expeditionary Force under an Allied Commander in Chief have led to agreement upon the following broad conclusions.

The agreed arrangements set out below are intended to be essentially temporary and practical and are designed to facilitate as far as possible the task of the Commander in Chief and to further our common purpose, namely, the speedy expulsion of the Germans from Norway and the final victory of the Allies over Germany.

1. In areas affected by military operations it is necessary to contemplate a first or military phase during which the Commander in Chief of the Expeditionary Force on land must, to the full extent necessitated by the military situation, exercise supreme responsibility and authority.

2. As soon as, and to such extent as, in the opinion of the Commander in Chief, the military situation permits, the Norwegian Government will be notified in order that it may resume the exercise of responsibility for the civil administration, subject to such special arrangements as may be required in areas of vital importance to the Allied forces, such as ports, lines of communication and airfields, and without prejudice to the enjoyment by the Allied

¹ Agreement ceased to be effective upon withdrawal of Allied liberating forces from Norway. The bulk of such forces withdrew in late 1945.

forces of such other facilities as may be necessary for the prosecution of the war to its final conclusion.

3. *a.* During the first phase the Commander in Chief will make the fullest possible use of the advice and assistance which will be tendered to him through Norwegian liaison officers attached to his staff for civil affairs and included in the personnel of a Norwegian military mission to be appointed by the Norwegian Government. He will also make the fullest possible use of loyal Norwegian local authorities.

b. The Norwegian liaison officers referred to in sub paragraph *a* above will, so far as possible, be employed as intermediaries between the Allied military authorities and the Norwegian local authorities.

4. During the first phase the Norwegian Government will assist the Commander in Chief by reorganizing or re-establishing the Norwegian administrative and judicial services through whose collaboration the Commander in Chief can discharge his supreme responsibility. For this purpose the Norwegian Government will act through its representatives on the spot, who, for practical reasons, will be included in the Norwegian military mission referred to in sub paragraph *3a* above.

5. The appointment of the Norwegian administrative and judicial services will be effected by the competent Norwegian authorities in accordance with Norwegian law. If during the first phase (see paragraph 1 above) conditions should necessitate appointments in the Norwegian administrative or judicial services, the competent representative of the Norwegian Government will, upon the request of the Commander in Chief and after consultation with him, then appoint the requisite officials.

6. Members of the Norwegian armed forces serving in Norwegian units with the Allied Expeditionary Force in Norwegian territory shall come under the exclusive jurisdiction of Norwegian courts. Other Norwegians, who, at the time of entering Norway as members of the Allied Expeditionary Force, are serving in conditions which render them subject to Allied naval, military or air force law, will not be regarded as members of the Norwegian armed forces for this purpose.

7. In the exercise of jurisdiction over civilians, the Norwegian Government will make the necessary arrangements for insuring the speedy trial in the vicinity by Norwegian courts of such civilians as are alleged to have committed offenses against the persons, property, or security of the Allied forces, without prejudice however to the power of the Commander in Chief, if military necessity requires, to bring to trial before a military court any person alleged to have committed an offense of this nature.

8. Without prejudice to the provisions of paragraph 15, Allied service courts and authorities will have exclusive jurisdiction over all members of the Allied forces respectively and over all persons of non-Norwegian nationality not belonging to such forces who are employed by or who accompany

those forces and are subject to Allied naval, military or air force law. The question of jurisdiction over such merchant seamen as are not subject to Allied service law will require special consideration and should form the subject of a separate agreement.

9. Persons thus subject to the exclusive jurisdiction of Allied service courts and authorities may, however, be arrested by the Norwegian police for offenses against Norwegian law, and detained until they can be handed over for disposal to the appropriate Allied service authority. A certificate signed by an Allied officer of field rank or its equivalent, that the person to whom it refers belongs to one of the classes mentioned in paragraph 8, shall be conclusive. The procedure for handing over such persons is a matter for local arrangement.

10. The Allied Commander in Chief and the Norwegian authorities will take the necessary steps to provide machinery for such mutual assistance as may be required in making investigations, collecting evidence, and securing the attendance of witnesses in relation to cases triable under Allied or Norwegian jurisdiction.

11. There shall be established by the respective Allies claims commissions to examine and dispose of claims for compensation for damage or injury preferred by Norwegian civilians against the Allied forces exclusive of claims for damage or injury resulting from enemy action or operations against the enemy.

12. Members of the Allied forces and organizations and persons employed by or accompanying those forces, and all property belonging to them or to the Allied Governments, shall be exempt from all Norwegian taxation (including customs) except as may be subsequently agreed between the Allied and Norwegian Governments. The Allied authorities will take the necessary steps to insure that such property is not sold to the public in Norway except in agreement with the Norwegian Government.

13. The Commander in Chief shall have power to requisition billets and supplies and make use of lands, buildings, transportation and other services for the military needs of the forces under his command. Requisitions will be effected where possible through Norwegian authorities and in accordance with Norwegian law. For this purpose the fullest use will be made of Norwegian liaison officers attached to the staff of the Commander in Chief.

14. The immunity from Norwegian jurisdiction and taxation resulting from paragraphs 8 and 12 will extend to such selected civilian officials and employees of the Allied Governments present in Norway on duty in furtherance of the purposes of the Allied Expeditionary Force as may from time to time be notified by the Commander in Chief to the competent Norwegian authority.

15. Should circumstances in future be such as to require provision to be made for the exercise of jurisdiction in civil matters over non-Norwegian

members of the Allied forces present in Norway, the Allied Governments concerned and the Norwegian Government will consult together as to the measures to be adopted.

16. Other questions arising as a result of the liberation of Norwegian territory by an Allied Expeditionary Force (in particular questions relating to finance and currency and the attribution of the cost of maintaining the civil administration during the first or military phase) which are not dealt with in this agreement shall be regarded as remaining open and shall form the subject of further negotiation as circumstances may require.

IN WITNESS WHEREOF, this instrument has been executed in duplicate as of this 16th day of May, 1944, on behalf of the parties hereto under the respective authorizations hereinafter set forth.

I hereby execute this instrument in behalf of Norway in accordance with the following authorization:

"We Haakon, King of Norway, in accordance with Royal Decree of 3 March, 1944, hereby authorize and empower our Minister for Foreign Affairs, Monsieur Trygve Lie, to sign an agreement between Norway and the United States of America concerning civil administration and jurisdiction in Norwegian territory liberated by an allied expeditionary force.

LONDON, 3 March, 1944.

HAAKON R"
L.S.

TRYGVE LIE
*Minister for Foreign Affairs of
Norway*

Pursuant to instructions from the Joint Chiefs of Staff, I hereby execute this instrument in behalf of the United States of America.

DWIGHT D. EISENHOWER
General, United States Army

CLAIMS: MARINE TRANSPORTATION AND LITIGATION

*Exchange of notes at Washington May 29, 1945, with text of
agreement*

Entered into force May 29, 1945

Terminated October 29, 1945¹

59 Stat. 1541; Executive Agreement Series 471

The Acting Secretary of State to the Norwegian Ambassador

DEPARTMENT OF STATE
WASHINGTON
May 29, 1945

EXCELLENCY:

With reference to recent communications and conversations between the Government of the United States of America and the Government of Norway in relation to the making of an agreement between the two Governments relating to certain problems of marine transportation and litigation, I have the honor to inform you that the Government of the United States of America is prepared to give effect to an agreement in the following terms:

ARTICLE 1 (1) Each contracting Government agrees to waive all claims arising out of or in connection with negligent navigation or general average in respect of any cargo or freight owned by such Government and in respect of any vessel (including naval vessel) owned by such Government against the other contracting Government or any cargo freight or vessel (including naval vessel) owned by such other Government or against any servant or agent of such other Government or in any case where such other Government represents that such claim if made would ultimately be borne by such other Government.

(2) Each contracting Government agrees on behalf of itself and of any organization which is owned or controlled by it and operating for its account

¹ Pursuant to notice of termination given by Norway Sept. 29, 1945. However, para. III B(1) of the agreement of Feb. 24, 1948 (TIAS 1716, *post*, p. 568), provides that the agreement of May 29, 1945, be considered as remaining in force through June 30, 1946, as to any claims arising out of maritime incidents which remained unsettled as of Feb. 24, 1948.

or on its behalf to waive all claims for salvage services against the other contracting Government or against any cargo freight or vessel (including naval vessel) owned by such other Government or in any case where such other Government represents that such salvage claim if made would ultimately be borne by such other Government.

(3) Each contracting Government agrees to waive all claims for loss of or damage to cargo owned by such Government and arising out of the carriage thereof or for loss of or damage to any cargo or vessel owned by one contracting Government and caused by the shipment or carriage of cargo owned by the other contracting Government against such other Government or against any servant or agent of such other Government or against any vessel (including naval vessel) owned by such other Government or in any case where such other Government represents that the claim if made would ultimately be borne by such other Government.

(4) Each contracting Government undertakes not to make any claim in respect of any vessel or cargo insured by it to which it may be entitled by virtue of any right of subrogation either—

- (a) Directly against the other contracting Government; or
- (b) In any case where such other Government represents that such claim if made would ultimately be borne by such other Government.

(5) Each contracting Government agrees to extend the principles of this Agreement to such other Maritime claims as may from time to time be agreed between them.

ARTICLE 2. Where in any case claims arise which are not required to be waived by this Agreement in addition to or in conjunction with claims which are so required to be waived and it is necessary in any proceedings including proceedings for the limitation of liability that claims be marshalled or for the proper assessment of any salvage or general average that values should be estimated, the provisions of this Agreement shall not apply but claims which would otherwise be required to be waived under this Agreement shall be asserted. Any recoveries, however, shall be waived by the Government entitled to such recoveries or at the option of such Government shall be dealt with in such other way as will give effect to the purposes of this Agreement.

ARTICLE 3 (1) For the purpose of this Agreement the expression "vessel owned by a contracting Government" includes a vessel on bareboat charter to a contracting Government or requisitioned by a contracting Government of bareboat terms or time chartered to or otherwise operated by or for, a contracting Government on terms which authorize such Government to make this Agreement effective with respect to such vessel.

(2) In order to carry out the full intention of the provisions of Article 1 of this Agreement each contracting Government will so arrange in connec-

tion with bareboat charters to it that the owners or persons interested through such owners shall not have or assert any claims of the character specified in Article 1.

(3) Each Government represents that in no case in which a claim arises under any insurance that has been or will be effected on any ship or cargo owned by such Government, or by any wholly-owned agency or instrumentality of such Government, shall any rights that can be exercised against the other Government be subrogated to the insurers concerned insofar as the insurer's liability relates to claims which are required to be waived by this Agreement.

ARTICLE 4. Nothing in this Agreement shall be construed as a waiver of the right of either contracting Government in appropriate cases to assert sovereign immunity.

ARTICLE 5 (1) This Agreement shall apply in respect of all claims arising before the effective date of this Agreement but remaining unsettled at such date or which may arise during the currency of this Agreement.

(2) This Agreement shall remain in force until the expiration of one month from the date upon which either of the contracting Governments shall have given notice in writing of their intention to terminate it.

I have the honor to inform you that if an Agreement in accordance with the foregoing terms is acceptable to the Government of Norway, the Agreement shall be considered by the Government of the United States of America to have been concluded and to be in effect as of the date of a corresponding note from you indicating that the Government of Norway is prepared to give effect to the Agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

JOSEPH C. GREW
Acting Secretary of State

His Excellency

*WILHELM MUNTHE DE MORGESTIERNE,
Ambassador of Norway.*

The Norwegian Ambassador to the Acting Secretary of State

NORWEGIAN EMBASSY
WASHINGTON 7, D.C.

MAY 29, 1945

SIR:

I have the honor to refer to your note of May 29th, 1945, proposing an agreement which the Government of the United States of America is prepared to make with the Government of Norway relating to certain problems of marine transportation and litigation.

Under instructions from my Government I have the honor to inform you in reply that the Government of Norway undertakes to give effect to the agreement set forth in your note and understands that the agreement will come into force as of the date of this note, namely, May 29, 1945.

Accept, Sir, the assurances of my highest consideration.

W. MORGENTIERNE

His Excellency

JOSEPH C. GREW,

*Acting Secretary of State,
Washington, D.C.*

AIR TRANSPORT SERVICES

Exchange of notes at Washington October 6, 1945, with text of agreement

Entered into force October 15, 1945

Supplemented and amended by agreement of August 6, 1954¹

Annex replaced by agreements of July 8, 1958,² and June 7, 1966³

59 Stat. 1658; Executive Agreement Series 482

The Secretary of State to the Norwegian Chargé d'Affaires ad interim

WASHINGTON
October 6, 1945

SIR:

I refer to discussions which have recently taken place between representatives of the Governments of the United States of America and Norway with respect to the conclusion of a reciprocal air transport agreement.

It is my understanding that these discussions, now terminated, have resulted in the following agreement:

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND NORWAY RELATING TO AIR TRANSPORT SERVICES

The Governments of the United States of America and Norway signed on October 16, 1933⁴ an air navigation arrangement governing the operation of civil aircraft of the one country in the territory of the other country, in which each party agreed that consent for the operations over its territory by air transport companies of the other party might not be refused on unreasonable or arbitrary grounds. Pursuant to the aforementioned arrangement of 1933, the two governments hereby conclude the following arrangement covering the operation of scheduled airline services between their respective territories, based on the standard form of agreement for air routes and services included in the Final Act of the International Civil Aviation Conference signed at Chicago on December 7, 1944.

¹ 5 UST 1433; TIAS 3015.

² 9 UST 1009; TIAS 4072.

³ 17 UST 736; TIAS 6025.

⁴ EAS 50, *ante*, p. 507.

ARTICLE 1

The contracting parties grant the rights specified in the Annex hereto necessary for establishing the international civil air routes and services therein described, whether such services be inaugurated immediately or at a later date at the option of the contracting party to whom the rights are granted.

ARTICLE 2

(a) Each of the air services so described shall be placed in operation as soon as the contracting party to whom the rights have been granted by Article 1 to designate an airline or airlines for the route concerned has authorized an airline for such route, and the contracting party granting the rights shall, subject to Article 6 hereof, be bound to give the appropriate operating permission to the airline or airlines concerned; provided that the airlines so designated may be required to qualify before the competent aeronautical authorities of the contracting party granting the rights under the laws and regulations normally applied by these authorities before being permitted to engage in the operations contemplated by this agreement; and provided that in areas of hostilities or of military occupation, or in areas affected thereby, such inauguration shall be subject to the approval of the competent military authorities.

(b) It is understood that either contracting party granted commercial rights under this agreement should exercise them at the earliest practicable date except in the case of temporary inability to do so.

ARTICLE 3

In order to prevent discriminatory practices and to assure equality of treatment, both contracting parties agree that:

(a) Each of the contracting parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the contracting parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(b) Fuel, lubricating oils and spare parts introduced into the territory of one contracting party by the other contracting party or its nationals, and intended solely for use by aircraft of such other contracting party shall be accorded national and most-favored-nation treatment with respect to the imposition of customs duties, inspection fees or other national duties or charges by the contracting party whose territory is entered.

(c) The fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board civil aircraft of the airlines of one contracting party authorized to operate the routes and services described in the Annex shall, upon arriving in or leaving the territory of the other contracting party, be

exempt from customs, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.

ARTICLE 4

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one contracting party shall be recognized as valid by the other contracting party for the purpose of operating the routes and services described in the Annex. Each contracting party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another state.

ARTICLE 5

(a) The laws and regulations of one contracting party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the other contracting party, and shall be complied with by such aircraft upon entering or departing from or while within the territory of the first party.

(b) The laws and regulations of one contracting party as to the admission to or departure from its territory of passengers, crew, or cargo aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the other contracting party upon entrance into or departure from, or while within the territory of the first party.

ARTICLE 6

Each contracting party reserves the right to withhold or revoke a certificate or permit to an airline of the other party in any case where it is not satisfied that substantial ownership and effective control are vested in nationals of either party to this agreement, or in case of failure of an airline to comply with the laws of the State over which it operates as described in Article 5 hereof, or to perform its obligations under this agreement.

ARTICLE 7

This agreement and all contracts connected therewith shall be registered with the Provisional International Civil Aviation Organization.

ARTICLE 8

Except as may be modified by the present agreement, the general principles of the aforementioned air navigation arrangement of 1933 as applicable to scheduled air transport services shall continue in force until otherwise agreed upon by the two contracting parties.

ARTICLE 9

In the event either of the contracting parties considers it desirable to modify the routes or conditions set forth in the attached Annex, it may request consultation between the competent authorities of both contracting parties, such consultation to begin within a period of sixty days from the date of the request. When these authorities mutually agree on new or revised conditions affecting the Annex, their recommendations on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.

ARTICLE 10

Either contracting party may terminate this agreement, or the rights for any of the services granted thereunder, by giving one year's notice to the other contracting party.

**ANNEX TO AIR TRANSPORT AGREEMENT BETWEEN THE UNITED STATES
OF AMERICA AND NORWAY⁵**

A. Airlines of the United States of America authorized under the present agreement are accorded rights of transit and non-traffic stop in the territory of Norway, as well as the right to pick up and discharge international traffic in passengers, cargo and mail at Oslo (Gardermoen) or Stavanger (Sola), on the following route:

The United States via intermediate points to Oslo or Stavanger and points beyond; in both directions.

Airlines of the United States of America having the right to pick up and discharge international traffic on the above route will make sufficient traffic stops in Oslo or Stavanger to offer reasonable commercial service for traffic to and from Norway; provided that this undertaking shall not involve any discrimination between airlines of the United States and other countries operating on that same route, shall take into account the capacity of the aircraft, and shall be fulfilled in such a manner as not to prejudice the normal operations of the international air services concerned.

B. Airlines of Norway authorized under the present agreement are accorded rights of transit and non-traffic stop in the territory of the United States of America, as well as the right to pick up and discharge international traffic in passengers, cargo and mail at New York or Chicago, on the following route:

Norway via intermediate points to New York or Chicago; in both directions.

⁵ For agreements of July 8, 1958, and June 7, 1966, replacing annex, see 9 UST 1009 and 17 UST 736; TIAS 4072 and 6025.

I shall be glad to have you inform me whether it is the understanding of your Government that the terms of the agreement resulting from the discussions are as above set forth. If so, it is suggested that October 15, 1945 become the effective date. If your Government concurs in this suggestion the Government of the United States will regard the agreement as becoming effective at such time.

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State:

WILLIAM L. CLAYTON

Mr. LARS J. JORSTAD,
Chargé d'Affaires ad Interim of Norway.

The Norwegian Chargé d'Affaires ad interim to the Secretary of State

NORWEGIAN EMBASSY
WASHINGTON, D.C.

OCTOBER 6, 1945

SIR:

I have the honor to acknowledge the receipt of your note of October 6, 1945 in which you communicated to me the terms of a reciprocal air transport agreement between Norway and the United States of America, as understood by you to have been agreed to in negotiations, now terminated, between representatives of the Royal Norwegian Government and the Government of the United States.

The terms of this agreement which you have communicated to me are as follows:

[For text of agreement, see U.S. note, above.]

I am instructed to state that the terms of the agreement as communicated to me are agreed to by my Government. Furthermore, I am pleased to add that your suggestion that the agreement become effective on October 15, 1945, is acceptable to my Government.

Accept, Sir, the renewed assurances of my highest consideration.

LARS J. JORSTAD

The Honorable JAMES F. BYRNES,
Secretary of State,
Washington, D.C.

SPECIAL TARIFF POSITION OF PHILIPPINES

*Exchange of notes at Washington May 4 and July 8, 1946, supplementing treaty of June 5, 1928
Entered into force July 8, 1946*

61 Stat. 2446; Treaties and Other International Acts Series 1572

*The Acting Secretary of State to the Norwegian Chargé d'Affaires
ad interim*

WASHINGTON
May 4 1946

SIR:

With reference to the forthcoming independence of the Philippines on July 4, 1946, my Government considers that provision for a transitional period for dealing with the special tariff position which Philippine products have occupied for many years in the United States is an essential accompaniment to Philippine independence. Accordingly, under the Philippine Trade Act approved April 30, 1946,¹ goods the growth, produce or manufacture of the Philippines will enter the United States free of duty until 1954, after which they will be subject to gradually and regularly increasing rates of duty or decreasing duty-free quotas until 1974 when general rates will become applicable and all preferences will be completely eliminated.

Since the enactment of the Philippine Independence Act approved March 24, 1934,² my Government has foreseen the probable necessity of providing for such a transitional period and has since then consistently excepted from most-favored-nation obligations which it has undertaken toward foreign governments advantages which it might continue to accord to Philippine products after the proclamation of Philippine independence. Some thirty instruments in force with other governments, for example, permit the continuation of the exceptional tariff treatment now accorded by my Government to Philippine products, irrespective of the forthcoming change in the Commonwealth's political status.

With a view, therefore, to placing the relations between the United States and Norway upon the same basis, with respect to the matters involved, as

¹ 60 Stat. 141.

² 48 Stat. 456.

the relations existing under the treaties and agreements referred to in the preceding paragraph, my Government proposes that the most-favored-nation provisions of the Treaty of Friendship, Commerce and Consular Rights between the United States of America and Norway signed June 5, 1928,³ shall not be understood to require the extension to Norway of advantages accorded by the United States to the Philippines.

In view of the imminence of the inauguration of an independent Philippine Government, I should be glad to have the reply of your Government to this proposal at an early date.

Accept, Sir, the renewed assurances of my high consideration.

DEAN ACHESON
Acting Secretary of State

Mr. KNUT LYKKE,
Chargé d'Affaires ad interim of Norway.

The Norwegian Ambassador to the Acting Secretary of State

NORWEGIAN EMBASSY
WASHINGTON, D.C.

JULY 8, 1946

EXCELLENCY:

I have the honor to refer to your note of May 4th, 1946 in which you proposed that the most-favored-nation provisions of the Treaty of Friendship, Commerce and Consular Rights between Norway and the United States of America signed June 5th, 1928, shall not be understood to require the extension to Norway of advantages accorded by the United States to the Philippines during a transitional period following the proclamation of Philippine independence.

I am happy to reply that in appreciation of the need for such concessions and as an act of friendship toward the Republic of the Philippines my Government has instructed me to accept your Excellency's proposal.

Please accept, Excellency, the renewed assurances of my highest consideration.

W. MORGENTIERNE

His Excellency

DEAN ACHESON,
Acting Secretary of State,
Washington 25, D.C.

No. 213

³ TS 852, *ante*, p. 481.

AIR SERVICE FACILITIES AT GARDERMOEN AIRFIELD

*Agreement signed at Oslo November 12, 1946
Entered into force November 12, 1946*

61 Stat. 3861; Treaties and Other
International Acts Series 1737

AGREEMENT BETWEEN THE ROYAL NORWEGIAN GOVERNMENT AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA REGARDING AIR COM- MUNICATIONS FACILITIES AT GARDERMOEN AIRFIELD, NORWAY

The Government of Norway agrees:

1. To operate and maintain all facilities continuously in a manner adequate for the air traffic operating into and away from the airdrome at which the facilities are located and along the recognized international air routes converging on that airdrome, and, in order to insure this standard of service, the Norwegian Government agrees to abide by approved Provisional International Civil Aviation Organization (PICAO) standards of operations unless changed by other international agreement to which the Government of the United States and the Norwegian Government are parties. (Allowance is to be made, of course, for possible unavoidable interruptions of the continuous operation which may result from break-downs in the equipment; in the case of any facilities which have not yet been placed in operation because they have not been properly calibrated, or of other facilities temporarily out of commission because of electrical or mechanical defects, every effort will be made to bring them into operation as soon as may be possible.)
2. To provide the full service of all facilities to all aircraft on a non-discriminatory basis with charges, if any, only for non-operational messages until an international agreement on charges has been promulgated by the Provisional International Civil Aviation Organization.
3. To continue the operation of all types of facilities in their original location or at new locations mutually agreed upon by the Government of the United States and the Norwegian Government until new facilities are installed in accordance with standards promulgated by the Provisional International Civil Aviation Organization, or until it is determined by the Govern-

ment of Norway and the United States Government that there is no longer a need for the original facilities: it being understood that the aeronautical communication service facilities will be devoted exclusively to that service and will not be diverted to the general communication service.

4. To provide English-speaking operators at air-to-ground and control tower communication positions until regulations covering such voice transmissions are promulgated by the Provisional International Civil Aviation Organization and further, until such regulations are promulgated, to grant permission to a representative of the United States air carriers authorized to serve an airdrome to enter its control tower and, when in the opinion of the representative a case of necessity exists, to talk to the pilot of any United States aircraft flying in the vicinity of the airdrome, it being understood that the representative will in each instance obtain permission to enter the tower from the officer in charge.

5. To select radio frequencies for air-to-ground and control tower operations only after coordination with the using United States carriers and with adjacent stations on the recognized international air routes converging on the airdrome in order to minimize:

- (a) radio interference, and
- (b) the number of frequencies required to be operated by aircraft.

6. To authorize and facilitate day-to-day adjustments in air communication service matters relating to the equipment covered under this agreement, by direct communication between the operating agency of Norway and the service agency of the United States Government, United States carriers, or a communication company representing one or more of them.

7. To authorize United States air carriers or the Civil Aeronautics Administration of the United States to designate a technical adviser to advise and assist the agency designated by the Norwegian Government to operate the facilities so far as they relate to the safety and efficiency of United States airline operations. This designation is to continue as long as it is useful to United States air carriers. The Norwegian agency will not, however, be bound to act on the advice given should it be found contrary to Norwegian interests.

The Government of the United States of America, through either the United States Army, United States Navy, Civil Aeronautics Administration, or private agency agrees:

- (a) To include in the sale of the basic installations one year's supply of maintenance parts and expendable supplies to the extent that theater surplus stocks permit.

(b) To do everything possible to assist the Government of Norway, or its representative, in purchasing through regular commercial channels maintenance parts and expendable supplies for the operation of the facilities.

Signed in duplicate at Oslo, Norway, November 12, 1946.

For the Government of Norway:

NILS LANGHELLE
Minister of Communications

For the Government of the United States of America:

CLOYCE K. HUSTON
*Charge d'Affaires ad interim
of the United States of America*

WAIVER OF VISAS AND VISA FEES FOR NONIMMIGRANTS

*Exchange of notes at Washington July 7 and 29, 1947
Entered into force July 29, 1947; operative August 1, 1947
Supplemented by agreement of April 25, 1958¹*

61 Stat. 3101; Treaties and Other
International Acts Series 1644

The Norwegian Ambassador to the Secretary of State

NORWEGIAN EMBASSY
WASHINGTON, D.C.

JULY 7, 1947

EXCELLENCY:

With reference to recent conversations between representatives of the Department of State and representatives of the Royal Norwegian Embassy, relative to mutual waiver of visa requirements for non-immigrants, I have the honor to propose that the following agreement be effected between the Government of Norway and the Government of the United States of America:

"The Norwegian Government on and after August 1, 1947, will waive visa requirements, but not passport requirements for American citizens proceeding to continental Norway, and will waive the passport visa fees for American citizens proceeding to Norwegian territory outside continental Norway. American citizens, who desire to take employment in Norway or to stay there for a long period of time, will be required to obtain a permit, except in the cases of officials of the United States Government, their families, servants and employees. Any number of entries may be made into Norway without a visa.

¹ By an exchange of notes at Washington Apr. 25, 1958, it was agreed that,
"1. American citizens who wish to stay in Norway for a period exceeding *three months* after the entry from a non-Nordic country into one of the countries party to the above mentioned Convention [convention between Norway, Denmark, Finland, and Sweden dated July 12, 1957] must apply for a residence permit in Norway.

"2. The time-limit of three months will be counted from and including the date of his last entry into the territory of the said Nordic countries. A visitor who during the last six months before his last entry has been staying in one of the Nordic countries will, however, have such a period of stay deducted from the said period of three months."

Effective on and after August 1, 1947, the Government of the United States of America will waive the passport visa fees for citizens or subjects of Norway, who are bona fide non-immigrants within the meaning of the immigration laws of the United States, and who are proceeding to the United States and possessions. A non-immigrant passport visa granted by an American Consular Officer to a Norwegian citizen or subject is valid for any number of applications for admission within a period of twenty-four months from date of issuance, provided the passport of the bearer is valid for that period."

In case Your Excellency's Government consents to the above form, your reply to that effect will be considered sufficient by my Government for the purpose of concluding the proposed agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

W. MORGENTIERNE

His Excellency GEORGE C. MARSHALL,
Secretary of State,
Washington, D.C.

No : 257

The Secretary of State to the Norwegian Ambassador

WASHINGTON
Jul 29 1947

EXCELLENCE:

I have the honor to acknowledge the receipt of your note no. 257 dated July 7, 1947 stating that the Norwegian Government is willing, on and after August 1, 1947, to waive the visa fees for United States citizens who are nonimmigrants proceeding to Norway and to abolish the requirement for such visa, but not the passport, for United States citizens proceeding to continental Norway.

The United States Government has authorized its consular officers, effective August 1, 1947, to waive the fee for the visa and application therefor for nonimmigrants, other than officials, proceeding to the United States and its possessions who are subjects of Norway, the visa to be valid for any number of entries into the United States and its possessions within a period of twenty-four (24) months, provided that they hold valid Norwegian passports and the holder of the visa continues to maintain nonimmigrant status. The period of validity of the visa relates to the period within which it may be used for presentation at a port of entry and not to the length of stay in the

United States which will continue to be a matter for determination by the immigration or other authorities.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

N. ARMOUR

His Excellency

WILHELM MUNTHE DE MORGENTIERNE,
Ambassador of Norway.

LEND-LEASE SETTLEMENT

*Agreement and exchanges of notes signed at Washington February 24,
1948*

Entered into force February 24, 1948

62 Stat. 1848; Treaties and Other
International Acts Series 1716

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE ROYAL NORWEGIAN GOVERNMENT REGARDING SETTLEMENT FOR LEND-LEASE, MILITARY RELIEF, AND CLAIMS

The Government of the United States of America and the Royal Norwegian Government have reached an understanding regarding a settlement for lend-lease; for the Royal Norwegian Government's obligation to the United States Government for civilian supplies furnished under the military relief program (Plan A); and for other financial claims of each Government against the other arising out of the conduct of the war. This settlement is complete and final. In arriving at this understanding, both Governments have recognized the benefits accruing to each from their contributions to the defeat of their common enemies, and have adhered to the principles expressed in Article VII of the Preliminary Agreement on Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression, signed at Washington on July 11, 1942.¹

I. Lend-Lease

A. Transfer of Title. Except as otherwise provided in this paragraph I, the Royal Norwegian Government receives full title to lend-lease articles heretofore transferred or retransferred to the Royal Norwegian Government.

B. Right of recapture. The United States Government reserves the right of recapture of lend-lease merchant vessels and of any lend-lease articles held by the Royal Norwegian Government of types essentially or exclusively for use in war or warlike exercises, but has indicated that it does not intend to exercise generally this right of recapture, except that United States Government naval and merchant vessels made available to the Royal Norwegian Government under lend-lease are to be returned to the United States Gov-

¹ EAS 262, *ante*, p. 531.

ernment to the extent and in the manner required by existing agreements and by United States law. The Royal Norwegian Government agrees that all lend-lease articles held by it will be used only for purposes compatible with the principles of international security and welfare set forth in the Charter of the United Nations.

C. Waiver of Payment. Except as provided in this Agreement, the Royal Norwegian Government will make no payment to the United States Government for lend-lease articles heretofore transferred or retransferred, or lend-lease services heretofore rendered, to the Royal Norwegian Government.

D. Restrictions on Disposal. Disposals of lend-lease articles of types essentially or exclusively for use in war or warlike exercises, except for use in Norwegian territory, will be made only with the consent of the United States Government. All net proceeds of disposals requiring such consent will be paid to the United States Government.

II. Military Relief Program

In consideration of the mutual undertakings of this Agreement, the obligation of the Royal Norwegian Government to the United States Government for the United States share of the combined claim against the Royal Norwegian Government for the military relief program (Plan A) is considered discharged, and no further benefit will be sought by either Government. The Royal Norwegian Government recognizes that the settlement hereby made with the United States Government in no way impairs the obligation of the Royal Norwegian Government to the United Kingdom and Canadian Governments for their shares of the combined claim for Plan A.

III. Claims

A. Private Claims. To the extent that claimants have not heretofore been paid, the Royal Norwegian Government will process claims against the United States Government and others, and discharge their liability with respect thereto, as follows:

(1) Patent Claims. Claims of individuals, firms, and corporations domiciled in Norwegian territory at the time of the use giving rise to the claim (except individuals who were then exclusively United States nationals) against the United States Government, its contractors and subcontractors, for royalties under license contracts for the use of inventions, patented or unpatented, or for infringement of patent rights, in connection with war production carried on prior to September 2, 1945, by the United States Government, its contractors or subcontractors.

(2) Claims arising out of presence of United States forces in Norwegian territory. Claims against the United States Government or members of the United States Armed Forces or civilian personnel attached to such forces,

arising out of acts or omissions in Norwegian territory of such members or civilian personnel, both line-of-duty and non-line-of-duty, occurring on or after April 9, 1940, and prior to July 1, 1946.

(3) Requisitioning Claims. Claims of individuals, firms, and corporations domiciled in Norwegian territory at the time of the act giving rise to the claim (except individuals who were then exclusively United States nationals), against the United States Government arising out of the requisitioning for use in the war program of property located in the United States in which the claimant asserts an interest.

(4) Salvage Claims. Claims of masters and crews of Norwegian vessels for salvage of United States Government owned or controlled vessels arising out of incidents occurring on or after April 9, 1940, and prior to September 2, 1945.

B. Government Claims.

(1) Claims arising out of Maritime Incidents. By agreement dated May 29, 1945,² each Government agreed to waive certain types of maritime claims against the other. That agreement was terminated as of October 29, 1945, by notice from the Royal Norwegian Government to the United States Government. The two Governments now agree that such agreement shall be considered as remaining in force through June 30, 1946, as to any such maritime claims which remain unsettled as of the date of this Agreement.

(2) Other Shipping Claims. The two Governments have reviewed, accounted for, and settled their mutual claims relating to merchant shipping arising under the special maritime lend-lease agreement contained in the exchange of notes of July 11, 1942, and under shipping arrangements between the Norwegian Shipping and Trade Mission on the one hand and the War Shipping Administration and the United States Maritime Commission on the other, including charter hire, repair, and reconversion, arming and disarming, supplies to vessels, and insurance. No further payment will be made by either Government to the other on these accounts except with respect to the following:

(a) Claims presented before July 1, 1946, to the Royal Norwegian Government or any of its agencies for cash disbursements to masters of Norwegian vessels under charter to the War Shipping Administration (except disbursements from War Shipping Administration accounts).

(b) Claims of either Government against the other arising under the terms of charter parties covering United States Government owned vessels operated by the Royal Norwegian Government under the "bareboat out-time charter back" program, including claims of the United States Government for insurance premiums and claims of the Royal Norwegian Government

² EAS 471, *ante*, p. 549.

arising from the liability of the United States Government as war or marine risk insurer or assurer of any loss or damage to the chartered vessel or for any claims against the chartered vessel which are not waived or assumed under the provisions of any waiver or assumption of claims agreement.

(c) Claims for freight money (including demurrage) and passenger fares for account of the Royal Norwegian Government or its agencies on United States Government owned or controlled vessels, except as covered by lend-lease requisitions.

(d) Claims of the United States Government or its agencies arising out of subrogation rights in cases where the War Shipping Administration has accepted liability as insurer or assurer of loss or damage to Norwegian vessels or cargoes.

(3) Other Government Claims. Except as otherwise dealt with in this Agreement, all other financial claims of either Government against the other which (i) have arisen or may hereafter arise out of lend-lease, or (ii) otherwise arose out of incidents connected with or incidental to the conduct of the war occurring on or after April 9, 1940, and prior to September 2, 1945, are hereby waived. In addition to those described elsewhere in this Agreement, the following types of claims are excepted from this general waiver and will be settled in accordance with procedures already established or to be established after appropriate discussions:

(a) Claims by the United States Government for the cost, and claims by the Royal Norwegian Government for the excess of amounts deposited by it with the United States Government over the cost, of supplies and services procured under cash reimbursement lend-lease requisitions filed by the Royal Norwegian Government;

(b) Claims arising out of the purchase by the Royal Norwegian Government of the United States Government surplus property;

(c) The two Governments have agreed upon arrangements and procedures with respect to settlement for articles and services procured in Norway for the United States armed forces and with respect to use of Norwegian kroner in the accounts of finance officers of the United States armed forces.

(4) Espoused Claims. The waiver by one Government of its claims against the other, contained in subparagraphs III B (1), (2), and (3) of this Agreement, shall not extend to claims submitted in accordance with the practice whereby one Government espouses a claim of one of its nationals and presents it through diplomatic channels to the other Government.

IV. Other Benefits to be Furnished by Norway

A. Property and Norwegian Kroner. When requested by the United States Government the Royal Norwegian Government will furnish to the

United States Government, by any one or more of the following methods, Norwegian kroner and property to the aggregate value of \$5,900,000—

(1) by providing for transfer to the United States Government of real property and improvements for the official use of the United States Government in Norwegian territory, as selected and determined by agreement between the two Governments;

(2) by furnishing to the United States Government, or to such persons, organizations, or foundations as the United States Government may designate, Norwegian kroner to be used to carry out cultural and educational programs agreed between the two Governments;

(3) by providing Norwegian kroner for the payment of expenditures in Norwegian territory of the United States Government and its agencies.

In connection with any transfer of real property pursuant to subparagraph (1) above, it is understood that representatives of the United States Government may, at their discretion, conduct discussions directly with property owners or with contractors for improvements as to price and terms prior to the transfer of such property or improvements to the United States Government.

B. Exchange Rate. Any Norwegian kroner provided under this paragraph IV will be at the par value between such currency and United States dollars established in conformity with procedures of the International Monetary Fund, or, if no such par value exists, at the rate most favorable to the United States Government used in any official Royal Norwegian Government transaction at the time payment is requested.

V. Commerical Policy

A. The two Governments reaffirm their support of the principles set forth in Article VII of the Preliminary Agreement of July 11, 1942, and their desire to eliminate discriminatory treatment in international commerce and to reduce tariffs and other trade barriers.

B. The Royal Norwegian Government is in accord with the general tenor of the "Proposals for Expansion of World Trade and Employment" and the "Suggested Charter for an International Trade Organization of the United Nations" transmitted to the Royal Norwegian Government by the United States Government. Pending the conclusion of the negotiations at the World Conference on Trade and Employment, the two Governments declare it to be their policy to abstain from adopting new measures which would prejudice the objectives of that conference.

VI. Miscellaneous Provisions

A. Nothing in this Agreement affects the obligation of the Royal Norwegian Government under Article IV of the Preliminary Agreement of July 11, 1942.

B. To the extent that the provisions of this Agreement are inconsistent with those contained in any previous agreement, the provisions of this Agreement shall prevail.

C. The two Governments agree to conclude such specific undertakings as may be necessary to implement this Agreement.

D. This Agreement will be effective upon signature.

Signed at Washington, in duplicate, this 24th day of February, 1948.

For the Government of the United States of America:

G. C. MARSHALL [SEAL]
*Secretary of State
of the United States of America*

For the Royal Norwegian Government:

W. MUNTHE MORGENSTIERNE [SEAL]
*Ambassador Extraordinary and Plenipotentiary
of the Kingdom of Norway in Washington*

EXCHANGES OF NOTES

The Secretary of State to the Norwegian Ambassador

DEPARTMENT OF STATE

WASHINGTON

February 24, 1948

EXCELLENCE:

I have the honor to refer to the Agreement Between the Government of the United States of America and the Royal Norwegian Government Regarding Settlement for Lend-Lease, Military Relief, and Claims signed on this date.

During the course of discussions leading up to this Agreement representatives of our two Governments have considered the amounts of specific claims of each Government against the other which would be settled in the Agreement.

Since certain financial and accounting procedures will probably have to be adopted by agencies of our respective Governments in connection with these accounts, now that the terms of the settlement have been agreed, I am writing this note to set forth the understanding of my Government as to these amounts, and will appreciate receiving confirmation from you that your Excellency's Government has the same understanding.

I. The following claims have been agreed upon as valid in the amounts stated, but are waived by the terms of the settlement agreement:

A. Obligations of the United States Government to Norway:

1. Claims agreed by WSA and Nortraship, for reconversion, war risk, damage, charter hire, crew bonuses, etc., on "Hogmanay" and other Norwegian vessels	\$4, 902, 273. 33
2. Claims approved by WSA for arming, disarming, and repairs of Norwegian vessels	501, 905. 14
3. War risk claims on "Hogmanay" vessels	209, 000. 00
4. Claims for cost of installation of armaments on Norwegian vessels after December 7, 1941	707, 000. 00
5. Claims for repairs on tankers, damaged by operation under war conditions	1, 162, 078. 00
 Total	 <u>\$7, 482, 256. 47</u>

B. Obligations of the Norwegian Government to the United States:

1. Lend-lease articles and services, transferred to Norway after September 2, 1945.	\$268, 522. 88
2. Repairs to Norwegian vessels, paid for out of lend-lease funds, but ruled ineligible for lend-lease	549, 303. 41
3. Claims agreed by Nortraship, for value of fuel on redelivery of vessels, ineligible repairs, refund of war risk premiums, off-hire deductions, etc.	1, 487, 000. 00
4. Value of civilian type planes and parts, lend-leased to Norway but retained after September 2, 1945, for non-military use	320, 000. 00
5. Value of 121 1-½ ton trucks, transferred to Norway out of stocks in the U. K.	124, 800. 00
6. Value of dried peas and rubber, retransferred to Norway from the U. K. (peas \$52,590.27; rubber \$57,210.86)	109, 801. 13
 Total	 <u>\$2, 859, 427. 42</u>

C. The obligation of the Norwegian Government to the United States Government for the United States' share of combined supplies delivered to Norway under the Military Relief Program (Plan A), estimated during the course of negotiations by representatives of our two Governments at \$18,000,000.00.

(The United States representatives have considered throughout the negotiations that this amount would probably be less than the final figure for the United States' share when billings were completed; and it is my understanding that this amount is higher than the Norwegian estimate of the fair value of the United States' share, but for purposes of the present settlement, the figure of \$18,000,000 was adopted by agreement at an early stage during the negotiations to represent the value of the United States' share of the combined claim for Plan A supplies against Norway.)

II. The following claims have been asserted by the Norwegian Government, but have not been accepted by the United States Government as being fully justified or documented, and by mutual consent have not been pressed further, in view of the terms of the final settlement agreement:

- | | |
|---|--------------|
| 1. Reconversion of Norwegian vessels in Swedish yards . . . | \$592,500.00 |
| 2. Additional damage to tankers, operated under wartime
conditions | 163,316.00 |
| 3. Damage to trappers' installations in N.E. Greenland . . . | 200,000.00 |

III. Your representatives have presented a claim for procurement and services for United States forces in Norway, to the amount of \$765,170. It is the understanding of my Government that this claim is waived by the Norwegian Government under terms of the final settlement agreement whereby the Department of the Army will turn over its present kroner holdings estimated at 1,040,357.73.

IV. Certain other miscellaneous claims have been discussed, but their amounts or exact nature have not been fully defined. It is understood that they have been waived by the Norwegian Government where they represent claims of the Norwegian Government against the United States Government, or will be disposed of by the Norwegian Government, without expense to the United States Government, where they represent claims of private interests against the United States Government:

- | | |
|---|---------------------------|
| 1. transportation of Norwegian refugees on WSA
vessels | \$26,000.00-\$40,000.00 |
| 2. requisitioning of Norwegian property | \$48,100.00 |
| 3. patent funds, held by the Alien Property
Custodian | \$800,000.00-\$950,000.00 |
| 4. acts or omissions of U.S. troops in Norway . . | approximately \$10,000.00 |

Certain of the dollar amounts stated in this letter may not correspond to figures as finally determined, and it is understood that the waiver of claims relates to the items described and not to the particular amounts or range of amounts stated.

I should appreciate it if Your Excellency would advise me whether the foregoing is in accordance with the understanding of your Government.

Accept, Excellency, the renewed assurances of my highest consideration.

G. C. MARSHALL

His Excellency

WILHELM MUNTHE DE MORGESTIERNE,
Ambassador of Norway.

The Norwegian Ambassador to the Secretary of State

NORWEGIAN EMBASSY
WASHINGTON, D.C.

FEBRUARY 24, 1948

EXCELLENCE:

I have the honor to acknowledge receipt of your note of today's date setting forth the understanding of your Government in respect to our agreement

upon the amounts of specific claims of each Government against the other which are settled in the Agreement which we have signed today.

I am glad to confirm that the statements made in your note are in accordance with the understanding of my Government.

Accept, Excellency, the renewed assurances of my highest consideration.

W. MUNTHE MORGENSTIERNE
Ambassador of Norway

His Excellency

GEORGE C. MARSHALL,
Secretary of State.

The Secretary of State to the Norwegian Ambassador

DEPARTMENT OF STATE
WASHINGTON
February 24, 1948

EXCELLENCE:

In connection with the agreement signed today between our Governments for the settlement of Lend-Lease and other war accounts, I have the honor to advise Your Excellency that 940,017.71 kroner (\$189,648.57) in the accounts of finance officers of the United States Army will be turned over to the Norwegian Government pursuant to arrangements and procedures referred to in paragraph III, subparagraph B (3) of the above-mentioned agreement and in consideration of the waiver of all claims by the Norwegian Government against the United States Government arising out of procurement of articles and services by the United States Army during the period between May 19, 1945 and March 31, 1946.

In addition to the 940,017.71 kroner being turned over to the Norwegian Government, 100,340.02 kroner, shown to have been captured from the enemy, are being turned over to your Government without reimbursement. If further examination of United States Army records should hereafter reveal other captured kroner among holdings of the United States Army, such captured kroner will be turned over to the Norwegian Government unconditionally.

It is my understanding that the Norwegian Government agrees, upon request, to convert into dollars at the rate of 4.9566 kroner per dollar, kroner delivered by the United States Army up to an aggregate dollar value of \$25,000.00 excluding the 1,040,357.73 kroner referred to above and in addition to kroner acquired by the United States Army through official Government channels. No request for conversion of kroner in excess of such \$25,000.00 will be made by or on behalf of the United States Army other than in respect to kroner acquired by the United States Army through official

Norwegian Government channels which will continue to be converted into dollars at the rate at which acquired.

I should appreciate your advising me whether the foregoing is in accordance with your understanding.

Accept, Excellency, the renewed assurances of my highest consideration.

G. C. MARSHALL

His Excellency

WILHELM MUNTHE DE MORGESTIERNE,
Ambassador of Norway.

The Norwegian Ambassador to the Secretary of State

NORWEGIAN EMBASSY
WASHINGTON, D.C.

FEBRUARY 24, 1948

EXCELLENCE:

I have the honor to acknowledge receipt of your note of today's date with regard to the arrangements and procedures with respect to settlement for articles and services procured in Norway for the United States armed forces, use of Norwegian kroner in the accounts of finance officers of the United States armed forces, and conversion into dollars of certain kroner holdings of the United States armed forces.

I am glad to confirm that the statements made in your note are in accordance with the understanding of my Government.

Accept, Excellency, the renewed assurances of my highest consideration.

W. MUNTHE MORGESTIERNE
Ambassador of Norway.

His Excellency

GEORGE C. MARSHALL,
Secretary of State.

The Norwegian Ambassador to the Secretary of State

NORWEGIAN EMBASSY
WASHINGTON, D.C.

FEBRUARY 24, 1948.

EXCELLENCE:

In connection with the settlement of obligations arising under the Agreement of May 6, 1942 between the Royal Norwegian Government, the Government of the United Kingdom and the Government of the United

States, known as the "Tripartite Agreement",³ covering the hire for a number of merchant vessels, and the agreements executed in 1942 and 1943 between the Royal Norwegian Government, the Government of the United Kingdom, the Government of the United States and the original charterers of a number of tankers, known as the "Quadripartite Agreements",³ there remain to be paid by the Government of the United States to the Royal Norwegian Government certain sums which are still subject to final accounting.

It is the understanding of my Government that the agreement about to be signed between our two governments settling lend-lease, Plan A and certain claims is not intended in any way to affect these outstanding obligations under the Tripartite and Quadripartite Agreements.

I should appreciate receiving confirmation that this is also the understanding of the Government of the United States.

Accept, Excellency, the renewed assurances of my highest consideration.

W. MUNTHE MØRGENSTIERNE
Ambassador of Norway

His Excellency

GEORGE C. MARSHALL,
Secretary of State.

The Secretary of State to the Norwegian Ambassador

DEPARTMENT OF STATE
WASHINGTON
Feb 24 1948

EXCELLENCE:

I have the honor to refer to your note dated February 24, 1948, in which you inquire whether it is the understanding of the Government of the United States that the agreement which is about to be signed between our two Governments regarding settlement of Lend-Lease, Plan A and certain claims does not affect obligations arising under the "Tripartite Agreement" and the "Quadripartite Agreements" described in your note.

I am pleased to advise you that your understanding is also the understanding of the Government of the United States.

Accept, Excellency, the renewed assurances of my highest consideration.

G. C. MARSHALL

His Excellency

WILHELM MUNTHE DE MØRGENSTIERNE,
Ambassador of Norway.

³ Not printed.

EXCHANGE OF PUBLICATIONS

Exchange of notes at Oslo June 20, 1947, and March 15, 1948

Entered into force March 15, 1948

Amended by agreement of August 10 and 11, 1964¹

62 Stat. 1954; Treaties and Other
International Acts Series 1758

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 370

EXCELLENCY:

I have the honor to refer to the conversations which have taken place between representatives of the Government of the United States of America and representatives of the Government of Norway in regard to the exchange of official publications, and to inform Your Excellency that the Government of the United States of America agrees that there shall be an exchange of official publications between the two Governments in accordance with the following provisions:

1. Each of the two Governments shall furnish regularly a copy of each of its official publications which is indicated in a selected list prepared by the other Government and communicated through diplomatic channels subsequent to the conclusion of the present agreement. The list of publications selected by each Government may be revised from time to time and may be extended, without the necessity for subsequent negotiations, to include any other official publication of the other Government not specified in the list, or publications of new offices which the other Government may establish in the future.

2. The official exchange office for the transmission of publications of the Government of the United States of America shall be the Smithsonian Institution. The official exchange office for transmission of publications of the Government of Norway shall be Utrenriksdepartementet.²

3. The publications shall be received on behalf of the United States of America by the Library of Congress and on behalf of the Kingdom of Norway by Utrenriksdepartementets bibliotek.²

¹ 15 UST 1502; TIAS 5630.

² For an amendment to paras. 2 and 3, see 15 UST 1502; TIAS 5630.

4. The present agreement does not obligate either of the two Governments to furnish blank forms, circulars which are not of a public character, or confidential publications.

5. Each of the two Governments shall bear all charges, including postal, rail and shipping costs, arising under the present agreement in connection with the transportation within its own country of the publications of both Governments and the shipment of its own publications to a port or other appropriate place reasonably convenient to the exchange office of the other Government.

6. The present agreement shall not be considered as a modification of any existing exchange agreement between a department or agency of one of the Governments and a department or agency of the other Government.

Upon receipt of a note from Your Excellency indicating that the foregoing provisions are acceptable to the Government of Norway, the Government of the United States of America will consider that this note and your reply constitute an agreement between the two Governments on this subject, the agreement to enter into force on the date of your note in reply.

Accept, Excellency, the renewed assurances of my highest consideration.

C. ULRICK BAY

Oslo, June 20, 1947

His Excellency

Monsieur HALVARD M. LANGE,
*Royal Norwegian Minister
 for Foreign Affairs,
 Oslo.*

The Minister of Foreign Affairs to the American Ambassador

MINISTÈRE
 DES
 AFFAIRES ETRANGÈRES

Oslo, 15th March 1948

EXCELLENCY:

With reference to Your Excellency's note no. 370, of June 20, 1947, and to the conversations between representatives of the Government of Norway and representatives of the Government of the United States of America in regard to the exchange of official publications, I have the honour to inform Your Excellency that the Government of Norway agrees that there shall be an exchange of official publications between the two Governments in accordance with the following provisions:

[For terms of agreement, see numbered paragraphs in U.S. note, above]

The Government of Norway considers that your note and this reply constitute an agreement between the two Governments on this subject, the agreement to enter into force on the date of this note.

Please accept, Excellency, the renewed assurances of my highest consideration.

For the Minister

ROLF ANDVORD

His Excellency,

M. CHARLES ULRICK BAY,

Ambassador of the United States of America,

etc. etc. etc.

ECONOMIC COOPERATION

Agreement and annex signed at Oslo July 3, 1948

Entered into force July 3, 1948

Amended by agreements of January 17, 1950;¹ July 5, 1951;² and January 8, 1953³

62 Stat. 2514; Treaties and Other International Acts Series 1792

ECONOMIC COOPERATION AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND NORWAY

Preamble

The Government of the United States of America and the Royal Norwegian Government:

Recognizing that the restoration or maintenance in European countries of principles of individual liberty, free institutions, and genuine independence rests largely upon the establishment of sound economic conditions, stable international economic relationships, and the achievement by the countries of Europe of a healthy economy independent of extraordinary outside assistance;

Recognizing that a strong and prosperous European economy is essential for the attainment of the purposes of the United Nations;

Considering that the achievement of such conditions calls for a European recovery plan of selfhelp and mutual cooperation, open to all nations which cooperate in such a plan, based upon a strong production effort, the expansion of foreign trade, the creation or maintenance of internal financial stability and the development of economic cooperation, including all possible steps to establish and maintain valid rates of exchange and to reduce trade barriers;

Considering that in furtherance of these principles the Royal Norwegian Government has joined with other like-minded nations in a Convention for European Economic Cooperation signed at Paris on April 16, 1948 under which the signatories of that Convention agreed to undertake as their immediate task the elaboration and execution of a joint recovery program, and that the Royal Norwegian Government is a member of the Organization for European Economic Cooperation created pursuant to the provisions of that Convention;

¹ 1 UST 166; TIAS 2032.

² 2 UST 1289; TIAS 2276.

³ 4 UST 109; TIAS 2767.

Considering also that, in furtherance of these principles, the Government of the United States of America has enacted the Economic Cooperation Act of 1948,⁴ providing for the furnishing of assistance by the United States of America to nations participating in a joint program for European recovery, in order to enable such nations through their own individual and concerted efforts to become independent of extraordinary outside economic assistance;

Taking note that the Royal Norwegian Government has already expressed its adherence to the purposes and policies of the Economic Cooperation Act of 1948;

Desiring to set forth the understandings which govern the furnishing of assistance by the Government of the United States of America under the Economic Cooperation Act of 1948, the receipt of such assistance by Norway, and the measures which the two Governments will take individually and together in furthering the recovery of Norway as an integral part of the joint program for European recovery;

Have agreed as follows:

ARTICLE I

(Assistance and Cooperation)

1. The Government of the United States of America undertakes to assist Norway, by making available to the Royal Norwegian Government or to any person, agency or organization designated by the latter Government such assistance as may be requested by it and approved by the Government of the United States of America. The Government of the United States of America will furnish this assistance under the provisions, and subject to all of the terms, conditions and termination provisions, of the Economic Cooperation Act of 1948, acts amendatory and supplementary thereto and appropriation acts thereunder, and will make available to the Royal Norwegian Government only such commodities, services and other assistance as are authorized to be made available by such acts.

2. The Royal Norwegian Government, acting individually and through the Organization for European Economic Cooperation, consistently with the Convention for European Economic Cooperation signed at Paris on April 16, 1948, will exert sustained efforts in common with other participating countries speedily to achieve through a joint recovery program economic conditions in Europe essential to lasting peace and prosperity and to enable the countries of Europe participating in such a joint recovery program to become independent of extraordinary outside economic assistance within the period of this Agreement. The Royal Norwegian Government reaffirms its intention to take action to carry out the provisions of the General Obligations of the Convention for European Economic Cooperation, to continue to participate actively in the work of the Organization for European Economic Cooper-

⁴ 62 Stat. 137.

tion, and to continue to adhere to the purposes and policies of the Economic Cooperation Act of 1948.

3. With respect to assistance furnished by the Government of the United States of America to Norway and procured from areas outside the United States of America, its territories and possessions, the Royal Norwegian Government will cooperate with the Government of the United States of America in ensuring that procurement will be effected at reasonable prices and on reasonable terms and so as to arrange that the dollars thereby made available to the country from which the assistance is procured are used in a manner consistent with any arrangements made by the Government of the United States of America with such country.

ARTICLE II

(General Undertakings)

1. In order to achieve the maximum recovery through the employment of assistance received from the Government of the United States of America, the Royal Norwegian Government will use its best endeavours:

(a) to adopt or maintain the measures necessary to ensure efficient and practical use of all the resources available to it, including

(i) such measures as may be necessary to ensure that the commodities and services obtained with assistance furnished under this Agreement are used for purposes consistent with this Agreement and, as far as practicable, with the general purposes outlined in the schedules furnished by the Royal Norwegian Government in support of the requirements of assistance to be furnished by the Government of the United States of America;

(ii) the observation and review of the use of such resources through an effective follow-up system approved by the Organization for European Economic Cooperation; and

(iii) to the extent practicable, measures to locate, identify and put into appropriate use in furtherance of the joint program for European recovery, assets, and earnings therefrom, which belong to nationals of Norway and which are situated within the United States of America, its territories or possessions. Nothing in this clause imposes any obligation on the Government of the United States of America to assist in carrying out such measures or on the Royal Norwegian Government to dispose of such assets;

(b) to promote the development of industrial and agricultural production on a sound economic basis; to achieve such production targets as may be established through the Organization for European Economic Cooperation; and when desired by the Government of the United States of America, to communicate to that Government detailed proposals for specific projects

contemplated by the Royal Norwegian Government to be undertaken in substantial part with assistance made available pursuant to this Agreement, including whenever practicable projects for increased production of coal, steel, transportation facilities and food;

(c) to stabilize its currency, establish or maintain a valid rate of exchange, balance its governmental budget, create or maintain internal financial stability, and generally restore or maintain confidence in its monetary system; and

(d) to cooperate with other participating countries in facilitating and stimulating and increasing interchange of goods and services among the participating countries and with other countries and in reducing public and private barriers to trade among themselves and with other countries.

2. Taking into account Article 8 of the Convention for European Economic Cooperation looking toward the full and effective use of manpower available in the participating countries, the Royal Norwegian Government will accord sympathetic consideration to proposals made in conjunction with the International Refugee Organization directed to the largest practicable utilization of manpower available in any of the participating countries in furtherance of the accomplishment of the purposes of this Agreement.

3. The Royal Norwegian Government will take the measures which it deems appropriate, and will cooperate with other participating countries, to prevent, on the part of private or public commercial enterprises, business practices or business arrangements affecting international trade which restrain competition, limit access to markets or foster monopolistic control, whenever such practices or arrangements have the effect of interfering with the achievement of the joint program of European recovery.

ARTICLE III

(Guaranties)

1. The Government of the United States of America and the Royal Norwegian Government will, upon the request of either Government, consult respecting projects in Norway proposed by nationals of the United States of America and with regard to which the Government of the United States of America may appropriately make guaranties of currency transfer under Section 111 (b) (3) of the Economic Cooperation Act of 1948.

2. The Royal Norwegian Government agrees that if the Government of the United States of America makes payment in United States dollars to any person under such a guaranty, any Norwegian kroner, or credits in Norwegian kroner, assigned or transferred to the Government of the United States of America pursuant to that Section shall be recognized as property of the Government of the United States of America.

ARTICLE IV

(Local Currency)

1. The provisions of this Article shall apply only with respect to assistance which may be furnished by the Government of the United States of America on a grant basis.

2. The Royal Norwegian Government will establish a special account in the Bank of Norway in the name of the Royal Norwegian Government (hereinafter called the Special Account) and will make deposits in Norwegian kroner to this account as follows:

(a) The unencumbered balances of the deposits made by the Royal Norwegian Government pursuant to the exchange of notes between the two Governments dated April 22, 1948.⁵

(b) Amounts commensurate with the indicated dollar cost to the Government of the United States of America of commodities, services and technical information (including any costs of processing, storing, transporting, repairing or other services incident thereto) made available to Norway on a grant basis by any means authorized under the Economic Cooperation Act of 1948, less, however, the amount of the deposits made pursuant to the exchange of notes referred to in subparagraph (a). The Government of the United States of America shall from time to time notify the Royal Norwegian Government of the indicated dollar cost of any such commodities, services and technical information, and the Royal Norwegian Government will thereupon deposit in the Special Account a commensurate amount of Norwegian kroner computed at a rate of exchange which shall be the par value agreed at such time with the International Monetary Fund. The Royal Norwegian Government may at any time make advance deposits in the Special Account which shall be credited against subsequent notifications pursuant to this paragraph.

3. The Government of the United States of America will from time to time notify the Royal Norwegian Government of its requirements for administrative expenditures in Norwegian kroner within Norway incident to operations under the Economic Cooperation Act of 1948, and the Royal Norwegian Government will thereupon make such sums available out of any balances in the Special Account in the manner requested by the Government of the United States of America in the notification.

4. Five percent of each deposit made pursuant to this Article in respect of assistance furnished under authority of the Foreign Aid Appropriation Act, 1949,⁶ shall be allocated to the use of the Government of the United States of America for its expenditures in Norway, and sums made available

⁵Not printed here; for background, see *Department of State Bulletin*, May 23, 1948, p. 686.

⁶62 Stat. 1054.

pursuant to paragraph 3 of this Article shall first be charged to the amounts allocated under this paragraph.

5. The Royal Norwegian Government will further make such sums of Norwegian kroner available out of any balances in the Special Account as may be required to cover costs (including port, storage, handling and similar charges) of transportation from any point of entry in Norway to the consignee's designated point of delivery in Norway of such relief supplies and packages as are provided for in Section 117 (c) of the Economic Cooperation Act of 1948.

6. The Royal Norwegian Government may draw upon any remaining balance in the Special Account for such purposes as may be agreed from time to time with the Government of the United States of America. In considering proposals put forward by the Royal Norwegian Government for drawings from the Special Account, the Government of the United States of America will take into account the need for promoting or maintaining internal monetary and financial stabilization in Norway and for stimulating productive activity and international trade and the exploration for and development of new sources of wealth within Norway, including in particular:

(a) expenditures upon projects or programs, including those which are part of a comprehensive program for the development of the productive capacity of Norway and the other participating countries, and projects or programs the external costs of which are being covered by assistance rendered by the Government of the United States of America under the Economic Cooperation Act of 1948 or otherwise, or by loans from the International Bank for Reconstruction and Development;

(b) expenditures upon the exploration for and development of additional production of materials which may be required in the United States of America because of deficiencies or potential deficiencies in the resources of the United States of America; and

(c) effective retirement of the national debt, especially the debt held by the Bank of Norway or other banking institutions.

7. Any unencumbered balance other than unexpended amounts allocated under paragraph 4 of this Article remaining in the Special Account on June 30, 1952, shall be disposed of within Norway for such purposes as may hereafter be agreed between the Government of the United States of America and the Royal Norwegian Government, it being understood that the Agreement of the United States of America shall be subject to approval by Act or joint resolution of the Congress of the United States of America.

ARTICLE V

(Access to Materials)

1. The Royal Norwegian Government will facilitate the transfer to the United States of America, for stockpiling or other purposes, of materials orig-

inating in Norway which are required by the United States of America as a result of deficiencies or potential deficiencies in its own resources, upon such reasonable terms of sale, exchange, barter or otherwise, and in such quantities, and for such period of time, as may be agreed to between the Government of the United States of America and the Royal Norwegian Government, after due regard for the reasonable requirements of Norway for domestic use and commercial export of such materials. The Royal Norwegian Government will take such specific measures as may be necessary to carry out the provisions of this paragraph, including the promotion of the increased production of such materials within Norway, and the removal of any hindrances to the transfer of such materials to the United States of America. The Royal Norwegian Government will, when so requested by the Government of the United States of America, enter into negotiations for detailed arrangements necessary to carry out the provisions of this paragraph.

2. The Royal Norwegian Government will, when so requested by the Government of the United States of America, negotiate such arrangements as are appropriate to carry out the provisions of paragraph (9) of sub-Section 115 (b) of the Economic Cooperation Act of 1948, which relates to the development and transfer of materials required by the United States of America.

3. The Royal Norwegian Government, when so requested by the Government of the United States of America, will cooperate, whenever appropriate, to further the objectives of paragraphs 1 and 2 of this Article in respect of materials originating outside of Norway.

ARTICLE VI (Travel Arrangements)

The Royal Norwegian Government will cooperate with the Government of the United States of America in facilitating and encouraging the promotion and development of travel by citizens of the United States of America to and within participating countries.

ARTICLE VII (Consultation and Transmittal of Information)

1. The two Governments will, upon the request of either of them, consult regarding any matter relating to the application of this Agreement or to operations or arrangements carried out pursuant to this Agreement.

2. The Royal Norwegian Government will communicate to the Government of the United States of America in a form and at intervals to be indicated by the latter after consultation with the Royal Norwegian Government:

(a) detailed information of projects, programs and measures proposed or adopted by the Royal Norwegian Government to carry out the provi-

sions of this Agreement and the General Obligations of the Convention for European Economic Cooperation;

(b) full statements of operations under this Agreement including a statement of the use of funds, commodities and services received thereunder, such statements to be made in each calendar quarter;

(c) information regarding its economy and any other relevant information, necessary to supplement that obtained by the Government of the United States of America from the Organization for European Economic Cooperation, which the Government of the United States of America may need to determine the nature and scope of operations under the Economic Cooperation Act of 1948, and to evaluate the effectiveness of assistance furnished or contemplated under this Agreement and generally the progress of the joint recovery program.

3. The Royal Norwegian Government will assist the Government of the United States of America to obtain information relating to the materials originating in Norway referred to in Article V which is necessary to the formulation and execution of the arrangements provided for in that Article.

ARTICLE VIII

(Publicity)

1. The Government of the United States of America and the Royal Norwegian Government recognize that it is in their mutual interest that full publicity be given to the objectives and progress of the joint program for European recovery and of the actions taken in furtherance of that program. It is recognized that wide dissemination of information on the progress of the program is desirable in order to develop the sense of common effort and mutual aid which are essential to the accomplishment of the objectives of the program.

2. The Government of the United States of America will encourage the dissemination of such information and will make it available to the media of public information.

3. The Royal Norwegian Government will encourage the dissemination of such information both directly and in cooperation with the Organization for European Economic Cooperation. It will make such information available to the media of public information and take all practicable steps to ensure that appropriate facilities are provided for such dissemination. It will further provide other participating countries and the Organization for European Economic Cooperation with full information on the progress of the program for economic recovery.

4. The Royal Norwegian Government will make public in Norway in each calendar quarter, full statements of operations under this Agreement, including information as to the use of funds, commodities and services received.

ARTICLE IX

(Missions)

1. The Royal Norwegian Government agrees to receive a Special Mission for Economic Cooperation which will discharge the responsibilities of the Government of the United States of America in Norway under this Agreement.

2. The Royal Norwegian Government will, upon appropriate notification from the Ambassador of the United States of America in Norway, consider the Special Mission and its personnel, and the United States Special Representative in Europe, as part of the Embassy of the United States of America in Norway for the purpose of enjoying the privileges and immunities accorded to that Embassy and its personnel of comparable rank. The Royal Norwegian Government will further accord appropriate courtesies to the members and staff of the Joint Committee on Foreign Economic Cooperation of the Congress of the United States of America, and grant them the facilities and assistance necessary to the effective performance of their responsibilities.

3. The Royal Norwegian Government, directly and through its representatives on the Organization for European Economic Cooperation, will extend full cooperation to the Special Mission, to the United States Special Representative in Europe and his staff, and to the members and staff of the Joint Committee. Such cooperation shall include the provision of all information and facilities necessary to the observation and review of the carrying out of this Agreement, including the use of assistance furnished under it.

ARTICLE X

(Settlement of Claims of Nationals)

1. The Government of the United States of America and the Royal Norwegian Government agree to submit to the decision of the International Court of Justice any claim espoused by either Government on behalf of one of its nationals against the other Government for compensation for damage arising as a consequence of governmental measures (other than measures concerning enemy property or interests) taken after April 3, 1948, by the other Government and affecting property or interests of such national, including contracts with or concessions granted by duly authorized authorities of such other Government. It is understood that the undertaking of each Government in respect of claims espoused by the other Government pursuant to this paragraph is made in the case of each Government under the authority of and is limited by the terms and conditions of such effective recognition as it has heretofore given to the compulsory jurisdiction of the International Court of Justice under Article 36 of the Statute of the Court.⁷ The provisions

⁷ TIAS 1598, *ante*, vol. 3, p. 1186.

of this paragraph shall be in all respects without prejudice to other rights of access, if any, of either Government to the International Court of Justice or to the espousal and presentation of claims based upon alleged violations by either Government of rights and duties arising under treaties, agreements or principles of international law.

2. The Government of the United States of America and the Royal Norwegian Government further agree that such claims may be referred, in lieu of the Court, to any arbitral tribunal mutually agreed upon.

3. It is further understood that neither Government will espouse a claim pursuant to this Article until its national has exhausted the remedies available to him in the administrative and judicial tribunals of the country in which the claim arose.

ARTICLE XI

(Definitions)

As used in this Agreement the term "participating country" means

(a) any country which signed the Report of the Committee of European Economic Cooperation at Paris on September 22, 1947, and territories for which it has international responsibility and to which the Economic Cooperation Agreement concluded between that country and the Government of the United States of America has been applied, and

(b) any other country (including any of the zones of occupation of Germany, and areas under international administration or control, and the Free Territory of Trieste or either of its zones) wholly or partly in Europe, together with dependent areas under its administration;

for so long as such country is a party to the Convention for European Economic Cooperation and adheres to a joint program for European recovery designed to accomplish the purposes of this Agreement.

ARTICLE XII

(Entry into Force, Amendments, Duration)

1. This Agreement shall become effective on this day's date. Subject to the provisions of paragraphs 2 and 3 of this Article, it shall remain in force until June 30, 1953, and, unless at least six months before June 30, 1953, either Government shall have given notice in writing to the other of intention to terminate the Agreement on that date, it shall remain in force thereafter until the expiration of six months from the date on which such notice shall have been given.

2. If, during the life of this Agreement, either Government should consider there has been a fundamental change in the basic assumptions underlying this Agreement, it shall so notify the other Government in writing and the two Governments will thereupon consult with a view to agreeing upon the

amendment, modification or termination of this Agreement. If, after three months from such notification, the two Governments have not agreed upon the action to be taken in the circumstances, either Government may give notice in writing to the other of intention to terminate this Agreement. Then, subject to the provisions of paragraph 3 of this Article, this Agreement shall terminate either:

(a) six months after the date of such notice of intention to terminate, or

(b) after such shorter period as may be agreed to be sufficient to ensure that the obligations of the Royal Norwegian Government are performed in respect of any assistance which may continue to be furnished by the Government of the United States of America after the date of such notice;

provided, however, that Article V and paragraph 3 of Article VII shall remain in effect until two years after the date of such notice of intention to terminate, but not later than June 30, 1953.

3. Subsidiary agreements and arrangements negotiated pursuant to this Agreement may remain in force beyond the date of termination of this Agreement and the period of effectiveness of such subsidiary agreements and arrangements shall be governed by their own terms. Article IV shall remain in effect until all the sums in the currency of Norway required to be deposited in accordance with its own terms have been disposed of as provided in that Article.

Paragraph 2 of Article III shall remain in effect for so long as the guaranty payments referred to in that Article may be made by the Government of the United States of America.

4. This Agreement may be amended at any time by agreement between the two Governments.

5. The Annex to this Agreement forms an integral part thereof.

6. This Agreement shall be registered with the Secretary-General of the United Nations.

IN WITNESS WHEREOF the respective representatives, duly authorized for the purpose, have signed the present Agreement.

DONE at Oslo, in duplicate, in the English and Norwegian languages, both texts authentic, this 3rd day of July, 1948.

CHARLES ULRICK BAY [SEAL]
HALVARD M. LANGE [SEAL]

ANNEX

Interpretative Notes

1. It is understood that the requirements of paragraph 1 (a) of Article II, relating to the adoption of measures for the efficient use of resources,

would include, with respect to commodities furnished under the Agreement, effective measures for safeguarding such commodities and for preventing their diversion to illegal or irregular markets or channels of trade.

2. It is understood that the obligation under paragraph 1 (c) of Article II to balance the budget would not preclude deficits over a short period but would mean a budgetary policy involving the balancing of the budget in the long run.

3. It is understood that the business practices and business arrangements referred to in paragraph 3 of Article II mean:

- (a) fixing prices, terms or conditions to be observed in dealing with others in the purchase, sale or lease of any product;
- (b) excluding enterprises from, or allocating or dividing, any territorial market or field of business activity, or allocating customers, or fixing sales quotas or purchase quotas;
- (c) discriminating against particular enterprises;
- (d) limiting production or fixing production quotas;
- (e) preventing by agreement the development or application of technology or invention whether patented or unpatented;
- (f) extending the use of rights under patents, trade marks or copyrights granted by either country to matters which, according to its laws and regulations, are not within the scope of such grants, or to products or conditions of production, use or sale which are likewise not the subjects of such grants;
- (g) such other practices as the two Governments may agree to include.

4. It is understood that the Royal Norwegian Government is obligated to take action in particular instances in accordance with paragraph 3 of Article II only after appropriate investigation or examination.

5. It is understood that the phrase in Article V "after due regard for the reasonable requirements of Norway for domestic use" would include the maintenance of reasonable stocks of the materials concerned and that the phrase "commercial export" might include barter transactions. It is also understood that arrangements negotiated under Article V might appropriately include provision for consultation, in accordance with the principles of Article 32 of the Havana Charter for an International Trade Organization,⁸ in the event that stockpiles are liquidated.

6. It is understood that the Royal Norwegian Government will not be requested, under paragraph 2(a) of Article VII, to furnish detailed infor-

⁸ Unperfected. Art. 32(3) of the Havana Charter reads as follows:

"Such Member shall, at the request of any Member which considers itself substantially interested, consult as to the best means of avoiding substantial injury to the economic interests of producers and consumers of the primary commodity in question. In cases where the interests of several Members might be substantially affected, the Organization may participate in the consultations, and the Member holding the stocks shall give due consideration to its recommendations."

mation about minor projects or confidential commercial or technical information the disclosure of which would injure legitimate commercial interests.

7. It is understood that the Government of the United States of America in making the notifications referred to in paragraph 2 of Article IX would bear in mind the desirability of restricting, so far as practicable, the number of officials for whom full diplomatic privileges would be requested. It is also understood that the detailed application of Article IX would, when necessary, be the subject of intergovernmental discussion.

8. It is understood that any agreements which might be arrived at pursuant to paragraph 2 of Article X would be subject to the Ratification of the Senate of the United States of America.

CHARLES ULRICK BAY [SEAL]
HALVARD M. LANGE [SEAL]

MOST-FAVORED-NATION TREATMENT FOR AREAS UNDER OCCUPATION OR CONTROL

Exchange of notes at Oslo July 3, 1948

Entered into force July 3, 1948

Expired in accordance with its terms

62 Stat. 2924; Treaties and Other
International Acts Series 1832

The American Ambassador to the Minister of Foreign Affairs

No. 607

OSLO, July 3, 1948

EXCELLENCY:

I have the honor to refer to the conversations which have recently taken place between the representatives of our two Governments relating to the territorial application of commercial arrangements between the United States of America and Norway and to confirm the understanding reached as a result of these conversations as follows:

1. For such time as the Government of the United States of America participates in the occupation or control of any areas in western Germany, the Free Territory of Trieste, Japan or southern Korea, the Royal Norwegian Government will apply to the merchandise trade of such area the provisions of the General Agreement on Tariffs and Trade, dated October 30, 1947,¹ as now or hereafter amended, relating to the most-favored-nation treatment.

2. The undertaking in point 1, above, will apply to the merchandise trade of any area referred to therein only for such time and to such extent as such area accords reciprocal most-favored-nation treatment to the merchandise trade of Norway.

3. The undertakings in points 1 and 2, above, are entered into in the light of the absence at the present time of effective or significant tariff barriers to imports into the areas herein concerned. In the event that such tariff barriers are imposed, it is understood that such undertakings shall be without prejudice to the application of the principles set forth in the Havana

¹ TIAS 1700, *ante*, vol. 4, p. 641.

Charter for an International Trade Organization ² relating to the reduction of tariffs on a mutually advantageous basis.

4. It is recognized that the absence of a uniform rate of exchange for the currency of the areas in western Germany, Japan or southern Korea referred to in point 1, above, may have the effect of indirectly subsidizing the exports of such areas to an extent which it would be difficult to calculate exactly. So long as such a condition exists, and if consultation with the Government of the United States of America fails to reach an agreed solution to the problem, it is understood that it would not be inconsistent with the undertaking in point 1 for the Royal Norwegian Government to levy a countervailing duty on imports of such goods equivalent to the estimated amount of such subsidization, where the Royal Norwegian Government determines that the subsidization is such as to cause or threaten material injury to an established domestic industry or is such as to prevent or materially retard the establishment of a domestic industry.

5. The undertakings in this note shall remain in force until January 1, 1951, and unless at least six months before January 1, 1951, either Government shall have given notice in writing to the other of intention to terminate these undertakings on that date, they shall remain in force thereafter until the expiration of six months from the date on which such notice shall have been given.

Please accept, Excellency, the renewed assurances of my highest consideration.

C. ULRICK BAY

His Excellency

Monsieur HALVARD M. LANGE,
*Royal Norwegian Minister
 for Foreign Affairs,
 Oslo.*

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

THE ROYAL DEPARTMENT
 FOR FOREIGN AFFAIRS

OSLO, July 3, 1948

MR. AMBASSADOR:

I have the honor to refer to the conversations which recently took place between representatives of our two Governments regarding the territorial application of certain trade regulations in force between Norway and the

² Unperfected; for excerpts, see *A Decade of American Foreign Policy: Basic Documents, 1941-49* (S. Doc. 123, 81st Cong., 1st sess.), p. 391.

United States of America, and to confirm the following agreement reached during the said conversations:

[For terms of agreement, see numbered paragraphs in U.S. note, above.]

Accept, Mr. Ambassador, the assurance of my highest consideration.

HALVAR M. LANGE

His Excellency

CHARLES ULRICK BAY,
Ambassador of the United States of America,
etc. etc. etc.,
Oslo.

WAIVER OF CERTAIN VISA REQUIREMENTS

*Exchange of notes at Washington September 10 and October 19,
1948*

Entered into force October 19, 1948

62 Stat. 3649; Treaties and Other
International Acts Series 1884

The Norwegian Chargé d'Affaires ad interim to the Secretary of State

NORWEGIAN EMBASSY
WASHINGTON, D.C.

No. : 257

The Chargé d'Affaires ad interim of Norway presents his compliments to His Excellency the Secretary of State and, acting upon instructions from the Norwegian Ministry of Foreign Affairs, has the honor to inform the Secretary that notwithstanding the exchange of notes of the 7th and the 29th of July, 1947,¹ according to which a visa is required for American citizens proceeding to Norwegian territory outside continental Norway, a visa will not be required for American citizens travelling to Svalbard (Spitsbergen).

Further the Secretary is informed that visa-requirements for American citizens proceeding to Jan Mayen, and the Norwegian Dependencies Bouvet Islands, Peter I's Island and Queen Maud Land are temporarily suspended.²

WASHINGTON, D.C., September 10, 1948

The Acting Secretary of State to the Norwegian Chargé d'Affaires ad interim

The Acting Secretary of State presents his compliments to the Chargé d'Affaires ad interim of Norway and acknowledges the receipt of the Embassy's note No. 257 of September 10, 1948, wherein it is stated that visas will not be required for American citizens proceeding to Svalbard (Spits-

¹ TIAS 1644, *ante*, p. 563.

² The Norwegian Embassy informed the Department of State on Sept. 10, 1948, that the term "temporarily suspended" means "temporarily waived".

bergen), and that visa requirements for American citizen proceeding to Jan Mayen, and the Norwegian Dependencies Bouvet Island, Peter I's Island and Queen Maud Land are temporarily suspended.

H.J.L.

DEPARTMENT OF STATE,

Washington, October 19, 1948.

FINANCING OF EDUCATIONAL EXCHANGE PROGRAM

Agreement and exchange of notes signed at Oslo May 25, 1949

Entered into force May 25, 1949

*Amended by agreements of August 12 and October 30, 1954;¹
June 15, 1955; ² June 21, 1960; ³ and March 16, 1964 ⁴*

63 Stat. 2764; Treaties and Other
International Acts Series 2000

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF
AMERICA AND THE ROYAL NORWEGIAN GOVERNMENT FOR THE USE OF
FUNDS MADE AVAILABLE IN ACCORDANCE WITH THE LETTER CREDIT
AGREEMENT DATED JUNE 18, 1946, ACCEPTED BY THE ROYAL NORWEGIAN
GOVERNMENT ON JULY 29, 1946 ⁵

The Government of the United States of America and the Royal Norwegian Government;

Desiring to promote further mutual understanding between the peoples of the United States of America and Norway by a wider exchange of knowledge and professional talents through educational contacts;

Considering that Section 32(b) of the United States Surplus Property Act of 1944, as amended by Public Law No. 584, 79th Congress,⁶ provides that the Secretary of State of the United States of America may enter into an agreement with any foreign government for the use of currencies or credits for currencies of such foreign government acquired as a result of surplus property disposals for certain educational activities; and

Considering that under the provisions of the letter credit agreement dated June 18, 1946, addressed to the Minister of Finance, Oslo, Norway, from Horace C. Reed, Acting Central Field Commissioner for Europe, Office of the Foreign Liquidation Commissioner, United States of America, accepted by Erik Brofoss on July 29, 1946 (hereinafter designated "the Letter Credit Agreement") it is provided that in the event the Government of the United States wishes to receive local currency of the Royal Norwegian Government

¹ 5 UST 2545; TIAS 3118.

² 6 UST 2103; TIAS 3282.

³ 11 UST 1602; TIAS 4503.

⁴ 15 UST 241; TIAS 5545.

⁵ For a modification of the title, see agreement of June 15, 1955 (6 UST 2103; TIAS 3282).

⁶ 60 Stat. 754.

for the payment of any or all expenditures in Norway of the Government of the United States and its agencies (i.e. Embassy, Consular, and similar civilian expenditures), the Government of the United States may request at any time or times, and the Royal Norwegian Government agrees to furnish at such time or times, Norwegian currency at an exchange rate as provided in sub-paragraph (4)(b) of the Letter Credit Agreement, in any amount not in excess of the net outstanding balance of principal (whether or not then due in United States dollars) plus interest (then due in United States dollars) payable under the terms of this letter. In the event that local currency is received by the Government of the United States under the terms of this paragraph, the United States dollar equivalent of the amount received shall be credited first to past due interest, if any, and then pro rata to all remaining unpaid installments of principal.⁷

Have agreed as follows:

ARTICLE 1⁸

There shall be established a foundation to be known as the United States Educational Foundation in Norway (hereinafter designated "the Foundation"), which shall be recognized by the Government of the United States of America and the Royal Norwegian Government as an organization created and established to facilitate the administration of the educational program to be financed by funds made available by the Royal Norwegian Government under the terms of the present agreement. Except as provided in Article 3 hereof the Foundation shall be exempt from the domestic and local laws of the United States of America and Norway as they relate to the use and expenditures of currencies, and credits for currencies, for the purposes set forth in the present agreement.

The funds made available under the present agreement by the Royal Norwegian Government, within the conditions and limitation hereinafter set forth, shall be used by the Foundation or such other instrumentality as may be agreed upon by the Government of the United States of America and the Royal Norwegian Government for the purpose, as set forth in Section 32 (b) of the United States Surplus Property Act of 1944, as amended, of

(1) financing studies, research, instruction, and other educational activities of or for citizens of the United States of America in schools and institutions of higher learning located in Norway or of nationals of Norway in United States schools and institutions of higher learning located outside the conti-

⁷For amendments to preamble, see agreements of Aug. 12 and Oct. 30, 1954 (5 UST 2545; TIAS 3118), and Mar. 16, 1964 (15 UST 241; TIAS 5545); for addition of a paragraph, see agreement of June 15, 1955 (6 UST 2103; TIAS 3282).

⁸For amendments to art. 1, see agreements of Aug. 12 and Oct. 30, 1954 (5 UST 2545; TIAS 3118), June 15, 1955 (6 UST 2103; TIAS 3282), and Mar. 16, 1964 (15 UST 241; TIAS 5545).

ntental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, including payment for transportation, tuition, maintenance, and other expenses incident to scholastic activities; or

(2) furnishing transportation for nationals of Norway who desire to attend United States schools and institutions of higher learning in the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands and whose attendance will not deprive citizens of the United States of America of an opportunity to attend such schools and institutions.

ARTICLE 2⁹

In furtherance of the aforementioned purposes, the Foundation may, subject to the provisions of Article 10 of the present agreement, exercise all powers necessary to the carrying out of the purposes of the present agreement including the following:

(1) Receive funds.

(2) Open and operate bank accounts in the name of the Foundation in a depository or depositories to be designated by the Secretary of State of the United States of America.

(3) Disburse funds and make grants and advances of funds for the authorized purposes of the Foundation.

(4) Acquire, hold, and dispose of property in the name of the Foundation as the Board of Directors of the Foundation may consider necessary or desirable, provided however that the acquisition of any real property shall be subject to the prior approval of the Secretary of State of the United States of America.

(5) Plan, adopt, and carry out programs, in accordance with the purposes of Section 32 (b) of the United States Surplus Property Act of 1944, as amended, and the purposes of the present agreement.

(6) Recommend to the Board of Foreign Scholarships provided for in the United States Surplus Property Act of 1944, as amended, students, professors, research scholars, resident in Norway, and institutions of Norway qualified to participate in the programs in accordance with the aforesaid Act.

(7) Recommend to the aforesaid Board of Foreign Scholarships such qualifications for the selection of participants in the programs as it may deem necessary for achieving the purpose and objectives of the Foundation.

(8) Provide for periodic audits of the accounts of the Foundation as directed by the auditors selected by the Secretary of State of the United States of America.

(9) Engage administrative and clerical staff and fix and pay the salaries and wages thereof.

⁹ For amendments to arts. 2 and 3, see agreement of Mar. 16, 1964 (15 UST 241; TIAS 5545).

ARTICLE 3⁹

All expenditures by the Foundation shall be made pursuant to an annual budget to be approved by the Secretary of State of the United States of America pursuant to such regulations as he may prescribe.

ARTICLE 4

The Foundation shall not enter into any commitment or create any obligation which shall bind the Foundation in excess of the funds actually on hand nor acquire, hold, or dispose of property except for the purposes authorized in the present agreement.

ARTICLE 5

The management and direction of the affairs of the Foundation shall be vested in a Board of Directors consisting of eight Directors (hereinafter designated the "Board"), four of whom shall be citizens of the United States of America and four of whom shall be nationals of Norway. In addition, the principal officer in charge of the Diplomatic Mission of the United States of America to Norway (hereinafter designated "Chief of Mission") shall be Honorary Chairman of the Board. He shall cast the deciding vote in the event of a tie vote by the Board and shall appoint the Chairman of the Board. The Chairman as a regular member of the Board shall have the right to vote. The citizens of the United States of America on the Board, at least two of whom shall be officers of the United States Foreign Service establishment in Norway, shall be appointed and removed by the Chief of Mission; the nationals of Norway on the Board shall be appointed and removed by the Norwegian Minister of Church and Education.

The Directors shall serve from the time of their appointment until the following December 31 and shall be eligible for reappointment. Vacancies by reason of resignation, transfer of residence outside Norway, expiration of service or otherwise, shall be filled in accordance with the appointment procedure set forth in this article.

The Directors shall serve without compensation but the Foundation is authorized to pay the necessary expenses of the Directors in attending the meetings of the Board.

ARTICLE 6

The Board shall adopt such bylaws and appoint such committees as it shall deem necessary for the conduct of the affairs of the Foundation.

ARTICLE 7¹⁰

Reports as directed by the Secretary of State of the United States of America shall be made annually on the activities of the Foundation to the

¹⁰ For an amendment to art. 7, see *ibid.*

Secretary of State of the United States of America and the Royal Norwegian Government.

ARTICLE 8

The principal office of the Foundation shall be in Oslo but meetings of the Board and any of its committees may be held in such other places as the Board may from time to time determine, and the activities of any of the Foundation's officers or staff may be carried on at such places as may be approved by the Board.

ARTICLE 9

The Board may appoint an Executive Officer and determine his salary and term of service, provided however, that in the event it is found to be impracticable for the Board to secure an appointee acceptable to the Chairman, the Government of the United States may provide an Executive Officer and such assistants as may be deemed necessary to ensure the effective operation of the program. The Executive Officer shall be responsible for the direction and supervision of the Board's programs and activities in accordance with the Board's resolutions and directives. In his absence or disability, the Board may appoint a substitute for such time as it deems necessary or desirable.

ARTICLE 10

The decisions of the Board in all matters may, in the discretion of the Secretary of State of the United States of America, be subject to his review.

ARTICLE 11¹¹

The Royal Norwegian Government shall, subsequent to 30 days of the date of the signature of the present agreement, deposit such amounts of currency of the Royal Norwegian Government as may be requested by the Government of the United States of America until an aggregate amount of the currency of the Royal Norwegian Government equivalent to \$1,250,000 (United States currency) shall have been so deposited, provided however, that in no event shall a total amount of the currency of the Royal Norwegian Government in excess of the equivalent of \$250,000 (United States currency) be deposited during any single calendar year.

The rate of exchange between currency of the Royal Norwegian Government and United States currency to be used in determining the amount of currency of the Royal Norwegian Government to be deposited from time to time hereunder, shall be determined in accordance with sub-paragraph (4)(b) of the Letter Credit Agreement.

The Royal Norwegian Government shall guarantee the United States of America against loss resulting from any alteration in the above rate of ex-

¹¹ For amendments to art. 11, see agreements of Aug. 12 and Oct. 30, 1954 (5 UST 2545; TIAS 3118), June 15, 1955 (6 UST 2103; TIAS 3282), June 21, 1960 (11 UST 1602; TIAS 4503), and Mar. 16, 1964 (15 UST 241; TIAS 5545).

change or from any currency conversion with respect to any currency of the Royal Norwegian Government received hereunder and held by the Treasurer of the United States of America or by the Foundation by undertaking to pay to the Government of the United States of America such amounts of currency of the Royal Norwegian Government as are necessary to maintain the dollar value of such currency of the Royal Norwegian Government as is held by the Treasurer of the United States of America or the Foundation. The purpose of this provision is to assure that the operations of the Foundation will not be interrupted or restricted by any deficits resulting from alterations in the above rate of exchange, or from currency conversions.

The Secretary of the State of the United States of America will make available for expenditure by the Foundation currency of the Royal Norwegian Government in such amounts as may be required by the Foundation but in no event in excess of the budgetary limitation established pursuant to Article 3 of the present agreement.

ARTICLE 12

Furniture, equipment, supplies, and any other articles intended for official use of the Foundation shall be exempt in the territory of Norway from customs duties, excises, and surtaxes, and every other form of taxation.

All funds and other property used for the purposes of the Foundation, and all official acts of the Foundation within the scope of its purposes shall likewise be exempt from taxation of every kind in the territory of Norway.

ARTICLE 13

The Government of the United States of America and the Royal Norwegian Government shall make every effort to facilitate the exchange of persons under programs authorized in this agreement and to resolve problems which may arise in the operation thereof.

ARTICLE 14

Wherever, in the present agreement, the term "Secretary of State of the United States of America", is used it shall be understood to mean the Secretary of State of the United States of America or any officer or employee of the Government of the United States of America designated by him to act in his behalf.

ARTICLE 15

The present agreement may be amended by the exchange of diplomatic notes between the Government of the United States of America and the Royal Norwegian Government.

ARTICLE 16

The present agreement shall come into force upon the date of signature.

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

DONE at Oslo in duplicate, in the English and Norwegian languages, this 25th day of May 1949.

For the Government of the United States of America:

HENRY S. VILLARD [SEAL]

For den Kongelige Norske Regjering:

HALVAR M. LANGE [SEAL]

EXCHANGE OF NOTES

*The Minister of Foreign Affairs to the American Chargé d'Affaires
ad interim*

[TRANSLATION]

THE ROYAL DEPARTMENT
OF FOREIGN AFFAIRS

OSLO, May 25, 1949

MR. CHARGÉ D'AFFAIRES:

I refer to the negotiations which have been conducted between the Royal Norwegian Government and the Government of the United States of America and which have led to the signing today of an agreement between the two countries concerning the use of the funds made available under the Credit Agreement of June 18, 1946, ratified by the Royal Norwegian Government on July 29, 1946, and have the honor to assure the Government of the United States of America that the Royal Norwegian Government, with a view to obtaining the best possible use of the funds covered by the Agreement signed today, will, if necessary by proposing a legislative amendment, arrange for the granting of exemption from taxation and the removal of other charges in connection with entry into Norway, and travel and residence in Norway, for citizens of the United States who participate in educational work on behalf of the United States Educational Foundation in Norway, to the same extent as Norwegian citizens in the United States engaged in similar work are granted such privileges.

Accept, Mr. Chargé d'Affaires, the assurance of my high consideration.

HALVAR M. LANGE

Mr. HENRY S. VILLARD,

*Chargé d'Affaires ad interim of the
United States of America,
etc., etc.*

The American Chargé d'Affaires ad interim to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 116

Oslo, May 25, 1949

EXCELLENCY:

I have the honor to acknowledge the receipt of your note dated May 25, 1949 concerning the use of funds made available in accordance with the Letter Credit Agreement of June 18, 1946. It is understood that it is the intention of the Royal Norwegian Government to arrange, if necessary by proposal for an amendment of existing legislation, that exemption from taxation be granted and that other burdens affecting entry, travel and residence in Norway for citizens of the United States who participate in educational activities on behalf of the United States Educational Foundation in Norway be removed to the same extent that Norwegian citizens in the United States engaged in similar activities are granted such privileges.

Please accept, Excellency, the renewed assurances of my highest consideration.

HENRY S. VILLARD

His Excellency

HALVARD M. LANGE,
*Royal Norwegian Minister
of Foreign Affairs,
Oslo.*

DOUBLE TAXATION: TAXES ON INCOME

Convention signed at Washington June 13, 1949

Ratified by Norway August 12, 1951

*Senate advice and consent to ratification, with an understanding,
September 17, 1951*

*Ratified by the President of the United States, with an understanding,
November 26, 1951*

Ratifications exchanged at Washington December 11, 1951

Entered into force December 11, 1951

Proclaimed by the President of the United States December 13, 1951

Modified and supplemented by convention of July 10, 1958¹

[For text, see 2 UST 2323; TIAS 2357.]

DOUBLE TAXATION: ESTATE TAXES

Convention signed at Washington June 13, 1949

Ratified by Norway August 12, 1951

*Senate advice and consent to ratification, with a reservation, Sep-
tember 17, 1951*

*Ratified by the President of the United States, with a reservation,
November 26, 1951*

Ratifications exchanged at Washington December 11, 1951

Entered into force December 11, 1951

Proclaimed by the President of the United States December 13, 1951

[For text, see 2 UST 2353; TIAS 2358.]

¹ 10 UST 1924; TIAS 4360.

RELIEF ASSISTANCE

Exchange of notes at Oslo October 31, 1949

Entered into force October 31, 1949

64 Stat. B71; Treaties and Other
International Acts Series 2006

*The American Chargeé d'Affaires ad interim to the Minister of Foreign
Affairs*

AMERICAN EMBASSY

Oslo, October 31, 1949

No. 252

EXCELLENCY:

I have the honor to propose that for the purpose of giving effect to Article IV paragraph 5, of the Economic Cooperation Agreement between the Royal Norwegian Government and the Government of the United States of America signed on July 3, 1948¹ (hereinafter referred to as the Economic Cooperation Agreement), an agreement shall be made between the Governments of Norway and the United States in the following terms :

For the purpose of this agreement "RELIEF SUPPLIES" mean bulk supplies and standard packs, donated to or purchased by United States voluntary non-profit relief agencies (including CARE) qualified under Economic Cooperation Administration (hereinafter referred to as ECA) regulations, including Norwegian branches of these agencies which have been or hereafter shall be approved by the Royal Norwegian Government.

The Royal Norwegian Goverment shall accord duty-free entry into Norway of relief supplies provided the supplies qualify under ECA regulations and are approved by the Royal Norwegian Government.

With respect to transportation charges (as defined in paragraph 5 of Article IV of the Economic Cooperation Agreement) in Norway on relief supplies originally dispatched from the United States and forwarded to addressees in Norway by an approved agent of the shipper, by Norwegian carrier or by parcel post service, the Royal Norwegian Government shall reimburse such agent, carrier or parcel post service for such charges out of the special account established under paragraph 2 of Article IV of the

¹ TIAS 1792, *ante*, p. 580.

Economic Cooperation Agreement upon presentation of documentation satisfactory to the governments of Norway and the United States of America. It is understood that such charges shall include charges incidental to transportation which may be incurred in Norway by an agent of a shipper.

The Royal Norwegian Government shall make payments out of the special account for the purposes mentioned in the immediately preceding paragraph, and shall submit to the ECA Mission in Norway with a copy to the Controller, ECA Washington, monthly statements of the amounts so expended in form satisfactory to the Royal Norwegian Government and the said Mission, provided that each such statement shall at least show total weight carried and charges therefor, and adjustments shall be made to the special account if shown to be required by ECA audit.

So far as practicable effect shall be given to the two paragraphs above dealing with transportation charges and auditing and reimbursement as though they had come into force on April 3, 1948.

(a) The present Agreement shall come into force immediately. Subject to the provisions of sub-paragraph (b) of this paragraph and to such modification as may be agreed upon between the competent authorities of the Government of the United States and the Royal Norwegian Government, it shall remain in force for the same period as the Economic Cooperation Agreement.

(b) The Agreement may be terminated by six months' notice given in writing by either party to the other at any time.

Upon receipt of your confirmation of this understanding, the agreement will be understood as completed.

Accept, Sir, the renewed assurances of my highest esteem.

HENRY S. VILLARD
Chargé d'Affaires ad interim

His Excellency

Mr. HALVARD M. LANGE
Royal Norwegian Minister for Foreign Affairs
Oslo

*The Minister of Foreign Affairs to the American Chargé d'Affaires
ad interim*

MINISTÈRE
DES
AFFAIRES ÉTRANGÈRES

OSLO, 31st October, 1949

SIR,

I have the honour to acknowledge the receipt of your note of today's date in which you propose that for the purpose of giving effect to Article IV, paragraph 5, of the Economic Cooperation Agreement between the Royal

Norwegian Government and the Government of the United States of America, signed on the 3rd July, 1948 (hereinafter referred to as the Economic Cooperation Agreement), an agreement shall be made between the Governments of Norway and the United States in the following terms:

[For terms of agreement, see U.S. note, above.]

I have the honour to inform you that the Royal Norwegian Government agree to the proposals contained in your note and will regard that note and the present reply as constituting an agreement on this matter between the two Governments.

Accept, Sir, the assurances of my high consideration.

For the Minister:

R. B. SKYLSTAD

Secretary General

HENRY S. VILLARD,

Chargeé d' Affaires a.i.

of the United States of America,

etc., etc.

Oslo.

Orange Free State

FRIENDSHIP, COMMERCE, AND EXTRADITION

Convention signed at Bloemfonten December 22, 1871

Senate advice and consent to ratification April 24, 1872

Ratified by the President of the United States April 27, 1872

Ratified by the Orange Free State May 10, 1872

Ratifications exchanged at Washington August 18, 1873

Entered into force August 18, 1873

Proclaimed by the President of the United States August 23, 1873

Terminated January 4, 1895¹

Treaty Series 265

The United States of America and the Orange Free State, equally animated by the desire to draw more closely the bonds of friendship, which so happily exist between the two republics, as well as to augment, by all the means at their disposal the commercial intercourse of their respective citizens, have mutually resolved to conclude a general convention of friendship, commerce and extradition.

For this purpose they have appointed as their plenipotentiaries, to wit: The President of the United States Willard W. Edgcomb, special agent of the United States and their consul at the Cape of Good Hope, and the President of the Orange Free State Friedrich Kaufman Höhne gov. secty., who, after communication of their respective full powers, have agreed to the following articles:

ARTICLE I

The citizens of the United States of America and the citizens of the Orange Free State, shall be admitted and treated upon a footing of reciprocal equality in the two countries, where such admission and treatment shall not conflict with the constitutional or legal provisions of the contracting parties. No pecuniary or other more burdensome condition shall be imposed upon them, than upon the citizens of the country where they reside, nor any condition whatever to which the latter shall not be subject.

The foregoing privileges, however, shall not extend to the enjoyment of political rights.

¹ Pursuant to notice of denunciation given by the Orange Free State.

ARTICLE II

The citizens of one of the two countries residing or established in the other, shall be free from personal military service; but they shall be liable to the pecuniary or other contributions which may be required, by way of compensation, from citizens of the country where they reside, who are exempt from the said service.

No higher impost, under whatever name shall be exacted from the citizens of one of the two countries residing or established in the other, than shall be levied upon citizens of the country, in which they reside, nor any contribution whatever, to which the latter shall not be liable.

In case of war, or of the seizure or occupation of property, for public purposes, the citizens of one of the two countries, residing or established in the other, shall be placed upon an equal footing with the citizens of the country in which they reside, with respect to indemnities for damages they may have sustained.

ARTICLE III

The citizens of each one of the contracting parties shall have power to dispose of their personal property within the jurisdiction of the other, by sale, testament, donation or in any other manner, and their heirs, whether by testament or ab intestato, or their successors, being citizens of the other party, shall succeed to the said property or inherit it, and they may take possession thereof, either by themselves or by others acting for them, they may dispose of the same as they may think proper, paying no other charges than those to which the inhabitants of the country wherein the said property is situated, shall be liable to pay in a similar case. In the absence of such heir, heirs or other successors, the same care shall be taken by the authorities for the preservation of the property that would be taken for the preservation of the property of a native of the same country, until the lawful proprietor shall have had time to take measures for possessing himself of the same.

But in case real estate situated within the territories of one of the contracting parties should fall to a citizen of the other party, who, on account of his being an alien, could not be permitted to hold such property, there shall be accorded to the said heir or other successor, such term as the laws will permit to sell such property, he shall be at liberty at all times to withdraw and export the proceeds thereof without difficulty, and without paying to the government any other charges than those which, in a similar case, would be paid by an inhabitant of the country in which the real estate may be situated.

ARTICLE IV

Any controversy which may arise among the claimants to the property of a decedent, shall be decided according to the laws and by the judges of the country, in which the property may be situated.

ARTICLE V

The contracting parties give to each other the privilege of having, each in their respective States, consuls and vice-consuls of their own appointment, who shall enjoy the same privileges as those of the most favored nation.

But before any consul or vice-consul shall act as such, he shall in the ordinary form, be approved by the government of the country in which his functions are to be discharged.

In their private and business transactions consuls and vice-consuls, shall be submitted to the same laws and usages as private individuals, citizens of the place in which they reside.

It is hereby understood that in case of offence against the laws by a consul or vice-consul, the government from which [he receives] his exequatur may withdraw the same, send him away from the country, or have him punished in conformity with the laws, assigning to the other government, its reason for so doing.

The archives and papers belonging to the consulates, shall be inviolate, and under no pretext whatever, shall any magistrate or other functionary inspect, seize, or in any way interfere with them.

ARTICLE VI

Neither of the contracting parties shall impose any higher or other duties upon the importation, exportation or transit of the natural or industrial products of the other, than are or shall be payable upon the like articles being the produce of any other country.

ARTICLE VII

Each of the contracting parties hereby engages not to grant any favor in commerce to any nation, which shall not immediately be enjoyed by the other party.

ARTICLE VIII

The United States of America and the Orange Free State, on requisitions made in their name through the medium of their respective diplomatic or consular agents, shall deliver up to justice persons who, being charged with the crimes enumerated in the following article, committed within the jurisdiction of the requiring party, shall seek asylum or shall be found within the territories of the other.

Provided, That this shall be done only, when the fact of the commission of the crime shall be so established as to justify their apprehension and commitment for trial, if the crime had been committed in the country where the person so accused, shall be found.

ARTICLE IX

Persons shall be delivered up according to the provisions of this convention, who shall be charged with any of the following crimes, to wit; Murder, (including assassination, parricide, infanticide, and poisoning) attempt to commit murder, rape, forgery or the emission of forged papers, arson, robbery with violence, intim[id]ation or forcible entry of an inhabited house, piracy; embezzlement by public officers, or by persons hired or salaried to the detriment of their employers, when these crimes are subject to infamous punishment.

ARTICLE X

The surrender shall be made by executive of the contracting parties respectively.

ARTICLE XI

The expense of detention and delivery effected pursuant to the preceding articles, shall be at the cost of the party making the demand.

ARTICLE XII

The provisions of the foregoing articles relating to the surrender of fugitive criminals, shall not apply to offenses committed before the date hereof, nor to those of a political character.

ARTICLE XIII

The present convention is concluded for the period of ten years, from the day of the exchange of the ratifications, and if one year before the expiration of that period, neither of the contracting parties shall have announced, by an official notification, its intention, to the other, to arrest the operations of the said convention, it shall continue binding for twelve months longer, and so on from year to year, until the expiration of the twelve months, which will follow a similar declaration, whatever the time at which it will take place.

ARTICLE XIV

This convention shall be submitted, on both sides to the approval and ratification of the respective competent authorities and the ratifications shall be exchanged at Washington as soon as circumstances shall admit.

In faith whereof, the respective plenipotentiaries have signed the above articles and have thereunto affixed their seals.

Done in quadruplicate at Bloemfonten this 22nd day of December in the year of our Lord, one thousand eight hundred and seventy-one.

W. W. EDGCOMB [SEAL]
F. K. HÖHNE [SEAL]

EXTRADITION

Treaty signed at Washington October 28, 1896

Senate advice and consent to ratification, with amendments, January 28, 1897¹

Ratified by the Orange Free State May 26, 1898

Ratified by the President of the United States, with amendments, February 21, 1899¹

Ratifications exchanged at Washington April 20, 1899

Proclaimed by the President of the United States April 21, 1899

Entered into force May 21, 1899

Became obsolete May 28, 1900²

Treaty Series 266

ARTICLE I

The Government of the United States and the Government of the Orange Free State mutually agree to deliver up persons who, having been charged with or convicted of any of the crimes and offenses specified in the following article, committed within the jurisdiction of one of the contracting parties, shall seek an asylum or be found within the territories of the other:

Provided, that this shall only be done upon such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his or her apprehension and commitment for trial, if the crime or offense had been there committed.

¹ The U.S. amendments read as follows:

"Article 2, sub-article 6; after 'larceny', in line 27, insert *and*.

"Article 2, sub-article 6; after 'property' in line 31, insert, *stolen or*.

"Article 2, sub-article 6, line 36; strike out [stolen or], and after 'embezzled', in the same line, insert *stolen or received*.

"Article 2, sub-article 11, paragraph (a), after 'Piracy', in line 51, strike out [by Statute or].

"Strike out all of Article 5, and insert in lieu thereof, the following:

"*In no case shall the nationality of the person accused be an impediment to his extradition, under the conditions stipulated by the present Treaty, but neither Government shall be bound to deliver its own citizens for extradition under this Convention; but either shall have the power to deliver them up, if, in its discretion, it be deemed proper to do so.*"

"Article 6, line 4; after 'or if', strike out [he proves], and insert, *it shall be made to appear.*"

The text printed here is the amended text as proclaimed by the President.

² Date on which the Orange Free State was annexed to South Africa as the Orange River Colony.

ARTICLE II

Extradition shall be granted for the following crimes and offenses:

1. Murder, comprehending assassination, parricide, infanticide and poisoning; attempt to commit murder; the killing of a human being, when such act is punishable in the United States as voluntary manslaughter, and in the Orange Free State as manslaughter.
2. Arson.
3. Robbery, defined to be the act of feloniously and forcibly taking from the person of another money or goods, by violence or putting him in fear; burglary; also house-breaking or shop-breaking.
4. Forgery, or the utterance of forged papers; the forgery or falsification of official acts of government, or public authorities, or of courts of justice, or the utterance of the thing forged or falsified.
5. The counterfeiting, falsifying or altering of money, whether coin or paper, or of instruments of debt created by national, state, provincial, or municipal governments, or of coupons thereof, or of bank-notes, or the utterance or circulation of the same; or the counterfeiting, falsifying or altering of seals of state.
6. Embezzlement by public officers; embezzlement by persons hired or salaried, to the detriment of their employers; larceny; and receiving money, valuable securities or other property, knowing the same to have been stolen, when such act is made criminal by the laws of both countries and the amount of money or the value of the property stolen or received is not less than two hundred dollars (\$200) or forty pounds sterling (£40.); receiving in the Orange Free State a diamond or diamonds, cut or uncut, and of whatever value, knowing the same to have been embezzled, stolen or received.
7. Fraud or breach of trust by a bailee, banker, agent, factor, trustee or other person acting in a fiduciary capacity or director or member or officer of any company, when such act is made criminal by the laws of both countries and the amount of money or the value of the property misappropriated is not less than two hundred dollars (\$200) or forty pounds sterling (£40.).
8. Perjury; subornation of perjury.
9. Rape; abduction; kidnapping.
10. Willful and unlawful destruction or obstruction of railroads which endangers human life.
11. Crimes committed at sea:
 - (a.) Piracy, by the law of nations;
 - (b.) Revolt, or conspiracy to revolt, by two or more persons on board a ship on the high seas, against the authority of the Master;
 - (c.) Wrongfully sinking or destroying a vessel at sea, or attempting to do so;

(d.) Assaults on board a ship on the high seas with intent to do grievous bodily harm.

12. Crimes and offenses against the laws of both countries for the suppression of slavery and slave-trading.

Extradition is also to take place for participation in any of the crimes and offenses mentioned in this treaty, provided such participation may be punished in the United States as a felony, and in the Orange Free State by imprisonment at hard labor.

ARTICLE III

Requisitions for surrender of fugitives from justice shall be made by the diplomatic agents of the contracting parties, or in the absence of these from the country or its seat of government may be made by the superior consular officers.

If the person whose extradition is requested shall have been convicted of a crime or offense, a duly authenticated copy of the sentence of the court in which he was convicted, or if the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime has been committed, and of the depositions or other evidence upon which such warrant was issued, shall be produced.

The extradition of fugitives under the provisions of this Treaty shall be carried out in the United States and in the Orange Free State, respectively, in conformity with the laws regulating extradition for the time being in force in the state on which the demand for surrender is made.

ARTICLE IV

Where the arrest and detention of a fugitive are desired on telegraphic or other information in advance of the presentation of formal proofs, the proper course in the United States shall be to apply to the judge or other magistrates authorized to issue warrants of arrest in extradition cases, and present a complaint on oath, as provided by the Statutes of the United States.

In the Orange Free State the proper course shall be to apply to the Foreign Office, which will immediately cause the necessary steps to be taken in order to secure the provisional arrest and detention of the fugitive.

The provisional detention of a fugitive shall cease and the prisoner be released, if a formal requisition for his surrender, accompanied by the necessary evidence of his criminality, has not been produced, under the stipulations of this Treaty, within two months from the date of his provisional arrest or detention.

ARTICLE V

In no case shall the nationality of the person accused be an impediment to his extradition, under the conditions stipulated by the present Treaty, but neither Government shall be bound to deliver its own citizens for extradition

under this Convention; but either shall have the power to deliver them up, if, in its discretion, it be deemed proper to do so.

ARTICLE VI

A fugitive criminal shall not be surrendered if the offense in respect of which his surrender is demanded be of a political character, or if it shall be made to appear that the requisition for his surrender has, in fact, been made with a view to try or punish him for an offense of a political character.

No person surrendered by either of the high contracting parties to the other shall be triable or tried or be punished for any political crime or offense, or for any act connected therewith, committed previously to his extradition.

If any question shall arise as to whether a case comes within the provisions of this article, the decision of the authorities of the government on which the demand for surrender is made, or which may have granted the extradition shall be final.

ARTICLE VII

Extradition shall not be granted, in pursuance of the provisions of this Treaty, if legal proceedings or the enforcement of the penalty for the act committed by the person claimed has become barred by limitation, according to the laws of the country to which the requisition is addressed.

ARTICLE VIII

No person surrendered by either of the high contracting parties to the other shall, without his consent, freely granted and publicly declared by him, be triable or tried or be punished for any crime or offense prior to his extradition, other than that for which he was delivered up, until he shall have an opportunity of returning to the country from which he was surrendered.

ARTICLE IX

All articles seized which are in the possession of the person to be surrendered at the time of his apprehension, whether being the proceeds of the crime or offense charged, or being material as evidence in making proof of the crime or offense, shall, so far as practicable and in conformity with the laws of the respective countries, be given up when the extradition takes place. Nevertheless, the rights of third parties with regard to such articles shall be duly respected.

ARTICLE X

If the individual claimed by one of the high contracting parties, in pursuance of the present Treaty, shall also be claimed by one or several other Powers on account of crimes or offenses committed within their respective jurisdictions, his extradition shall be granted to the State whose demand is

first received: Provided, that the Government from which extradition is sought is not bound by Treaty to give preference otherwise.

ARTICLE XI

The expenses incurred in the arrest, detention, examination and delivery of fugitives under this Treaty shall be borne by the State in whose name the extradition is sought: Provided, that the demanding Government shall not be compelled to bear any expense for the services of such public officers of the government from which extradition is sought as receive a fixed salary; and, Provided, that the charge for the services of such public officers as receive only fees or perquisites shall not exceed their customary fees for the acts or services performed by them had such acts or services been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XII

The present Treaty shall take effect on the 30th day after the date of the exchange of ratifications, and shall not operate retroactively. On the day on which it becomes operative however, the extradition articles in the Treaty of December 22, 1871, between the two High Contracting Parties which has been denounced to take effect in January, 1895, shall terminate.

The ratifications of the present Treaty shall be exchanged at Washington as soon as possible and it shall remain in force for a period of six months after either of the contracting Governments shall have given notice of a purpose to terminate it.

In witness whereof the respective plenipotentiaries have signed the above articles and have hereunto affixed their seals.

Done in duplicate at the city of Washington, this 28th day of October one thousand eight hundred and ninety-six.

RICHARD OLNEY	[SEAL]
CHARLES D. PIERCE	[SEAL]

Ottoman Empire¹

COMMERCE AND NAVIGATION

Treaty and separate act containing secret article signed at Constantinople May 7, 1830

Senate advice and consent to ratification, excepting separate and secret article, February 1, 1831

Ratified by the President of the United States February 2, 1831

Ratified by the Ottoman Government on or shortly before October 5, 1831

Ratifications exchanged at Constantinople October 5, 1831

Entered into force October 5, 1831

Proclaimed by the President of the United States February 4, 1832

Modified by treaty of February 25, 1862²

Privileges and immunities enjoyed by United States citizens in Serbia surrendered by convention signed at Belgrade October 14, 1881³

Superseded February 15, 1933, by treaty signed for the United States and Turkey October 28, 1931⁴

8 Stat. 408; Treaty Series 267

TREATY

[PROCLAIMED TRANSLATION]⁵

The object of this firm Instrument, and the motive of this writing well drawn up, is that:

No Treaty or diplomatic and official convention, having, heretofore, existed, between the Sublime Porte of perpetual duration, and the United

¹ See also TURKEY, *post*, vol. 11.

² TS 268, *post*, p. 628.

³ TS 320, *post*, vol. 12, YUGOSLAVIA.

⁴ TS 859, *post*, vol. 11, TURKEY.

⁵ For a detailed study of the negotiations and the various texts of this treaty, see 3 Miller 541. The Turkish text was translated in 1931, in connection with the publication of the Hunter Miller series, by Dr. J. H. Kramers, of Leiden, in collaboration with Professor C. Snouck Hurgronje. Dr. Kramers' translation is printed herein following the proclaimed translation.

States of America; at this time, in consideration of the desire formerly expressed, and of repeated propositions which have, lately, been renewed by that Power, and in consequence of the wish entertained by the Sublime Porte, to testify to the United States of America, its sentiments of friendship, We the undersigned Commissioner, invested with the high Office of Chief of the Chancery of State, of the Sublime Porte existing forever, having been permitted by His very noble Imperial Majesty, to negotiate and conclude a Treaty, and having thereupon conferred with our friend, the Honorable Charles Rhind, who has come to this Imperial Residence, furnished with full powers, to negotiate, settle and conclude, the Articles of a Treaty, separately and jointly, with the other two Commissioners, Commodore Biddle and David Offley, now at Smyrna, Have arranged, agreed upon and concluded, the following articles.

ARTICLE I

Merchants of the Sublime Porte, whether Mussulmans or Rayahs, going and coming in, the countries, provinces and ports, of the United States of America, or proceeding from one port to another, or from the ports of the United States to those of other countries, shall pay the same duties and other imposts, that are paid by the most favored nations; and they shall not be vexed by the exaction of higher duties; and in travelling by sea and by land, all the privileges and distinctions observed towards the subjects of other Powers, shall serve as a rule, and shall be observed, towards the Merchants and subjects of the Sublime Porte. In like manner, American merchants who shall come to the well defended countries and ports of the Sublime Porte, shall pay the same duties and other imposts, that are paid by merchants of the most favored friendly Powers, and they shall not, in any way, be vexed or molested. On both sides, travelling passports shall be granted.

ARTICLE II

The Sublime Porte may establish Shahbenders (Consuls) in the United States of America; and the United States may appoint their citizens to be Consuls or Vice-Consuls, at the commercial places in the dominions of the Sublime Porte, where it shall be found needful to superintend the affairs of commerce. These Consuls or Vice-Consuls shall be furnished with Berats or Firmans; they shall enjoy suitable distinction, and shall have necessary aid and protection.

ARTICLE III

American merchants established in the well-defended states of the Sublime Porte, for purposes of commerce, shall have liberty to employ Semsars (brokers) of any nation or religion, in like manner as merchants of other friendly Powers; and they shall not be disturbed in their affairs, nor shall they be treated, in any way, contrary to established usages. American vessels

arriving at, or departing from the ports of the Ottoman Empire, shall not be subjected to greater visit, by the Officers of the Custom-House and the Chancery of the Port, than vessels of the most favored Nations.

ARTICLE IV

If litigations and disputes should arise, between subjects of the Sublime Porte and citizens of the United States, the parties shall not be heard, nor shall judgment be pronounced, unless the American Dragoman be present. Causes, in which, the sum may exceed five hundred piastres, shall be submitted to the Sublime Porte, to be decided according to the laws of equity and justice. Citizens of the United States of America, quietly pursuing their commerce, and not being charged or convicted, of any crime or offence, shall not be molested; and even when they may have committed some offence, they shall not be arrested and put in prison, by the local authorities, but they shall be tried by their Minister or Consul, and punished according to their offence, following in this respect, the usage observed towards other Franks.

ARTICLE V

American merchant vessels that trade to the dominions of the Sublime Porte, may go and come in perfect safety with their own flag; but they shall not take the flag of any other Power, nor shall they grant their flag to the vessels of other Nations and Powers, nor to vessels of Rayahs. The Minister, Consuls and Vice-Consuls of the United States, shall not protect, secretly or publicly, the Rayahs of the Sublime Porte, and they shall never suffer a departure from the principles here laid down, and agreed to, by mutual consent.

ARTICLE VI

Vessels of war of the two contracting parties, shall observe towards each other, demonstrations of friendship and good intelligence, according to naval usage; and towards merchant vessels they shall exhibit the same kind and courteous manner.

ARTICLE VII

Merchant vessels of the United States, in like manner as vessels of the most favored nations, shall have liberty to pass the canal of the Imperial Residence, and go and come in the Black sea, either laden or in ballast; and they may be laden with the produce, manufactures and effects, of the Ottoman Empire, excepting such as are prohibited, as well as of their own country.

ARTICLE VIII

Merchant vessels of two Contracting Parties shall not be forcibly taken, for the shipment of troops, munitions and other objects of war, if the Captains or Proprietors of the vessels, shall be unwilling to freight them.

ARTICLE IX

If any merchant vessel of either of the contracting parties, should be wrecked, assistance and protection shall be afforded to those of the crew that may be saved; and the merchandise and effects, which it may be possible to save and recover, shall be conveyed to the Consul, nearest to the place of the wreck, to be, by him, delivered to the Proprietors.

CONCLUSION

The foregoing articles, agreed upon and concluded, between the Riasset (Chancery of State) and the above mentioned Commissioner of the United States, when signed by the other two Commissioners, shall be exchanged. In ten months, from the date of this *Temessuck* or instrument of Treaty, the exchange of the ratifications of the two Powers shall be made, and the articles of this Treaty shall have full force and be strictly observed, by the two Contracting Powers.

Given the 14 day of the moon Zilcaade, and in the year of the Hegira, 1245, corresponding with the 7 day of May of the year 1830, of the Christian Æra.

MOHAMMED HAMED⁶
Reis-ul-Kutab (Reis Effendi) [SEAL]

[1931 TRANSLATION]⁷

The reason of the writing of this document and the motive of the drawing up of this writ are as follows:

As there does not exist as yet any kind of official treaty between the everlasting Sublime Government and the Government of the United States of America, now, with regard to the wish and desire that are exhibited and manifested formerly and latterly by the said Government, and to the observance of a friendly and amical attitude by the Sublime Government towards the Government of the United States of America, we, the undersigned functionary, occupying the elevated degree of Chief of the Secretaries of the ever-stable Sublime Government and of the exalted Sultanate, eternally enduring, having been authorized by the Most Noble Imperial Excellence to negotiate and arrange this matter, there have been negotiations between us and our friend the Honorable Charles Rhind, who has been authorized and commissioned by the aforesaid Government with complete authority

⁶ The American negotiator, Charles Rhind, reported that "the Reis Effendi after a short Conversation signed & sealed the Treaty in Turkish and I did the same with the French translation & we exchanged them". The two other American Commissioners, Commodore James Biddle and David Offley, signed the French text on May 30. (3 Miller 560-575.)

⁷ 3 Miller 551.

to conclude and fasten the matter of the treaty, separately by coming to the Gate of Felicity and jointly with the functionaries named Commodore Biddle and David Offley, now being in the town of Smyrna, as a result of which negotiations, have been drawn up and settled the articles that are mentioned and established hereafter.

FIRST ARTICLE

If the Mohammedan and subjected merchants of the Sublime Government visit the dominions, provinces, harbors, and ports under the authority of the American Government, or proceed from one port to another port or from American ports to ports of other dominions, they shall pay the custom and other duties in the same way as merchants belonging to governments that are granted a more favored treatment, and they shall not be troubled with higher demands.

On sea and on their other journeys, all exemptions and other privileges that are observed with regard to the said governments shall be observed and taken as the line of conduct with regard to the merchants and subjected people of the Sublime Government.

Likewise, the American merchants visiting the well-protected dominions and the harbors and ports of the Sublime Government for the purpose of commerce, shall pay their custom and other duties in the same way as the merchants belonging to those befriended governments that are granted a more favorable treatment, and they shall in no other wise be molested or interfered with. By both parties the required way-papers shall be given.

SECOND ARTICLE

It shall be allowed to the Sublime Government to institute shahbenders in the dominions of America, and likewise to the American Government to appoint and institute, together with the imperial diplomas and orders, consuls and vice consuls belonging to their own kind, for the administration of their commercial affairs, in the localities that are commercial places and where the necessity has become manifest; with regard to them the suitable privileges and the necessary protection and guard shall be observed.

THIRD ARTICLE

The brokers whom American merchants residing for purposes of commerce in the well-protected dominions, just as the merchants belonging to other friendly governments, take into their service for their commercial affairs, to whatever community or creed they belong—this shall not be interfered with nor shall this be treated contrary to usage. American merchant ships coming to the ports of the well-protected dominions, and also at the time of their departure, shall not be searched by the functionaries of the customhouse and of the port to a greater extent than the ships of the aforesaid governments.

FOURTH ARTICLE

If disputes and litigations should occur between the subjects and subjected people of the Sublime Government and the subjects of the American Government, if their dragoman is not present, there shall be no hearing or decision of the matter. Those of their litigations which exceed five hundred piasters shall be transferred to the Threshold and be dealt with according to right and justice. As long as American subjects occupy themselves, within the limits of their position, with their commerce, while no accusation or crime is ascertained, they shall not be interfered with or molested without cause; and even if they come under accusation, they shall not be imprisoned by the authorities or the police officers, but, in the same way as other persons living under a peace treaty are treated, the suitable punishment shall be applied to them with the cognizance of their minister and consuls.

FIFTH ARTICLE

It has been decided that the American merchant vessels, visiting the well-protected dominions, may pass and travel with their own flags, in increased safety and security, provided that they do not take and use the flags of other governments; that they do not give the American flag to ships belonging to other governments or to other kinds of people, or to the boats of the subjected people; that their ministers, consuls, and vice consuls shall not deliver *patentas* to the subjected people of the Sublime Government or sustain them secretly and openly. It shall not be allowed in any way to behave and act contrary to these principles.

SIXTH ARTICLE

If war vessels belonging to both parties meet with each other, they shall show friendship and recognition to each other, according to the sea rules. Equally, if they meet with merchant ships, both parties shall act in a friendly way.

SEVENTH ARTICLE

In accordance with the treatment of the above-mentioned friendly governments it shall be allowed to the merchant ships of the American Government, in case they are empty of cargo, and equally when laden with products of their own country or with non-prohibited wares and goods of the products of the well-protected dominions, to visit the Black Sea by passing through the Strait of the Imperial Abode of the Sultanate.

EIGHTH ARTICLE

If the captains and owners of the merchant ships of both Governments, or their agents, do not wish to consent to the chartering of their ships with their free will and approbation, it shall not be allowed to take the ships from

them in an illegal way to load them with soldiers, ammunition, and materials of war.

NINTH ARTICLE

If a merchant ship belonging to one of the parties meets with disaster and is shipwrecked, those persons of the crew who may have escaped shall be protected, and the wares and goods belonging to the cargo which it has been possible to save, shall be delivered, as soon as they are found, to the nearest American consul, so that notice may be given to the persons entitled.

CONCLUSION

It has been agreed upon in the form placed above between the office of the Chief (of the Secretaries) and the aforesaid functionary; after this treaty document shall have been undersigned by the two aforesaid functionaries, and after the exchange of the ratifications by both parties within ten months after the date of the exchange of this document, the established articles shall be observed and fixed between the two Governments.

Written on the fourteenth day of the noble month of Zilcaade of the year twelve hundred and forty-five.

He who beseeches the generous King for his assistance,

MEHMED HAMID⁸
Chief of the Secretaries

SEPARATE ACT CONTAINING A SECRET ARTICLE

[1830 TRANSLATION]

The motive of this firm writing and the cause of this instrument, well drawn out, is that, no treaty or official and diplomatic convention having until now existed between the Sublime Porte, of perpetual duration, and the United States of America; at this time we, the undersigned, invested with the high rank of the *Riasset* (office of Reis Effendi) of the Sublime Porte, existing forever, having been permitted by His Very Noble Imperial Majesty to treat with the Honorable (firm) Charles Rhind, our friend, who has come to this Imperial Residence with full powers to negotiate and conclude a treaty, separately, and conjointly with the other two Commissioners, Commodore Biddle and David Offley, have concluded and exchanged the articles of a treaty, which are hereafter to be signed by the other two aforesaid Commissioners.

This new treaty having thus been concluded, sincere and increased friendship being thereby established, and mutual advantages secured, it is agreed by our friend aforesaid, in testimony of the pure friendship of the United States towards the Sublime Porte and on account of the abundance and

⁸ See footnote 6, p. 622.

durability of the timber and the cheapness of construction in the United States, that whenever the Sublime Porte may wish to build any number of *caiks*,⁹ frigates, corvettes, or brigs of war in the United States, the *Riasset* shall take the counsel and advice of their Minister Resident near the Sublime Porte; and in whatever way it may be talked of and mentioned, as to the expense and time of construction and the mode of conveying the ships to the Imperial Residence, in that way it shall be fixed, according to a contract, so that the ships may be constructed by the models furnished from this Imperial Admiralty and be as well built as vessels of the United States, and at no greater cost.

So, also, again, if it be desired, the two Commissioners shall arrange that the ships built in the United States be not sent to the Imperial Admiralty (Constantinople) in ballast, but that each ship be laden with a quantity of timber sufficient for the construction of another ship of equal dimensions and of the same cost as similar ships of the United States, the timber having been cut in its place according to measures furnished therefor.

After the above-mentioned treaty shall have been signed by the aforesaid Commissioners, this separate article, to be added to that treaty as a secret article, shall also be signed.

In ten months from the date of this *temessuck*, or instrument of treaty, the ratifications shall be exchanged.

He who asks assistance from God, the King, the Giver of Good.

MEHMED HAMID¹⁰
Reis-ul-Kuttab (*i.e.*, *Reis Effendi*)

Written the fourteenth day of Zilcaade the noble, and in the year 1245.

[1931 TRANSLATION]

The reason of the writing of this document and the motive of the drawing up of this writ are as follows:

As there has not been concluded heretofore any kind of official treaty between the everlasting Sublime Government and the Government of the United States of America, now, as we, the undersigned functionary, occupying the elevated degree of Chief of the Secretaries of the ever-stable Sublime Government and of the exalted Sultanate, eternally enduring, have been authorized by the Most Noble Imperial Excellency, there have been negotiations between us and our friend Charles Rhind, who has been charged and commissioned with complete authority by the aforesaid Government, sepa-

⁹ "Caiks" or "caiques" here is erroneous. The Turkish is "kapaks", meaning "two-deckers." (3 Miller 579.)

¹⁰ Like the treaty proper, the separate and secret article was signed in Turkish on May 7, 1830, by the Reis Effendi, and delivered to Charles Rhind in exchange for the French version thereof signed by Mr. Rhind, which was later, on May 30, signed by his colleagues Commodore Biddle and David Offley. (3 Miller 575.)

rately by coming to the Gate of Felicity and jointly with the functionaries named Commodore Biddle and David Offley, now being in the town of Smyrna.

The documents containing the treaty articles that have been drawn up and established as a result of these negotiations, have been exchanged and will be undersigned hereafter by the two aforesaid functionaries.

Now that in this way a new treaty and an increased friendship and amity have been established between the two Governments, in observance of the principles of mutual profit and common interest and with regard to the fact that in the state of America timber is abundant and strong and that the building expenses are there light and small, the aforesaid functionary, our friend, in confirmation of the sincere feelings of the said Government towards the glorious Imperial Sultanate, has contracted the obligation that, whenever the Sublime Government shall order the building and construction in the dominion of America of whatever quantity of war vessels, such as two-deckers, frigates, corvettes, and brigs, this shall be communicated and notified by the office of the Chief (of the Secretaries) to the functionary of the said Government who will be at that time at the Gate of Felicity; that there shall be drawn up a contractual document stating in which way it has been negotiated and agreed upon with regard to the building expenses, the time of construction, and also to the mode of sending and conveying to the Gate of Felicity, according to which contract the required ships shall be built and constructed after the design and model to be fixed and explained by the Imperial Arsenal, so as to be as strong and tight as the Government ships of the said Government, and provided that the building expenses be not higher than the expenses of the war ships of the said Government; and that, in case of an order being given, and so as to prevent the required ships from arriving empty at the Imperial Arsenal, there shall be negotiations between the functionaries of both parties, according to which there shall be laden and sent in each ship the timber necessary for the construction of another ship like that ship itself, provided that the price be in accordance with the official price of the said Government and that the material be calculated carefully and prepared in its place, after having been cut and well executed according to the measure.

This separate article, after having been signed by the two aforesaid functionaries, is destined to be a secret article and to be counted as a part of the mentioned treaty. By the exchange of the ratifications within ten months after the day of this document, it shall be observed in every way.

Written on the fourteenth day of the noble month of Zilcaade of the year twelve hundred and forty-five.

He who beseeches the generous King for his assistance,

MEHMED HAMID ¹⁰
Chief of the Secretaries

COMMERCE AND NAVIGATION

*Treaty signed at Constantinople February 25, 1862,¹ modifying treaty
of May 7, 1830²*

Senate advice and consent to ratification April 9, 1862

Ratified by the President of the United States April 18, 1862

Ratified by the Ottoman Government May 14, 1862

Ratifications exchanged at Constantinople June 5, 1862

Entered into force June 5, 1862

Proclaimed by the President of the United States July 2, 1862

*Privileges and immunities enjoyed by United States citizens in Serbia
surrendered by convention signed at Belgrade October 14, 1881³*

*Terminated June 5, 1884⁴**

18 Stat. 585; Treaty Series 268⁵

The United States of America, on the one part, and His Imperial Majesty the Sultan of the Ottoman Empire, on the other part, being equally animated by the desire of extending the commercial relations between their respective countries, have agreed, for this purpose, to conclude a treaty of commerce and navigation, and have named as their respective Plenipotentiaries, that is to say:

The President of the United States of America, Edward Joy Morris, Minister Resident of the Sublime Porte; and His Imperial Majesty the Sultan of the Ottoman Empire, His Highness Mehemed Emin Aali Pacha, Minister of Foreign Affairs, decorated with the Imperial Orders of the Othmanieh in Brilliants, the Majidieh, and Order of Merit of the first class, and the Grand Crosses of several foreign orders;

Who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon the following articles:

ARTICLE I

All rights, privileges, and immunities, which have been conferred on the citizens, or vessels of the United States of America by the treaty already existing between the United States of America and the Ottoman Empire, are confirmed, now and forever, with the exception of those clauses of the said treaty

¹ For text of a separate signed agreement composed of an import tariff, an export tariff, and explanatory clauses, effective Mar. 13, 1862, see p. 10 of TS 268.

² TS 267, *ante*, p. 619.

³ TS 320, *post*, vol. 12, YUGOSLAVIA.

⁴ Pursuant to notice of termination given by the Ottoman Government.

⁵ For a detailed study of this treaty, see 8 Miller 717.

which it is the object of the present treaty to modify; and it is moreover expressly stipulated that all rights, privileges, or immunities, which the Sublime Porte now grants, or may hereafter grant to, or suffer to be enjoyed by the subjects, ships, commerce, or navigation of any other foreign Power, shall be equally granted to and exercised and enjoyed by the citizens, vessels, commerce, and navigation of the United States of America.

ARTICLE II

The citizens of the United States of America, or their agents, shall be permitted to purchase, at all places in the Ottoman Empire and its possessions, (whether for the purposes of internal trade or exportation,) all articles, without any exception whatsoever, the produce or manufacture of the said Empire and possessions; and the Sublime Porte having, in virtue of the second article of the convention of commerce of the 16th of August, 1838, with Great Britain, formally engaged to abolish all monopolies of agricultural produce, or of every other article whatsoever, as well as all "permits" (*tezkerehs*) from the local Governors, either for the purchase of any article or for its removal from one place to another when purchased, any attempt to compel the citizens of the United States of America to receive such "permits" from the local Governors shall be considered as an infraction of this treaty, and the Sublime Porte shall immediately punish with severity any Viziers or other officers who shall have been guilty of such misconduct, and shall render full justice to citizens of the United States of America for all losses or injuries which they may duly prove themselves to have suffered thereby.

ARTICLE III

If any articles of Ottoman produce or manufacture be purchased by citizens of the United States of America, or their agents, for the purpose of selling the same for internal consumption in Turkey, the said citizens, or their agents, shall pay at the purchase and sale of such articles, and in any manner of trade therein, the same duties that are paid in similar circumstances by the most favored class of Ottoman subjects, or of foreigners in the internal trade of the Ottoman Empire.

ARTICLE IV

No other or higher duties or charges shall be imposed in the dominions and possessions of either of the contracting parties, on the exportation of any article to the dominions and possessions of the other, than such as are or may be payable on the exportation of the like article to any other foreign country; nor shall any prohibition be imposed on the exportation of any article from the dominions and possessions of either of the two contracting Powers to the dominions and possessions of the other, which shall not equally extend to the exportation of the like article to any other country.

No charge or duty whatsoever will be demanded on any article of Ottoman produce or manufacture purchased by citizens of the United States of America, or their agents, either at the place where such article is purchased, or in its transit from that place to the place whence it is exported, at which it will be subject to an export duty not exceeding eight per cent., calculated on the value at the place of shipment, and payable on exportation; and all articles which shall once have paid this duty shall not again be liable to the same duty, however they may have changed hands within any part of the Ottoman Empire.

It is furthermore agreed that the duty of eight per cent. above mentioned will be annually reduced by one per cent., until it shall be in this manner finally reduced to a fixed duty of one per cent. ad valorem, destined to cover the general expenses of administration and control.

ARTICLE V⁶

No other or higher duties shall be imposed on the importation into the United States of America of any article the produce or manufacture of the dominions and possessions of His Imperial Majesty the Sultan, from whatever place arriving, whether by sea or by land; and no other or higher duties shall be imposed on the importation into the dominions and possessions of his Imperial Majesty of any article the produce or manufacture of the United States of America, from whatever place arriving, than are or may be payable on the like article the produce or manufacture of any other foreign country; nor shall any prohibition be maintained or imposed on the importation of any article the produce or manufacture of the dominions and possessions of either of the contracting parties into the dominions and possessions of the other, which shall not equally extend to the importation of the like articles being the produce or manufacture of any other country.

His Imperial Majesty further engages that, save as hereinafter excepted, he will not prohibit the importation into his dominions and possessions of any article the produce and manufacture of the United States of America, from whatever place arriving; and that the duties to be imposed on every article the produce or manufacture of the United States of America imported into the Empire and possessions of His Imperial Majesty the Sultan shall in no case exceed one fixed rate of eight per cent. ad valorem, or a specific duty, fixed by common consent, equivalent thereto. Such rate shall be calculated upon the value of such articles at the wharf, and shall be payable at the time of their being landed, if brought by sea, or at the first custom-house they may reach, if brought by land.

If these articles, after having paid the import duty of eight per cent., are sold, either at the place of their arrival or in the interior of the country,

⁶ For an exception to art. V, see art. XIV.

neither the buyer nor the seller shall be charged with any further duty in respect to them; and if such articles should not be sold for consumption in the Ottoman Empire, but should be re-exported within the space of six months, the same shall be considered as merchandise in transit by land, and be treated as is stated hereinafter in Article XII of this treaty; the administration of the customs being bound to restore, at the time of their re-exportation, to the merchant, who shall be required to furnish proof that the goods in question have paid the import duty of eight per cent., the difference between that duty and the duty levied on goods in transit by land, as set forth in the article above cited.

ARTICLE VI

It is understood that any article the produce or manufacture of a foreign country intended for importation into the United Principalities of Moldo-Wallachie, or into the Principality of Servia, which shall pass through any other part of the Ottoman Empire, will not be liable to the payment of customs-duty until it reaches those Principalities; and, on the other hand, that any article of foreign produce or manufacture passing through those Principalities, but destined for some other part of the Ottoman Empire, will not be liable to the payment of customs-duty until such article reaches the first custom-house under the direct administration of the Sublime Porte.

The same course shall be followed with respect to any article the produce or manufacture of those Principalities, as well as with respect to any article the produce or manufacture of any other portion of the Ottoman Empire, intended for exportation. Such articles will be liable to the payment of customs-duties, the former to the custom-house of the aforesaid Principalities, and the latter to the Ottoman custom-house; the object being that neither import nor export duties shall in any case be payable more than once.

ARTICLE VII

The subjects and citizens of the contracting parties shall enjoy, in the dominions and possessions of the other, equality of treatment with the native subjects or citizens in regard to warehousing, and also in regard to bounties, facilities, and drawbacks.

ARTICLE VIII

All articles which are or may be legally importable into the United States of America, in vessels of the United States, may likewise be imported in Ottoman vessels without being liable to any other or higher duties or charges, of whatever denomination, than if such articles were imported in vessels of the United States; and, reciprocally, all articles which are or may be legally importable into the dominions and possessions of His Imperial Majesty the Sultan in Ottoman vessels, may likewise be imported in vessels of the United States without being liable to any other or higher duties or charges, of what-

ever denomination, than if such articles were imported in Ottoman vessels. Such reciprocal equality of treatment shall take effect without distinction, whether such articles come directly from the place of origin or from any other country. In the same manner there shall be perfect equality of treatment in regard to exportation, so that the same export duties shall be paid, and the same bounties and drawbacks allowed, in the dominions and possessions of either of the contracting parties, on the exportation of any article which is, or may be, legally exportable therefrom, whether such exportations shall take place in Ottoman vessels or in vessels of the United States, and whatever may be the place of destination, whether a port of either of the contracting parties, or of any third Power.

ARTICLE IX

No duties of tonnage, harbour, pilotage, light-house, quarantine, or other similar or corresponding duties of whatever nature, or under whatever denomination, levied in the name or for the profit of Government, public functionaries, private individuals, corporations, or establishments of any kind, shall be imposed in the ports of the dominions and possessions of either country upon the vessels of the other country, which shall not equally, and under the same conditions, be imposed, in the like cases, on national vessels in general.

Such equality of treatment shall apply reciprocally to the respective vessels, from whatever port or place they may arrive, and whatever may be their place of destination.

ARTICLE X

All vessels which, according to the laws of the United States, are to be deemed vessels of the United States, and all vessels which, according to Ottoman laws, are to be deemed Ottoman vessels, shall, for the purposes of this treaty, be deemed vessels of the United States and Ottoman vessels respectively.

ARTICLE XI

No charge whatsoever shall be made upon goods of the United States, being the produce or manufacture of the United States of America, whether in vessels of the United States or other vessels, nor upon any goods the produce or manufacture of any other foreign country carried in vessels of the United States, when the same shall pass through the Straits of the Dardanelles, or of the Bosphorus, whether such goods shall pass through those straits in the vessels that brought them, or shall have been transhipped to other vessels; or whether, after having been sold for exportation, they shall, for a certain limited time, be landed, in order to be placed in other vessels for the continuance of their voyage. In the latter case, the goods in question

shall be deposited at Constantinople, in the magazines of the custom-house, called transit magazines; and in any other places where there is no entrepot, they shall be placed under the charge of the administration of the customs.

ARTICLE XII

The Sublime Porte, desiring to grant, by means of gradual concessions, all facilities in its power to transit by land, it is stipulated and agreed that the duty of three per cent., levied up to this time on articles imported into the Ottoman Empire, in their passage through the Ottoman Empire to other countries, shall be reduced to two per cent., payable as the duty of three per cent, has been paid hitherto, on arriving in the Ottoman dominions; and at the end of eight years, to be reckoned from the day of the exchange of the ratifications of the present treaty, to a fixed and definite tax of one per cent., which shall be levied, as is to be the case with respect to Ottoman produce exported, to defray the expense of registration.

The Sublime Porte, at the same time, declares that it reserves to itself the right to establish, by a special enactment, the measures to be adopted for the prevention of fraud.

ARTICLE XIII

Citizens of the United States of America, or their agents, trading in goods the produce or manufacture of foreign countries, shall be subject to the same taxes and enjoy the same rights, privileges, and immunities, as foreign subjects dealing in goods the produce or manufacture of their own country.

ARTICLE XIV

An exception to the stipulations laid down in the fifth article shall be made in regard to tobacco in any shape whatsoever, and also in regard to salt, which two articles shall cease to be included among those which the citizens of the United States of America are permitted to import into the Ottoman dominions.

Citizens of the United States, however, or their agents, buying or selling tobacco or salt for consumption in the Ottoman Empire, shall be subject to the same regulations and shall pay the same duties as the most favored Ottoman subjects trading in the two articles aforesaid; and furthermore, as a compensation for the prohibition of the two articles above-mentioned, no duty whatsoever shall in future be levied on those articles when exported from the Ottoman Empire by citizens of the United States.

Citizens of the United States shall, nevertheless, be bound to declare the quantity of tobacco and salt thus exported to the proper custom-house authorities, who shall, as heretofore, have the right to watch over the export of these articles, without thereby being entitled to levy any tax thereon on any pretence whatsoever.

ARTICLE XV

It is understood between the two contracting parties that the Sublime Porte reserves to itself the faculty and right of issuing a general prohibition against the importation into the Ottoman Empire of gunpowder, canon, arms of war, or military stores, but such prohibition will not come into operation until it shall have been officially notified, and will apply only to the articles mentioned in the decree enacting the prohibition. Any of these articles which have not been so specifically prohibited shall, on being imported into the Ottoman Empire, be subject to the local regulations, unless the legation of the United States of America shall think fit to apply for a special license, which will in that case be granted, provided no valid objection thereto can be alleged. Gunpowder, in particular, when allowed to be imported, will be liable to the following stipulations:

1. It shall not be sold by citizens of the United States in quantities exceeding the quantities prescribed by the local regulations.
2. When a cargo or a large quantity of gunpowder arrives in an Ottoman port, on board a vessel of the United States, such vessel shall be anchored at a particular spot, to be designated by the local authorities, and the gunpowder shall thence be conveyed, under the inspection of such authorities, to depots, or fitting places designated by the Government, to which the parties interested shall have access under due regulations.

Fowling-pieces, pistols, and ornamental or fancy weapons, as also small quantities of gunpowder for sporting, reserved for private use, shall not be subject to the stipulations of the present article.

ARTICLE XVI

The firmans required for merchant-vessels of the United States of America, on passing through the Dardanelles and the Bosphorus, shall always be delivered in such manner as to occasion to such vessels the least possible delay.

ARTICLE XVII

The captains of merchant-vessels of the United States laden with goods destined for the Ottoman Empire shall be obliged, immediately on their arrival at the port of their destination, to deposit in the custom-house of said port a true copy of their manifest.

ARTICLE XVIII

Contraband goods will be liable to confiscation by the Ottoman treasury; but a report or *procès verbal* of the alleged act of contraband must, so soon as the said goods are seized by the authorities, be drawn up and communicated to the consular authority of the citizen or subject to whom the goods

said to be contraband shall belong; and no goods can be confiscated as contraband unless the fraud with regard to them shall be duly and legally proved.

ARTICLE XIX

All merchandise the produce or manufacture of the Ottoman dominions and possessions, imported into the United States of America, shall be treated in the same manner as the like merchandise the produce or manufacture of the most favored nation.

All rights, privileges, or immunities, which are now or may hereafter be granted to, or suffered to be enjoyed by, the subjects, vessels, commerce, or navigation of any foreign Power in the United States of America shall be equally granted to, and exercised and enjoyed by, the subjects, vessels, commerce, and navigation of the Sublime Porte.

ARTICLE XX

The present treaty, when ratified, shall be substituted for the commercial convention of the 16th of August, 1838, between the Sublime Porte and Great Britain, on the footing of which the commerce of the United States of America has been heretofore placed, and shall continue in force for 28 years from the day of the exchange of the ratifications; and each of the two contracting parties being, however, at liberty to give to the other, at the end of 14 years, (that time being fixed, as the provisions of this treaty will then have come into full force,) notice for its revision, or for its determination at the expiration of a year from the date of that notice, and so again at the end of 21 years.

The present treaty shall receive its execution in all and every one of the provinces of the Ottoman Empire; that is to say, in all the possessions of His Imperial Majesty the Sultan, situated in Europe or in Asia, in Egypt, and in the other parts of Africa belonging to the Sublime Porte, in Servia, and in the United Principalities of Moldavia and Wallachia.

ARTICLE XXI

It is always understood that the Government of the United States of America does not pretend, by any article in the present treaty, to stipulate for more than the plain and fair construction of the terms employed, nor to preclude in any manner the Ottoman Government from the exercise of its rights of internal administration where the exercise of these rights does not evidently infringe upon the privileges accorded by ancient treaties, or by the present treaty, to citizens of the United States or their merchandise.

ARTICLE XXII

The high contracting parties have agreed to appoint, jointly, commissioners for the settlement of a tariff of custom-house duties,⁷ to be levied in

⁷ See footnote 1, p. 628.

conformity with the stipulations of the present treaty, as well upon merchandise of every description being the produce or manufacture of the United States of America imported into the Ottoman Empire, as upon articles of every description the produce or manufacture of the Ottoman Empire and its possessions, which citizens of the United States or their agents are free to purchase in any part of the Ottoman Empire for exportation to the United States or to any other country. The new tariff, to be so concluded, shall remain in force during seven years, dating from the date of the exchange of the ratifications.

Each of the contracting parties shall have the right, a year before the expiration of that term, to demand the revision of the tariff. But if, during the seventh year, neither the one nor the other of the contracting parties shall avail itself of this right, the tariff then existing shall continue to have the force of law for seven years more, dating from the day of the expiration of the seven preceding years; and the same shall be the case with respect to every successive period of seven years.

ARTICLE XXIII

The present treaty shall be ratified and the ratifications shall be exchanged at Constantinople in three calendar months,⁸ or sooner if possible, and shall be carried into execution when ratified.

Done at Constantinople on the twenty-fifth day of February, eighteen hundred and sixty-two.

EDWARD JOY MORRIS [SEAL]
AALI [SEAL]

[For text of tariff schedule, see p. 10 of TS 268.]

⁸ The fact that the exchange of ratifications took place 11 days after the close of the period specified in art. XXIII was not officially noticed by either government. (8 Miller 736.)

RIGHT TO HOLD REAL ESTATE IN OTTOMAN EMPIRE

Protocol signed at Constantinople August 11, 1874

Entered into force August 11, 1874

Proclaimed by the President of the United States October 29, 1874

*Terminated February 15, 1933, by virtue of treaty signed for the
United States and Turkey October 28, 1931¹*

18 Stat. 850; Treaty Series 269

The United States of America and His Majesty the Sultan being desirous to establish by a special act the agreement entered upon between them regarding the admission of American citizens to the right of holding real estate, granted to foreigners by the law promulgated on the 7th of Sepher 1284, (January 18, 1867) have authorized:—

The President of the United States of America George H. Boker, Minister Resident of the United States of America near the Sublime Porte, and

His Imperial Majesty the Sultan His Excellency A. Aarifi Pasha, His Minister of Foreign Affairs, to sign the Protocol which follows:

PROTOCOL

The law granting foreigners the right of holding real estate does not interfere with the immunities specified by the treaties, and which will continue to protect the person and the movable property of foreigners who may become owners of real estate.

As the exercise of this right of possessing real property may induce foreigners to establish themselves in larger numbers in the Ottoman Empire, the Imperial Government thinks it proper to anticipate and to prevent the difficulties to which the application of this law may give rise in certain localities. Such is the object of the arrangements which follow.

The domicile of any person residing upon the Ottoman soil being inviolable, and as no one can enter it without the consent of the owner, except by virtue of orders emanating from competent authority and with the assistance of the magistrate or functionary invested with the necessary powers,—the residence of foreigners is inviolable on the same principle, in conformity

¹ TS 859, *post*, vol. 11, TURKEY.

with the treaties, and the agents of the public force cannot enter it without the assistance of the Consul or of the delegate of the Consul of the Power on which the Foreigner depends.

By residence we understand the house of habitation and its dependencies: that is to say, the out houses, courts, gardens and neighboring enclosures, to the exclusion of all other parts of the property.

In the localities distant by less than nine hours journey from the consular residence, the agents of the public force cannot enter the residence of a foreigner without the assistance of a Consul, as was before said.

On his part the Consul is bound to give his immediate assistance to the local authority, so as not to let six hours elapse between the moment which he may be informed and the moment of his departure, or the departure of his delegate, so that the action of the authorities may never be suspended more than twenty four hours.

In the localities distant by nine hours or more than nine hours of travel from the residence of the Consular agent, the agents of the public force may on the request of the local authority and with the assistance of three members of the Council of the Elders of the Commune, enter into the residence of a foreigner, without being assisted by the Consular Agent, but only in case of urgency, and for the search and the proof of the crime of murder, of attempt at murder, of incendiarism, of armed robbery either with infraction or by night in an inhabited house, of armed rebellion and of the fabrication of counterfeit money, and this entry may be made whether the crime was committed by a foreigner or by an Ottoman subject, and whether it took place in the residence of a foreigner or not in his residence, or in any other place.

These regulations are not applicable but to the parts of the real estate which constitute the residence, as it has been heretofore defined.

Beyond the residence, the action of the police shall be exercised freely and without reserve; but in case a person charged with crime or offence, should be arrested, and the accused shall be a foreigner, the immunities attached to his person shall be observed in respect to him.

The functionary or the officer charged with the accomplishment of a domiciliary visit, in the exceptional circumstances determined before, and the members of the Council of Elders who shall assist him, will be obliged to make out a *procés-verbal* of the domiciliary visit, and to communicate it immediately to the superior authority under whose jurisdiction they are, and the latter shall transmit it to the nearest Consular agent without delay.

A special regulation will be promulgated by the Sublime Porte, to determine the mode of action of the local police in the several cases provided heretofore.

In localities more distant than nine hours' travel from the residence of the Consular agent, in which the law of the judicial organization of the

Velayet may be in force, foreigners shall be tried, without the assistance of the Consular delegate by the Council of Elders fulfilling the function of justices of the peace, and by the tribunal of the canton, as well for actions not exceeding one thousand piastres as for offences entailing a fine of five hundred piastres only at the maximum.

Foreigners shall have, in any case, the right of appeal to the tribunal of the Arrondissement against the judgments issued as above stated, and the appeal shall be followed and judged with the assistance of the Consul, in conformity with the treaties.

The appeal shall always suspend the execution of a sentence.

In all cases the forcible execution of the judgments, issued on the conditions determined heretofore shall not take place without the coöperation of the Consul or of his delegate.

The Imperial Government will enact a law which shall determine the rules of procedure to be observed by the parties, in the application of the preceding regulations.

Foreigners, in whatever locality they may be, may freely submit themselves to the jurisdiction of the Council of Elders or of the tribunal of the canton without the assistance of the Consul in cases which do not exceed the competency of these councils or tribunals, reserving always the right of appeal before the tribunal of the Arrondissement, where the case may be brought and tried with the assistance of the Consul or his delegate.

The consent of a foreigner to be tried as above stated, without the assistance of his Consul, shall always be given in writing and in advance of all procedure.

It is well understood that all these restrictions do not concern cases which have for their object questions of real estate, which shall be tried and determined under the conditions established by the law.

The right of defence and the publicity of the hearings shall be assured in all cases to foreigners who may appear before the Ottoman tribunals, as well as to Ottoman subjects.

The preceding dispositions shall remain in force until the revision of the ancient treaties,—a revision which the Sublime Porte reserves to itself the right to bring about hereafter by an understanding between it and the friendly Powers.

In witness whereof the respective plenipotentiaries have signed the Protocol and have affixed thereto their seals.

Done at Constantinople the eleventh of August, one thousand eight hundred and seventy four.

GEO. H. BOKER [SEAL]
A. AARIFI [SEAL]

*Law Conceding to Foreigners the right of holding Real Estate in the
Ottoman Empire*

[TRANSLATION]

Imperial rescript

Let it be done in conformity with the contents. 7 Sepher, 1284. (Jan. 18, 1867.)

With the object of developing the prosperity of the country, to put an end to the difficulties, to the abuses and to the uncertainties which have arisen on the subject of the right of foreigners to hold property in the Ottoman Empire, and to complete, in accordance with a precise regulation, the safeguards which are due to financial interests and to administrative action, the following legislative enactments have been promulgated by the order of His Imperial Majesty the Sultan.

ARTICLE I

Foreigners are admitted, by the same privilege as Ottoman subjects, and without any other restriction, to enjoy the right of holding Real Estate whether in the city or the country, throughout the Empire, with the exception of the Province of the Hédjaz, by submitting themselves to the laws and the regulations which govern Ottoman subjects, as is hereafter stated.

This arrangement does not concern subjects of Ottoman birth who have changed their nationality, who shall be governed in this matter by a special law.

ARTICLE II

Foreigners, proprietors of Real Estate in town or in country, are in consequence placed upon terms of equality with Ottoman subjects in all things that concern their landed property.

The legal effect of this equality is—

1^o To oblige them to conform to all the laws and regulations of the police or of the municipality which govern at present or may govern hereafter the enjoyment, the transmission, the alienation and the hypothecation of landed property.

2^o To pay all charges and taxes under whatever form or denomination they may be, that are levied, or may be levied hereafter, upon city or country property.

3^o To render them directly amenable to the Ottoman civil tribunals in all questions relating to landed property, and in all real actions, whether as plaintiffs or as defendants, even when either party is a foreigner. In short, they are in all things to hold Real Estate by the same title, on the same condition and under the same forms as Ottoman owners and without being able to avail themselves of their personal nationality, except under the reserve of the

immunities attached to their persons and their movable goods, according to the treaties.

ARTICLE III

In case of the bankruptcy of a foreigner possessing real estate, the assignees of the bankrupt may apply to the authorities and to the Ottoman civil tribunals requiring the sale of the real estate possessed by the bankrupt, and which by its nature and according to law is responsible for the debts of the owner.

The same course shall be followed when a foreigner shall have obtained against another foreigner owning real estate a judgment of condemnation before a foreign tribunal.

For the execution of this judgment against the real estate of his debtor, he shall apply to the competent Ottoman authorities, in order to obtain the sale of that real estate which is responsible for the debts of the owner; and this judgment shall be executed by the Ottoman authorities and tribunals only after they have decided that the real estate of which the sale is required really belongs to the category of that property which may be sold for the payment of debt.

ARTICLE IV

Foreigners have the privilege to dispose, by donation or by testament, of that real estate of which such disposition is permitted by law.

As to that real estate of which they may not have disposed, or of which the law does not permit them to dispose by gift or testament, its succession shall be governed in accordance with Ottoman law.

ARTICLE V

All foreigners shall enjoy the privileges of the present law, as soon as the Powers on which they depend shall agree to the arrangements proposed by the Sublime Porte for the exercise of the right to hold real estate.

EXTRADITION

*Convention signed at Constantinople August 11, 1874
Ratified by the Ottoman Government September 22, 1874
Senate advice and consent to ratification January 20, 1875
Ratified by the President of the United States January 22, 1875
Ratifications exchanged at Constantinople April 22, 1875
Entered into force April 22, 1875
Proclaimed by the President of the United States May 26, 1875
Superseded August 18, 1934, by treaty signed for the United States
and Turkey August 6, 1923¹*

19 Stat. 572; Treaty Series 270

The United States of America and His Imperial Majesty the Sultan, having judged it expedient, with a view to the better administration of justice and to the prevention of crimes within their respective territories and jurisdiction, that persons convicted of or charged with the crimes hereinafter specified, and being fugitives from justice, should, under certain circumstances, be reciprocally delivered up, have resolved to conclude a convention for that purpose, and have appointed as their Plenipotentiaries, the President of the United States, George H. Boker, Minister Resident of the United States of America near the Sublime Porte, and His Imperial Majesty the Sultan, His Excellency A. Aarifi Pasha, his Minister for Foreign Affairs; who, after reciprocal communication of their full powers, found in good and due form, have agreed upon the following articles, to wit:

ARTICLE I

The Government of the United States and the Ottoman Government mutually agree to deliver up persons who, having been convicted of or charged with the crimes specified in the following article, committed within the jurisdiction of one of the contracting parties, shall seek an asylum or be found within the territories of the other: *Provided*, That this shall only be done upon such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his or her apprehension and commitment for trial, if the crime had been there committed.

¹ TS 872, *post*, vol. 11, TURKEY.

ARTICLE II

Persons shall be delivered up who shall have been convicted of, or be charged, according to the provisions of this convention, with any of the following crimes:

1st. Murder, comprehending the crimes designated by the terms of parricide, assassination, poisoning, and infanticide.

2d. The attempt to commit murder.

3d. The crimes of rape, arson, piracy, and mutiny on board a ship, whenever the crew, or part thereof, by fraud or violence against the commander, have taken possession of the vessel.

4th. The crime of burglary, defined to be the action of breaking and entering by night into the house of another with the intent to commit felony; and the crime of robbery, defined to be the action of feloniously and forcibly taking from the person of another goods or money by violence, or putting him in fear.

5th. The crime of forgery, by which is understood the utterance of forged papers, the counterfeiting of public, sovereign, or government acts.

6th. The fabrication or circulation of counterfeit money, either coin or paper, of public bonds, banknotes, and obligations, and in general of all things being titles and instruments of credit, the counterfeiting of seals, dies, stamps, and marks of state and public administrations, and the utterance thereof.

7th. The embezzlement of public moneys, committed within the jurisdiction of either party, by public officers or depositors.

8th. Embezzlement, by any person or persons, hired or salaried, to the detriment of their employers, when these crimes are subject to infamous punishment.

ARTICLE III

The provisions of this treaty shall not apply to any crime or offence of a political character, and the person or persons delivered up for the crimes enumerated in the preceding article shall in no case be tried for any ordinary crime committed previously to that for which his or their surrender is asked.

ARTICLE IV

If the person whose surrender may be claimed, pursuant to the stipulations of the present treaty, shall have been arrested for the commission of offences in the country where he has sought an asylum, or shall have been convicted thereof, his extradition may be deferred until he shall have been acquitted or have served the term of imprisonment to which he may have been sentenced.

ARTICLE V

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the contracting parties, or in the event of

the absence of these from the country, or its seat of government, they may be made by superior consular officers. If the person whose extradition may be asked for shall have been convicted of a crime, a copy of the sentence of the court in which he may have been convicted, authenticated under its seal, and an attestation of the official character of the judge by the proper executive authority, and of the latter by the minister or consul of the United States or of the Sublime Porte, respectively, shall accompany the requisition. When, however, the fugitive shall have been merely charged with crime, a duly authenticated copy of the warrant for his arrest in the country where the crime may have been committed, or of the depositions upon which such warrant may have been issued, must accompany the requisition as aforesaid. The President of the United States, or the proper executive authority in Turkey, may then issue a warrant for the apprehension of the fugitive, in order that he may be brought before the proper judicial authority for examination. If it should then be decided that, according to law and the evidence, the extradition is due, pursuant to the treaty, the fugitive may be given up according to the forms prescribed in such cases.

ARTICLE VI

The expenses of the arrest, detention, and transportation of the persons claimed shall be paid by the government in whose name the requisition has been made.

ARTICLE VII

Neither of the contracting parties shall be bound to deliver up its own citizens under the stipulations of this treaty.

ARTICLE VIII

This convention shall continue in force during five (5) years from the day of exchange of ratification; but if neither party shall have given to the other six (6) months' previous notice of its intention to terminate the same, the convention shall remain in force five years longer, and so on.

The present convention shall be ratified, and the ratifications exchanged at Constantinople, within twelve (12) months, and sooner if possible.

In witness whereof, the respective Plenipotentiaries have signed the present convention in duplicate, and have thereunto affixed their seals.

Done at Constantinople the eleventh day of August, one thousand eight hundred and seventy-four.

GEO. H. BOKER [SEAL]
A. AARIFI [SEAL]

*Pakistan*¹

AIR TRANSPORT SERVICES

Exchange of notes at Karachi June 1 and 16, 1948

Entered into force June 16, 1948

*Route annex revised by agreement of March 28 and April 18, 1961*²

[For text, see 5 UST 2164; TIAS 3078.]

¹ Certain agreements between the United States and India and between the United States and the United Kingdom were, or are, applicable to Pakistan. See under INDIA *ante*, vol. 8, p. 1209 and UNITED KINGDOM, *post*, vol. 12.

² 12 UST 846; TIAS 4783.

DIPLOMATIC AND CONSULAR PRIVILEGES

*Exchange of notes at Washington October 27, 1948, and February 4,
1949*

Entered into force February 4, 1949

Department of State files

The Pakistani Chargé d'Affaires to the Secretary of State

F 159/48/3

The Chargé d'Affaires of Pakistan presents his compliments to the Secretary of State and has the honour to forward herewith a copy of the instructions issued by the Government of Pakistan regarding concessions and privileges being accorded to diplomatic officers and consular officers *de carrière*, including Trade Commissioners, who are accredited to Pakistan.

As concessions and privileges to foreign representatives are accorded on a basis of reciprocity, the Government of Pakistan express the hope that the Government of the United States of America will grant similar concessions to the diplomatic and consular officers of Pakistan, as well as to the Trade Commissioners (when appointed) in this country. It is the belief of the Chargé d'Affaires that this is already substantially being done.

SECRETARY OF STATE,
DEPARTMENT OF STATE,
Washington, D.C.

27th October, 1948.

GOVERNMENT OF PAKISTAN

MINISTRY OF FOREIGN AFFAIRS AND COMMONWEALTH RELATIONS

Concessions and privileges to be accorded to diplomatic and non-diplomatic members of foreign diplomatic Missions in Pakistan which include Embassies, Legations and High Commissions, on a basis of reciprocity. Diplomatic officers mean Heads of Foreign Missions, Counsellors, Secretaries, Attachés and Advisers.

1. *Income Tax*

All the diplomatic and non-diplomatic members of diplomatic missions in Pakistan, who are nationals of the appointing State and not engaged

in any business in this country, shall be exempt from the payment of income-tax on their emoluments drawn from the Home State.

2. *Customs Duty*

All the diplomatic members of foreign missions and members of their families shall be exempt from the payment of customs duty on all articles, including wines, spirits and other alcoholic liquors, imported for official or personal use during the tenure of their appointment.

Their baggage, including motor car and household furniture, shall be exempt from examination and duty on their first arrival to take up appointment in Pakistan and on return from leave abroad. Heads of diplomatic missions will not be required to sign baggage declaration.

Official Supplies

Articles such as official furniture, stationery, supplies, etc. sent by the Foreign Governments for the official use of their representatives in Pakistan will be admitted free of customs duty and without examination on application being made by the Head of the Mission.

While no restriction is placed upon deliveries of imported dutiable goods to privileged officials, it is expected that the quantities will not be excessive so as to amount to abuse of privilege.

3. The diplomatic members of foreign missions shall be exempt from the payment of the Provincial motor tax, fees for the issue or renewal of driving licence and registration fee on motor vehicles used for personal or official use. They will also be exempt from the requirement of passing the driving test provided they possess a driving licence.

4. The diplomatic members of foreign missions shall be exempt from the payment of licence fee for possessing firearms under the Indians Arms Act.

5. The diplomatic and non-diplomatic members of foreign diplomatic missions in Pakistan shall be exempt from the payment of licence fee for possessing a wireless set.

6. The non-diplomatic staff of foreign missions in Pakistan shall be exempt from certain provisions of the Registration of Foreigners Rules, 1939, on a basis of reciprocity. The diplomatic staff is statutorily exempt from these rules.

GOVERNMENT OF PAKISTAN

MINISTRY OF FOREIGN AFFAIRS AND COMMONWEALTH RELATIONS

Concessions and privileges to be accorded to foreign Consular Officers, *de carrière* and the foreign and Commonwealth Trade Commissioners in Pakistan on a basis of reciprocity. Consular officers include Consuls-General, Consuls, Vice-Consuls and Consular Agents.

1. *Income Tax*

Consular officers and other employees of foreign Consular offices in Pakistan, Trade Commissioners and the members of their staff, who are na-

tionals of the appointing State and not engaged in any business for private gain in this country, shall be exempt from the payment of income-tax on their emoluments received from the Home State.

2. Customs duty

On their first arrival to take up appointment in Pakistan or on return from leave abroad the foreign Consular officers and Trade Commissioners shall be exempt from baggage examination and duty. They will be required to sign baggage declaration. Baggage will include household furniture, motor car and fire-arms of non-prohibited bore.

Official supplies

Articles such as official furniture, stationery, supplies, etc. sent by the Foreign and Commonwealth Governments for the official use of their Consular officers and Trade Commissioners in Pakistan will be admitted free of customs duty and without examination on application being made by the Head of the Consular office or the Trade Commissioner.

3. Motor taxation

Foreign Consular officers and Trade Commissioners in Pakistan shall be exempt from motor taxation, driving licence fee and fee for the issue or renewal of registration certificate.

4. Consular officers and Trade Commissioners shall also be exempt from the payment of licence fee for possessing a wireless set.

The Secretary of State to the Pakistani Ambassador

The Secretary of State presents his compliments to His Excellency the Ambassador of Pakistan and has the honor to refer to his Embassy's note no. F.159/48/3, dated October 27, 1948, concerning privileges granted foreign diplomatic and consular officers, as well as Trade Commissioners.

In accordance with paragraphs 10.29 and 10.30 of the United States Customs Regulations of 1943, which are enclosed,¹ Pakistan Diplomatic Officers and members of their families are granted free entry privileges upon arrival in the United States, whether they are stationed in the United States or are en route to or from other countries to which they are accredited. Subsequent to their arrival in the United States to take up their duties, and at any time during official residence, Pakistan Diplomatic Officers and members of their families are extended the privilege of free importation for their personal use of articles which are not prohibited by the laws of the United States. This privilege includes the importation of automobiles, new or old, since the Treasury Department considers automobiles personal effects, and as such they are entitled to free entry.

Under the terms of the United States Customs Regulations, supplies, including stationery, safes, file cabinets, and usual and necessary equipment

¹ Not printed here.

intended for use in diplomatic and consular offices may be admitted free of duty. Free entry as an act of international courtesy may also be authorized for furnishings intended for use in the diplomatic or consular offices and residences. These might include rugs, glassware, china, refrigerators, and furniture.

Samples of products of Pakistan, if forming a part of a permanent exhibit in the Embassy or Consulate, may also be admitted free of duty.

In April 1948 the Department was informed by the Embassy that the customs agreement between the United States and the United Kingdom, in which India participated, was considered to be in effect for diplomatic and consular personnel of the United States in Pakistan since Pakistan (then a part of India) was a party to the agreement. Under the terms of that agreement, consular officers of career and the members of their families living with them, Trade Commissioners, and diplomatic and consular employees who are British nationals and not engaged in any private occupation for gain in the United States may be extended, on a basis of reciprocity, the privilege of free entry upon arrival in the United States, and return from leave spent abroad, and the free importation at any time during official residence of articles not prohibited by the laws of the United States. In accordance with the provisions of Section 3002 of the Internal Revenue Code, exemption from the payment of internal revenue tax is also granted to consular officers and employees on liquor and tobacco imported by them for their personal use. Because of an interpretation by the Treasury Department, the latter exemption may not, however, be granted Trade Commissioners.

For further information of the Ambassador, there is enclosed a copy of M.T.7, a bulletin issued by the Internal Revenue Bureau, which outlines the tax exemptions granted diplomatic, consular and other officers and agencies of foreign governments. It will be noted that all diplomatic officers, members of their families and staffs, including secretaries, clerks, and servants are granted exemption from the taxes outlined in the first and second classifications. Consular and other officers and agencies of foreign governments are granted exemption from the payment of the taxes in the first classification in carrying out their official duties. However, this exemption does not extend to their personal transactions unless—in the case of consular officers only—there is in force a treaty between the United States and the country represented.

In connection with the foregoing it is pertinent to mention that these exemptions and privileges are not granted to honorary diplomatic and consular officers.

DEPARTMENT OF STATE,
WASHINGTON, *February 4, 1949.*

REDUCTION OF VISA FEES

Exchange of notes at Karachi October 10 and 18, 1949

Entered into force October 18, 1949; operative November 15, 1949

*Amended by agreements of August 16, October 11, November 19,
and December 16 and 29, 1952, and March 19 and April 8,
1953,¹ and August 4, October 20, and November 25 and 29,
1955²*

[For text, see 3 UST 365; TIAS 2398.³]

¹ 4 UST 11; TIAS 2761.

² 6 UST 6107; TIAS 3463.

Palestine

PARCEL POST

Agreement signed at Jerusalem May 10, 1943, and at Washington September 6, 1944¹

Approved and ratified by the President of the United States September 25, 1944

Entered into force September 25, 1944

Obsolete²

58 Stat. 1522; Executive Agreement Series 439

PARCEL POST AGREEMENT BETWEEN PALESTINE AND THE UNITED STATES OF AMERICA

The Postal Administrations of Palestine and of the United States of America (including Alaska, Puerto Rico, the Virgin Islands, Guam, Samoa, and Hawaii) agree to effect a regular direct exchange of parcels between Palestine and the United States of America.

AGREEMENT

ARTICLE I

Limits of weight and size

1. A parcel for the United States of America posted in Palestine shall not exceed 22 pounds in weight, 3 feet 6 inches in length, and 6 feet in length and girth combined; and a parcel for Palestine posted in the United States of America shall not exceed 10 kilograms in weight, 1.05 meters in length, and 1.80 meters in length and girth combined.

2. As regards the exact calculation of the weight and dimensions of a parcel, the view of the dispatching office shall be accepted except in a case of obvious error.

¹ For detailed regulations for carrying out the agreement, see 58 Stat. 1532 or p. 12 of EAS 439.

² The United Kingdom relinquished its Mandate over Palestine on May 15, 1948, and the independence of the State of Israel was proclaimed effective that date.

ARTICLE II*Transit of parcels*

1. The two Administrations guarantee the right of transit for parcels over their territory to or from any country with which they respectively have parcel-post communication.

2. Each Postal Administration shall inform the other to which countries parcels may be sent through it as intermediary, and the amount of the charges due to it therefor, as well as other conditions to which the parcels are subject. Transit parcels shall be subject to the provisions of this Agreement and the Detailed Regulations³ so far as they are applicable.

ARTICLE III*Prepayment of postage*

The prepayment of the postage on a parcel shall be compulsory except in the case of a redirected or returned parcel.

ARTICLE IV*Territorial and maritime credits*

1. The territorial credit due to Palestine for parcels addressed for delivery in the service of its territory shall be 0.75 franc for each parcel up to 1 kilogram in weight, 1.10 franc for each parcel over 1 up to 3 kilograms in weight, 1.50 franc for each parcel over 3 up to 5 kilograms in weight, and 3.00 francs for each parcel over 5 up to 10 kilograms in weight.

2. The territorial credit due to the United States of America for parcels addressed for delivery in the service of its territory shall be as follows, computed on the bulk net weight of each dispatch:

For parcels addressed to the United States of America (continent) 0.70 franc per kilogram.

The combined territorial and maritime credits due to the United States of America for parcels addressed for delivery in the service of its possessions are as follows:

For parcels addressed to Alaska, 2.20 francs per kilogram.

For parcels addressed to Puerto Rico and the Virgin Islands, 1.05 franc per kilogram.

For parcels addressed to Samoa, Guam, and Hawaii, 1.85 franc per kilogram.

3. Each Administration reserves the right to vary its territorial rates in accordance with any alterations of these charges which may be decided upon in connection with its parcel-post relations with other countries generally.

4. Three months' advance notice must be given of any increase or reduction of the rates mentioned in Sections 1 and 2 of this article. Such reduction or increase shall be effective for a period of not less than one year.

³ See footnote 1, p. 651.

ARTICLE V*Sea rate*

Each of the two Administrations shall be entitled to fix the rate for any sea service which it provides.

ARTICLE VI*Fee for clearance through the Customs*

Each of the two Administrations may collect, in respect of delivery to the Customs and clearance through the Customs, or in respect of delivery to the Customs only, a fee not exceeding 50 centimes per parcel or such other fee as it may from time to time fix for similar services in its parcel-post relations with other countries generally.

ARTICLE VII*Delivery to the addressee**Fee for delivery at the place of address*

Parcels are delivered to the addressees as quickly as possible in accordance with the conditions in force in the country of destination. Each country may collect in respect of delivery of parcels to the addressee a fee not exceeding 50 centimes per parcel. The same fee may be charged, if the case arises, for each presentation after the first at the addressee's residence or place of business.

ARTICLE VIII*Customs and other non-postal charges*

Customs charges and all other non-postal charges shall be paid by the addressees of parcels, except as provided otherwise in this Agreement.

ARTICLE IX*Warehousing charge*

Each of the two Administrations may collect any warehousing charge fixed by its legislation for a parcel which is addressed "Poste Restante" or which is not claimed within the prescribed period.

This charge shall in no case exceed 5 francs.

ARTICLE X*Prohibitions*

1. Postal parcels must not contain any letter, note, or document having the character of an actual and personal correspondence, or packets of any kind bearing an address other than that of the addressee of the parcel or of persons dwelling with him.

It is, however, permissible to enclose in a parcel an open invoice confined to the particulars which constitute an invoice, and also a simple copy of the address of the parcel.

2. It is also forbidden to enclose in a parcel:

- (a) Articles which from their nature or packing may be a source of danger to postal employees, or may soil or damage other parcels.
- (b) Explosive, inflammable, or dangerous substances (including loaded metal caps, live cartridges, and matches).
- (c) Live animals (except bees, which must be enclosed in boxes so constructed as to avoid all danger to postal employees and to allow the contents to be ascertained).
- (d) Articles the admission of which is forbidden by law or by the customs or other regulations.
- (e) Articles of an obscene or immoral nature.

It is, moreover, forbidden to send coin; platinum, gold, or silver, whether manufactured or unmanufactured; precious stones, jewelry, or other precious articles in uninsured parcels.

3. A parcel which has been wrongly admitted to the post shall be returned to the country of origin, unless the Administration of destination is authorized by its legislation to dispose of it otherwise.

Nevertheless, the fact that a parcel contains a letter or communication which constitutes an actual and personal correspondence shall not, in any case, entail its return to the country of origin.

4. Explosive, inflammable, or dangerous substances and articles of an obscene or immoral nature shall not be returned to the country of origin; they shall be disposed of by the Administration which has found them in the mails in accordance with its own internal regulations.

5. If a parcel wrongly admitted to the post is neither returned to origin nor delivered to the addressee, the Administration of origin shall be informed as to the precise treatment accorded to the parcel in order that it may take such steps as are necessary.

ARTICLE XI

Advice of delivery

1. The sender may obtain an advice of delivery for an insured parcel under the conditions prescribed for postal packets by the Convention of the Universal Postal Union. An advice of delivery cannot be obtained for an uninsured parcel.

2. The Administration of origin may collect from the sender who requests an advice of delivery, such fee as may from time to time be prescribed by its regulations.

ARTICLE XII*Redirection*

1. A parcel may be redirected in consequence of the addressee's change of address in the country of destination. The Administration of destination may collect the redirection charge prescribed by its internal regulations. Similarly, a parcel may be redirected from one of the two countries which are parties to this Agreement to a third country provided that the parcel complies with the conditions required for its further conveyance and provided, as a rule, that the extra postage is prepaid at the time of redirection or documentary evidence is produced that the addressee will pay it.

2. Additional charges levied in respect of redirection and not paid by the addressee or his representative shall not be canceled in case of further redirection or of return to origin, but shall be collected from the addressee or from the sender as the case may be, without prejudice to the payment of any special charges incurred which the Administration of destination does not agree to cancel.

ARTICLE XIII*MisSENT parcels*

Parcels received out of course, or wrongly allowed to be dispatched, shall be retransmitted or returned in accordance with the provisions of Article 1, Section 2, and Article 15, Sections 1 and 2, of the Detailed Regulations.

ARTICLE XIV*Nondelivery*

1. The sender may request at the time of posting that, if the parcel cannot be delivered as addressed, it may be either (a) treated as abandoned or (b) tendered for delivery at a second address in the country of destination. No other alternative is admissible. If the sender avails himself of this facility his request must appear on the dispatch note and must be in conformity with, or analogous to, one of the following forms:

“If not deliverable as addressed, abandon”

“If not deliverable as addressed, deliver to”

The same request must also be written on the cover of the parcel.

2. In the absence of a request by the sender to the contrary, a parcel which cannot be delivered shall be returned to the sender without previous notification and at his expense thirty days after its arrival at the office of destination.

Nevertheless, a parcel which is definitely refused by the addressee shall be returned immediately.

3. The charges due on returned undeliverable parcels shall be recovered in accordance with the provisions of Article XXIX.

ARTICLE XV*Cancelation of customs charges*

Both parties to this Agreement undertake to urge their respective Customs Administrations to cancel Customs charges on parcels which are returned to the country of origin, or redirected to a third country.

ARTICLE XVI*Sale. Destruction*

Articles of which the early deterioration or corruption is to be expected, and these only, may be sold immediately, even when in transit on the outward or return journey, without previous notice or judicial formality. If for any reason, a sale is impossible, the spoilt or putrid articles shall be destroyed.

ARTICLE XVII*Abandoned parcels*

Parcels which cannot be delivered to the addressees and which the senders have abandoned shall not be returned by the Administration of destination, but shall be treated in accordance with its legislation. No claim shall be made by the Administration of destination against the Administration of origin in respect of such parcels.

ARTICLE XVIII*Inquiries*

1. A fee not exceeding 60 centimes may be charged for every inquiry concerning a parcel.

No fee shall be charged if the sender has already paid the special fee for an advice of delivery.

2. Inquiries shall be admitted only if made by the sender within the period of one year from the day following the date of posting of the parcel.

3. When an inquiry is the outcome of an irregularity in the postal service, the inquiring fee shall be refunded.

ARTICLE XIX*Insured parcels. Rates and conditions*

1. Parcels may be insured up to a limit of \$100 when mailed in the United States of America and £20 when mailed in Palestine.

2. The Administration of origin is entitled to collect from the sender of an insured parcel, an insurance fee fixed according to its internal regulations.

3. The Administration of origin is also entitled to collect from the sender of an insured parcel a dispatch fee not exceeding 50 centimes.

4. A receipt must be given free of charge at the time of posting to the sender of an insured parcel.

ARTICLE XX

Fraudulent insurance

The insured value may not exceed the actual value of the contents of the parcel, but it is permitted to insure only part of this value.

The fraudulent insurance of a parcel for a sum exceeding the actual value shall be subject to any legal proceedings which may be admitted by the laws of the country of origin.

A parcel of which the contents have no pecuniary value may, however, be insured for a nominal sum in order to obtain the safeguards of the insurance system.

ARTICLE XXI

Responsibility for loss, damage, or abstraction

1. Except in the cases mentioned in the following article, the two Administrations shall be responsible for the loss of insured parcels only, and for the loss, damage, or abstraction of their contents or of a part thereof.

The sender or other rightful claimant is entitled under this head to compensation corresponding to the actual amount of the loss, damage or abstraction. The amount of compensation for an insured parcel shall not exceed the amount for which it was insured.

In cases where the loss, damage, or abstraction occurs in the service of the country of destination, the Administration of destination may pay compensation to the addressee at its own expense and without consulting the Administration of origin; provided that the addressee can prove that the sender has waived his rights in the addressee's favor.

2. In calculating the amount of compensation, indirect loss or loss of profits shall not be taken into consideration.

3. Compensation shall be calculated on the current price of goods of the same nature at the place and time at which the goods were accepted for transmission or, in the absence of current price, on the ordinary estimated value.

4. Where compensation is due for the loss, destruction, or complete damage of an insured parcel or for the abstraction of the whole of the contents, the sender is entitled to return of the postage also, if claimed.

5. In all cases, insurance fees and, if the case arises, the dispatch fee shall be retained by the Administrations concerned.

6. In the absence of special agreement to the contrary between the countries involved, which agreement may be made by correspondence, no indemnity will be paid by either country for the loss of transit insured parcels; that

is, parcels originating in a country not participating in this Agreement and destined for one of the two contracting countries, or parcels originating in one of the two contracting countries and destined for a country not participating in this Agreement.

7. When an insured parcel originating in one country and destined to be delivered in the other country is reforwarded from there to a third country or is returned to a third country, at the request of the sender or of the addressee, the party entitled to the indemnity in case of loss, rifling, or damage occurring subsequent to the reforwarding or return of the parcel by the original country of destination can lay claim in such a case only to the indemnity which the country where the loss, rifling, or damage occurred consents to pay, or which that country is obliged to pay in accordance with the agreement made between the countries directly interested in the reforwarding or return. Either of the two countries signing the present Agreement which wrongly forwards an insured parcel to a third country is responsible to the sender to the same extent as the country of origin; that is, within the limits of the present Agreement.

ARTICLE XXII

Exceptions to the principle of responsibility

The two Administrations shall be released from all responsibility:

- (a) In cases beyond control (force majeure).
- (b) When, their responsibility not having been proved otherwise, they are unable to account for parcels in consequence of the destruction of official documents through a cause beyond control (force majeure).
- (c) When the damage has been caused by the fault or negligence of the sender, or when it arises from the nature of the article.
- (d) For parcels of which the contents fall under the ban of one of the prohibitions mentioned in Article X.
- (e) For parcels which have been fraudulently insured for a sum exceeding the actual value of the contents, or for parcels seized by the Customs for false declaration of contents.
- (f) In respect of parcels regarding which the sender has not made inquiry within the period prescribed by Article XVIII.
- (g) In respect of any parcels containing precious stones, jewelry, or any article of gold, silver, or platinum exceeding \$500 or £100 in value not packed in a box of the size prescribed by Article 6, Section 3, of the Detailed Regulations.
- (h) For parcels which contain matter of no intrinsic value or perishable matter, or which did not conform to the stipulations of this Agreement, or which were not posted in the manner prescribed; but the country responsible for the loss, rifling, or damage may pay indemnity in respect of such parcels without recourse to the other Administration.

ARTICLE XXIII

Termination of responsibility

The two Administrations shall cease to be responsible for parcels which have been delivered in accordance with their internal regulations and of which the owners or their agents have accepted delivery without reservation.

Responsibility is, however, maintained when the addressee or, in case of return, the sender makes reservations in taking delivery of a parcel the contents of which have been abstracted or damaged.

ARTICLE XXIV

Payment of compensation

The payment of compensation shall be undertaken by the Administration of origin except in the cases indicated in Article XXI, Section 1, where payment is made by the Administration of destination. The Administration of origin may, however, after obtaining the sender's consent, authorize the Administration of destination to settle with the addressee. The paying Administration retains the right to make a claim against the Administration responsible.

ARTICLE XXV

Period for payment of compensation

1. Compensation shall be paid as soon as possible and, at the latest, within one year from the day following the date of the inquiry.
2. The Administration responsible is authorized to settle with the claimant on behalf of the other Administration if the latter, after being duly informed of the application, has let nine months pass without giving a decision in the matter.
3. The Administration responsible for making payment may, exceptionally, postpone it beyond the period of one year when a decision has not yet been reached upon the question whether the loss, damage, or abstraction is due to a cause beyond control.

ARTICLE XXVI

Incidence of cost of compensation

1. Until the contrary is proved, responsibility shall rest with the Administration which, having received the parcel from the other Administration without making any reservation and having been furnished with all the particulars for investigation prescribed by the regulations, cannot establish either proper delivery to the addressee or his agent, or other proper disposal of the parcel.
2. When the loss, rifling, or damage of an insured parcel is detected upon opening the receptacle at the receiving exchange office and after it has been

regularly pointed out to the dispatching exchange office, the responsibility falls on the Administration to which the latter office belongs; unless it be proved that the irregularity occurred in the service of the receiving Administration.

3. If, in the case of a parcel dispatched from one of the two countries for delivery in the other, the loss, damage, or abstraction has occurred in course of conveyance without its being possible to prove in the service of which country the irregularity took place, the two Administrations shall bear the amount of compensation in equal shares.

4. By paying compensation, the Administration concerned takes over, to the extent of the amount paid, the rights of the person who has received compensation in any action which may be taken against the addressee, the sender, or a third party.

5. If a parcel which has been regarded as lost is subsequently found, in whole or in part, the person to whom compensation has been paid shall be informed that he is at liberty to take possession of the parcel against repayment of the amount paid as compensation.

ARTICLE XXVII

Repayment of compensation to the Administration of origin

The Administration responsible or on whose account the payment is made in accordance with Article XXIV is bound to repay the amount of the compensation within a period of six months after notification of payment. The amount shall be recovered from the Administration responsible through the accounts provided for in Article 21 of the Detailed Regulations.

The Administration which has been duly proved responsible and which has originally declined to pay compensation is bound to bear all the additional charges resulting from the unwarranted delay in payment.

ARTICLE XXVIII

Credits for conveyance

For each parcel dispatched from one of the two countries for delivery in the other the dispatching office shall allow to the office of destination the rates which accrue to it by virtue of the provisions of Article IV and V.

For each parcel dispatched from one of the two countries in transit through the other the dispatching office shall allow to the other office the rates due for the conveyance and insurance of the parcel.

ARTICLE XXIX

Claims in case of redirection or return

In case of redirection or of return of a parcel from one country to the other, the retransmitting Administration shall claim from the other Administration

the charges due to it and to any other Administration taking part in the redirection or return. The claim shall be made on the parcel bill relating to the mail in which the parcel is forwarded.

ARTICLE XXX

Charge for redirection in the country of destination

In case of further redirection or of return to the country of origin, the redirection charge prescribed by Article XII, Section 1, shall accrue to the country which redirected the parcel within its own territory.

ARTICLE XXXI

Miscellaneous fees

The following fees shall be retained in full by the Administration which has collected them:

- (a) The fee for advice of delivery referred to in Article XI.
- (b) The inquiry fee referred to in Article XVIII, Section 1.
- (c) The dispatch fee for an insured parcel referred to in Article XIX, Section 3.
- (d) The fee for customs clearance referred to in Article VI.
- (e) The delivery fee referred to in Article VII.

ARTICLE XXXII

Insurance fee

In respect of insured parcels the Administration of origin shall allow to the Administration of destination for territorial service a rate of 5 centimes for each insured parcel. If the Administration of destination provides the sea service, the Administration of origin shall allow an additional rate of 10 centimes for each insured parcel.

ARTICLE XXXIII

Miscellaneous provisions

1. The francs and centimes mentioned in this Agreement are gold francs and centimes as defined in the Universal Postal Union Convention.
2. Parcels shall not be subjected to any postal charges other than those contemplated in this Agreement; except by mutual consent of the two Administrations.
3. In extraordinary circumstances either Administration may temporarily suspend the parcel post, either entirely or partially, on condition of giving immediate notice, if necessary by telegraph, to the other Administration.
4. The two Administrations have drawn up the following Detailed Regulations for insuring the execution of the present Agreement. Further

matters of detail, not inconsistent with the general provisions of this Agreement and not provided for in the Detailed Regulations may be arranged from time to time by mutual consent.

5. The internal legislation of Palestine and of the United States of America shall remain applicable as regards everything not provided for by the stipulations contained in the present Agreement and in the Detailed Regulations for its execution.

ARTICLE XXXIV

Entry into force and duration of the Agreement

This Agreement shall come into force on ratification but, pending ratification, it may be put into force administratively on a date to be mutually settled between the Administrations of the two countries; and it shall remain in operation until the expiration of one year from the date on which it may have been denounced by either of the two Administrations.

In witness whereof the undersigned, duly authorized for that purpose, have signed the present Agreement, and have affixed their seals thereto.

Done in duplicate and signed at Washington, on the sixth day of September 1944, and at Jerusalem, on the tenth day of May 1943.

K. P. ALDRICH [SEAL]
*Acting Postmaster General of the
United States of America*

G. H. WEBSTER [SEAL]
Postmaster General of Palestine

[For detailed regulations for carrying out the agreement, see 58 Stat. 1532 or p. 12 of EAS 439.]

Panama

ISTHMIAN CANAL

Convention signed at Washington November 18, 1903

Ratified by Panama December 2, 1903

Senate advice and consent to ratification February 23, 1904

Ratified by the President of the United States February 25, 1904

Ratifications exchanged at Washington February 26, 1904

Entered into force February 26, 1904

Proclaimed by the President of the United States February 26, 1904

Amended by treaties of March 2, 1936,¹ and January 25, 1955²

33 Stat. 2234; Treaty Series 431

ISTHMIAN CANAL CONVENTION

The United States of America and the Republic of Panama being desirous to insure the construction of a ship canal across the Isthmus of Panama to connect the Atlantic and Pacific oceans, and the Congress of the United States of America having passed an act approved June 28, 1902, in furtherance of that object, by which the President of the United States is authorized to acquire within a reasonable time the control of the necessary territory of the Republic of Colombia, and the sovereignty of such territory being actually vested in the Republic of Panama, the high contracting parties have resolved for that purpose to conclude a convention and have accordingly appointed as their plenipotentiaries,—

The President of the United States of America, JOHN HAY, Secretary of State, and

The Government of the Republic of Panama, PHILIPPE BUNAU VARILLA, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Panama, thereunto specially empowered by said government, who after com-

¹ TS 945, *post*, p. 742.

² 6 UST 2273; TIAS 3297.

municating with each other their respective full powers, found to be in good and due form, have agreed upon and concluded the following articles:

ARTICLE I³

The United States guarantees and will maintain the independence of the Republic of Panama.

ARTICLE II⁴

The Republic of Panama grants to the United States in perpetuity the use, occupation and control of a zone of land and land under water for the construction, maintenance, operation, sanitation and protection of said Canal of the width of ten miles extending to the distance of five miles on each side of the center line of the route of the Canal to be constructed; the said zone beginning in the Caribbean Sea three marine miles from mean low water mark and extending to and across the Isthmus of Panama into the Pacific ocean to a distance of three marine miles from mean low water mark with the proviso that the cities of Panama and Colon and the harbors adjacent to said cities, which are included within the boundaries of the zone above described, shall not be included within this grant. The Republic of Panama further grants to the United States in perpetuity the use, occupation and control of any other lands and waters outside of the zone above described which may be necessary and convenient for the construction, maintenance, operation, sanitation and protection of the said Canal or of any auxiliary canals or other works necessary and convenient for the construction, maintenance, operation, sanitation and protection of the said enterprise.

The Republic of Panama further grants in like manner to the United States in perpetuity all islands within the limits of the zone above described and in addition thereto the group of small islands in the Bay of Panama, named Perico, Naos, Culebra and Flamenco.

ARTICLE III

The Republic of Panama grants to the United States all the rights, power and authority within the zone mentioned and described in Article II of this agreement and within the limits of all auxiliary lands and waters mentioned and described in said Article II which the United States would possess and exercise if it were the sovereign of the territory within which said lands and waters are located to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority.

ARTICLE IV

As rights subsidiary to the above grants the Republic of Panama grants in perpetuity to the United States the right to use the rivers, streams, lakes and

³ Art. I superseded by art. I of treaty of Mar. 2, 1936 (TS 945, *post*, p. 743).

⁴ Art. II modified by art. II of treaty of Mar. 2, 1936.

other bodies of water within its limits for navigation, the supply of water or water-power or other purposes, so far as the use of said rivers, streams, lakes and bodies of water and the waters thereof may be necessary and convenient for the construction, maintenance, operation, sanitation and protection of the said Canal.

ARTICLE V⁵

The Republic of Panama grants to the United States in perpetuity a monopoly for the construction, maintenance and operation of any system of communication by means of canal or railroad across its territory between the Caribbean Sea and the Pacific ocean.

ARTICLE VI⁶

The grants herein contained shall in no manner invalidate the titles or rights of private land holders or owners of private property in the said zone or in or to any of the lands or waters granted to the United States by the provisions of any Article of this treaty, nor shall they interfere with the rights of way over the public roads passing through the said zone or over any of the said lands or waters unless said rights of way or private rights shall conflict with rights herein granted to the United States in which case the rights of the United States shall be superior. All damages caused to the owners of private lands or private property of any kind by reason of the grants contained in this treaty or by reason of the operations of the United States, its agents or employees, or by reason of the construction, maintenance, operation, sanitation and protection of the said Canal or of the works of sanitation and protection herein provided for, shall be appraised and settled by a joint Commission appointed by the Governments of the United States and the Republic of Panama, whose decisions as to such damages shall be final and whose awards as to such damages shall be paid solely by the United States. No part of the work on said Canal or the Panama railroad or on any auxiliary works relating thereto and authorized by the terms of this treaty shall be prevented, delayed or impeded by or pending such proceedings to ascertain such damages. The appraisal of said private lands and private property and the assessment of damages to them shall be based upon their value before the date of this convention.

ARTICLE VII⁷

The Republic of Panama grants to the United States within the limits of the cities of Panama and Colon and their adjacent harbors and within the

⁵ Art. V abrogated in part by art. III of treaty of Jan. 25, 1955 (6 UST 2273; TIAS 3297).

⁶ Art. VI modified by art. X of treaty of Jan. 25, 1955.

⁷ First sentence of art. VII amended and third paragraph abrogated by art. VI of treaty of Mar. 2, 1936; first paragraph modified and second paragraph abrogated by arts. V and IV of treaty of Jan. 25, 1955. See also agreement of May 18, 1942 (EAS 359), *post*, p. 809.

territory adjacent thereto the right to acquire by purchase or by the exercise of the right of eminent domain, any lands, buildings, water rights or other properties necessary and convenient for the construction, maintenance, operation and protection of the Canal and of any works of sanitation, such as the collection and disposition of sewage and the distribution of water in the said cities of Panama and Colon, which, in the discretion of the United States may be necessary and convenient for the construction, maintenance, operation, sanitation and protection of the said Canal and railroad. All such works of sanitation, collection and disposition of sewage and distribution of water in the cities of Panama and Colon shall be made at the expense of the United States, and the Government of the United States, its agents or nominees shall be authorized to impose and collect water rates and sewerage rates which shall be sufficient to provide for the payment of interest and the amortization of the principal of the cost of said works within a period of fifty years and upon the expiration of said term of fifty years the system of sewers and water works shall revert to and become the properties of the cities of Panama and Colon respectively, and the use of the water shall be free to the inhabitants of Panama and Colon, except to the extent that water rates may be necessary for the operation and maintenance of said system of sewers and water.

The Republic of Panama agrees that the cities of Panama and Colon shall comply in perpetuity with the sanitary ordinances whether of a preventive or curative character prescribed by the United States and in case the Government of Panama is unable or fails in its duty to enforce this compliance by the cities of Panama and Colon with the sanitary ordinances of the United States the Republic of Panama grants to the United States the right and authority to enforce the same.

The same right and authority are granted to the United States for the maintenance of public order in the cities of Panama and Colon and the territories and harbors adjacent thereto in case the Republic of Panama should not be, in the judgment of the United States, able to maintain such order.

ARTICLE VIII

The Republic of Panama grants to the United States all rights which it now has or hereafter may acquire to the property of the New Panama Canal Company and the Panama Railroad Company as a result of the transfer of sovereignty from the Republic of Colombia to the Republic of Panama over the Isthmus of Panama and authorizes the New Panama Canal Company to sell and transfer to the United States its rights, privileges, properties and concessions as well as the Panama Railroad and all the shares or part of the shares of that company; but the public lands situated outside of the zone described in Article II of this treaty now included in the concessions to both said enterprises and not required in the construction or operation of the Canal shall revert to the Republic of Panama except any property now

owned by or in the possession of said companies within Panama or Colon or the ports or terminals thereof.

ARTICLE IX⁸

The United States agrees that the ports at either entrance of the Canal and the waters thereof, and the Republic of Panama agrees that the towns of Panama and Colon shall be free for all time so that there shall not be imposed or collected custom house tolls, tonnage, anchorage, lighthouse, wharf, pilot, or quarantine dues or any other charges or taxes of any kind upon any vessel using or passing through the Canal or belonging to or employed by the United States, directly or indirectly, in connection with the construction, maintenance, operation, sanitation and protection of the main Canal, or auxiliary works, or upon the cargo, officers, crew, or passengers of any such vessels, except such tolls and charges as may be imposed by the United States for the use of the Canal and other works, and except tolls and charges imposed by the Republic of Panama upon merchandise destined to be introduced for the consumption of the rest of the Republic of Panama, and upon vessels touching at the ports of Colon and Panama and which do not cross the Canal.

The Government of the Republic of Panama shall have the right to establish in such ports and in the towns of Panama and Colon such houses and guards as it may deem necessary to collect duties on importations destined to other portions of Panama and to prevent contraband trade. The United States shall have the right to make use of the towns and harbors of Panama and Colon as places of anchorage, and for making repairs, for loading, unloading, depositing, or transshipping cargoes either in transit or destined for the service of the Canal and for other works pertaining to the Canal.

ARTICLE X⁹

The Republic of Panama agrees that there shall not be imposed any taxes, national, municipal, departmental, or of any other class, upon the Canal, the railways and auxiliary works, tugs and other vessels employed in the service of the Canal, store houses, work shops, offices, quarters for laborers, factories of all kinds, warehouses, wharves, machinery and other works, property, and effects appertaining to the Canal or railroad and auxiliary works, or their officers or employees, situated within the cities of Panama and Colon, and that there shall not be imposed contributions or charges of a personal character of any kind upon officers, employees, laborers, and other individuals in the service of the Canal and railroad and auxiliary works.

⁸ Art. IX superseded by art. V of treaty of Mar. 2, 1936.

⁹ Art. X modified by art. II of treaty of Jan. 25, 1955.

ARTICLE XI

The United States agrees that the official dispatches of the Government of the Republic of Panama shall be transmitted over any telegraph and telephone lines established for canal purposes and used for public and private business at rates not higher than those required from officials in the service of the United States.

ARTICLE XII

The Government of the Republic of Panama shall permit the immigration and free access to the lands and workshops of the Canal and its auxiliary works of all employees and workmen of whatever nationality under contract to work upon or seeking employment upon or in any wise connected with the said Canal and its auxiliary works, with their respective families, and all such persons shall be free and exempt from the military service of the Republic of Panama.

ARTICLE XIII

The United States may import at any time into the said zone and auxiliary lands, free of custom duties, imposts, taxes, or other charges, and without any restrictions, any and all vessels, dredges, engines, cars, machinery, tools, explosives, materials, supplies, and other articles necessary and convenient in the construction, maintenance, operation, sanitation and protection of the Canal and auxiliary works, and all provisions, medicines, clothing, supplies and other things necessary and convenient for the officers, employees, workmen and laborers in the service and employ of the United States and for their families. If any such articles are disposed of for use outside of the zone and auxiliary lands granted to the United States and within the territory of the Republic, they shall be subject to the same import or other duties as like articles imported under the laws of the Republic of Panama.

ARTICLE XIV¹⁰

As the price or compensation for the rights, powers and privileges granted in this convention by the Republic of Panama to the United States, the Government of the United States agrees to pay to the Republic of Panama the sum of ten million dollars (\$10,000,000) in gold coin of the United States on the exchange of the ratification of this convention and also an annual payment during the life of this convention of two hundred and fifty thousand dollars (\$250,000) in like gold coin, beginning nine years after the date aforesaid.

The provisions of this Article shall be in addition to all other benefits assured to the Republic of Panama under this convention.

¹⁰ Art. XIV amended by art. VII of treaty of Mar. 2, 1936, and art. I of treaty of Jan. 25, 1955.

But no delay or difference of opinion under this Article or any other provisions of this treaty shall affect or interrupt the full operation and effect of this convention in all other respects.

ARTICLE XV

The joint commission referred to in Article VI shall be established as follows:

The President of the United States shall nominate two persons and the President of the Republic of Panama shall nominate two persons and they shall proceed to a decision; but in case of disagreement of the Commission (by reason of their being equally divided in conclusion) an umpire shall be appointed by the two Governments who shall render the decision. In the event of the death, absence, or incapacity of a Commissioner or Umpire, or of his omitting, declining or ceasing to act, his place shall be filled by the appointment of another person in the manner above indicated. All decisions by a majority of the Commission or by the umpire shall be final.

ARTICLE XVI

The two Governments shall make adequate provision by future agreement for the pursuit, capture, imprisonment, detention and delivery within said zone and auxiliary lands to the authorities of the Republic of Panama of persons charged with the commitment of crimes, felonies or misdemeanors without said zone and for the pursuit, capture, imprisonment, detention and delivery without said zone to the authorities of the United States of persons charged with the commitment of crimes, felonies and misdemeanors within said zone and auxiliary lands.

ARTICLE XVII

The Republic of Panama grants to the United States the use of all the ports of the Republic open to commerce as places of refuge for any vessels employed in the Canal enterprise, and for all vessels passing or bound to pass through the Canal which may be in distress and be driven to seek refuge in said ports. Such vessels shall be exempt from anchorage and tonnage dues on the part of the Republic of Panama.

ARTICLE XVIII

The Canal, when constructed, and the entrances thereto shall be neutral in perpetuity, and shall be opened upon the terms provided for by Section I of Article three of, and in conformity with all the stipulations of, the treaty entered into by the Governments of the United States and Great Britain on November 18, 1901.¹¹

¹¹ TS 401, *post*, vol. 12, UNITED KINGDOM.

ARTICLE XIX¹²

The Government of the Republic of Panama shall have the right to transport over the Canal its vessels and its troops and munitions of war in such vessels at all times without paying charges of any kind. The exemption is to be extended to the auxiliary railway for the transportation of persons in the service of the Republic of Panama, or of the police force charged with the preservation of public order outside of said zone, as well as to their baggage, munitions of war and supplies.

ARTICLE XX

If by virtue of any existing treaty in relation to the territory of the Isthmus of Panama, whereof the obligations shall descend or be assumed by the Republic of Panama, there may be any privilege or concession in favor of the Government or the citizens and subjects of a third power relative to an interoceanic means of communication which in any of its terms may be incompatible with the terms of the present convention, the Republic of Panama agrees to cancel or modify such treaty in due form, for which purpose it shall give to the said third power the requisite notification within the term of four months from the date of the present convention, and in case the existing treaty contains no clause permitting its modifications or annulment, the Republic of Panama agrees to procure its modification or annulment in such form that there shall not exist any conflict with the stipulations of the present convention.

ARTICLE XXI

The rights and privileges granted by the Republic of Panama to the United States in the preceding Articles are understood to be free of all anterior debts, liens, trusts, or liabilities, or concessions or privileges to other Governments, corporations, syndicates or individuals, and consequently, if there should arise any claims on account of the present concessions and privileges or otherwise, the claimants shall resort to the Government of the Republic of Panama and not to the United States for any indemnity or compromise which may be required.

ARTICLE XXII

The Republic of Panama renounces and grants to the United States the participation to which it might be entitled in the future earnings of the Canal under Article XV of the concessionary contract with Lucien N. B. Wyse now owned by the New Panama Canal Company and any and all other rights or claims of a pecuniary nature arising under or relating to said concession, or arising under or relating to the concessions to the Panama Railroad Company or any extension or modification thereof; and it likewise renounces, confirms and grants to the United States, now and hereafter, all

¹² Art. XIX modified by art. IX of treaty of Jan. 25, 1955.

the rights and property reserved in the said concessions which otherwise would belong to Panama at or before the expiration of the terms of ninety-nine years of the concessions granted to or held by the above mentioned party and companies, and all right, title and interest which it now has or may hereafter have, in and to the lands, canal, works, property and rights held by the said companies under said concessions or otherwise, and acquired or to be acquired by the United States from or through the New Panama Canal Company, including any property and rights which might or may in the future either by lapse of time, forfeiture or otherwise, revert to the Republic of Panama under any contracts or concessions, with said Wyse, the Universal Panama Canal Company, the Panama Railroad Company and the New Panama Canal Company.

The aforesaid rights and property shall be and are free and released from any present or reversionary interest in or claims of Panama and the title of the United States thereto upon consummation of the contemplated purchase by the United States from the New Panama Canal Company, shall be absolute, so far as concerns the Republic of Panama, excepting always the rights of the Republic specifically secured under this treaty.

ARTICLE XXIII

If it should become necessary at any time to employ armed forces for the safety or protection of the Canal, or of the ships that make use of the same, or the railways and auxiliary works, the United States shall have the right, at all times and in its discretion, to use its police and its land and naval forces or to establish fortifications for these purposes.

ARTICLE XXIV

No change either in the Government or in the laws and treaties of the Republic of Panama shall, without the consent of the United States, affect any right of the United States under the present convention, or under any treaty stipulation between the two countries that now exists or may hereafter exist touching the subject matter of this convention.

If the Republic of Panama shall hereafter enter as a constituent into any other Government or into any union or confederation of states, so as to merge her sovereignty or independence in such Government, union or confederation, the rights of the United States under this convention shall not be in any respect lessened or impaired.

ARTICLE XXV

For the better performance of the engagements of this convention and to the end of the efficient protection of the Canal and the preservation of its neutrality, the Government of the Republic of Panama will sell or lease to the United States lands adequate and necessary for naval or coaling stations

on the Pacific coast and on the western Caribbean coast of the Republic at certain points to be agreed upon with the President of the United States.

ARTICLE XXVI

This convention when signed by the Plenipotentiaries of the Contracting Parties shall be ratified by the respective Governments and the ratifications shall be exchanged at Washington at the earliest date possible.

In faith whereof the respective Plenipotentiaries have signed the present convention in duplicate and have hereunto affixed their respective seals.

Done at the City of Washington the 18th day of November in the year of our Lord nineteen hundred and three.

JOHN HAY
P. BUNAU VARILLA

[SEAL]
[SEAL]

EXTRADITION

Treaty signed at Panama May 25, 1904

Ratified by Panama May 25, 1904

Senate advice and consent to ratification January 6, 1905

Ratified by the President of the United States January 20, 1905

Ratifications exchanged at Panama April 8, 1905

Entered into force May 8, 1905

Proclaimed by the President of the United States May 12, 1905

34 Stat. 2851; Treaty Series 445

TREATY BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PANAMA, PROVIDING FOR THE EXTRADITION OF CRIMINALS

The United States of America and the Republic of Panamá, being desirous to confirm their friendly relations and to promote the cause of justice, have resolved to conclude a treaty for the extradition of fugitives from justice between the United States of America and the Republic of Panamá, and have appointed for that purpose the following Plenipotentiaries:—The President of the United States of America, William W. Russell, Chargé d’Affaires ad interim of the United States in Panamá, and the President of the Republic of Panamá, Tomás Arias, Secretary of Government of Panamá.

Who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

The Government of the United States and the Government of the Republic of Panamá mutually agree to deliver up persons who, having been charged with or convicted of any of the crimes and offenses specified in the following article, committed within the jurisdiction of one of the contracting parties, shall seek an asylum or be found within the territories of the other: Provided, that this shall only be done upon such evidence of Criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his or her apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II

Extradition shall be granted for the following crimes and offenses:

1. Murder, comprehending assassination, parricide, infanticide and poisoning; attempt to commit murder; manslaughter, when voluntary.
2. Arson.
3. Robbery, defined to be the act of feloniously and forcibly taking from the person of another money, goods, documents or other property by violence or putting him in fear; burglary.
4. Forgery, or the utterance of forged papers; the forgery or falsification of official acts of Government, of public authorities, or of courts of justice, or the utterance of the thing forged or falsified.
5. The counterfeiting, falsifying or altering of money, whether coin or paper, or of instruments of debt created by national, state, provincial, or municipal governments, or of coupons thereof, or of bank notes or the utterance or circulation of the same; or the counterfeiting, falsifying or altering of seals of state.
6. Embezzlement by public officers; embezzlement by persons hired or salaried, to the detriment of their employers; where in either class of cases the embezzlement exceeds the sum of two hundred dollars; larceny.
7. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, or other person acting in a fiduciary capacity, or director or member or officer of any company, when such act is made criminal by the laws of both countries and the amount of money or the value of the property misappropriated is not less than two hundred dollars.
8. Perjury; subornation of perjury.
9. Rape; abduction; kidnapping.
10. Wilful and unlawful destruction or obstruction of railroads which endangers human life.
11. Crimes committed at sea.
 - (a) Piracy, by statute or by the laws of nations.
 - (b) Revolt, or conspiracy to revolt, by two or more persons on board a ship on the high seas against the authority of the master.
 - (c) Wrongfully sinking or destroying a vessel at sea, or attempting to do so.
 - (d) Assaults on board a ship on the high seas with intent to do grievous bodily harm.
12. Crimes and offenses against the laws of both countries for the suppression of slavery and slave trading.
13. Bribery, defined to be the giving, offering or receiving of a reward to influence one in the discharge of a legal duty.

Extradition is also to take place for participation in any of the crimes and offenses mentioned in this Treaty, provided such participation may be pun-

ished, in the United States as a felony, and in the Republic of Panamá by imprisonment at hard labor.

ARTICLE III

Requisitions for the surrender of fugitives from justice shall be made by the diplomatic agents of the contracting parties, or in the absence of these from the country or its seat of government, may be made by the superior Consular Officers.

If the person whose extradition is requested shall have been convicted of a crime or offense, a duly authenticated copy of the sentence of the court in which he was convicted, or if the fugitive is merely charged with a crime, a duly authenticated copy of the warrant of arrest in the country where the crime has been committed, and of the depositions or other evidence upon which such warrant was issued, shall be produced.

The extradition of fugitives under the provisions of this Treaty shall be carried out in the United States and in the Republic of Panamá, respectively, in conformity with the laws regulating extradition for the time being in force in the state on which the demand for surrender is made.

ARTICLE IV

Where the arrest and detention of a fugitive are desired on telegraphic or other information in advance of the presentation of formal proofs, the proper course in the United States shall be to apply to a judge or other magistrate authorized to issue warrants of arrest in extradition cases and present a complain on oath, as provided by the statutes of the United States.

When, under the provisions of this article, the arrest and detention of a fugitive are desired in the Republic of Panamá, the proper course shall be to apply to the Foreign Office, which will immediately cause the necessary steps to be taken in order to secure the provisional arrest or detention of the fugitive. The provisional detention of a fugitive shall cease and the prisoner be released if a formal requisition for his surrender, accompanied by the necessary evidence of his criminality has not been produced under the stipulations of this Treaty, within two months from the date of his provisional arrest or detention.

ARTICLE V

Neither of the contracting parties shall be bound to deliver up its own citizens or subjects under the stipulations of this Treaty.

ARTICLE VI

A fugitive criminal shall not be surrendered if the offense in respect of which his surrender is demanded be of a political character, or if he proves that the requisition for his surrender has, in fact, been made with a view to try or punish him for an offense of a political character. No person surrendered

by either of the high contracting parties to the other shall be triable or tried, or be punished, for any political crime or offense, or for any act connected therewith, committed previously to his extradition. If any question shall arise as to whether a case comes within the provisions of this article, the decision of the authorities of the government on which the demand for surrender is made, or which may have granted the extradition, shall be final.

ARTICLE VII

Extradition shall not be granted, in pursuance of the provisions of this Treaty if legal proceedings or the enforcement of the penalty for the act committed by the person claimed has become barred by limitation, according to the laws of the country to which the requisition is addressed.

ARTICLE VIII

No person surrendered by either of the high contracting parties to the other shall, without his consent, freely granted and publicly declared by him, be triable or tried or be punished for any crime or offense committed prior to his extradition, other than that for which he was delivered up, until he shall have had an opportunity of returning to the country from which he was surrendered.

ARTICLE IX

All the articles seized which are in the possession of the person to be surrendered at the time of his apprehension, whether being the proceeds of the crime or offense charged, or being material as evidence in making proof of the crime or offense, shall, so far as practicable and in conformity with the laws of the respective countries, be given up when the extradition takes place. Nevertheless, the rights of third parties with regard to such articles shall be duly respected.

ARTICLE X

If the individual claimed by one of the high contracting parties, in pursuance of the present Treaty, shall also be claimed by one or several other powers on account of crimes or offenses committed within their respective jurisdictions, his extradition shall be granted to the State whose demand is first received: Provided, that the government from which extradition is sought is not bound by treaty to give preference otherwise.

ARTICLE XI

The expenses incurred in the arrest, detention, examination, and delivery of fugitives under this Treaty shall be borne by the State in whose name the extradition is sought: Provided, that the demanding government shall not be compelled to bear any expense for the services of such public officers of the government from which extradition is sought as receive a fixed salary; and,

provided, that the charge for the services of such public officers as receive only fees or perquisites shall not exceed their customary fees for the acts or services performed by them had such acts or services been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XII

The present Treaty shall take effect on the thirtieth day after the date of the exchange of ratifications, and shall not operate retroactively. The ratifications of the present Treaty shall be exchanged at Washington or at Panamá as soon as possible, and it shall remain in force for a period of six months after either of the contracting Governments shall have given notice of a purpose to terminate it.

In witness whereof, the respective Plenipotentiaries have signed the above articles, both in the English and Spanish languages, and have hereunto affixed their seals.

Done in duplicate at the city of Panamá on the twenty fifth day of May in the year of our Lord nineteen hundred and four.

W. W. RUSSELL [SEAL]
TOMAS ARIAS [SEAL]

CANAL ZONE BOUNDARIES

*Agreement signed at Panama June 15, 1904
Entered into force June 15, 1904*

III Redmond 2752

Whereas by the terms and provisions of Article II of the Convention for the Construction of an Interoceanic Canal between the United States of America and the Republic of Panama, signed by the representatives of the two nations on November 18, 1903,¹ the ratifications of which were exchanged at Washington on the 26th day of February, 1904, the United States acquired the right of use, occupation, and perpetual control from and after the said 26th day of February, 1904, in and over the Canal Zone and other lands, waters, and islands named in said Article II of the convention aforesaid; and

Whereas it has not yet been, and is not now, practicable to make a complete, definite, and exact location of the precise boundaries of all the territory ceded to the United States by the terms and provisions of said Article II of said convention; and

Whereas the successful completion of the work of construction of the interoceanic canal across the Isthmus of Panama is of transcendent importance to the United States, to the Republic of Panama, and to the people of the world; and

Whereas in order that said work of construction of said interoceanic canal may be systematically prosecuted, and in order that a government for the Canal Zone created by the terms and provisions of said Article II of said convention may be successfully organized and carried forward, it is necessary that the extent and boundaries of the said territory ceded to the Government of the United States by the Government of the Republic of Panama under the terms and provisions of said convention shall be provisionally determined and agreed upon:

Now, therefore, Gen. George W. Davis, Governor of the Panama Canal Zone, acting for and on behalf of the Government of the said zone, and Señor Don Tomas Arias, Secretary of State of the Republic of Panama, and Señor Don Ramon Valdes Lopez, Attorney General of said Republic, acting jointly for and on behalf of the Government of said Republic of Panama,

¹ TS 431, *ante*, p. 664.

having agreed that the Government of the Republic of Panama has delivered, and the Government of the United States has received, and had, on the 19th day of May, 1904, received, for its use, occupation, and control the Isthmian Canal Zone described in said Article II of the aforesaid convention for the construction of an interoceanic canal, including lands and waters in the said zone, lands under water, islands in said zone, and the islands of Perico, Naos, Culebra, and Flamenco, do make this further

AGREEMENT

SECTION 1. The limits of the Canal Zone, including lands under water and islands ceded, but not including the cities and harbors of Colon and Panama, delivery of which lands, waters, and islands has been made by Panama, and possession of which has been taken by the United States, are indicated and shown on the attached map ² (marked "A"), signed by the said parties to this agreement, as accurately as it is possible to indicate on a map with the existing information respecting the topography of the region traversed by the canal, by a heavy red line crossed with black, and drawn at the uniform distance by scale of 5 statute miles on each side of the middle line of the canal, and said indicated boundary, or line of division, between the territory ceded by the Republic of Panama to the United States for canal purposes and the adjoining or abutting lands of the Republic of Panama is provisionally accepted and will be strictly observed by the two Governments until the limits or boundaries of the said zone, waters, and islands shall be definitely and finally marked, fixed, and determined.

SEC. 2. The limits of the city and harbor of Panama, as indicated and shown by a heavy red line crossed with black on the attached map ² (marked "B"), and as described on the paper attached to the said map, both of which are signed by the parties to this agreement, are provisionally accepted and will be strictly observed by the two Governments until the true and definite line of division between the Canal Zone and its waters, on the one hand, and the city of Panama and its harbor, on the other, shall be finally surveyed, marked off, fixed and determined: *Provided*, That the outer or marine boundary of the harbor of Panama shall, as soon as practicable, be agreed upon and marked with buoys or other monuments.

SEC. 3. The limits of the city and harbor of Colon, as indicated and shown by a heavy red line crossed with black on the attached map ² (marked "C"), and as described in a paper attached to said map, both of which are signed by the parties to this agreement, are provisionally accepted and will be strictly observed by the two Governments until the true and definite line of division between the Canal Zone and its waters, on the one hand, and the city of Colon and its harbor, on the other, shall be finally surveyed, marked off, and determined.

² Not printed.

SEC. 4. As necessity may arise, special agreements will be made and entered into from time to time by the parties hereto or by their successors respecting the delimitation of any auxiliary lands or waters outside the Canal Zone which may be found to be necessary or convenient to the construction, sanitation, or protection of the interoceanic canal or of its auxiliary works.

SEC. 5. The Governor of the Canal Zone, or his successors, may employ the citizens of the Republic of Panama residing in the territory of the Republic, for which purpose the Government of the Republic gives them the permission mentioned in paragraph 2 of article 7 of the national convention.

In witness whereof we have signed these presents in the city of Panama this 15th day of June, 1904.

GEORGE W. DAVIS
Governor of Canal Zone

TOMAS ARIAS
Secretary of State, Republic of Panama

RAMON VALDES LOPEZ
Attorney General, Republic of Panama

LEGAL TENDER AND FRACTIONAL SILVER COINAGE

*Exchange of notes at Washington and New York June 20, 1904
Entered into force June 20, 1904*

*Modified by agreements of March 26 and April 2, 1930;¹ May 28
and June 6, 1931;² March 2, 1936;³ June 17, 1946;⁴ May 9
and 24, 1950;⁵ September 11 and October 22, 1953;⁵ Au-
gust 23 and October 25, 1961;⁵ and September 26 and Octo-
ber 23, 1962⁵*

S. Doc. 401, 59th Cong., 2d sess.

The Secretary of War to the Special Fiscal Commissioners of Panama

JUNE 20, 1904

To Messrs.

RICARDO ARIAS and

EUSEBIO A. MORALES

*Special Fiscal Commissioners of
the Republic of Panama*

GENTLEMEN:

I understand that there is now pending in the Convention of the Republic of Panama, exercising legislative power for the Republic, a Bill to establish a monetary standard and to provide for the coinage necessary in the Republic. The Isthmian Canal Commission, whose action, by direction of the President of the United States, I am authorized to supervise and direct, is vitally interested in the maintenance in the Canal Zone of a stable currency, based upon the gold standard.

I conceive it to be of common benefit to the Republic and to the Isthmian Canal Commission that the currency used in the Republic and in the Canal

¹ Post, p. 731.

² Post, p. 734.

³ TS 945, post, p. 742.

⁴ Post, p. 834.

⁵ Not printed.

Zone should be the same. I am informed that the Convention of the Republic has under consideration a measure which in substance provides:

I. That the monetary unit of the Republic shall be a gold peso of the weight of one gram, 672 milligrams, and of nine hundred one-thousandths fineness, divisible into one hundred cents, to be issued as and when considered by the Republic necessary or convenient for its requirements.

II. That the present gold dollar of the United States of America, and its multiples, shall also be legal tender in the Republic of Panama for its nominal value, as equivalent to one gold peso of the Republic.

III. That fractional silver coins shall be issued by the Republic, of various denominations, all to be of an alloy composed of nine hundred one-thousandths of pure silver and one hundred one-thousandths of copper, the declared value of the same bearing a ratio to the same weight of gold of approximately one to thirty-two, and that such fractional silver currency shall be legal tender in all transactions.

IV. That the silver to be coined shall be in fractional denominations of the gold peso or dollar, and, except as hereinafter specifically provided, shall be coined only in exchange or conversion of the Colombian silver peso and fractional currency now legally in circulation in the Republic, and that the amount thus converted shall not exceed \$3,000,000 of such Colombian silver pesos.

V. That after July 1st, 1905, there shall be coined and issued by the Republic such additional amount of fractional silver currency to the limit in the aggregate in value of one million, five hundred thousand pesos or gold dollars, equivalent to three million half-dollar pieces, as may be deemed by the Secretary of War of the United States necessary or advisable in the construction of the Isthmian Canal and as may be requested by him of the Executive Power of the Republic.

VI. The Republic of Panama, in order to secure the legal parity and equivalence with the gold standard of such fractional silver coins, shall create a Reserve Fund by deposit with a responsible banking institution in the United States, of a sum in lawful currency of the United States equivalent to fifteen per centum of the nominal value of the silver fractional currency issued by the Republic, and as the same is issued, together with an amount equal to the seigniorage on the silver coins issued at the request of the Secretary of War as aforesaid, less all necessary costs of coinage and transportation.

VII. That after conference with the Isthmian Canal Commission or its representatives or fiscal agents, the Republic of Panama will take such steps with respect to exchange by drafts upon its reserve fund as will tend to prevent the disturbance of the legal parity of the silver fractional currency of the Republic of Panama with the gold standard.

VIII. That the Republic of Panama shall cause its coinage to be executed at the mints of the United States.

Assuming that legislation will be enacted substantially to the foregoing effect, I agree on behalf of the Isthmian Canal Commission and by direction of the President of the United States:

First. That the Isthmian Canal Commission will make the gold and silver coin of the Republic of Panama legal tender within the Canal Zone, by appropriate legislation.

Second. That it will employ such gold and silver coin of the Republic in its disbursements in the Canal Zone and in the Republic, as the Canal Commission shall find practicable and convenient.

Third. The Isthmian Canal Commission shall cooperate with the Republic of Panama to maintain the parity of the fractional silver coinage of the Republic of Panama with the gold standard by sale of drafts upon its funds at reasonable rates and on terms which will tend to prevent the disturbance of such parity.

Fourth. It is mutually agreed that nothing herein contained shall be construed to restrict the right of the Republic to reduce its silver currency after the opening of the canal to commerce, to such an amount as it may deem advisable and thereupon to reduce and withdraw, pro rata, the reserve fund corresponding to the reduction of the amount of silver coinage outstanding.

Will you please confirm your accord with the foregoing?

Very respectfully,

W.M. H. TAFT
Secretary of War.

The Special Fiscal Commissioners of Panama to the Secretary of War

49 WALL STREET, ROOM 1212
NEW YORK, June 20, 1904

Hon. Wm. H. TAFT,
Secretary of War,
Washington, D.C.

SIR:

Pursuant to the powers conferred upon us by the general directions of the Government of the Republic of Panama, and subject to the enactment by the Republic of the necessary legislation, we hereby declare our complete accord with the Convention embodied in your communication of this date and agree to the same as therein set forth.

We are, dear sir,
Very truly yours,

RICARDO ARIAS EUSEBIO A. MORALES
Special Fiscal Commissioners of the Republic of Panama

CANAL RIGHTS (TAFT AGREEMENT)

Exchange of notes at Panama December 3, 1904; Executive orders signed at Panama and Washington December 3, 6, and 28, 1904, January 7, 1905, and January 5, 1911

Entered into force December 12, 1904

Terminated June 1, 1924¹

III Redmond 2756

The American Secretary of War to the President of Panama

PANAMA, December 3, 1904

YOUR EXCELLENCY:

After very full conferences with you and your advisers, I have drafted an Executive Order, which I have the authority of the President of the United States to sign and put in force, and which in its operation and conditions, if complied with, seems to me to offer a solution, honorable and satisfactory to both nations of the differences between the United States and the Republic of Panama. I inclose a draft of the order. I understand that you and your advisers concur in the wisdom of this solution, but I should be glad to have an expression of your approval of it before formally signing the order and giving it effect. Your Excellency will observe that the order is drawn to take effect on the 12th of December. This delay is for the purpose of giving full publicity to all concerned.

I have the honor to be, with the assurances of my most distinguished consideration,

Your obedient servant,

W.M. H. TAFT
Secretary of War

Dr. MANUEL AMADOR GUERRERO,
*President of the Republic of Panama,
Panama.*

¹ Pursuant to notice of termination given by the United States Nov. 5, 1923. A Joint Resolution of Congress authorizing termination was approved Feb. 12, 1923. A Presidential proclamation issued May 28, 1924, fixed the date of termination.

The President of Panama to the American Secretary of War

REPUBLICA DE PANAMA

PODER EJECUTIVO NACIONAL PRESIDENCIA

Panama, December 3, 1904

Hon. WILLIAM H. TAFT,

Secretary of War of the United States, at Panama.

SIR:

As the embodiment of the conclusions reached by our respective Governments, after the full and satisfactory conferences which have been had between you, myself, and advisers, I have the pleasure to express the concurrence of the Republic in the executive order of the Secretary of War made by direction of the President of the United States under date of this the 3d day of December, 1904.

Aside from the wisdom and justice evidenced by this happy solution of the differences between the United States and the Republic of Panama, permit me to express, in behalf of the Republic and of myself and advisers, our gratitude for your gracious visit to Panama and your patient, judicial, and statesmanlike considerations of the subjects involved.

I have the honor to be, my dear Mr. Secretary, and with assurances of my highest esteem, sincerely yours,

M. AMADOR GUERRERO

President of the Republic of Panama

SANTIAGO DE LA GUARDIA

Secretary of Government and Foreign Affairs

PANAMA, December 3, 1904

By direction of the President, it is ordered that, subject to the action of the Fifty-eighth Congress as contemplated by the act of Congress, approved April 28, 1904:²

SECTION 1. No importation of goods, wares, and merchandise shall be entered at Ancon or Cristobal, the terminal ports of the canal, except such goods, wares, and merchandise as are described in Article XIII of the treaty between the Republic of Panama and the United States, the ratifications of which were exchanged on the 26th day of February, 1904,³ and except goods, wares, and merchandise in transit across the isthmus for a destination without the limits of said isthmus, and except coal and crude mineral oil for fuel purposes to be sold at Ancon or Cristobal to sea-going

² 33 Stat. 429.

³ TS 431, *ante*, p. 668.

vessels; said coal and oil to be admitted to those ports free of duties for said purposes:

Provided, however, That this order shall be inoperative, first, unless the Republic of Panama shall reduce the ad valorem duty on imported articles described in class 2 of the act of the National Convention of Panama passed July 5, 1904, and taking effect October 12, 1904, from fifteen per centum to ten per centum and shall not increase the rates of duty on the imported articles described in the other schedules of said act except on all forms of imported wines, liquors, alcohol, and opium on which the Republic may fix higher rates; second, unless article 38 of the Constitution of the Republic of Panama as modified by article 146 thereof shall remain in full force and unchanged so far as the importation and sale of all kinds of merchandise are concerned; third, unless the consular fees and charges of the Republic of Panama in respect to entry of all vessels and importations into said ports of Panama and Colon shall be reduced to sixty per cent of the rates now in force; and, fourth, unless goods imported into the ports of Panama and Colon assigned to or destined for any part of the Canal Zone shall not be subjected in the Republic of Panama to any other direct or indirect impost or tax whatever.⁴

SEC. 2. In view of the proximity of the port of Ancon to the port of Panama, and the port of Cristobal to the port of Colon, the proper customs or port official of the Canal Zone shall, when not inconsistent with the interests of the United States, at the instance of the proper authority of the Republic of Panama, permit any vessel, entered at or cleared from the ports of Panama and Colon, together with its cargo and passengers, under suitable regulations for the transit of the imported merchandise and passengers to and from the territory of the Republic of Panama, to use and enjoy the dockage and other facilities of the ports of Ancon and Cristobal respectively upon payment of proper dockage dues to the owners of said docks:

Provided, however, That reciprocal privileges as to dockage and other facilities at Panama and Colon, together with suitable arrangement for transit of imported merchandise and passengers to and from the territory of the Canal Zone, shall be granted by the authorities of the Republic of Panama, when not inconsistent with its interests, to any vessel, together with its cargo and passengers entered at or cleared from the ports of Ancon and Cristobal: *Provided, however,* That nothing herein contained shall affect the complete administrative, police, and judicial jurisdiction of the two Governments over their respective ports and harbors, except as hereinafter provided in section 6.

Provided, also, That vessels entering or clearing at the port of Panama shall have the absolute right freely to anchor and lade and discharge their cargoes

⁴ Amended by sec. 1 of Executive order of Jan. 5, 1911, p. 696.

by lighterage from and to Panama at the usual anchorage in the neighborhood of the islands of Perico, Flamenco, Naos, and Culebra, though included in the harbor of Ancon under the provisional delimitation as amended under section 5 hereafter, and to use the said waters of said harbor for all lawful commercial purposes.

SEC. 3. All manifests and invoices and other documents in respect to vessels or cargoes cleared or consigned for or from the ports of Panama and Colon shall, as heretofore, be made by the officials of the Republic of Panama. All manifests, invoices, and other documents in respect to the vessels and cargoes cleared or consigned for or from the ports of Ancon or Cristobal shall be made by officials of the United States.

SEC. 4. No import duties, tolls, or charges of any kind whatsoever shall be imposed by the authorities of the Canal Zone upon goods, wares, and merchandise imported or upon persons passing from the territory of the Republic of Panama into the Canal Zone, and section 5 of the Executive order of June 24, 1904,⁵ providing that duties on importations into the Canal Zone are to be levied in conformity with such duties as Congress has imposed upon foreign merchandise imported into ports of the United States is hereby revoked, but this order shall be inoperative unless the authorities of the Republic of Panama shall grant by proper order reciprocal free importation of goods, wares, and merchandise and free passage of persons from the territory of the Canal Zone into that of the Republic of Panama.

SEC. 5. The provisions of this order also shall not be operative except upon the condition that the delimitation of the cities and harbors of Colon and Panama, signed on the 15th day of June, 1904,⁶ by the proper representatives of the Governments of the Republic of Panama and of the Canal Zone, shall be provisionally enforced, and while the same shall remain in force with the consent of both parties thereto, the provisional delimitation shall include not only the terms set forth in the writing thereof, but also the following, viz.: That the harbor of Panama shall include the maritime waters in front of said city to the south and east thereof, extending three maritime miles from mean low-water mark, except the maritime waters lying westerly of a line drawn from a stake or post set on Punta Mala through the middle island of the three islands known as Las Tres Hermanas, and extending three marine miles from mean low-water mark on Punta Mala, which waters shall be considered in the harbor of Ancon.

SEC. 6. This order also shall be inoperative unless the proper governmental authorities of the Republic of Panama shall grant power to the authorities of the Canal Zone to exercise immediate and complete jurisdiction in matters of sanitation and quarantine in the maritime waters of the ports of Panama and Colon.

⁵ Appendix I, p. 690.

⁶ *Ante*, p. 678.

SEC. 7. The Executive Order of June 24, 1904,⁷ concerning the establishment of post-offices and postal service in the Canal Zone is modified and supplemented by the following provisions:

All mail matter carried in the territory of the Canal Zone to or through the Republic of Panama to the United States and to foreign countries shall bear the stamps of the Republic of Panama properly crossed by a printed mark of the Canal Zone Government, and at rates the same as those imposed by the Government of the United States upon its domestic and foreign mail matter, exactly as if the United States and the Republic of Panama for this purpose were common territory. The authorities of the Canal Zone shall purchase from the Republic of Panama such stamps as the authorities of the Canal Zone desire to use in the Canal Zone at forty per centum of their face value; but this order shall be inoperative unless the proper authorities of the Republic of Panama shall by suitable arrangement with the postal authorities of the United States provide for the transportation of mail matter between post-offices on the Isthmus of Panama and post-offices in the United States at the same rates as are now charged for domestic postage in the United States, except all mail matter lawfully franked and inclosed in the so-called penalty envelopes of the United States Government concerning the public business of the United States, which shall be carried free, both by the governments of Panama and of the Canal Zone: *Provided, however,* That the zone authorities may for the purpose of facilitating the transportation of through mail between the zone and the United States in either direction inclose such through mail properly stamped or lawfully franked in sealed mail pouches, which shall not be opened by the authorities of the Republic of Panama in transit, on condition that the cost of transportation of such mail pouches shall be paid by the Zone Government.

SEC. 8. This order also shall not be operative unless the currency agreement made at Washington June 20, 1904,⁸ by the representatives of the Republic of Panama and the Secretary of War of the United States, acting with the approval of the President of the United States, for the establishment of a gold standard of value in the Republic of Panama, and proper coinage shall be approved and put into execution by the President of the Republic of Panama pursuant to the authority conferred upon him by law of the Republic of Panama No. 84, approved June 20, 1904, and unless the President of the Republic of Panama, in order that the operation of the said currency agreement in securing and maintaining a gold standard of value in the Republic of Panama may not be obstructed thereby, shall, by virtue of his authority conferred by law No. 65, enacted by the National Assembly of Panama on

⁷ Appendix II, p. 692.

⁸ *Ante*, p. 681.

June 6, 1904, abolish the tax of 1 per cent on gold coin exported from the Republic of Panama.

SEC. 9. Citizens of the Republic of Panama at any time residing in the Canal Zone shall have, so far as concerns the United States, entire freedom of voting at elections held in the Republic of Panama and its Provinces or municipalities at such places outside of the Canal Zone as may be fixed by the Republic and under such conditions as the Republic may determine; but nothing herein is to be construed as intending to limit the power of the Republic to exclude or restrict the right of such citizens to vote as it may be deemed judicious.

SEC. 10. The highway extending from the eastern limits of the city of Panama, as fixed in the above-mentioned provisional delimitation agreement of June 15, 1904, to the point still farther to the eastward where the road to the "Savannas" crosses the zone line—which is 5 miles to eastward of the center axis of the canal—shall be repaired and maintained in a serviceable condition at the cost and expense of the authorities of the Canal Zone, and also in like manner the said road from the said eastern limits of the city of Panama to the railroad bridge in the city of Panama shall be repaired at the cost of the authorities of the Canal Zone; but this order shall not be operative unless the Republic of Panama shall waive its claim for compensation for the use in perpetuity of the municipal buildings located in the Canal Zone.

SEC. 11. The United States will construct, maintain, and conduct a hospital or hospitals either in the Canal Zone or in the territory of the Republic, at its option, for the treatment of persons insane or afflicted with the disease of leprosy, and indigent sick, and the United States will accept for treatment therein such persons of said classes as the Republic may request; but this order shall not be operative, unless, first, the Republic of Panama shall furnish without cost the requisite lands for said purposes if the United States shall locate such hospital or hospitals in the territory of the Republic; and, second, unless the Republic shall contribute and pay to the United States a reasonable daily per capita charge in respect of each patient entering, upon the request of the Republic, to be fixed by the Secretary of War of the United States.

SEC. 12. The operation of this Executive order and its enforcement by officials of the United States on the one hand, or a compliance with and performance of the conditions of its operation by the Republic of Panama and its officials on the other, shall not be taken as a delimitation, definition, restriction, or restrictive construction of the rights of either party under the treaty between the United States and the Republic of Panama.

This order is to take effect on the 12th day of December, 1904.

Wm. H. TAFT
Secretary of War

APPENDIX I⁹

WAR DEPARTMENT
Washington, June 24, 1904

To the

CHAIRMAN OF THE Isthmian CANAL COMMISSION:

By direction of the President it is ordered:

SECTION 1. The territory of the Canal Zone of the Isthmus of Panama is hereby declared open to the commerce of all friendly nations. All articles, goods and wares, not included in the prohibited list, entering at the established customs ports, will be admitted upon payment of such customs duties and other charges as are in force at the time and place of their importation.

SECTION 2. For the purposes of customs administration in said Canal Zone, there are hereby established two collection districts as follows:

First: The District of Ancon, comprising the southern half of said Canal Zone more particularly described as follows:

The port of entry in said district shall be Ancon.

Second: The District of Crystobal, comprising the northern half of said Canal Zone more particularly described as follows:

The port of entry in said district shall be Crystobal.

SECTION 3. There is hereby created and shall be maintained in the government of the Canal Zone a subdivision of the executive branch to be known as the Customs Service: the general duties, powers and jurisdiction of the Customs Service shall be to administer the customs laws and tariff regulations in force in said Zone. The Governor of the Canal Zone shall be the head of the Customs Service. There shall be a Collector of Customs for each Collection District, who shall receive an annual salary of two thousand five hundred dollars in gold, payable in monthly installments. It shall be the duty of the Collector to collect all revenues derived from the enforcement of the customs laws and tariff regulations in the District subject to his jurisdiction, and to perform such other service in the administration of such laws as is ordinarily performed by a Collector of Customs or as he may be required to perform by the Governor of the Canal Zone. The Collector of Customs shall be appointed by the Governor, with the advice and consent of the Isthmian Commission. The Governor of the Canal Zone is hereby authorized to appoint and fix the compensation of Deputy Collectors, Surveyors of Customs and such other

⁹ This Executive order was revoked on Dec. 16, 1904, and an Executive order of Dec. 28, 1904, was substituted for it prior to the promulgation of the Executive order of Dec. 3, which promulgation occurred on Dec. 30, 1904.

subordinates and employees as may be necessary for the efficient administration of the Customs laws and Service.

SECTION 4. The Governor of the Canal Zone is hereby authorized and empowered to prescribe and enforce rules and regulations for the administration of the Customs laws and Service of said Zone, and report the same to the Chairman of the Commission and said rules and regulations shall have the force and effect of law until annulled or modified by legislative act of the Isthmian Canal Commission or other competent authority.

SECTION 5. Until otherwise provided by competent authority, duties on importation into the Canal Zone are to be levied in conformity with such duties as Congress has imposed upon foreign merchandise imported into other ports of the United States.

SECTION 6. Goods or merchandise entering the Canal Zone from ports of the United States or Insular possessions of the United States shall be admitted on the same terms as at the ports of the States of this Union.

SECTION 7. All goods or merchandise, whether free or dutiable, entering the Canal Zone by water, by rail or otherwise, for transportation across said Zone must be entered at the Customs House of the Collection District wherein the point of entrance is situated. Violation of this requirement shall subject the goods to seizure and forfeiture by the Customs officials.

SECTION 8. The Governor of the Canal Zone is authorized to enter and carry out an agreement with the President of the Republic of Panama for co-operation between the Customs Service of the Canal Zone and that of the Republic of Panama to protect the customs revenues of both governments and to prevent frauds and smuggling.

SECTION 9. The Governor of the Canal Zone is hereby authorized to enter upon negotiations and make a tentative agreement with the President of the Republic of Panama respecting reciprocal trade relations between the territory and inhabitants of the Canal Zone and appurtenant territory and the Republic of Panama; also a readjustment of customs duties and tariff regulations so as to secure uniformity of rates and privileges and avoid the disadvantages resulting from different schedules, duties, and administrative measures in limited territory subject to the same conditions and not separated by natural obstacles. The Governor shall report as to such negotiations and proposed agreement to the Chairman of the Isthmian Canal Commission, for submission and consideration by the Commission and such action by competent authority as may be necessary to render said agreement effective in the Canal Zone.

This order will be proclaimed and enforced in the Canal Zone at Panama.

Wm. H. TAFT

Secretary of War

APPENDIX II

WAR DEPARTMENT

Washington, June 24, 1904

To the

CHAIRMAN OF THE Isthmian CANAL COMMISSION.

SIR:

The necessities of the inhabitants and the due administration of the affairs of government in the Canal Zone at Panama require the establishment of post offices and postal service in that territory.

It is therefore ordered: That a post office be established in each of the following-named towns of the Canal Zone, to wit: Cristobal, Gatun, Boheo, Gorgona, Bas Obispo, Empire, Culebra, La Boca, and Ancon.

The post offices at Cristobal and Ancon shall be money-order offices.

The Governor of the Canal Zone is hereby authorized to appoint postmasters for the post offices herein established and fix the compensation therefor, subject to the approval of the Isthmian Canal Commission.

The Governor of the Canal Zone is directed to formulate a plan for a practical and efficient postal service in said Canal Zone and including such measures and provisions of the Postal Service of the United States as are not inapplicable to the conditions of law and fact existing in the Canal Zone, and to report said plan to the chairman of the Isthmian Canal Commission for such action as the discretion of the commission shall approve.

Pending the establishment of the postal service by act of the commission or other competent authority, the Governor of the Canal Zone is hereby authorized to establish post offices at such additional places in the Canal Zone as in his judgment the interests of the public require, and to appoint postmasters therefor and fix their compensation, subject to the approval or other action thereon by the Isthmian Canal Commission.

The Governor of the Canal Zone is also authorized to adopt and enforce such temporary rules, regulations, provisions, and requirements as may be necessary to secure a practical and efficient postal service in said Canal Zone, and to employ such temporary assistants and employees as the exigencies of the service require.

By direction of the President:

W.M. H. TAFT

Secretary of War

PANAMA, December 6, 1904

SECTION 1. Consignments of goods, wares, and merchandise which by virtue of section 1 of the above mentioned order of December 3, 1904, cannot be entered for importation at the ports of Ancon or Cristobal may never-

theless, at the option of the consignor, if accompanied by the proper consular invoices of the consul of the Republic of Panama at the port of consignment, be landed at Ancon or Cristobal, respectively, in transit to any part of the Canal Zone or the republic upon payment of the proper duties to the Republic of Panama, under suitable arrangements similar to those provided for by section 2 of said order of December 3, 1904.

But such goods, wares, and merchandise not accompanied by consular invoice of the consul of the republic shall not be permitted to land at Ancon or Cristobal.

SEC. 2. The order of December 3, 1904, shall be construed to permit free exportation and consignment of goods, wares, and merchandise and free transit of persons and vehicles from the republic through the Canal Zone and from the terminal ports thereof.

By direction of the President:

Wm. H. TAFT

Secretary of War

WAR DEPARTMENT

December 28, 1904

SIR:

By direction of the President, it is ordered that there shall be substituted for the order of June 25, 1904, relating to the establishment and administration of the customs service in the Canal Zone of the Isthmus of Panama, which was revoked by the order of December 16, 1904, the following:

“SECTION 1. For the purpose of customs administration in the Canal Zone there is hereby established a customs district, which comprises all the lands and waters within the control and jurisdiction of the United States on the Isthmus of Panama and the maritime waters contiguous to the shores of the said Canal Zone extending to the distance of three marine miles from mean low-water mark, but not including any maritime waters that pertain to the harbors of the cities of Panama and Colon in the Republic of Panama, the harbors of which are sufficiently defined under the provisional agreement of delimitation signed by the proper representatives of the governments of Panama and of the Canal Zone on the 15th day of June, as modified by the consent of the parties in accordance with the description contained in section 5 of the Executive Order of December 3, 1904.

“SEC. 2. There shall be two ports of entry in the Canal Zone, to wit: Ancon, at the Pacific terminus of the canal, and Cristobal, at the Atlantic terminus, at which goods, wares, and merchandise may be imported or exported and vessels may be entered or cleared in accordance with the Executive Orders of December 3, 1904, and December 6, 1904.

“SEC. 3. The subdivision of the executive branch of the Government of the Canal Zone, known as the Department of Revenues, shall include the

administration of the customs laws and tariff regulations in force in the said zone. The collector of revenues, who by act of the Isthmian Canal Commission is ex-officio the collector of customs, shall receive the salary which may be allowed by law, and shall perform the duties of collector of customs as required by the laws now in force in the Canal Zone or that may hereafter be enacted.

"SEC. 4. The deputy collectors and inspectors of customs, the health officers, and port captains at the ports of Ancon and Cristobal shall receive such compensation as may be allowed by law, and will perform their duties at said ports as required by the laws and regulations in force in the zone.

"SEC. 5. The order of December 16, 1904, revoking the order of June 24, 1904, together with this order, shall be proclaimed in the Canal Zone, Isthmus of Panama, and shall be in force from the date of the promulgation."

Very respectfully,

Wm. H. TAFT
Secretary of War

THE CHAIRMAN OF THE ISTHMIAN CANAL COMMISSION,
Washington, D.C.

WAR DEPARTMENT
Washington, D.C., January 7, 1905

By direction of the President, it is hereby ordered that—

1. To entitle goods, wares, and merchandise to entry at Ancon and Cristobal, the terminal ports of the Isthmian Canal, Canal Zone, Isthmus of Panama, it is necessary that it be established by the certificate of a member of the Isthmian Canal Commission, or of the chief engineer of the Isthmian Canal Commission, or of the chief of the Department of Material and Supplies, that said goods, wares, and merchandise are necessary and convenient for the construction of the Isthmian Canal or for the use and consumption of certain officers and employees in the service of the United States and of the Government of the Canal Zone and their families, stationed on the Isthmus of Panama, and are to be devoted to that purpose exclusively.

2. The certificates above required shall be granted only when the goods, wares, and merchandise to be certified are (1) the property, including live stock and forage, of or under contract of purchase by the United States and intended for use in the work of constructing the canal or the sanitation of the Isthmus; or for the service of the Government of the Canal Zone; (2) the property, including live stock and forage, of or under contract of purchase by a contractor with the United States or the Government of the Canal Zone for work on the construction of the Isthmian Canal, the sanitation of the Isthmus of Panama; provided that any goods, wares, or merchandise that

are to be offered for sale by any contractor to his employees or otherwise shall not be entitled to such entry; (3) the property of the Government of the Canal Zone or of any municipality of said zone; (4) property and provisions intended for sale in commissaries established and operated by the Isthmian Canal Commission to officers, employees, and contractors of the Isthmian Canal Commission, of the Panama Railroad Company, or of any contractor with the Isthmian Canal Commission for work on the Isthmus (together with the families of such persons), who are citizens of the United States or who received compensation on what is known as the gold pay roll of the Commission, of the railroad company, or such contractor; (5) household furniture of such officers and employees of the Isthmian Canal Commission stationed in the Canal Zone, or Republic of Panama, including such articles, effects, and furnishings as pictures, books, musical instruments, chinaware, bed and table linen, and kitchen utensils; also wearing apparel, toilet objects, and articles for personal use; books, portable tools, and instruments; jewelry and table services, in quantities and of the class suitable to the rank and position of such officers and employees and intended for their own use and benefit and not for barter or sale, imported from the United States.

3. This order contemplates the exclusion from benefits of the commissaries established and maintained by the Commission of all employees and workmen who are natives of tropical countries wherein prevail climatic conditions similar to those prevailing on the Isthmus of Panama, and who therefore may be presumed to be able to secure the articles of food, clothing, household goods and furnishings, of the kind and character to which they are accustomed, from the merchants of Panama, Colon, and the towns of the Canal Zone, and whose ordinary needs may be supplied without recourse to the Government commissaries. Should it develop hereafter that said merchants charge prices in excess of legitimate profit, or practice other extortion, the United States, for the protection and assistance of all its employees, whether from the tropical or temperate zone, will supply its commissaries with such staple articles as are required and desired by the inhabitants of tropical countries, and permit all its employees and workmen and those of its contractors to avail themselves of the benefits and privileges afforded by said Government commissaries.¹⁰

This order is to take effect on the 7th day of January, 1905,

W.M. H. TAFT
Secretary of War

THE CHAIRMAN OF THE ISTHMIAN CANAL COMMISSION
Washington, D.C.

¹⁰ Revoked by sec. 2 of Executive order of Jan. 5, 1911, p. 696.

WAR DEPARTMENT
Washington, January 5, 1911

Orders:

1. By direction of the President, it is ordered that the first proviso of section 1 of the Order issued by the Secretary of War, by direction of the President, on December 3, 1904, which was promulgated in Circular No. 4, Isthmian Canal Commission, December 30, 1904, be amended to read as follows:

"Provided, however, That this order shall cease to be operative—

"First. If the Republic of Panama should at any time increase the rate of duty on imported articles described in class 2 of the Act of the National Convention of Panama passed July 5, 1904, and effective October 12, 1904, above 15 per centum ad valorem, provided for in said Act; or if the said Republic should increase at any time the rates of duty on the imported articles described in the other schedules of said Act, except on all forms of imported wines, liquors, alcohols and opium, upon which the Republic may fix higher rates.

"Second. If Article thirty-eight of the Constitution of the Republic of Panama, as modified by Article one hundred and forty-six thereof, is repealed or modified at any time in so far as the importation and sale of all kinds of merchandise are concerned.

"Third. If the consular fees and charges of the Republic of Panama, in respect to the entry of all vessels and importations into the said ports of Colon and Panama, are increased beyond the rates now in force—which rates are understood to be sixty per centum of the rates in force prior to the promulgation of said order of December 3, 1904; or,

"Fourth. If goods imported into the ports of Colon and Panama, cosigned to or designated for any port in the Canal Zone, are at any time subjected in the Republic of Panama to any other direct or indirect impost or tax whatever."

2. Paragraph 3 of the Order issued by the Secretary of War, by direction of the President, on January 7, 1905, which contemplates the exclusion from the benefits of the commissaries established and maintained by the Canal Commission of all employees and workmen who are natives of tropical countries is hereby revoked.

J. M. DICKINSON
Secretary of War

TRANSIT OF U.S. TROOPS

Exchange of notes at Panama July 18 and 20, 1912

Entered into force July 20, 1912

*Superseded by procedure set forth in records of the negotiations of the
treaty of Mar. 2, 1936¹*

Department of State files

The American Minister to the Secretary for Foreign Relations

F.O. No. 221

PANAMA, July 18, 1912

EXCELLENCY:

The Department of State is advised that it is the intention of the War Department to initiate at an early date the practical instruction of the mobile troops forming part of the Panama garrison in their duties in connection with the defense of the Canal Zone. For the proper performance of these duties it will be necessary that the troops become familiar with the possible landing places for a hostile force within reasonable distance of the Canal, the routes of advance from the Canal Zone to such landing places, and that terrain beyond the limits of the Canal Zone which would probably be involved in operations incident to repelling sucessfully an attack upon the coast defense works or the vulnerable parts of the Canal system.

This will involve the passage of troops and reconnoitering parties across territory belonging to the Republic of Panama, and while this Government regards this work as a necessary incident to the protection of the Canal as contemplated and provided in the treaty, and therefore as within the rights given by treaty stipulations, yet it desires to avail itself of this opportunity of calling to the attention of the Republic of Panama the aforementioned facts in order to avoid any possible misapprehension on the part of the Government of Panama as to the reason for this free passage of topographical parties and troops of the Panama garrisons across such parts of the territory of the Republic as it may be necessary for them to use for instructional purposes.

The Government of the United States feels that it need not assure the Government of Panama that the presence of these parties and troops on Panamanian territory has no other significance or purpose than that mentioned above and that, having completed that work, they will at once retire from Panamanian territory and return to the Canal Zone.

¹ TS 945, *post*, p. 742.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

H. PERCIVAL DODGE

His Excellency

Señor Don EDUARDO CHIARI,
Secretary for Foreign Relations,
&c., &c., &c.

The Secretary for Foreign Relations to the American Minister

[TRANSLATION]

No. 2394

PANAMA, July 20, 1912

MR. MINISTER:

Having noted the contents of Your Excellency's esteemed communication No. 221, of the 18th instant, I have the honor to inform you that the Government of the Republic, being as it is, greatly interested in giving the Government of the United States all facilities in all that relates to the construction, conservation, service and protection of the Canal, in accordance with the stipulation of the Bunau Varilla-Hay Treaty, has no objection to the transit through national territory of the troops and reconnaissance parties referred to in that communication.

It only desires, in order to prevent difficulties with the authorities of the districts through which such troops and reconnaissance parties are to pass, that it may be advised in advance of their departure in order to issue the necessary orders.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

EDUARDO CHIARI

His Excellency

H. PERCIVAL DODGE,
Envoy Extraordinary and Minister Plenipotentiary
of the United States,
City.

CUSTOMS

Exchange of notes at Washington April 17, 1913

Entered into force June 1, 1913

Treaty Series 578

The undersigned, W. J. BRYAN, Secretary of State of the United States of America, duly authorized thereto, in virtue of a reciprocal Declaration made by J. E. Lefevre, Chargé d'Affaires of the Republic of Panama at Washington, does hereby declare that from and after June 1, 1913, and until the expiration of one month after the date on which either the United States of America or the Republic of Panama shall give notice of the withdrawal of said Declaration, the consuls of the Republic of Panama in the United States of America shall be permitted to take note in person, or through their authorized representatives, of the declaration made by shippers before the American customs officers in which they state the value of the merchandise exported to the Republic of Panama. The consuls of the Republic of Panama shall be given certified copies of the said declarations when requested by them.

W. J. BRYAN
Secretary of State of the United States

WASHINGTON, April 17, 1913.

The undersigned, J. E. LEFEVRE, Chargé d'Affaires of the Republic of Panama at Washington, duly authorized thereto, in virtue of a reciprocal Declaration made by W. J. BRYAN, Secretary of State of the United States of America, does hereby declare that from and after June 1, 1913, and until the expiration of one month after the date on which either the Republic of Panama or the United States of America shall give notice of the withdrawal of said Declaration, the consuls of the United States of America in the Republic of Panama shall be permitted to take note in person, or through their

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authorized representatives, of the declaration made by shippers before the customs officers of the Republic of Panama in which they state the value of the merchandise exported to the United States of America. The consuls of the United States of America shall be given certified copies of the said declarations when requested by them.

J. E. LEFEVRE [SEAL]
Chargé d'Affaires of the Republic of Panama

WASHINGTON, April 17, 1913.

WIRELESS TELEGRAPH STATIONS

*Executive decree signed at Panama August 29, 1914
Entered into force August 29, 1914*

1914 For. Rel. 1051

DECREE No. 130 OF 1914, BY WHICH AN AUTHORIZATION IS CEDED TO THE
UNITED STATES OF AMERICA FOR THE CONTROL OF RADIOTELEGRAPHIC
COMMUNICATION

[TRANSLATION]

The President of the Republic, in the exercise of his legal powers, and considering:

That by the terms of the Bunau Varilla-Hay treaty¹ the Republic of Panama is obliged to assist the United States by all necessary and suitable measures for the conservation, protection, and defense of the interoceanic canal constructed across the Isthmus;

That the said Government considers it indispensable to this end that it shall assume from now on permanent and complete control of the wireless telegraphic stations, fixed and movable, in all the territory and territorial waters of the Republic of Panama; and

That it is to the interest and for the safety of the Republic of Panama that wireless communication be controlled and regulated by the Nation which by a solemn pact has guaranteed its independence;

It is decreed: From this date the radiotelegraphic stations fixed and movable and everything relating to wireless communications in the territory and territorial waters of Panama shall be under the complete and permanent control of the United States of America; and to attain that end said Government will take the measures which it deems necessary.

Let it be communicated and published.

Done at Panama this 29th day of August, 1914.

BELISARIO PORRAS

The Secretary of Government and Justice,
JUAN B. SOSA.

¹ Treaty signed at Washington Nov. 18, 1903 (TS 431, *ante*, p. 663).

CANAL ZONE BOUNDARIES

Convention signed at Panama September 2, 1914

Senate advice and consent to ratification October 22, 1914

Ratified by the President of the United States January 4, 1915

Ratified by Panama February 8, 1915

Ratifications exchanged at Panama February 11, 1915

Entered into force February 11, 1915

Proclaimed by the President of the United States February 18, 1915

Amended by convention of May 24, 1950,¹ and treaty of January 25, 1955²

38 Stat. 1893; Treaty Series 610

BOUNDARY CONVENTION

Whereas, Gen. George W. Davis, then Governor of the Canal Zone, on behalf of the United States of America, and Messrs. Tomás Arias and Ramón Valdés López, then Secretary of Foreign Affairs and Attorney General, respectively, of the Republic of Panama, acting on behalf of that Republic, entered into an agreement on the 15th day of June, 1904,³ by the terms of which the Republic of Panama delivered over to the United States of America, the use, occupation, and control in perpetuity of the zone of land ten miles in width described and mentioned in articles II and III of the Canal Treaty between the United States of America and the Republic of Panama, dated November 18, 1903,⁴ and the boundary lines of said zone, as well as those of the cities of Panama and Colón and their adjacent harbors, were subsequently located upon the ground and monumented;

And, whereas, the President of the Republic of Panama, by decree number 46 of May 17, 1912, delivered over to the United States the use, occupation, and control of the areas of land to be covered by the waters of Lake Gatun and all that part of the shores of the lake up to an elevation of one

¹ 6 UST 461; TIAS 3180.

² 6 UST 2273; TIAS 3297.

³ *Ante*, p. 678.

⁴ TS 431, *ante*, p. 663.

hundred feet above sea level, in conformity with articles II and III of said Canal Treaty;

And whereas, since the promulgation of said decree of May 17, 1912, the United States, in conformity with the said articles of said Treaty, have taken over the use, occupation, and control of the islands in said Lake Gatun and the peninsulas bordering on said lake to which there is no access except from said lake or from lands within the jurisdiction of the Canal Zone;

Now, therefore, the Government of the United States and the Republic of Panama being desirous to establish permanently the boundary lines of the above-mentioned lands and waters so taken over by the United States, to that end have resolved to enter into the following agreement, for which purpose the President of the United States of America has commissioned His Excellency William Jennings Price, Envoy Extraordinary and Minister Plenipotentiary of the United States to the Government of Panama, and the President of the Republic of Panama has commissioned His Excellency Ernesto T. Lefevre, Secretary of State in the Office of Foreign Affairs of the Republic of Panama, who, having exchanged their respective full powers, have entered into the following boundary convention:

I

It is agreed that the boundary lines of the zone of land of ten miles in width described in article II of the said Canal Treaty shall remain as defined and established by the agreement of June the 15th, 1904, above mentioned, and subsequently located on the ground and monumented as shown by exhibit "A"⁵ accompanying this Convention, with the modifications hereinafter set out in respect to the cities of Panama and Colon and their adjacent harbors.

II

In conformity with articles II and III of said Treaty the right of the United States to the use, occupation, and control of the areas to be covered by the waters of Gatun Lake and all that part of the shores of the lake up to an elevation of one hundred feet above mean sea level, and the islands in said lake, is hereby recognized, and in like manner the right of the United States to the use, occupation, and control of the peninsulas bordering on said lake to which there is no access except over lands of the Canal Zone or from the waters of Gatun Lake, is hereby recognized.

The one hundred feet contour line above referred to, as well as the peninsulas above mentioned, shall be conveniently monumented and marked upon the ground by the United States, with the intervention of a representative or representatives of the Republic of Panama designated for that purpose, and sketched upon a special map.

⁵ Not printed.

III

It is agreed that the permanent boundary line between the City of Panama and the Canal Zone shall be as follows:

Beginning at a concrete monument located above high water mark on the shore of Panama Bay, south of the Balboa Road on the slope of the headland called "Punta Mala," and north thirty-two degrees and thirty minutes west (N. $32^{\circ} 30' W.$) and one hundred and fifty (150) meters from about the center of an island called "Gavilan."

From the above concrete monument (marked "A" on the map) the boundary line runs north twenty degrees and two minutes east (N. $20^{\circ} 2' E.$) six hundred and thirty-three and seven-tenths (633.7) meters to a concrete monument (marked "B" on the map) located at the intersection of the easterly line of the Zone Boundary road, and the northerly line of the road leading from Panama to Balboa; thence north thirty-six degrees and forty-two minutes east (N. $36^{\circ} 42' E.$) nine hundred and sixty-six and eighty-five hundredths (966.85) meters to a concrete monument (marked "C" on the map) on the northerly side of the road leading to Ancon Hospital grounds; thence north three degrees and nineteen minutes east (N. $3^{\circ} 19' E.$) one hundred and forty-eight and forty-six one-hundredths (148.46) meters to an iron rail property monument; thence north eight degrees and fourteen minutes, and forty seconds west (N. $8^{\circ} 14' 40'' W.$) one hundred and fifty-one and thirty-three one-hundredths meters (151.33) to a point; thence north thirty-seven degrees and forty-five minutes east (N. $37^{\circ} 45' E.$) fourteen and thirty-three one-hundredths meters to a point in the road on the present boundary line; thence along said present boundary north no degrees and forty-seven minutes west (N. $0^{\circ} 47' W.$) sixty-six and forty-four one-hundredths meters (66.44) to a point; thence north seventy-six degrees and fifty-nine minutes east (N. $76^{\circ} 59' E.$) forty-two and forty-five one-hundredths (42.45) meters to a point; thence south seventy-two degrees and eleven minutes east (S. $72^{\circ} 11' E.$) one hundred and fifty-nine and twenty-seven one-hundredths (159.27) meters to a point near Calidonia Bridge; thence north three degrees and eight minutes east (N. $3^{\circ} 8' E.$) crossing the Panama Railroad Company's tracks, seventy-seven and three-tenths (77.3) meters to a point twelve and two-tenths (12.2) meters from the center line of the main track of the said Panama Railroad; thence parallel to the said railroad in a north-westerly direction, two hundred and ninety and five-tenths (290.5) meters to a point on the present boundary line; thence north forty-nine degrees, thirteen minutes and ten seconds west (N. $49^{\circ} 13' 10'' W.$) and one hundred and sixty-five and thirty-seven one-hundredths (165.37) meters to an iron rail monument, twelve and three-tenths meters from the center of the main line track of the Panama Railroad; thence north forty-six degrees, thirty-nine minutes and thirty seconds west (N. $46^{\circ} 39' 30'' W.$) two hundred and twenty and four

one-hundredths (220.04) meters to a Panama Railroad Boundary monument twenty-two and one-tenth (22.1) meters from the center line of Panama Railroad main line track; thence north forty-nine degrees and fourteen minutes west (N. $49^{\circ} 14'$ W.) and parallel with the Panama Railroad track two hundred and ninety and thirty-six one-hundredths (290.36) meters to Rio Curundu; thence following the course of Rio Curundu upstream to a point (marked "E" on the map) where the said Rio Curundu is intersected by a straight line drawn through the point of intersection on the Canal axis (marked "Cocoli" on the map) perpendicular to that part of the Canal axis of A. D. 1906 which extends in a straight line southeasterly from the said point marked "Cocoli" to the point of intersection (marked "Bay" on the map) the former point of intersection being situated between Miraflores and Corozal, and the latter point in Ancon Harbor; thence from "E" north sixty-three degrees and thirty minutes east (N. $63^{\circ} 30'$ E.) two thousand and eight and six-tenths (2,008.6) meters to a concrete monument (marked "F" on the map) on the present boundary between the Canal Zone and the Republic of Panama; thence along this boundary south twenty-six degrees and thirty-four minutes east (S. $26^{\circ} 34'$ E.) about four thousand seven hundred and forty-four and five-tenths (4,744.5) meters to monument No. 99 and thence continuing on this line to the shore of Panama Bay at low water mark; thence following the mean low water line around the shore of Panama Bay to a point on the boundary line between Panama Harbor and Ancon Harbor; thence north seventy-two degrees, fourteen minutes west (N. $72^{\circ} 14'$ W.) to a monument "A," the point of beginning, except that the entire area of the middle island on the map called Las Tres Hermanas shall be under the jurisdiction of the United States of America.

Points "A," "B" and "C," above referred to, are the same points mentioned in the original agreement between the Government of the Republic of Panama and the Canal Zone Government, dated June 15, 1904.

All bearings in this description and on the map mentioned above are referred to true meridian and all coordinates are in accordance with the Panama-Colon Datum.

The Government of Panama agrees that the portion of the roadway now existing between the Ancon Post Office and the Tivoli Dispensary and connecting the Tivoli Road with the roads leading to Balboa and the Ancon Hospital grounds, which will fall within Panaman jurisdiction as a result of the boundary lines established in accordance with the foregoing description, will be kept open and of the same grade as same now is and will be maintained in good serviceable condition by the said Government of Panama so that it will afford a free, uninterrupted and unobstructed permanent public thoroughfare, unless in the future provided otherwise by the mutual agreement of the chief executive authorities of the Republic of Panama and the Panama Canal.

IV

It is agreed that the harbor of the City of Panama shall include the maritime waters in front of the City of Panama lying to the north and east of a line beginning at a concrete monument set on "Punta Mala" marked "A" on the map already referred to in this Convention, and running south seventy-two degrees and fourteen minutes east (S. $72^{\circ} 14'$ E.) through the middle island of the three islands known as "Las Tres Hermanas," but excluding the said middle island, and extending three marine miles from mean low water mark at Punta Mala; and that the harbor of Ancon shall include the waters lying south and west of said line, but including the said middle island which shall be deemed to be within the harbor of Ancon. The said middle island hereby included within the harbor of Ancon is situated about south twelve degrees, thirty minutes west (S. $12^{\circ} 30'$ W.) eight hundred and fifty-six (856) meters from the point of Las Bovedas and lies in latitude north eight degrees, fifty-six minutes (N. $8^{\circ} 56'$) plus one thousand and fifty-eight and eighty-eight hundredths (1,058.88) meters and longitude west seventy-nine degrees, thirty-two minutes (W. $79^{\circ} 32'$) plus three hundred forty-two and six-tenths (342.6) meters, the datum of said latitude and longitude being what is generally known as the Panama-Colon Datum. All bearings are referred to true meridian.

The foregoing description of the City of Panama and Panama Harbor conform to the accompanying blue print marked exhibit "B."⁶

V⁷

It is agreed that the permanent boundary line between the City of Colon and the Canal Zone shall be as follows:

Beginning at a point on the western shore of Boca Chica (sometimes called Folks River) marked "A" on the map, and fifty (50) meters to the eastward of the center line of the main line of track of the Panama Railroad; thence northward and northwestward, always parallel with said railroad track, and at a uniform distance of fifty (50) meters from the center line thereof to the center of Bolivar Street (sometimes called "C" street), said point being marked "B" on the map; thence northerly along the center line of said Bolivar Street, to the center line of Eleventh Street, this point of intersection being marked "C" on the map; thence westerly along the center line of Eleventh Street, a distance of one hundred sixty-two and fifty-three hundredths (162.53) meters to a cross on the sea wall along Limon Bay, said point being marked "D" on the map; thence north seventy-eight degrees, thirty minutes and thirty seconds west (N. $78^{\circ} 30' 30''$ W.) to the shore of

⁶ Not printed.

⁷ Art. V amended by convention of May 24, 1950 (6 UST 461; TIAS 3180), and replaced by art. VI of treaty of Jan. 25, 1955 (6 UST 2273; TIAS 3297).

Limon Bay at mean low water mark; thence following the mean low water line around the shore in a northerly, easterly, southerly, and westerly direction to the point of beginning, except that at the site of the old Colon lighthouse a detour is made, as shown on the map, to exclude an area of land to be used as the site for a United States battery, which site shall be deemed to be within the Canal Zone.

The site for a United States battery above mentioned, which is to be included within the jurisdiction of the Canal Zone, is described as follows:

The initial point is a tack in a stake on Colon point, situated with reference to certain prominent points as follows: South forty-one degrees, six minutes east (S. $41^{\circ} 6'$ E.) twenty-five and twenty-two one-hundredths (25.22) feet from the southwest interior corner of the upper pavement of the swimming pool; south eleven degrees, thirty-seven minutes west (S. $11^{\circ} 37'$ W.) one hundred twenty-seven and sixty-eight one-hundredths (127.68) feet from a cross mark on a bolt set in concrete base thirteen and nine-tenths (13.9) feet to the northeast of the center of the northeastern edge of the swimming pool; south thirty-five degrees, eighteen minutes west (S. $35^{\circ} 18'$ W.), two hundred sixty-six and seventy-five one-hundredths (266.75) feet from the northwestern corner of the Hotel Washington; and north sixty-eight degrees, twenty-nine minutes west (N. $68^{\circ} 29'$ W.), five hundred forty-three and ninety-five one-hundredths (543.95) feet from the cross mark on a rail set in a concrete base at a point where the south building line of Second Street intersects the center line of Bottle Alley; from this initial point south forty-three degrees, no minutes west (S. $43^{\circ} 00'$ W.), two hundred fifty-eight and five-tenths (258.5) feet to a point; thence north forty-seven degrees, no minutes west (N. $47^{\circ} 00'$ W.) ninety and sixty-four one-hundredths (90.64) feet to a point; thence by a curve to the right with a radius of fifty-six and eighty-six one-hundredths (56.86) feet and a central angle of forty-five degrees, no minutes (45.00'), forty-four and sixty-six one hundredths (44.66) feet to a point; thence by a curve to the right with a radius of ninety-one (91) feet and a central angle of forty-five degrees, no minutes (45° 00'), seventy-one and forty-seven one-hundredths (71.47) feet to a point; thence north forty-three degrees, no minutes east (N. $43^{\circ} 00'$ E.), one hundred seventy-seven and five-tenths (177.5) feet to a point; thence south forty-seven degrees, no minutes east (S. $47^{\circ} 00'$ E.), one hundred fifty-seven and five-tenths (157.5) feet to the point of beginning, containing ninety-one one-hundredths (0.91) acres, more or less. All bearings are referred to true meridian (Panama-Colon Datum).

VI

The harbor of Colon shall consist of those maritime waters lying to the westward of the City of Colon and bounded as follows:

The southerly boundary of the harbor of Colon is in a line running north seventy-eight degrees, thirty minutes and thirty seconds west (N. $78^{\circ} 30' 30''$ W.), which begins at a cross cut in the concrete sea wall on the easterly side of Limon Bay and on the center line of Eleventh Street, Colon, produced westerly. This point is marked "D" on the map designated exhibit "C."⁸ Beginning at mean low water mark on Limon Bay on the above described line the boundary runs northwesterly along said line to a point in Limon Bay marked "E" on the map, and located three hundred and thirty (330) meters east of the center line of the Panama Canal; thence turning to the right and running in a northerly direction the line runs parallel with the above mentioned center line and at a distance of three hundred and thirty (330) meters easterly therefrom until it meets an imaginary straight line drawn through the lighthouse on Toro Point having a bearing of south seventy-eight degrees and thirty minutes and thirty seconds east (S. $78^{\circ} 30' 30''$ E.), this intersection point being marked "F" on the map; thence turning to the right and running along the above-mentioned line south seventy-eight degrees, thirty minutes and thirty seconds east (S. $78^{\circ} 30' 30''$ E.) to a point on the boundary of the above-mentioned site for the United States battery; thence turning to the right and running along the said boundary line of said site to the mean low water line of Limon Bay; thence turning to the right and running along said water line in a generally southerly direction to the point of beginning at the foot of Eleventh Street.

All bearings in this description and on the plan mentioned above are referred to true meridian (Panama-Colon Datum).

The foregoing description of the City of Colon and Colon Harbor conform to the accompanying blue print marked exhibit "C."

VII⁹

It is agreed that the Republic of Panama shall have an easement over and through the waters of the Canal Zone in and about Limon and Manzanillo bays to the end that vessels trading with the City of Colon may have access to and exit from the harbor of Colon, subject to the police laws and quarantine and sanitary rules and regulations of the United States and of the Canal Zone established for said waters.

The United States also agrees that small vessels may land at the east wall which extends along the shore to the south of the foot of Ninth Street and recently constructed by the Panama Railroad Company in the harbor of Colon free of any wharfage or landing charges that might otherwise accrue to the said company under the terms of its concessions from the Govern-

⁸ Not printed.

⁹ Second paragraph of art. VII abrogated by treaty of Jan. 25, 1955 (6 UST 2273; TIAS 3297).

ment of Colombia; and the United States further agrees that it will construct and maintain a landing pier in a small cove on the southerly side of Manzanillo Island in the northwesterly portion of the arm of the sea known as Boca Chica (sometimes called Folks River), to be used as a shelter harbor for small coasting boats of the Republic of Panama, without any wharfage or other landing charges.

VIII

Inasmuch as the highway known as the "Sabanas Road" will come entirely within the bounds of the City of Panama under this agreement the authorities of the Canal Zone are hereby relieved of the duty to repair and maintain such road, or any part of it, and the same shall be done henceforth by the authorities of the Republic at their cost and expense.

IX

It is agreed that the Republic of Panama will not construct nor allow the construction of any railway across the Sabanas or other territory hereby transferred to that Republic without a mutually satisfactory agreement having been previously arrived at between the two governments; and this shall be without prejudice to any right the United States may have to object to such railway projection under any of the provisions of the Canal Treaty of November 18, 1903.

X

The contracting parties hereby agree that this Convention shall not diminish, exhaust, or alter any rights acquired by them heretofore in conformity with the Canal Treaty of November 18, 1903; and it is further expressly agreed that the United States, in the exercise of the rights granted to it under articles II and III of the said Canal Treaty and subject to article VI of said Treaty, may enter upon and use, occupy, and control the whole or any portion of the Sabanas land, or other territory hereby transferred to the Republic of Panama, as the same may be necessary, or convenient, for the construction, maintenance, operation, sanitation, or protection of the Canal or of any auxiliary canals, or other works necessary and convenient for the construction, maintenance, operation, sanitation, or protection of said enterprise.

XI

This agreement shall not be construed to modify the rights of the authorities of the Canal Zone to employ citizens of the Republic of Panama residing in the territory of the Republic as provided in section V of the above-mentioned agreement of June 15, 1904, and for which purpose the Government of the Republic granted the permission required by paragraph 2 of article 7 of the Panamanian Constitution.

XII

The civil and criminal cases pending in the courts of the Canal Zone and the Republic of Panama at the time of the execution of this Convention shall not be affected hereby but the same shall be proceeded with to final judgment and disposed of in the courts where they are now pending as though this agreement had not been entered into.

XIII

The exhibits accompanying this agreement are signed by the representatives of the respective governments for identification. This Convention, when signed by the plenipotentiaries of the high contracting parties, will be ratified by the two governments in conformity with their respective constitutional laws, and the ratifications shall be exchanged at Panama at the earliest date possible.

In faith whereof the respective plenipotentiaries have signed the present Convention in duplicate and have hereunto affixed their respective seals.

Done at the City of Panama, the second day of September, in the year of our Lord, nineteen hundred and fourteen.

WILLIAM JENNINGS PRICE [SEAL]
E. T. LEFEVRE [SEAL]

NEUTRALITY

Protocol of an agreement signed at Washington October 10, 1914

Entered into force October 10, 1914

Confirmed by agreement of August 25, 1939¹

38 Stat. 2042; Treaty Series 597

PROTOCOL OF AN AGREEMENT CONCLUDED BETWEEN HONORABLE ROBERT LANSING, ACTING SECRETARY OF STATE OF THE UNITED STATES, AND DON EUSEBIO A. MORALES, ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY OF THE REPUBLIC OF PANAMA, SIGNED THE TENTH DAY OF OCTOBER, 1914

The undersigned, the Acting Secretary of State of the United States of America and the Envoy Extraordinary and Minister Plenipotentiary of the Republic of Panama, in view of the close association of the interests of their respective Governments on the Isthmus of Panama, and to the end that these interests may be conserved and that, when a state of war exists, the neutral obligations of both Governments as neutrals may be maintained, after having conferred on the subject and being duly empowered by their respective Governments, have agreed:

That hospitality extended in the waters of the Republic of Panama to a belligerent vessel of war or a vessel belligerent or neutral, whether armed or not, which is employed by a belligerent power as a transport or fleet auxiliary or in any other way for the direct purpose of prosecuting or aiding hostilities, whether by land or sea, shall serve to deprive such vessel of like hospitality in the Panama Canal Zone for a period of three months, and *vice versa*.

In testimony whereof, the undersigned have signed and sealed the present Protocol in the city of Washington this tenth day of October, 1914.

ROBERT LANSING [SEAL]
EUSEBIO A. MORALES [SEAL]

¹ EAS 160, *post*, p. 786.

CLAIMS: DAMAGES CAUSED BY RIOT

Protocol signed at Panama November 27, 1915

Entered into force November 27, 1915

Terminated December 9, 1916¹

Treaty Series 620

PROTOCOL

The Government of the United States of America and the Government of the Republic of Panama, through their respective Plenipotentiaries, His Excellency, William Jennings Price, Envoy Extraordinary and Minister Plenipotentiary to Panama, on the part of the United States, and His Excellency, Ernesto T. Lefevre, Secretary of Foreign Affairs, on the part of the Republic of Panama, being duly authorized thereto, have agreed upon and concluded the following protocol:

WHEREAS, the Government of the United States claims indemnities for the death and injury of American citizens in a riot which occurred in Cocoa Grove, Panama City, July 4, 1912, and

WHEREAS, the Government of Panama has agreed, in principle, to the payment of such indemnities irrespective of the circumstances affecting the riot; and

WHEREAS, the two Governments have been unable to agree upon the amounts of such indemnities, and have concluded to submit to arbitration the determination of the amounts to be paid by the Republic of Panama, it is, therefore, agreed as follows:

ARTICLE I

The High contracting parties agree to submit to His Excellency W. L. F. C. van Rappard, Envoy Extraordinary and Minister Plenipotentiary accredited by the Government of the Netherlands to the Governments of the United States and Panama, the determination of the amount of damages to be paid for each one of the American citizens killed and for each one injured as a result of the riot, and agrees that he shall award the amounts so determined against the Government of Panama.

¹ On payment of award by Panama (1916 For. Rel. 918).

ARTICLE II

His Excellency W. L. F. C. van Rappard shall determine the amounts of such damages upon such papers as may be presented to him by the Secretary of State of the United States and the Envoy Extraordinary and Minister Plenipotentiary of the Republic of Panama at Washington, respectively, within five months from the date of the signing of this agreement, but it is expressly understood and agreed that such papers shall relate only to the amount of damages to be paid.

The case shall then be closed unless His Excellency shall call for further documents, evidence, correspondence, or arguments from either Government, in which event, such further documents, evidence, correspondence or arguments shall be furnished within sixty days from the date of the call. If such documents, evidence, correspondence or arguments are not furnished within the time specified a decision in the case shall be given as if they did not exist.

The entire case of each Government shall be presented in writing.

ARTICLE III

A reasonable honorarium to His Excellency W. L. F. C. van Rappard shall be paid by the Government of Panama.

ARTICLE IV

The decision of His Excellency W.L.F.C. van Rappard shall be accepted as final and shall be binding upon the two Governments.

IN WITNESS WHEREOF, the undersigned have hereunto signed their names and affixed their seals.

Done at Panama the 27th day of November 1915.

Wm. JENNINGS PRICE	[SEAL]
E. T. LEFEVRE	[SEAL]

FACILITATING THE WORK OF TRAVELING SALESMEN

Convention signed at Washington February 8, 1919

Senate advice and consent to ratification June 4, 1919

Ratified by the President of the United States July 9, 1919

Ratified by Panama September 24, 1919

Ratifications exchanged at Washington December 8, 1919

Entered into force December 8, 1919

Proclaimed by the President of the United States December 10, 1919

41 Stat. 1696; Treaty Series 646

The United States of America and the Republic of Panama being desirous to foster the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen have agreed to conclude a convention for that purpose and have to that end appointed as their plenipotentiaries:

The President of the United States of America, Frank L. Polk, Acting Secretary of State of the United States of America, and

The President of the Republic of Panama, Señor José Edgardo Lefevre, Chargé d'Affaires of the Republic of Panama near the Government of the United States of America,

Who, having communicated to each other their full powers, which were found to be in due form, have agreed upon the following articles:

ARTICLE I

Manufacturers, merchants, and traders domiciled within the jurisdiction of one of the High Contracting Parties may operate as commercial travelers either personally or by means of agents or employees within the jurisdiction of the other High Contracting Party on obtaining from the latter, upon payment of a single fee, a license which shall be valid throughout its entire territorial jurisdiction.

In case either of the High Contracting Parties shall be engaged in war, it reserves to itself the right to prevent from operating within its jurisdiction under the provisions of this treaty, or otherwise, enemy nationals or other aliens

whose presence it may consider prejudicial to public order and national safety.

ARTICLE II

In order to secure the license above mentioned the applicant must obtain from the country of domicile of the manufacturers, merchants, and traders represented a certificate attesting his character as a commercial traveler. This certificate, which shall be issued by the authority to be designated in each country for the purpose, shall be viséed by the consul of the country in which the applicant proposes to operate, and the authorities of the latter shall, upon the presentation of such certificate, issue to the applicant the national license as provided in Article I.

ARTICLE III

A commercial traveler may sell his samples without obtaining a special license as an importer.

ARTICLE IV

Samples without commercial value shall be admitted to entry free of duty.

Samples marked, stamped, or defaced, in such manner that they cannot be put to other uses, shall be considered as objects without commercial value.

ARTICLE V

Samples having commercial value shall be provisionally admitted upon giving bond for the payment of lawful duties if they shall not have been withdrawn from the country within a period of six (6) months.

Duties shall be paid on such portion of the samples as shall not have been so withdrawn.

ARTICLE VI

All customs formalities shall be simplified as much as possible with a view to avoid delay in the despatch of samples.

ARTICLE VII

Peddlers and other salesmen who vend directly to the consumer, even though they have not an established place of business in the country in which they operate, shall not be considered as commercial travelers, but shall be subject to the license fees levied on business of the kind which they carry on.

ARTICLE VIII

No license shall be required of

(a) Persons traveling only to study trade and its needs, even though they initiate commercial relations, provided they do not make sales of merchandise.

- (b) Persons operating through local agencies which pay the license fee or other imposts to which their business is subject.
- (c) Travelers who are exclusively buyers.

ARTICLE IX

Any concessions affecting any of the provisions of the present Treaty that may hereafter be granted by either High Contracting Party, either by law or by treaty or convention, shall immediately be extended to the other party.

ARTICLE X

This Convention shall be ratified; and the ratifications shall be exchanged at Washington or Panama within two years, or sooner if possible.

The present Convention shall remain in force until the end of six months after either of the High Contracting Parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice to the other at any time. And it is hereby agreed between the parties that, on the expiration of six months after such notice shall have been received by either of them from the other Party as above mentioned, this Convention shall altogether cease and terminate.

In testimony whereof the respective plenipotentiaries have signed these articles and have thereunder affixed their seals.

Done in duplicate, at Washington, this eighth day of February, one thousand nine hundred and nineteen.

FRANK L. POLK [SEAL]
J. E. LEFEVRE [SEAL]

SMUGGLING OF INTOXICATING LIQUORS

Convention signed at Washington June 6, 1924

Senate advice and consent to ratification December 10, 1924

Ratified by Panama December 30, 1924

Ratified by the President of the United States January 15, 1925

Ratifications exchanged at Washington January 19, 1925

Entered into force January 19, 1925

Proclaimed by the President of the United States January 19, 1925

Modified by convention of March 14, 1932¹

43 Stat. 1875; Treaty Series 707

The President of the United States of America and the President of the Republic of Panama being desirous of avoiding any difficulties which might arise between them in connection with the laws in force in the United States on the subject of alcoholic beverages have decided to conclude a Convention for that purpose, and have appointed as their Plenipotentiaries:

The President of the United States of America, Charles Evans Hughes, Secretary of State of the United States of America, and

The President of Panama, Ricardo J. Alfaro, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Panama in Washington,

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I

The High Contracting Parties declare that it is their firm intention to uphold the principle that three marine miles extending from the coast line outwards and measured from low-water mark constitute the proper limits of territorial waters.

ARTICLE II

(1) The President of Panama agrees that Panama will raise no objection to the boarding of private vessels under the Panaman flag outside the limits of territorial waters by the authorities of the United States, its territories or possessions, in order that enquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of

¹ TS 861, *post*, p. 737.

ascertaining whether the vessel or those on board are endeavoring to import or have imported alcoholic beverages into the United States, its territories or possessions in violation of the laws there in force. When such enquiries and examinations show a reasonable ground for suspicion, a search of the vessel may be initiated.

(2) If there is reasonable cause for belief that the vessel has committed or is committing or attempting to commit an offense against the laws of the United States, its territories or possessions prohibiting the importation of alcoholic beverages, the vessel may be seized and taken into a port of the United States, its territories or possessions for adjudication in accordance with such laws.

(3) The rights conferred by this article shall not be exercised at a greater distance from the coast of the United States its territories or possessions than can be traversed in one hour by the vessel suspected of endeavoring to commit the offense, and shall not be exercised in waters adjacent to territorial waters of the Canal Zone. In cases, however, in which the liquor is intended to be conveyed to the United States, its territories or possessions by a vessel other than the one boarded and searched, it shall be the speed of such other vessel and not the speed of the vessel boarded, which shall determine the distance from the coast at which the right under this article can be exercised.

ARTICLE III

No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors, when such liquors are listed as sea stores or cargo destined for a port foreign to the United States, its territories or possessions on board Panaman vessels voyaging to or from ports of the United States, or its territories or possessions or passing through the territorial waters thereof, and such carriage shall be as now provided by law with respect to the transit of such liquors through the Panama Canal, provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters and that no part of such liquors shall at any time or place be unloden within the United States, its territories or possessions.

ARTICLE IV

Any claim by a Panaman vessel for compensation on the grounds that it has suffered loss or injury through the improper or unreasonable exercise of the rights conferred by Article II of this Treaty or on the ground that it has not been given the benefit of Article III shall be referred for the joint consideration of two persons, one of whom shall be nominated by each of the High Contracting Parties.

Effect shall be given to the recommendations contained in any such joint report. If no joint report can be agreed upon, the claim shall be referred

to the Permanent Court of Arbitration at The Hague described in the Convention for the Pacific Settlement of International Disputes, concluded at The Hague, October 18, 1907.² The Arbitral Tribunal shall be constituted in accordance with Article 87 (Chapter IV) and with Article 59 (Chapter III) of the said Convention. The proceedings shall be regulated by so much of Chapter IV of the said Convention and of Chapter III thereof (special regard being had for Articles 70 and 74, but excepting Articles 53 and 54) as the Tribunal may consider to be applicable and to be consistent with the provisions of this agreement. All sums of money which may be awarded by the Tribunal on account of any claim shall be paid within eighteen months after the date of the final award without interest and without deduction, save as hereafter specified. Each Government shall bear its own expenses. The expenses of the Tribunal shall be defrayed by a ratable deduction of the amount of the sums awarded by it, at a rate of five per cent. on such sums, or at such lower rate as may be agreed upon between the two Governments; the deficiency, if any, shall be defrayed in equal moieties by the two Governments.

ARTICLE V

This Treaty shall be subject to ratification and shall remain in force for a period of one year from the date of the exchange of ratifications.

Three months before the expiration of the said period of one year, either of the High Contracting Parties may give notice of its desire to propose modifications in the terms of the Treaty.

If such modifications have not been agreed upon before the expiration of the term of one year mentioned above, the Treaty shall lapse.

If no notice is given on either side of the desire to propose modifications, the Treaty shall remain in force for another year, and so on automatically, but subject always in respect of each such period of a year to the right on either side to propose as provided above three months before its expiration modifications in the Treaty, and to the provision that if such modifications are not agreed upon before the close of the period of one year, the Treaty shall lapse.

ARTICLE VI

In the event that either of the High Contracting Parties shall be prevented either by judicial decision or legislative action from giving full effect to the provisions of the present Treaty the said Treaty shall automatically lapse, and, on such lapse or whenever this Treaty shall cease to be in force, each High Contracting Party shall enjoy all the rights which it would have possessed had this Treaty not been concluded.

The present Convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof

² TS 536, *ante*, vol. 1, p. 577.

and by the President of Panama in accordance with the requirements of the Panaman Constitution; and the ratifications shall be exchanged at Washington as soon as possible.

In witness whereof, the respective Plenipotentiaries have signed the present Convention in duplicate and have thereunto affixed their seals.

Done at the city of Washington, this sixth day of June in the year of our Lord one thousand nine hundred and twenty-four.

CHARLES EVANS HUGHES [SEAL]
R. J. ALFARO [SEAL]

WAIVER OF VISAS AND VISA FEES FOR NONIMMIGRANTS

Exchange of notes at Panama May 11 and 13, 1925

Entered into force May 15, 1925

*Superseded January 1, 1949, by agreement of August 14, October 27,
and November 5, 1948¹*

89 United Nations Treaty Series 273

The American Minister to the Minister of Foreign Affairs

No. 352

PANAMA, May 11, 1925

EXCELLENCY:

Pursuant to instruction from my Government, I have the honor to advise Your Excellency that the Government of the United States will, from the 15th of May, collect no fee for visaing passports or executing applications therefor in the case of citizens or subjects of Panama desiring to visit the United States (including the insular possessions) who are not "immigrants" as defined in the Immigration Act of the United States of 1924;² namely, "(1) a government official, his family, attendants, servants, and employees, (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure, (3) an alien in continuous transit through the United States, (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory, (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation"; if from the same date the Government of Panama will not

¹ TIAS 1943, *post*, p. 853.

² 43 Stat. 153.

require non-immigrant citizens of the United States of like classes desiring to visit Panama to present visaed passports.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest esteem.

J. G. SOUTH

His Excellency

H. F. ALFARO,

*Minister for Foreign Affairs,
Republic of Panama.*

The Minister of Foreign Affairs to the American Minister

[TRANSLATION]

S.P. No. 1256

PANAMA, May 13, 1925

MR. MINISTER:

I have the honor to acknowledge the receipt of Your Excellency's note No. 352 of the 11th instant in which you are so good as to inform me that your Government from the 15th of May will not collect fees for the visaing of passports or the executing of applications therefor in the case of citizens or subjects of Panama who desire to visit the United States and who are not immigrants as defined in the Immigration Act of the United States of 1924; provided that from the same date the Government of Panama will not require non-immigrants of the United States of the same classes who desire to visit Panama to present visaed passports.

My Government has taken due note of the kind communication of Your Excellency and it accepts the specified arrangement, and I will, therefore, communicate it to the consular officers of the Republic for its due fulfillment.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest consideration.

H. F. ALFARO

His Excellency

Dr. JOHN GLOVER SOUTH,

*Envoy Extraordinary and Minister Plenipotentiary of the
United States of America,
City.*

SETTLEMENT OF CLAIMS

Convention signed at Washington July 28, 1926

Senate advice and consent to ratification January 26, 1929

Ratified by the President of the United States September 11, 1931

Ratified by Panama September 25, 1931

Ratifications exchanged at Washington October 3, 1931

Entered into force October 3, 1931

Proclaimed by the President of the United States October 6, 1931

Articles VI and VIII amended by convention of December 17, 1932¹

Terminated June 30, 1936²

47 Stat. 1915; Treaty Series 842

The United States of America and the Republic of Panama, desiring to settle and adjust amicably claims by the citizens of each country against the other, have decided to enter into a Convention with this object, and to this end have nominated as their plenipotentiaries:

The President of the United States of America, The Honorable Frank B. Kellogg, Secretary of State of the United States of America; and

The President of the Republic of Panama, The Honorable Doctor Ricardo J. Alfaro, Envoy Extraordinary and Minister Plenipotentiary of Panama to the United States and the Honorable Doctor Eusebio A. Morales, Envoy Extraordinary and Minister Plenipotentiary of Panama on special mission;

who, after having communicated to each other their respective full powers found to be in due and proper form, have agreed upon the following articles:

ARTICLE I

All claims against the Republic of Panama arising since November 3, 1903, except the so-called Colon Fire Claims hereafter referred to, and which at the time they arose were those of citizens of the United States of America, whether corporations, companies, associations, partnerships or individuals, for losses or damages suffered by persons or by their properties, and all claims against the United States of America arising since November 3, 1903, and which

¹ TS 860, *post*, p. 739.

² On payment by Panama of award of Claims Commission. The Commission completed its work and adjourned *sine die* on June 30, 1933.

at the time they arose were those of citizens of the Republic of Panama, whether corporations, companies, associations, partnerships or individuals, for losses or damages suffered by persons or by their properties; all claims for losses or damages suffered by citizens of either country, by reason of losses or damages suffered by any corporation, company, association or partnership, in which such citizens have or have had, a substantial and bona fide interest, provided an allotment to the claimant by the corporation, company, association or partnership, of his proportion of the loss or damage suffered is presented by the claimant to the Commission; and all claims for losses or damage originating from acts of officials or others acting for either Government, and resulting in injustice, and which claims may have been presented to either Government for its interposition with the other, and which have remained unsettled, as well as any other such claims which may be filed by either Government within the time hereinafter specified, shall be submitted to a Commission consisting of three members for decision in accordance with the principles of international law, justice and equity. As an exception to the claims to be submitted to such Commission, unless by later specific agreement of the two Contracting Parties, are claims for compensation on account of damages caused in the manner set forth in Article VI of the Treaty of November 18, 1903,³ for the construction of the Panama Canal, which shall continue to be heard and decided by the Joint Commission provided for in that Article of the Treaty.

With regard to the exception above made respecting the claims for losses suffered by American citizens as a result of the fire that occurred in the City of Colon on March 31, 1885, the Government of Panama agrees in principle to the arbitration of such claims under a Convention to which the Republic of Colombia shall be invited to become a party and which shall provide for the creation or selection of an arbitral tribunal to determine the following questions: First, whether the Republic of Colombia incurred any liability for losses sustained by American citizens on account of the fire that took place in the City of Colon on the 31st of March 1885; and, second, in case it should be determined in the arbitration that there is an original liability on the part of Colombia, to what extent, if any, the Republic of Panama has succeeded Colombia in such liability on account of her separation from Colombia on November 3, 1903, and the Government of Panama agrees to cooperate with the Government of the United States by means of amicable representations in the negotiation of such arbitral agreement between the three Countries.

The hearing and adjudication of particular claims in accordance with their merits in order to determine the amount of damages to be paid, if any, in case a liability is found, shall take place before a special tribunal to be constituted in such form as the circumstances created by the tri-partite arbitration shall demand.

³ TS 431, *ante*, p. 663.

As a specific exception to the limitation of the claims to be submitted to the Commission against the United States of America it is agreed that there shall be submitted to the Commission the claims of Abbondio Caselli, a Swiss citizen, or the Government of Panama, and Jose C. Monteverde, an Italian subject, or the Government of Panama, as their respective interests in such claims may appear, these claims having arisen from land purchased by the Government of Panama from the said Caselli and Monteverde and afterwards expropriated by the Government of the United States, and having formed in each case the subject matter of a decision by the Supreme Court of Panama.

The Commission shall be constituted as follows: One member shall be appointed by the President of the United States; one by the President of the Republic of Panama; and the third, who shall preside over the Commission, shall be selected by mutual agreement between the two Governments. If the two Governments shall not agree within two months from the exchange of ratifications of this Convention in naming such a third member, then he shall be designated by the President of the Permanent Administrative Council of the Permanent Court of Arbitration at The Hague described in Article 49 of the Convention for the Pacific Settlement of International Disputes concluded at The Hague October 18, 1907.⁴ In case of the death, absence or incapacity of any member of the Commission, or in the event of the member omitting or ceasing to act as such, the same procedure shall be followed for filling the vacancy as was followed in appointing him.

ARTICLE II

The Commissioners so named shall meet at Washington for organization within six months after the exchange of ratifications of this Convention, and each member of the Commission before entering upon his duties, shall make and subscribe a solemn declaration stating that he will carefully and impartially examine and decide according to the best of his judgment and in accordance with the principles of international law, justice and equity, all claims presented for his decision, and such declaration shall be entered upon the record of the proceedings of the Commission.

The Commission may fix the time and place of its subsequent meetings, either in the United States or in Panama as may be convenient, subject always to the special instructions of the two Governments.

ARTICLE III

The Commission shall have authority by the decision of the majority of its members to adopt such rules for its proceedings as may be deemed expedient and necessary, not in conflict with any of the provisions of this Convention.

⁴ TS 536, *ante*, vol. 1, p. 577.

Each Government may nominate agents or counsel who will be authorized to present to the Commission orally or in writing, all the arguments deemed expedient in favor of or against any claim. The agents or counsel of either Government may offer to the Commission any documents, affidavits, interrogatories or other evidence desired in favor of or against any claim and shall have the right to examine witnesses under oath or affirmation before the Commission, in accordance with such rules of procedure as the Commission shall adopt.

The decision of the majority of the members of the Commission shall be the decision of the Commission.

The language in which the proceedings shall be conducted and recorded shall be English or Spanish.

ARTICLE IV

The Commission shall keep an accurate record of the claims and cases submitted, and minutes of its proceedings with the dates thereof. To this end, each Government may appoint a Secretary; those Secretaries shall act as joint Secretaries of the Commission and shall be subject to its instructions. Each Government may also appoint and employ, any necessary assistant secretaries and such other assistants as may be deemed necessary. The Commission may also appoint and employ any other persons necessary to assist in the performance of its duties.

ARTICLE V

The High Contracting Parties being desirous of effecting an equitable settlement of the claims of their respective citizens, thereby affording them just and adequate compensation for their losses or damages, agree that no claim shall be disallowed or rejected by the Commission through the application of the general principle of international law that the legal remedies must be exhausted as a condition precedent to the validity or allowance of any claim.

ARTICLE VI⁵

Every such claim for loss or damage accruing prior to the signing of this Convention, shall be filed with the Commission within four months from the date of its first meeting, unless in any case reasons for the delay, satisfactory to the majority of the Commissioners, shall be established, and in any such case the period for filing the claim may be extended not to exceed two additional months.

The Commission shall be bound to hear, examine and decide, within one year from the date of its first meeting, all the claims filed.

⁵ For amendments to arts. VI and VIII, see convention of Dec. 17, 1932 (TS 860), *post*, p. 739.

Three months after the date of the first meeting of the Commissioners and every three months thereafter, the Commission shall submit to each Government a report setting forth in detail its work to date, including a statement of the claims filed, claims heard and claims decided. The Commission shall be bound to decide any claim heard and examined, within six months after the conclusion of the hearing of such claim and to record its decision.

ARTICLE VII

The High Contracting Parties agree to consider the decision of the Commission as final and conclusive upon each claim decided, and to give full effect to such decisions. They further agree to consider the result of the proceedings of the Commission as a full, perfect and final settlement of every such claim upon either Government, for loss or damage sustained prior to the exchange of the ratifications of the present Convention. And they further agree that every such claim, whether or not filed and presented to the notice of, made, preferred or submitted to such Commission, shall from and after the conclusion of the proceedings of the Commission, be considered and treated as fully settled, barred, and thenceforth inadmissible, provided in the case of the claims filed with the Commission that such claims have been heard and decided.

This provision shall not apply to the so-called Colon Fire Claims, which will be disposed of in the manner provided for in Article I of this Convention.

ARTICLE VIII⁵

The total amount awarded in all the cases decided in favor of the citizens of one country shall be deducted from the total amount awarded to the citizens of the other country, and the balance shall be paid at the City of Panama or at Washington, in gold coin or its equivalent within one year from the date of the final meeting of the Commission, to the Government of the country in favor of whose citizens the greater amount may have been awarded.

ARTICLE IX

Each Government shall pay its own Commissioner and bear its own expenses. The expenses of the Commission including the salary of the third Commissioner shall be defrayed in equal proportions by the two Governments.

ARTICLE X

The present Convention shall be ratified by the High Contracting Parties in accordance with their respective Constitutions. Ratifications of this Convention shall be exchanged in Washington as soon as practicable and the Convention shall take effect on the date of the exchange of ratifications.

In witness whereof, the respective plenipotentiaries have signed and affixed their seals to this Convention.

Done in duplicate in Washington this twenty-eighth day of July 1926.

FRANK B. KELLOGG [SEAL]

R. J. ALFARO [SEAL]

EUSEBIO A. MORALES [SEAL]

COMMERCIAL AVIATION

*Exchange of notes at Panama April 22, 1929
Entered into force April 22, 1929*

1929 For. Rel. (III) 728

The Secretary of Foreign Affairs to the American Minister

[TRANSLATION]

D.D. No. 745

PANAMA, April 22, 1929

MR. MINISTER:

With reference to our conversations concerning the regulation of commercial aviation in the Republic, I have the honor to inform Your Excellency that the National Government, recognizing the importance which the security of the Panama Canal has for the United States of America, agrees that three members of the Aviation Board shall always be appointed on designation by Your Excellency's Government.

The Government of Panama recognizes, as I have said, the special interest which Your Excellency's Government has in the protection of the Panama Canal and, in view of that, considers further that the regulations which we have recently discussed are acceptable and suitable at the same time to insure that protection in terms decorous for both countries, with the following modifications:

(a) The proposed Joint Commission shall be simply called *Aviation Board*; it will be presided over by the Secretary of Government and Justice and its members will be appointed by the President of the Republic, three of them on designation by Your Excellency's Government;

(b) The licenses to operate aircraft in the Republic and for the crews of the same, shall be issued by the Aviation Board;

(c) In the descriptive lists of passengers and crew shall be included not only Chinese, but also all individuals belonging to races whose immigration may be prohibited or restricted in accordance with the laws of the country;

(d) Aircraft arriving in the territory of the Republic, outside of the cities of Panama and Colon, their adjacent harbors and the flying fields based thereon, shall give reports of communicable diseases to the respective Panamanian authorities and the latter shall communicate them to the health authorities of the Panama Canal;

(e) All aircraft, with the exception of those which may pertain to the defensive forces of the Panama Canal and those which may pertain to and be officially operated by the Panaman Government, and all aviation fields or centers in the Republic of Panama, shall be subject to inspection at any time by the Aviation Board, and by each of its members.

If the foregoing modifications are acceptable to Your Excellency's Government, the Panaman Government will be disposed to promulgate and will promulgate the decree, a copy of which I enclose herewith¹ and which embraces substantially all the provisions of the draft discussed, with the modifications to which I referred.

I beg Your Excellency to accept the assurances of my highest and most distinguished consideration.

J. D. AROSEMENA

His Excellency Dr. JOHN GLOVER SOUTH,
*Envoy Extraordinary and Minister Plenipotentiary
of the United States of America
City.*

The American Minister to the Secretary of Foreign Affairs

No. 937

PANAMA, April 22, 1929

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's Note of April 22, 1929, reading as follows:

[For text, see above.]

Under instructions from my Government, I have the honor to inform Your Excellency that the modifications proposed by you in the regulations governing commercial aviation in the Republic of Panama are acceptable to it as well as the decree enclosed with your Note which Your Excellency states the Panaman Government will now promulgate.

Accept, Excellency, the renewed assurance of my highest consideration.

JOHN GLOVER SOUTH

His Excellency

J. DEMÓSTENES AROSEMENA,
*Secretary of Foreign Affairs,
Republic of Panama.*

¹ Not printed here.

LEGAL TENDER AND FRACTIONAL SILVER COINAGE

*Exchange of notes at Washington March 26 and April 2, 1930,
modifying agreement of June 20, 1904
Entered into force April 2, 1930*

Department of State files

The Acting Secretary of State to the Panamanian Minister

MARCH 26, 1930

SIR:

I have the honor to refer to your aide memoire of December 23, 1929, with respect to the desire of the Government of Panama to recoin its present fractional silver coins to the amount of 125,000 Balboas, par value, into new fractional coins having a par value of \$250,000, and inquiring whether the Government of the United States considers that a deposit of double the amount of the present one, i.e., 37,500 Balboas, or \$37,500, would be required to guarantee the parity of the new coins, and whether the Government of the United States would be willing to modify accordingly the monetary agreement of June 20, 1904,¹ between this Government and the Republic of Panama. You also inquire, in case the modification proposed is agreed upon, whether the agreement could be effected by means of an exchange of notes between the Department of State and the Legation of Panama.

In reply you are informed that this Government will make no objection to the proposed new coinage if suitable provisions are adopted to safeguard the public in the Canal Zone and in Panama from loss or inconvenience and to assure the parity of the new money. To this end it is proposed that the following provisions be agreed upon as modifications of the existing Currency Agreement.

1. That the Republic of Panama shall agree to maintain the parity of its silver coinage with the gold standard by exchanging silver coins for gold or legal tender money and by taking such steps with respect to exchange by drafts upon its reserve fund as will tend to prevent disturbances of the legal parity of the silver fractional currency of the Republic with the Gold Standard.

¹ *Ante*, p. 681.

2. That the reserve fund shall always be maintained at not less than 15 per cent of the nominal value of the silver coinage outstanding; and that provision shall be made for additional deposits from time to time of any amounts necessary to provide funds up to the prescribed 15 per cent of the nominal value of the fractional silver currency outstanding; and that the reserve fund shall be deposited in dollars with a responsible banking institution in the United States as at present.

3. That the new coins be of the same value and size as existing United States coins, so that they can be used interchangeably with United States coins in change machines and in general use without danger of mistaking the value of the coin.

I should be glad to know whether the above proposals meet with the approval of your Government. Upon receipt of a note accepting them on behalf of the Government of Panama, the Government of the United States would consider as duly modified in accordance with the stipulations set forth, the Monetary Agreement of June 20, 1904.

It is assumed that the coinage will be executed as heretofore at the mints of the United States.

Accept, Sir, the renewed assurances of my highest consideration.

J. P. COTTON
Acting Secretary of State

Senor Dr. Don RICARDO J. ALFARO,
Minister of Panama.

The Panamanian Minister to the Acting Secretary of State

[TRANSLATION]

WASHINGTON
April 2, 1930

MR. SECRETARY:

I have the honor to acknowledge the receipt of Your Excellency's courteous note dated the 26th of last month, by which and in connection with the question of the coinage of Panamanian fractional silver coins in conformity with Law 62 of 1917 and the modification which it is necessary to make for that purpose in the Monetary Agreement concluded between the United States and Panama on June 20, 1904, Your Excellency is kind enough to advise me that the Government of the United States has no objection to make to the new coinage proposed if adequate measures are taken to safeguard the public in the Canal Zone and in Panama from loss or inconvenience and to assure the parity of the new money. To this end Your Excellency proposes that the following provisions be agreed upon as modifications of the existing Monetary Agreement:

[For text of provisions, see numbered paragraphs in U.S. note, above.]

Your Excellency adds that you will be glad to know whether the proposals quoted above have the approval of my Government and that, on receipt of a note accepting them on behalf of the Government of Panama, the Government of the United States will consider as duly modified in conformity with the stipulations set forth, the Monetary Agreement of June 20, 1904.

Accordingly, I have the honor to declare to Your Excellency that the Government of Panama is entirely in accord with the stipulations proposed by the Government of Your Excellency and that, therefore, the Monetary Agreement of June 20, 1904, is from this date modified in the terms set forth.

With respect to Your Excellency's presumption that the coinage will be effected as previously in the United States mint, I take pleasure in stating that my Government will be glad to avail itself of the good offices of that of Your Excellency in order that the coinage which it plans to effect in conformity with the said Law 62 of 1917 may be executed by the United States Mint, which has always afforded the Republic such valuable and efficient services in this connection.

I avail myself of the opportunity etc.

R. J. ALFARO
Minister of Panama

To His Excellency

JOSEPH P. COTTON

Acting Secretary of State, etc.

LEGAL TENDER AND FRACTIONAL SILVER COINAGE

*Exchange of notes at Washington May 28 and June 6, 1931, modifying agreement of June 20, 1904, as modified
Entered into force June 6, 1931*

Department of State files

The Secretary of State to the Panamanian Minister

MAY 28, 1931

SIR:

I have the honor to refer to the Legation's Aide-Memoire of April 8, 1931, and its Note Verbale of May 4, 1931, regarding the desire of the Government of Panama to coin 200,000 silver one-balboa pieces under the terms of the Monetary Agreement of June 20, 1904,¹ between the United States and the Republic of Panama, as modified by the exchange of Notes between the Department and the Legation, dated respectively March 26 and April 2, 1930.²

The present Monetary Agreement and its amendments cover the coinage of fractional silver currency only. This Government will, however, agree to the modification of the Agreement of 1904 and 1930 to include the coinage of silver pieces of the denomination of one balboa to a total value of 200,000 balboas as requested by you, provided the terms of the agreement are complied with in all other particulars. Upon the receipt of a Note confirming this agreement on behalf of the Government of Panama, the Government of the United States would consider the Monetary Agreement of 1904 and 1930 as being appropriately modified and would be prepared to undertake the desired coinage at the Philadelphia mint.

The Treasury Department informs this Department that the cost of the coinage of 200,000 balboas would be at the rate of \$11.00 per thousand pieces. This coinage, using the dollar as a basis of calculation, would require 154,687.50 fine ounces of silver. The cost mentioned includes working dies and copper for alloy and is based on a comparatively small number of pieces. The cost of containers for shipment would be in addition to the coinage cost.

¹ *Ante*, p. 681.

² *Ante*, p. 731.

The mint at Philadelphia has no dies which could be used for coining the balboas, but, if the models used for the coinage of the smaller pieces of Panamanian currency could be utilized by making a change in lettering and figures, the master dies could be made for \$200.00 a pair.

The original bill of lading covering a shipment of sixteen cases of old Panamanian silver coins consigned to the United States Mint at Philadelphia, left by you at the Department, has been forwarded to the Superintendent of the Mint at Philadelphia and that officer has been directed to hold the coins intact until further instructed.

Accept, Sir, the renewed assurances of my highest consideration.

For the Secretary of State:
FRANCIS WHITE

Señor Dr. HARMODIO ARIAS,
Minister of Panama.

The Panamanian Minister to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
WASHINGTON

D-167

JUNE 6, 1931

MY SECRETARY:

I have the honor to refer to the kind communication of Your Excellency, dated May 28 last, concerning the desire of the Government of Panama to coin silver pieces of one Balboa to the sum of 200,000 balboas, and to the request made by the latter that Your Excellency be good enough to use your good offices to the end that such coinage be executed in the Philadelphia Mint.

Your Excellency is of the opinion that for this purpose it is necessary to so amend the monetary conventions of 1904 and 1930 that they shall include the desired coinage of silver pieces of one Balboa, and to that effect is kind enough to advise me that on receipt of a note showing that the Government of Panama approves this proposal, "the Government of the United States will consider the monetary conventions of 1904 and 1930 as duly amended and will proceed to execute the desired coinage in the Philadelphia Mint."

In reply, I have the honor to advise Your Excellency that although the Government of Panama believes that the coinage now proposed is in accordance with the terms of the existing monetary conventions, my Government, nevertheless, gladly approves your proposal that the said monetary conventions shall expressly include the proposed coinage and thanks Your Excellency for your good offices in having the coinage executed in the

Philadelphia Mint. In making this statement I take pleasure also in assuring you that my Government will be glad to carry out the other provisions of the monetary conventions of 1904 and 1930.

I also have the honor to advise Your Excellency that my Government is taking the necessary steps to have the Philadelphia Mint supplied with the materials required for the execution of the desired coinage.

In the note of this Legation, No. D-166, of even date, I have taken the liberty to advise Your Excellency of the proposals of my Government with regard to the sixteen boxes of old Panamanian coins to which Your Excellency refers at the close of the note to which this is a reply.

I take advantage of this occasion, etc. etc.

HARMODIO ARIAS

To His Excellency

HENRY L. STIMSON,

Secretary of State of

The United States of America,

Washington, D.C.

TRANSIT OF INTOXICATING LIQUORS THROUGH CANAL ZONE

Convention signed at Panama March 14, 1932, modifying convention of June 6, 1924

Senate advice and consent to ratification June 18, 1932

Ratified by the President of the United States June 24, 1932

Ratified by Panama March 20, 1933

Ratifications exchanged at Panama March 25, 1933

Entered into force March 25, 1933

Proclaimed by the President of the United States April 7, 1933

48 Stat. 1488; Treaty Series 861

The President of the United States of America and the President of the Republic of Panama desiring, in accordance with the provisions of Article V of the Convention between the United States of America and the Republic of Panama for the Prevention of Smuggling of Intoxicating Liquors, signed at Washington, June 6, 1924,¹ to modify the said Convention by adding to it an article which shall regulate transit through the territory of the Canal Zone, referred to in Article VI of the Treaty signed at Washington, on November 18, 1903,² with respect to the shipment of alcoholic liquors from one point in the Republic of Panama to another point in the Republic of Panama, have decided to conclude a convention for that purpose and have appointed as their plenipotentiaries:

The President of the United States of America, Mr. Roy T. Davis, Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Republic of Panama; and

The President of the Republic of Panama, His Excellency Enrique Geenzier, Secretary for Foreign Affairs;

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I

No penalty or forfeiture under the laws of the United States of America shall be applicable or attach to alcoholic liquors or to vehicles or persons by

¹ TS 707, *ante*, p. 717.

² TS 431, *ante*, p. 663.

reason of the carriage of such liquors when they are in transit under seal and under certificate by Panamanian authority from the terminal ports of the Canal to the cities of Panama or Colon or from the cities of Panama or Colon to the terminal ports of the Canal when said liquors are intended for exportation, or between the cities of Panama or Colon and any other points of the Republic or between any two points of the territory of the Republic when in any of these cases the direct or natural means of communication is through Canal Zone territory and provided that such liquors remain under the said seals and certificates while they are passing through Canal Zone territory.

ARTICLE II

Article I of the present convention shall be deemed to constitute an integral part of the convention of June 6, 1924, and as such shall be subject to the provisions of that convention regarding modification and termination.

If the substance of Article I of the present convention be incorporated in any treaty which may hereafter be concluded between the United States of America and the Republic of Panama, the present convention shall automatically lapse when such treaty shall come into force.

ARTICLE III

The present convention shall be ratified by the High Contracting Parties in accordance with the requirements of the constitutions of the United States of America and the Republic of Panama, respectively, and the ratifications shall be exchanged at Panama as soon as possible. The convention shall enter into force on the date of the exchange of ratifications.

In witness whereof, the respective Plenipotentiaries have signed the present Convention in duplicate, in the English and Spanish languages, both of which shall be authentic, and have hereunto affixed their seals.

Done in the City of Panama this fourteenth day of March, in the year of our Lord one thousand nine hundred and thirty two.

Roy T. Davis

[SEAL]

ENRIQUE GEENZIER

[SEAL]

SETTLEMENT OF CLAIMS

Convention signed at Panama December 17, 1932, amending convention of July 28, 1926

Senate advice and consent to ratification February 18, 1933

Ratified by the President of the United States February 23, 1933

Ratified by Panama March 20, 1933

Ratifications exchanged at Panama March 25, 1933

Entered into force March 25, 1933

Proclaimed by the President of the United States March 30, 1933

Terminated June 30, 1936¹

48 Stat. 1485; Treaty Series 860

The United States of America and the Republic of Panama desiring to modify certain provisions of a Convention for the settlement and amicable adjustment of claims presented by the citizens of each country against the other, signed at Washington July 28, 1926,² have decided to conclude a Convention for that purpose and have nominated as their plenipotentiaries:

The President of the United States of America, Mr. Roy Tasco Davis, Envoy Extraordinary and Minister Plenipotentiary of the United States to Panama; and

The President of the Republic of Panama, His Excellency Doctor J. Demóstenes Arosemena, Secretary for Foreign Affairs of the Republic of Panama;

who after having communicated to each other their respective full powers found to be in due and proper form, have agreed upon the following articles:

ARTICLE I

The second paragraph of Article VI of the Convention between the United States of America and the Republic of Panama for the settlement and amicable adjustment of claims by citizens of each country against the other, signed at Washington July 28, 1926, is amended to read as follows:

The Commission shall be bound to hear, examine and decide, before July 1, 1933, all the claims filed on or before October 1, 1932.

¹ On payment by Panama of award of Commission.

² TS 842, *ante*, p. 723.

ARTICLE II

Article VIII of the Claims Convention signed at Washington on July 28, 1926, by plenipotentiaries of the United States of America and the Republic of Panama is amended to read as follows:

The total amount awarded in all the cases decided in favor of the citizens of one country shall be deducted from the total amount awarded to the citizens of the other country, and the balance shall be paid at the city of Panama or at Washington, in gold coin or its equivalent the first of July, 1936, or before, to the Government of the country in favor of whose citizens the greater amount may have been awarded.

ARTICLE III

The present Convention shall be ratified by the High Contracting Parties in accordance with their respective Constitutions. Ratifications of this Convention shall be exchanged in Panama as soon as practicable and the Convention shall take effect on the date of the exchange of ratifications.

In witness whereof, the respective Plenipotentiaries have signed and affixed their seals to this Convention.

Done in duplicate in Panama this seventeenth day of December, 1932.

Roy T. DAVIS [SEAL]

J. D. AROSEMENA [SEAL]

CUSTOMS PRIVILEGES FOR CONSULAR OFFICERS

*Exchange of notes at Panama January 7 and 31, 1935
Entered into force January 31, 1935*

[For text, see 5 UST 1520; TIAS 3028.]

FRIENDSHIP AND COOPERATION

Treaty signed at Washington March 2, 1936, with exchanges of notes at Washington March 2, 1936, and February 1 and July 25, 1939

Ratified by Panama July 17, 1939

Senate advice and consent to ratification July 25, 1939

Ratified by the President of the United States July 26, 1939

Ratifications exchanged at Washington July 27, 1939

Entered into force July 27, 1939

Proclaimed by the President of the United States July 27, 1939

Amended by convention of May 24, 1950,¹ and treaty of January 25, 1955²

53 Stat. 1807; Treaty Series 945

TREATY

The United States of America and the Republic of Panama, animated by the desire to strengthen further the bonds of friendship and cooperation between the two countries and to regulate on a stable and mutually satisfactory basis certain questions which have arisen as a result of the construction of the interoceanic canal across the Isthmus of Panama, have decided to conclude a treaty, and have designated for this purpose as their Plenipotentiaries:

The President of the United States of America:

Mr. Cordell Hull, Secretary of State of the United States of America, and Mr. Sumner Welles, Assistant Secretary of State of the United States of America; and

The President of the Republic of Panama:

The Honorable Doctor Ricardo J. Alfaro, Envoy Extraordinary and Minister Plenipotentiary of Panama to the United States of America, and The Honorable Doctor Narciso Garay, Envoy Extraordinary and Minister Plenipotentiary of Panama on special mission;

¹ 6 UST 461; TIAS 3180.

² 6 UST 2273; TIAS 3297.

Who, having communicated their respective full powers to each other, which have been found to be in good and due form, have agreed upon the following:

ARTICLE I

Article I of the Convention of November 18, 1903,³ is hereby superseded.

There shall be a perfect, firm and inviolable peace and sincere friendship between the United States of America and the Republic of Panama and between their citizens.

In view of the official and formal opening of the Panama Canal on July 12, 1920, the United States of America and the Republic of Panama declare that the provisions of the Convention of November 18, 1903, contemplate the use, occupation and control by the United States of America of the Canal Zone and of the additional lands and waters under the jurisdiction of the United States of America for the purposes of the efficient maintenance, operation, sanitation and protection of the Canal and of its auxiliary works.

The United States of America will continue the maintenance of the Panama Canal for the encouragement and use of interoceanic commerce, and the two Governments declare their willingness to cooperate, as far as it is feasible for them to do so, for the purpose of insuring the full and perpetual enjoyment of the benefits of all kinds which the Canal should afford the two nations that made possible its construction as well as all nations interested in world trade.

ARTICLE II

The United States of America declares that the Republic of Panama has loyally and satisfactorily complied with the obligations which it entered into under Article II of the Convention of November 18, 1903, by which it granted in perpetuity to the United States the use, occupation and control of the zone of land and land under water as described in the said Article, of the islands within the limits of said zone, of the group of small islands in the Bay of Panama, named Perico, Naos, Culebra and Flamenco, and of any other lands and waters outside of said zone necessary and convenient for the construction, maintenance, operation, sanitation and protection of the Panama Canal or of any auxiliary canals or other works, and in recognition thereof the United States of America hereby renounces the grant made to it in perpetuity by the Republic of Panama of the use, occupation and control of lands and waters, in addition to those now under the jurisdiction of the United States of America outside of the zone as described in Article II of the aforesaid Convention, which may be necessary and convenient for the construction, maintenance, operation, sanitation and protection of the Panama Canal or of any auxiliary canals or other works necessary and convenient for

³ TS 431, *ante*, p. 663.

the construction, maintenance, operation, sanitation and protection of the said enterprise.

While both Governments agree that the requirement of further lands and waters for the enlargement of the existing facilities of the Canal appears to be improbable, they nevertheless recognize subject to the provisions of Articles I and X of this Treaty, their joint obligation to insure the effective and continuous operation of the Canal and the preservation of its neutrality, and consequently, if, in the event of some now unforeseen contingency, the utilization of lands or waters additional to those already employed should be in fact necessary for the maintenance, sanitation or efficient operation of the Canal, or for its effective protection, the Governments of the United States of America and the Republic of Panama will agree upon such measures as it may be necessary to take in order to insure the maintenance, sanitation, efficient operation and effective protection of the Canal, in which the two countries are jointly and vitally interested.

ARTICLE III

In order to enable the Republic of Panama to take advantage of the commercial opportunities inherent in its geographical situation, the United States of America agrees as follows:

1) The sale to individuals of goods imported into the Canal Zone or purchased, produced or manufactured therein by the Government of the United States of America shall be limited by it to the persons included in classes (a) and (b) of Section 2 of this Article; and with regard to the persons included in classes (c), (d) and (e) of the said Section and members of their families, the sales above mentioned shall be made only when such persons actually reside in the Canal Zone.

2) No person who is not comprised within the following classes shall be entitled to reside within the Canal Zone:

(a) Officers, employees, workmen or laborers in the service or employ of the United States of America, the Panama Canal or the Panama Railroad Company, and members of their families actually residing with them;

(b) Members of the armed forces of the United States of America and members of their families actually residing with them;

(c) Contractors operating in the Canal Zone and their employees, workmen and laborers during the performance of contracts;

(d) Officers, employees or workmen of companies entitled under Section 5 of this Article to conduct operations in the Canal Zone;

(e) Persons engaged in religious, welfare, charitable, educational, recreational and scientific work exclusively in the Canal Zone;

(f) Domestic servants of all the beforementioned persons and members of the families of the persons in classes (c), (d) and (e) actually residing with them.

3) No dwellings belonging to the Government of the United States of America or to the Panama Railroad Company and situated within the Canal Zone shall be rented, leased or sublet except to persons within classes (a) to (e), inclusive of Section 2 hereinabove.

4) The Government of the United States of America will continue to cooperate in all proper ways with the Government of the Republic of Panama to prevent violations of the immigration and customs laws of the Republic of Panama, including the smuggling into territory under the jurisdiction of the Republic of goods imported into the Canal Zone or purchased, produced or manufactured therein by the Government of the United States of America.

5) With the exception of concerns having a direct relation to the operation, maintenance, sanitation or protection of the Canal, such as those engaged in the operation of cables, shipping, or dealing in oil or fuel, the Government of the United States of America will not permit the establishment in the Canal Zone of private business enterprises other than those existing therein at the time of the signature of this Treaty.

6) In view of the proximity of the port of Balboa to the city of Panamá and of the port of Cristobal to the city of Colón, the United States of America will continue to permit, under suitable regulations and upon the payment of proper charges, vessels entering at or clearing from the ports of the Canal Zone to use and enjoy the dockage and other facilities of the said ports for the purpose of loading and unloading cargoes and receiving or disembarking passengers to or from the territory under the jurisdiction of the Republic of Panama.

The Republic of Panama will permit vessels entering at or clearing from the ports of Panamá or Colón, in case of emergency and also under suitable regulations and upon the payment of proper charges, to use and enjoy the dockage and other facilities of said ports for the purpose of receiving or disembarking passengers to or from the territory of the Republic of Panama under the jurisdiction of the United States of America, and of loading and unloading cargoes either in transit or destined for the service of the Canal or of works pertaining to the Canal.

7) The Government of the United States of America will extend to private merchants residing in the Republic of Panama full opportunity for making sales to vessels arriving at terminal ports of the Canal or transiting the Canal, subject always to appropriate administrative regulations of the Canal Zone.

ARTICLE IV

The Government of the Republic of Panama shall not impose import duties or taxes of any kind on goods destined for or consigned to the agencies of the Government of the United States of America in the Republic of Panama when the goods are intended for the official use of such agencies, or upon goods destined for or consigned to persons included in classes (a)

and (b) in Section 2 of Article III of this Treaty, who reside or sojourn in territory under the jurisdiction of the Republic of Panama during the performance of their service with the United States of America, the Panama Canal or the Panama Railroad Company, when the goods are intended for their own use and benefit.

The United States of America shall not impose import duties or taxes of any kind on goods, wares and merchandise passing from territory under the jurisdiction of the Republic of Panama into the Canal Zone.

No charges of any kind shall be imposed by the authorities of the United States of America upon persons residing in territory under the jurisdiction of the Republic of Panama passing from the said territory into the Canal Zone, and no charges of any kind shall be imposed by the authorities of the Republic of Panama upon persons in the service of the United States of America or residing in the Canal Zone passing from the Canal Zone into territory under the jurisdiction of the Republic of Panama, all other persons passing from the Canal Zone into territory under the jurisdiction of the Republic of Panama being subject to the full effects of the immigration laws of the Republic.

In view of the fact that the Canal Zone divides the territory under the jurisdiction of the Republic of Panama, the United States of America agrees that, subject to such police regulations as circumstances may require, Panamanian citizens who may occasionally be deported from the Canal Zone shall be assured transit through the said Zone, in order to pass from one part to another of the territory under the jurisdiction of the Republic of Panama.

ARTICLE V

Article IX of the Convention of November 18, 1903, is hereby superseded.

The Republic of Panama has the right to impose upon merchandise destined to be introduced for use or consumption in territory under the jurisdiction of the Republic of Panama, and upon vessels touching at Panamanian ports and upon the officers, crew or passengers of such vessels, the taxes or charges provided by the laws of the Republic of Panama; it being understood that the Republic of Panama will continue directly and exclusively to exercise its jurisdiction over the ports of Panamá and Colón and to operate exclusively with Panamanian personnel such facilities as are or may be established therein by the Republic or by its authority. However, the Republic of Panama shall not impose or collect any charges or taxes upon any vessel using or passing through the Canal which does not touch at a port under Panamanian jurisdiction or upon the officers, crew or passengers of such vessels, unless they enter the Republic; it being also understood that taxes and charges imposed by the Republic of Panama upon vessels using or passing through the Canal which touch at ports under Panamanian jurisdiction, or upon their cargo, officers, crew or passengers, shall not be higher

than those imposed upon vessels which touch only at ports under Panamanian jurisdiction and do not transit the Canal, or upon their cargo, officers, crew or passengers.

The Republic of Panama also has the right to determine what persons or classes of persons arriving at ports of the Canal Zone shall be admitted to the Republic of Panama and to determine likewise what persons or classes of persons arriving at such ports shall be excluded from admission to the Republic of Panama.

The United States of America will furnish to the Republic of Panama free of charge the necessary sites for the establishment of customhouses in the ports of the Canal Zone for the collection of duties on importations destined to the Republic and for the examination of merchandise, baggage and passengers consigned to or bound for the Republic of Panama, and for the prevention of contraband trade, it being understood that the collection of duties and the examination of merchandise and passengers by the agents of the Government of the Republic of Panama, in accordance with this provision, shall take place only in the customhouses to be established by the Government of the Republic of Panama as herein provided, and that the Republic of Panama will exercise exclusive jurisdiction within the sites on which the customhouses are located so far as concerns the enforcement of immigration or customs laws of the Republic of Panama, and over all property therein contained and the personnel therein employed.

To further the effective enforcement of the rights hereinbefore recognized, the Government of the United States of America agrees that, for the purpose of obtaining information useful in determining whether persons arriving at ports of the Canal Zone and destined to points within the jurisdiction of the Republic of Panama should be admitted or excluded from admission into the Republic, the immigration officers of the Republic of Panama shall have the right of free access to vessels upon their arrival at the Balboa or Cristobal piers or wharves with passengers destined for the Republic; and that the appropriate authorities of the Panama Canal will adopt such administrative regulations regarding persons entering ports of the Canal Zone and destined to points within the jurisdiction of the Republic of Panama as will facilitate the exercise by the authorities of Panama of their jurisdiction in the manner provided in Paragraph 4 of this Article for the purposes stated in Paragraph 3 thereof.

ARTICLE VI

The first sentence of Article VII of the Convention of November 18, 1903, is hereby amended so as to omit the following phrase: "or by the exercise of the right of eminent domain".

The third paragraph of article VII of the Convention of November 18, 1903, is hereby abrogated.

ARTICLE VII

Beginning with the annuity payable in 1934 the payments under Article XIV of the Convention of November 18, 1903, between the United States of America and the Republic of Panama, shall be four hundred and thirty thousand Balboas (B/430,000.00) as defined by the agreement embodied in an exchange of notes of this date. The United States of America may discharge its obligation with respect to any such payment, upon payment in any coin or currency, provided the amount so paid is the equivalent of four hundred and thirty thousand Balboas (B/430,000.00) as so defined.

ARTICLE VIII

In order that the city of Colón may enjoy direct means of land communication under Panamanian jurisdiction with other territory under jurisdiction of the Republic of Panama, the United States of America hereby transfers to the Republic of Panama jurisdiction over a corridor, the exact limits of which shall be agreed upon and demarcated by the two Governments pursuant to the following description:

(a) The end at Colón connects with the southern end of the east half of the Paseo del Centenario at Sixteenth Street, Colón; thence the corridor proceeds in a general southerly direction, parallel to and east of Bolívar Highway to the vicinity of the northern edge of Silver City; thence eastward near the shore line of Folks River, around the northeast corner of Silver City; thence in a general southeasterly direction and generally parallel to the Randolph Road to a crossing of said Randolph Road, about 1200 feet east of the East Diversion; thence in a general northeasterly direction to the eastern boundary line of the Canal Zone near the southeastern corner of the Fort Randolph Reservation, southwest of Cativá. The approximate route of the corridor is shown on the map which accompanies this Treaty, signed by the Plenipotentiaries of the two countries and marked "Exhibit A."⁴

(b) The width of the corridor shall be as follows: 25 feet in width from the Colón end to a point east of the southern line of Silver City; thence 100 feet in width to Randolph Road, except that, at any elevated crossing which may be built over Randolph Road and the railroad, the corridor will be no wider than is necessary to include the viaduct and will not include any part of Randolph Road proper, or of the railroad right of way, and except that, in case of a grade crossing over Randolph Road and the railroad, the corridor will be interrupted by that highway and railroad; thence 200 feet in width to the boundary line of the Canal Zone.

The Government of the United States of America will extinguish any private titles existing or which may exist in and to the land included in the above-described corridor.

⁴ Not printed here.

The stream and drainage crossings of any highway built in the corridor shall not restrict the water passage to less than the capacity of the existing streams and drainage.

No other construction will take place within the corridor than that relating to the construction of a highway and to the installation of electric power, telephone and telegraph lines; and the only activities which will be conducted within the said corridor will be those pertaining to the construction, maintenance and common uses of a highway and of power and communication lines.

The United States of America shall enjoy at all times the right of unimpeded transit across the said corridor at any point, and of travel along the corridor, subject to such traffic regulations as may be established by the Government of the Republic of Panama; and the Government of the United States of America shall have the right to such use of the corridor as would be involved in the construction of connecting or intersecting highways or railroads, overhead and underground power, telephone, telegraph and pipe lines, and additional drainage channels, on condition that these structures and their use shall not interfere with the purpose of the corridor as provided hereinabove.

ARTICLE IX

In order that direct means of land communication, together with accommodation for the high tension power transmission lines, may be provided under jurisdiction of the United States of America from the Madden Dam to the Canal Zone, the Republic of Panama hereby transfers to the United States of America jurisdiction over a corridor, the limits of which shall be demarcated by the two Governments pursuant to the following descriptions:

A strip of land 200 ft. in width, extending 62.5 ft. from the center line of the Madden Road on its eastern boundary and 137.5 ft. from the center line of the Madden Road on its western boundary; containing an area of 105.8 acres or 42.81 hectares, as shown on the map which accompanies this Treaty, signed by the Plenipotentiaries of the two countries and marked "Exhibit B".⁵

Beginning at the intersection of the located center line of the Madden Road and the Canal Zone—Republic of Panama 5-mile boundary line, said point being located N. $29^{\circ}20'$ W. a distance of 168.04 ft. along said boundary line from boundary monument No. 65, the geodetic position of boundary monument No. 65 being latitude N. $9^{\circ}07'$ plus 3,948.8 ft. and longitude $79^{\circ}37'$ plus 1,174.6 ft.;

thence N. $43^{\circ}10'$ E. a distance of 541.1 ft. to station 324 plus 06.65 ft.; thence on a 3° curve to the left, a distance of 347.2 ft. to station 327 plus 53.9 ft.;

thence N. $32^{\circ}45'$ E. a distance of 656.8 ft. to station 334 plus 10.7 ft.;

⁵ Not printed here.

thence on a 3° curve to the left a distance of 455.55 ft. to station 338 plus 66.25 ft.;

thence N. $19^\circ 05'$ E. a distance of 1,135.70 ft. to station 350 plus 01.95 ft.;

thence on an 8° curve to the left a distance of 650.7 ft. to station 356 plus 52.7 ft.;

thence N. $32^\circ 58'$ W. a distance of 636.0 ft. to station 362 plus 88.7 ft.;

thence on a 10° curve to the right a distance of 227.3 ft. to station 365 plus 16.0 ft.;

thence N. $10^\circ 14'$ W. a distance of 314.5 ft. to station 368 plus 30.5 ft.;

thence on a 5° curve to the left a distance of 178.7 ft. to station 370 plus 09.2 ft.;

thence N. $19^\circ 10'$ W. a distance of 4,250.1 ft. to station 412 plus 59.3 ft.;

thence on a 5° curve to the right a distance of 720.7 ft. to station 419 plus 80.0 ft.;

thence N. $16^\circ 52'$ E. a distance of 1,664.3 ft. to station 436 plus 44.3 ft.;

thence on a 5° curve to the left a distance of 597.7 ft. to station 442 plus 42.0 ft.;

thence N. $13^\circ 01'$ W. a distance of 543.8 ft. to station 447 plus 85.8 ft.;

thence on a 5° curve to the right a distance of 770.7 ft. to station 455 plus 56.5 ft.;

thence N. $25^\circ 31'$ E. a distance of 1,492.2 ft. to station 470 plus 48.7 ft.;

thence on a 5° curve to the right a distance of 808.0 ft. to station 478 plus 56.7 ft.;

thence N. $65^\circ 55'$ E. a distance of 281.8 ft. to station 481 plus 38.5 ft.;

thence on an 8° curve to the left a distance of 446.4 ft. to station 485 plus 84.9 ft.;

thence N. $30^\circ 12'$ E. a distance of 479.6 ft. to station 490 plus 64.5 ft.;

thence on a 5° curve to the left a distance of 329.4 ft. to station 493 plus 93.9 ft.;

thence N. $13^\circ 44'$ E. a distance of 1,639.9 ft. to station 510 plus 33.8 ft.;

thence on a 5° curve to the left a distance of 832.3 ft. to station 518 plus 66.1 ft.;

thence N. $27^\circ 53'$ W. a distance of 483.9 ft. to station 523 plus 50.0 ft.;

thence on an 8° curve to the right a distance of 469.6 ft. to station 528 plus 19.6 ft.;

thence N. $9^\circ 41'$ E. a distance of 1,697.6 ft. to station 545 plus 17.2 ft.;

thence on a 10° curve to the left a distance of 451.7 ft. to station 549 plus 68.9 ft., which is the point marked Point Z on the above-mentioned map known as "Exhibit B".

(All bearings are true bearings.)

The Government of the Republic of Panama will extinguish any private titles existing or which may exist in and to the land included in the above-described corridor.

The stream and drainage crossings of any highway built in the corridor shall not restrict the water passage to less than the capacity of the existing streams and drainage.

No other construction will take place within the corridor than that relating to the construction of a highway and to the installation of electric power, telephone and telegraph lines; and the only activities which will be conducted within the said corridor will be those pertaining to the construction, maintenance and common uses of a highway, and of power and communication lines, and auxiliary works thereof.

The Republic of Panama shall enjoy at all times the right of unimpeded transit across the said corridor at any point, and of travel along the corridor, subject to such traffic regulations as may be established by the authorities of the Panama Canal; and the Government of the Republic of Panama shall have the right to such use of the corridor as would be involved in the construction of connecting or intersecting highways or railroads, overhead and underground power, telephone, telegraph and pipe lines, and additional drainage channels, on condition that these structures and their use shall not interfere with the purpose of the corridor as provided hereinabove.

ARTICLE X

In case of an international conflagration or the existence of any threat of aggression which would endanger the security of the Republic of Panama or the neutrality or security of the Panama Canal, the Governments of the United States of America and the Republic of Panama will take such measures of prevention and defense as they may consider necessary for the protection of their common interests. Any measures, in safeguarding such interests, which shall appear essential to one Government to take, and which may affect the territory under the jurisdiction of the other Government, will be the subject of consultation between the two Governments.

ARTICLE XI

The provisions of this Treaty shall not affect the rights and obligations of either of the two High Contracting Parties under the treaties now in force between the two countries, nor be considered as a limitation, definition, restriction or restrictive interpretation of such rights and obligations, but without prejudice to the full force and effect of any provisions of this Treaty which constitute addition to, modification or abrogation of, or substitution for the provisions of previous treaties.

ARTICLE XII

The present Treaty shall be ratified in accordance with the constitutional methods of the High Contracting Parties and shall take effect immediately on the exchange of ratifications which shall take place at Washington.

IN WITNESS WHEREOF, the Plenipotentiaries have signed this Treaty in duplicate, in the English and Spanish languages, both texts being authentic, and have hereunto affixed their seals.

DONE at the city of Washington the second day of March, 1936.

CORDELL HULL	[SEAL]
SUMNER WELLES	[SEAL]
R. J. ALFARO	[SEAL]
NARCISO GARAY	[SEAL]

EXCHANGES OF NOTES

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

In connection with the treaty signed today and the exchange of notes accessory thereto we have the honor to confirm the understanding we have reached during the negotiations that wherever the provisions of the said treaty and the statements contained in the accessory notes refer to the Canal Zone, such provisions and statements are applicable to all such lands and waters as may be used, occupied or controlled by the United States of America.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

The Secretary of State to the Members of the Panamanian Treaty Commission

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

I have the honor to acknowledge the receipt of your note of today's date, reading as follows:

[For text, see above.]

In reply, I have the honor to confirm the understanding we have reached as set forth in your note under reference.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE

WASHINGTON

March 2, 1936

SIRS:

With reference to Section 1 of Article III of the treaty signed today, wherein are specified the classes of persons to whom goods imported into the Canal Zone, or purchased, produced or manufactured therein, may be sold by the Government of the United States of America, I have the honor to confirm the understanding reached in the course of the recent negotiations, namely, that for the purposes of said Section 1 of Article III, the term "Officers, employees, workmen or laborers in the service or employ of the United States of America" as it appears in Section 2 (a) of said Article III, is interpreted as referring exclusively to such persons whose services are related to the Panama Canal, the Panama Railroad Company or their auxiliary works, and to duly accredited representatives of any branch of the Government of the United States of America exercising official duties within the Republic of Panama, including diplomatic and consular officers, and to members of their staffs.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

We have the honor to acknowledge the receipt of Your Excellency's note reading as follows:

[For text, see above.]

In reply we have the honor to confirm the understanding set forth in Your Excellency's note under reference.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

In connection with that part of Article III of the treaty signed today in which the persons are specified who are entitled to reside within the Canal Zone, we have the honor to state in the name of our Government that in view of the residence in the Canal Zone of the officers, employees and laborers of the United States of America, members of the forces of the Army and Navy, and members of the families of all those persons, our Government would have no objection to the residence therein of the following persons also: settlers engaged in the cultivation of truck gardens to furnish vegetables to the residents of the Canal Zone; hucksters engaged in the sale of such vegetables; proprietors of small establishments for the supply of such settlers and hucksters, and members of the families of all these persons.

It is also understood that the settlers engaged in the cultivation of small tracts under agricultural licenses issued by the Panama Canal will continue to reside in the Canal Zone, subject to the conditions, as stated by the representatives of the Government of the United States of America during the negotiations in regard to the settlers, to wit: that at present about 1,568 agricultural licenses in the Canal Zone are outstanding; that all of these licenses except a few, such as those for Chinese gardens, are being terminated by natural processes, that is, as the licensees abandon the ground,

die, or fail to live up to the terms of the licenses; that it is the policy of the Panama Canal not to permit the license to be transferred to dependents when the licensee dies, except only in exceptional cases where real hardship would otherwise result; and that it is also the policy of the Panama Canal to issue no new licenses, except an inconsequential number regarded as necessary to the Canal Zone, such as for Chinese gardens.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

I have the honor to acknowledge the receipt of your note of today's date, reading as follows:

[For text, see above.]

In reply I have the honor to confirm the understanding reached on the foregoing points as set forth in your note under reference.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO
The Honorable Doctor NARCISO GARAY
Members of the Panamanian Treaty Commission,
Washington, D.C.

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

In connection with the part of Article III of the treaty signed today, in which the persons are specified who have a right to reside in the Canal Zone,

we have the honor to state in the name of our Government that the restrictions established in the matter of residence in no wise affect the guests of hotels which the Panama Canal or the Panama Railroad Company maintains and manages for account of the Government of the United States of America in the Canal Zone, as such guests in entering such hotels do not go to the Zone as residents but as transients and the object of their stay in the Canal Zone for an indeterminate period is not to establish a permanent domicile there.

It is also understood that the restrictions do not apply to persons who wish to establish a permanent residence in any hotel in the Canal Zone either, provided such persons are among the number of those who have a right to reside in the Zone, in accordance with Section 2 of Article III of the treaty to which we have referred.

We wish to express our great pleasure at the statement made by the representatives of the Government of the United States of America during the negotiation of the treaty, that it is not the intention or desire of the Government of the United States of America to compete with Panamanian industry. We are also pleased to know with respect to the hotels in the Canal Zone that they were established for the purpose of meeting the necessities of the passenger traffic at a time when the hotels established in Panama were not entirely in position to do so; that as soon as this situation is satisfactorily altered the hotel business proper will be left in the hands of the industry established in Panama, and that the prosperity of the Republic of Panama in this, as in other respects, is earnestly desired by the United States of America.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

I have the honor to acknowledge the receipt of your note of today's date, reading as follows:

[For text, see above.]

In reply I have the honor to confirm the understanding reached on the foregoing points as set forth in your note under reference.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

With reference to Section 1 of Article III of the treaty signed today whereby servants of the persons included in classes (a) to (e) inclusive of Section 2 are excluded from purchasing goods imported into the Canal Zone or purchased, produced or manufactured therein by the Government of the United States of America, we have the honor to express the understanding of the Government of the Republic of Panama that such exclusion does not prevent the persons specified in the aforesaid Section 1 of Article III from purchasing provisions, medicines and clothing for use or consumption by their servants who are living with them, such servants being regarded as forming part of the families of such persons, in a broad acceptation of that word.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,

Secretary of State,

Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

I have the honor to acknowledge the receipt of your note of today's date, reading as follows:

[For text, see above.]

In reply I have the honor to confirm the understanding reached on the foregoing point as set forth in your note under reference.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE

WASHINGTON

March 2, 1936

SIRS:

With reference to Article III of the treaty signed today, I have the honor to state that the Government of the United States of America has no desire to conduct a bonded warehouse business in the Canal Zone, or, in fact to continue the "hold for orders" business in the terminal ports of the Canal as now conducted by the Panama Canal, any longer than until such time as satisfactory bonded warehouse facilities may become available at reasonable rates in Panamanian jurisdiction. At such time, the Government of the United States of America, in order to assist Panamanian business, will be glad voluntarily to withdraw from the conduct of "hold for orders" business and to abstain therefrom for so long as satisfactory bonded warehouse facilities may continue to be available at reasonable rates in Panamanian jurisdiction.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA

Washington, March 2, 1936

SIR:

We have the honor to acknowledge the receipt of Your Excellency's note of today's date, reading as follows:

[For text, see above.]

In reply we have the honor to state that the Government of the Republic of Panama has noted with gratification the assurances contained in Your Excellency's note under reference.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

With reference to Article III of the treaty signed today and to the joint statement issued by President Arias and President Roosevelt on October 17, 1933,⁶ I have the honor to advise you that the Canal Zone authorities will continue to take administrative measures to limit the use and services of hospitals, dispensaries, restaurants, lunch-rooms, messes, clubhouses and moving picture houses maintained and operated in the Canal Zone to residents of the Canal Zone and to the following persons who may not be residents of the Canal Zone and members of their families actually living with them: officers and employees of the Government of the United States of America, the Panama Canal or the Panama Railroad Company and members of the armed forces of the United States of America. As regards laundries and cleaning and pressing establishments so maintained and operated, similar restrictions will be made, and moreover such service of laundries and cleaning and pressing establishments will not be available for ships and their crews and passengers transiting the Canal so long as satisfactory service is furnished by similar establishments in Panama.

It is understood that these measures will not preclude admission to and services of the hospitals and dispensaries of the United States of America in cases of emergencies occurring within the Canal Zone, and that those facilities will likewise be available for officers and members of the crews of ships arriving at the Canal Zone ports; and that these measures will not preclude admission to the restaurants, lunch-rooms, messes, clubhouses and moving

⁶ For text, see 1933 For. Rel. (V) 866.

picture houses of guests of the persons entitled to use these establishments when the admission or consumption expenses are paid by those persons.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

We have the honor to acknowledge the receipt of Your Excellency's note of today's date, reading as follows:

[For text, see above.]

In reply we have the honor to confirm the understanding reached on the foregoing points as set forth in Your Excellency's note under reference.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

With reference to Section 4 of Article III of the treaty signed today wherein it is stated that the Government of the United States of America will continue to cooperate in all proper ways with the Republic of Panama to prevent smuggling into territory under the jurisdiction of the Republic of goods imported into the Canal Zone or purchased, produced or manufactured therein by the Government of the United States of America, I have the honor to state that the Governor of the Panama Canal will be prepared to appoint a representative to meet with a representative appointed by your

Government in order that regular and continuing opportunity may be afforded for mutual conference and helpful exchange of views bearing on this question.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

We have the honor to acknowledge the receipt of Your Excellency's note of today's date, reading as follows:

[For text, see above.]

In reply we have the honor to express the agreement of the Government of the Republic of Panama with the procedure outlined in Your Excellency's note under reference.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,

Secretary of State,

Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

With reference to Section 5 of Article III of the treaty signed today regulating the establishment in the Canal Zone of private business enterprises, I have the honor to express the understanding of the Government of the

United States of America that the provisions of this section shall not prevent the establishment in the Canal Zone of private enterprises temporarily engaged in construction work having a direct relation to the operation, maintenance, sanitation or protection of the Canal.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

We have the honor to acknowledge the receipt of Your Excellency's note of today's date, reading as follows:

[For text, see above.]

In reply we have the honor to confirm the understanding set forth in Your Excellency's note under reference.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,

Secretary of State,

Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

With reference to the question of the sale to ships of goods imported into the Canal Zone by the Government of the United States of America, I have

the honor to advise you that it will be the policy of this Government to effect such sales on the following basis:

Articles classed by the Panama Canal as "ships stores", such as articles, materials and supplies necessary for the navigation, propulsion and upkeep of vessels, will continue to be sold as at present;

Articles classed by the Panama Canal as tourist or luxury goods will not be sold to ships;

Articles classed by the Panama Canal as "sea stores", such as articles for the use or consumption of the passengers and crew of the ship upon its voyage, and articles of other classes, will be sold at prices which, in the judgment of the Government of the United States of America and insofar as may appear feasible, will afford merchants of Panama fair opportunity to sell on equal terms. To arrive at the prices at which these articles will be sold to ships the retail prices of such articles to Canal Zone employees will be taken as a base, and a surcharge added thereto, when necessary; and no discount for purchases of large quantities will be granted to ships making such purchases.

For your information I am enclosing herewith four lists illustrative but not in any sense exhaustive of the various articles included in the four classes mentioned above, namely: (1) ships stores; (2) tourist or luxury goods; (3) sea stores; and, (4) articles of other classes.

It is the hope of the Government of the United States of America that in benefit of Panamanian commerce merchants of Panama may be able to furnish in satisfactory quantities and qualities and at reasonable prices many or all of the articles classed as "sea stores" and as "articles of other classes" purchased by ships arriving at terminal ports of the Canal or transiting the Canal. It will be the policy of the United States of America that whenever and for so long as merchants of Panama are in fact able to furnish certain articles as so described in satisfactory quantities and qualities and at reasonable prices, the Canal Zone commissaries will refrain from selling like articles to ships.

In accordance with the policy of affording merchants of Panama full opportunity for making sales to ships, the launch facilities now employed by the Government of the United States of America in effecting sales to ships will be made available on equal terms to merchants of Panama, subject to appropriate administrative regulations of the Canal Zone.

The Governor of the Panama Canal will be prepared to appoint a representative to meet with a representative of Panamanian commerce appointed by your Government, in order that regular and continuing opportunity may be afforded for mutual conference and helpful exchange of views bearing on these questions, including the amount of the surcharge to be established,

when necessary, in connection with "sea stores" and "articles of other classes".

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

[ENCLOSURES]

SHIPS STORES

Fuel

Oil and grease

Hardware (bolts, nuts, nails, tools, et cetera)

Paints

Disinfectants and insecticides

Rope, cable, chain

TOURIST OR LUXURY GOODS

Articles of personal adornment

Women's and children's fancy and foreign wearing apparel

Perfumes and expensive lotions and fancy and foreign toilet articles

Foreign high quality linens, table ware and house furnishing articles

Expensive and foreign bolt goods

Men's foreign articles and wearing apparel

Panama hats

Liquors, wines, and beer

SEA STORES

Goods only of standard quality and almost without exception of American source

Food supplies

Medical supplies

Stationery and stationery supplies

Galley and table utensils and equipment

Table and bunk linen

Mosquito bars, canvas, cheese cloth

Work clothes

Cleaning materials and equipment

ARTICLES OF OTHER CLASSES

Goods similar to those listed under sea stores, but of better than standard quality

Many articles of many classes, such as those sold in department stores, excepting those articles classed under "tourist or luxury goods".

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA

Washington, March 2, 1936

SIR:

We have the honor to acknowledge the receipt of Your Excellency's kind communication, in which you indicate what will be the policy of the United

States of America in regard to the sale to ships of articles imported by the United States into the Canal Zone.

With regard to this matter the Government of the Republic of Panama must make a special reservation of its rights, in conformity with its opinion that the exemptions covered by Article XIII of the Convention of November 18, 1903, were stipulated exclusively for the benefit of the Canal enterprise, of the persons in the service of the United States of America in connection therewith, and of their families; but until an understanding is reached regarding this matter, the Panamanian Government desires to express its deep satisfaction at the decision of the Government of the United States of America to put into effect measures such as those set forth in the note to which this is a reply, for the purpose of restricting sales to ships, which in former times had been made without any limitation. The Panamanian Government feels an equal satisfaction at the basic purpose set forth in the said note that the business of provisioning vessels arriving at terminal ports of the Canal or transiting the Canal will be left in the hands of the merchants of Panama and that the Government of the United States of America will abstain from making such sales whenever and for so long as merchants of Panama effectively demonstrate their ability to supply merchandise to vessels in satisfactory quantities and qualities and at reasonable prices.

Our Government is prepared to appoint a representative selected by the business men of Panama to come to meet with a representative of the Canal Administration, in order that regular and continuing opportunity may be afforded for conference and cooperation for the accomplishment of the above-mentioned purposes.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

With reference to the second paragraph of Article V of the treaty signed today which pertains, in part, to facilities established or to be established

in the ports of Panamá and Colón by the Republic of Panama or by its authority, we have the honor to confirm the agreement reached during the negotiations that such provisions are not intended to prejudice the right of the Panama Railroad Company, derived from its concessions, to own and operate port facilities in those ports or any such rights as may pass from the said Company to the Government of the United States of America.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

The Secretary of State to the Members of the Panamanian Treaty Commission

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

I have the honor to acknowledge the receipt of your note of today's date, reading as follows:

[For text, see above.]

In reply I have the honor to confirm the agreement we have reached as set forth in your note under acknowledgement.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO
The Honorable Doctor NARCISO GARAY
Members of the Panamanian Treaty Commission,
Washington, D.C.

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

With reference to the third paragraph of Article V of the treaty signed today in which is recognized the right of the Republic of Panama to determine what persons or classes of persons arriving at ports of the Canal Zone

shall be admitted to the Republic of Panama and to determine likewise what persons or classes of persons arriving at such ports shall be excluded from admission to the Republic of Panama, we have the honor to express the understanding of the Government of the Republic of Panama that this provision does not prejudice in any way the effect of the stipulation contained in the third paragraph of Article IV, with regard to persons in the service of the United States of America or residing in the Canal Zone, passing from the Canal Zone into the jurisdiction of the Republic of Panama.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

I have the honor to acknowledge the receipt of your note of today's date, reading as follows:

[For text, see above.]

In reply I have the honor to confirm the understanding reached on the foregoing point as set forth in your note under reference.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO
The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

I have the honor to confirm my understanding of the agreement reached during the negotiation of the treaty signed today to the effect that, in fur-

therance of the purpose of Article VII of the Convention of November 18, 1903, so far as it relates to the sanitation of the cities of Panamá and Colón, the Health Services of the Republic of Panama and of the Panama Canal will give consideration to the advisability of discussing and concluding agreements which might well take as a basis for formulation the proposals advanced in October 1931, by the Director General of Health and Welfare of the Republic of Panama and the Chief Health Officer of the Panama Canal for the amplification, extension and modernization of the health service of the City of Panamá.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

We have the honor to acknowledge the receipt of Your Excellency's note of today's date, reading as follows:

[For text, see above.]

In reply we have the honor to state that Your Excellency's understanding of the foregoing agreement is in conformity with the understanding of the Government of the Republic of Panama.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL

*Secretary of State,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

In the course of the recent negotiations for a revision of the Convention of November 18, 1903, we have brought to the attention of your Government

certain questions which have arisen in respect of that part of Article VII of the said Convention which refers to the construction by the United States of America of the water works and sewers in the cities of Panamá and Colón, and to the amortization of the cost thereof within a period of fifty years, thinking at first that these matters could be disposed of during the negotiations.

It was found, however, that to reach a complete understanding of these matters a long, painstaking and exhaustive examination of the technical, legal and financial aspects thereof would be required, and it was therefore decided that formal discussion of these questions would be held in abeyance and that after the conclusion of the new treaty the two Governments would engage in friendly discussions in an endeavor to arrive at a fair and mutually satisfactory agreement.

It is the understanding of our Government that such discussions will involve a study of the contracts of September 30, 1910, between the Government of the Republic of Panama and the Isthmian Canal Commission, and an examination of the accounts between the two administrations relating to water rates in the cities of Panamá and Colón. In this connection it is believed that due consideration should be given, among other things, to the representations made by the Panamanian Commission in the course of the recent negotiations, and especially to its memorandum of March 12, 1935, and its Aide-Memoire of August 14, 1935.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

I have the honor to acknowledge the receipt of your note of today's date, reading as follows:

[For text, see above.]

In reply I have the honor to advise you that the Government of the United States of America, in accordance with the procedure outlined in your note under reference, will be pleased to instruct the American Minister in Panama to arrange for conversations between the appropriate authorities of the Re-

public of Panama and of the Canal Zone in order that the Government of the Republic of Panama may present such specific proposals in the premises as it may desire, and in order that an opportunity may thus be afforded for reaching an agreement on these matters satisfactory to both Governments.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE

WASHINGTON

March 2, 1936

SIRS:

With reference to the representations made by you during the negotiations of the treaty signed today, regarding Panamanian citizens employed by the Panama Canal or by the Panama Railroad Company, I have the honor to state that the Government of the United States of America, in recognition of the special relationship between the United States of America and the Republic of Panama with respect to the Panama Canal and the Panama Railroad Company, maintains and will maintain as its public policy the principle of equality of opportunity and treatment set down in the Order of December 23, 1908, of the Secretary of War, and in the Executive Orders of February 2, 1914, and February 20, 1920, and will favor the maintenance, enforcement or enactment of such provisions, consistent with the efficient operation and maintenance of the Canal and its auxiliary works and their effective protection and sanitation, as will assure to Panamanian citizens employed by the Canal or the Railroad equality of treatment with employees who are citizens of the United States of America.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO

The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

We have the honor to acknowledge the receipt of Your Excellency's note of today's date, reading as follows:

[For text, see above.]

In reply we have the honor to express the gratification of the Government of the Republic of Panama at the declaration of policy set forth in Your Excellency's note under reference.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

*The Secretary of State to the Members of the Panamanian Treaty
Commission*

DEPARTMENT OF STATE
WASHINGTON
March 2, 1936

SIRS:

I have the honor to refer to our conversations with respect to the effect upon the Monetary Agreement of June 20, 1904,⁷ between the United States of America and the Republic of Panama as modified by the exchanges of notes of March 26—April 2, 1930,⁸ and of May 28—June 6, 1931,⁹ of the action taken by the President of the United States of America in his Proclamation of January 31, 1934,¹⁰ reducing the weight of the gold dollar of the United States of America.

It has been recognized that, as a result of this action, the provision of the Monetary Agreement that the monetary unit of the Republic of Panama should be a gold Balboa of the weight of one gram, 672 milligrams, nine-tenths fine, is no longer consistent with the necessary condition of

⁷ *Ante*, p. 681.

⁸ *Ante*, p. 731.

⁹ *Ante*, p. 734.

¹⁰ 48 Stat. 1730.

the Agreement that the standard unit of value of the United States of America, the dollar, and the standard unit of value of the Republic of Panama, the Balboa, should continue at a parity at the rate of one dollar for one Balboa. It has also been recognized that in the Republic of Panama and in the Canal Zone silver Balboas and fractional currency of the Republic are circulating together with United States currency at the rate of one Balboa for one dollar.

For these reasons, it is desirable that the existing Monetary Agreement, as modified, be further modified to make provision for the reduction of the weight of the gold Balboa so that the legal standard units of value of the Republic of Panama and of the United States of America shall be equal. Accordingly, for the purpose of Article VII of the General Treaty signed today, the Balboa shall be regarded as defined to consist of 987½ milligrams of gold of 0.900 fineness.

It is understood that the reduction in the weight of the gold Balboa shall not necessitate an alteration of the weight of the silver coins of the Republic of Panama, but that these shall continue to be of the same size, weight and fineness as at present.

Notwithstanding any language contained in the existing Monetary Agreement, as modified, which has been interpreted or might be interpreted as limiting the number of coins of any denomination to be issued by the Republic of Panama within the total amount of coins of all denominations, it is now understood and agreed that the Monetary Agreement, as modified, shall not be considered as contemplating any such limitation, so that, as long as such total amount is not exceeded, that total amount may be apportioned among the coins of the various denominations referred to in the Agreement as may seem fitting to the Government of the Republic of Panama.

As a further modification of the existing Monetary Agreement, it is agreed that the Government of the United States of America shall not be required to accept Panamanian silver currency for the payment of tolls for the use of the Panama Canal.

I may say that the above understandings and agreements are acceptable to my Government, and that upon receipt of a note confirming them on behalf of the Government of the Republic of Panama, the Government of the United States of America will consider as further modified in accordance therewith the Monetary Agreement of June 20, 1904, as modified.

Accept, Sirs, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable Doctor RICARDO J. ALFARO
The Honorable Doctor NARCISO GARAY

*Members of the Panamanian Treaty Commission,
Washington, D.C.*

Members of the Panamanian Treaty Commission to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, March 2, 1936

SIR:

We have the honor to acknowledge the receipt of Your Excellency's communication reading as follows:

[For text, see above.]

The understanding and agreements stated in your note under acknowledgement are hereby confirmed by our Government and, accordingly, the Government of the Republic of Panama will consider as further modified in accordance therewith the Monetary Agreement of June 20, 1904, as modified.

Accept, Sir, the renewed assurances of our highest consideration.

R. J. ALFARO
NARCISO GARAY

The Honorable CORDELL HULL,
Secretary of State,
Washington, D.C.

The Secretary of State to the Panamanian Minister

DEPARTMENT OF STATE
WASHINGTON
February 1, 1939

SIR:

I have the honor to refer to the General Treaty signed between the United States of America and the Republic of Panama on March 2, 1936 and to the record of the proceedings of the negotiations leading to this accord. As you may recall, on several occasions during the course of the negotiations, it was found necessary to discuss and to reach a mutual understanding as to the interpretation to be placed upon certain draft provisions eventually incorporated in the signed treaty. These discussions and understandings were, after each meeting, embodied in the duly attested typewritten record of the proceedings of the treaty negotiations.

It seems possible that, following the favorable report at the close of the last session of Congress by the Committee on Foreign Relations of the United States Senate on the General Treaty and accompanying Conventions, the individual members of the Senate in their consideration during the current session of Congress of the Treaty and Conventions, may ask for clarification

as to the precise meaning of certain important provisions of the General Treaty which affect the security and neutrality of the Panama Canal. With a view to anticipating these inquiries, and in the hope of avoiding further delay on this account in the consideration of the General Treaty of March 2, 1936, it has seemed to my Government advisable to set forth in an exchange of notes between our two Governments the substance of some of these above-mentioned understandings as mutually reached. I should be grateful, accordingly, if you would inform me whether your Government shares the understanding of my Government upon the points which follow in subsequent paragraphs.

1. In connection with the declared willingness of both the Government of the United States of America and the Government of the Republic of Panama to cooperate for the purpose of insuring the full and perpetual enjoyment of the benefits of all kinds which the Canal should afford them (Article I of the General Treaty of March 2, 1936) the word "maintenance" as applied to the Canal shall be construed as permitting expansion and new construction when these are undertaken by the Government of the United States of America in accordance with the said Treaty.

2. The holding of maneuvers or exercises by the armed forces of the United States of America in territory adjacent to the Canal Zone is an essential measure of preparedness for the protection of the neutrality of the Panama Canal, and when said maneuvers or exercises should take place, the parties shall follow the procedures set forth in the records of the proceedings of the negotiations of the General Treaty of March 2, 1936, which proceedings were held on March 2, 1936.

3. As set forth in the records of the proceedings of the negotiations of the General Treaty of March 2, 1936, which proceedings were held on March 16, 1935, in the event of an emergency so sudden as to make action of a preventive character imperative to safeguard the neutrality or security of the Panama Canal, and if by reason of such emergency it would be impossible to consult with the Government of Panama as provided in Article X of said Treaty, the Government of the United States of America need not delay action to meet this emergency pending consultation, although it will make every effort in the event that such consultation has not been effected prior to taking action to consult as soon as it may be possible with the Panamanian Government.

Accept, Sir, the renewed assurances of my highest consideration.

CORDELL HULL

The Honorable
Señor Dr. Don AUGUSTO S. BOYD,
Minister of Panama.

The Panamanian Minister to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
WASHINGTON

MR. SECRETARY:

I have the honor to refer to Your Excellency's valued communication of today's date with respect to the General Treaty signed between the Governments of the Republic of Panama and of the United States of America March 2, 1936 and to the proceedings of the meetings held by the Commissioners of Panama and of the United States of America during the negotiations which preceded the signature of the said Treaty. Your Excellency invites my attention to the fact that during the course of the negotiations and after discussion a mutual agreement was reached with regard to the interpretation to be given to certain provisions which eventually were incorporated in the Treaty. Your Excellency states that these discussions and understandings were, after each meeting, embodied in the typewritten records of the proceedings.

You then give as your opinion that in view of the favorable report presented at the close of the last session of Congress by the Committee on Foreign Relations of the Senate of the United States of America on the General Treaty and the various accompanying Conventions, some members of the Senate, during the debates with respect to the General Treaty and the Conventions in the present session of Congress, may ask for clarification as to the meaning of certain provisions of the General Treaty affecting the security and neutrality of the Panama Canal. With a view to anticipating such an eventuality, and of avoiding new delays in the consideration of the General Treaty of March 2, 1936, Your Excellency states that it seems advisable to your Government to effect an exchange of notes with my Government for the purpose of reiterating the interpretation given to certain points in the proceedings.

I take pleasure in informing Your Excellency that I have been authorized by my Government to effect this exchange of notes and to clarify the points propounded by Your Excellency, and which, for greater clarity, are set forth in the English language as follows:

[For text, see numbered paragraphs, above.]

I avail myself of this occasion to renew to Your Excellency the assurances of my most distinguished consideration.

AUGUSTO S. BOYD
Minister

WASHINGTON, D.C.

February 1, 1939.

His Excellency CORDELL HULL
Secretary of State of the United States
Washington, D.C.

The Secretary of State to the Panamanian Ambassador

DEPARTMENT OF STATE
WASHINGTON
July 25, 1939

EXCELLENCY:

I understand from the debate in the Senate of the United States yesterday on the treaties signed with Panama, March 2, 1936, that the question was raised as to whether the Assembly of Panama had the notes and minutes of the treaty negotiations before it at the time the treaties were considered and ratified by that body.

I shall thank you to advise me definitely as to whether the notes and minutes of the negotiations were before the Assembly of Panama and were thoroughly understood and considered by the Assembly in connection with its ratification of the aforesaid treaties.

Accept, Excellency, the renewed assurances of my highest consideration.

CORDELL HULL

His Excellency

Señor Dr. Don AUGUSTO S. BOYD,
Ambassador of Panama

The Panamanian Ambassador to the Secretary of State

EMBAJADA DE PANAMA
WASHINGTON
July 25, 1939

EXCELLENCY:

I am in receipt of Your Excellency's note of this date in which you state that you understand from the debate in the Senate of the United States yesterday on the Treaties with Panama signed March 2, 1936, that the question was raised whether the Assembly of Panama had the notes and minutes of the treaty negotiations before it at the time the treaties were considered and ratified by that body.

I think that the best answer I may give to Your Excellency is to transcribe textually, in translation, law No. 37 of 1936 which was passed by our Assembly on the twenty-fourth of December, 1936, and which reads as follows:

The National Assembly of Panama
Decrees

Only article: there are hereby approved and ratified in all their parts the General Treaty, the Radio Communications Conven-

tion,¹¹ the Convention on the Transfer of the stations of La Palma and Puerto Obaldía¹¹ and the Convention on the Trans-Isthmian Highway, signed in the city of Washington, March 2, 1936,¹² by plenipotentiaries of the Governments of the Republic of Panama and of the United States of America, which is done taking into account the Minutes and the Exchanges of Notes signed on the same date and which contain interpretations and explanations of certain important aspects of the General Treaty and of the Conventions aforementioned.

From the law quoted above Your Excellency will observe that the minutes and the notes were before the Assembly and were considered and understood by it at the same time that the Assembly ratified the Treaty and Conventions above mentioned.

Accept, Excellency, the sentiments of my highest consideration.

AUGUSTO S. BOYD

His Excellency

CORDELL HULL,

Secretary of State.

¹¹ Not printed.

¹² TS 946, *post*, p. 778.

TRANS-ISTHMIAN HIGHWAY

Convention signed at Washington March 2, 1936

Ratified by Panama July 17, 1939

Senate advice and consent to ratification July 25, 1939

Ratified by the President of the United States July 26, 1939

Ratifications exchanged at Washington July 27, 1939

Entered into force July 27, 1939

Proclaimed by the President of the United States July 27, 1939

*Supplemented by agreements of October 19 and 23 and December 20,
1939, and January 4, 1940,¹ and August 31 and September 6,
1940²*

53 Stat. 1869; Treaty Series 946

The United States of America and the Republic of Panama, in order to arrange for the completion of a highway between the cities of Panamá and Colón through territory under their respective jurisdictions, hereinafter referred to as the Trans-Isthmian Highway, have resolved to conclude a Convention for that purpose and have appointed as their Plenipotentiaries:

The President of the United States of America:

Mr. Cordell Hull, Secretary of State of the United States of America, and Mr. Sumner Welles, Assistant Secretary of State of the United States of America; and

The President of the Republic of Panama:

The Honorable Doctor Ricardo J. Alfaro, Envoy Extraordinary and Minister Plenipotentiary of Panama to the United States of America, and The Honorable Doctor Narciso Garay, Envoy Extraordinary and Minister Plenipotentiary of Panama on special mission;

Who, having communicated to each other their respective full powers, which have been found to be in good and due form, have agreed upon the following:

¹ EAS 168, *post*, p. 788.

² EAS 448, *post*, p. 796.

ARTICLE I

In order to make possible the completion of the Trans-Isthmian Highway, the Government of the United States of America undertakes to obtain such waiver from the Panama Railroad Company of its exclusive right to establish roads across the Isthmus of Panama as is necessary to enable the Government of the Republic of Panama to construct a highway from a point on the boundary of the Madden Dam area at Alhajuela to a point on the boundary of the Canal Zone near Cativá.

ARTICLE II

As a contribution to the completion of the Trans-Isthmian Highway, the United States of America will construct without delay and at its own expense that portion of the Highway between the Canal Zone boundary near Cativá and a junction with the Fort Randolph Road near France Field, which portion shall thereafter be maintained by the Republic of Panama at its own expense.

ARTICLE III³

Prior to the undertaking of further construction on the Trans-Isthmian Highway, each Government will appoint an equal number of representatives who will constitute a joint board with authority to adjust questions of detail regarding the location, design and construction of the portions of the Highway falling under the jurisdiction of each Government. Questions of detail on which the board may fail to reach an agreement will be referred to the two Governments for settlement.

ARTICLE IV⁴

The sections of the Trans-Isthmian Highway which are to be constructed by each Government shall have the following minimum characteristics:

a. *Pavement*: concrete; normal width 18 feet, suitably widened on curves of 5 degrees or sharper; of the thickened edge type of 9" - 7" - 9" section, with proper reinforcement with steel in accordance with good practice; provision for suitable longitudinal and transverse joints, sealed with an asphalt filler, and with adjacent slabs properly doweled.

b. *Gradients*: maximum 8 percent.

c. *Curves*: maximum 12 degrees, properly superelevated and suitably widened pavement when of 5 degrees or sharper.

d. *Bridges and Culverts*: to be two-way, of a width of 20 feet; of capacity to carry live loads equivalent to 20-ton truck with 14 tons on

³ For exchanges of notes dated Oct. 19 and 23 and Dec. 20, 1939, and Jan. 14, 1940, supplementing art. III, see EAS 168, *post*, p. 788.

⁴ For an exchange of notes dated Aug. 31 and Sept. 6, 1940, supplementing art. IV, see EAS 448, *post*, p. 796.

rear axle and 6 tons on front axle; and so located and of such span or size as to afford adequate drainage under maximum flow.

e. Right of Way: to be of ample width to accommodate the pavement plus 4-foot berms and drainage ditches and to provide for suitable slopes in cuts and fills; the right to be reserved to each of the two Governments to install and use telegraph and telephone lines of either pole line construction or underground cable construction in that part of the Trans-Isthmian Highway subject to the jurisdiction of the other Government.

ARTICLE V

The portions of the Trans-Isthmian Highway which the two Governments undertake to construct according to the provisions of this Convention will be completed within a period of ten years after the entrance into force of the Convention. The two Governments will consult with each other with a view to coordinating the construction of the two portions of the highway so far as may be feasible in order that the usefulness of one portion may not be unduly impaired by a failure to complete the other portion.

ARTICLE VI

The United States of America and the Republic of Panama shall maintain in a good state of repair at all times the portions of the Trans-Isthmian Highway within their respective jurisdictions.

ARTICLE VII

Subject to the laws and regulations relating to vehicular traffic in force in their respective jurisdictions the United States of America and the Republic of Panama shall enjoy equally the use of the Trans-Isthmian Highway.

ARTICLE VIII

The present Convention shall be ratified in accordance with the constitutional methods of the High Contracting Parties and shall take effect immediately on the exchange of ratifications which shall take place at Washington.

IN WITNESS WHEREOF, the Plenipotentiaries have signed this Convention in duplicate in the English and Spanish languages, both texts being authentic, and have hereunto affixed their seals.

DONE at the city of Washington the second day of March, 1936.

CORDELL HULL	[SEAL]
SUMNER WELLES	[SEAL]
R. J. ALFARO	[SEAL]
NARCISO GARAY	[SEAL]

SHIP MEASUREMENT CERTIFICATES

*Exchange of notes at Washington August 17, 1937
Entered into force August 17, 1937*

50 Stat. 1626; Executive Agreement Series 106

The Panamanian Minister to the Secretary of State

[TRANSLATION]

LEGATION OF PANAMA
Washington, August 17, 1937

MR. SECRETARY:

I have the honor to refer to the Department's note of March 17, 1937, and to previous correspondence concerning the reciprocal exemption of vessels of the Republic of Panama and of the United States of America from readmeasurement for tonnage in the ports of the respective countries.

The Government of Panama adopted the laws and regulations of the United States for the admeasurement of vessels for registry by its Resolution No. 1 of January 5, 1937, establishing tonnage regulations (*see Gaceta Oficial* of Panama of January 8, 1937). This information was duly communicated to Your Excellency in my note No. D-21 of January 22, 1937, and in reply Your Excellency requested to be informed of the views of my Government with regard to a proposed reciprocal arrangement for the acceptance of certificates of registry and the special tonnage appendix in the ports of the two countries.

On instructions from my Government, I now have the honor to advise you that vessels of the United States carrying certificates of registry or other national papers showing their net tonnage measurements and issued in accordance with the laws and regulations of the United States shall be exempted from readmeasurement in all ports of the Republic of Panama, provided that vessels of Panamanian registry which have been measured in accordance with the aforesaid resolution and which carry certificates of registry or other national papers showing their net tonnage measurements as thus ascertained shall be reciprocally exempted from readmeasurement in all ports of the United States.

It is further understood that passenger vessels of Panama and of the United States shall carry a Special Tonnage Appendix to each of their

registers showing all passenger spaces not now required by the laws of the United States to be measured for registry, for use in determining port dues and other charges based on the net tonnage of vessels.

I have the honor to request that Your Excellency be good enough to confirm the understanding set forth herein.

Please accept, Excellency, the assurances of my highest consideration.

AUGUSTO S. BOYD
Minister

To His Excellency CORDELL HULL,
Secretary of State
of the United States of America,
Washington, D.C.

The Secretary of State to the Panamanian Minister

DEPARTMENT OF STATE
Washington, August 17, 1937

SIR:

I have the honor to acknowledge the receipt of your note of today's date reading as follows:

[For text, see above.]

In reply I have the honor on behalf of the Government of the United States to confirm the understanding set forth in your note.

Accept, Sir, the renewed assurances of my highest consideration.

For the Secretary of State:
SUMNER WELLES

The Honorable
Señor Dr. Don AUGUSTO S. BOYD,
Minister of Panama.

TRANSIT OF U.S. TROOPS

*Exchange of notes at Panama February 15 and 24, 1939, modifying
agreement of July 18 and 20, 1912*

Entered into force February 24, 1939

Made obsolete by provisions of treaty of January 25, 1955¹

Department of State files

*The American Minister to the Secretary of Foreign Relations
and Communications*

No. 273

PANAMÁ, February 15, 1939

EXCELLENCY:

By request of the Commanding General of the Panamá Canal Department, I have the honor to request to be informed whether the Government of Panamá would be agreeable, in respect solely to inter-post movements of troops of that Department, to waive the prior advice of such movements which is now given through the Legation in accordance with the desires expressed by the then Secretary of Foreign Relations in his note No. 2394, of July 20, 1912, replying to the Legation's note No. 221, of July 18, 1912.²

The Commanding General's communication refers specifically to the situation existing at the Paitilla Point Military Reservation, and my present note should be taken to bear only on routine and periodic movements of small detachments of troops and equipment through the jurisdiction of the Republic to and from that Reservation. These movements are in the nature of inter-post communication, the Paitilla Point garrison being in reality a sub-post of Fort Amador, and are undertaken in connection with the periodic relief of that garrison and for its temporary augmentation on special occasions in accordance with the training program.

Since these periodic movements are between specific points along a definite route (Fort Amador—Fourth of July Avenue—Calle P—Avenida Central—Vía España—Paitilla Point, and reverse) and since the authorities of the District of Panamá, the only district traversed, are familiar therewith through long custom, it is my belief that the Commanding General's suggestion that notifications be waived in respect thereto has merit and will commend itself

¹ 6 UST 2273; TIAS 3297.

² *Ante*, p. 697.

to Your Excellency's consideration, if only for its obviation of separate correspondence in each case.

Accept, Excellency, the renewed assurance of my highest consideration.

FRANK P. CORRIGAN

His Excellency

Señor Doctor Don NARCISO GARAY,

Secretary of Foreign Relations and Communications.

*The Secretary of Foreign Relations and Communications
to the American Minister*

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
AND COMMUNICATIONS
Diplomatic Department

D.D. No. 378

PANAMÁ, February 24, 1939

MR. MINISTER:

I have the honor to refer to Your Excellency's note No. 273 of the 15th instant in which you ask me, at the request of the Commanding General of the Military Department of the Panama Canal, to inform you if the Government of Panamá would agree, solely in regard to the inter-post movements of the troops of said Department to waive the prior advice of such movements which is now given this Government by that Legation in accordance with the desire expressed by the then Secretary of Foreign Relations in his note No. 2394, of July 20, 1912, replying to note No. 212 [221] of that Legation, dated July 12, 1912.

Your Excellency states that the Commanding General's communication refers specifically to the situation existing at the Paitilla Point Military Reservation, and that your note under reply refers only to the routine and periodic movements of small detachments of troops and equipment through the jurisdiction of the Republic to and from that Reservation; that these movements are in the nature of inter-post communication, the Paitilla Point garrison being in reality a sub-post of Fort Amador, and are undertaken in connection with the periodic relief of that garrison and for its temporary augmentation on special occasions in accordance with the training program.

Your Excellency adds that since these periodic movements are between specific points along a definite route (from Fort Amador over Fourth of July Avenue, Calle P, Avenida Central, and Vía España to Paitilla Point, and reverse), and since the authorities of the District of Panamá, the only district traversed, are familiar therewith through long custom, Your Excellency believes that the Commanding General's suggestion that notifications be waived in respect thereto has merit and will commend itself to this Government's con-

sideration, if only for its obviation of separate correspondence in each case.

In reply, I have the pleasure to inform Your Excellency that the Government of Panamá accedes with pleasure to the request of that Legation in accordance with the terms and restrictions specified in Your Excellency's note No. 273 of the 15th instant which is thus answered.

I take this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

NARCISO GARAY
*Secretary of Foreign Relations and
Communications*

His Excellency

Dr. FRANK P. CORRIGAN,

*Envoy Extraordinary and Minister Plenipotentiary
of the United States of America,
City.*

NEUTRALITY

*Exchange of notes at Panama August 25, 1939, confirming protocol
of October 10, 1914
Entered into force August 25, 1939*

54 Stat. 1811; Executive Agreement Series 160

*The American Ambassador to the Secretary of Foreign Relations
and Communications*

EMBASSY OF THE UNITED STATES OF AMERICA

Note No. 38

Panamá, August 25, 1939

EXCELLENCY:

My Government assumes that the protocol signed by the Secretary of State and the Minister of Panamá on October 10, 1914,¹ dealing with hospitality extended in the waters of the Republic of Panamá and of the Canal Zone to belligerent vessels of war or those employed by belligerent powers for the purpose of prosecuting or aiding hostilities is still in force. However, it would be appreciated if in view of existing circumstances, the Government of Panamá would signify in writing that it shares the view of the United States as to the present force and effect of this protocol.

Accept, Excellency, the renewed assurances of my highest consideration.

WILLIAM DAWSON

His Excellency

Señor Doctor Don NARCISO GARAY,
*Secretary of Foreign Relations
and Communications.*

*The Secretary of Foreign Relations and Communications to the American
Ambassador*

[TRANSLATION]

SECRETARIAT OF FOREIGN RELATIONS
AND COMMUNICATIONS
Diplomatic Department

D.D. No. 1890

PANAMÁ, August 25, 1939

MR. AMBASSADOR:

I have the honor to advise Your Excellency in reply to your esteemed note no. 38 of this date that the Government of Panamá considers that the

¹ TS 597, *ante*, p. 711.

protocol signed at Washington on October 10, 1914, by the Minister of Panamá in the United States of America, Dr. Eusebio A. Morales, and the Secretary of State of the United States, Robert Lansing, is at present in effect and may be applied by both countries whenever circumstances require.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

NARCISO GARAY
*Secretary of Foreign Relations
and Communications*

His Excellency
WILLIAM DAWSON,
Ambassador of the United States of America,
City

TRANS-ISTHMIAN JOINT HIGHWAY BOARD

Exchanges of notes at Panama October 19 and 23 and December 20, 1939, and January 4, 1940, supplementing convention of March 2, 1936

Entered into force January 4, 1940

54 Stat. 2278; Executive Agreement Series 168

*The American Ambassador to the Secretary of Foreign Relations
and Communications*

EMBASSY OF THE UNITED STATES OF AMERICA

No. 80

Panamá, October 19, 1939

EXCELLENCY:

I have the honor to refer to Article III of the Convention between Panamá and the United States regarding the construction of a Trans-Isthmian Highway,¹ which as Your Excellency will recall provides that:

"Prior to the undertaking of further construction on the Trans-Isthmian Highway, each Government will appoint an equal number of representatives, who will constitute a joint board with authority to adjust questions of detail regarding the location, design and construction of the portions of the Highway falling under the jurisdiction of each Government. Questions of detail on which the board may fail to reach an agreement will be referred to the two Governments for settlement."

My Government has given consideration to the constitution of the Joint Highway Board contemplated in the foregoing Article of the Convention and it believes that the Board might well consist of only two members, one to be appointed by the Government of the Republic of Panamá and one to be appointed by the President of the United States. My Government has directed me to submit its views in the matter to Your Excellency with the request that the Panamanian Government be good enough to indicate whether it approves the constitution of the Joint Highway Board in the manner suggested.

Accept, Excellency, the renewed assurances of my highest consideration.

WILLIAM DAWSON

His Excellency

Señor Doctor Don NARCISO GARAY,
*Secretary of Foreign Relations
and Communications.*

¹ Convention signed at Washington Mar. 2, 1936 (TS 946, *ante*, p. 778).

The Secretary of Foreign Relations and Communications to the American Ambassador

[TRANSLATION]

SECRETARIAT OF FOREIGN RELATIONS
AND COMMUNICATIONS
Diplomatic Department

D.D. 2491

PANAMÁ, October 23, 1939

MR. AMBASSADOR:

Referring to Your Excellency's courteous note No. 80 of the 19th instant, I have the honor to state that my Government is pleased to accede to the request made by the Government of the United States of America through your Embassy, to the end that the Joint Board contemplated in article III of the convention concerning a Trans-Isthmian Highway signed in Washington on March 2, 1936, consist of only two members, one to be appointed by this Government and the other to be appointed by the President of the United States.

As soon as Your Excellency lets me know the name of the commissioner of the United States on the Joint Board of the Trans-Isthmian Highway, I shall be pleased to communicate the name of the commissioner of Panamá.

Accept, Excellency, the renewed expression of my highest and most distinguished consideration.

NARCISO GARAY
*Secretary of Foreign Relations
and Communications*

His Excellency WILLIAM DAWSON,
*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
Panama.*

*The American Ambassador to the Secretary of Foreign Relations
and Communications*

EMBASSY OF THE UNITED STATES OF AMERICA

No. 129

Panamá, December 20, 1939

EXCELLENCY:

I have the honor to refer to my note No. 80 of October 19, 1939, and to Your Excellency's esteemed note No. 2491 of October 23, both concerning the constitution of the Joint Highway Board contemplated in Article III of the Convention between Panamá and the United States regarding the construction of a Trans-Isthmian Highway.

In note No. 2491, Your Excellency informed me that the Government of Panamá acceded with pleasure to the proposal of my Government to the effect that the Joint Board be composed of only two members. Your Excellency stated also that, as soon as I should furnish the name of the American

representative on the Board, you would be glad to advise me as to the Panamanian representative.

I now take pleasure in stating that on December 2, 1939, the President of the United States signed the Commission appointing Colonel Glen E. Edgerton, U.S.A., Engineer of Maintenance of the Panama Canal, as the American representative on the Joint Highway Board.

I shall be grateful if Your Excellency will be good enough to inform me in due course regarding the Panamanian representative.

Accept, Excellency, the renewed assurances of my highest consideration.

WILLIAM DAWSON

His Excellency

Señor Doctor Don NARCISO GARAY,
*Secretary of Foreign Relations
 and Communications.*

The Secretary of Foreign Relations and Communications to the American Ambassador

[TRANSLATION]

SECRETARIAT OF FOREIGN RELATIONS
 AND COMMUNICATIONS
 Diplomatic Department

D.D. No. 28

PANAMÁ, January 4, 1940

MR. AMBASSADOR:

Referring to Your Excellency's courteous communication No. 129 of December 20, last, in which you inform the Foreign Office that the President of the United States of America, under date of the 2d of the same month, appointed Colonel Glen E. Edgerton as his representative on the Joint Board provided for in article III of the convention concerning a Trans-Isthmian Highway signed at Washington on March 2, 1936, it is a pleasure to bring to Your Excellency's attention that His Excellency the First Designate, in charge of the Executive Power, by Executive Decree No. 195 of December 30, last, appointed Engineer Leopoldo Arosemena as his representative on the said Joint Board.

Accept, Excellency, the renewed expression of my highest and most distinguished consideration.

NARCISO GARAY
*Secretary of Foreign Relations
 and Communications*

His Excellency WILLIAM DAWSON,

*Ambassador Extraordinary and Plenipotentiary
 of the United States of America,
 Panama.*

INTER-AMERICAN HIGHWAY

*Exchange of notes at Washington March 23, 1940, with memorandum
Entered into force March 23, 1940
Terminated February 17, 1948¹*

58 Stat. 1599; Executive Agreement Series 449

The Secretary of State to the Panamanian Ambassador

DEPARTMENT OF STATE
WASHINGTON
March 23, 1940

EXCELLENCY:

I have the honor to invite Your Excellency's attention to the act approved July 20, 1939 (Public No. 200, 76th Congress, Chapter 335, First Session)² authorizing an appropriation of not to exceed \$1,500,000 "to meet such expenses as the President (of the United States), in his discretion, may deem necessary to enable the United States to cooperate with the Republic of Panama in connection with the construction of a highway between Chorrera and Rio Hato in the Republic of Panama". The act provided that "the expenditure of such sum shall be subject to the receipt of assurances satisfactory to the President (of the United States) from the Government of the Republic of Panama of its cooperation in such construction."

In accordance with the provisions of the aforesaid act of Congress, conversations have been held with Your Excellency with a view to arriving at a mutually acceptable agreement as to the manner in which our two Governments may best cooperate in this work. As a result of these conversations, it is my understanding that agreement has been reached between our two Governments in the form set forth in the enclosed memorandum.

Upon the receipt of a note from Your Excellency confirming my understanding that the Government of Panama is agreeable to the basis of cooperation set forth in the enclosed memorandum, the Government of the United

¹ Date on which responsibility for highway was formally transferred to Panama.

² 53 Stat. 1071.

States is prepared to take the necessary steps to render effective its desire to assist in this enterprise.

Accept, Excellency, the renewed assurances of my highest consideration.

CORDELL HULL

Enclosure:

Memorandum dated March 23, 1940.

His Excellency

Señor Dr. Don JORGE E. BOYD,
Ambassador of Panama.

MARCH 23, 1940

MEMORANDUM

BASIS OF COOPERATION BETWEEN THE REPUBLIC OF PANAMA AND THE UNITED STATES OF AMERICA IN THE CONSTRUCTION OF THE PROPOSED HIGHWAY BETWEEN CHORRERA AND RIO HATO

1. Pursuant to a contract entered into February 21, 1940, by and between the Republic of Panama, the National Bank of Panama, and the Export-Import Bank of Washington, arrangements were made for financing, in part, the reconstruction of the highway between Chorrera and Rio Hato.

2. By act approved August 9, 1939 (Pub. No. 361-76 Cong.)³ Congress appropriated the sum of \$1,500,000 to enable the United States to cooperate with the Republic of Panama in the construction of said road "for defense purposes" in accordance with the terms of the authorizing act approved July 20, 1939 (Pub. No. 200-76 Cong.).

3. Pursuant to the aforementioned contract and Acts of Congress the construction of said highway shall be undertaken cooperatively by the Government of the Republic of Panama and the Government of the United States. To that end the Government of the United States shall designate an engineer of the Public Roads Administration, Federal Works Agency, as its representative, whose salary and expenses shall be paid by the Government of the United States. The Government of the Republic of Panama, acting through its Highway Department, shall appoint an engineer who shall cooperate with the engineer representing the United States in all matters relating to this work in accordance with the stipulations agreed upon in the contract between the Republic of Panama, the Banco Nacional, and the Export-Import Bank of February 21, 1940, above referred to.

4. All work on said highway shall be performed in accordance with plans and specifications jointly agreed upon between the Highway Department of

³ 53 Stat. 1301.

the Republic of Panama and the Public Roads Administration, Federal Works Agency, of the United States of America.

5. In order to facilitate the fulfilment of the obligations devolving upon the engineer of the Public Roads Administration under the contract between the Republic of Panama, the Banco Nacional, and the Export-Import Bank, of February 21, 1940, as well as under the present basis of cooperation between the United States of America and the Republic of Panama such technical assistance shall be furnished by the Government of Panama as is jointly agreed upon between the Chief Highway Engineer of the Republic of Panama and the Public Roads Administration. The cost of such assistance shall be borne by the party requesting it from the funds available for the work.

6. There shall be complete cooperation between the Highway Department of the Republic of Panama and the Public Roads Administration of the Federal Works Agency of the United States. To this end each agency shall furnish the other with full information regarding all phases of the construction activities undertaken pursuant to this agreement, as contemplated in the contract between the Republic of Panama, the Banco Nacional, and the Export-Import Bank above referred to.

7. As both countries desire to complete the construction of this road as expeditiously as possible, the Republic of Panama shall initiate the work at the earliest practicable date. In order further to expedite the construction of this road, the Republic of Panama shall supply an adequate and sustained force of skilled and unskilled labor during the course of construction. The Republic of Panama further shall place the assignment of labor to this project in high priority among construction projects over which it has control, and shall use all the means at its disposal to provide for prompt deliveries of all necessary supplies, materials, and equipment for the work.

8. The Public Roads Administration of the Federal Works Agency of the United States shall act as purchasing agent for the procurement, inspection, and forwarding to Panama of all required equipment, articles, supplies, and materials for the work which are not mined, produced, or manufactured in Panama. Such procurement, inspection, and forwarding shall be done when requested by the Highway Department of the Republic of Panama with the approval of the Representative of the Public Roads Administration.

9. The Republic of Panama shall furnish free of charge in natural deposits all stone, gravel, sand, earth, or other natural products for the construction, whether or not these occur on the public domain, as well as easements necessary to make these deposits available. The Republic of Panama shall likewise make available free of charge lands necessary for the use of construction camps, storage of materials, and all other purposes incident to the work.

10. The Republic of Panama shall make available for the repair of tools and equipment used in this construction, and at a reasonable cost for time

and materials, the facilities of the mechanical shops of the Panamanian Highway Department in so far as these may be adequate for the purpose.

11. The Republic of Panama shall furnish without cost such office space in Panama City or elsewhere in the Republic as may be necessary for the use of the Public Roads Administration.

12. In so far as may be practical, the highway to be constructed shall follow the lines and grades of the existing road between Chorrera and Rio Hato, and shall begin at the point near Chorrera where recent improvements of the road by the Republic of Panama ended, and shall end at a point in or near Rio Hato, to be determined in common agreement by the Highway Department of the Republic of Panama and the Public Roads Administration of the Federal Works Agency. The lines and grades of the existing road, as well as general specifications therefor may, however, be rectified and altered when deemed necessary or desirable by agreement between the Highway Department of the Republic of Panama and the Public Roads Administration of the Federal Works Agency, in order to improve the existing line and grade for the purpose for which it is designed.

13. The Republic of Panama shall institute and prosecute to completion, without expense to the funds provided by the United States or the credits made available by the Export-Import Bank of Washington, D.C., all necessary proceedings for the expropriation, condemnation, acquisition, or purchase of lands required for the construction of the road, including any rectification of the line or grade of the road.

14. Any expenditures properly made under this agreement by the Public Roads Administration of the Federal Works Agency from its regular funds and not provided from the \$1,500,000 appropriation herein above referred to shall be reimbursed said Administration by the Government of Panama from funds available for the work, provided that such expenditures shall have been made at the request or with the approval of the Highway Department of Panama. This requirement shall not apply to the salary and expenses of the engineer of the Public Roads Administration referred to in paragraph 3 hereof.

15. The disbursement of all funds received by the Republic of Panama under the contract of February 21, 1940, referred to in paragraph 1 hereof, shall be made by the Highway Department of the Republic of Panama in agreement with the representative of the Public Roads Administration. Since the charter of the Export-Import Bank expires June 30, 1941, the funds available from this source will be expended, in so far as may be practicable and efficient, prior to that date. The additional funds provided by the Government of the United States shall be expended by the Public Roads Administration in agreement with the representative of the Republic of Panama.

16. Upon completion of the work all remaining tools and equipment, as well as all materials and supplies unused, which have been purchased from the appropriation made available by the United States, referred to in para-

graph 2 hereof, shall remain the property of the United States, and all remaining tools and equipment, and all materials and supplies unused at the termination of the work which shall have been procured from other funds or from funds made available through credits from the Export-Import Bank of Washington, shall be the property of the Republic of Panama.

17. The Republic of Panama shall enact legislation and take such other action as may be necessary to exempt from the payment of customs duties, taxes and imposts of all kinds, the materials, supplies, equipment and tools required for use in this construction.

18. The Republic of Panama shall assume all liability of any nature or kind arising out of or in connection with the work provided for herein, resulting from the operations conducted under this agreement within the jurisdiction of the Republic of Panama.

The Panamanian Ambassador to the Secretary of State

[TRANSLATION]

EMBAJADA DE PANAMA
WASHINGTON, D.C.

MARCH 23, 1940

MR. SECRETARY:

I have the honor to acknowledge the receipt of Your Excellency's note of March 23, 1940, enclosing a memorandum bearing the same date, which sets forth your understanding of the conclusions which we have reached as to the most suitable manner for making effective the cooperation between our two Governments in the construction of the proposed highway between Chorrera and Rio Hato in the Republic of Panama.

My Government has received with great satisfaction this new evidence of the willingness of the Government of the United States to cooperate with the Government of my country in this enterprise. The basis of cooperation set forth in the memorandum enclosed in Your Excellency's note under reference has met with the full approval of the Government of Panama, which does not doubt that the spirit of absolute harmony and good will that has been evidenced during the negotiations carried out between several officials of Your Excellency's Government and the undersigned, and which are manifest in the document which Your Excellency has been kind enough to send me, will continue during the whole period of time of construction of this highway.

Accept, Excellency, the assurances of gratitude of my Government as well as my own, with the expressions of my highest and most distinguished consideration.

JORGE E. BOYD

His Excellency CORDELL HULL,
The Secretary of State,
Washington, D.C.

TRANS-ISTHMIAN HIGHWAY

*Exchange of notes at Washington August 31 and September 6, 1940
(with memorandum dated August 29, 1940), supplementing
convention of March 2, 1936*

Entered into force September 6, 1940

58 Stat. 1593; Executive Agreement Series 448

The Secretary of State to the Panamanian Ambassador

AUGUST 31, 1940

EXCELLENCY:

I have the honor to invite Your Excellency's attention to the provisions of the Trans-Isthmian Highway Convention signed by representatives of the United States of America and Panama at Washington on March 2, 1936,¹ concerning which conversations have been held with Your Excellency with a view to arriving at a mutually acceptable agreement as to the manner in which our two Governments may best coordinate their efforts in the building of the Highway.

In order to expedite the construction of the Trans-Isthmian Highway, which for the first time will complete the connection between the capital city of Panamá with the other principal Panamanian city of Colón, and for the purpose of facilitating the defense of the Panama Canal which is of such vital importance to our two countries, I have the honor to inform you that the Government of the United States is prepared to bear the full engineering cost for a dual highway and the construction cost for a twenty-foot roadway between the Madden Dam and Cativá.

During the course of the conversations referred to above, it will be recalled that my Government indicated that it might be desirable for defense purposes to construct a highway capable of withstanding greater stresses and strains than was contemplated at the time the Trans-Isthmian Highway Convention was negotiated. My Government's offer mentioned in the preceding paragraph is therefore contingent upon the agreement of your Government to improve the construction specifications contained in Article IV of the Trans-Isthmian Highway Convention to permit of the use of such standards and specifications as the United States may determine

¹ TS 946, *ante*, p. 778.

necessary for defense purposes. All other provisions of the Convention would of course continue to remain in full force and effect.

In the course of the conversations between our two Governments with regard to the best way to cooperate in this matter, we also discussed the bases of the arrangement under which the Government of the United States would, if its offer is accepted by the Government of Panama, make the engineering survey for a dual highway and construct at its own expense the twenty-foot roadway between the Madden Dam and Cativá. There is attached a memorandum dated August 29, 1940 embodying my understanding of the arrangement discussed during these conversations.

Upon receipt of a note from Your Excellency accepting the offer stipulated in this note and the understandings on which this note is based, the Government of the United States is prepared to undertake at once the necessary steps to carry into effect this offer.

Accept, Excellency, the renewed assurances of my highest consideration.

CORDELL HULL

Enclosure:

Memorandum,
August 29, 1940.

His Excellency

Señor Dr. Don JORGE E. BOYD,
Ambassador of Panama.

AUGUST 29, 1940

MEMORANDUM OF PROCEDURE TO BE FOLLOWED IN THE
CONSTRUCTION OF THE TRANS-ISTHMIAN HIGHWAY

(1) The United States Public Roads Administration will be responsible for the plans, surveys and estimates, and for all engineering work for a dual highway, and for the construction of one 20-foot roadway through the territory of the Republic of Panama from a point on the boundary of the Madden Dam area at Alhajuela to a point on the boundary of the Canal Zone near Cativa, the full engineering and construction cost thereof to be paid by the Public Roads Administration. The final location is to be concurred in by the Chief Engineer of the Highway Board of Panama.

(2) The Republic of Panama shall institute and prosecute to completion, without expense to the United States, all necessary proceedings for the expropriation, condemnation, acquisition or purchase of land required in the construction of the road providing a minimum right of way of 100 feet for each roadway within the jurisdiction of the Republic of Panama.

(3) The Republic of Panama shall furnish free of charge in natural deposits all stone, gravel, sand, earth, or other natural products for the con-

struction, whether or not these occur on the public domain, as well as easements necessary to make these deposits available wherever these materials cannot be readily obtained within the Canal Zone. The Republic of Panama shall likewise make available free of charge lands necessary for the use of construction camps, storage of materials, and all other purposes incident to the work.

(4) The Republic of Panama shall make available for the repair of tools and equipment used in this construction, and at a reasonable cost for time and materials, the facilities of the mechanical shops of the Highway Board of Panama in so far as these may be adequate for the purpose.

(5) The Republic of Panama shall furnish such of its construction equipment as may become available from the Chorrera-Rio Hato Highway that may be required on the Trans-Isthmian Highway at a rental rate or sale price to be determined by the depreciated value of the equipment at the time of its transfer. The United States of America through the Public Roads Administration shall make available for purchase by the Republic of Panama any equipment or supplies available upon completion of the work, the price of equipment to be determined on the basis of depreciated value and the price of materials and supplies to be determined on the basis of actual cost.

(6) The Republic of Panama shall furnish to the Public Roads Administration all field data, field notes, plans, and other information regarding the Trans-Isthmian Highway which it has developed from its surveys.

(7) It shall be the policy of the Public Roads Administration to employ in engineering and other positions, such qualified personnel as the Panamanian Government will designate, which may be required in the construction of the Trans-Isthmian Highway. The Republic of Panama shall place the assignment of labor to this project in high priority among construction projects over which it has control.

(8) The Republic of Panama shall enact legislation and take such other action as may be necessary to exempt from the payment of customs duties, taxes and imposts of all kinds, the materials, supplies, equipment and tools required for use in this construction, as well as the salary or income of any United States citizen employed by the Public Roads Administration who may be assigned to this work. The Republic of Panama will also use all means at its disposal to facilitate the prompt deliveries of all necessary supplies, materials and equipment.

(9) The Republic of Panama shall assume all liability of any nature or kind arising out of, or in connection with, the work provided for herein, resulting from the construction of the Trans-Isthmian Highway within the jurisdiction of the Republic of Panama except damages to United States citizens employed by the Public Roads Administration.

The Panamanian Ambassador to the Secretary of State

[TRANSLATION]

EMBASSY OF PANAMA
WASHINGTON, D.C.

No. D-445

SEPTEMBER 6, 1940

MR. SECRETARY:

I take special pleasure in acknowledging to Your Excellency the receipt of your very interesting note of August 31, 1940, the text which reads as follows:

[For text, see above.]

It gives me great satisfaction to state to Your Excellency that my Government accepts with pleasure the friendly offer which is made to it through that communication by the enlightened Government of the United States, in the terms expressed therein and in the Memorandum which your Excellency was good enough to send with it as an integral part of the said note, it being understood that the construction specifications for the Trans-Isthmian Highway indicated as minimum in Section IV of the Convention signed by our Governments on March 2, 1936 can be improved in the construction proposed by Your Government in order to meet "such standards and specifications as the United States may determine necessary for defense purposes," and that the other articles of the Convention of 1936, referred to, shall continue in full force and effect, including the seventh, which stipulates that both Panama and the United States shall have equally the unrestricted use of the Trans-Isthmian Highway, subject only to the laws and regulations in force in the respective jurisdictions on vehicular traffic.

My Government appreciates at its full value this act of open friendship and solidarity on the part of Your Excellency's illustrious Government, which is destined to intensify and fortify, rendering still firmer, the manifold spiritual, political and economic ties which happily bind our two countries, and which have always existed, beginning, in truth, to be forged in the very commencement of our independent life.

In harmony with that intention of establishing not only commercial interchange but also a true spiritual understanding that may serve as a firm basis for political and economic relations, my Government is disposed and has decided, as I had the honor to state to His Excellency President Roosevelt in my speech of presentation of my credentials as Ambassador of Panama before his Government, to do everything in its power to the end that "our relations may continue to develop, let us say with confidence, translated into effective solidarity, harmony and cooperation".

Furthermore, this highway will doubtless serve to strengthen the capacity of our two Governments to cooperate reciprocally in an effective manner in the defense of the great work of the Canal.

I request Your Excellency to accept the renewed homage of my most distinguished consideration.

JORGE E. BOYD
Ambassador

His Excellency CORDELL HULL,
Secretary of State,
Washington, D.C.

DOUBLE TAXATION: SHIPPING PROFITS

Exchange of notes at Washington January 15, February 8, and March 28, 1941

Entered into force March 28, 1941; operative from January 1, 1936

55 Stat. 1363; Executive Agreement Series 221

The Panamanian Chargé d'Affaires ad interim to the Secretary of State

[TRANSLATION]

EMBASSY OF PANAMA
WASHINGTON

Number D-14

JANUARY 15, 1941

MR. SECRETARY:

I have the honor to inform Your Excellency that my Government, upon the basis of the principle of reciprocity, is very much interested in having the Treasury Department of the United States of America declare formally and officially that the revenues of shipping companies incorporated under Panamanian laws are exempt from income taxes.

I take pleasure in forwarding herewith to Your Excellency the documents, duly authenticated, which contain the legal provisions of the Republic of Panama by which shipping companies incorporated under the laws of the United States are exempted from any tax. I should be very grateful if Your Excellency—provided you deem fit—would transmit the above-mentioned provisions to the Treasury Department in order to obtain the declaration desired by my Government. The documents which are being forwarded are the following:

- a) officially issued booklet containing all the laws and decrees which show that the Republic of Panama does not impose taxes upon the shipping industry of the United States;
- b) copy of Executive Resolution No. 33-bis, of 1936, and
- c) certificate of the Secretary of State in the Office of Hacienda and Treasury, in which it is expressly stated that "the merchant ships of the United States of America or of citizens of that country" are exempt from the income tax.

The legal provisions to be found in the above-mentioned documents may be summarized as follows:

1) A tax is imposed by the Republic of Panama upon the net earnings of all persons in accordance with the "Ley del Fondo Obrero y del Agricultor", law 49 of 1934.

2) By Executive Resolution No. 33-bis, of March 2, 1936, the following was decreed:

"Revenues which are derived from the operations of maritime commerce of merchant ships belonging to corporations organized in the United States of America or to citizens of that or any other country who reside either in Panama or abroad, *are not subject to* the tax of the "Fondo del Obrero y del Agricultor" created by law 49 of 1934, even though the transportation contracts may be drawn in Panama".

3) The National Assembly of the Republic of Panama enacted in 1938 a new tax law known as law no. 62 of 1938. This law has not been put into force, due to its having been suspended by Decree No. 41 of April 5, 1939, and by Decree No. 146-bis of December 30, 1939.

In view, therefore, of all that has been cited above, my Government would be very much pleased if Your Excellency's Government would give assurance that, subject to changes of the law in the future, the citizens of the Republic of Panama and firms incorporated under Panamanian laws have been since 1936 and will henceforth be exempt from the tax on profits derived from maritime operations, as provided in sections 211 (b) and 231 (d) of the Internal Revenue Code of the United States of America.¹

Please accept, Excellency, my thanks in advance for the attention which you may see fit to give to this request, and the assurances of my highest and most distinguished consideration.

J. H. EHRMAN
Chargé d'Affaires a.i.

His Excellency CORDELL HULL,
Secretary of State of the United States,
Washington.

The Secretary of State to the Panamanian Ambassador

DEPARTMENT OF STATE
WASHINGTON
February 8, 1941

EXCELLENCY:

I have the honor to acknowledge the receipt of your Embassy's note of January 15, 1941 (Number D-14) concerning the desire of your Gov-

¹ 53 Stat. 76 and 78.

ernment that the revenues of shipping companies incorporated under Panamanian laws be declared exempt from income taxes.

A copy of the note and the authenticated document transmitted therewith have been forwarded to the Treasury Department and further response will be made to the note at a later date.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

BRECKINRIDGE LONG

His Excellency

Señor Doctor Don CARLOS N. BRIN,
Ambassador of Panama.

The Secretary of State to the Panamanian Ambassador

DEPARTMENT OF STATE

WASHINGTON

March 28, 1941

EXCELLENCY:

I have the honor to refer to your Embassy's note of January 15, 1941 (Number D-14) concerning the desire of your Government that the revenues of shipping companies incorporated under Panamanian laws be declared exempt from income taxes. Reference is also made to the note of the Department of State of February 8 on the subject.

A letter has been received from the Treasury Department in which reference is made to the provisions of Executive Resolution No. 33-bis of March 2, 1936 contained in the authenticated documents enclosed with the Embassy's note relating to the exemption of the revenues derived from the operations of merchant ships from the tax imposed by Panamanian Law 49 of 1934. It is stated in the letter that these provisions "satisfy the equivalent exemption requirements of sections 212(b) and 231(d) of the Internal Revenue Code and the corresponding sections of the Revenue Act of 1938² and the Revenue Act of 1936³". It is added that

"Consequently, nonresident alien individuals (including citizens of the Republic of Panama) and foreign corporations (including corporations organized under Panamanian laws) are exempt from Federal income tax with respect to their income which consists exclusively of earnings derived from the operation of a ship or ships documented under the laws of Panama, for the years 1936 to 1940, inclusive. This ruling is equally applicable to subsequent years, as long as there remain in force and effect the provisions

² 52 Stat. 447.

³ 49 Stat. 1648.

of the Executive Resolution No. 33-bis of March 2, 1936, relative to the exemption from income tax of the revenues derived from the operations of merchant ships."

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

BRECKINRIDGE LONG

His Excellency

Señor Dr. Don CARLOS N. BRIN,

Ambassador of Panama.

EXCHANGE OF PUBLICATIONS

*Exchange of notes at Panama November 27, 1941, and March 7,
1942*

Entered into force November 27, 1941

56 Stat. 1444; Executive Agreement Series 243

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 157

PANAMÁ, November 27, 1941

EXCELLENCY:

I have the honor to refer to Your Excellency's Note No. 2537 of November 22, 1941, regarding the exchange of official publications between the Governments of the United States of America and of Panamá.

It is respectfully suggested that the exchange of official publications between our respective Governments may be carried out in accordance with the following provisions:

1. The official exchange offices for the transmission of publications shall be, on the part of the United States of America, the Smithsonian Institution; and on the part of Panamá, the Ministry of Foreign Relations.
2. The publications exchanged shall be received on behalf of the United States of America by the Library of Congress; and on behalf of Panamá by the Ministry of Foreign Relations.
3. The Government of the United States of America shall furnish regularly one copy of each of the official publications included in the attached List No. 1. This list shall be extended to include, without the necessity of subsequent negotiation, any new important publications that may be initiated by any agency of the United States in the future.
4. The Government of Panamá shall furnish regularly one copy of each of the official publications included on the attached List No. 2, as well as any other publications which may be issued currently at the expense of the Government.
5. Each party to the agreement shall bear the postal, railroad, steamship, and other charges arising in its own country.
6. Both parties express their willingness as far as possible to expedite shipments.

7. This agreement shall not be understood to modify any agreements concerning the exchange of official publications which may be in effect between departments or instrumentalities of the two Governments.

If the Government of Panamá is in accord with the foregoing text, my Government will, upon the receipt of the corresponding note from Your Excellency, consider the agreement concluded and in effect from November 27, 1941.

Accept, Excellency, the renewed assurances of my highest consideration.

EDWIN C. WILSON

Enclosures:

Lists Nos. 1 and 2

His Excellency

Señor Doctor Don OCTAVIO FÁBREGA,
Minister of Foreign Relations.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

SECRETARIAT OF FOREIGN RELATIONS
Diplomatic Department

D.P. No. 3250

PANAMÁ, March 7, 1942

MR. AMBASSADOR:

I have the honor to refer to Your Excellency's kind note no. 157 of November 27 of last year and to my communication D.P. no. 2537 of November 22, 1941, in which I stated my Government's willingness to conclude an agreement for the exchange of official publications between the Governments of the United States and Panama.

The exchange of official publications between our Governments will be carried out in the following manner:

[For terms of agreement, see numbered paragraphs in U.S. note, above.]

Accordingly, it is a pleasure for me to inform Your Excellency that my Government considers the foregoing agreement concluded and in effect from November 27, 1941.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

OCTAVIO FÁBREGA
Minister of Foreign Relations

His Excellency

EDWIN C. WILSON,
*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.*

LIST NO. 1

OFFICIAL PUBLICATIONS TO BE FURNISHED REGULARLY BY THE UNITED STATES GOVERNMENT

CONGRESS OF THE UNITED STATES

House Journal
Senate Journal
Code of Laws and supplements

PRESIDENT OF THE UNITED STATES

Annual messages to Congress

DEPARTMENT OF AGRICULTURE

Annual Report of the Secretary of Agriculture
Farmers' Bulletins
Yearbook

DEPARTMENT OF COMMERCE

Annual Report of the Secretary of Commerce
Bureau of the Census
Reports
Abstracts
Statistical Abstract of the United States
Bureau of Foreign and Domestic Commerce
Foreign Commerce (weekly)
Foreign Commerce and Navigation of the United States (annual)
Survey of Current Business (monthly)
Trade Information Bulletins

National Bureau of Standards
Technical News Bulletin

Weather Bureau
Monthly Weather Review

DEPARTMENT OF JUSTICE

Annual Report of the Attorney General

DEPARTMENT OF LABOR

Annual Report of the Secretary of Labor
Bureau of Labor Statistics
Bulletins

Monthly Labor Review

DEPARTMENT OF STATE

Department of State Bulletin
Inter-American Series
Foreign Relations of the United States (annual)
Statutes at Large
Treaty Series

DEPARTMENT OF THE INTERIOR

Annual Report of the Secretary of the Interior
Fish and Wild Life Service
Bulletins
Investigational Reports

Bureau of Mines

Minerals Yearbook

Bureau of Reclamation
New Reclamation Era (monthly)

National Park Service

General Publications

DISTRICT OF COLUMBIA

Annual Report of the Government of the District of Columbia

Annual Report of the Public Utilities Commission

FEDERAL SECURITY AGENCY

Office of Education
School Life (monthly)
Public Health Service
Public Health Reports (weekly)
Social Security Board
Social Security Bulletin (monthly)

FEDERAL WORKS AGENCY

Public Roads Administration
Public Roads (monthly)

INTERSTATE COMMERCE COMMISSION

Annual Report

LIBRARY OF CONGRESS

Annual Report of the Librarian of Congress

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Annual Report with Technical Reports

NATIONAL ARCHIVES

Annual Report

NATIONAL MUSEUM

Annual Report

NAVY DEPARTMENT

Annual Report of the Secretary of the Navy

Nautical Almanac Office

American Ephemeris and Nautical Almanac

POST OFFICE DEPARTMENT

Annual Report of the Postmaster General

SMITHSONIAN INSTITUTION

Annual Report

TREASURY DEPARTMENT

Annual Report on the State of the Finances

Bureau of Internal Revenue

Annual Report of the Commissioner

Bureau of the Mint

Annual Report of the Director

Comptroller of Currency

Annual Report

WAR DEPARTMENT

Annual Report

LISTA NO. 2

**PUBLICACIONES OFICIALES QUE SERAN SUMINISTRADAS REGULARMENTE
POR EL GOBIERNO DE LA REPUBLICA DE PANAMA**

Gaceta Oficial

Registro Judicial

ASAMBLEA NACIONAL

Anales

Diario de los Debates

Leyes

PRESIDENCIA DE LA REPUBLICA

Mensajes Presidenciales

MINISTERIO DE AGRICULTURA Y COMERCIO

Boletín

Memoria

MINISTERIO DE EDUCACION

Boletín

Memoria

MINISTRO DE GOBIERNO Y JUSTICIA

Memoria

MINISTERIO DE HACIENDA Y TESORO

Memoria

Presupuesto

MINISTERIO DE RELACIONES EXTERIORES

Boletín

Memoria

MINISTERIO DE SALUBRIDAD Y OBRAS PUBLICAS

Memoria

CONTRALORIA GENERAL DE LA REPUBLICA

Informe

PROCURADOR GENERAL

Informe

ACADEMIA PANAMEÑA DE LA HISTORIA

Boletín

UNIVERSIDAD NACIONAL

Publicaciones Universitarias

SOCIEDAD BOLIVARIANA

Boletín

ACADEMIA PANAMEÑA DE LA LENGUA

Publicaciones.

LEASE OF DEFENSE SITES

Agreement and exchanges of notes signed at Panama May 18, 1942

Approved by Panama May 11, 1943

Entered into force May 11, 1943

Terminated February 19, 1948, by exchange of notes at Panama

February 16 and 19, 1948¹

57 Stat. 1232; Executive Agreement Series 359

AGREEMENT FOR THE LEASE OF DEFENSE SITES IN THE REPUBLIC OF PANAMA

The undersigned, Octavio Fábrega, Minister for Foreign Affairs of the Republic of Panamá, and Edwin C. Wilson, Ambassador of the United States of America, acting on behalf of our respective Governments, for which we are duly and legally authorized, have concluded the following Agreement:

The Governments of the Republic of Panamá and of the United States of America, conscious of their joint obligation, as expressed in the provisions of the General Treaty of Friendship and Cooperation, concluded March 2, 1936,² to take all measures required for the effective protection of the Panama Canal in which they are jointly and vitally interested, have consulted together and have agreed as follows:

ARTICLE I

The Republic of Panamá grants to the United States the temporary use for defense purposes of the lands referred to in the Memorandum¹ attached to this Agreement and forming an integral part thereof. These lands shall be evacuated and the use thereof by the United States of America shall terminate one year after the date on which the definitive treaty of peace which brings about the end of the present war shall have entered into effect. If within that period the two Governments believe that, in spite of the cessation of hostilities, a state of international insecurity continues to exist which makes vitally necessary the continuation of the use of any of the said defense bases or areas, the two Governments shall again enter into mutual consulta-

¹ Not printed.

² TS 945, *ante*, p. 742.

tion and shall conclude the new agreement which the circumstances require.

The national authorities of the Republic of Panamá shall have adequate facilities for access to the defense sites mentioned herein.

ARTICLE II

The grant mentioned in the foregoing article shall include the right to use the waters adjacent to the said areas of land and to improve and deepen the entrances thereto and the anchorage in such places as well as to perform in/on the said areas of land all the works that may be necessary in connection with the effective protection of the Canal. This gives no right to commercial exploitation or utilization of the soil or subsoil, or of adjacent beaches and streams.

ARTICLE III

Military and naval aircraft of Panamá shall be authorized to land at and take off from the airports established within the areas referred to in Article I. Similarly, military and naval aircraft of the United States shall be authorized to use military and naval airports established by the Republic of Panamá. The regulations covering such reciprocal use shall be embodied in an agreement to be negotiated by the appropriate authorities of the two countries.

ARTICLE IV

The Republic of Panamá retains its sovereignty over the areas of land and water mentioned in the Memorandum referred to in Article I and the air space thereover, as well as complete jurisdiction in civil matters, provided, however, that during the period of temporary occupation contemplated by this Agreement, the Government of the United States shall have complete use of such areas and exclusive jurisdiction in all respects over the civil and military personnel of the United States situated therein, and their families, and shall be empowered, moreover, to exclude such persons as it sees fit without regard to nationality, from these areas, without prejudice to the provisions of the second paragraph of Article I of this Agreement, and to arrest, try and punish all persons who, in such areas, maliciously commit any crime against the safety of the military installations therein; provided, however, that any Panamanian citizen arrested or detained on any charges shall be delivered to the authorities of the Republic of Panamá for trial and punishment.

ARTICLE V

The Republic of Panamá and the United States reiterate their understanding of the temporary character of the occupation of the defense sites covered by this Agreement. Consequently, the United States, recognizing the importance of the cooperation given by Panamá in making these temporary defense sites available and also recognizing the burden which the

occupation of these sites imposes upon the Republic of Panamá, expressly undertakes the obligation to evacuate the lands to which this contract refers and to terminate completely the use thereof, at the latest within one year after the date on which the definitive treaty of peace which brings about the cessation of the present war, shall have entered into effect. It is understood, as has been expressed in Article I, that if within this period the two Governments believe that in spite of the cessation of hostilities, a state of international insecurity continues to exist which makes vitally necessary the continuation of the use of any of the said defense bases or sites, the two Governments shall again enter into mutual consultation and shall conclude the new Agreement which the circumstances require.

ARTICLE VI

All buildings and structures which are erected by the United States in the said areas shall be the property of the United States, and may be removed by it before the expiration of this Agreement. Any other buildings or structures already existing in the areas at the time of occupation shall be available for the use of the United States. There shall be no obligation on the part of the United States herein or the Republic of Panamá to rebuild or repair any destruction or damage inflicted from any cause whatsoever on any of the said buildings or structures owned or used by the United States in the said areas. The United States is not obliged to turn over to Panamá the areas at the expiration of this lease in the condition in which they were at the time of their occupation, nor is the Republic of Panamá obliged to allow any compensation to the United States for the improvements made in the said areas or for the buildings or structures left thereon, all of which shall become the property of the Republic of Panamá upon the termination of the use by the United States of the areas where the structures have been built.

ARTICLE VII

The areas of land referred to in Article I, the property of the United States situated therein, and the military and civilian personnel of the United States and families thereof who live in the said areas, shall be exempt from any tax, imposts or other charges of any kind by the Republic of Panamá or its political subdivisions during the term of this Agreement.

ARTICLE VIII

The United States shall complete the construction at its own expense of the highways described below, under the conditions and with the materials specified:

Highway A-3. (Shall extend from Piña on the Atlantic side of the Isthmus to the Canal Zone boundary at the Rio Providencia. It shall be at least ten feet in width and constructed of macadam.)

Extension of the Trans-Isthmian Highway following the line of the P-8 road. (Specifications shall be the same as for the Trans-Isthmian Highway. The extension shall start at Madrinal, by-passing Madden Dam by a bridge over the Chagres River below the Dam to connect with the P-8 road at Roque and shall extend the P-8 road from Pueblo Nuevo into Panamá City. It is understood that the pavement of the bridge over the Chagres River will be located above the elevation established as the Canal Zone boundary.)

Upon the completion of these highways the Government of the United States will assume the responsibility for any necessary post construction operations, that is, the performance of work necessary to protect the original construction until such time as the roads become stabilized.

The Government of Panamá guarantees that the roads under its jurisdiction used periodically or frequently by the armed forces of the United States will be well and properly maintained at all times. The Government of Panamá will ask for the cooperation of the Government of the United States in the performance of repair and maintenance work on the said roads whenever it deems necessary such cooperation in order to fulfill the aforesaid guarantee, such as for example in the case of emergencies or situations which require prompt action.

The Government of the United States will bear one third of the total annual maintenance cost of all Panamanian roads used periodically or frequently by the armed forces of the United States, such cost to cover the expense of any wear or damage to roads caused by movements related to defense activities. The amount payable by the United States will be based upon accounts presented annually by the Republic of Panamá giving in detail the total annual expenditures made by it on each highway used periodically or frequently by the armed forces of the United States, and upon accounts similarly presented by the Government of the United States giving in similar detail the expenditures made by that Government in response to requests from the Government of Panamá as set forth above. In the event that the Government of the United States has rendered cooperation in the maintenance of the said roads, the expenses incurred by that Government in so doing will be credited toward the share of the United States in the total maintenance of the roads under the jurisdiction of Panamá.

In consideration of the above obligations and responsibilities of the United States, the Government of the Republic of Panamá grants the right of transit for the routine movement of the members of the armed forces of the United States, the civilian members of such forces and their families, as well as animals, animal-drawn and motor vehicles employed by the armed forces or by contractors employed by them for construction work or others whose activities are in any way related to the defense program, on roads constructed by the United States in territory under the jurisdiction of the Republic of Panamá

and on the other national highways which place the Canal Zone in communication with the defense areas and of the latter with each other. It should be understood that the United States will take at all times the precautions necessary to avoid, if possible, interruptions of transit in the Republic of Panamá.

ARTICLE IX

All roads constructed by the United States in the territory under the jurisdiction of the Republic of Panamá shall be under the jurisdiction of Panamá. As to those secondary roads constructed by the United States for the purpose of giving access to any defense site, Panamá grants to the military authorities of the United States the right to restrict or prohibit public travel on such roads within a reasonable distance from such sites if such restriction or prohibition is necessary to the military protection of such sites. It is understood that such restriction or prohibition is without prejudice to the free access of the inhabitants established within the restricted areas to their respective properties. It is also understood that such restriction or prohibition is not to be exercised on any part of any main highway.

ARTICLE X

The Government of the United States of America, when constructing the air bases and airports on any of the sites referred to in Article I, shall take into consideration, in addition to the requirements of a technical order for the safety thereof, the regulations on the matter as have been or may be promulgated by the joint Aviation Board.

The Republic of Panamá shall not permit, without reaching an agreement with the United States, the erection or maintenance of any aerial lines or other obstructions which may constitute a danger for persons flying in the vicinity of the areas intended for air bases or airports. If, in constructing the said air bases and airports, it should be necessary to remove lines of wire already strung because of their constituting an obstacle thereto, the Government of the United States shall pay the costs of the removal and new installation elsewhere which may be occasioned.

ARTICLE XI

The Government of the United States agrees to take all appropriate measures to prevent articles imported for consumption within the areas referred to in Article I from passing to any other territory of the rest of the Republic except upon compliance with Panamanian fiscal laws. Whenever it is possible, the provisioning and equipping of the bases and their personnel will be done with products, articles and foodstuffs coming from the Republic of Panamá, provided they are available at reasonable prices.

ARTICLE XII

The sites referred to in Article I consist both of lands belonging to the Government of the Republic of Panamá and of privately owned lands.

In the case of the private lands, which the Government of Panamá shall acquire from the owners and the temporary use of which shall be granted by it to the Government of the United States, it is agreed that the Government of the United States will pay to the Government of Panamá an annual rental of fifty balboas or dollars per hectare for all such lands covered by this Agreement, the Government of Panamá assuming all costs of expropriation as well as indemnities and reimbursements for buildings, cultivations, installations or improvements which may exist within the sites chosen.

In the case of the public lands the Government of the United States will pay to the Government of Panamá an annual rental of one balboa or dollar for all such lands covered by this Agreement.

There are expressly excepted the lands situated in the Corregimiento of Rio Hato, designated by No. 12 in the attached Memorandum, it being understood that for this entire tract the United States Government will pay to the Government of Panamá an annual rental of ten thousand balboas or dollars.

The rentals set out in this Article shall be paid in balboas as defined by the Agreement embodied in the exchange of notes dated March 2, 1936, referred to in Article VII of the Treaty of that date between the United States of America and Panamá, or the equivalent thereof in dollars, and shall be payable from the date on which the use of the lands by the United States actually began, with the exception of the lands situated in the Corregimiento of Rio Hato designated by No. 12 in the attached memorandum, rental for which shall commence January 1, 1943.

ARTICLE XIII

The provisions of this Agreement may be terminated upon the mutual consent of the signatory parties even prior to the expiration thereof in conformity with Articles I and V above, it being understood also that any of the areas to which this Agreement refers may be evacuated by the United States and the use thereof by the United States terminated prior to that date.

ARTICLE XIV

This Agreement will enter into effect when approved by the National Executive Power of Panamá and by the National Assembly of Panamá.

Signed in Panamá in duplicate in both English and Spanish this 18th day of May, 1942.

On behalf of the Government of the United States of America:

EDWIN C. WILSON

On behalf of the Government of the Republic of Panamá:

OCTAVIO FÁBREGA

EXCHANGES OF NOTES

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 313

Panamá, May 18, 1942

EXCELLENCY:

With reference to the Agreement for the use of the defense sites signed today, I have the honor to confirm the understanding we have reached during the negotiations to the effect that in the event further defense sites should become necessary for the effective protection of the Canal, such sites, if agreed upon by both Governments, will be added to the Memorandum annexed to the Agreement signed today and will be subject to the same conditions and terms as the sites originally listed in the Memorandum.

Accept, Excellency, the renewed assurances of my highest consideration.

EDWIN C. WILSON

His Excellency

Señor Doctor Don OCTAVIO FÁBREGA,
Minister for Foreign Affairs.

The Panamanian Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
Diplomatic Division

No. 3590

PANAMÁ, May 18, 1942

EXCELLENCY:

I have the pleasure of acknowledging receipt of your note of this date reading as follows:

[For text, see above.]

In reply, I have the honor to confirm the agreement we have reached, as set forth in the note quoted above.

It gives me pleasure to renew to Your Excellency the assurances of my highest and most distinguished consideration.

OCTAVIO FÁBREGA
Minister of Foreign Affairs

His Excellency

EDWIN C. WILSON,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America.
City.*

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
Panamá, May 18, 1942

No. 314

EXCELLENCY:

With reference to the Agreement for the lease of the defense sites signed today, I have the honor to confirm the understanding reached during the negotiations to the effect that the two areas under temporary use for purposes of maneuvers by the Combat Teams near Chorrera (approximately 530 hectares) and near Pacora (approximately 1,010 hectares), may continue to be so used for the period of one year from this date, but that if after May 18, 1943, such use should still be considered essential by both Governments for the protection of the Panama Canal, then the two areas in question will be regarded as defense sites and will be added to the Memorandum annexed to the defense sites Agreement, becoming subject as from that date to all the terms and conditions of said Agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

EDWIN C. WILSON

His Excellency

Señor Doctor Don OCTAVIO FÁBREGA,
Minister for Foreign Affairs.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
Diplomatic Division

No. 3589

*PANAMÁ, May 18, 1942***EXCELLENCY:**

I have the pleasure of acknowledging receipt of your note of this date reading as follows:

[For text, see above.]

In reply, I have the honor to confirm the agreement we have reached, as set forth in the note quoted above.

It gives me pleasure to renew to Your Excellency the assurances of my highest and most distinguished consideration.

OCTAVIO FÁBREGA
Minister of Foreign Affairs

His Excellency

EDWIN C. WILSON,
*Ambassador Extraordinary and Plenipotentiary
of the United States of America.
City.*

DETAIL OF MILITARY OFFICER AS ADVISER TO MINISTER OF FOREIGN AFFAIRS

Agreement signed at Washington July 7, 1942

Entered into force July 7, 1942

*Extended annually by agreements of July 6 and August 5, 1943;¹
April 26 and May 18, 1944;² February 27 and April 7, 1945;³
February 20, April 17, August 28, and October 17, 1946;³
July 5 and 22, 1947;³ June 4 and July 23, 1948;³ January 24
and April 1, 1949;³ January 30 and February 16, 1950;³ and
June 26 and August 7, 1951.³*

*Extended for 5 years by agreements of January 10, February 26, and
July 9 and 21, 1952,⁴ and July 25 and October 2, 1957.⁵*

Extended indefinitely by agreement of March 26 and July 6, 1962.⁶

*Amended by agreements of February 17, March 23, September 22,
and November 6, 1959,⁷ and September 20 and October 8,
1962.⁸*

56 Stat. 1545; Executive Agreement Series 258

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PANAMA

In conformity with the request of the Acting Minister of Foreign Affairs of the Republic of Panama to the Secretary of State of the United States of America, the President of the United States of America has authorized the appointment of an officer of the United States Army to serve in the Republic of Panama under the conditions specified below:

TITLE I

Duties and Duration

ARTICLE 1. The Government of the United States of America shall place at the disposal of the Government of the Republic of Panama the

¹ 57 Stat. 1052; EAS 336.

² 58 Stat. 1377; EAS 414.

³ Not printed here.

⁴ 3 UST 4962; TIAS 2669.

⁵ 8 UST 1626; TIAS 3917.

⁶ 13 UST 2598; TIAS 5226.

⁷ 12 UST 718; TIAS 4773.

⁸ 13 UST 2600; TIAS 5226.

technical and professional services of an officer of the United States Army to serve as adviser to the Minister of Foreign Affairs on subjects pertaining to the defense of the Republic of Panama.

ARTICLE 2. The officer detailed to this duty by the Government of the United States of America shall be Colonel Horace S. Eakins, of the United States Army, or another officer of similar qualifications in replacement if necessary as may mutually be agreed upon by the Government of the United States of America and the Government of the Republic of Panama.

ARTICLE 3. This Agreement shall come into force on the date of signature and shall continue in force for a period of one year, unless previously terminated as hereinafter stipulated.

ARTICLE 4. If the Government of the Republic of Panama should desire that the services of the officer be extended beyond the period stipulated in Article 3, it shall make a written proposal to that effect six months before the expiration of this Agreement.

ARTICLE 5. This Agreement may be terminated before the expiration of the period of one year prescribed in Article 3, or before the expiration of the extension authorized in Article 4, in the following manner:

(a) By either of the Governments, subject to three months' written notice to the other Government;

(b) By the recall of the officer by the Government of the United States of America in the public interest of the United States of America, without necessity of compliance with provision (a) of this Article.

ARTICLE 6. Should the officer become unable to perform his duties by reason of continued physical disability, he shall be replaced.

TITLE II

Requisites and Conditions

ARTICLE 7. The officer shall serve in the Republic of Panama with the rank he holds in the United States Army, and shall wear the uniform of his rank in the United States Army.

ARTICLE 8. The officer shall be governed by the disciplinary regulations of the United States Army.

ARTICLE 9. The officer shall be responsible directly and solely to the Minister of Foreign Affairs of the Republic of Panama.

ARTICLE 10. During the period this officer is detailed under this Agreement or any extension thereof, the Government of the Republic of Panama shall not engage the services of any personnel of any other foreign government for the duties and purposes contemplated by this Agreement.

ARTICLE 11. This officer shall not divulge nor by any means disclose to any foreign government or to any person whatsoever any secret or confi-

dential matter of which he may become cognizant as a natural consequence of his functions, or in any other way, it being understood that this requisite honorably continues even after the expiration or cancellation of the present Agreement or extension thereof.

ARTICLE 12. Throughout this Agreement the term "family" of the officer is limited to mean wife and dependent children.

ARTICLE 13. The officer shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of a year. Unused portions of said leave shall be cumulative from year to year during the service of the officer under this Agreement.

ARTICLE 14. The leave specified in Article 13 may be spent in foreign countries, subject to the standing instructions of the War Department of the United States of America concerning visits abroad. In all cases the said leave, or portions thereof, shall be taken by the officer only after consultation with the Minister of Foreign Affairs of the Republic of Panama with a view to ascertaining the mutual convenience of the Government of the Republic of Panama and the officer in respect to this leave.

ARTICLE 15. The expenses of travel and transportation not otherwise provided for in this Agreement shall be borne by the officer in taking such leave. All travel time shall count as leave and shall not be in addition to the time authorized in Article 13.

TITLE III

Compensations

ARTICLE 16. For the services specified in Article 1 of this Agreement, the officer shall receive from the Government of the Republic of Panama such net annual compensation expressed in United States currency as may be agreed upon between the Government of the United States of America and the Government of the Republic of Panama. This compensation shall be paid in twelve (12) monthly installments, as nearly equal as possible, each due and payable on the last day of the month. Payment may be made in the Panamanian national currency. Payments made outside of the Republic of Panama shall be in the national currency of the United States of America. The compensation shall not be subject to any tax, now or hereafter in effect, of the Government of the Republic of Panama or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be borne by the Ministry of Foreign Affairs of the Republic of Panama.

ARTICLE 17. The compensation set forth in Article 16 shall begin on the date of departure of the officer from the United States of America, and it shall continue after the termination of his services in the Republic of

Panama, during his return trip to the United States of America, and thereafter for the period of any accumulated leave to which he is entitled.

ARTICLE 18. The compensation due for the period of the return trip and accumulated leave shall be paid to the officer before his departure from the Republic of Panama, and such payment shall be computed for travel by sea, air or land or any combination thereof to the actual port of entry of the United States of America.

ARTICLE 19. The officer and his family shall be provided by the Government of the Republic of Panama with first-class accommodations for travel required and performed under this Agreement between the port of embarkation from the United States of America and his official residence in the Republic of Panama, both for the outward and for the return voyage. The expenses of transportation by land and sea of the officer's household effects and baggage, including automobile, from the port of embarkation in the United States of America to the Republic of Panama and return, shall also be paid by the Government of the Republic of Panama. These expenses shall include all necessary costs incidental to unloading from the steamer upon arrival in the Republic of Panama, cartage from the ship to the officer's residence in the Republic of Panama, and packing and loading on board the steamer upon departure from the Republic of Panama upon termination of services. The transportation of such household effects, baggage and automobile shall be made in a single shipment, and all subsequent shipments shall be at the expense of the officer except when such shipments are necessitated by circumstances beyond his control.

ARTICLE 20. The household effects, personal effects and baggage, including an automobile, of the officer and his family, shall be exempt from customs duties in the Republic of Panama, or if such customs duties are imposed and required, an equivalent additional allowance to cover such charge shall be paid by the Government of the Republic of Panama. During service in the Republic of Panama the officer shall be permitted to import articles needed for his personal use and for the use of his family without payment of customs duties, provided that his requests for free entry have received the approval of the American Ambassador or Chargé d'Affaires ad interim.

ARTICLE 21. If the services of the officer should be terminated by the Government of the United States of America before the completion of one year of service, the provisions of Article 19 shall not apply to the return trip. If the services of the officer should terminate or be terminated before the completion of one year of service, for any other reason, the officer shall receive from the Government of the Republic of Panama all compensations, emoluments, and perquisites as though he had completed one year of service, but the annual salary shall terminate as provided in Article 17. But should the Government of the United States of America recall the officer for breach of

discipline, the cost of the return trip to the United States of America of such officer, his family, household effects and baggage, and automobile, shall not be borne by the Government of the Republic of Panama.

ARTICLE 22. Compensation for transportation and traveling expenses in the Republic of Panama on official business of the Government of the Republic of Panama shall be provided by the Government of the Republic of Panama.

ARTICLE 23. The Government of the Republic of Panama shall provide suitable office space and facilities for the use of the officer.

ARTICLE 24. The Government of the Republic of Panama shall provide the officer, when possible, with a suitable automobile, with chauffeur, for use on official business.

ARTICLE 25. If replacement of the officer is made during the life of this Agreement or any extension thereof, the terms as stipulated in this Agreement shall also apply to the replacement officer, with the exception that the replacement officer shall receive an amount of annual compensation which shall be agreed upon by the two Governments.

ARTICLE 26. The Government of the Republic of Panama shall provide suitable medical attention for the officer and his family. In case the officer or any member of his family becomes ill or suffers injury, he or she shall be placed in such hospital as the officer deems suitable after consultation with the Ministry of Foreign Affairs of the Republic of Panama. The officer shall in all cases pay the cost of subsistence incident to his hospitalization or that of a member of his family.

ARTICLE 27. If the officer or any member of his family should die in the Republic of Panama during the period while this Agreement is in effect, the Government of the Republic of Panama shall have the body transported to such place in the United States of America as the family may decide, but the cost to the Government of the Republic of Panama shall not exceed the cost of transporting the remains from the place of decease to New York City. Should the deceased be the officer, his services shall be considered to have terminated fifteen (15) days after his death. Return transportation to the United States of America for the family of the deceased officer and for their household effects, baggage, and automobile shall be provided as prescribed in Article 19. All compensation due the deceased officer and reimbursement due the officer for expenses and transportation on official business of the Government of the Republic of Panama shall be paid to the widow of the officer, or to any other person who may have been designated in writing by the officer, provided such widow or other person shall not be compensated for the accrued leave of the deceased, and further provided that these compensations shall be paid within fifteen (15) days after the death of the officer.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Agreement in the English and Spanish languages, in duplicate, at Washington, this seventh day of July, 1942.

For the United States of America:

CORDELL HULL [SEAL]

*Secretary of State
of the United States of America*

For the Republic of Panama:

E. JAÉN GUARDIA [SEAL]

*Ambassador Extraordinary and
Plenipotentiary of the Republic
of Panama at Washington*

HEALTH AND SANITATION PROGRAM

Exchange of notes at Panama December 31, 1942, and March 2, 1943

Entered into force March 2, 1943

Terminated September 15, 1945¹

58 Stat. 1451; Executive Agreement Series 428

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 525

Panamá, December 31, 1942

EXCELLENCY:

I have the honor to refer to our conversations relative to a cooperative program of health and sanitation in the Republic of Panamá, with particular reference to resolution No. XXX approved at the Third Meeting of Ministers of Foreign Affairs of the American Republics held at Rio de Janeiro, Brazil, in January, 1942.²

If desired by the Government of Panamá, the Government of the United States is prepared to contribute a sum not to exceed one-half million dollars for a cooperative program of health and sanitation in Panamá, such sum to be made available through the Office of the Coordinator of Inter-American Affairs. The United States Government will also provide a group of experts in public health to cooperate with the officials of the Government of Panamá in the execution of the proposed program of health and sanitation.

It is understood that the Government of Panamá will furnish such personnel, services and funds for local expenditures as it may consider necessary for the efficient development of the program.

It is further understood that a special cooperative service of health and sanitation will be established within the appropriate ministry of the Government of Panamá and that the detailed arrangements for the establishment of such a special service will be effected by agreement between the appropriate official of the Government of Panamá and the representative of the Coordinator of Inter-American Affairs.

¹ Date on which program was taken over by Government of Panama.

² For text, see *Department of State Bulletin*, Feb. 7, 1942, p. 137.

Allocation of United States funds for the purpose of this program will be made by the Institute of Inter-American Affairs which is an agency of the Office of the Coordinator of Inter-American Affairs. Detailed arrangements for the execution of each project and for the expenditure of United States funds will be made by mutual agreement between a representative of the Institute of Inter-American Affairs in Panamá and the appropriate official of the Government of Panamá.

It is understood that the sum not to exceed one-half million dollars contributed by the United States Government for execution of the cooperative program of health and sanitation in the Republic of Panamá will be expended for the control of malaria in accordance with mutual agreements between the appropriate official of the Government of Panamá and a representative of the Institute of Inter-American Affairs in Panamá.

All projects completed in the prosecution of this program will be the property of the Government of Panamá.

No project will be undertaken that will require materials or supplies, the procurement of which would handicap any phase of the war effort.

I should appreciate it if Your Excellency would be so good as to confirm to me your approval of this general proposal with the understanding that the details of the program will be the subject of further discussion and agreements.

Accept, Excellency, the renewed assurances of my highest consideration.

EDWIN C. WILSON

His Excellency

Señor Doctor Don OCTAVIO FÁBREGA,
Minister for Foreign Affairs.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

D.P. N°.4947

PANAMÁ, March 2, 1943

MR. AMBASSADOR:

I have the honor to acknowledge the receipt of Your Excellency's note bearing the number 525 and dated December 31, 1942, which reads as follows:

[For text, see above.]

In reply, I take pleasure in communicating to Your Excellency that the Government of the Republic of Panamá accepts the general proposal contained in the communication transcribed above, the details of which will be the subject of further discussion and agreements.

I renew to Your Excellency the assurances of my highest and most distinguished consideration.

OCTAVIO FÁBREGA
Minister for Foreign Affairs

His Excellency

EDWIN C. WILSON,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.*

INTER-AMERICAN HIGHWAY

Exchange of notes at Panama May 15 and June 7, 1943

Entered into force June 7, 1943

Amended by agreement of January 16 and 26, 1951¹

57 Stat. 1298; Executive Agreement Series 365

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

DEPARTMENT OF FOREIGN RELATIONS
Diplomatic Division

D.P. No. 5198

PANAMÁ, May 15, 1943

MR. AMBASSADOR:

It gives me pleasure to refer to this Ministry's *aide-mémoire* of March 3, 1942 informing the Embassy that the Government of Panama desired to avail itself of the benefits of law 375 of the Congress of the United States² on the construction of the Inter-American Highway and that it agreed to assume one third of the total cost of said work in the Panamanian section.

By this means I now reiterate formally to Your Excellency that the Government of Panama will assume one third of the expenses incurred by the United States in the survey and construction of the section of the Inter-American Highway to be constructed within the limits of the Republic of Panama in accordance with the provisions of the above-mentioned law 375. This percentage will amount to the sum of \$2,200,000.00 approximately in accordance with what Your Excellency told me in the Embassy's informal memorandum of May 1.

Since in that informal memorandum an indication is requested regarding the specific source from which the funds will come for the payment of this one-third part corresponding to Panama, I inform Your Excellency that it is the plan of my Government to obtain an internal loan with this object in view.

In this form, the Government of the Republic of Panama is ready to contribute its share to the realization of this work of such importance to the defense and the future of the hemisphere.

¹ 2 UST 1852; TIAS 2321.

² Public Law 375 of Dec. 26, 1941 (55 Stat. 860).

Accept, Excellency, the reiterated assurances of my highest and most distinguished consideration.

OCTAVIO FÁBREGA
Minister of Foreign Relations

His Excellency

EDWIN C. WILSON,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America
City.*

The American Ambassador to the Acting Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

Panamá, June 7, 1943

No. 626

EXCELLENCY:

I have the honor to acknowledge the receipt of Note D.P. No. 5198 of May 15, 1943, in which His Excellency Señor Doctor Octavio Fábrega, Minister of Foreign Affairs, informed me that the Government of Panamá desired to avail itself of the cooperation of the Government of the United States in construction of the Inter-American Highway in Panamá, and offered the assurances required by Public Law 375 of December 26, 1941 in connection with such cooperation.

I take pleasure in informing Your Excellency that the assurances offered in the kind note referred to are satisfactory to my Government. It is consequently the intention of my Government, as soon as Your Excellency's Government has completed the financial arrangements mentioned and subject to the appropriation of the necessary funds by the Congress of the United States, to extend to Your Excellency's Government the cooperation envisaged by the above-mentioned law. Your Excellency will recall that Public Law 375 provides that the surveying and construction work authorized by that act shall be under the administration of the Public Roads Administration. It is understood, therefore, that the pertinent Panamanian officials and the Public Roads Administration will seek to reach a subsidiary agreement regarding the administration of the contemplated work.

My Government is gratified that through this cooperative undertaking it will be possible to complete the Inter-American Highway to Panamá City. Transportation facilities will be improved, new lands and new natural resources developed, additional markets opened, and local economic conditions benefitted through the useful expenditure of money which this project envisages. Both of our countries should happily profit therefrom. I sincerely trust that the highway will serve not only as a link to increase material inter-

course between our nations but also as another bond in the close friendship which unites us.

Accept, Excellency, the renewed assurances of my highest consideration.

EDWIN C. WILSON

His Excellency

Señor Doctor Don VÍCTOR F. GOYTÍA,

Acting Minister for Foreign Affairs.

FOOD PRODUCTION

*Exchange of notes at Panama October 19 and November 1, 1943
Entered into force November 1, 1943
Terminated June 25, 1946¹*

Department of State files

The American Chargé d'Affaires ad interim to the Minister of Foreign Affairs

No. 724

PANAMA, October 19, 1943

EXCELLENCY:

Pursuant to conversations and communications between representatives of our respective Governments, I have the honor to inform Your Excellency that the Government of the United States is prepared to cooperate with the Government of Panama in a joint undertaking to assist your Government in attaining its objectives in increasing food production.

My Government understands that it is the desire of the Government of Panama to stimulate production of agricultural and livestock products. In this connection the Government of the United States, acting through the Institute of Inter-American Affairs, a corporation within the Office of the Coordinator of Inter-American Affairs, will maintain in Panama, if it is agreeable to Your Excellency, a small group of technicians in such number as the Institute of Inter-American Affairs deems appropriate to develop a specific program in cooperation with Your Excellency's Government. The group of technicians will be under the immediate supervision of the Director of the field party of the Food Supply Division of the Institute of Inter-American Affairs and will work in the closest cooperation with the appropriate Panamanian officials. The salaries and expenses of the group of technicians will be paid for by the Institute.

The Government of the United States will also cooperate with Your Excellency's Government in procuring seeds, fertilizers, insecticides, agricultural tools and equipment and other facilities necessary for the accomplishment of the undertaking. The expenditures to be made by the United States in render-

¹ Date of termination agreement signed by a representative of the Institute of Inter-American Affairs and the Panamanian Minister of Agriculture and Commerce.

ing such cooperation shall be in such amount as the Institute of Inter-American Affairs deems necessary.

I should appreciate it if Your Excellency would be so good as to confirm to me your approval of the general proposal, with the understanding that the details of the program will be the subject of further discussions and agreements.

I avail myself of this opportunity to renew, Your Excellency, the assurances of my distinguished consideration.

JOHN J. MUCCIO
Chargé d'Affaires, a.i.

His Excellency

Señor Doctor Don OCTAVIO FABREGA,
Minister of Foreign Relations.

*The Minister of Foreign Affairs to the American Chargé d'Affaires
ad interim*

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
Diplomatic Department

D.P. No. 5999

PANAMA, November 1, 1943

MR. CHARGÉ D'AFFAIRES:

I take pleasure in referring to Your Excellency's courteous note number 724 of October 19 last, by which you are good enough to inform me that the Government of the United States is prepared to cooperate with the Government of Panama in a joint undertaking to assist my Government in attaining its objectives in increasing food production.

I have learned that, in connection with such cooperation offered by Your Excellency's Government, the Institute of Inter-American Affairs has drawn up a plan for the establishment of a group of experts in territory of the Republic in order that, within a specific program of cooperation, it may be possible to carry out the plans of the Government of Panama with respect to an increase in food production.

Immediately after receiving Your Excellency's note, I took the liberty of informing the Minister of Agriculture and Commerce of the kind offer of the Government of the United States, and it is with the greatest pleasure that I respectfully communicate to you that my Government accepts this cooperation and has directed the Minister of Agriculture and Commerce to formulate the program to be carried on, in agreement with the representatives of the Institute of Inter-American Affairs.

I should like to take this occasion to express to the enlightened Government of the United States, through Your Excellency, the gratitude of my Govern-

ment for this new example of cooperation and assistance which has been offered to the Republic of Panama.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

OCTAVIO FÁBREGA
Minister of Foreign Relations

His Excellency,
JOHN J. MUCCIO,
Chargé d’Affaires ad interim
of the United States of America,
City.

COOPERATIVE EDUCATION PROGRAM

Exchange of notes at Panama November 13 and 14, 1944

Entered into force November 14, 1944

Extended and supplemented by agreements of September 23 and 24, 1948;¹ July 23 and September 2, 1949;² September 22 and October 10, 1950;³ August 10 and October 23, 1951;⁴ February 29 and April 9, 1952;⁵ and March 24 and April 30, 1955⁶

Expired June 30, 1960

59 Stat. 1871; Executive Agreement Series 504

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 94

Panamá, November 13, 1944

EXCELLENCY:

I have the honor to refer to Resolution No. XXVIII adopted by the Conference of Ministers and Directors of Education of the American Republics held at Panamá in September and October, 1943.

Under the authority of that Resolution a series of conversations has been held recently between a representative of the Embassy, accompanied by visiting officials of the United States Government, and the Minister of Education of Panama and his advisers relative to the consideration of certain proposed educational activities to be undertaken jointly by our two Governments.

I am pleased to inform Your Excellency that my Government is prepared to collaborate with the Government of Panama in a cooperative educational program in the event that the Government of Panama is disposed to indicate its interest in such a program. If Your Excellency will be so good as to confirm your approval of this general proposal, it will be understood that the details of the program will be the subject of further discussions and agreements between the Ministry of Education, acting in behalf of the Government of the Republic of Panama, and a representative of the Inter-American

¹ TIAS 2148, *post*, p. 843.

² TIAS 2149, *post*, p. 881.

³ 2 UST 820; TIAS 2234.

⁴ 2 UST 2535; TIAS 2372.

⁵ 5 UST 336; TIAS 2925.

⁶ 6 UST 3929; TIAS 3399.

Educational Foundation, Inc., acting in behalf of the Government of the United States of America.

Accept, Excellency, the renewed assurances of my highest consideration.

AVRA M. WARREN

His Excellency

Señor Don SAMUEL LEWIS, Jr.,
Minister for Foreign Affairs.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
Diplomatic Section

D.P. 1599

PANAMÁ, November 14, 1944

MR. AMBASSADOR:

I have the honor to refer to Your Excellency's courteous note No. 94 of the 13th of this month in which you are so good as to inform me that the illustrious Government of the United States has manifested a desire to collaborate with the Government of Panama in a cooperative program in matters of education, and in which you request to be informed whether my Government would be disposed to approve a program based on the conversations which took place between representatives of the Government of the United States and representatives of the Ministry of Education of Panama.

It is with particular pleasure that I inform Your Excellency that my Government is happy to accept the collaboration offered it by Your Excellency's illustrious Government.

The Ministry of Education, to which this offer has been communicated, is prepared to initiate immediately conversations for arranging the cooperative program which is in project.

The Minister of Education has requested me to convey to the Government of the United States, through Your Excellency's good offices, his deepest gratitude for the highly esteemed cooperation which is offered us.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

S. LEWIS

Samuel Lewis

Minister for Foreign Affairs

His Excellency

AVRA M. WARREN,
*Ambassador Extraordinary and
Plenipotentiary of the
United States of America,
City.*

LEGAL TENDER AND FRACTIONAL SILVER COINAGE

*Exchange of notes at Washington June 17, 1946, modifying agree-
ment of June 20, 1904, as modified
Entered into force June 17, 1946*

Department of State files

The Acting Secretary of State to the Panamanian Ambassador

JUNE 17, 1946

EXCELLENCY:

I have the honor to refer to Your Excellency's note of September 21, 1945, regarding the desire of the Government of Panamá to have minted in the United States the sum of one million silver balboas (B/1.000,000) in coin of the following denominations.

B/500,000	in	B/1.00	pieces
225,000	in	0.50	pieces
175,000	in	0.25	pieces
100,000	in	0.10	pieces

In the pertinent decree issued by your Government September 19, 1945, the contemplated issue is motivated by the consideration that an investigation carried out by the Comptroller General's office has shown that there is a scarcity of Panamanian silver money and that a new issue is therefore necessary.

Having regard to the known scarcity of Panamanian silver currency in circulation, the Government of the United States will agree to the contemplated issue in the amount of one million balboas on the understanding that this does not prejudice or modify the conditions and limitations attaching to the issuance of silver currency under the Monetary Agreement of 1904,¹ as modified, although it may be in derogation therefrom to an extent which cannot be determined with accuracy since it is not known what volume of Panamanian silver currency may be in circulation in Panamá on completion of the new issue. It is understood that should it at anytime appear that the amount of Panamanian silver currency in circulation is in excess of \$1.500.000 and that the parity of the coinage with the dollar may be impaired or other

¹ *Ante*, p. 681.

inconvenience is thereby caused in the fiscal operations of the Panamá Canal, the Government of Panamá agrees, when requested by the United States, to reduce the outstanding amount of its silver currency by the amount by which it may be found to be excessive.

Upon receipt of a note confirming this understanding on behalf of the Government of Panamá, the Department of State will be pleased to arrange for the Embassy to consult directly with the appropriate officials of the Department of the Treasury with a view of working out the details for having the coinage undertaken at the Philadelphia Mint.

Accept, Excellency, the renewed assurances of my highest consideration.

DEAN ACHESON
Acting Secretary of State

His Excellency

Señor Doctor J. J. VALLARINO,
Ambassador of the Republic of Panama,
Washington, D.C.

The Panamanian Ambassador to the Acting Secretary of State

D-538

JUNE 17, 1946

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of today's date, reading as follows:

[For text, see above.]

In reply I have the honor to express the agreement of the Government of the Republic of Panamá with the conditions set forth in Your Excellency's note under reference.

Accept, Excellency, the renewed assurances of my highest consideration.

J. J. VALLARINO

His Excellency DEAN ACHESON,
Acting Secretary of State,
Washington, D.C.

COLÓN CORRIDOR

Exchange of notes at Panama May 26, 1947

Entered into force May 26, 1947

Superseded April 11, 1955, by convention of May 24, 1950¹

62 Stat. 3933; Treaties and Other
International Acts Series 2029

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
Panamá, R.P., May 26, 1947

No. 417

EXCELLENCY:

I have the honor to refer to Article VIII of the General Treaty of March 2, 1936,² between the United States of America and Panamá, and to recall to Your Excellency's attention the fact that when the Trans-Isthmian Highway was built between the boundary of the Canal Zone and the Republic of Panamá near Cativa and Randolph Road a change of alignment of the Trans-Isthmian Highway was made for engineering purposes with the result that at the present time the location of the Trans-Isthmian Highway differs from that of the corridor established by said Article VIII in that area.

In order that the Government of Panamá may proceed with the completion of the Colón Corridor from Randolph Road to the City of Colón, and benefit by the availability of the equipment which is now being used on the project of filling certain swamp areas in the City of Colón, the Government of the United States of America proposes that, by way of *modus vivendi* pending the coming into force of appropriate provisions effecting necessary modifications in existing treaties or conventions between the two countries, it be mutually agreed by and between the Government of the United States of America and the Government of Panamá as follows:

(a) That between the boundary near Cativa and the Randolph Road overpass the Colón Corridor location will be altered to conform to that shown

¹ 6 UST 461; TIAS 3180.

² TS 945, *ante*, p. 742.

on Exhibit C³ of the Public Roads Administration (August 6, 1946, P. C. Drwg. No. V. F. 933-7C).

(b) That the Randolph Road overpass will be constructed in substantial conformity with the plans for such construction set forth in Exhibit F of the Public Roads Administration (August 6, 1946, P. C. Drwg. No. V. F. 933-7F).

(c) That at the Randolph Road overpass the corridor will be no wider than is necessary to include the viaduct and ramps and will not include any part of Randolph Road proper or of the railroad right-of-way.

(d) That between the Randolph Road overpass and the boundary line between the City of Colón and the Canal Zone the corridor location will be altered to conform to that shown on Exhibit B of the Public Roads Administration (August 6, 1946, P. C. Drwg. No. V. F. 933-7B). As so shown the corridor will end at its intersection with the City of Colón–Canal Zone boundary at mean low water line near Boundary Street.

(e) That between the Randolph Road overpass and the boundary line between the City of Colón and the Canal Zone the corridor road, including the storm and sanitary sewerage facilities made necessary by such road, will be constructed, by or at the expense of the Government of Panamá, in substantial conformity with the plans for such construction set forth in Exhibit E of the Public Roads Administration (August 6, 1946, P. C. Drwg. No. V. F. 933-7E), as supplemented and modified by Exhibit B of The Panama Canal.

(f) That the Government of Panamá will at times maintain in good structural condition the drainage facilities through the fills constructed for the corridor road.

(g) That the right of the United States of America, under Article VIII of the General Treaty of 1936, of travel along the corridor, subject to such traffic regulations as may be established by the Government of Panamá, will extend and apply to the Colón entrance to the corridor, which, in view of the boundary change referred to in paragraph (i) hereof, will not form a part of the corridor.

(h) That the two Governments will, as soon as possible, formally enter into a suitable convention amending Article VIII of the General Treaty in such manner as to alter the description of the corridor in the manner herein-before provided, and to include in substance the provisions of paragraphs (f) and (g) hereof.

(i) That the two Governments will, as soon as possible, formally enter into a suitable convention, amending Article V of the Boundary Convention concluded on September 2, 1914,⁴ in such manner as to revise that portion of the City of Colón–Canal Zone boundary line which extends from the end of

³ The exhibits referred to in this exchange of notes are not printed. Copies as received from the American Embassy with a certified copy of this note are deposited with the agreement in the archives of the Department of State, where they are available for reference.

⁴ TS 610, *ante*, p. 706.

the corridor, as herein provided for, to Sixteenth Street, in conformity with the boundary revisions proposed by the Public Roads Administration and shown on its Exhibit A (August 6, 1946, P. C. Drwg. No. V. F. 933-7A). The convention will accord to the United States the right to construct highways connecting Bolivar Highway and the highway forming the Colón entrance to the corridor, such as the connecting highways outlined on Exhibit A of the Public Roads Administration. This paragraph and paragraphs (j) and (k) hereof shall be operative only in the event that the Colón entrance to the corridor is constructed in substantial conformity with Exhibits A and E of the Public Roads Administration (August 6, 1946, P. C. Drwg. No. V. F. 933-7A and E).

(j) That the two Governments will, in the proposed convention referred to in paragraph (i) hereof, further amend Article V of the Boundary Convention of 1914, in such manner as to revise that portion of the City of Colón–Canal Zone boundary line which extends from Sixteenth Street in a northwesterly direction to the center line of Bolivar Avenue, in conformity with the boundary revision proposed by The Panama Canal and marked on a copy of Panama Canal Drawing No. X-6113-53 dated July 6, 1945, which copy is marked Panama Canal Exhibit A.

(k) That the two Governments will, in the proposed convention referred to in paragraphs (i) and (j) hereof, provide in substance, first, that the tracts of land transferred from the City of Colón to the Canal Zone, in consequence of the boundary changes provided for in said paragraphs (i) and (j), shall become parts of the Canal Zone in the same manner as though they had been included within the grants contained in the Convention of November 18, 1903,⁵ between the two Governments, and that the Government of Panama undertakes that no private titles exist in and to such tracts of land; and, second, in respect to the tracts of land transferred from the Canal Zone to the City of Colón in consequence of the boundary changes agreed upon, the Government of the United States of America undertakes that no private titles exist in and to such tracts of land.

(l) That the portion of the Boyd–Roosevelt Highway known as the Madden Dam Bypass Road is understood and agreed to form a part of the Trans–Isthmian Highway under the terms of the Trans–Isthmian Highway Convention of March 2, 1936,⁶ and that such agreement will be included in the proposed convention referred to in paragraph (m) hereof.

(m) Referring to the several areas in the Rio Madronal–Roque section of the Trans–Isthmian (Boyd–Roosevelt) Highway wherein the highway passes through Canal Zone territory, including the section of the highway between the Quebrada Madronal and the Quebrada Moja Polla, the section

⁵ TS 431, *ante*, p. 663.

⁶ TS 946, *ante*, p. 778.

of the highway crossing the Agua Bendita and Chilibre Rivers, and the Roque overpass whereby such highway crosses the Madden Dam Corridor; and referring to the area wherein such highway passes through Canal Zone territory in crossing the Gatun River:—That the two Governments will, as soon as possible, formally enter into a suitable convention whereby the United States of America will transfer to the Republic of Panamá jurisdiction over suitable corridors, subject to terms similar to those contained in Article VIII of the General Treaty of 1936, as herein agreed to be amended, in order that the aforementioned sections of the Trans-Isthmian Highway shall be within the jurisdiction of the Republic of Panamá. In the case of the Roque overpass the corridor will be no wider than is necessary to include the viaduct and approaches, and will not include any part of Madden Road proper. In all cases wherein the aforesaid corridors traverse waterways, the corridors will not include any part of such waterways.

(n) That the right of the United States of America, under Article VII of the Trans-Isthmian Highway Convention of 1936, to enjoy equally the use of the portions of the Trans-Isthmian Highway within the jurisdiction of the Republic of Panamá, subject to the laws and regulations relating to vehicular traffic in force in the Republic of Panamá, shall extend and apply to the portion of the Boyd-Roosevelt Highway between the Roque overpass and the City of Panamá.

(o) That the provisions of this agreement shall not affect the rights and obligations of the two Governments under treaties and conventions now in force between them, and particularly under Article VIII of the General Treaty of 1936 and Article II of the Trans-Isthmian Highway Convention of 1936, but without prejudice to the full force and effect of the provisions of this agreement which contemplate the conclusion of a convention for the purpose of adding to, or of modifying, abrogating, or replacing, provisions of such treaties and conventions.

(p) That the terms of this agreement will be modified or deviated from only by agreement between the two Governments concluded by exchange of notes in the same manner as this agreement.

Upon the receipt of your reply note indicating that the Government of Panamá approves the agreement in accordance with the terms outlined above, the Government of the United States of America will consider the agreement to be effective beginning with the date of that note.

Accept, Excellency, the renewed assurances of my highest consideration.

FRANK T. HINES

His Excellency

Dr. RICARDO J. ALFARO,
Minister of Foreign Relations.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

D.P. No. 1227

PANAMA, May 26, 1947

MR. AMBASSADOR:

I have the honor to acknowledge receipt of Your Excellency's courteous note No. 417, of even date, which states as follows:

[For text, see above.]

In reply, I have the honor to confirm the understanding which has been reached concerning the preceding points as expressed in Your Excellency's note to which I have referred.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

R. J. ALFARO
Ricardo J. Alfaro
Minister of Foreign Relations

His Excellency

FRANK T. HINES,

*Ambassador Extraordinary and Plenipotentiary of
the United States of America,
City.*

ARREST AND DETENTION

Informal arrangement signed at Panama September 18 and October 15, 1947

Entered into force October 15, 1947

Department of State files

The American Embassy to the Ministry for Foreign Affairs

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and, with a view to assisting the Panamanian authorities as well as the American citizens concerned, has the honor to present for the Ministry's consideration the suggestion that the Embassy (or the Consulate in Colón as the case may be) be promptly advised when American merchant seamen or American tourists are brought before a Magistrate's Court for infraction of some law or regulation.

It is the Embassy's understanding that generally when an American merchant seaman or an American tourist is brought before a Magistrate's Court it is for some minor charge and that the Magistrate has the option of imposing either a jail sentence or a fine. Naturally the Embassy has no desire to interfere with the course of justice. The Embassy's only desire is that through the notification suggested some authorized United States official may present himself at the Court without delay and perhaps assist in the speedy settlement of the case to the satisfaction of the Magistrate and at the same time obviate any possibility that the American citizen might miss his connections for onward travel.

The foregoing suggestion has been made by way of supplementing the procedure followed by the Police authorities of Panamá with the Shore Patrol and Military Police of the armed forces of the United States in cases involving members of the United States armed forces.

It is hoped that this suggestion will be considered by the Panamanian authorities concerned only as an effort of this Embassy further to develop the cooperative and happy relations which exist between the Courts and the Police of Panamá on the one hand and the Embassy and the Consulate in Colón on the other.

PANAMÁ, R.P.,

September 18, 1947.

The Ministry for Foreign Affairs to the American Embassy

[TRANSLATION]

The Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to refer to the Embassy's note verbale, dated September 18 last, in which it was good enough to submit to the Ministry for consideration a proposal to the effect that the Embassy (or the Consulate at Colón as the case may be) be notified whenever seamen from American merchant vessels or American tourists are taken before a Police Court for some minor violation.

The Ministry has taken due note of the arguments presented by the Embassy in its aforementioned note in support of the suggestion made.

In this connection, we wish to state that the Government of Panama, as a gesture of cooperation with a friendly nation, accepts the Embassy's suggestion with the understanding that it is a matter of desiring to eliminate difficulties for Americans in transit through Panamanian territory, and that it does not imply any obligation on the part of the Government of Panama, since this may be discontinued whenever deemed advisable.

In view of this arrangement, the Ministry of Government and Justice has addressed the various courts that would take cognizance of these cases, suggesting to them that they handle these cases just as they do cases of members of the armed forces of the United States.

M. DE D.

PANAMA CITY,

October 15, 1947

COOPERATIVE EDUCATION PROGRAM

Exchange of notes at Panama September 23 and 24, 1948, with basic agreement of February 25, 1946, and extension agreement of September 28, 1948

*Entered into force September 24, 1948; operative from June 30, 1948
Program expired June 30, 1960*

62 Stat. 4084; Treaties and Other International Acts Series 2148

EXCHANGE OF NOTES

The American Ambassador to the Minister of Foreign Affairs

No. 58

PANAMÁ, PANAMÁ, September 23, 1948

EXCELLENCY:

I have the honor to refer to the notes exchanged on November 13 and 14, 1944,¹ between the Ambassador of the United States to your Government and the Minister of Foreign Affairs and to the Basic Agreement between the Republic of Panamá and the Inter-American Educational Foundation, Inc., dated February 25, 1946,² which provided for the initiation and execution of the existing cooperative education program in Panamá. I also refer to Your Excellency's note of August 7, 1948, suggesting the consideration by our respective Governments of a further extension of that Agreement. In accordance with legislation enacted during 1947 by the Congress and approved by the President of the United States all of the property, funds, functions, personnel, liabilities, and restrictions of the Inter-American Educational Foundation, Inc., were transferred to The Institute of Inter-American Affairs, a corporate instrumentality of the United States created by such legislative action. Consequently, the participation by the United States in the cooperative education program is now being effectuated through The Institute of Inter-American Affairs.

As Your Excellency knows, the Basic Agreement of February 25, 1946, provides that the cooperative education program will terminate on June 30, 1948. However, considering the mutual benefits which both governments are deriving from the program, my Government agrees with the Govern-

¹ EAS 504, *ante*, p. 832.

² See p. 848.

ment of Panamá that an extension of such program would be desirable. I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the cooperative program for a period of one year, from June 30, 1948, through June 30, 1949. It would be understood that, during such period of extension, the Institute would make a contribution of \$41,199.00 U.S. Currency to the Servicio Cooperativo Interamericano de Educación for use in carrying out project activities of the program on condition that your Government would contribute to the Servicio for the same purpose the sum of B/s 101,-000.00. The Institute would also be willing during the same extension period to make available an amount not exceeding \$20,000.00 U.S. Currency to be retained by the Institute, and not deposited to the account of the Servicio, for payment of salaries and other expenses of the members of the Institute Education Division Field Staff, who are maintained by the Institute in Panamá. The amounts referred to would be in addition to the sums already required under the present Basic Agreement to be contributed and made available by the parties in furtherance of the program.

If Your Excellency agrees that the proposed extension on the above basis is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's opinion and agreement thereto as soon as may be possible in order that the technical details of the extension may be worked out by officials of the Ministry of Education and The Institute of Inter-American Affairs.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

MONNETT B. DAVIS

His Excellency

ERNESTO JAÉN GUARDIA,
Minister for Foreign Affairs,
Panamá, Panamá

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS

D.P. No. 1733

PANAMÁ, September 24, 1948

MR. AMBASSADOR:

I have the honor to refer to your Excellency's courteous communication No. 58 of the 23rd instant, the text of which is as follows:

[For text, see above.]

In reply, I have the honor to inform Your Excellency that the Government of the Republic accepts the proposed extension on the terms set forth in the note transcribed above.

I avail myself of this opportunity to express to you the assurances of my highest and most distinguished consideration.

E. JAÉN GUARDIA
Ernesto Jaén Guardia
Minister of Foreign Affairs

His Excellency
MONNETT B. DAVIS,
Ambassador of the United States,
City.

EXTENSION AGREEMENT

The Government of the Republic of Panama (hereinafter referred to as the "Republic"), represented by Manuel Varela Jr., the Minister of Education (hereinafter referred to as the "Minister"), and The Institute of Inter-American Affairs (hereinafter referred to as the "Institute"), a corporate instrumentality of the Government of the United States of America and successor to the Inter-American Educational Foundation, Inc., (hereinafter referred to as the "Foundation"), represented by its Special Representative, Education Division, Ernest C. Jeppsen (hereinafter referred to as the "Special Representative"), have agreed, pursuant to the request of the Republic, and in accordance with the note dated August 7, 1948, between the American Ambassador and the Panamanian Minister for Foreign Affairs, upon the following technical detail, for extending and modifying, in the manner hereinafter set forth, the Agreement executed by the Republic and the Foundation on February 25, 1946, (hereinafter referred to as the "Basic Agreement"), providing for a cooperative educational program to be carried on in Panama.

CLAUSE I

The cooperative educational program provided for in the Basic Agreement is hereby extended for an additional period of one year from June 30, 1948, through June 30, 1949.

All activities which have been and are being carried out in accordance with the Basic Agreement by the parties concerned from June 30, 1948, to and including the effective date of this Extension Agreement are hereby ratified and approved in full.

CLAUSE II

In addition to the funds originally required by the Basic Agreement to be contributed or otherwise made available by the parties hereto with respect to the cooperative educational program, the parties hereto shall contribute and make available additional funds for use in continuing the program during the period covered by this Extension Agreement in accordance with the following schedule:

A. The Institute shall make available the funds necessary to pay the salaries and all other expenses of its field staff in Panama during the period covered by this Extension Agreement, provided that the amount of such funds shall not exceed \$41,199.00. This amount shall be administered by the Institute and shall not be deposited to the credit of the Servicio Cooperativo Interamericano de Educacion (hereinafter referred to as the "Servicio").

B. The Institute shall deposit to the credit of the Servicio the sum of \$20,000.00, as follows:

On or before November 1, 1948	\$10,000.00
On or before February 1, 1949	\$10,000.00
Total	<u>\$20,000.00</u>

C. The Republic shall deposit to the credit of the Servicio the sum of B/s 101,000.00, as follows:

On or before November 1, 1948	B/ 36,000.00
On or before February 1, 1949	B/ 35,000.00
On or before March 1, 1949	B/ 30,000.00
Total	<u>B/101,000.00</u>

In addition, the Ministry of Education shall provide the necessary instructional staff for Servicio Projects, as indicated in each Project Agreement. If additional funds are available from the Republic, they shall be allocated to specific projects as needed and as agreed upon by the Minister of Education and the Special Representative.

D. Funds deposited to the credit of the Servicio pursuant to Clause II of this agreement by one of the parties shall not be available for withdrawal or expenditure until the other party's deposit scheduled on the same date has been made.

CLAUSE III

The parties hereto, by written agreement of the Minister and the Special Representative, may amend the schedules for making the deposits required by Clause II hereof, may provide for advance purchases of equipment or materials by either party with appropriate credit against the payments due under the schedules, and may provide for contributions of funds by either or both parties, or by third parties, for use in effectuating the cooperative educational program in addition to the funds required to be contributed by this Extension Agreement and the Basic Agreement.

CLAUSE IV

The Basic Agreement shall remain in full force and effect for the purpose of extending the cooperative educational program, as provided herein, and

all provisions of the Basic Agreement shall be applicable to all operations and activities under this Extension Agreement to the same extent and with the same effect as though expressly set forth herein; EXCEPT that the Basic Agreement, in its application to the period provided for in this Extension Agreement, shall be deemed to be amended and supplemented by the provisions of this Extension Agreement including the following particulars:

1. The parties hereto declare their recognition that the Institute, being a corporate instrumentality of the United States of America wholly owned, directed, and controlled by the Government of the United States of America, is entitled to share fully in all the privileges and immunities, including immunity from suit in the courts of the Republic, which are enjoyed by the United States of America.
2. The parties hereto agree that any funds which remain unexpended on the termination of this Extension Agreement, shall, unless otherwise agreed upon in writing by the parties hereto at that time, be returned to the parties hereto in the proportion of the respective contributions made by the parties under the Basic Agreement and under Clause II of this Extension Agreement.
3. By mutual agreement between the Minister and the Special Representative, funds of the Servicio may be used to reimburse or defray the salaries, living expenses, travel and transportation costs, and other expenses of such additional personnel of the Education Division of the Institute in Panama as the parties mentioned may agree are necessary to be employed, in addition to the employees referred to under Clause II hereof. Such funds may be contributed or granted for such purposes by the Servicio to the Institute or to any other organization, but in every case the Minister and the Special Representative will enter into a written project agreement setting forth the scope and the other necessary terms of such contributions or grants.
4. All references in the Basic Agreement to the Inter-American Educational Foundation, Inc., shall, for the purpose of this Extension Agreement, be deemed to refer to the Institute.

CLAUSE V

The Republic undertakes to obtain or promulgate such legislation, decrees, orders or resolutions as may be necessary to effectuate the terms of this Extension Agreement.

CLAUSE VI

This Extension Agreement shall become effective upon ratification by the National Assembly of the Republic of Panama.³

IN WITNESS WHEREOF, the parties hereto have caused this Extension Agreement to be executed by their duly authorized representatives, in quintuplicate,

³ The National Assembly ratified the agreement on Feb. 8, 1949.

in the Spanish and English languages, in Panama, Republic of Panama, this 28th day of September, 1948.

Republic of Panamá

By

M. VARELA, Jr.

The Institute of Inter-American Affairs

By

ERNEST C. JEPPESEN

BASIC AGREEMENT

THE GOVERNMENT OF THE REPUBLIC OF PANAMA, (hereinafter called the Government), represented by the Minister of Education, and the Inter-American Educational Foundation, Inc., a corporation of the Office of Inter-American Affairs and an agency of the Government of the United States of America (hereinafter called the Foundation), represented by its President, have decided to execute the following agreement for the purpose of carrying out a cooperative educational program designed to promote closer inter-American relations through the exchange of educators, ideas, and educational methods between Panama and the United States, pursuant to Resolution No. 28, adopted by the First Conference of Ministers and Directors of Education of the American Republics held in Panama from September to October, 1943, and to Resolution No. 58, adopted by the Inter-American Conference on the Problems of War and of Peace, held in the City of Mexico, from February to March, 1945. For the aforesaid purpose the contracting parties agree as follows:

1. The Government shall create as an integral part of the Ministry of Education a body to be called Servicio Cooperativo Interamericano de Educacion (hereinafter called the Servicio) which shall be the intermediary between the Government of Panama and the Foundation.

2. The personnel that the Foundation may send to Panama shall be under the direction of an official who shall have the title of Special Representative of the Inter-American Educational Foundation, Inc., and who shall represent the Foundation in all activities connected with the program to be carried out under the terms of the present agreement. The Special Representative, as well as the other experts sent by the Foundation, must be acceptable to the Government in order to exercise their functions.

3. The Special Representative of the Foundation shall be the Director of the Servicio. The Executive Power shall appoint the personnel of the Servicio in accordance with the recommendation of the Minister of Education and the Director of the Servicio, and shall in like manner determine the salaries

and working conditions of said personnel. The Director of the Servicio shall administer, superintend, and direct the other affairs of the Servicio. Such contracts as may be necessary to carry out any project of the Cooperative Educational Program shall be executed in the name of the Servicio by the Director thereof or by the representative he may designate.

4. The Cooperative Educational Program which shall place special emphasis on vocational education may include:

(a) The furnishing by the Foundation of a vocational educational specialist, who will be the Special Representative, and such additional expert or experts as may be needed in the opinion of the Minister of Education and the Special Representative of the Foundation to carry out the Cooperative Educational Program and as may be retained with the limited funds available.

(b) The arrangements that are necessary in order that educators of Panama can go to the United States at the expense of the Servicio for the purpose of perfecting themselves in their respective specialties, deliver lectures, teach, and exchange ideas and experiences with educators in the United States;

(c) The study and investigation of the educational needs and resources of Panama for the purpose of carrying out certain projects connected with the training of personnel to teach in primary, secondary, and normal institutions;

(d) The elaboration, adaptation, and exchange of suitable educational material and any other plans that may be necessary to carry out the program in Panama.

5. The aforesaid Cooperative Educational Program shall consist of specific projects. The nature of these projects and the activities engaged in, as well as the allocation of the necessary funds, shall be determined by agreement between the Minister of Education and the Special Representative and shall be carried out through the agency of the Servicio, in accordance with such rules and procedures as may be decided upon by mutual agreement between the Minister of Education and the Representative of the Foundation. The Minister of Education shall be the representative of the Government in all matters pertaining to the Cooperative Educational Program.

6. The total contribution of the Foundation to the Cooperative Educational Program shall be FIFTY THOUSAND DOLLARS (\$50,000.00), currency of the United States; said sum shall be retained by the Foundation and shall be used for the payment of the salaries and other expenses of the Foundation's experts who render services to the Cooperative Educational Program in Panama. In the event that the Foundation should consider at any time during the term of the present agreement that the sum of FIFTY THOUSAND DOLLARS

(\$50,000.00) is more than is required for the payment of the salaries and other expenses of the experts, the Foundation shall notify the Minister of Education, and such unnecessary amount as there may be shall be deposited to the account of the Servicio in such manner as may be determined by mutual agreement between the Minister of Education and the Special Representative of the Foundation. The direct contribution to be made by the Government to the Cooperative Educational Program, shall be not less than FIFTY THOUSAND BALBOAS (B/s. 50,000); said sum shall be deposited in the account of the Servicio on the dates hereinafter stipulated, unless other dates are fixed by mutual agreement between the Minister of Education and the Special Representative of the Foundation.

<i>Date</i>	<i>Amount</i>
Within a period of 60 days after the approval of the present agreement by the Cabinet of the Republic of Panama	B/s. 10,000
On or about the 15th of the twelfth month after the date stipulated for making the first deposit	20,000
On or about the 15th of the twelfth month after the date stipulated for making the second deposit	20,000
	B/s. 50,000

The Foundation also agrees to furnish the Government with the technical assistance and advice of its vocational educational specialists in the planning of a School of Arts and Crafts in the City of Panama which the Government plans to establish at an approximate cost of TWO MILLION BALBOAS (B/s. 2,000,000) and in the establishment of other institutions that may be necessary for the development of vocational education in the country.

7. The Foundation also agrees to furnish the Cooperative Educational Program with all the assistance it can render by reason of its organization and personnel in the United States of America, its relations with other cooperating educational bodies in the United States, its experience and its special facilities, which, within the limits imposed by the funds available, may provide many of the services required in connection with the tours and studies of Panamanian educators who go to the United States.

The Government also agrees to:

- (a) Appoint specialists to collaborate with Foundation personnel and to pay for the services thereof.
- (b) Make available quarters, furniture, office supplies, materials, equipment, transportation, and other materials that may be necessary in carrying out the program and
- (c) Lend the cooperation of its other departments and agencies.

8. In the cases in which some of the materials needed in carrying out the program are purchased in the United States, the Minister of Education

and the Special Representative of the Foundation may agree that such purchase be made through the Foundation and may determine the manner of payment to be adopted.

9. The funds contributed by the contracting parties to the account of the Servicio shall be available to the Cooperative Educational Program throughout the life of this agreement. In the event that the account of the Servicio should earn any interest, it shall be spent on the Cooperative Educational Program. The Minister of Education and the Special Representative of the Foundation shall decide by mutual agreement what disposal is to be made of any unobligated funds remaining in said bank account of the Servicio upon the termination of the present contract. The expenditures of the Servicio as well as the account thereof shall be at all times subject to examination by the Office of the Comptroller General of the Republic.

10. The Servicio shall be exempt from all imposts, taxes, fees, charges, or customs duties, whether national, provincial, or municipal, and from all requirements as to permits and licenses. The Servicio and its personnel shall also enjoy all of the rights and privileges enjoyed by officials of the Republic of like rank. Such rights and privileges shall include, for instance, postal, telegraph, and telephone franks, and the right to special rates granted to the Ministries of the Republic by maritime, railway, and air companies, domestic and national telegraphs and telephones, etc. The Government agrees that the Inter-American Educational Foundation, Inc., since it is, as stated in the beginning, a corporation of the Office of Inter-American Affairs and an agency of the Government of the United States of America, as well as the Foundation's personnel shall enjoy the exemptions, immunities, rights, and privileges hereinbefore mentioned. The officials of the Foundation who are citizens of the United States of America shall be exempt from any and all Panamanian taxes on income, and from the social security contributions with respect to income which they are obliged to pay to the Government of the United States of America, and from all taxes on articles of personal use. Said employees shall also be exempt from customs duties on their personal effects, supplies, and equipment imported or exported for their own use.

11. Any power, authority, or function that may be conferred by this agreement upon the Minister of Education or upon the Special Representative of the Foundation, may be delegated by them to their representatives or substitutes, provided such representatives are satisfactory to both officials.

12. The Government agrees to issue such decrees, resolutions or orders as may be necessary to carry out the terms of this agreement and to ask from the Legislative Power such legislation as may be required to the same end.

13. The present agreement shall remain in force until June 30, 1948, and may be cancelled by either of the parties on that date, or at any time thereafter, by notifying the other party in writing at least 60 days in advance.

In witness whereof, the contracting parties hereto have caused this agreement to be executed in English and Spanish by their duly authorized representatives in Panama, Republic of Panama, this 25th day of February 1946.

For the Inter-American Educational Foundation, Inc.:

KENNETH HOLLAND [SEAL]
President

For the Republic of Panama:

JOSÉ D. CRESPO [SEAL]
Minister of Education

WAIVER OF VISA FEES FOR NONIMMIGRANTS

Exchange of notes at Panama August 14, October 27, and November 5, 1948

*Entered into force November 5, 1948; operative January 1, 1949
Terminated June 1, 1956, by agreement of March 27 and May 22
and 25, 1956¹*

62 Stat. 3848; Treaties and Other
International Acts Series 1943

The American Ambassador to the Minister of Foreign Affairs

No. 38

PANAMÁ, R.P., August 14, 1948

EXCELLENCY:

I have the honor to refer to the Embassy's Note No. 458 of September 2, 1947, the Ministry's Note D.P. 2592 of November 12, 1947, to previous correspondence and to various informal conversations with the Second Secretary of the Ministry, all pertaining to my government's proposal that temporary visitors' visas be issued gratis to citizens of the United States and the Republic of Panamá on a reciprocal basis.

I am pleased to inform Your Excellency that the Government of the United States will on or after the 1st day of November, 1948, grant to Panamanian nationals who qualify as temporary visitors for business or pleasure purposes under the provisions of section 3 (2) of the Immigration Act of 1924,² as amended, gratis non-immigrant passport visas valid for any number of applications for admission into the United States and its possessions during a period of twenty-four (24) months from date of issuance, provided the passports of the bearers remain valid for that period of time, if, on and after the same date, the Government of Panamá will accord a similar courtesy to American citizens in a like category entering Panamá. All other non-immigrant passport visas granted to qualified Panamanian nationals will be without fee and valid for any number of applications for admission into the United States during a period of twelve (12) months, provided the passports of the bearers remain valid for that period of time, if the Government of Panamá will accord a similar courtesy to American citizens in a like category entering Panamá.

¹ 7 UST 905; TIAS 3573.

² 43 Stat. 154.

The period of validity of a visa relates only to the period within which it may be used in connection with an application for admission at a port of entry into the United States and its possessions, and not to the length of stay in the United States which may be permitted the bearer after he is admitted. The period of time an alien may be permitted to stay in the United States is determined by the immigration authorities at the time the alien is admitted.

The fee for an immigration visa to permit an alien to apply for admission into the United States and its possessions with the privilege of residing permanently therein is \$10.00. The amount of this fee is prescribed by the Immigration Act of 1924, and it may not be changed on the basis of a reciprocal arrangement.

Please accept, Excellency, the renewed assurances of my highest consideration.

MONNETT B. DAVIS

His Excellency

Ing. ERNESTO JAEN GUARDIA,
Minister for Foreign Affairs,
Panamá, R.P.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
D. P. #2010

PANAMÁ, October 27, 1948

MR. AMBASSADOR:

I have the honor to refer to Your Excellency's courteous note No. 38, dated August 14, 1948, regarding the proposal of Your Excellency's Government relative to the issuance of temporary visitors' visas, free of charge, to citizens of the Republic of Panamá and of the United States, on a reciprocal basis.

I am pleased to inform Your Excellency that my Government is willing to accept the proposal formulated with a view to facilitating and encouraging recreational and business trips to our respective countries.

Therefore, as of January 1, 1949, Panamanian Consulates abroad will issue to United States citizens who qualify as tourists or transients, in accordance with our legislation in force, free tourist or transit visas for recreational or business purposes, as the case may be, valid for any number of applications for entry in the Republic of Panamá during a period of twenty-four (24) months from the date of issuance, provided that the passports are valid for that period and that as of the said date the Government of the United States extends the same courtesy to Panamanian citizens of the same category who travel to the United States.

The period of validity of a visa refers only to the period within which it may be used in relation to the application for entry into a port of entry of the national territory and not to the extension of sojourn which may be granted in the Republic to the bearer after he is admitted into the country. The period during which an alien may stay in the Republic is determined by the Panamanian immigration authorities at the time of the said alien's entry.

My Government wishes to state for the record that this agreement relative to tourist or transit visas in no way affects provisions which are in force or which may be adopted in the future regarding *tourist cards*, and that it has no bearing on official, diplomatic or special visas.

After the present agreement has become effective through its definitive acceptance by Your Excellency's Government, it shall amend and supersede completely any other existing agreement or agreements between our two countries concerning tourist or transit visas for citizens of the United States and of the Republic of Panamá, on a reciprocal basis.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

IGNACIO MOLINO JR.
Minister of Foreign Affairs

His Excellency

MONNETT B. DAVIS,

*Ambassador Extraordinary and Plenipotentiary
of the United States.
Panamá.*

The American Ambassador to the Minister of Foreign Affairs

No. 84

PANAMÁ, November 5, 1948

EXCELLENCY:

I have the honor to refer to Your Excellency's note No. DP 2010 of October 27, 1948, wherein the Government of Panama accepts the proposal made by my Government as indicated in my Note No. 38 dated August 14, 1948 for the reciprocal extension of the validity of visitors' visas issued to citizens of Panama and the United States. I am pleased to note that, for the purpose of achieving full reciprocity, Your Excellency's acceptance will include the issuance of transit visas to United States citizens to enable them to enter the Republic of Panama for business reasons.

I wish to inform Your Excellency that Note No. DP-2010 under reference has been forwarded to the Department of State in order that appropriate instructions may be issued to American Consular and Diplomatic establish-

ments for the purpose of issuing visitors' visas for business and pleasure under the new agreement on January 1, 1949.

Please accept, Excellency, the renewed assurances of my highest consideration.

MONNETT B. DAVIS

His Excellency

Licenciado IGNACIO MOLINO Jr.,
Minister for Foreign Affairs,
Panamá.

AIR TRANSPORT SERVICES

Agreement signed at Panama March 31, 1949, with annex and schedules

Notice of ratification given by Panama April 14, 1949

Entered into force April 14, 1949

*Annex supplemented by agreements of May 29 and June 3, 1952,¹
and June 5, 1967;² schedule II modified by agreement of
June 5, 1967²*

63 Stat. 2450; Treaties and Other
International Acts Series 1932

AVIATION AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PANAMA

PREAMBLE:

WHEREAS the Governments of the United States of America and of the Republic of Panamá are signatories to the International Civil Aviation Convention³ which was formulated by the International Civil Aviation Conference in Chicago in 1944; and

WHEREAS the Government of the Republic of Panamá has constructed a modern airport in its territory, known as Tocumen National Airport, which is located approximately fifteen miles from the border of Panamá City and the Canal Zone, and is now serving international civil aviation; and

WHEREAS the utilization of Tocumen National Airport by airlines of the United States of America and of the Republic of Panamá will further the bonds of friendship and cooperation which now exist between the two Governments; and

WHEREAS it is believed that Tocumen National Airport, if certain provisions are made, may function as a civil airport serving the Canal Zone as well as the Republic of Panamá, thereby benefitting both the Republic of Panamá and the United States of America because of its relation to the Canal Zone; and

WHEREAS the Governments of the United States of America and of the Republic of Panamá consider appropriate, for a clear understanding con-

¹ 3 UST 4087; TIAS 2551.

² 18 UST 1212; TIAS 6270.

³ TIAS 1591, *ante*, vol. 3, p. 944.

cerning the operations of the international civil airline services at Tocumen National Airport, the conclusion of a bilateral air agreement; and

WHEREAS the President of the United States of America and the President of the Republic of Panamá, desiring to enter into appropriate engagements to these ends, have designated for this purpose as their representatives:

His Excellency Monnett B. Davis, Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Panamá, and

His Excellency Licentiate Ignacio Molino, Jr., Minister of Foreign Relations of the Republic of Panamá, who, having communicated their respective full powers to each other, which have been found to be in good and due form, have agreed upon the following:

ARTICLE I

Each Contracting Party grants to the other Contracting Party the rights as specified in the Annex hereto necessary for establishing the international civil air routes and services therein described, whether such services be inaugurated immediately or at a later date at the option of the Contracting Party to whom the rights are granted.

ARTICLE II

Each of the air services so described may be placed in operation as soon as the Contracting Party to whom the rights have been granted by Article I to designate an airline or airlines for the route concerned has authorized an airline for such route, and the Contracting Party granting the rights shall, subject to Article VI hereof, be bound to give the appropriate operating permission to the airline or airlines concerned; provided that the airlines so designated may be required to qualify before the competent aeronautical authorities of the Contracting Party granting the rights under the laws and regulations normally applied by these authorities before being permitted to engage in the operations contemplated by this agreement; and provided that in areas of hostilities or of military occupation, or in areas affected thereby, such operation shall be subject to the approval of the competent authorities.

ARTICLE III

In order to prevent discriminatory practices and to assure equality of treatment, both Contracting Parties agree that:

(a) Each of the Contracting Parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the Contracting Parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(b) Fuel, lubricating oils and spare parts introduced into areas with respect to which one Contracting Party has jurisdiction by the other Contracting Party or its nationals, and intended solely for use by aircraft of the airlines of such other Contracting Party shall, with respect to the imposition of customs duties, inspection fees or other national duties or charges by the Contracting Party having jurisdiction of such areas, be accorded the same treatment as that applying to national airlines and to airlines of the most favored nation.

(c) The fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board civil aircraft of the airlines of one Contracting Party authorized to operate the routes and services described in the Annex shall, upon arriving in or leaving the areas with respect to which the other Contracting Party has jurisdiction, be exempt from customs, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights in those areas.

ARTICLE IV

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one Contracting Party and still in force shall be recognized as valid by the other Contracting Party for the purpose of operating the routes and services described in the Annex. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flight above areas with respect to which it has jurisdiction, certificates of competency and licenses granted to its own nationals by another State.

ARTICLE V

(a) Subject to Article XVII hereof, the laws and regulations of one Contracting Party relating to the admission to or departure from areas with respect to which it has jurisdiction of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within those areas, shall be applied to the aircraft of the airlines designated by the other Contracting Party, and shall be complied with by such aircraft upon entering or departing from or while within those areas.

(b) Subject to Article XVII hereof, the laws and regulations of one Contracting Party as to the admission to or departure from areas with respect to which it has jurisdiction of passengers, crew or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the other Contracting Party upon entrance into or departure from, or while within those areas.

ARTICLE VI

Each Contracting Party reserves the right to withhold or revoke the exercise of the rights specified in the Annex to this Agreement by an airline

designated by the other Contracting Party in the event that it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of the other Contracting Party, or in case of failure by such airline to comply with the laws and regulations referred to in Article V hereof, or otherwise to fulfill the conditions under which the rights are granted in accordance with this Agreement and its Annex.

ARTICLE VII

The Contracting Parties agree that this Agreement and all contracts connected therewith shall be registered with the International Civil Aviation Organization.

ARTICLE VIII

Existing rights and privileges relating to air transport services which may have been granted previously by either of the Contracting Parties to the benefit of an airline of the other Contracting Party shall continue in force according to their terms.

ARTICLE IX

Either of the Contracting Parties may at any time notify the other of its intention to terminate the present Agreement. Such a notice shall be sent simultaneously to the International Civil Aviation Organization. In the event such communication is made, this Agreement shall terminate one year after the date of receipt of the notice to terminate, unless by agreement between the Contracting Parties the communication under reference is withdrawn before the expiration of that time. If the other Contracting Party fails to acknowledge receipt, notice shall be deemed as having been received 14 days after its receipt by the International Civil Aviation Organization.

ARTICLE X

In the event either of the Contracting Parties considers it desirable to modify the routes or conditions set forth in the attached Annex, it may request consultation between the competent authorities of both Contracting Parties, such consultation to begin within a period of sixty days from the date of the request. When these authorities mutually agree on new or revised conditions affecting the Annex, their recommendations on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.

ARTICLE XI

If a general multilateral air transport convention accepted by both Contracting Parties enters into force with respect to both Contracting Parties, the present Agreement shall be amended so as to conform with the provisions of such Convention.

ARTICLE XII

Except as otherwise provided in this Agreement or its Annex, any dispute between the Contracting Parties relative to the interpretation or application of this Agreement or its Annex, which cannot be settled through consultation, shall be submitted for an advisory report to a tribunal of three arbitrators, one to be named by each Contracting Party, and the third to be agreed upon by the two arbitrators so chosen, provided that such third arbitrator shall not be a national of either Contracting Party. Each of the Contracting Parties shall designate an arbitrator within two months of the date of delivery by either party to the other party of a diplomatic note requesting arbitration of a dispute; and the third arbitrator shall be agreed upon within one month after such period of two months. If the third arbitrator is not agreed upon, within the time limitation indicated, the vacancy thereby created shall be filled by the appointment of a person, designated by the President of the Council of the International Civil Aviation Organization, from a panel of arbitral personnel maintained in accordance with the practice of the International Civil Aviation Organization. The executive authorities of the Contracting Parties will use their best efforts under the powers available to them to put into effect the opinion expressed in any such advisory report. A moiety of the expenses of the arbitral tribunal shall be borne by each party.

ARTICLE XIII

Changes made by either Contracting Party in the routes described in the schedules attached, except those which change the points served by these airlines in areas with respect to which the other Contracting Party has jurisdiction, shall not be considered as modifications of the Annex. The aeronautical authorities of either Contracting Party may therefore proceed unilaterally to make such changes, provided, however, that notice of any change is given without delay to the aeronautical authorities of the other Contracting Party.

If such other aeronautical authorities find that, having regard to the principles set forth in Section VII of the Annex to the present Agreement, interests of their air carrier or carriers are prejudiced by the carriage by the air carrier or carriers of the first Contracting Party of traffic between areas with respect to which the second Contracting Party has jurisdiction and the new point in areas with respect to which the third country has jurisdiction, the authorities of the two Contracting Parties shall consult with a view to arriving at a satisfactory agreement.

ARTICLE XIV

The Government of the United States of America will supply, subject to the availability of suitable personnel and appropriated funds for the purpose, a civil aviation mission to aid the Government of the Republic of Panamá

in the development of its civil aviation, including technical assistance, if such a mission is requested by the Government of Panamá. The terms and conditions concerning the provision and operation of such a mission will be determined by an exchange of notes between the Government of the United States and the Government of Panamá.⁴

The Government of the United States of America will render without cost to the Government of the Republic of Panamá such technical advice with respect to sanitation at Tocumen National Airport as may be requested by the Government of Panamá.

The Government of the United States of America will make available a certain communications cable for use in connection with operations at Tocumen National Airport, Panamá City, and the Canal Zone, according to terms and conditions concerning the installation, operation and maintenance of this cable for commercial as well as official use, which will be determined by an exchange of notes entered into this day between the Government of the United States of America and the Government of the Republic of Panamá.⁵

ARTICLE XV

It is recognized by both Governments that increasing traffic of commercial, private and military aircraft, which presently operate from seven airports and seaplane bases located in close proximity on the Isthmus of Panamá, requires a coordinated system of air traffic control in the interests of flight safety.

It is therefore agreed that there shall be consultation between the appropriate authorities of both Governments for the purpose of establishing by mutual agreement uniform rules of the air and procedures for the provision of air traffic control services and there shall be frequent consultations thereafter concerning the implementation of such regulations.

ARTICLE XVI

It is recognized by both Governments that commercial air operations require adequate radio facilities and personnel for the transmission of air-ground-air messages and point to point messages. The Government of the United States of America agrees to assist in the provision of this essential service by relaying authorized air-ground-air and point to point messages which are received by its civil air communications station in the Canal Zone to the air communications center at Tocumen National Airport by means of the cable communications link to be established. The civil air communications station in the Canal Zone will also transmit such messages relayed to it from the air communications center at Tocumen National Airport. This

⁴ TIAS 1932, *post*, p. 874.

⁵ TIAS 1932, *post*, p. 869.

service will be provided as long as the civil air communications station is in operation in the Canal Zone or until this agreement is terminated, or suspended, which ever occurs soonest, and it is agreed that United States aircraft and United States airlines will be permitted the use of this service as long as it may be provided.

It is also recognized that coordination of operations between the air communications center at Tocumen National Airport and the air communications stations now operating in the Canal Zone is required in order to avoid radio interference which might endanger the safety of aircraft in flight. Therefore, both Governments agree that there shall be frequent consultation between the appropriate authorities of their respective communications centers for the purpose of reaching mutually satisfactory accords concerning their respective scope of operations, the use of radio frequencies, and other operational problems.

ARTICLE XVII

In order to facilitate the movement of passengers, cargo, and mail arriving at Tocumen National Airport destined to the Canal Zone, the Government of the Republic of Panamá agrees to furnish to the Government of the United States of America free of charge the necessary and adequate space and housing for the exercise of control, inspection and processing of such passengers, cargo and mail at Tocumen National Airport. The Government of the United States of America agrees that its officials engaged in these functions will perform them only in such space and housing to be furnished by the Government of the Republic of Panamá.

The closest cooperation and interchange of information shall exist between the inspection services of the two Governments and there shall be consultation from time to time between the authorities of the two Contracting Parties concerning these services. Procedures shall be established whereby the officials responsible for the customs, immigration and public health procedures of the Republic of Panamá shall deliver to the officials responsible for the customs, immigration and public health procedures of the United States of America at Tocumen National Airport all passengers and cargo destined for the Canal Zone for control, inspection and processing.

With regard to persons departing from Tocumen National Airport who are the immigration responsibility of the United States of America in the Canal Zone, the immigration authorities of Panamá will accept as a departure permit, and will require presentation of, satisfactory evidence of authorization to depart issued by the appropriate authorities of the United States of America in the Canal Zone.

Cargo arriving at or departing from Tocumen National Airport which is destined for or originates in the Canal Zone shall be exempt from duties, taxes or fees of any kind by the Republic of Panamá. Cargo arriving at Tocumen National Airport which is destined for the Canal Zone shall be

subjected by the Government of the United States of America to the same regulation and restrictions as are applied in the case of cargo arriving at ports of the Canal Zone.

Passengers, cargo and mail originating in the Canal Zone and destined for shipment from Tocumen National Airport, or arriving at Tocumen National Airport and destined for the Canal Zone will have the right of free transit through the territory under the jurisdiction of the Republic of Panamá between the Canal Zone and Tocumen National Airport.

Mail posted in the Canal Zone may be delivered in the Canal Zone by postal authorities of the Canal Zone directly to airlines designated by such authorities to fly such mail from Tocumen National Airport; and airlines arriving at Tocumen National Airport bearing mail destined for the Canal Zone may deliver such mail directly to the postal authorities of the Canal Zone in the Canal Zone.

In view of the mutual interest of the two Governments in quarantine measures to safeguard health in the Republic of Panamá and in the Canal Zone, the health authorities of the two Governments will consult together from time to time regarding quarantine measures and their enforcement at Tocumen National Airport.

Both Governments agree that there shall be the closest cooperation between their respective authorities with respect to measures and procedures at Tocumen National Airport concerning immigration, customs, quarantine and sanitation, and that there shall be consultations from time to time as required concerning such measures and procedures and their enforcement.

ARTICLE XVIII

For the purposes of the present Agreement and its Annex, except where the text indicates otherwise:

(a) The term "aeronautical authorities" shall mean in the case of the United States of America, the Civil Aeronautics Board or any person or agency authorized to perform the functions exercised at the present time by the Civil Aeronautics Board and, in the case of Panamá, the Ministry which regulates aviation for the Republic of Panamá or any person or entity authorized to perform the functions exercised at present by the said Ministry.

(b) The term "designated airline" shall mean the airline or airlines that the aeronautical authorities of one of the Contracting Parties shall have designated to operate the agreed air routes in accordance with Article II of this Agreement, it being an indispensable requirement that such designation be communicated in writing to the aeronautical authorities of the other Contracting Party.

(c) The term "air service" shall mean any scheduled air service performed by aircraft for the public transport of passengers, mail or cargo.

(d) The term "international air service" shall mean an air service which passes through the air space over areas with respect to which more than one State has jurisdiction.

(e) The term "airline" shall mean any air transport enterprise offering or operating an international air service.

(f) The term "stop for non-traffic purposes" shall mean a landing for any purpose other than taking on or discharging passengers, cargo or mail.

(g) The phrase "persons who are the immigration responsibility of the United States of America in the Canal Zone" shall mean those persons who are admitted to the Canal Zone in accordance with the Canal Zone immigration laws and regulations and who thereby become the immigration cases and responsibility, including repatriation responsibility, of the United States Government.

(h) The term "cargo" includes any and all livestock, baggage, property, goods and merchandise.

ARTICLE XIX

The provisions of this Agreement shall not affect the rights and obligations of either of the two High Contracting Parties under the treaties now in force between the two countries, nor be considered as a limitation, definition, restriction or restrictive interpretation of such rights and obligations, but without prejudice to the full force and effect of the provisions of this Agreement.

ARTICLE XX

This Agreement, including the provisions of the Annex thereto, shall come into force on the day on which notice of its ratification by the Government of the Republic of Panamá is given to the Government of the United States of America.

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed the present Agreement.

Done at the City of Panamá in duplicate, in the English and Spanish languages, this thirty-first day of March, 1949.

For the Government of the United States of America:

MONNETT B. DAVIS [SEAL]

For the Government of the Republic of Panamá:

IGNACIO MOLINO Jr. [SEAL]

ANNEX

SECTION I

The Government of the Republic of Panamá grants to the Government of the United States of America the right to conduct air transport services by one or more air carriers of the United States nationality designated by the

latter country on the routes, specified in Schedule One attached, which transit or serve commercially the areas with respect to which the Republic of Panamá has jurisdiction.

SECTION II

The Government of the United States of America grants to the Government of the Republic of Panamá the right to conduct air transport services by one or more air carriers of Panamanian nationality designated by the latter country on the routes, specified in Schedule Two Attached, which transit or serve commercially the areas with respect to which the United States of America has jurisdiction.

SECTION III

One or more air carriers designated by each of the Contracting Parties under the conditions provided in this Agreement will enjoy, in the areas with respect to which the other Contracting Party has jurisdiction, rights of transit and of stops for non-traffic purposes, as well as the right of commercial entry and departure for international traffic in passengers, cargo and mail at the points enumerated on each of the routes specified in the schedules attached.

SECTION IV

The air transport facilities available hereunder to the traveling public shall bear a close relationship to the requirements of the public for such transport.

SECTION V

There shall be a fair and equal opportunity for the carriers of the Contracting Parties to operate on any route between the areas with respect to which they respectively have jurisdiction covered by this Agreement and Annex.

SECTION VI

In the operation by the air carriers of either Contracting Party of the trunk services described in the present Annex, the interests of the air carriers of the other Contracting Party shall be taken into consideration so as not to affect unduly the services which the latter provide on all or part of the same routes.

SECTION VII

It is the understanding of both Contracting Parties that services provided by a designated air carrier under the present Agreement and Annex shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such air carrier is a national and the country of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the routes specified in the present

Annex shall be applied in accordance with the general principles of orderly development to which both Contracting Parties subscribe and shall be subject to the general principle that capacity should be related:

- (a) To traffic requirements between the country of origin and the countries of destination;
- (b) To the requirements of through airline operation; and
- (c) To the traffic requirements of the area through which the airline passes after taking account of local and regional services.

However, because a unique situation exists concerning the Canal Zone by reason of the relationship arising out of certain treaties between the United States of America and the Republic of Panamá, and as it is desired to develop air services to and from Tocumen National Airport and to establish Tocumen National Airport as a civil airport serving the Canal Zone as well as the territory with respect to which the Republic of Panamá has jurisdiction, and in view of the fact that Albrook Air Force Base has heretofore been used as the airfield from which Panamá City and the Canal Zone were served, and airlines of the United States of America and of the Republic of Panamá have originated and terminated services from the Canal Zone to various of the American Republics from Albrook Air Force Base, it is agreed that airlines designated by the Government of the United States of America to operate air services on the routes described in Schedule One of this Annex shall, with respect to the capacity provisions of this section, be permitted to embark and disembark, at Tocumen National Airport, passengers, mail and cargo destined to or from the Canal Zone, as if such passengers, mail and cargo were embarked and disembarked at an airport situated in the Canal Zone.

SECTION VIII

It is the intention of both Contracting Parties that there should be regular and frequent consultation between their respective aeronautical authorities and that there should thereby be close collaboration in the observance of the principles and the implementation of the provisions outlined in the present Agreement and Annex.

SCHEDULE ONE

Airlines designated by the Government of the United States of America shall be entitled to operate air services on the air routes specified below, via intermediate points, in both directions, and to exercise the rights granted in the foregoing Agreement and Annex at the points specified below:

1. The United States of America, via points in the United Mexican States, and/or Central America, to David and to Panamá City and to points beyond in other countries.

2. The United States of America via points in the Caribbean and/or South America to Panamá City and to points beyond in other countries.
3. The United States of America via points in the Caribbean to Panamá City and to points beyond in other countries.
4. Panamá City and the Canal Zone (each being served through Tocumen National Airport) to points in the Western Hemisphere.

On the above routes, the airline or airlines authorized to operate the route may operate nonstop flights between any of the points enumerated, omitting stops at one or more of the other points so enumerated.

SCHEDULE TWO

Airlines designated by the Republic of Panamá are accorded in the territory of the United States of America rights of transit and non-traffic stop, as well as the right to pick up and discharge international traffic in passengers, cargo and mail at a point or points in the United States to be agreed to at a later date.

COMMUNICATIONS CABLE

Exchange of notes at Panama March 31, 1949

Entered into force April 14, 1949

*Paragraph 5(c) modified by agreement of September 9 and 26,
1949¹*

Extended by agreement of March 9 and April 1, 1965²

63 Stat. 2471; Treaties and Other
International Acts Series 1932

The American Ambassador to the Minister of Foreign Affairs

No. 145

PANAMA, March 31, 1949

EXCELLENCY:

I have the honor to refer to the civil aviation agreement between the United States of America and the Republic of Panama signed at Panama City on March 31, 1949.³ Article XIV of this agreement states that, "The Government of the United States of America will make available a certain communications cable for use in connection with operations at Tocumen National Airport, Panama City and the Canal Zone, according to terms and conditions concerning the installation, operation and maintenance of this cable for commercial as well as official use, which will be determined by an exchange of notes entered into this day between the Government of the Republic of Panama and the Government of the United States of America".

Upon notification to my Government of the ratification by the Government of the Republic of Panama of the general aviation agreement, the Government of the United States of America will furnish the said communications cable under the following terms and conditions:

(1) The Government of the United States of America is the owner of 16 miles of 100 pair subterranean and submarine cable and 2 miles of 50 pair subterranean and submarine cable (hereinafter referred to as "the cable"). The Government of the United States of America and the Government of the Republic of Panama agree that the cable shall be installed between Albrook Air Force Base and Tocumen National Airport, and shall remain there for a period of fifteen years from the date of this agreement.

¹ Post, p. 883.

² 16 UST 737; TIAS 5800.

³ TIAS 1932, ante, p. 857.

Upon the expiration of said fifteen-year period, the Government of the United States of America shall have the right to remove or otherwise dispose of the cable. If, however, at the end of said fifteen-year period, both Contracting Parties are agreeable thereto, the terms of this agreement shall be extended for an additional ten years. As long as this agreement shall be in effect, the cable shall remain the property of the Government of the United States of America, and shall not be subject to taxes of any kind imposed by the Government of the Republic of Panama.

(2) The Government of the United States of America shall prepare technical specifications for the installation of the cable and shall provide technical supervision of the installation thereof. The Government of the United States of America shall itself perform any and all operations connected with splicing, loading and termination of the cable with respect to said installation, and shall provide all equipment and materials necessary for such operations. The Contracting Parties agree that such loading and terminal equipment shall be considered a part of the cable, and shall be subject to all provisions of this agreement which apply to the cable. The Government of the United States of America undertakes to exercise its best efforts to maintain the cable in operating condition for and during the term of this agreement. The Government of the United States of America may designate agents to perform the aforesaid work on its behalf, but agrees to establish technical standards and provide technical supervision of any such agents in the performance of the said work, and any such agents shall comply with such standards and supervision. The Government of the United States of America shall bear only the expenses involved in the following operations:

- (a) Preparation of technical specifications for the installation of the cable.
- (b) Technical supervision of the installation of the cable.
- (c) Splicing, loading and termination operations.
- (d) Equipment and materials necessary for splicing, loading and termination.

(3) The Government of the Republic of Panama shall, except as hereinabove stated, install the cable in accordance with the technical specifications and technical supervision of the Government of the United States of America. The Government of the Republic of Panama shall bear the expense of the said installation of the cable except as hereinabove recited.

(4) The Government of the United States of America shall have the right to replace all or any part of the cable during the term of this agreement, provided, however, that the Government of the United States of America be under no duty to replace all or any part thereof. Should there be a difference of opinion between the Contracting Parties as to whether any proposed operation is an item of maintenance or an item of replace-

ment, the Contracting Parties shall consult together to arrive at a determination with respect thereto.

(5) The operational control of the cable shall be vested in the Government of the United States of America. However, lines of the cable shall be allocated by mutual accord between the Contracting Parties in accordance with the purposes of this agreement, and said allocation may be changed at any time and from time to time by mutual consent of the Contracting Parties. It is agreed that lines in the cable shall be allocated, on a priority basis, to the Government of the United States of America and to the Government of the Republic of Panama, respectively, as circumstances may require. No charge shall be imposed by either Contracting Party for lines so allotted to either of the Contracting Parties. All lines in the cable not so allocated shall be allocated for commercial operation after reserving a sufficient number for use as spares. The lines allotted for commercial operation shall be made available to commercial airlines of the United States of America engaged in business at Tocumen National Airport, and to similar airlines of the Republic of Panama, on a non-discriminatory basis. Lines not so allocated shall be made available to other commercial users on a non-discriminatory basis. The original allocation will be made according to the following priority:

- (a) Up to ten pairs of lines may be used by each Contracting Party for official Government use only.
- (b) Up to 15 pairs of lines will be reserved for engineering spares.
- (c) Up to 10 pairs of lines will be reserved for transmission of aeronautical communications between Tocumen National Airport and the Canal Zone.⁴
- (d) Air lines of the Republic of Panama and of the United States of America will be allocated pairs of lines upon application.
- (e) Other commercial users will be allocated pairs of lines upon application.

The above allocation will be administered by an appropriate agency of the United States Government and it is understood that the allocation of lines to official or private users in Panama City will depend upon whether the local telephone company is able to make the necessary connection with the cable.

(6) Lines allotted for commercial operation in accordance with paragraph (5) may be made available by connection to the cable by any existing commercial telephone system, on terms and conditions, and at cable rental rates established by the United States of America, due consideration being given to practices in the area. Rates to be charged ultimate users of such lines shall be computed by adding the rates established by the local telephone

⁴ For a modification of para. 5(c), see agreement of Sept. 9 and 26, 1949, *post*, p. 883.

company for Panama City service, which are approved by the Government of the Republic of Panama, to the rates charged by the Government of the United States of America for rental of lines within the cable. The Government of the Republic of Panama agrees that no special tax, charge, or surcharge shall be imposed by the Government of Panama on such rates charged to ultimate users, except reasonable charges for any additional service or services which may be provided at the request of the ultimate user.

(7) Cable rental rates established by the United States of America in accordance with provisions of paragraph (6) shall be fixed at a level estimated to cover costs of maintenance of the cable and/or replacement of the cable. Such rates may be adjusted at any time and from time to time as circumstances require.

Revenues derived from rental of lines within the cable to non-Government users will be collected by the agency of the Government of the United States administering the cable from the commercial telephone company serving the ultimate users, and all such revenues collected will be transmitted to the Treasurer of the United States to cover costs of maintenance and/or replacement of the cable.

(8) The cable shall not be used by either Contracting Party or by any person, persons or entity for the transmission of power. At no time shall voltage exceed 130 volts nor shall the current exceed one ampere.

The Government of the United States of America is prepared, if this proposal is acceptable to the Government of the Republic of Panama, to regard the present note and Your Excellency's reply thereto as constituting an agreement between the two Governments, which shall take effect on the day on which notice of the ratification of the aforesaid civil aviation agreement by the Government of the Republic of Panama is given to the Government of the United States of America.

Please accept, Excellency, the renewed assurances of my highest consideration.

MONNETT B. DAVIS

His Excellency

Lic. IGNACIO MOLINO, Jr.

*Minister for Foreign Affairs
Panama, R.P.*

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

D.P. No. 646

PANAMA, March 31, 1949

MR. AMBASSADOR:

I have the honor to acknowledge the receipt of Your Excellency's note of this date which states the following:

[For text, see above.]

In connection with this matter I have the honor to inform Your Excellency that the Government of Panama accepts this proposal of the Government of the United States of America, and therefore Your Excellency's note and this reply constitute an Agreement between the two Governments, which will come into force on the day on which notification of the ratification of the above-mentioned Civil Aviation Agreement by the Government of the Republic of Panama is given to the Government of the United States of America.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

IGNACIO MOLINO, Jr.
Minister of Foreign Relations

His Excellency

MONNETT B. DAVIS,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.*

TECHNICAL AVIATION MISSION

Exchange of notes at Panama March 31, 1949

Entered into force April 14, 1949

Extended by agreement of April 14 and May 8, 1953¹

Expired December 31, 1960

63 Stat. 2478; Treaties and Other
International Acts Series 1932

The American Ambassador to the Minister of Foreign Affairs

No. 147

PANAMA, R.P., March 31, 1949

EXCELLENCY:

I have the honor to refer to the civil aviation agreement between the United States of America and the Republic of Panama signed at Panama City on March 31, 1949.² Article XIV of this Agreement states that, "The Government of the United States of America will supply, subject to the availability of suitable personnel and appropriated funds for the purpose, a civil aviation mission to aid the Government of the Republic of Panama in the development of its civil aviation, including technical assistance, if such a mission is requested by the Government of Panama."

Upon notification to my Government of the ratification by the Government of the Republic of Panama of the general aviation agreement, the Government of the United States of America will endeavor, if requested by the Government of the Republic of Panama, to furnish a technical aviation mission under the following conditions:

(1) The assignment of the United States civil aviation mission to Panama shall be subject to the availability of suitable personnel and appropriated funds for the purpose.

(2) The mission shall function in an advisory capacity to appropriate Ministers of the Government of the Republic of Panama and will work with personnel of the Republic of Panama concerned with civil aviation on a co-operative basis for the purpose of assisting in improving and developing civil aviation facilities and services in Panama.

(3) The Government of the United States of America shall designate, subject to the approval of the Government of the Republic of Panama, a

¹ 4 UST 1574; TIAS 2824.

² TIAS 1932, *ante*, p. 857.

Chief of Mission, who shall represent the mission before the Government of the Republic of Panama through the Minister in whose ministry responsibility for aviation is vested. Other members of the mission shall be designated in like manner and, in addition to the chief of mission, shall serve as advisors and consultants to the Government of the Republic of Panama in specific fields of civil aviation. They shall conduct studies and analyses and furnish technical advice with respect to specific matters or problems now or hereafter arising which are within their competence. They shall demonstrate processes and methods of the United States of America and assist in the technical training of local personnel of the Republic of Panama. Members of the mission shall be responsible to the Chief of Mission and shall engage directly in the performance of technical duties for the Government of the Republic of Panama only to the extent agreed upon by the Chief of Mission and the appropriate Minister of the Government of the Republic of Panama.

(4) The civil aviation mission shall be composed of personnel in such technical categories as are agreed upon by the Government of the United States of America and the Government of the Republic of Panama. The duration of their assignments, their replacement by personnel in other technical categories, or an increase or decrease in the total number of personnel assigned, shall be based on the needs of the Government of the Republic of Panama for assistance in particular technical fields and shall take into consideration the competence of Panama to furnish and maintain aeronautical services and facilities in accordance with accepted international standards.

(5) The Government of the United States of America retains the right to recall any member of the mission at any time upon 30 days notification to the Government of the Republic of Panama or at any time upon mutual consent.

(6) Members of the mission shall receive their salary, allowances, and travel expenses to and from the Republic of Panama incidental to their assignments with the mission in Panama from the Government of the United States of America, subject to reimbursement by the Government of the Republic of Panama as specified below.

(7) The Government of the Republic of Panama shall reimburse the Government of the United States of America, at the rate of \$2,000.00 per year for the chief and each member of the mission toward expenses incurred by the Government of the United States in connection with the assignment of these personnel. Such reimbursement shall initially be made six months after each assignment and at intervals of six months thereafter. However, for accounting and procedural reasons, it will not be necessary for the Government of the Republic of Panama to make any payment to the Government of the United States of America until such time as the Government of the Republic of Panama shall have received a statement of its obligations in this connection. The duration of assignments of personnel of the mission shall be based on the period commencing from the date of departure from the United

States of America of each member of the Mission, and shall continue, following the termination of duty with the mission, for the return trip to the United States of America, computed on the basis of the shortest, usually traveled route, and thereafter for the period of accumulated leave which may be due.

(8) Compensation of personnel of the mission shall not be subject to any tax now or hereafter in effect in the Government of the Republic of Panama or any of its political or administrative subdivisions. Should there, however, at present or while this agreement is in effect, be any taxes which might affect this compensation, such taxes shall be paid by the Government of the Republic of Panama in order to comply with the provisions of this paragraph.

(9) The Government of the Republic of Panama agrees to grant personnel of the mission exemption from customs duties on articles imported for the official use of the mission, for the personal use of the members thereof, and members of their families. If exemption from payment of such duties cannot be granted, the Government of the Republic of Panama agrees to pay the cost thereof in order to comply with this requirement.

(10) The Government of the Republic of Panama shall furnish personnel of the mission with means of transportation within the Republic of Panama required for the conduct of official business and bear the cost thereof.

(11) The Government of the Republic of Panama shall provide suitable office space and facilities for the use of the members of the mission, and shall furnish adequate bilingual stenographic personnel and other employees and bear the cost thereof.

(12) The Government of the Republic of Panama shall assume civil liability on account of damages to or loss of property or on account of personal injury or death caused by any member of the mission while acting within the scope of his duties.

(13) The Government of the Republic of Panama shall permit the transportation of the body of any personnel, or accompanying dependent, detailed under these conditions who may die in the Republic of Panama, to a place of burial in the United States of America selected by the surviving members of the family or their legal representative.

(14) The foregoing terms and conditions shall continue in effect for a period of two years unless terminated at an earlier date in accordance with the following:

(a) By either Government, subject to two months' notice to the other government.

(b) By cancellation upon the initiative of either of the governments at any time during a period when either of the governments is involved in civil disturbances or foreign hostilities.

(15) Upon termination of the two-year period stated in paragraph 14 above, if all of the objectives of the mission have not been met, the Government of the United States of America agrees to give the fullest consideration to any request of the Government of the Republic of Panama for an extension of these terms and conditions for an additional period.

(16) The Governments of the United States of America and the Republic of Panama agree, upon the request of either government, to consult respecting the above terms or the carrying out of functions by either government under these terms.

The Government of the United States of America is prepared, if this proposal is acceptable to the Government of the Republic of Panama, to regard the present note and Your Excellency's reply thereto as constituting an agreement between the two Governments, which shall take effect on the day on which notice of the ratification of the aforesaid civil aviation agreement by the Government of the Republic of Panama is given to the Government of the United States of America.

Please accept, Excellency, the renewed assurances of my highest consideration.

MONNETT B. DAVIS

His Excellency

Lic. IGNACIO MOLINO, Jr.,
Minister for Foreign Affairs,
Panama, Panama.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
D.P. No. 647

PANAMA, March 31, 1949

MR. AMBASSADOR:

I have the honor to acknowledge the receipt of Your Excellency's note of this date, which is worded as follows:

[For text, see above.]

Concerning the matter I have the honor to inform Your Excellency that the Government of Panama accepts this proposal of the Government of the United States of America and, therefore, Your Excellency's note and this reply constitute an agreement between the two Governments, which shall take effect on the day on which notice of the ratification of the above-

mentioned Civil Aviation Agreement by the Government of the Republic of Panama is given to the Government of the United States of America.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

IGNACIO MOLINO, JR.
Minister of Foreign Relations

His Excellency

MONNETT B. DAVIS,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.*

DIPLOMATIC AND OFFICIAL VISAS

Exchange of notes at Panama March 16 and June 14, 1949

Entered into force June 14, 1949; operative July 1, 1949

*Terminated June 1, 1956, by agreement of March 27 and May 22
and 25, 1956¹*

63 Stat. 2899; Treaties and Other
International Acts Series 2134

The American Embassy to the Ministry for Foreign Affairs

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and has the honor to refer to the issuance of diplomatic and official visas by the Governments of the United States and Panama. As the Ministry is aware, the Government of the United States issues diplomatic and official visas to diplomatic and career consular officers and other Panamanian Government officials entitled to those visas valid for any number of entries during a period of one year provided, of course, that the passports remain valid for that period of time.

Inasmuch as it has been noted that the Government of Panama issues diplomatic and official visas valid for only one entry this Embassy takes the liberty of submitting for the Ministry's consideration the suggestion that the Government of Panama issue visas in these categories to bearers of United States diplomatic and special passports valid for any number of entries during a period of one year, provided that the passports remain valid for that period of time.

Should the Government of Panama express agreement to the Embassy's suggestion as indicated above, it would tend to place the issuance of visas in these categories on a basis of reciprocity.

C. C. H.

PANAMA, *March 16, 1949*

The Ministry for Foreign Affairs to the American Embassy

[TRANSLATION]

The Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to refer to the Embassy's

¹ 7 UST 905; TIAS 3573.

note verbale of March 16, 1949, relating to the diplomatic visas and official visas that the Government of Panama issues to diplomatic functionaries and officials of the Government of the United States. The Embassy requests that those visas be valid for entering the country as often as necessary, for the period of one year, provided the passports are valid also for such period.

The Ministry considers that in the case contemplated by the Embassy reciprocity should be applied and, therefore, is entirely agreeable to granting the diplomats and functionaries of the Government of the United States a visa to enter Panama subject to the same conditions under which the Government of the United States grants a visa to the diplomats and official functionaries of the Government of Panama to enter the United States.

The Ministry has therefore addressed all diplomatic representations of Panama, instructing them to the effect that, beginning with July 1, 1949, the visas granted to United States diplomats and official functionaries must bear a statement to the effect that such visas are valid for entering Panama as often as necessary, for the period of one year, provided the passports are also valid for such period.

I. M.

PANAMÁ, June 14, 1949.

COOPERATIVE EDUCATION PROGRAM

*Exchange of notes at Panama July 23 and September 2, 1949
Entered into force September 2, 1949; operative from June 30, 1949
Program expired June 30, 1960*

63 Stat. 2908; Treaties and Other
International Acts Series 2149

*The American Chargé d'Affaires ad interim to the Minister of Foreign
Affairs*

No. 209

PANAMÁ, PANAMÁ, July 23, 1949

EXCELLENCY:

I have the honor to refer to the Basic Agreement, as amended, entered into in February 1946 between the Republic of Panamá and the predecessor of The Institute of Inter-American Affairs,¹ providing for the existing co-operative educational program in Panamá. I also refer to Your Excellency's note of July 1, 1949, suggesting the consideration by our respective governments of a further extension of that Agreement.

Considering the mutual benefits which both Governments are deriving from the program, my Government agrees with the Government of Panamá that an extension of the program beyond its present termination date of June 30, 1949 would be desirable. Accordingly, I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the program for a period of one year, from June 30, 1949 through June 30, 1950. It would be understood that, during this period of extension, the Institute would make a contribution not to exceed the sum of \$20,000 in the currency of the United States, to the Servicio Cooperativo Inter-Americano de Educacion, for use in carrying out project activities of the program, on condition that your Government would contribute to the Servicio for the same purpose a sum not less than B/101,000. The Institute would also be willing during the same extension period to make available funds to be administered by the Institute, and not deposited to the account of the Servicio, for payment of salaries and other expenses of the members of the Education Division field staff who are maintained by the Institute in Panamá. The amounts referred to would be in addition to the sums already required under the present Basic Agreement,

¹ TIAS 2148, *ante*, p. 843.

as amended, to be contributed and made available by the parties in furtherance of the program.

If Your Excellency agrees that the proposed extension on the above basis is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's assurance to that effect as soon as may be possible, in order that the technical details of the extension may be worked out by officials of the Ministry of Education and the Institute of Inter-American Affairs.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest and most distinguished consideration.

CARLOS C. HALL

His Excellency

IGNACIO MOLINO, Jr.

*Minister for Foreign Affairs
Panamá, Panamá*

*The Minister of Foreign Affairs to the American Chargé d'Affaires
ad interim*

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS

D.P. No. 1472

PANAMÁ, September 2, 1949

MR. CHARGÉ D'AFFAIRES:

I have the honor to refer to the correspondence exchanged between your Embassy and this Ministry relating to the extension requested by the Ministry of Education of Panama of the Education Agreement concluded between the said Ministry and the Institute of Inter-American Affairs, which has been charged with the organization and intensification of a vocational education program in the Republic.

With reference to this matter, I have the pleasure of informing you that a note received from Mr. Ernesto Méndez, Minister of Education, has informed me that the Ministry of Education is in accord with the extension of the aforesaid Agreement and with the details and figures given in your note No. 209 of July 23 of this year, received in this office.

Thanking you for the attention that you have given this matter, I avail myself of the opportunity to assure you of my most distinguished consideration.

GMO. MÉNDEZ P.
Minister for Foreign Affairs

Mr. CARLOS C. HALL,

*Chargé d'Affaires of the United States of America,
City.*

COMMUNICATIONS CABLE

*Exchange of notes at Panama September 9 and 26, 1949, modifying
agreement of March 31, 1949*

Entered into force September 26, 1949

Department of State files

The American Ambassador to the Minister of Foreign Affairs

No. 236

PANAMÁ, R. P., September 9, 1949

EXCELLENCY:

I have the honor to refer to the enclosed "Report of Communication Implementation for Tocumen National Airport"¹ by Marcos A. Gelabert, Administrator of Tocumen National Airport, and Ward Masden of the Civil Aeronautics Administration, in which it is recommended "that the Government of the Republic of Panamá arrange with the Government of the United States of America for an additional 15 cable pairs, making a total of 25 cable pairs available for the implementation of this proposed plan."

I should be grateful if you would inform me if your Government shares the desire of my Government to modify accordingly paragraph 5(c) of our exchange of notes of March 31, 1949,² which established an original allocation of 10 pairs of lines within the Tocumen-Albrook cable for the transmission of these aeronautical communications between Tocumen National Airport and the Canal Zone, and to raise the number of pairs allocated for this purpose from the original 10 to the recommended 25.

Please accept, Excellency, the renewed assurances of my highest consideration.

MONNETT B. DAVIS

Enclosure

His Excellency

Professor GUILLERMO MÉNDEZ PEREIRA,
Minister for Foreign Affairs

¹ Not printed here.

² TIAS 1932, *ante*, p. 857.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

D.P. No. 1669

PANAMÁ, September 26, 1949

MR. AMBASSADOR:

I have the honor to refer to Your Excellency's kind note No. 236 of the 9th of the current month, which says:

[For text, see above.]

On the subject, I am happy to inform Your Excellency that my Government accepts with pleasure the recommendation made by Messrs. Marcos A. Gelabert, Administrator of Tocumen National Airport, and Ward Masden of the Civil Aeronautics Administration, in their report on "Communications for the Tocumen National Airport", to the effect that there be increased from 10 to 25 the number of cable pairs in the communication lines which reach Tocumen for the transmission and receipt of messages related to aviation operations between the Tocumen Airport and the corresponding offices in the Canal Zone.

Consequently, Your Excellency's note mentioned above and this reply constitute a modification to paragraph 5(c) of our exchange of notes covering the cable, which [exchange] took place between that Embassy and this Chancery on March 31, 1949.

I take this opportunity to reiterate to Your Excellency the assurances of my highest and most esteemed consideration.

GMO. MÉNDEZ P.
Minister of Foreign Relations

His Excellency

MONNETT B. DAVIS

*Ambassador of the United States
City.*

Paraguay

CLAIMS: UNITED STATES AND PARAGUAY NAVIGATION COMPANY

Special convention signed at Asunción February 4, 1859

Ratified by Paraguay February 11, 1859

Senate advice and consent to ratification February 16, 1860

Ratified by the President of the United States March 7, 1860

Ratifications exchanged at Washington March 7, 1860

Entered into force March 7, 1860

Proclaimed by the President of the United States March 12, 1860

Terminated August 13, 1860¹

12 Stat. 1087; Treaty Series 271²

SPECIAL CONVENTION

Between the United States of America and the Republic of Paraguay relating to the claims of the "United States and Paraguay Navigation Company" against the Paraguayan Government.

His Excellency the President of the United States of America and His Excellency the President of the Republic of Paraguay desiring to remove every cause that might interfere with the good understanding and harmony, for a time so unhappily interrupted, between the two Nations and now so happily restored, and which it is so much for their interest to maintain; and desiring for this purpose to come to a definite understanding, equally just and honorable to both Nations, as to the mode of settling a pending question of the said claims of the "United States and Paraguay Navigation Company"—A Company composed of Citizens of the United States, against the Government of Paraguay; have agreed to refer the same to a Special and respectable Commission to be organized and regulated by the Convention hereby established

¹ Date on which Commissioners rendered an award adverse to the claims of the company.

² For a detailed study of this convention, see 8 Miller 259.

between the two high contracting parties and for this purpose they have appointed and conferred full powers respectively, to wit:

His Excellency the President of the United States of America upon James B. Bowlin, a Special Commissioner of the said United States of America—specifically charged and empowered for this purpose. And His Excellency the President of the Republic of Paraguay upon Señor Nicholas Vasquez Secretary of State and Minister of Foreign Affairs of the said Republic of Paraguay who, after exchanging their full powers, which were found in good and proper form, agreed upon the following articles.

ARTICLE I

The Government of the Republic of Paraguay binds itself for the responsibility in favor of the "United States and Paraguay Navigation Company" which may result from the decree of Commissioners who it is agreed shall be appointed as follows.

ARTICLE II

The two high contracting parties, appreciating the difficulty of agreeing upon the amount of the reclamations to which the said Company may be entitled and being convinced that a commission is the only equitable and honorable method by which the two countries can arrive at a perfect understanding thereof, hereby covenant to adjust them accordingly by a loyal commission. To determine the amount of said reclamations it is therefore agreed to constitute such a Commission, whose decision shall be binding in the following manner.

The Government of the United States of America shall appoint one Commissioner and the Government of Paraguay shall appoint another, and these two in case of disagreement shall appoint a third, said appointment to devolve upon a person of loyalty and impartiality, with the condition that, in case of difference between the Commissioners in the choice of an umpire, the Diplomatic Representatives of Russia and Prussia accredited to the Government of the United States of America at the City of Washington, may select such umpire.

The two Commissioners named in the said manner shall meet in the City of Washington, to investigate adjust and determine the amount of the claims of the above mentioned Company upon sufficient proofs of the charges and defences of the contending parties.

ARTICLE III

The said Commissioners before entering upon their duties shall take an oath before some Judge of the United States of America, that they will fairly and impartially investigate the said claims and a just decision thereupon render to the best of their judgment and ability.

ARTICLE IV

The said Commissioners shall assemble within one year after the ratification of the "Treaty of Friendship, Commerce and Navigation,"³ this day celebrated at the City of Assumption between the two high contracting parties, at the City of Washington, in the United States of America, and shall continue in session for a period not exceeding three months within which, if they come to an agreement, their decision shall be proclaimed and in case of disagreement they shall proceed to the appointment of an umpire as already agreed.

ARTICLE V

The Government of Paraguay hereby binds itself to pay to the Government of the United States of America, in the City of Assumption, Paraguay, thirty days after presentation to the Government of the Republic, the Draft which that of the United States of America shall issue for the amount for which the two Commissioners concurring, or by the umpire, shall declare it responsible to the said Company.

ARTICLE VI

Each of the high contracting parties shall compensate the Commissioner it may appoint, the sum of money he may stipulate for his services, either by instalments or at the expiration of his task. In case of the appointment of an umpire, the amount of his remuneration shall be equally borne by both contracting parties.

ARTICLE VII

The present Convention shall be ratified within fifteen months, or earlier if possible, by the Government of the United States of America, and by the President of the Republic of Paraguay within twelve days from this date. The exchange of ratifications shall take place in the City of Washington.

In faith of which and in virtue of our full powers, we have signed the present Convention in English and Spanish and have thereunto set our respective Seals.

Done at Assumption this fourth day of February in the year of our Lord one thousand eight hundred and fifty nine, being the eighty third year of the Independence of the United States of America and the forty seventh of that of Paraguay.

JAMES B. BOWLIN [SEAL]
NICOLAS VASQUEZ [SEAL]

³ TS 272, *post*, p. 888.

FRIENDSHIP, COMMERCE, AND NAVIGATION

Treaty signed at Asunción February 4, 1859

Ratified by Paraguay February 11, 1859

Senate advice and consent to ratification February 27, 1860

Ratified by the President of the United States March 7, 1860

Ratifications exchanged at Washington March 7, 1860

Entered into force March 7, 1860

Proclaimed by the President of the United States March 12, 1860

12 Stat. 1091; Treaty Series 272¹

A TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION BETWEEN THE GOVERNMENTS OF THE UNITED STATES OF AMERICA, AND OF THE REPUBLIC OF PARAGUAY, CONCLUDED AND SIGNED IN THE CITY OF ASSUMPTION, THE CAPITAL OF THE REPUBLIC OF PARAGUAY, ON THE FOURTH DAY OF FEBRUARY IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED AND FIFTY NINE.—THE EIGHTY THIRD YEAR OF THE INDEPENDENCE OF THE UNITED STATES OF AMERICA AND THE FORTY-SEVENTH OF THAT OF THE REPUBLIC OF PARAGUAY.

In the name of the most Holy Trinity.

The Governments of the two Republics, the United States of America and of Paraguay in South America being mutually disposed to cherish more intimate relations and intercourse than those which have heretofore subsisted between them, and believing it to be of mutual advantage to adjust the conditions of such relations by signing a "Treaty of Friendship, Commerce and Navigation;"—for that object have nominated their respective Plenipotentiaries, that is to say:

His Excellency the President of the United States of America has nominated James B. Bowlin a Special Commissioner of the United States of America at Assumption.

And His Excellency the President of the Republic of Paraguay has nominated the Paraguayan citizen Nicolas Vasquez Secretary of State and Minister of Foreign Relations of the Republic of Paraguay.

Who after having communicated competent authorities, have agreed upon, and concluded the following Articles.

¹ For a detailed study of this treaty, see 8 Miller 189.

ARTICLE I

There shall be perfect peace and sincere friendship between the Government of the United States of America and the Government of the Republic of Paraguay, and between the citizens of both States and without exception of persons or places. The high contracting parties shall use their best endeavors that this friendship and good understanding may be constantly and perpetually maintained.

ARTICLE II

The Republic of Paraguay, in the exercise of the sovereign right which pertains to her, concedes to the merchant flag of the citizens of the United States of America the free navigation of the River Paraguay as far as the dominions of the Empire of Brazil, and of the right side of the Paraná throughout all its course belonging to the Republic, subject to police and fiscal regulations of the Supreme Government of the Republic in conformity with its concessions to the commerce of friendly nations. They shall be at liberty, with their ships and cargoes, freely and securely to come to and to leave all the places and ports which are already mentioned, to remain and reside in any part of the said territories; hire houses and warehouses, and trade in all kinds of produce, manufactures and merchandize of lawful commerce, subject to the usages and established customs of the country. They may discharge the whole or a part, of their cargoes, at the ports of Pilar, and where commerce with other nations may be permitted, or proceed with the whole or part, of their cargo to the port of Assumption, according as the Captain, owner or other duly authorized person shall deem expedient.

In the same manner shall be treated and considered such Paraguayan citizens as may arrive at the ports of the United States of America with cargoes in Paraguayan vessels or vessels of the United States of America.

ARTICLE III

The two high contracting parties hereby agree that any favor, privilege or immunity whatever, in matters of commerce or navigation which either contracting party has actually granted, or may hereafter grant to the citizens or subjects of any other State shall extend in identity of cases and circumstances, to the citizens of the other contracting party gratuitously, if the concession in favor of that other state shall have been gratuitous, or in return for an equivalent compensation, if the concession shall have been conditional.

ARTICLE IV

No other or higher duties shall be imposed on the importation or exportation of any article of the growth, produce or manufacture of the two contracting States, than are or shall be payable on the like article being the growth, produce or manufacture of any other foreign country. No prohibi-

tion shall be imposed upon the importation or exportation of any article of the growth, produce or manufacture of the territories of either of the two contracting parties into the territories of the other, which shall not equally extend to the importation or exportation, of similar articles to the territories of any other nation.

ARTICLE V

No other or higher duties or charges on account of tonnage, light or harbor dues, pilotage, salvage in case of damage or shipwreck or any other local charges, shall be imposed in any of the ports of the territories of the Republic of Paraguay on vessels of the United States of America than those payable in the same ports by Paraguayan vessels; nor in the ports of the territories of the United States of America on Paraguayan vessels, than shall be payable in the same ports by vessels of the United States of America.

ARTICLE VI

The same duties shall be paid upon the importation and exportation of any article which is or may be legally importable or exportable into the dominions of the United States of America and into those of Paraguay, whether such importation or exportation be made in vessels of the United States of America or in Paraguayan vessels.

ARTICLE VII

All vessels, which, according to the laws of the United States of America are to be deemed vessels of the United States of America, and all vessels which according to the laws of Paraguay, are to be deemed Paraguayan vessels, shall, for the purposes of this Treaty be deemed vessels of the United States of America and Paraguayan vessels respectively.

ARTICLE VIII

Citizens of the United States of America shall pay in the territories of the Republic of Paraguay the same import and export duties, which are established or may be established hereafter, for Paraguayan citizens. In the same manner the latter shall pay in the United States of America the duties which are established or may hereafter be established for citizens of the United States of America.

ARTICLE IX

All merchants, commanders of ships and others the citizens of each country respectively, shall have full liberty, in all the territories of the other, to manage their own affairs themselves, or to commit them to the management of whomsoever they please, as Agent, Broker, Factor or Interpreter; and they shall not be obliged to employ any other persons than those employed by natives, nor to pay to such persons as they shall think fit to

employ, any higher salary or remuneration than such as is paid in like cases by natives.

The citizens of the United States of America in the territories of Paraguay, and the citizens of Paraguay in the United States of America shall enjoy the same full liberty, which is now, or may hereafter be, enjoyed by natives of each country respectively, to buy from, and sell to, whom they like, all articles of lawful commerce, and to fix the prices thereof as they shall see good without being affected by any monopoly, contract or exclusive privilege of sale or purchase, subject, however, to the general ordinary contributions or imposts established by law.

The citizens of either of the two contracting parties in the territories of the other, shall enjoy full and perfect protection for their persons and property, and shall have free and open access to the Courts of Justice for the prosecution and defence of their just rights; they shall enjoy, in this respect the same rights and privileges as native citizens; and they shall be at liberty to employ, in all causes, the Advocates, Attorneys or Agents of whatever description, whom they may think proper.

ARTICLE X

In whatever relates to the police of the ports, the lading or unlading of ships, the warehousing and safety of merchandize, goods and effects, the succession to personal estates by will or otherwise, and the disposal of personal property of every sort and denomination, by sale, donation, exchange or testament, or in any other manner whatsoever, as also with regard to the administration of justice, the citizens of each contracting party shall enjoy in the territories of the other, the same privileges, liberties and rights as native citizens, and shall not be charged, in any of these respects, with any other or higher imposts or duties than those, which are or may be paid by native citizens, subject always to the local laws and regulations of such territories.

In the event of any citizen of either of the two contracting parties dying without will or testament in the territory of the other contracting party, the Consul General, Consul or Vice Consul of the nation to which the deceased may belong, or, in his absence, the Representative of such Consul General, Consul or Vice Consul, shall, so far as the laws of each country will permit, take charge of the property which the deceased may have left, for the benefit of his lawful heirs and creditors, until an executor or administrator be named by the said Consul General, Consul or Vice Consul, or his Representative.

ARTICLE XI

The citizens of the United States of America residing in the territories of the Republic of Paraguay and the citizens of the Republic of Paraguay residing in the United States of America shall be exempted from all compulsory military service whatsoever, whether by sea or land, and from all forced loans or

military exactions or requisitions, and they shall not be compelled to pay any charges, requisition or taxes, other or higher than those that are, or may be, paid by native citizens.

ARTICLE XII

It shall be free for each of the two contracting parties to appoint Consuls for the protection of trade, to reside in the territories of the other party; but before any Consul shall act as such, he shall, in the usual form, be approved and admitted by the Government to which he is sent; and either of the two contracting parties may except from the residence of Consuls, such particular places as either of them may judge fit to be excepted.

The Diplomatic Agents and Consuls of the United States of America in the territories of the Republic of Paraguay, shall enjoy whatever privileges, exemptions and immunities, are or may be there granted to the Diplomatic Agents and Consuls of any other nation whatever; and in like manner, the Diplomatic Agents and Consuls of the Republic of Paraguay in the United States of America shall enjoy whatever privileges, exemptions and immunities are, or may be, there granted to Agents of any other Nation whatever.

ARTICLE XIII

For the better security of commerce between the citizens of the United States of America and the citizens of the Republic of Paraguay, it is agreed that if, at any time, any interruption of friendly intercourse, or any rupture should unfortunately take place between the two contracting parties, the citizens of either of the said contracting parties, who may be established in the territories of the other, in the exercise of any trade or special employment, shall have the privilege of remaining and continuing such trade or employment therein, without any manner of interruption, in full enjoyment of their liberty and property, as long as they behave peaceably and commit no offence against the laws; and their goods and effects of whatever description they may be, whether in their own custody or entrusted to individuals or to the state, shall not be liable to seizure or sequestration, or to any other charges or demands than those which may be made upon the like effects or property belonging to native citizens. If, however, they prefer to leave the country, they shall be allowed the time they may require to liquidate their accounts and dispose of their property, and a safe conduct shall be given them to embark at the ports which they shall themselves select. Consequently, in the case referred to of a rupture, the public funds of the contracting state shall never be confiscated, sequestered or detained.

ARTICLE XIV

The citizens of either of the two contracting parties, residing in the territories of the other, shall enjoy, in regard to their houses, persons and prop-

erties, the protection of the Government, in as full and ample a manner as native citizens.

In like manner, the citizens of each contracting party shall enjoy in the territories of the other, full liberty of conscience, and shall not be molested on account of their religious belief; and such of those citizens as may die in the territories of the other party, shall be buried in the public cemeteries or in places appointed for the purpose, with suitable decorum and respect.

The citizens of the United States of America residing within the territories of the Republic of Paraguay shall be at liberty to exercise in private and in their own dwellings, or within the dwellings or offices of the Consuls or Vice Consuls of the United States of America their religious rites, services and worship, and to assemble therein for that purpose without hindrance or molestation.

ARTICLE XV

The present Treaty shall be in force during ten years counted from the day of the exchange of the ratifications; and further until the end of twelve months after the Government of the United States of America on the one part or the Government of Paraguay on the other shall have given notice of its intention to terminate the same.

The Paraguayan Government shall be at liberty to address to the Government of the United States of America or to its Representative in the Republic of Paraguay, the official declaration agreed upon in this article.

ARTICLE XVI

The present treaty shall be ratified by his Excellency the President of the United States of America within the term of fifteen months, or earlier if possible, and by his Excellency the President of the Republic of Paraguay within twelve days from this date and the ratifications shall be exchanged in Washington.

In witness whereof, the respective Plenipotentiaries have signed it and affixed thereto their seals.

Done at Assumption this fourth day of February, in the year of Our Lord one thousand eight hundred and fifty nine.

JAMES B. BOWLIN [SEAL]
NICOLAS VASQUEZ [SEAL]

ARBITRATION

Convention signed at Asunción March 13, 1909

Senate advice and consent to ratification July 30, 1909

Ratified by the President of the United States August 10, 1909

Ratified by Paraguay September 28, 1909

Ratifications exchanged at Asunción October 2, 1909

Entered into force October 2, 1909

Proclaimed by the President of the United States November 11, 1909

Expired October 2, 1914

36 Stat. 2190; Treaty Series 534

ARBITRATION CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PARAGUAY

The Government of the United States of America and the Government of the Republic of Paraguay, signatories of the convention for the pacific settlement of international disputes, concluded at The Hague on the 29th July, 1899;¹

Taking into consideration that by Article XIX of that Convention the High Contracting Parties have reserved to themselves the right of concluding Agreements, with a view to referring to arbitration all questions which they shall consider possible to submit to such treatment;

Have authorized the Undersigned to conclude the following Convention:

ARTICLE I

Differences which may arise of a legal nature, or relating to the interpretation of treaties existing between the two Contracting Parties, and which it may not have been possible to settle by diplomacy, shall be referred to the Permanent Court of Arbitration established at The Hague by the Convention of the 29th July, 1899, provided, nevertheless, that they do not affect the vital interests, the independence, or the honor of the two Contracting States, and do not concern the interests of third Parties.

ARTICLE II

In each individual case the High Contracting Parties, before appealing to the Permanent Court of Arbitration, shall conclude a special Agreement defining clearly the matter in dispute, the scope of the powers of the arbit-

¹ TS 392, *ante*, vol.1, p. 230.

trators, and the periods to be fixed for the formation of the Arbitral Tribunal and the several stages of the procedure. It is understood that on the part of the United States such special agreements will be made by the President of the United States, by and with the advice and consent of the Senate thereof, and on the part of Paraguay shall be subject to the procedure required by her laws.

ARTICLE III

The present Convention is concluded for a period of five years dating from the day of the exchange of the ratifications.

ARTICLE IV

The present Convention shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof; and by the President of Paraguay, with the previous approval of the Legislative Congress. The ratifications shall be exchanged at Asuncion as soon as possible, and the Convention shall take effect on the date of the exchange of its ratifications.

Done in duplicate in the English and Spanish languages at Asuncion, this thirteenth day of March in the year one thousand nine hundred and nine.

EDWARD C. O'BRIEN [SEAL]

MANUEL GONDRA [SEAL]

EXTRADITION

Treaty signed at Asunción March 26, 1913

Senate advice and consent to ratification June 5, 1913

Ratified by Paraguay July 16, 1913

Ratified by the President of the United States October 16, 1913

Ratifications exchanged at Asunción January 17, 1914

Entered into force January 17, 1914

Proclaimed by the President of the United States January 24, 1914

38 Stat. 1754; Treaty Series 584

EXTRADITION TREATY BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PARAGUAY

The United States of America and the Republic of Paraguay, desiring to strengthen their friendly relations and to promote the cause of justice, have resolved to conclude a treaty for the extradition of fugitives from justice, between the United States of America and the Republic of Paraguay, and have appointed for that purpose the following Plenipotentiaries:

The President of the United States of America, Nicolay A. Grevstad, Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Republic of Paraguay; and

The President of Paraguay, Doctor Eusebio Ayala, Minister for Foreign Affairs of The Republic of Paraguay;

Who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

It is agreed that the Government of the United States and the Government of Paraguay shall, upon mutual requisition duly made as herein provided, deliver up to justice any person who may be charged with, or may have been convicted of any of the crimes specified in Article II of this Convention committed within the jurisdiction of one of the Contracting Parties while said person was actually within such jurisdiction when the crime was committed, and who shall seek an asylum or shall be found within the territories of the other, provided that such surrender shall take place only upon

such evidence of criminality, as according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II

Persons shall be delivered up according to the provisions of this Convention, who shall have been charged with or convicted of any of the following crimes:

1. Murder, comprehending the crimes designated by the terms parricide, assassination, manslaughter, when voluntary; poisoning or infanticide.
2. The attempt to commit murder.
3. Rape, abortion, carnal knowledge of children under the age of twelve years.
4. Bigamy.
5. Arson.
6. Wilful and unlawful destruction or obstruction of railroads, which endangers human life.
7. Crimes committed at sea:
 - a) Piracy, as commonly known and defined by the law of nations, or by statute;
 - b) Wrongfully sinking or destroying a vessel at sea or attempting to do so;
 - c) Mutiny or conspiracy by two or more members of the crew or other persons on board of a vessel on the high seas, for the purpose of rebelling against the authority of the Captain or Commander of such vessel, or by fraud or violence taking possession of such vessel;
 - d) Assault on board ship upon the high seas with intent to do bodily harm.
8. Burglary, defined to be the act of breaking into and entering the house of another in the night time with intent to commit a felony therein.
9. The act of breaking into and entering the offices of the Government and public authorities, or the offices of banks, banking houses, savings banks, trust companies, insurance companies, or other buildings not dwellings with intent to commit a felony therein.
10. Robbery, defined to be the act of feloniously and forcibly taking from the person of another goods or money by violence or by putting him in fear.
11. Forgery or the utterance of forged papers.
12. The forgery or falsification of the official acts of the Government or public authority, including Courts of Justice, or the uttering or fraudulent use of any of the same.
13. The fabrication of counterfeit money, whether coin or paper, counterfeit titles or coupons of public debt, created by National, State, Provincial,

Territorial, Local or Municipal Governments, bank notes or other instruments of public credit, counterfeit seals, stamps, dies and marks of State or public administrations, and the utterance, circulation or fraudulent use of the above mentioned objects.

14. Embezzlement or criminal malversation committed within the jurisdiction of one or the other party by public officers or depositaries, where the amount embezzled exceeds two hundred dollars or Paraguayan equivalent.

15. Embezzlement by any person or persons hired, salaried or employed, to the detriment of their employers or principals, when the crime or offence is punishable by imprisonment or other corporal punishment by the laws of both countries, and where the amount embezzled exceeds two hundred dollars or Paraguayan equivalent.

16. Kidnapping of minors or adults, defined to be the abduction or detention of a person or persons, in order to exact money from them or their families, or for any other unlawful end.

17. Larceny, defined to be the theft of effects, personal property, or money, of the value of twenty-five dollars or more, or Paraguayan equivalent.

18. Obtaining money, valuable securities or other property by false pretences or receiving any money, valuable securities or other property knowing the same to have been unlawfully obtained, where the amount of money or the value of the property so obtained or received exceeds two hundred dollars or Paraguayan equivalent.

19. Perjury or subornation of perjury.

20. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, executor, administrator, guardian, director or officer of any Company or Corporation, or by any one in any fiduciary position, where the amount of money or the value of the property misappropriated exceeds two hundred dollars or Paraguayan equivalent.

21. Crimes and offences against the laws of both countries for the suppression of slavery and slave trading.

22. The extradition is also to take place for participation in any of the aforesaid crimes as an accessory before or after the fact, provided such participation be punishable by imprisonment by the laws of both Contracting Parties.

ARTICLE III

The provisions of this Convention shall not import claim of extradition for any crime or offence of a political character, nor for acts connected with such crimes or offences; and no person surrendered by or to either of the Contracting Parties in virtue of this Convention shall be tried or punished for a political crime or offence. When the offence charged comprises the act either of murder or assassination or of poisoning, either consummated or attempted, the fact that the offence was committed or attempted against the life of the Sovereign or Head of a foreign State or against the life of any member of

his family, shall not be deemed sufficient to sustain that such crime or offence was of a political character; or was an act connected with crimes or offences of a political character.

ARTICLE IV

No person shall be tried for any crime or offence other than that for which he was surrendered.

ARTICLE V

A fugitive criminal shall not be surrendered under the provisions hereof, when, from lapse of time or other lawful cause, according to the laws of the place within the jurisdiction of which the crime was committed, the criminal is exempt from prosecution or punishment for the offence for which the surrender is asked.

ARTICLE VI

If a fugitive criminal whose surrender may be claimed pursuant to the stipulations hereof, be actually under prosecution, out on bail or in custody, for a crime or offence committed in the country where he has sought asylum, or shall have been convicted thereof, his extradition may be deferred until such proceedings be determined, and until he shall have been set at liberty in due course of law.

ARTICLE VII

If a fugitive criminal claimed by one of the parties hereto, shall be also claimed by one or more powers pursuant to treaty provisions, on account of crimes committed within their jurisdiction, such criminal shall be delivered to that State whose demand is first received.

ARTICLE VIII

Under the stipulations of this Convention, neither of the Contracting Parties shall be bound to deliver up its own citizens.

ARTICLE IX

The expense of arrest, detention, examination and transportation of the accused shall be paid by the Government which has preferred the demand for extradition.

ARTICLE X

Everything found in the possession of the fugitive criminal at the time of his arrest, whether being the proceeds of the crime or offence, or which may be material as evidence in making proof of the crime, shall so far as practicable, according to the laws of either of the Contracting Parties, be delivered up with his person at the time of surrender. Nevertheless, the rights of a third party with regard to the articles aforesaid, shall be duly respected.

ARTICLE XI

The stipulations of this Convention shall be applicable to all territory wherever situated, belonging to either of the Contracting Parties or in the occupancy and under the control of either of them, during such occupancy or control.

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the Contracting Parties. In the event of the absence of such agents from the country or its seat of Government, or where extradition is sought from a colonial possession of Paraguay or from territory included in the preceding paragraphs, other than the United States, requisitions may be made by superior Consular officers. It shall be competent for such diplomatic or superior consular officers to ask and obtain a mandate or preliminary warrant of arrest for the person whose surrender is sought, whereupon the judges and magistrates of the two Governments shall respectively have power and authority, upon complaint made under oath, to issue a warrant for the apprehension of the person charged, in order that he or she may be brought before such judge or magistrate, that the evidence of criminality may be heard and considered and if, on such hearing, the evidence be deemed sufficient to sustain the charge, it shall be the duty of the examining judge or magistrate to certify the same to the proper executive authority, that a warrant may issue for the surrender of the fugitive.

If the fugitive criminal shall have been convicted of the crime for which his surrender is asked, a copy of the sentence of the Court before which such conviction took place, duly authenticated, shall be produced. If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed, and of the depositions upon which such warrant may have been issued, shall be produced, with such other evidence or proof as may be deemed competent in the case.

ARTICLE XII

If when a person accused shall have been arrested in virtue of the mandate or preliminary warrant of arrest, issued by the competent authority as provided in Article XI hereof, and been brought before a judge or magistrate to the end that the evidence of his or her guilt may be heard and examined as hereinbefore provided, it shall appear that the mandate or preliminary warrant of arrest has been issued in pursuance of a request or declaration received by telegraph from the Government asking for the extradition, it shall be competent for the judge or magistrate at his discretion to hold the accused for a period not exceeding two months, so that the demanding Government may have opportunity to lay before such judge or magistrate legal evidence of the guilt of the accused and if at the expiration of said period of two months, such legal evidence shall not have been produced before such judge or magis-

trate, the person arrested shall be released, provided that the examination of the charges preferred against such accused person shall not be actually going on.

ARTICLE XIII

In every case of a request made by either of the two Contracting Parties for the arrest, detention or extradition of fugitive criminals, the legal officers or fiscal Ministry of the country where the proceedings of extradition are had, shall assist the officers of the Government demanding the extradition before the respective judges and magistrates, by every legal means within their or its power; and no claim whatever for compensation for any of the services so rendered shall be made against the Government demanding the extradition, provided, however, that any officer or officers of the surrendering Government so giving assistance, who shall, in the usual course of their duty, receive no salary or compensation other than specific fees for services performed, shall be entitled to receive from the Government demanding the extradition the customary fees for the acts or services performed by them, in the same manner and to the same amount as though such acts or services had been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XIV

This Convention shall take effect from the day of the exchange of the ratifications thereof; but either Contracting Party may at any time terminate the same on giving to the other six months notice of its intention to do so.

The ratifications of the present treaty shall be exchanged in the city of Asunción as soon as possible.

In witness whereof, the respective Plenipotentiaries have signed this treaty and have affixed thereto their respective seals.

Done at Asunción this twenty sixth day of March, in the year of our Lord one thousand nine hundred and thirteen.

NICOLAY A. GREVSTAD	[SEAL]
EUSEBIO AYALA	[SEAL]

ADVANCEMENT OF PEACE

Treaty signed at Asunción August 29, 1914

Senate advice and consent to ratification October 22, 1914

Ratified by the President of the United States October 26, 1914

Ratified by Paraguay March 9, 1915

Ratifications exchanged at Asunción March 9, 1915

Entered into force March 9, 1915

Proclaimed by the President of the United States March 17, 1915

Article II amended by agreement of November 16 and 22, 1915¹

39 Stat. 1615; Treaty Series 614

TREATY OF PEACE BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PARAGUAY

The United States of America and the Republic of Paraguay, being desirous to strengthen the bonds of amity that bind them together and also to advance the cause of general peace, have resolved to enter into a treaty for that purpose and to that end have appointed as their plenipotentiaries:

THE PRESIDENT OF THE UNITED STATES, HIS EXCELLENCY DANIEL F. MOONEY, Envoy Extraordinary and Minister Plenipotentiary; and

THE PRESIDENT OF PARAGUAY, HIS EXCELLENCY D. MANUEL GONDRA, Minister of Foreign Relations;

Who, after having communicated to each other their respective full powers, found to be in proper form, have agreed upon the following articles:

ARTICLE I

The high contracting parties agree that all disputes between them, of every nature whatsoever, which diplomacy shall fail to adjust, shall be submitted for investigation and report to an International Commission, to be constituted in the manner prescribed in the next succeeding Article; and they agree not to declare war or begin hostilities during such investigation, and before the report is submitted.

ARTICLE II

The International Commission shall be composed of five members, to be appointed as follows: One member shall be chosen from each country, by

¹ TS 614-A, *post*, p. 904.

the Government thereof; one member shall be chosen by each Government from some third country; the fifth member shall be chosen by common agreement between the two Governments. The expenses shall be paid by the two Governments in equal proportion.

The International Commission shall be appointed within the four months following the exchange of the ratifications of this treaty; and vacancies shall be filled according to the manner of the original appointment.²

ARTICLE III

In case the high contracting parties shall have failed to adjust a dispute by diplomatic methods, they shall at once refer it to the International Commission for investigation and report.

The International Commission may, however, act upon its own initiative, and in such case it shall notify both Governments and request their cooperation in the investigation.

The report of the International Commission shall be completed within one year after the date on which it shall declare its investigation to have been initiated, unless the high contracting parties shall protract the term by mutual consent. The report shall be prepared in triplicate; one copy shall be presented to each Government, and the third retained by the Commission for its archives.

The high contracting parties reserve the right to act independently on the subject-matter of the dispute after the report of the Commission shall have been submitted.

ARTICLE IV

The present treaty shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof; and by the President of the Republic of Paraguay, with the approval of the Congress thereof; and the ratifications shall be exchanged as soon as possible. It shall take effect immediately after the exchange of ratifications, and shall continue in force for a period of five years, and it shall thereafter remain in force until one year after one of the high contracting parties have given notice to the other of an intention to terminate it.

In witness whereof the respective plenipotentiaries have signed the present treaty and have affixed thereunto their seals.

Done in Asuncion on the twenty-ninth of August, in the year of our Lord nineteen hundred and fourteen.

DANIEL F. MOONEY [SEAL]

M. GONDRA [SEAL]

² For an extension of time for organization of commission, see agreement of Nov. 16 and 22, 1915 (TS 614-A), *post*, p. 904.

ADVANCEMENT OF PEACE: APPOINTMENT OF COMMISSION

*Exchange of notes at Washington November 16 and 22, 1915,
amending treaty of August 29, 1914
Entered into force November 22, 1915
Expired January 15, 1916*

Treaty Series 614-A

The Secretary of State to the Paraguayan Minister

DEPARTMENT OF STATE
Washington, November 16, 1915

SIR:

The time specified in the Treaty of August 29, 1914,¹ between the United States and Paraguay, looking to the advancement of the general cause of peace, for the appointment of the International Commission having expired, without the United States non-national Commissioner, the Paraguayan Commissioners and the Joint Commissioner being named, I have the honor to suggest for the consideration of your Government that the time within which the organization of the Commission may be completed be extended from July 9, 1915, to January 15, 1916.

Your formal notification in writing, that your Government receives the suggestion favorably, will be regarded on this Government's part as sufficient to give effect to the extension, and I shall be glad to receive your assurance that it will be so regarded by your Government also.

Accept, Sir, the renewed assurances of my highest consideration.

ROBERT LANSING

Mr. HÉCTOR VELÁZQUEZ,
The Minister of Paraguay.

¹ TS 614, *ante*, p. 902.

The Paraguayan Consul General at New York to the Secretary of State

CONSULADO GENERAL DEL PARAGUAY
EN NUEVA YORK
November 22, 1915

SIR:

Replying to the note of Your Excellency of the sixteenth instant addressed to His Excellency, Dr. Héctor Velázquez, Minister of Paraguay, suggesting an extension until January fifteenth, 1916, for the completion of the International Commission provided by the Treaty of August twenty-ninth, 1914, I beg to advise that, in the absence of Dr. Velázquez, I communicated with the Government at Asunción by cable as follows: "Lansing suggests exchange notes extension time to January fifteen next appointment Peace Treaty Commissioners", to which I am in receipt today of a cable message reading as follows: "Suggestion accepted you are authorized exchange notes. Gondra."

I therefore, by virtue of this authority, accept formally on the part of the Government of Paraguay Your Excellency's suggestion for an extension until the date mentioned, and beg to give assurance that Your Excellency's note will be regarded as giving full effect to such extension.

I have the honor to be, Sir,

Very respectfully,

W.M. WALLACE WHITE

To the Honorable ROBERT LANSING,
Secretary of State, Washington, D.C.

FACILITATING THE WORK OF TRAVELING SALESMEN

Convention signed at Washington October 20, 1919

Senate advice and consent to ratification January 31, 1920

Ratified by the President of the United States February 16, 1920

Ratified by Paraguay September 22, 1921

Ratifications exchanged at Washington March 22, 1922¹

Entered into force conditionally March 22, 1922¹

Senate advice and consent to exchange of ratifications April 24, 1922

Proclaimed by the President of the United States April 28, 1922

42 Stat. 2128; Treaty Series 662

The United States of America and the Republic of Paraguay, being desirous to foster the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen, have agreed to conclude a convention for that purpose and have to that end appointed as their plenipotentiaries:

The President of the United States of America, Robert Lansing, Secretary of State of the United States of America, and

The President of the Republic of Paraguay, Manuel Gondra, Envoy Extraordinary and Minister Plenipotentiary for the Republic of Paraguay near the Government of the United States of America,

who, having communicated to each other their full powers, which were found to be in due form, have agreed upon the following articles:

ARTICLE I

Manufacturers, merchants, and traders domiciled within the jurisdiction of one of the High Contracting Parties may operate as commercial travelers either personally or by means of agents or employees within the jurisdiction of the other High Contracting Party on obtaining from the latter, upon pay-

¹ Because the period specified by art. X had expired, ratifications were exchanged upon the condition that the convention should not be binding upon or promulgated by either party until the United States Senate had sanctioned the exchange.

ment of a single fee, a license which shall be valid throughout its entire territorial jurisdiction.

In case either of the High Contracting Parties shall be engaged in war, it reserves to itself the right to prevent from operating within its jurisdiction under the provisions of this Convention, or otherwise, enemy nationals or other aliens whose presence it may consider prejudicial to public order and national safety.

ARTICLE II

In order to secure the license above mentioned the applicant must obtain from the country of domicile of the manufacturers, merchants, and traders represented a certificate attesting his character as a commercial traveler. This certificate, which shall be issued by the authority to be designated in each country for the purpose, shall be viséed by the consul of the country in which the applicant proposes to operate, and the authorities of the latter shall, upon the presentation of such certificate, issue to the applicant the national license as provided in Article I.

ARTICLE III

A commercial traveler may sell his samples without obtaining a special license as an importer.

ARTICLE IV

Samples without commercial value shall be admitted to entry free of duty.

Samples marked, stamped, or defaced, in such manner that they cannot be put to other uses, shall be considered as objects without commercial value.

ARTICLE V

Samples having commercial value shall be provisionally admitted upon giving bond for the payment of lawful duties if they shall not have been withdrawn from the country within a period of six (6) months.

Duties shall be paid on such portion of the samples as shall not have been so withdrawn.

ARTICLE VI

All customs formalities shall be simplified as much as possible with a view to avoid delay in the despatch of samples.

ARTICLE VII

Peddlers and other salesmen who vend directly to the consumer, though they have not an established place of business in the country in which they operate, shall not be considered as commercial travelers, but shall be subject to the license fees levied on business of the kind which they carry on.

ARTICLE VIII

No license shall be required of:

- (a) Persons traveling only to study trade and its needs, even though they initiate commercial relations, provided they do not make sales of merchandise.
- (b) Persons operating through local agencies which pay the license fee or other imposts to which their business is subject.
- (c) Travelers who are exclusively buyers.

ARTICLE IX

Any concessions affecting any of the provisions of the present Convention that may hereafter be granted by either High Contracting Party, either by law or by treaty or convention, shall immediately be extended to the other party.

ARTICLE X

This Convention shall be ratified; and the ratifications shall be exchanged at Washington within two years, or sooner if possible.²

The present Convention shall remain in force until the end of six months after either of the High Contracting Parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice to the other at any time. And it is hereby agreed between the parties that, on the expiration of six months after such notice shall have been received by either of them from the other party as above mentioned, this Convention shall altogether cease and terminate.

IN TESTIMONY WHEREOF the respective plenipotentiaries have signed these articles and have thereunder affixed their seals.

DONE in duplicate, in English and Spanish, at Washington, this twentieth day of October, one thousand nine hundred and nineteen.

ROBERT LANSING [SEAL]
M. GONDRA [SEAL]

² See footnote 1, p. 906.

LEND-LEASE¹

*Agreement signed at Washington September 20, 1941
Entered into force September 20, 1941*

1941 For. Rel. (VII) 480

Whereas the United States of America and the Republic of Paraguay declare that in conformity with the principles set forth in the Declaration of Lima, approved at the Eighth International Conference of American States on December 24, 1938,² they, together with all the other American republics, are united in the defense of the Americas, determined to secure for themselves and for each other the enjoyment of their own fortunes and their own talents; and

Whereas the President of the United States of America, pursuant to the Act of the Congress of the United States of America of March 11, 1941,³ and the President of the Republic of Paraguay, have determined that the defense of each of the American republics is vital to the defense of all of them; and

Whereas the United States of America and the Republic of Paraguay are mutually desirous of concluding an Agreement for the providing of defense articles and defense information by either country to the other country, and the making of such an Agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an Agreement in conformity with the laws either of the United States of America or of the Republic of Paraguay have been performed, fulfilled or executed as required;

The undersigned, being duly authorized for that purpose, have agreed as follows:

ARTICLE I

The United States of America proposes to transfer to the Republic of Paraguay under the terms of this Agreement armaments and munitions of

¹ Final settlement payment made Apr. 3, 1952, and reported in 34th Report on Lend-Lease Operations, p. 2.

² *Ante*, vol. 3, p. 534.

³ 55 Stat. 31.

war to a total value of about \$11,000,000. The United States of America proposes to begin deliveries immediately and to continue deliveries as expeditiously as practicable during the coming twelve months to an approximate total value of \$2,000,000 for use by the Paraguayan Army and an approximate total value of \$1,000,000 for use by the Paraguayan Navy.

In conformity, however, with the Act of the Congress of the United States of America of March 11, 1941, the United States of America reserves the right at any time to suspend, defer, or stop deliveries whenever, in the opinion of the President of the United States of America, further deliveries are not consistent with the needs of the defense of the United States of America or the Western Hemisphere; and the Republic of Paraguay similarly reserves the right to suspend, defer, or stop acceptance of deliveries under the present Agreement, when, in the opinion of the President of the Republic of Paraguay, the defense needs of the Republic of Paraguay or the Western Hemisphere are not served by continuance of the deliveries.

ARTICLE II

Records shall be kept of all defense articles transferred under this Agreement, and not less than every ninety days schedules of such defense articles shall be exchanged and reviewed.

Thereupon the Republic of Paraguay shall pay in dollars into the Treasury of the United States of America the total cost to the United States of America of the defense articles theretofore delivered up to a total of \$300,000 less all payments theretofore made, and the Republic of Paraguay shall not be required to pay more than a total of \$50,000 before July 1, 1942, more than a total of \$100,000 before July 1, 1943, more than a total of \$150,000 before July 1, 1944, more than a total of \$200,000 before July 1, 1945, more than a total of \$250,000 before July 1, 1946, or more than a total of \$300,000 before July 1, 1947.

ARTICLE III

The United States of America and the Republic of Paraguay, recognizing that the measures herein provided for their common defense and united resistance to aggression are taken for the further purpose of laying the bases for a just and enduring peace, agree, since such measures cannot be effective or such a peace flourish under the burden of an excessive debt, that upon the payments above provided all fiscal obligations of the Republic of Paraguay hereunder shall be discharged; and for the same purpose they further agree, in conformity with the principles and program set forth in Resolution XXV on Economic and Financial Cooperation of the Second Meeting of the Ministers of Foreign Affairs of the American Republics at Habana, July

1940,⁴ to cooperate with each other and with other nations to negotiate fair and equitable commodity agreements with respect to the products of either of them and of other nations in which marketing problems exist, and to co-operate with each other and with other nations to relieve the distress and want caused by the war wherever, and as soon as, such relief will be succor to the oppressed and will not aid the aggressor.

ARTICLE IV

Should circumstances arise in which the United States of America in its own defense or in the defense of the Americas shall require defense articles or defense information which the Republic of Paraguay is in a position to supply, without harm to its economy, the Republic of Paraguay will make such defense articles and defense information available to the United States of America.

ARTICLE V

The Republic of Paraguay undertakes that it will not, without the consent of the President of the United States of America, transfer title to or possession of any defense article or defense information received under this Agreement, or permit its use by anyone not an officer, employee, or agent of the Republic of Paraguay.

Similarly, the United States of America undertakes that it will not, without the consent of the President of the Republic of Paraguay, transfer title to or possession of any defense article or defense information received in accordance with Article IV of this Agreement, or permit its use by anyone not an officer, employee, or agent of the United States of America.

ARTICLE VI

If, as a result of the transfer to the Republic of Paraguay of any defense article or defense information, it is necessary for the Republic of Paraguay to take any action or make any payment in order fully to protect any of the rights of any citizen of the United States of America who has patent rights in and to any such defense article or information, the Republic of Paraguay will do so, when so requested by the President of the United States of America.

Similarly, if, as a result of the transfer to the United States of America of any defense article or defense information, it is necessary for the United States of America to take any action or make any payment in order fully to protect any of the rights of any citizen of the Republic of Paraguay who has patent rights in and to any such defense article or information, the

⁴ For text, see *Department of State Bulletin*, Aug. 24, 1940, p. 141.

United States of America will do so, when so requested by the President of the Republic of Paraguay.

ARTICLE VII

This Agreement shall continue in force from the date on which it is signed until a date agreed upon between the two Governments.

Signed and sealed at Washington in duplicate in the English and Spanish languages this twentieth day of September, 1941.

For the United States of America:

CORDELL HULL

*Secretary of State of the
United States of America*

For the Republic of Paraguay:

JUAN JOSÉ SOLER

*Envoy Extraordinary and Minister
Plenipotentiary of the Republic
of Paraguay at Washington*

HEALTH AND SANITATION PROGRAM

Exchange of notes at Washington May 18 and 22, 1942

Entered into force May 22, 1942

Supplemented and extended by agreements of February 10 and 16, 1944;¹ May 31, 1948;¹ June 30, 1948;² July 30, 1948;¹ July 29 and August 5, 1949;³ August 19, 1949;¹ July 1, 1950;¹ September 18 and November 11, 1950;⁴ September 10 and October 29, 1951;⁵ November 5 and December 7, 1951;⁶ April 8 and 30, 1952;⁷ May 6, 1952;¹ and April 5, 1955⁸

Expired June 30, 1960

58 Stat. 1495; Executive Agreement Series 436

The Under Secretary of State to the Paraguayan Ambassador

DEPARTMENT OF STATE

WASHINGTON

May 18, 1942

MY DEAR MR. AMBASSADOR:

I wish to refer to the Department's note of May 5, 1942 in which my Government agreed to assist the Government of Paraguay by contributing \$1,000,000 for the purpose of carrying out a cooperative health and sanitation program.

In fulfillment of this commitment and in accordance with Resolution XXX of the Third Meeting of the Ministers of Foreign Affairs of the American Republics at Rio de Janeiro,⁹ the Government of the United States, acting through the agency of the Coordinator of Inter-American Affairs, is sending, upon your request, a small group of experts to Paraguay in the immediate future in order to develop a specific program in agreement with the Government of Paraguay. This group will be under the immediate direction of the Chief Medical Officer of the Office of the Coordinator of Inter-American Affairs and will work in the closest cooperation with the

¹ Not printed.

² 3 UST 26; TIAS 2386.

³ 3 UST 30; TIAS 2387.

⁴ 3 UST 34; TIAS 2388.

⁵ 3 UST 38; TIAS 2389.

⁶ 3 UST 2560; TIAS 2423.

⁷ 3 UST 4299; TIAS 2579.

⁸ 6 UST 3061; TIAS 3355.

⁹ For text, see *Department of State Bulletin*, Feb. 7, 1942, p. 137.

appropriate Paraguayan officials. Approval for the actual execution of the specific projects agreed upon will be made by the respective Governments or their duly appointed agents upon recommendation of the Chief Medical Officer, acting in cooperation with the appropriate officials of the Paraguayan Government, or with appropriate officials designated by the Paraguayan Government for such projects as might be undertaken outside of the municipal areas of Asunción. Expenditures for such projects shall be made upon certification of the Chief Medical Officer and the appropriate Paraguayan official designated for the areas where projects will be executed.

The specific projects of interest to the Paraguayan Government include:

1. Improvement of existing water-supply system in Asunción and amplification of water-supply in accordance with availability of materials.
2. Improvement of sewerage in Asunción in accordance with availability of materials.
3. Provision for malaria control in areas where such control is needed as shall be agreed upon between the appropriate health officials of the Paraguayan Government and the chief medical officer provided by the Office of the Coordinator of Inter-American Affairs.
4. Improvement of disease control by means of hospitals, clinics, and educational measures.
5. General cooperation with the Paraguayan Health Department.

These projects upon completion will of course become the sole property of the Paraguayan Government. The United States Government will be prepared to facilitate such training of Paraguayan personnel as the two Governments may deem advisable.

The Paraguayan Government will, it is understood, be willing to provide, in accordance with its ability, such raw materials, services and funds as may be deemed necessary for the proper carrying out of the program.

Believe me

Sincerely yours,

SUMNER WELLES

His Excellency

Dr. Don CELSO R. VELÁZQUEZ,
Ambassador of Paraguay.

The Paraguayan Ambassador to the Under Secretary of State

EMBAJADA DEL PARAGUAY
WASHINGTON, D.C.

D. 16

MAY 22nd, 1942

MY DEAR MR. WELLES:

I wish to acknowledge the receipt of your letter of May 18, 1942 in which you set forth the specific measures by which the Government of the United

States proposes to fulfill in the immediate future its commitment to contribute the amount of \$1,000,000 for expenditure in ways which will assist in the attainment of the objectives of my Government in matters of health and sanitation.

Under the authority granted to me by His Excellency the President of Paraguay, and His Excellency the Minister of Foreign Affairs in a telegram of May 21, 1942, it is my pleasure to inform you that the projects outlined in your letter, and the terms relating thereto, are entirely satisfactory to the Government of Paraguay. I wish to assure you at this time that, once the projects have been completed and thereby become the sole property and responsibility of the Government of Paraguay, adequate measures of maintenance for the projects will be taken in order that the resulting benefits may be preserved.

The Government of Paraguay further agrees, in accordance with Article 1 of Resolution XXX of the Third Meeting of the Ministers of Foreign Affairs of the American Republics at Rio de Janeiro, to provide, in accordance with its ability, raw materials, services, and funds for the projects agreed upon.

It is my further understanding that the salaries and expenses of the small group of experts mentioned in your letter will be paid for by the Office of the Coordinator of Inter-American Affairs and will not be debited against project funds in the amount of \$1,000,000 as agreed upon.

Accept, my dear Mr. Welles, the renewed assurances of my highest consideration.

CELSO R. VELÁZQUEZ
Ambassador

The Honorable

SUMNER WELLES,

*Under Secretary of State
of the United States of America
Washington, D.C.*

EXCHANGE OF PUBLICATIONS

Exchange of notes at Asunción November 26 and 28, 1942

*Entered into force November 28, 1942; operative from August 5,
1942*

56 Stat. 1868; Executive Agreement Series 301

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

REPUBLIC OF PARAGUAY
MINISTRY
OF FOREIGN RELATIONS
D. C. C. P.

No. 620

ASUNCIÓN, November 26, 1942

MR. AMBASSADOR:

I have the honor to address Your Excellency to inform you that my Government, in conformity with your Embassy's note no. 13, of July 3, 1941, and the later arrangements agreed upon between officials of both parties, has agreed to negotiate with the Government of the United States of America a convention on the exchange of official publications issued in the two countries.

The convention which went into effect on August 5 of this year is adjusted to the following provisions, which I quote to Your Excellency for the sake of greater clearness and precision:

- 1) The official institutions through which the exchange of publications is to be effected shall be: on the part of the United States of America the Smithsonian Institution, and on the part of Paraguay the Division of Congresses, Conferences, and Propaganda of the Ministry of Foreign Relations.
- 2) Receipt of the publications exchanged shall be effected by the Library of Congress on behalf of the United States of America, and by the Library Section of the Ministry of Foreign Relations on behalf of Paraguay.
- 3) The Government of the United States of America shall furnish regularly one copy of each of the publications which are named in the enclosed List No. 1.
- 4) The Government of Paraguay shall furnish regularly one copy of each of the publications enumerated in the enclosed List No. 2.
- 5) Each of the contracting parties shall bear the postal, railway, navigation, and other charges necessary within its own boundaries.

6) Both parties express their agreement to expedite shipments so far as possible.

7) Both parties agree to extend, without need of subsequent negotiations, the respective lists, including any new official publications which may appear in the future.

8) This agreement shall not modify any other existing agreement relative to the exchange of official publications that may be in force between departments or divisions of the two Governments.

I am sending with this note a complete list of the official publications which my Government will send to that of Your Excellency in virtue of the bilateral agreement mentioned.

I must inform you that my Government accepts the list of official publications of the United States of America, a copy of which, with notations, is attached to the present note.

I should be very grateful to Your Excellency if you would be good enough to inform this chancery of your agreement with the terms of the provisions which I have just quoted to you, putting in concrete form the convention concluded sometime ago.

I avail myself of the opportunity to assure Your Excellency of my distinguished consideration.

Luís A. ARGAÑA

His Excellency

WESLEY FROST,

*Ambassador of the United States of America,
City.*

The American Ambassador to the Minister of Foreign Affairs

No. 75

ASUNCIÓN, November 28, 1942

EXCELLENCY:

I have the honor to acknowledge receipt of Your Excellency's Note D.C.C.P. No. 620 setting forth the provisions of the Bilateral Convention for the Exchange of Official Publications which has been concluded between Paraguay and the United States of America, effective August 5, 1942.

In reply I take great pleasure in stating that the terms of the Convention, as set forth in Your Excellency's Note, as well as the List of Paraguayan Publications attached thereto, are acceptable to my Government.

Confirming the text of the Convention as set forth in the Note under reference, the exchange of official publications between the Government of the United States of America and the Government of Paraguay will be effected in accordance with the following provisions:

1) The official exchange offices for the transmission of the publications shall be, on the part of the United States of America, the Smithsonian Institution; and on the part of Paraguay, the Department of Congresses, Conferences and Propaganda of the Ministry of Foreign Affairs.

2) The publications exchanged shall be received on behalf of the United States of America by the Library of Congress; and on behalf of Paraguay by the Library Section of the Ministry of Foreign Affairs.

3) The Government of the United States of America shall furnish regularly one copy of each of the publications included in the attached List No. 1.

4) The Government of Paraguay shall furnish regularly one copy of each of the official publications included in the attached List No. 2.

5) Each party to the agreement shall bear the postal, railway, steamship, and other charges arising in its own country.

6) Both parties express their willingness as far as possible to expedite shipments.

7) Both parties agree to enlarge, without need of subsequent negotiations, their respective Lists to include whatever new publications may appear in the future.

8) This agreement shall not be understood to modify any agreement concerning the exchange of official publications which may be in effect between departments or instrumentalities of the two Governments.

I trust that the continuous exchange of official publications made possible by this Convention will contribute to strengthening the traditional bonds of friendship between our two countries through a clearer understanding of the internal functions and activities of our respective Governments.

Please accept, Excellency, the renewed assurances of my most distinguished consideration.

WESLEY FROST

To His Excellency

Sr. Dr. Don Luís A. ARGAÑA,
Minister of Foreign Relations,
Asunción.

LIST NO. 1

OFFICIAL PUBLICATIONS TO BE FURNISHED REGULARLY BY THE UNITED STATES GOVERNMENT

CONGRESS OF THE UNITED STATES

House Journal
Senate Journal
Code of Laws and supplements

PRESIDENT OF THE UNITED STATES

Annual messages to Congress

DEPARTMENT OF AGRICULTURE

Annual Report of the Secretary of Agriculture
Farmers' Bulletins
Yearbook

DEPARTMENT OF COMMERCE

Annual Report of the Secretary of Commerce

Bureau of the Census

Reports
Abstracts
Statistical Abstract of the United States (annual)

Bureau of Foreign and Domestic Commerce

Foreign Commerce (weekly)
Foreign Commerce and Navigation of the United States (annual)
Survey of Current Business (monthly)
Trade Information Bulletins

National Bureau of Standards

Technical News Bulletin

Weather Bureau

Monthly Weather Review

DEPARTMENT OF JUSTICE

Annual Report of the Attorney General

DEPARTMENT OF LABOR

Annual Report of the Secretary of Labor

Bureau of Labor Statistics

Bulletins
Monthly Labor Review

DEPARTMENT OF STATE

Department of State Bulletin
Inter-American Series
Foreign Relations of the United States (annual)
Statutes at Large
Treaty Series

DEPARTMENT OF THE INTERIOR

Annual Report of the Secretary of the Interior

Fish and Wild Life Service

Bulletins
Investigational Reports

Bureau of Mines

Minerals Yearbook

Bureau of Reclamation

New Reclamation Era (monthly)

National Park Service

General Publications

DISTRICT OF COLUMBIA

Annual Report of the Government of the District of Columbia
Annual Report of the Public Utilities Commission

FEDERAL SECURITY AGENCY

Office of Education
School Life (monthly)

Public Health Service
Public Health Reports (weekly)

Social Security Board
Social Security Bulletin (monthly)

FEDERAL WORKS AGENCY

Public Roads Administration
Public Roads (monthly)

INTERSTATE COMMERCE COMMISSION
Annual reportLIBRARY OF CONGRESS
Annual Report to the Librarian of CongressNATIONAL ADVISORY COMMITTEE FOR AERONAUTICS
Annual Report with technical reportsNATIONAL ARCHIVES
Annual ReportNATIONAL MUSEUM
Annual ReportNAVY DEPARTMENT
Annual Report of the Secretary of the Navy

Nautical Almanac Office
American Ephemeris and Nautical Almanac

POST OFFICE DEPARTMENT
Annual Report of the Postmaster GeneralSMITHSONIAN INSTITUTION
Annual ReportTREASURY DEPARTMENT
Annual Report on the State of the Finances

Bureau of Internal Revenue
Annual Report of the Commissioner

Bureau of the Mint
Annual Report of the Director

Comptroller of Currency
Annual Report

WAR DEPARTMENT
Annual Report

LIST NO. 2

PUBLICACIONES OFICIALES DE LAS DISTINTAS DEPENDENCIAS DE LOS
DEPARTAMENTOS DE ESTADO DE LA REPUBLICA DEL PARAGUAY*Presidencia de la República*

Mensaje (anual)
Discursos.

Ministerio de Relaciones Exteriores

Memoria (anual)
Lista Diplomática (anual)
Lista Consular (anual)
Arancel Consular (esporádica)
Boletín Informativo (semanal)

Ministerio del Interior

Revista de Policía
Gaceta Oficial
Revista de Correos y Telégrafos
Memoria (anual)
Revista Municipal (esporádica)

Ministerio de Guerra y Marina

Revista de las FF.AA. de la Nación (mensual)

Revista de la Sanidad Militar (bimensual)

Ministerio de Justicia, Culto e I. Pública

Memoria (anual)

Gaceta del Foro (esporádica)

Revista de la Facultad de Derecho y Ciencias Sociales.

Anales de la Facultad de C. Médicas.

Ministerio de Agricultura, Comer. e Industrias

Boletín del Ministerio de Agricultura, Comercio e Industrias (mensual)

Revista de Agricultura, Comercio e Industrias (trimestral)

Cartilla Agropecuaria (mensual)

Ministerio de Hacienda

Boletín de Tesoro (mensual)

Boletín de Impuestos Internos (trimestral)

Memoria y Balance del Banco de la República del Paraguay (anual)

Ley de Tarifas y Arancel de Aduanas.

Ministerio de Salud Pública

Memoria de la Sección Estadística Vital.

MILITARY AVIATION MISSION

Agreement signed at Washington October 27, 1943

Entered into force October 27, 1943

Extended by agreements of October 25 and November 20, 1947;¹

May 31 and July 30, 1951;² and July 22, 1955³

*Amended by agreements of July 22, 1955,³ and February 20 and
March 30, 1959⁴*

57 Stat. 1100; Executive Agreement Series 343

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PARAGUAY

In conformity with the request of the Government of the Republic of Paraguay to the Government of the United States of America, the President of the United States of America has authorized the appointment of officers and enlisted men to constitute a Military Aviation Mission to the Republic of Paraguay under the conditions specified below:

TITLE I

Purpose and Duration

ARTICLE 1. The purpose of this Mission is to cooperate with the Commander-in-Chief of the Armed Forces of the Republic of Paraguay and with the personnel of the Paraguayan Air Force with a view to enhancing the efficiency of the Paraguayan Air Force.

ARTICLE 2. This Mission shall continue for a period of four years from the date of the signing of this Agreement by the accredited representatives of the Government of the United States of America and the Government of the Republic of Paraguay, unless previously terminated or extended as herein-after provided. Any member of the Mission may be recalled by the Government of the United States of America after the expiration of two years of service, in which case another member shall be furnished to replace him.

ARTICLE 3. If the Government of the Republic of Paraguay should desire that the services of the Mission be extended beyond the stipulated period, it

¹ 141 UNTS 408.

² 3 UST 4297; TIAS 2578.

³ 6 UST 2923; TIAS 3339.

⁴ 10 UST 842; TIAS 4221.

shall make a written proposal to that effect six months before the expiration of this Agreement.

ARTICLE 4. This Agreement may be terminated before the expiration of the period of four years prescribed in Article 2, or before the expiration of the extension authorized in Article 3, in the following manner:

(a) By either of the Governments, subject to three months' written notice to the other Government;

(b) By the recall of the entire personnel of the Mission by the Government of the United States of America in the public interest of the United States of America, without necessity of compliance with provision (a) of this Article.

ARTICLE 5. This Agreement is subject to cancellation upon the initiative of either the Government of the United States of America or the Government of the Republic of Paraguay at any time during a period when either Government is involved in domestic or foreign hostilities.

TITLE II

Composition and Personnel

ARTICLE 6. This Mission shall consist of such personnel of the United States Army Air Corps as may be agreed upon by the Commander-in-Chief of the Armed Forces of the Republic of Paraguay through its authorized representative in Washington and by the War Department of the United States of America.

TITLE III

Duties, Rank and Precedence

ARTICLE 7. The personnel of the Mission shall perform such duties as may be agreed upon between the Commander-in-Chief of the Armed Forces of the Republic of Paraguay and the Chief of the Mission.

ARTICLE 8. The members of the Mission shall be responsible solely to the Commander-in-Chief of the Armed Forces of the Republic of Paraguay, through the Chief of the Mission.

ARTICLE 9. Each member of the Mission shall serve on the Mission with the rank he holds in the United States Army Air Corps and shall wear the uniform of his rank in the United States Army Air Corps but shall have precedence over all Paraguayan officers of the same rank.

ARTICLE 10. Each member of the Mission shall be entitled to all benefits and privileges which the Regulations of the Paraguayan Air Force provide for Paraguayan officers and subordinate personnel of corresponding rank.

ARTICLE 11. The personnel of the Mission shall be governed by the disciplinary regulations of the United States Army Air Corps.

TITLE IV

Compensation and Perquisites

ARTICLE 12. Members of the Mission shall receive from the Government of the Republic of Paraguay such net annual compensation as may be agreed upon between the Government of the United States of America and the Government of the Republic of Paraguay for each member. This compensation shall be paid in twelve (12) equal monthly instalments, each due and payable on the last day of the month. The compensation shall not be subject to any tax, now or hereafter in effect, of the Government of the Republic of Paraguay or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be borne by the Commander-in-Chief of the Armed Forces of the Republic of Paraguay in order to comply with the provision of this Article that the compensation agreed upon shall be net.

ARTICLE 13. The compensation agreed upon as indicated in the preceding Article shall commence upon the date of departure from the United States of America of each member of the Mission, and, except as otherwise expressly provided in this Agreement, shall continue, following the termination of duty with the Mission, for the return voyage to the United States of America and thereafter for the period of any accumulated leave which may be due.

ARTICLE 14. The compensation due for the period of the return trip and accumulated leave shall be paid to a detached member of the Mission before his departure from the Republic of Paraguay, and such payment shall be computed for travel by the shortest usually traveled route to the port of entry in the United States of America, regardless of the route and method of travel used by the member of the Mission.

ARTICLE 15. Each member of the Mission and each dependent member of his family shall be provided with first-class accommodations for travel required and performed under this Agreement by the shortest usually traveled route between the port of embarkation in the United States of America and his official residence in the Republic of Paraguay, and from his official residence in the Republic of Paraguay to the port of debarkation in the United States of America. Each member of the Mission shall be reimbursed for the expenses of shipment of his household effects and baggage; such reimbursement shall include all necessary expenses incident to unloading from the steamer upon arrival in the Republic of Paraguay, cartage between the ship and the residence in the Republic of Paraguay, and packing and loading on board the steamer upon departure from the Republic of Paraguay. The cost of this transportation for members of the Mission, dependent members of their

families, their household effects and baggage shall be borne by the Government of the United States of America. The transportation of such household effects and baggage shall be made in a single shipment and all subsequent shipments shall be at the expense of the respective members of the Mission except when the result of circumstances beyond their control. The provisions of this Article shall likewise apply to officers and enlisted men who are subsequently detailed to the Republic of Paraguay for temporary duty, as additional personnel, or replacements for members of the Mission.

ARTICLE 16. The Government of the Republic of Paraguay shall grant, upon request of the Chief of the Mission, exemption from customs duties on articles imported by the members of the Mission for their personal use and for the use of members of their families.

ARTICLE 17. Compensation for transportation and traveling expenses in the Republic of Paraguay on official business of the Government of the Republic of Paraguay shall be provided by the Government of the United States of America.

ARTICLE 18. The Government of the Republic of Paraguay shall provide the Chief of the Mission with suitable motor transportation with chauffeur, for use on official business. Suitable motor transportation with chauffeur, and when necessary an airplane properly equipped, shall on call be made available by the Government of the Republic of Paraguay for use by the members of the Mission for the conduct of the official business of the Mission.

ARTICLE 19. The Government of the Republic of Paraguay shall provide suitable office space and facilities for the use of the members of the Mission.

TITLE V

Requisites and Conditions

ARTICLE 20. So long as this Agreement, or any extension thereof, is in effect, the Government of the Republic of Paraguay shall not engage the services of any personnel of any other foreign government for duties of any nature connected with the Paraguayan Air Force, except by mutual agreement between the Government of the United States of America and the Government of the Republic of Paraguay.

ARTICLE 21. Each member of the Mission shall agree not to divulge or in any way disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant in his capacity as a member of the Mission. This requirement shall continue in force after the termination of service with the Mission and after the expiration or cancellation of this Agreement or any extension thereof.

ARTICLE 22. Throughout this Agreement the term "family" is limited to mean wife and dependent children.

ARTICLE 23. Each member of the Mission shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of a year. Unused portions of said leave shall be cumulative from year to year during service as a member of the Mission.

ARTICLE 24. The leave specified in the preceding Article may be spent in the Republic of Paraguay, in the United States of America or in other countries, but the expense of travel and transportation not otherwise provided for in this Agreement shall be borne by the member of the Mission taking such leave. All travel time shall count as leave and shall not be in addition to the time authorized in the preceding Article.

ARTICLE 25. The Government of the Republic of Paraguay agrees to grant the leave specified in Article 23 upon receipt of written applications, approved by the Chief of the Mission with due consideration for the convenience of the Government of the Republic of Paraguay.

ARTICLE 26. Members of the Mission that may be replaced shall terminate their services on the Mission only upon the arrival of their replacements, except when otherwise mutually agreed upon in advance by the respective Governments.

ARTICLE 27. The Government of the Republic of Paraguay shall provide suitable medical attention to members of the Mission and their families. In case a member of the Mission becomes ill or suffers injury, he shall, at the discretion of the Chief of the Mission, be placed in such hospital as the Chief of the Mission deems suitable, after consultation with the Commander-in-Chief of the Armed Forces of the Republic of Paraguay, and all expenses incurred as the result of such illness or injury while the patient is a member of the Mission and remains in the Republic of Paraguay shall be paid by the Government of the Republic of Paraguay. If the hospitalized member is a commissioned officer he shall pay his cost of subsistence, but if he is an enlisted man the cost of subsistence shall be paid by the Government of the Republic of Paraguay. Families shall enjoy the same privileges agreed upon in this Article for members of the Mission, except that a member of the Mission shall in all cases pay the cost of subsistence incident to hospitalization of a member of his family, except as may be provided under Article 10.

ARTICLE 28. Any member of the Mission unable to perform his duties with the Mission by reason of long continued physical disability shall be replaced.

IN WITNESS WHEREOF, the undersigned, Edward R. Stettinius, Jr., Acting Secretary of State of the United States of America, and Celso R. Velázquez, Ambassador Extraordinary and Plenipotentiary of the Republic of Paraguay in Washington, duly authorized thereto, have signed this Agreement in dupli-

cate in the English and Spanish languages, in Washington, this twenty-seventh day of October, one thousand nine hundred and forty-three.

For the Government of the United States of America:

E. R. STETTINIUS Jr. [SEAL]
*Acting Secretary of State
of the United States of America*

For the Government of the Republic of Paraguay:

CELSO R. VELÁZQUEZ [SEAL]
*Ambassador Extraordinary and Plenipotentiary
of the Republic of Paraguay in Washington*

MILITARY MISSION

Agreement signed at Washington December 10, 1943

Entered into force December 10, 1943

Extended by agreements of October 25 and November 20, 1947;¹

May 31 and July 30, 1951;² and July 22, 1955³

*Amended by agreements of July 22, 1955,³ and February 20 and
March 30, 1959⁴*

57 Stat. 1184; Executive Agreement Series 354

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PARAGUAY

In conformity with the request of the Government of the Republic of Paraguay to the Government of the United States of America, the President of the United States of America has authorized the appointment of officers of the United States Army to constitute a Military Mission to the Republic of Paraguay under the conditions specified below:

TITLE I

Purpose and Duration

ARTICLE 1. The purpose of this Mission is to cooperate with the Commander in Chief of the Armed Forces of the Republic of Paraguay and to serve as instructors at the Paraguayan Superior School of War and for such other purposes as may be agreed upon by the Chief of the Mission and the Commander in Chief of the Armed Forces.

ARTICLE 2. This Mission shall continue for a period of four years from the date of the signing of this Agreement by the accredited representatives of the Government of the United States of America and the Government of the Republic of Paraguay, unless previously terminated, or extended as hereinafter provided. Any member of the Mission may be recalled by the Government of the United States of America after the expiration of two years of service, in which case another member shall be furnished to replace him.

ARTICLE 3. If the Government of the Republic of Paraguay should desire that the services of the Mission be extended beyond the stipulated period,

¹ 141 UNTS 407.

² 3 UST 4297; TIAS 2578.

³ 6 UST 2967; TIAS 3345.

⁴ 10 UST 842; TIAS 4221.

it shall make a written proposal to that effect six months before the expiration of this Agreement.

ARTICLE 4. This Agreement may be terminated before the expiration of the period of four years prescribed in Article 2, or before the expiration of the extension authorized in Article 3, in the following manner:

(a) By either of the Governments, subject to three months' written notice to the other Government;

(b) By the recall of the entire personnel of the Mission by the Government of the United States of America in the public interest of the United States of America, without necessity of compliance with provision (a) of this Article.

ARTICLE 5. This Agreement is subject to cancellation upon the initiative of either the Government of the United States of America or the Government of the Republic of Paraguay at any time during a period when either Government is involved in domestic or foreign hostilities.

TITLE II

Composition and Personnel

ARTICLE 6. This Mission shall consist of such personnel of the United States Army as may be agreed upon by the Commander in Chief of the Armed Forces of the Republic of Paraguay through its authorized representative in Washington and by the War Department of the United States of America.

TITLE III

Duties, Rank and Precedence

ARTICLE 7. The personnel of the Mission shall perform such duties as may be agreed upon between the Commander in Chief of the Armed Forces of the Republic of Paraguay and the Chief of the Mission.

ARTICLE 8. The members of the Mission shall be responsible solely to the Commander in Chief of the Armed Forces of the Republic of Paraguay, through the Chief of the Mission.

ARTICLE 9. Each member of the Mission shall serve on the Mission with the rank he holds in the United States Army and shall wear the uniform of his rank in the United States Army but shall have precedence over all Paraguayan officers of the same rank.

ARTICLE 10. Each member of the Mission shall be entitled to all benefits and privileges which the Regulations of the Paraguayan Army provide for Paraguayan officers of corresponding rank.

ARTICLE 11. The personnel of the Mission shall be governed by the disciplinary regulations of the United States Army.

TITLE IV

Compensation and Perquisites

ARTICLE 12. Members of the Mission shall receive from the Government of the Republic of Paraguay such net annual compensation as may be agreed upon between the Government of the United States of America and the Government of the Republic of Paraguay for each member. This compensation shall be paid in twelve (12) equal monthly instalments, each due and payable on the last day of the month. The compensation shall not be subject to any tax, now or hereafter in effect, of the Government of the Republic of Paraguay or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be borne by the Commander in Chief of the Armed Forces of the Republic of Paraguay in order to comply with the provision of this Article that the compensation agreed upon shall be net.

ARTICLE 13. The compensation agreed upon as indicated in the preceding Article shall commence upon the date of departure from the United States of America of each member of the Mission, and, except as otherwise expressly provided in this Agreement, shall continue, following the termination of duty with the Mission, for the return voyage to the United States of America and thereafter for the period of any accumulated leave which may be due.

ARTICLE 14. The compensation due for the period of the return trip and accumulated leave shall be paid to a detached member of the Mission before his departure from the Republic of Paraguay, and such payment shall be computed for travel by the shortest usually traveled route to the port of entry in the United States of America, regardless of the route and method of travel used by the member of the Mission.

ARTICLE 15. Each member of the Mission and each dependent member of his family shall be provided with first-class accommodations for travel required and performed under this Agreement by the shortest usually traveled route between the port of embarkation in the United States of America and his official residence in the Republic of Paraguay, and from his official residence in the Republic of Paraguay to the port of debarkation in the United States of America. Each member of the Mission shall be reimbursed for the expenses of shipment of his household effects and baggage; such reimbursement shall include all necessary expenses incident to unloading from the steamer upon arrival in the Republic of Paraguay, cartage between the ship and the residence in the Republic of Paraguay, and packing and loading on board the steamer upon departure from the Republic of Paraguay. The cost of this transportation for members of the Mission, dependent members of their families, their household effects and baggage shall be borne by the Government of the United States of America. The transportation of such house-

hold effects and baggage shall be made in a single shipment and all subsequent shipments shall be at the expense of the respective members of the Mission except when the result of circumstances beyond their control. The provisions of this Article shall likewise apply to officers who are subsequently detailed to the Republic of Paraguay for temporary duty, as additional personnel, or replacements for members of the Mission.

ARTICLE 16. The Government of the Republic of Paraguay shall grant upon request of the Chief of the Mission, exemption from customs duties on articles imported by the members of the Mission for their personal use and for the use of members of their families.

ARTICLE 17. Compensation for transportation and traveling expenses in the Republic of Paraguay on official business of the Government of the Republic of Paraguay shall be provided by the Government of the United States of America.

ARTICLE 18. The Government of the Republic of Paraguay shall provide the Chief of the Mission with suitable motor transportation with chauffeur, for use on official business. Suitable motor transportation with chauffeur shall on call be made available by the Government of the Republic of Paraguay for use by the members of the Mission for the conduct of the official business of the Mission.

ARTICLE 19. The Government of the Republic of Paraguay shall provide suitable office space and facilities for the use of the members of the Mission.

TITLE V

Requisites and Conditions

ARTICLE 20. So long as this Agreement, or any extension thereof, is in effect, the Government of the Republic of Paraguay shall not engage the services of any personnel of any other foreign government for duties of any nature connected with the Paraguayan Army, except by mutual agreement between the Government of the United States of America and the Government of the Republic of Paraguay.

ARTICLE 21. Each member of the Mission shall agree not to divulge or in any way disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant in his capacity as a member of the Mission. This requirement shall continue in force after the termination of service with the Mission and after the expiration or cancellation of this Agreement or any extension thereof.

ARTICLE 22. Throughout this Agreement the term "family" is limited to mean wife and dependent children.

ARTICLE 23. Each member of the Mission shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of a year. Unused portions of said leave shall be cumulative from year to year during service as a member of the Mission.

ARTICLE 24. The leave specified in the preceding Article may be spent in the Republic of Paraguay, in the United States of America or in other countries, but the expense of travel and transportation not otherwise provided for in this Agreement shall be borne by the member of the Mission taking such leave. All travel time shall count as leave and shall not be in addition to the time authorized in the preceding Article.

ARTICLE 25. The Government of the Republic of Paraguay agrees to grant the leave specified in Article 23 upon receipt of written applications, approved by the Chief of the Mission with due consideration for the convenience of the Government of the Republic of Paraguay.

ARTICLE 26. Members of the Mission that may be replaced shall terminate their services on the Mission only upon the arrival of their replacements, except when otherwise mutually agreed upon in advance by the respective Governments.

ARTICLE 27. The Government of the Republic of Paraguay shall provide suitable medical attention to members of the Mission and their families. In case a member of the Mission becomes ill or suffers injury, he shall, at the discretion of the Chief of the Mission, be placed in such hospital as the Chief of the Mission deems suitable, after consultation with the Commander in Chief of the Armed Forces of the Republic of Paraguay, and all expenses incurred as the result of such illness or injury while the patient is a member of the Mission and remains in the Republic of Paraguay shall be paid by the Government of the Republic of Paraguay. If the hospitalized member is a commissioned officer he shall pay his cost of subsistence. Families shall enjoy the same privileges agreed upon in this Article for members of the Mission, except that a member of the Mission shall in all cases pay the cost of subsistence incident to hospitalization of a member of his family, except as may be provided under Article 10.

ARTICLE 28. Any member of the Mission unable to perform his duties with the Mission by reason of long continued physical disability shall be replaced.

IN WITNESS WHEREOF, the undersigned, Cordell Hull, Secretary of State of the United States of America, and Celso R. Velázquez, Ambassador Extraordinary and Plenipotentiary of the Republic of Paraguay in Washington, duly authorized thereto, have signed this Agreement in duplicate in the English and Spanish languages, in Washington this tenth day of December, one thousand nine hundred forty-three.

For the United States of America:

CORDELL HULL [SEAL]

For the Republic of Paraguay:

CELSO R. VELÁZQUEZ [SEAL]

RECIPROCAL TRADE

Agreement and exchanges of notes signed at Asunción September 12, 1946¹

Published by Paraguay February 26, 1947

Proclaimed by the President of the United States March 10, 1947

Entered into force April 9, 1947

Amended by agreement of April 2, 1962²

Notice of intention to terminate given by Paraguay April 2, 1962³

Termination postponed by agreements of September 30 and October 1, 1962,³ and February 27 and March 29, 1963⁴

Articles VII-XII, inclusive, references to articles XI and XII in article XVII, schedules, as amended, and supplementary exchange of notes relating to duties and surcharges terminated June 30, 1963, by agreement of June 26, 1963⁵

Notice of intention to terminate withdrawn by Paraguay June 26, 1963⁵

61 Stat. 2688; Treaties and Other International Acts Series 1601

AGREEMENT

The President of the United States of America and the President of the Republic of Paraguay, being desirous of strengthening the traditional bonds of friendship existing between the two countries through the maintenance of the principle of equality of treatment in its unconditional and unlimited form as the basis of commercial relations and through the granting of mutual and reciprocal concessions and advantages for the promotion of trade, have resolved to conclude a Trade Agreement so providing and have appointed for this purpose as their Plenipotentiaries:

The President of the United States of America:

Willard L. Beaulac, Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Paraguay; and

¹ For schedules annexed to agreement, see 61 Stat. 2706 or p. 22 of TIAS 1601.

² 13 UST 407; TIAS 5000.

³ 13 UST 2266; TIAS 5194.

⁴ 14 UST 358; TIAS 5322.

⁵ 14 UST 1021; TIAS 5396.

The President of the Republic of Paraguay:

His Excellency Doctor Miguel Angel Soler, Minister of Foreign Relations and Worship;

Who, after having exchanged their full powers, found to be in good and due form, have agreed upon the following provisions:

ARTICLE I⁶

1. The United States of America and the Republic of Paraguay will grant each other unconditional and unrestricted most-favored-nation treatment in all matters concerning customs duties and subsidiary charges of every kind and in the method of levying such duties and charges, and, further, in all matters concerning the rules, formalities and charges imposed in connection with the clearing of goods through the customs, and with respect to all laws or regulations affecting the sale, taxation, distribution or use of imported goods within the country.

2. Accordingly, articles the growth, produce or manufacture of either country imported into the other shall in no case be subject, in regard to the matters referred to above, to any duties, taxes or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like articles the growth, produce or manufacture of any third country are or may hereafter be subject.

3. Similarly, articles exported from the territory of the United States of America or the Republic of Paraguay and consigned to the territory of the other country shall in no case be subject with respect to exportation and in regard to the above-mentioned matters, to any duties, taxes or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like articles when consigned to the territory of any third country are or may hereafter be subject.

4. Any advantage, favor, privilege or immunity which has been or may hereafter be granted by the United States of America or the Republic of Paraguay in regard to the above-mentioned matters, to any article originating in any third country or consigned to the territory of any third country shall be accorded immediately and without compensation to the like article originating in or consigned to the territory of the Republic of Paraguay or the United States of America, respectively.

ARTICLE II

Articles the growth, produce or manufacture of the United States of America or the Republic of Paraguay imported into the other country shall, after their release from customs custody, be exempt from all internal taxes,

⁶ For an understanding relating to art. I, see p. 942.

fees, charges or exactions other or higher than those imposed on like articles of national origin.

ARTICLE III

1. No prohibition or restriction of any kind shall be imposed by the Government of the United States of America or the Government of the Republic of Paraguay on the importation, sale, distribution or use of any article the growth, produce or manufacture of the other country, or on the exportation of any article destined for the territory of the other country, unless the importation, sale, distribution or use of the like article the growth, produce or manufacture of all third countries, or the exportation of the like article to all third countries, respectively, is similarly prohibited or restricted.

2. If the Government of the United States of America or the Government of the Republic of Paraguay imposes any quantitative regulation on the importation or exportation of any article, or on the sale, distribution or use of any imported article, it shall as a general rule give public notice of the total quantity or value of such article permitted to be imported, exported, sold, distributed or used during a specified period, and of any change in such quantity or value. Furthermore, if the Government of either country allots a share of such total quantity or value to any third country, it shall as a general rule allot to the other country, with respect to any article in which the latter has an important interest, a share based upon the proportion of the total quantity or value supplied by, or in the case of exports a share based upon the proportion exported to, such other country during a previous representative period.

3. The provisions of this Article relating to imported articles shall also apply in respect of the quantity or value of any article permitted to be imported free of duty or tax or at a lower rate of duty or tax than the rate of duty or tax imposed on imports in excess of such quantity or value.

ARTICLE IV

1. If the Government of the United States of America or the Government of the Republic of Paraguay establishes or maintains any form of control of the means of international payment, it shall accord unconditional most-favored-nation treatment to the commerce of the other country with respect to all aspects of such control.

2. The Government establishing or maintaining such control shall impose no prohibition, restriction or delay on the transfer of payment for any article the growth, produce or manufacture of the other country which is not imposed on the transfer of payment for the like article the growth, produce or manufacture of any third country. With respect to rates of exchange and with respect to taxes or charges on exchange transactions, articles the growth, produce or manufacture of the other country shall be accorded unconditionally treatment no less favorable than that accorded to the like articles the

growth, produce or manufacture of any third country. The foregoing provisions shall also extend to the application of such control to payments necessary for or incidental to the importation of articles the growth, produce or manufacture of the other country. In general, the control shall be administered so as not to influence to the disadvantage of the other country the competitive relationships between articles the growth, produce or manufacture of the territories of that country and like articles the growth, produce or manufacture of third countries.

ARTICLE V

1. If the Government of the United States of America or the Government of the Republic of Paraguay establishes or maintains a monopoly for the importation, exportation, sale, distribution or production of any article or grants exclusive privileges to any agency to import, export, sell, distribute or produce any article, the commerce of the other country shall be accorded fair and equitable treatment in respect of the foreign purchases or sales of such monopoly or agency. To this end such monopoly or agency shall, in making its foreign purchases or sales of any article, be influenced solely by considerations, such as price, quality, marketability and terms of purchase or sale, which would ordinarily be taken into account by a private commercial enterprise interested solely in purchasing or selling such article on the most favorable terms.

2. The Government of the United States of America and the Government of the Republic of Paraguay, in the awarding of contracts for public works and generally in the purchase of supplies, shall accord fair and equitable treatment to the commerce of the other country as compared with the treatment accorded to the commerce of any third country.

ARTICLE VI

1. Laws, regulations of administrative authorities and decisions of administrative or judicial authorities of the United States of America and the Republic of Paraguay, respectively, pertaining to the classification of articles for customs purposes or to rates of duty, shall be published as soon as possible in such a manner as to enable traders to become acquainted with them.

2. No administrative ruling by the Government of the United States of America or the Government of the Republic of Paraguay effecting advances in rates of duties or in charges applicable under an established and uniform practice to imports originating in the territory of the other country, or imposing any new requirement with respect to such importations, shall be effective retroactively or as a general rule with respect to articles either entered, or withdrawn from warehouse, for consumption prior to the expiration of thirty days after the date of publication of notice of such ruling in the usual

official manner; provided that, in respect to articles imported into the Republic of Paraguay, the foregoing provisions as to the effective date of administrative rulings may be limited (a) to articles which at the time of such publication are in a Paraguayan customs warehouse, (b) to articles which at such time are *en route* and (c) to articles which at such time are covered by complete export shipping documents already issued. The provisions of this paragraph shall not apply to administrative orders imposing anti-dumping duties, or relating to regulations for the protection of human, animal or plant life or health, or relating to public safety, or giving effect to judicial decisions.

3. Greater than nominal penalties shall not be imposed by the Government of the United States of America or the Government of the Republic of Paraguay in connection with the importation of articles the growth, produce or manufacture of the other country because of errors in documentation which are obviously clerical in origin.

4. The Government of the United States of America and the Government of the Republic of Paraguay will accord sympathetic consideration to, and will afford adequate opportunity for consultation regarding, such representations as the other Government may make with respect to the operation of customs regulations, quantitative regulations or the administration thereof, the observance of customs formalities, and the application of sanitary laws and regulations for the protection of human, animal or plant life or health.

5. If the Government of the United States of America or the Government of the Republic of Paraguay makes representations to the Government of the other country in respect of the application of any sanitary law or regulation for the protection of human, animal or plant life or health, and if there is disagreement with respect thereto, a committee of technical experts on which each Government shall be represented shall, on the request of either Government, be established to consider the matter and to submit recommendations with respect thereto.

ARTICLE VII

Articles the growth, produce or manufacture of the United States of America, enumerated and described in Schedule I annexed to this Agreement⁷ and made an integral part thereof, shall, on their importation into the Republic of Paraguay, be exempt from ordinary customs duties in excess of those set forth and provided for in the said Schedule, subject to the conditions therein set out. The said articles shall also be exempt from all other duties, taxes, fees, charges or exactions, imposed on or in connection with importation, in excess of those imposed on the day of the signature of this Agreement or required to be imposed thereafter under laws of the Republic of Paraguay in force on that day. Nevertheless, the Government of the Re-

⁷ See footnote 1, p. 933.

public of Paraguay reserves the right to consolidate, in connection with a general revision of the customs tariff, the duties, taxes, fees, charges or exactions imposed on or in connection with importation, provided that such consolidation does not have the effect of impairing the value of any concession provided for in Schedule I.

ARTICLE VIII

Articles the growth, produce or manufacture of the Republic of Paraguay, enumerated and described in Schedule II annexed to this Agreement and made an integral part thereof, shall, on their importation into the United States of America, be exempt from ordinary customs duties in excess of those set forth and provided for in the said Schedule, subject to the conditions therein set out. The said articles shall also be exempt from all other duties, taxes, fees, charges or exactions, imposed on or in connection with importation, in excess of those imposed on the day of the signature of this Agreement or required to be imposed thereafter under laws of the United States of America in force on that day.

ARTICLE IX

The provisions of Articles VII and VIII of this Agreement shall not prevent the Government of the United States of America or the Government of the Republic of Paraguay from imposing at any time on the importation of any article a charge equivalent to an internal tax imposed in respect of a like domestic article or in respect of a commodity from which the imported article has been manufactured or produced in whole or in part.

ARTICLE X

In respect of articles the growth, produce or manufacture of the United States of America or of the Republic of Paraguay enumerated and described in Schedules I and II, respectively, imported into the other country, on which *ad valorem* rates of duty, or duties based upon or regulated in any manner by value, are or may be assessed, the general principles applicable in the respective countries for determining dutiable value and converting currencies shall not be altered so as to impair the value of any of the concessions provided for in this Agreement.

ARTICLE XI

1. No prohibition, restriction or any other form of quantitative regulation shall be imposed by the Government of the Republic of Paraguay on the importation, sale, distribution or use of any article the growth, produce or manufacture of the United States of America enumerated and described in Schedule I, or by the Government of the United States of America on

the importation, sale, distribution or use of any article the growth, produce or manufacture of the Republic of Paraguay enumerated and described in Schedule II.

2. The foregoing provision shall not prevent the Government of the United States of America or the Government of the Republic of Paraguay from imposing quantitative regulations in whatever form on the importation or sale of any article in conjunction with governmental measures or measures under governmental authority operating to regulate or control the production, market supply, quality or prices of like domestic articles, or tending to increase the labor costs of production of such articles, or to maintain the exchange value of the currency of the country. Whenever the Government of either country proposes to impose or to alter substantially any quantitative regulation authorized by this paragraph, it shall give notice thereof in writing to the other Government and shall afford such other Government an opportunity to consult with it in respect of the proposed action; and if agreement with respect thereto is not reached the Government which proposes to take such action shall, nevertheless, be free to do so and the other Government shall be free within thirty days after such action is taken to terminate this Agreement in whole or in part on thirty days' written notice.

ARTICLE XII

1. If, as a result of unforeseen developments and of the concession granted on any article enumerated and described in the Schedules annexed to this Agreement, such article is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the Government of either country shall be free to withdraw the concession, in whole or in part, or to modify it to the extent and for such time as may be necessary to prevent such injury. Accordingly, if the President of the United States of America finds as a fact that imports of any article enumerated and described in Schedule II are entering the United States of America under the circumstances specified in the preceding sentence, he shall determine whether the withdrawal, in whole or in part, of the concession with regard to the article, or any modification of the concession, by the imposition of quantitative regulations or otherwise, is necessary to prevent such injury, and he shall, if he finds that the public interest will be served thereby, proclaim such finding and determination, and on and after the effective date specified in such proclamation, and so long as such proclamation remains in effect, imports of the article into the United States of America shall be subject to the customs treatment so determined to be necessary to prevent such injury. Similarly, if the Government of the Republic of Paraguay finds as a fact that any article enumerated and described in Schedule I is being imported into the Republic of Paraguay under the cir-

cumstances specified, it may, if it finds that the public interest will be served thereby, withdraw in whole or in part the concession with regard to the article, or modify the concession by the imposition of quantitative regulations or otherwise, to the extent and for such time as may be necessary to prevent such injury.

2. Before the Government of either country shall withdraw or modify a concession pursuant to the provisions of paragraph 1 of this Article, it shall give notice in writing to the Government of the other country as far in advance as may be practicable and shall afford such other Government an opportunity to consult with it in respect of the proposed action; and if agreement with respect thereto is not reached the Government which proposes to take such action shall, nevertheless, be free to do so and the other Government shall be free within thirty days after such action is taken to terminate this Agreement in whole or in part on thirty days' written notice.

ARTICLE XIII

1. The Government of the United States of America and the Government of the Republic of Paraguay agree to consult to the fullest possible extent in regard to all matters affecting the operation of the present Agreement. In order to facilitate such consultation, a Commission consisting of representatives of each Government shall be established to study the operation of the Agreement, to make recommendations regarding the fulfillment of the provisions of the Agreement, and to consider such other matters as may be submitted to it by the two Governments.

2. If the Government of the United States of America or the Government of the Republic of Paraguay should consider that any measure adopted by the other Government, even though it does not conflict with the terms of this Agreement, has the effect of nullifying or impairing any object of the Agreement, such other Government shall give sympathetic consideration to such written representations or proposals as may be made with a view to effecting a mutually satisfactory adjustment of the matter.

ARTICLE XIV

1. The provisions of this Agreement relating to the treatment to be accorded by the United States of America and the Republic of Paraguay, respectively, to the commerce of the other country shall apply to the respective customs territories of the two countries.

2. Furthermore, the provisions of this Agreement relating to most-favored-nation treatment shall apply to all territory under the sovereignty or authority of the United States of America or the Republic of Paraguay, except that they shall not apply to the Panama Canal Zone.

ARTICLE XV^s

1. The advantages now accorded or which may hereafter be accorded by the United States of America or the Republic of Paraguay to adjacent countries in order to facilitate frontier traffic, and advantages accorded by virtue of a customs union to which either country may become a party, shall be excepted from the operation of this Agreement.

2. The advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another or to the Republic of Cuba shall be excepted from the operation of this Agreement. The provisions of this paragraph shall continue to apply in respect of any advantages now or hereafter accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another, irrespective of any change in the political status of any of the territories or possessions of the United States of America.

ARTICLE XVI

1. Nothing in this Agreement shall be construed to prevent the adoption or enforcement of measures

- (a) imposed on moral or humanitarian grounds;
- (b) designed to protect human, animal or plant life or health;
- (c) relating to prison-made goods;
- (d) relating to the enforcement of police or revenue laws;
- (e) relating to the importation or exportation of gold or silver;
- (f) relating to the control of the export, sale for export, or transit of arms, ammunition, or implements of war, and, in exceptional circumstances, all other military supplies;
- (g) relating to neutrality;
- (h) relating to public security, or imposed for the protection of the country's essential interests in time of war or other national emergency.

2. The provisions of this Agreement relating to the sale, taxation or use of imported articles within the United States of America are understood to be subject to the constitutional limitations on the authority of the Federal Government.

ARTICLE XVII

1. This Agreement shall be proclaimed by the President of the United States of America and shall be made effective in the Republic of Paraguay

^sFor amendments to art. XV, para. 1, see agreements of Apr. 2, 1962 (13 UST 407; TIAS 5000), and July 26, 1963 (14 UST 1021; TIAS 5396); for an understanding relating to art. XV, para. 2, see p. 946.

in conformity with the laws of that country. It shall enter into force on the thirtieth day following the day of the proclamation thereof by the President of the United States of America and publication thereof in the *Gaceta Oficial* of the Republic of Paraguay, or, should such proclamation and publication take place on different days, on the thirtieth day following the date of the later in time of such proclamation or publication, and, subject to the provisions of Article XI and Article XII, shall remain in force for a period of two years thereafter.

2. Unless six months before the expiration of the aforesaid period of two years the Government of the United States of America or the Government of the Republic of Paraguay shall have given in writing to the other Government notice of intention to terminate this Agreement upon the expiration of the aforesaid period, the Agreement shall remain in force thereafter, subject to the provisions of Article XI and Article XII, until six months from the date on which notice of intention to terminate it shall have been given by either Government.

IN WITNESS WHEREOF, the respective Plenipotentiaries sign this Agreement and affix their seals hereto.

DONE in duplicate, in the English and Spanish languages, both authentic, in the City of Asunción this twelfth day of September, 1946.

For the President of the United States of America:

WILLARD L. BEAULAC [SEAL]

For the President of the Republic of Paraguay:

M. A. SOLER [SEAL]

[For schedules annexed to agreement, see 61 Stat. 2607 or p. 22 of TIAS 1601.]

EXCHANGES OF NOTES

The Minister of Foreign Relations and Worship to the American Ambassador

[TRANSLATION]

REPUBLIC OF PARAGUAY
Asunción, September 12, 1946

MR. AMBASSADOR:

I have the honor to refer to the conversations between the representatives of the Governments of the Republic of Paraguay and the United States of America, in connection with the Trade Agreement signed this day, regarding trade relations between Paraguay and contiguous countries and Uruguay.

In the course of these conversations, the Paraguayan representatives have pointed out that although the Government of the Republic of Paraguay is completely in accord with the principle expressed by the representatives of the Government of the United States of America, that international trade should be developed to the fullest extent possible on a multilateral unconditional most-favored-nation basis, the Government of Paraguay may consider it necessary, in special circumstances, to grant certain tariff preferences to contiguous countries and Uruguay.

The Paraguayan representatives have referred in this connection to the recommendation, adopted by the Inter-American Financial and Economic Advisory Committee on September 18, 1941, that any such tariff preferences, in order to be an instrument for sound promotion of trade, should be made effective through trade agreements embodying tariff reductions or exemptions; that the parties to such agreements will reserve the right to reduce or eliminate the customs duties on like imports from other countries; and that any such regional tariff preferences should not stand in the way of any broad programs of economic reconstruction involving the reduction of tariffs and the scaling down or elimination of tariff and other trade preferences with a view to the fullest possible development of international trade on a multilateral unconditional most-favored-nation basis.

The conversations to which I have referred have disclosed a mutual understanding as follows:

The Government of the United States of America will not invoke the provisions of Article I of the Trade Agreement signed this day for the purpose of obtaining the benefit of tariff preferences meeting the requirements of the aforementioned recommendation, adopted by the Inter-American Financial and Economic Advisory Committee, which Paraguay may accord to a contiguous country or to Uruguay, it being understood that if any such preference should be offered by Paraguay to any noncontiguous country, other than Uruguay, it would be extended immediately and unconditionally to the United States of America.

Accept, Mr. Ambassador, the renewed assurances of my highest consideration.

MIGUEL ANGEL SOLER

His Excellency

WILLARD L. BEAULAC,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.*

The American Ambassador to the Minister of Foreign Relations and Worship

EMBASSY OF THE
UNITED STATES OF AMERICA
Asunción, September 12, 1946

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of today's date with reference to the agreement reached between representatives of the Government of the United States of America and the Government of the Republic of Paraguay, in connection with the Trade Agreement signed this day, regarding trade relations between Paraguay and contiguous countries and Uruguay.

[Here the U.S. note repeats the second, third, fourth, and fifth paragraphs of the Paraguayan note, above.]

Accept, Excellency, the renewed assurances of my highest consideration.

WILLARD L. BEAULAC

His Excellency

Doctor MIGUEL ANGEL SOLER,
Minister of Foreign Relations and Worship.

The American Ambassador to the Minister of Foreign Relations and Worship

EMBASSY OF THE
UNITED STATES OF AMERICA
Asunción, September 12, 1946

EXCELLENCY:

I have the honor to refer to the discussions during the course of the negotiation of the Trade Agreement between our two Governments signed this day with regard to the duties and surtaxes to be imposed, upon importation into the Republic of Paraguay, on certain products of the United States of America included in Schedule I of the Agreement. The following is my understanding of the customs treatment which will be accorded by the Republic of Paraguay to such articles the growth, produce or manufacture of the United States of America, upon their importation into the Republic of Paraguay, so long as the Trade Agreement remains in force:

1. Each of the articles enumerated and described in List 1 of this note shall be exempt from ordinary customs duty in excess of that set forth and provided for in List 1, so long as the 50 percent increase in the basic rate of duty on such articles provided for by Decree No. 54,777 of November 22, 1934 remains suspended.

LIST 1

Paraguayan Tariff Paragraph Number	Description of Article	Unit	Duties (in Guaranes)
154	Tobacco: (a) In cigarettes	Thousand	3.82
283	Toilet colors, eyebrow and eyelash pencils, lipsticks and rouge, depilatory preparations, nail polish and color; powdered sheets for the dressing table, and in general all cosmetics not specified, perfumed or not	L. K.	2.55
290	Toilet soap not elsewhere specified, in paste, cream, solid, liquid, or powdered form <i>Note:</i> No article classified under paragraph 290 will pay, without taking into account the surtax, a duty less than, <i>ad valorem</i>	L. K.	0.64 22%
292	Paste, powder, soap, and any preparation not specified, for dental cleaning and hygiene, perfumed or not	L. K.	0.95

2. Should the exemption from payment of the 50 percent increase in duty be discontinued in the case of any article enumerated and described in List 1 of this note, such article shall thereafter be exempt from ordinary customs duty in excess of that set forth and provided for in Schedule I of the Trade Agreement.

3. Each of the articles enumerated and described in List 2 of this note shall be exempt from customs surtax, so long as the customs surtax on such article provided for by Decree-Law No. 19,360 of August 12, 1943, as amended by Decree No. 914 of October 22, 1943, remains suspended.

LIST 2

Paraguayan Tariff Paragraph Number	Description of Article
43	Prunes in general
55	Fruits and berries dried or desiccated, not elsewhere specified, for food
Ex-63	Raisins: Seedless
283	Toilet colors, eyebrow and eyelash pencils, lipsticks and rouge, depilatory preparations, nail polish and color; powdered sheets for the dressing table, and in general all cosmetics not specified, perfumed or not

4. Should the exemption from the payment of customs surtax be discontinued in the case of any article enumerated and described in List 2 of this note, such article may thereafter be subject, notwithstanding the provisions of Article VII of the Trade Agreement, to a customs surtax not in excess of 11 percent *ad valorem*.

Accept, Excellency, the renewed assurances of my highest consideration.

WILLARD L. BEAULAC

His Excellency

Doctor MIGUEL ANGEL SOLER,
Minister of Foreign Relations and Worship.

The Minister of Foreign Relations and Worship to the American Ambassador

[TRANSLATION]

REPUBLIC OF PARAGUAY

Asunción, September 12, 1946

MR. AMBASSADOR:

I have the honor to acknowledge the receipt of Your Excellency's note of today's date, concerning the discussions during the course of the negotiation of the Trade Agreement between our two Governments signed this day with regard to the duties and surtaxes to be imposed, upon importation into the Republic of Paraguay, on certain products of the United States of America included in Schedule I of the Agreement.

I have the honor to confirm the understanding set forth in Your Excellency's note.

Please accept, Mr. Ambassador, the renewed assurances of my highest consideration.

MIGUEL ANGEL SOLER

His Excellency

WILLARD L. BEAULAC,

*Ambassador Extraordinary and**Plenipotentiary of the United States of America,
City.**The American Ambassador to the Minister of Foreign Relations and Worship*

EMBASSY OF THE

UNITED STATES OF AMERICA

Asunción, September 12, 1946

EXCELLENCY:

I have the honor to refer to conversations between the representatives of the Governments of the United States of America and the Republic of Paraguay, in connection with the Trade Agreement signed this day, relating to the application of Paragraph 2 of Article XV of the Agreement to the Philippine Islands.

Since the inception of the negotiations which have thus culminated in the signature of the Agreement, my Government has intended that advantages accorded to the Philippines should, regardless of any change in political status, be excepted from the operation of the Agreement. Accordingly, as a result of the conversations referred to, it is the understanding of my Government that the two Governments are in agreement that, notwithstanding the inauguration of an independent Philippine Government on July 4, 1946, Paragraph 2 of Article XV of the Trade Agreement will be interpreted to mean that advantages which the United States now or hereafter accords to

the Republic of the Philippines are excepted from the operation of the Agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

WILLARD L. BEAULAC

His Excellency

Doctor MIGUEL ANGEL SOLER,

Minister of Foreign Relations and Worship.

The Minister of Foreign Relations and Worship to the American Ambassador

[TRANSLATION]

REPUBLIC OF PARAGUAY
Asunción, September 12, 1946

MR. AMBASSADOR:

I have the honor to acknowledge the receipt of Your Excellency's note of today's date, and to confirm the understanding of the two Governments set forth therein that Paragraph 2 of Article XV of the Trade Agreement signed today will be interpreted to mean that advantages which the United States now or hereafter accords to the Republic of the Philippines are excepted from the operation of the Agreement.

Accept, Mr. Ambassador, the renewed assurances of my highest consideration.

MIGUEL ANGEL SOLER

His Excellency

WILLARD L. BEAULAC,

Ambassador Extraordinary and

Plenipotentiary of the United States of America,

City.

AIR TRANSPORT SERVICES

Agreement signed at Asunción February 28, 1947, with annex

Ratified by Paraguay February 16, 1948

Entered into force February 16, 1948

62 Stat. 1940; Treaties and Other
International Acts Series 1753

AIR TRANSPORT AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PARAGUAY

The Government of the United States of America and the Government of the Republic of Paraguay, having in mind the resolution signed under date of December 7, 1944, at the International Civil Aviation Conference in Chicago, for the adoption of a standard form of agreement for air routes and services, and the desirability of mutually stimulating and promoting the further development of air transportation between the United States of America and the Republic of Paraguay, agree that the establishment and development of air transport services between their respective territories shall be governed by the provisions of the present agreement, for which purpose they have resolved to designate their respective plenipotentiaries, to wit:

The President of the United States of America: Mr. Leslie E. Reed, Chargé d'Affaires ad interim of the United States of America, near the Government of Paraguay;

The President of the Republic of Paraguay, His Excellency Don Federico Chaves, Minister of Foreign Relations and Worship;

Who, after exchanging their full powers, which they have found to be in good and proper form, have agreed upon the following articles:

ARTICLE 1

Each contracting party grants to the other contracting party the rights as specified in the Annex hereto necessary for establishing the international air routes and civil air services therein described, whether such services be inaugurated immediately or at a later date at the option of the contracting party to whom the rights are granted.

ARTICLE 2

Each of the air services so described shall be placed in operation as soon as the contracting party to whom the rights specified in the aforesaid Annex have been granted has designated the airline or airlines which are to operate the route or routes stipulated, and the contracting party granting the rights shall, subject to Article 6 hereof, be bound to give the appropriate operating permission to the airline or airlines authorized; provided that said airline or airlines may be required to qualify before the competent aeronautical authorities of the contracting party granting the rights under the laws and regulations normally applied by these authorities before being permitted to engage in the operations contemplated by this agreement; and provided that in areas of hostilities or of military occupation, or in areas affected thereby, such inauguration shall be subject to the approval of the competent military authorities.

ARTICLE 3

In order to prevent discriminatory practices and to assure equality of treatment, both contracting parties agree that:

(a) Each of the contracting parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the contracting parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(b) Fuel, lubricating oils and spare parts introduced into the territory of one contracting party by the other contracting party or its nationals, and intended solely for use by aircraft of such contracting party shall, with respect to the imposition of customs duties, inspection fees or other national duties or charges by the contracting party whose territory is entered, be accorded the same treatment as that applying to national airlines and to airlines of the most-favored-nation.

(c) The fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board civil aircraft of the airlines of one contracting party authorized to operate the routes and services described in the Annex shall, upon arriving in or leaving the territory of the other contracting party, be exempt from customs, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.

ARTICLE 4

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one contracting party shall be recognized as valid by the other contracting party for the purpose of operating the routes and services described in the Annex. Each contracting party reserves the right, however,

to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another State.

ARTICLE 5

(a) The laws and regulations of one contracting party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the other contracting party, and shall be complied with by such aircraft upon entering or departing from or while within the territory of the first party.

(b) The laws and regulations of one contracting party as to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the other contracting party upon entrance into or departure from, or while within the territory of the first party.

ARTICLE 6

Each contracting party reserves the right to withhold or revoke the certificate or permit of an airline of the other contracting party in the event it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of the other contracting party or in case of failure by the airline designated by the other contracting party to comply with the laws and regulations of the contracting party over whose territory it operates as described in Article 5 hereof or otherwise to fulfill the conditions under which the rights are granted in accordance with this agreement and its Annex.

ARTICLE 7

This agreement and all contracts connected therewith shall be registered with the Provisional International Civil Aviation Organization or its successor.

ARTICLE 8

Existing rights and privileges relating to air transport services which may have been granted previous to this agreement by either of the two contracting parties to an airline of the other contracting party shall continue in force according to their terms.

ARTICLE 9

This agreement or any of the rights for air transport services granted thereunder may, without prejudice to Article 8 above, be terminated by either of the two contracting parties upon giving one year's notice to the other contracting party.

ARTICLE 10

In the event either of the contracting parties considers it desirable to modify the routes or conditions set forth in the attached Annex, it may request consultation between the competent authorities of both contracting parties, such consultation to begin within a period of sixty days from the date of the request. When these authorities mutually agree on new routes or conditions affecting the Annex, their recommendations on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.

ARTICLE 11

Except as otherwise provided in this agreement, or its Annex, any dispute between the contracting parties relative to the interpretation or application of this agreement, or its Annex, which cannot be settled through mutual consultation shall be submitted for an advisory report to the Interim Council of the Provisional International Civil Aviation Organization (in accordance with the provisions of Article III, Section six (8) of the Provisional Agreement on International Civil Aviation signed at Chicago on December 7, 1944¹) or to its successor, unless the contracting parties agree to submit the dispute to an arbitration tribunal designated by agreement between the same contracting parties, or to some other person or body. The contracting parties will use their best efforts under the powers available to them to put into effect the opinion expressed in any such report.

ARTICLE 12

This agreement, including the provisions of the Annex hereto, will come into force immediately after its approval in conformity with the laws of the respective countries.²

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed the present agreement.

Done at Asunción this twenty-eighth day of February, 1947.

LESLIE E. REED [SEAL]
FEDERICO CHAVES [SEAL]

¹ EAS 469, *ante*, vol. 3, p. 929.

² By note S.T. no. 16 of Feb. 17, 1948, the Paraguayan Minister of Foreign Relations and Worship notified the American Ambassador at Asunción that the Paraguayan Government, "by Decree-Law No. 24,967 of February 16 of the current year, . . . has approved and ratified the Air Transport Agreement." In his reply, note no. 22 Feb. 19, 1948, the American Ambassador declared: ". . . my Government considers that the signature affixed to the Agreement on its behalf constitutes the approval of the Agreement by the Government of the United States of America."

ANNEX TO AIR TRANSPORT AGREEMENT BETWEEN THE UNITED STATES
OF AMERICA AND THE REPUBLIC OF PARAGUAY

SECTION I

A. Airlines designated by the United States of America in conformity with Article 2 of the present agreement are accorded rights of transit and nontraffic stop in the territory of the Republic of Paraguay, as well as the right to pick up and discharge international traffic in passengers, cargo, and mail at Asunción, on the following routes via intermediate points in both directions:

1. The United States (via Peru and/or Bolivia) to Asunción and beyond.
2. The United States (via Brazil) to Asunción and beyond.

On each of the above routes the airline authorized to operate such route may operate nonstop flights between any of the points on such route omitting stops at one or more of the other points on such route.

B. Airlines designated by the Republic of Paraguay in conformity with Article 2 of the present agreement are accorded in the territory of the United States of America rights of transit and nontraffic stop, as well as the right to pick up and discharge international traffic in passengers, cargo, and mail at a point in the United States to be agreed to at a later date.

SECTION II

It is agreed between the contracting parties:

(A) That the air carriers of the two contracting parties operating on the routes described in Section I of this Annex shall enjoy fair and equal opportunity for the operation of the said routes;

(B) That the air transport capacity offered by the carriers of both countries should bear a close relationship to traffic requirements;

(C) That in the operation of common sections of trunk routes the air carriers of the contracting parties should take into account their reciprocal interests so as not to affect unduly their respective services;

(D) That the services provided by a designated air carrier under this agreement and its Annex shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such air carrier is a national and the country of ultimate destination of the traffic;

(E) That the right to embark and to disembark at points in the territory of the other country international traffic destined for one or coming from third countries at a point or points specified in Section I of this Annex shall be applied in accordance with the general principles of orderly development

to which both Governments subscribe and shall be subject to the general principle that capacity shall be related:

1. To traffic requirements between the country of origin and the countries of destination;
2. To the requirements of through airline operation, and
3. To the traffic requirements of the area through which the airline passes after taking account of local and regional services.

COOPERATIVE AGRICULTURAL PROGRAM

Exchange of notes at Asunción January 20 and March 3, 1947; extension agreement signed at Asunción March 7, 1947, by representatives of the Institute of Inter-American Affairs and the Government of Paraguay

Entered into force March 3, 1947

Supplemented and extended by agreements of June 30, 1948;¹ July 22 and August 11, 1949;² September 18 and November 11, 1950;³ June 22, 1951;⁴ September 10 and October 24, 1951;⁵ and April 5, 1955⁶

Expired June 30, 1960

63 Stat. 2894; Treaties and Other International Acts Series 2118

EXCHANGE OF NOTES

The Minister of Foreign Relations and Worship to the American Ambassador

[TRANSLATION]

D.A.E. y C.

No. 24

ASUNCIÓN, January 20, 1947

MR. AMBASSADOR:

I take pleasure in addressing Your Excellency in order to provide you with the text of note S/No. 13 of January 16 from the Ministry of Agriculture, which reads as follows:

"Mr. Minister: For four years services have been rendered in Paraguay by STICA (Servicio Técnico Interamericano de Cooperación Agrícola), a special agency created under an agreement signed by the Government of Paraguay and the Institute of Inter-American Affairs of the United States⁷

¹ TIAS 2118; *post*, p. 973.

² TIAS 2118; *post*, p. 981.

³ 2 UST 561; TIAS 2205.

⁴ 3 UST 2917; TIAS 2469.

⁵ 3 UST 2912; TIAS 2468.

⁶ 6 UST 3055; TIAS 3354.

⁷ Not printed. The original agreement was signed at Asunción Dec. 24, 1942, by representatives of the Institute of Inter-American Affairs and the Government of Paraguay and extended by exchanges of letters at Asunción Feb. 17 and 18, 1944, and Feb. 25 and 27, 1946.

(which institution is already widely known for its cooperative efforts within the spirit of the Good Neighbor Policy). The agreement which created STICA vests in it powers to collaborate with this Ministry in increasing agricultural and livestock production and improving the living standards of the farm population, thereby furthering the intensification of commercial and cultural exchange between the two countries. The results of the work of STICA are just beginning to be felt in the national economy, for it is well known that all progress in agricultural and livestock matters is by nature slow. Hence it is the opinion of this Ministry that the work of STICA should be continued without interruption for several more years, in order that the investments and efforts made by the two Governments may be crowned with fully justified success. In view of the circumstances briefly set forth above, I request that Your Excellency be good enough to communicate to His Excellency Willard Beaulac, Ambassador of the United States of America, our Government's wish to extend STICA's cooperative work for five more years (from the expiration of the present contract on December 31, 1947). Should it not be possible for the time being to extend STICA for five years, it is our Government's desire to subscribe to an extension until June 30, 1948, at the same time increasing the present budget, which is not sufficient to insure the success of the projects undertaken. To this end the Government of Paraguay is prepared to sign a new contract with the Institute of Inter-American Affairs, which would be in force until June 30, 1948, Paraguay contributing ONE HUNDRED THOUSAND DOLLARS and the United States, FIFTY THOUSAND DOLLARS, the quotas and dates of payment thereof to be established by mutual agreement. It is suggested that the new agreement be signed before March 15, 1947, so that the work undertaken may not be interrupted. I avail myself of this opportunity to express to you, Mr. Minister, my highest consideration.

SIGNED: GUILLERMO ENCISO VELLOSO. Minister."

In communicating to Your Excellency my Government's wishes as expressed in the communication transcribed above, I do so with the assurance that Your Excellency will interpose your good offices with your Government in accordance with the terms of the said communication.

I avail myself of this opportunity to renew to you, Mr. Ambassador, the assurances of my most distinguished consideration.

FEDERICO CHAVES

His Excellency

WILLARD L. BEAULAC,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.*

*The American Chargé d'Affaires ad interim to the Minister
of Foreign Relations and Worship*

No. 397

ASUNCIÓN, March 3, 1947

EXCELLENCY:

I have the honor to acknowledge the receipt of your Excellency's note no. 24 of January 20, 1947 transcribing the text of a communication (S. N. 13) dated January 16, 1947 addressed to Your Excellency by the Minister of Agriculture, with regard to the extension of the contract with STICA, or Servicio Técnico Interamericano de Cooperación Agrícola.

My Government, apprised of the desire of Your Excellency's Government to continue this useful program through an extension of the present contract, has instructed me to agree to such an extension, from December 31, 1947 to June 30, 1948, with financial contributions in the new contract to be in the amount of 100,000 dollars for [from] Your Excellency's Government and 50,000 dollars from the Institute of Inter-American Affairs. The Institute will also make a separate allocation of funds necessary to pay the salaries, living expenses, travel and transportation costs, and other administrative expenses of the members of the Institute Field Party in Paraguay and other Institute employees incurred after execution of the new agreement. The estimated sum of approximately 85,000 dollars will be allocated for these purposes separately and apart from the funds to be deposited to the account of STICA by the Institute.

The texts in English and Spanish of the new contract are enclosed herewith. They will be signed at the convenience of Your Excellency's Government on behalf of the Institute by Mr. William Brister, Vice-President of the Institute of Inter-American Affairs, a corporate instrumentality of the Government of the United States of America.

It is a source of sincere gratification to my Government to learn that the cooperative program which our two Governments have undertaken in accordance with inter-American agreements to implement the Good Neighbor Policy is making a definite contribution to the national economy of Paraguay and that it will now be continued until June 30, 1948 on the terms provided in the aforementioned contract.

Accept, Excellency, the renewed assurances of my most distinguished consideration.

EDWARD G. TRUEBLOOD

Enclosure:

English and Spanish texts of Extension Agreement between the Government of Paraguay and The Institute of Inter-American Affairs.

His Excellency

Doctor FEDERICO CHAVES,

*Minister of Foreign Relations and Worship,
Asunción.*

EXTENSION AGREEMENT

This Extension Agreement between the Government of Paraguay, represented by Dr. Guillermo Enciso Velloso, Minister of Economía of Paraguay (hereinafter called the "Minister") and The Institute of Inter-American Affairs, a corporate instrumentality of the Government of the United States of America (hereinafter called the "Institute"), represented by W. C. Brister, Vice President of the Institute, is entered into for the purpose of recording an extension and modification of the cooperative agricultural program which was undertaken pursuant to the agreement entered into between the Government of Paraguay and the Institute on December 31, 1942, as modified by the Agreement contained in the exchange of correspondence between the Executive Vice President of the Institute and the Minister of Agriculture of Paraguay dated February 17, 1944 and February 18, 1944, respectively, and as further modified by the agreement contained in the exchange of correspondence between the Vice President of the Institute and the Minister of Agriculture of Paraguay dated February 25, 1946 and February 27, 1946, respectively, (all of such agreements being hereinafter collectively called the "Basic Agreement").

CLAUSE I

The parties hereto mutually intend, agree and declare that the Basic Agreement, be and hereby is extended for an additional period of six months, beginning the first day of January 1948 and ending the thirtieth day of June 1948 and modified according to the clauses hereinafter set forth.

CLAUSE II

The Institute shall continue to be represented in Paraguay by a field party of its officials and technicians known as the "Field Party of the Food Supply Division of the Institute of Inter-American Affairs in Paraguay," and the Field Party shall remain under the direction of the Chief of Field Party. The Chief of Field Party shall also serve as Director of the Servicio Técnico Inter-Americano de Cooperación Agrícola (hereinafter called "STICA") for the period comprehended by this Extension Agreement.

CLAUSE III

In addition to the funds required to be made available by the parties pursuant to the Basic Agreement, the cooperative agricultural program will be further financed as follows:

- A. The Institute shall contribute the sum of not to exceed \$135,000 of which amount \$50,000 shall be deposited to the account of STICA in the following manner:

On or before May 1, 1947	\$20,000
On or before September 1, 1947	15,000
On or before February 1, 1948	15,000
Total	<u>\$50,000</u>

The balance of the \$135,000, that is \$85,000, shall be contributed according to CLAUSE III-D appearing hereinafter.

B. The Government of Paraguay shall deposit to the account of STICA the equivalent in Guaranies of the sum of \$100,000 in the following manner:

On or before May 1, 1947	U\$A40,000
On or before September 1, 1947	30,000
On or before February 1, 1948	30,000
Total	<u>U\$A100,000</u>

Dollars contributed to STICA by the Institute or the Paraguayan Government shall be converted into Guaranies in conformity with the exchange control law at the most favorable rate available and shall be exempt from all taxes, service charges and other assessments imposed upon the foreign exchanges of private persons.

C. The Institute may withhold from the deposits called for by CLAUSE III-A hereof the estimated amounts deemed necessary by the Minister and the Chief of Field Party to pay for the purchase in the United States of America of materials, supplies and equipment, and other disbursements relating to the execution of the program. Any funds so withheld by the Institute shall be considered as if deposited under the terms of CLAUSE III-A hereof but, if they are not expended or obligated for such purposes, they shall be deposited to the order of STICA at any time upon mutual agreement of the Minister and the Chief of Field Party of the Institute in Paraguay.

D. In addition to the sum to be deposited to the account of STICA under CLAUSE III-A hereof, the Institute will make a separate allocation of funds necessary to pay salaries, living expenses, travel and transportation costs, and other administrative expenses of the members of the Institute Field Party in Paraguay and other Institute employees incurred after execution of this Extension Agreement. The estimated sum of approximately \$85,000 (USC) will be allocated for these purposes separately and apart from the funds to be deposited to the account of STICA by the Institute.

E. Prior to any of the funds referred to in CLAUSES A or B hereof being deposited or otherwise made available to STICA, all of the funds required by the agreement of February, 1946, shall be deposited to the account of STICA by the parties hereto.

F. By written agreement between the Minister and the Chief of Field Party, the schedule for making deposits as provided under CLAUSES III-A and III-B hereof, may be amended as required by the needs of the program.

G. Contributions, in addition to those set out in CLAUSES III-A and III-B hereof, may be received by STICA from any source whatsoever and

expended by it, in the same manner as other funds, for the uses and objectives of the cooperative agricultural program.

H. Any funds and property acquired by STICA which may be unexpended or unused and unobligated at the termination of the period comprehended by this Extension Agreement, will remain the property of the Government of Paraguay and continue to be used for the purposes of the Cooperative Agricultural Program in such manner as may be mutually agreed upon in writing by the Minister and the Chief of Field Party.

I. In the event that it seems advisable to employ additional personnel or technicians, besides those now employed or to be employed by the Institute, the funds of STICA may be used to reimburse or defray the salaries, living expenses, travel and other expenses of such other personnel as the parties may agree are necessary to be employed.

J. Notwithstanding that provision of the Basic Agreement to the contrary any funds deposited or otherwise made available to STICA as required by this Extension Agreement and any balance of funds remaining unexpended from amounts deposited or otherwise made available to STICA as required by the Basic Agreement may be used to finance new projects of STICA mutually agreed upon by the Minister and the Chief of Field Party as well as for the continuation or conclusion of projects which have been agreed upon by the parties hereto.

CLAUSE IV

That provision of the Basic Agreement contemplating the withdrawal from Paraguay of all the North American personnel of the Field Party of the Institute on or before December 31, 1947, is hereby amended to permit such personnel to continue in Paraguay such period of time as the parties may deem necessary for the successful accomplishment of the objectives of the Cooperative Agricultural Program.

CLAUSE V

The Cooperative Agricultural Program shall continue to consist of individual projects. Each project shall be embodied in a project agreement which shall be mutually agreed upon and signed by the Minister, The Director of STICA, and the Chief of Field Party. Each project agreement shall define the kind of work to be done, the allocation of funds therefor, the parties responsible for the execution of the projects and such other matters as the parties to the project agreement shall desire to include.

CLAUSE VI

The procedures and methods established and in use for the operation of STICA under the Basic Agreement, as amended, shall continue to apply to

the operation of STICA during the period comprehended by this Extension Agreement. The Director of STICA and the Minister will prepare budgets outlining the expenditures of the funds to be made in each project agreement for each fiscal year.

CLAUSE VII

The books, records and accounts of STICA shall be open at all times for inspection by representatives of the Government of Paraguay and the Institute. The Director of STICA shall render reports to the Government of Paraguay and to the Institute at such intervals as may be agreed upon between the Chief of Field Party and the Minister.

CLAUSE VIII

STICA shall be exempt and immune from any and all taxes, fees, charges, imposts and custom duties, whether national, provincial, or municipal, and from all requirements for licenses. STICA, shall also enjoy all the rights and privileges which are enjoyed by governmental and official divisions or agencies of the Government of Paraguay. Such rights and privileges shall include, among other things, postal, telephone and telegraph franks and the rights to special rates allowed to the departments of the Government of Paraguay by domestic companies of maritime, railroad and air travel, telephone, telegraph, light, gas and other utilities.

CLAUSE IX

The Government of Paraguay accepts and recognizes the Institute as corporate instrumentality of the Government of the United States of America, and accordingly, among other things, the property and funds of the Institute shall be exempt from all import and export duties, tariffs, excises and taxes. Furthermore, the members of the Field Party of the Institute will enjoy the same privileges as those accorded to the First Secretary of the Embassy of the United States of America in Paraguay, and shall be exempt, among other things, from payment of customs, tariffs, excises and other duties on personal effects, household goods, automobiles, and other articles imported or exported for the personal use of themselves and members of their families.

CLAUSE X

The Chief of Field Party and the Director of STICA are empowered to delegate their authority, prerogative and functions to duly appointed representatives of their own choosing, provided that such representatives are satisfactory to the Minister.

CLAUSE XI

This Extension Agreement shall become effective upon completion of the exchange of appropriate notes concerning the Cooperative Agricultural Program between the diplomatic representatives of the Governments of Paraguay and the United States or upon the date of execution hereof in the event such notes have heretofore been exchanged. The Basic Agreement, as amended, shall remain in full force and effect for the purpose of extending the Cooperative Agricultural Program except as it is modified by or is inconsistent with this Extension Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Extension Agreement to be executed by their duly authorized representatives in quintuplicate, in the English and Spanish Languages at Asuncion, Paraguay this 7 day of March, 1947.

For the Institute of Inter-American Affairs

W. C. BRISTER
Vice President

For the Government of Paraguay

GUILLERMO ENCISO
Minister of Economía

COOPERATIVE EDUCATION PROGRAM

Exchange of notes at Asunción December 11, 1947, and March 3, 1948

Entered into force March 3, 1948

Supplemented and extended by agreements of March 10 and 12, 1948;¹ June 30, 1948;² July 26 and August 30, 1949;³ September 18 and November 11, 1950;⁴ September 10 and November 29, 1951;⁵ January 31 and March 25, 1952;⁶ and April 5, 1955.⁷

Expired June 30, 1960

62 Stat. 2824; Treaties and Other International Acts Series 1815

The American Ambassador to the Minister of Foreign Affairs and Worship

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 7

Asunción, December 11, 1947

EXCELLENCY:

I have the honor to refer to the agreement dated March 17, 1945,⁸ entered into between the Republic of Paraguay and the Inter-American Educational Foundation, Inc., concerning the establishment of a cooperative education program in Paraguay. It will be recalled that my Government agreed to send a small staff of experts and technicians to Paraguay to cooperate with officials of the Paraguayan Government and, particularly, with the Minister of Public Education, in a specific program for the improvement of public education in Paraguay as set forth in the Agreement to which reference has been made. That program included, among other things, the establishment within the Ministry of Public Education of the Servicio Cooperativo Inter-

¹ TIAS 1815, *post*, p. 965.

² TIAS 1856, *post*, p. 977.

³ TIAS 1991, *post*, p. 984.

⁴ 2 UST 565; TIAS 2206.

⁵ 3 UST 2808; TIAS 2451.

⁶ 3 UST 4017; TIAS 2541.

⁷ 6 UST 3037; TIAS 3350.

⁸ Not printed. The 1945 agreement was amended and superseded by agreement signed Mar. 8, 1948 (TIAS 1815, *ante*, p. 967).

americano de Educación, through which the cooperative program has been administered.

In accordance with recent legislation passed by the Congress of the United States of America, all of the property, assets, functions, personnel, liabilities and restrictions of the Inter-American Educational Foundation, Inc., have been transferred to and assumed by The Institute of Inter-American Affairs, a corporate instrumentality of the United States created by such legislative action.

I now have been informed by the Department of State in Washington that additional funds amounting to \$22,000 U.S. Cy. have been made available by the Institute of Inter-American Affairs for the continuation of the joint education program in Paraguay to be expended over a period to be mutually agreed upon by the appropriate officials of the Paraguayan Government and a representative of The Institute of Inter-American Affairs. It has been suggested that the extension of the program cover the period from the expiration date of the present agreement, which is March 16, 1948, through June 30, 1948. It is proposed that the entire additional contribution of \$22,000 U.S. Cy. to be made available by the Institute in connection with the continuation of the program shall be retained by the Institute for payment directly or on account of salaries and other expenses of members of the Institute field staff who are maintained by the Institute in Paraguay. It is also understood that your Government would contribute to the Servicio for expenditure by that entity not less than the equivalent in Guarani of \$22,000 U.S. Cy., computed at the best rate of exchange which the Bank of Paraguay concedes, which amount would be in addition to amounts already required under the present agreement to be contributed to the program by your Government.

If Your Excellency agrees that the proposed agreement, as outlined above, is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's opinion and agreement thereto as soon as may be possible in order that the technical details of the program may be worked out by the Ministry of Education and The Institute of Inter-American Affairs.

Accept, Excellency, the renewed assurances of my most distinguished consideration.

FLETCHER WARREN

His Excellency

Doctor CÉSAR A. VASCONCELLOS,
Minister of Foreign Relations and Worship,
Asunción.

The Minister of Foreign Affairs and Worship to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
AND WORSHIP

D. P. y D
Nº 287

ASUNCIÓN, March 3, 1948

MR. AMBASSADOR:

I have the honor to address Your Excellency with reference to your note No. 7 of December 11, 1947, on the establishment of a cooperative program of education in Paraguay.

In reply, I am to inform Your Excellency that the Ministry of Education has been in communication with this Ministry, and has accepted the agreement outlined in the note in reference.

I avail myself of this opportunity to present to Your Excellency the assurances of my distinguished consideration.

CÉSAR A

His Excellency

FLETCHER WARREN

*Ambassador Extraordinary and Plenipotentiary
of the United States of America
Asunción.*

COOPERATIVE EDUCATION PROGRAM

*Exchange of notes at Asunción March 10 and 12, 1948; extension
agreement signed at Asunción March 8, 1948, by representatives
of the Institute of Inter-American Affairs and the Government of
Paraguay*

*Entered into force March 12, 1948; operative March 17, 1948
Program expired June 30, 1960*

62 Stat. 2824; Treaties and Other International Acts Series 1815

EXCHANGE OF NOTES

The American Ambassador to the Minister of Foreign Relations and Worship

EMBASSY OF THE
UNITED STATES OF AMERICA
Asunción, March 10, 194

No. 26

EXCELLENCY:

I have the honor to refer to Your Excellency's note no. 287 dated March 3, 1948,¹ in which Your Excellency informs me that the Ministry of Education accepted the agreement presented in this Embassy's note no. 7 of December 11, 1947,² covering the establishment of a cooperative program of education in Paraguay.

The extension agreement referred to above was signed on March 8, 1948, by the Minister of Education and the Special Representative for the Institute of Inter-American Affairs, Education Division, authorizing the extension of the cooperative education program in Paraguay from March 17, 1948 through June 30, 1948.

Article XVIII of this instrument provides that it shall become effective as soon as diplomatic notes confirming and accepting this extension agreement have been exchanged between the Ministry of Foreign Relations and Worship of the Government of Paraguay and the Embassy of the United States of America in Paraguay. This Embassy, therefore, hereby confirms and accepts this extension agreement and respectfully requests that Your Excellency's Government confirm and accept it, by means of an appropriate note.

¹ TIAS 1815, *ante*, p. 964.

² TIAS 1815, ante, p. 962.

in accordance with the above-mentioned Article, on or before March 16, 1948, at which time the existing agreement becomes invalid.

Accept, Excellency, the renewed assurances of my most distinguished consideration.

FLETCHER WARREN
American Ambassador

His Excellency

Doctor Don CÉSAR A. VASCONCELLOS,
Minister of Foreign Relations and Worship,
Asunción.

*The Under-Secretary of State for Foreign Relations and Worship
to the American Ambassador*

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
AND WORSHIP

D. P. y D
No. 332

ASUNCIÓN, March 12, 1948

Mr. AMBASSADOR:

I have the honor to address Your Excellency to acknowledge receipt of note No. 26 of March 9 [10], in which you confirm and accept the extension of the agreement on the establishment of a cooperative program of education in Paraguay.

In this regard, I have the pleasure of informing Your Excellency that my Government accepts and confirms the extension agreement in accordance with the article mentioned in the note in question.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

[³]

*Under-Secretary of State for
Foreign Relations and Worship*

His Excellency

FLETCHER WARREN
*Ambassador Extraordinary and Plenipotentiary
of the United States of America
Asunción.*

³ Signature illegible. Augusto Saldivar was, however, Under-Secretary of State for Foreign Relations and Worship on Mar. 12, 1948.

EXTENSION AGREEMENT

The Republic of Paraguay (hereinafter referred to as the "Republic") represented by the Minister of Education (hereinafter referred to as the "Minister") of the Republic and the Institute of Inter-American Affairs (hereinafter referred to as the "Institute"), a corporate instrumentality of the Government of the United States of America and successor to the Inter-American Educational Foundation, Inc. (hereinafter referred to as the "Foundation"), represented by its Special Representative, Education Division, Mr. Frank E. Gilpin (hereinafter referred to as the "Special Representative"), have agreed to extend and modify, in the manner hereinafter set forth, the agreement executed by the Republic and the Foundation on March 17, 1945,⁴ providing for a cooperative education program in Paraguay (which agreement as approved by Decree Law No. 8,635, of May 10, 1945, is hereinafter referred to as the "Basic Agreement").

CLAUSE I

The cooperative education program in Paraguay hereby is extended for an additional period of approximately three and one-half months from the seventeenth day of March, 1948 through the thirtieth day of June, 1948.

CLAUSE II

The objective of the cooperative education program in Paraguay shall continue to be, primarily, to assist in the development of vocational education within Paraguay, and to train personnel and to develop or acquire materials for that purpose and, secondarily, to develop such other projects in the field of education as may be of mutual interest to the Minister and the Special Representative of the Institute. The cooperative educational program is expected to continue to include:

- (a) Furnishing by the Institute of a small field staff of educational specialists for service in Paraguay in carrying out the cooperative educational program and to interchange ideas and experience with Paraguayan educators;
- (b) Grants to permit Paraguayan educators to go to the United States of America for specialized training, to lecture, to teach and to interchange ideas and experience with United States educators;
- (c) Exploration and survey in Paraguay of local educational needs and resources for carrying out training projects;
- (d) Development, adaptation, and exchange of suitable teaching materials.

⁴Not printed. The 1945 agreement was amended and superseded by agreement signed Mar. 8, 1948 (TIAS 1815, *ante*, p. 967).

CLAUSE III

The Republic recognizes the Institute as a corporate instrumentality of the Government of the United States of America and that the field staff in Paraguay constitutes a division of office of the Institute. The field staff of the Institute shall continue to be under the direction of an official of the Institute who shall have the title of "Special Representative, Education Division, The Institute of Inter-American Affairs" who shall be the representative of the Institute in connection with the program to be carried out in accordance with this Extension Agreement. The Special Representative and other members of the field staff of the Institute shall be acceptable to the Minister.

CLAUSE IV

The special technical service created in the Ministry of Education of the Republic, pursuant to the Basic Agreement, under the name of "Servicio Cooperativo Interamericano de Educacion" (hereinafter called the "Servicio") shall continue to act as an intermediary between the Government of Paraguay and the Institute, and shall continue to carry out the cooperative education program. The Special Representative of the Institute shall continue to be the Director of the Servicio.

CLAUSE V

The cooperative education program shall continue to consist of individual projects. The kind of work and the specific projects to be undertaken in the execution of this Extension Agreement and the allocation of funds therefor shall be agreed upon in writing by the Minister and the Special Representative, and shall be carried out by the Director of the Servicio in conformity with policies prescribed jointly by the Minister and the Special Representative. The Paraguayan educators to be sent to the United States and the terms of their scholarships or grants shall be mutually agreed upon in writing by the Minister and the Special Representative.

CLAUSE VI

The Institute shall determine and pay the salaries and other expenses payable directly to or on account of members of the Institute field staff, as well as such other expenses of any administrative nature as the Institute may incur in connection with the development of the program, in an amount not to exceed Twenty-Two Thousand Dollars (\$22,000) U.S. Cy which shall be in addition to the One Hundred Thousand Dollars (\$100,000) U.S. Cy allocated for such purpose in Paragraph (a) of Clause VII of the Basic Agreement and the additional Twenty Thousand Dollars (\$20,000) U.S. Cy not required by the Basic Agreement but made available, nevertheless, by the Foundation on May 17, 1946, for such salaries and other expenses.

The said additional Twenty-Two Thousand Dollars (\$22,000) U.S. Cy shall be retained in the United States by the Institute, making a total of One Hundred Forty-Two Thousand Dollars (\$142,000) U.S. Cy which has been allocated by the Foundation and the Institute for such purposes and shall be in addition to the Seventy Thousand Dollars (\$70,000) U.S. Cy which the Foundation agreed to deposit to the account of the Servicio pursuant to paragraph (b) of said Clause VII of the Basic Agreement, making a total aggregate amount of Two Hundred Twelve Thousand Dollars (\$212,000) U.S. Cy allocated by the Foundation and the Institute for the cooperative education program in Paraguay.

The Republic shall deposit in a special bank account, in a Paraguayan bank mutually agreed upon by the Minister and the Special Representative of the Institute, to the account of the Servicio, the equivalent in Guaranies of the sum of Twenty-two Thousand Dollars (\$22,000) U.S. Cy converted at the best rate of exchange which the Bank of Paraguay concedes. The deposit required to be made by the Republic hereby shall be deposited during the month of March 1948, and the said deposit shall be in addition to the Republic's regular budget for education and in addition to the total amount specified in Clause VIII of the Basic Agreement to be deposited by the Republic to the account of the Servicio.

The deposits required by the Basic Agreement and by the preceding paragraph of this Extension Agreement to be made by the parties to such agreements shall be made as specified therein, provided that the dates of such payments may be accelerated or otherwise modified at any time by mutual written agreement of the Minister and the Special Representative. In the event, however, that any of the payments required to be made under the terms of the Basic Agreement or this Extension Agreement are made by either party and not matched by the other party within thirty (30) days of the corresponding due date of the payment required to be made by the other party the funds so deposited shall be forthwith returned to the contributor.

CLAUSE VII

All of the funds introduced into Paraguay by the Institute or the Foundation for the purpose of the cooperative education program shall be exempt from taxes, service charges, investment or deposit requirements and other currency controls and shall be converted into Guaranies at the best rate of exchange which the Bank of Paraguay concedes. Similarly where it is necessary to convert Guaranies into Dollars in connection with the cooperative education program in Paraguay including, but not limited to, the financing of grants or other expenditures in the United States of America, the Guaraniess shall be converted into Dollars at the best rate of exchange which the Bank of Paraguay concedes and shall be exempt from Paraguayan taxes, service charges, investment or deposit requirements, and other currency controls.

CLAUSE VIII

Any funds heretofore withheld by the Foundation pursuant to agreements between the Minister and the Special Representative of the Foundation for the purchase of materials and supplies and other disbursements in the United States of America relating to the execution of the cooperative educational program in Paraguay and not expended or obligated therefor shall be deposited in the Servicio bank account at any time upon the mutual agreement of the Minister and the Special Representative.

CLAUSE IX

All contracts necessary to carry out the terms of the projects mutually agreed to as herein provided shall be made in the name of the Servicio and shall be signed by the Minister and the Director of the Servicio. Personnel to be paid out of program funds deposited in Paraguay to the account of the Servicio shall be selected by the Director of the Servicio subject to the approval of the Minister. The general policies and procedures for the execution of the Program and for the disbursement and accounting of funds, for the purchase, use, inventory, control and disposition of property and any other administrative matters, shall be determined or established by mutual agreement between the Minister and the Special Representative. Disbursements from the Servicio bank account shall be made by the Director of the Servicio, or his delegate but, if desired by the Minister, such disbursements shall also bear the countersignature of the Minister or his delegate. The books and records of the Servicio relating to the said cooperative educational program in Paraguay shall be open at all times for inspection by the representatives of the Republic and of the Institute, and the Director of the Servicio shall render financial reports to the Republic and to the Institute at such intervals as may be agreed upon between the Minister and the Special Representative.

CLAUSE X

The Institute shall continue to use its best efforts to obtain such assistance and cooperation of other agencies, both public and private, in the United States of America, as may be appropriate for the execution of the said cooperative education program in Paraguay. The Republic in addition to its cash contribution as provided herein, shall (a) appoint specialists, in agreement with the Director of the Servicio, to collaborate with the field staff of the Institute; (b) make available office space, furnishings and such other facilities, materials, equipment and supplies as it may conveniently provide for the said program, and (c) lend the general assistance thereto of the other Departments of the Republic.

CLAUSE XI

The funds payable by the Institute under the Basic Agreement or this Extension Agreement, or paid by the parties hereto into the said Servicio bank account, shall continue to be available for the said cooperative education program during the existence of this Extension Agreement, without regard to annual periods or fiscal years of either of the parties.

Interest, if any, on funds of the Servicio, and income, if any, upon investments of the Servicio, and any increment of assets of the Servicio of whatever nature or source shall be added to the resources of the Servicio and shall not be credited against the contributions of the Republic, the Foundation or the Institute.

The Minister and the Special Representative shall determine by mutual agreement the disposition of any unobligated funds and of any other personal property remaining in the control of the Servicio upon the termination of this Extension Agreement.

CLAUSE XII

In the event that the Institute deems that the funds or any portion thereof which it has set aside for the payment of salaries or other expenses directly payable to, or on account of, members of the field staff, as provided in Clause VI hereof, will be more than is needed for that purpose, or for any other purpose of the Institute, the Institute will thereupon advise the Republic of the surplus which it can accordingly make available for projects under the program and such additional sum shall be paid into the Servicio bank account or be otherwise disposed of pursuant to this Agreement.

CLAUSE XIII

All employees of the Institute who are citizens of the United States of America and are engaged in carrying out the objectives of the cooperative education program shall be exempt in Paraguay from all income taxes and social security taxes with respect to income on which they are obligated to pay income or social security taxes to the Government of the United States of America and from property taxes on personal property intended for their own use. Such employees and members of their families who reside with them in Paraguay shall be exempt, also, from payment of custom, port charges, or other duties on their personal effects and equipment, and supplies imported or exported for their own use and from investment and deposit requirements and from costs of foreign exchange conversions on funds brought into Paraguay for their normal living expenses.

CLAUSE XIV

All rights and privileges which are enjoyed by governmental and official divisions or agencies of the Republic shall accrue to the Servicio. Such rights and privileges shall include, for example only, and not exclusively, free postal, telegraph and telephone service, special government rates made by trans-

portation companies and, also, freedom and immunity from excise, stamp, property income and all other taxes, as well as from consular charges and customs duties and port charges upon imports for the use of the Servicio in the cooperative education program. The Institute shall enjoy the same rights and exemptions with respect to its acts and property relating to the cooperative education program.

CLAUSE XV

All materials, equipment and supplies purchased with funds of the Servicio shall become and remain the property of the Republic and shall be devoted solely to the cooperative education program in Paraguay.

CLAUSE XVI

Any rights, powers or duties conferred by this Extension Agreement upon either the Minister, the Special Representative, or the Director of the Servicio, may be delegated by the recipient thereof to representatives in writing, provided that such representatives are satisfactory to the other parties. Regardless of the naming of said representatives, the Minister and the Special Representative shall have the right to refer any matter directly to one another for discussion and decision.

CLAUSE XVII

The Executive Power of the Republic will take the necessary steps to obtain the legislation, decrees, orders or resolutions necessary to carry out the terms of this Extension Agreement.

CLAUSE XVIII

This Extension Agreement supersedes the Basic Agreement in all respects whatsoever and shall become effective as soon as diplomatic notes confirming and accepting this Extension Agreement have been exchanged between the Ministry of Foreign Affairs of the Government of Paraguay and the Embassy of the United States of America to Paraguay.

IN WITNESS WHEREOF, the parties hereto have caused this Extension Agreement to be executed by their duly authorized representatives, in duplicate, in the English and Spanish languages, in the city of Asuncion, Paraguay, on this 8th day of March 1948.

For the Institute of Inter-American Affairs

FRANK E. GILPIN
Special Representative

For the Government of Paraguay

MARIO FERRARIO
Minister of Education

COOPERATIVE AGRICULTURAL PROGRAM

Exchange of notes at Asunción June 30, 1948

*Entered into force July 16, 1948; operative from June 30, 1948
Program expired June 30, 1960*

63 Stat. 2892; Treaties and Other
International Acts Series 2118

*The American Ambassador to the Minister of Foreign Relations
and Worship*

No. 56

ASUNCIÓN, June 30, 1948

EXCELLENCY:

I have the honor to refer to the Basic Agreement between the Government of Paraguay and The Institute of Inter-American Affairs, dated December 31, 1942,¹ as later modified and extended, which provided for the initiation and execution of the existing cooperative agricultural program in Paraguay. I also refer to the telegram, dated June 14, 1948,¹ from His Excellency the Provisional President of Paraguay, Doctor Juan Manuel Frutos, to President Harry S. Truman suggesting the consideration by our respective Governments of a further extension of that Agreement.

As Your Excellency knows, the agreement of December 31, 1942, as amended, provides that the cooperative agricultural program will terminate on June 30, 1948. However, considering the mutual benefits which both governments are deriving from the program, my Government agrees with the Government of Paraguay that an extension of such program would be desirable. I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the cooperative program for a period of one year, from June 30, 1948 through June 30, 1949. It would be understood that, during such period of extension the Institute would make a contribution of \$100,000 U.S. Cy. to the Servicio Técnico Interamericano de Cooperación Agrícola for use in carrying out project activities of the program on condition that your Government would contribute to the Servicio for the same purpose the sum of Guarani 1,103,400. The Institute would also be willing during the same extension period to make available an amount not exceeding \$160,000 U.S. Cy. to be retained by the Institute, and not deposited to the account of the Servicio, for payment of salaries and other expenses of the members of the

¹ Not printed.

Institute Food Supply Field Staff who are maintained by the Institute in Paraguay. The amounts referred to would be in addition to the sums already required under the present Basic Agreement to be contributed and made available by the parties in furtherance of the program.

If Your Excellency agrees that the proposed extension on the above basis is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's opinion and agreement thereto as soon as may be possible in order that the technical details of the extension may be worked out by officials of the Ministry of Economy and The Institute of Inter-American Affairs.

The Government of the United States of America will consider the present note and your reply note concurring therein as constituting an agreement between our two Governments, which shall come into force on the date of signature of an agreement by the Minister of Economy and by a representative of the Institute of Inter-American Affairs embodying the above mentioned technical details.

Accept, Excellency, the renewed assurances of my most distinguished consideration.

FLETCHER WARREN
American Ambassador

His Excellency

VICTOR MORÍNIGO,
Minister of Foreign Relations and Worship,
Asunción.

The Minister of Foreign Relations and Worship to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
AND WORSHIP

D.P. & D
No. 666

ASUNCIÓN, June 30, 1948

MR. AMBASSADOR:

I have the honor to address Your Excellency to acknowledge receipt of your Note No. 56 of this date, in which, with reference to the Basic Agreement concluded between the Government of Paraguay and the Institute of Inter-American Affairs, dated December 31, 1942, and the amendments and subsequent extension concluded for the establishment and execution of a cooperative agricultural program in Paraguay, and to the telegram dated June 14, 1948, from His Excellency the Provisional President of Paraguay, Dr. Juan Manuel Frutos, to President Harry S. Truman, suggesting a discussion by our respective Governments of a further extension of this Agreement, Your Excellency states that, considering the mutual benefits derived by both Governments from the program, your Government agrees with the

Government of Paraguay that an extension of such a program would be desirable.

In this connection, I have the pleasure of informing Your Excellency that the said note having been transmitted to the Ministry of Economic Affairs, that department of state has informed this Ministry that it is agreeable to extending the aforementioned Basic Agreement.

I avail myself of this opportunity to convey to Your Excellency the expression of my distinguished consideration.

VÍCTOR MORÍNIGO

His Excellency

FLETCHER WARREN,

Ambassador Extraordinary and Plenipotentiary

of the United States of America

City.

HEALTH AND SANITATION PROGRAM

*Exchange of notes at Asunción June 30, 1948, supplementing and
extending agreement of May 18 and 22, 1942*

Entered into force July 30, 1948

Program expired June 30, 1960

[For text, see 3 UST 26; TIAS 2386.]

COOPERATIVE EDUCATION PROGRAM

Exchange of notes at Asunción June 30, 1948

Entered into force August 2, 1948; operative from June 30, 1948

Program expired June 30, 1960

62 Stat. 3447; Treaties and Other
International Acts Series 1856

The American Ambassador to the Minister of Foreign Relations and Worship

No. 60

ASUNCIÓN, June 30, 1948

EXCELLENCY:

I have the honor to refer to the Basic Agreement between the Republic of Paraguay and The Institute of Inter-American Affairs dated March 8, 1948¹ which provided for the continuation of the cooperative education program in Paraguay theretofore undertaken by the Government of Paraguay and the Inter-American Educational Foundation, Inc., the predecessor of The Institute of Inter-American Affairs. I also refer to the telegram dated June 14, 1948 from His Excellency the Provisional President of Paraguay, Dr. Juan Manuel Frutos, to President Harry S. Truman, suggesting the consideration by our respective Governments of a further extension of that Basic Agreement.

As Your Excellency knows, the agreement of March 8, 1948, provides that the cooperative education program will terminate on June 30, 1948. However, considering the mutual benefits which both governments are deriving from the program, my Government agrees with the Government of Paraguay that an extension of such program would be desirable. I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the cooperative program for a period of one year, from June 30, 1948, through June 30, 1949. It would be understood that, during such period of extension, the Institute would make a contribution of \$26,224 U.S. Cy. to the Servicio Cooperativo Interamericano de Educación for use in carrying out project activities of the program on condition that your Government would contribute to the Servicio for the same purpose the sum of \$220,680. The Institute would also be willing during the same extension period to make available an amount not exceeding \$61,557 U.S. Cy. to be retained by the Insti-

¹ TIAS 1815, *ante*, p. 967.

tute, and not deposited to the account of the Servicio, for payment of salaries and other expenses of the members of the Institute Education Division Field Staff, who are maintained by the Institute in Paraguay. The amounts referred to would be in addition to the sums already required under the present Basic Agreement to be contributed and made available by the parties in furtherance of the program.

If Your Excellency agrees that the proposed extension on the above basis is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's opinion and agreement thereto as soon as may be possible in order that the technical details of the extension may be worked out by officials of the Ministry of Education and The Institute of Inter-American Affairs.

The Government of the United States of America will consider the present note and your reply note concurring therein as constituting an agreement between our two Governments, which will come into force on the date of signature of an agreement by the Minister of Education of Paraguay and by a representative of the Institute of Inter-American Affairs embodying the above mentioned technical details.

Accept, Excellency, the renewed assurances of my most distinguished consideration.

FLETCHER WARREN
American Ambassador

His Excellency
VÍCTOR MORÍNIGO,
Minister of Foreign Relations and Worship,
Asunción.

The Minister of Foreign Relations and Worship to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN
RELATIONS AND WORSHIP

D. P. y D.
No. 667

ASUNCIÓN, June 30, 1948

MR. AMBASSADOR:

I have the honor to address Your Excellency in order to acknowledge receipt of Note No. 60, of this date, in which, with reference to the Basic Agreement concluded between the Republic of Paraguay and the Institute of Inter-American Affairs, dated March 8, 1948, in which Agreement provisions were made for the continuation of the educational program in Paraguay and the Inter-American Educational Foundation, Inc., the predecessor of the Institute of Inter-American Affairs, and in referring to the telegram, dated June 14, 1948, from His Excellency Juan Manuel Frutos, Provisional President of Paraguay, to President Harry S. Truman, suggesting the consid-

eration by our respective Governments of an additional extension of that Basic Agreement, Your Excellency states that, in view of the mutual benefits which both Governments are obtaining from that program, your Government agrees with the Government of Paraguay that an extension of that program would be desirable.

With reference thereto, I take pleasure in informing Your Excellency that when the above-mentioned note had been transmitted to the Ministry of Education, that Ministry informed this Chancellery that it is agreeable to an extension of the above-mentioned Basic Agreement.

I avail myself of the opportunity to renew to Your Excellency the assurances of my distinguished consideration.

VÍCTOR MORÍNIGO

His Excellency

FLETCHER WARREN,

*Ambassador Extraordinary and Plenipotentiary of
The United States of America,
City.*

HEALTH AND SANITATION PROGRAM

Exchange of notes at Asunción July 29 and August 5, 1949, supplementing and extending agreement of May 18 and 22, 1942

Entered into force August 19, 1949

Program expired June 30, 1960

[For text, see 3 UST 30; TIAS 2387.]

COOPERATIVE AGRICULTURAL PROGRAM

Exchange of notes at Asunción July 22 and August 11, 1949

Entered into force September 2, 1949; operative from June 30, 1949

Program expired June 30, 1960

63 Stat. 2889; Treaties and Other
International Acts Series 2118

*The American Ambassador to the Minister of Foreign Relations
and Worship*

No. 102

ASUNCIÓN, July 22, 1949

EXCELLENCY:

I have the honor to refer to the Basic Agreement, as amended, entered into in December 1942 between the Republic of Paraguay and The Institute of Inter-American Affairs,¹ providing for the existing cooperative agricultural program in Paraguay. I also refer to Your Excellency's note number D.A.E. y C. 466 of July 20, 1949¹ suggesting the consideration by our respective governments of a further extension of that Agreement.

Considering the mutual benefits which both Governments are deriving from the program, my Government agrees with the Government of Paraguay that an extension of the program beyond its present termination date of June 30, 1949 would be desirable. Accordingly, I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the program for a period of one year, from June 30, 1949 through June 30, 1950. It would be understood that, during this period of extension, the Institute would make a contribution of \$100,000 in the currency of the United States, to the Servicio Técnico Interamericano de Cooperación Agrícola, for use in carrying out project activities of the program, on condition that your Government would contribute to the Servicio for the same purpose the sum of Guaraní 1,103,400/. The Institute would also be willing during the same extension period to make available funds to be administered by the Institute, and not deposited to the account of the Servicio, for payment of salaries and other expenses of the members of the Food Supply Division Field Staff who are maintained by the Institute in Paraguay. The amounts referred to would be

¹ Not printed.

in addition to the sums already required under the present Basic Agreement, as amended, to be contributed and made available by the parties in furtherance of the program.

The Government of the United States of America will consider the present note and your reply note concurring therein as constituting an agreement between our two Governments, which shall come into force on the date of signature of an agreement by the Minister of Economy and a representative of The Institute of Inter-American Affairs embodying the above-mentioned technical details.

If the proposed extension on the above basis is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's assurance to that effect as soon as may be possible, in order that the technical details of the extension may be worked out by the officials of the Ministry of Economy and The Institute of Inter-American Affairs.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

FLETCHER WARREN
American Ambassador

His Excellency

BERNARDO OCAMPOS,

*Minister of Foreign Relations and Worship,
Asunción.*

The Minister of Foreign Relations and Worship to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
AND WORSHIP

D.A.E. y C. No. 525

ASUNCIÓN, August 11, 1949

MR. AMBASSADOR:

I have the honor to refer to Your Excellency's note No. 102 dated July 22 last, and with respect thereto I am pleased to inform you of the text of communication S/No. 202 of the 10th of this month from the Ministry of Economy, which reads as follows:

"Mr. Minister: I am pleased to acknowledge receipt of Your Excellency's note D.A.E. y C. No. 488 of July 27 last, transmitting to this Ministry a copy of Note No. 102 dated July 22, from the Embassy of the United States of America in this capital, expressing the acceptance of the Department of State of Washington of the extension of the Agreement concluded between our Government and the Servicio Técnico Interamericano de Cooperación Agrícola (STICA). With respect to this matter, I recall to Your Excellency that it has been resolved by the Council of Ministers to accept the said ex-

tension under the terms mentioned in the aforesaid note. Requesting you to be good enough to transmit this communication to the American Embassy in our country, I renew to you the assurances of my highest consideration.

Signed: FABIO DA SILVA, *Minister.*"

Expressing thus my Government's acceptance of the terms of the above-mentioned note of Your Excellency, I renew to you the assurances of my highest and most distinguished consideration.

B. OCAMPOS [SEAL]

His Excellency

FLETCHER WARREN,
*Envoy Extraordinary and Plenipotentiary
of the United States of America,
City.*

COOPERATIVE EDUCATION PROGRAM

*Exchange of notes at Asunción July 26 and August 30, 1949
Entered into force September 1, 1949; operative from June 30, 1949
Program expired June 30, 1960*

63 Stat. 2744; Treaties and Other
International Acts Series 1991

The American Ambassador to the Minister of Foreign Relations and Worship

No. 106

ASUNCIÓN, July 26, 1949

EXCELLENCY:

I have the honor to refer to the Basic Agreement, as amended, entered into in March 1945¹ between the Republic of Paraguay and the predecessor of The Institute of Inter-American Affairs, providing for the existing cooperative education program in Paraguay. I also refer to Your Excellency's note D.P. y D. number 852 of July 22, 1949 suggesting the consideration by our respective governments of a further extension of that Agreement.

Considering the mutual benefits which both Governments are deriving from the program, my Government agrees with the Government of Paraguay that an extension of the program beyond its present termination date of June 30, 1949 would be desirable. Accordingly, I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the program for a period of one year, from June 30, 1949 through June 30, 1950. It would be understood that, during this period of extension, the Institute would make a contribution of \$25,000, in the currency of the United States, to the Servicio Cooperativo Interamericano de Educación, for use in carrying out project activities of the program, on condition that your Government would contribute to the Servicio for the same purpose the sum of Guaraníes 212,075.85. The Institute would also be willing during the same extension period to make available funds to be administered by the Institute, and not deposited to the account of the Servicio, for payment of salaries and other expenses of the members of the Education Division field staff who are maintained by the Institute in Paraguay. The amounts referred to would be in addition to the

¹ Not printed. The 1945 agreement was amended and superseded by agreement signed Mar. 8, 1948 (TIAS 1815, *ante*, p. 967).

sums already required under the present Basic Agreement, as amended, to be contributed and made available by the parties in furtherance of the program.

The Government of the United States of America will consider the present note and your reply note concurring therein as constituting an agreement between our two Governments, which shall come into force on the date of signature of an agreement by the Minister of Education and a representative of The Institute of Inter-American Affairs embodying the above-mentioned technical details.

If the proposed extension on the above basis is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's assurance to that effect as soon as may be possible, in order that the technical details of the extension may be worked out by the officials of the Ministry of Education, and The Institute of Inter-American Affairs.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

FLETCHER WARREN
American Ambassador

His Excellency
BERNARDO OCAMPOS,
Minister of Foreign Relations and Worship,
Asunción.

The Minister of Foreign Relations and Worship to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
AND WORSHIP

D.P. y D.
No. 1004

ASUNCIÓN, August 30, 1949

MR. AMBASSADOR:

With reference to your Embassy's note No. 106, dated July 26 of this year, I have the honor to address Your Excellency in order to transcribe for you a communication received from the Ministry of Education, reading as follows:

"Asunción, August 23, 1949. No. 214. Mr. Minister: I have the pleasure of addressing Your Excellency in reply to your note D.P. y D. No. 869 of July 29 last, in order to inform you of this Ministry's acceptance of the conditions set forth in the American Embassy's note No. 106 of July 26, 1949, with respect to the extension of the Agreement concluded between the Ministry of Education and the Institute of Inter-American Affairs, Division of Education. I avail myself of this opportunity to assure Your Excellency of my highest consideration. Signed: J. Eulogio Estigarribia, Minister. To

His Excellency Dr. Bernardo Ocampos, Minister of Foreign Affairs and Worship. E.S.D."

I take this opportunity to express to Your Excellency the assurances of my distinguished consideration.

B. OCAMPOS

His Excellency

FLETCHER WARREN

Ambassador Extraordinary and Plenipotentiary

of the United States of America

City

Peru-Bolivian Confederation¹

PEACE, FRIENDSHIP, COMMERCE, AND NAVIGATION

Treaty signed at Lima November 30, 1836

Ratified by the Peru-Bolivian Confederation January 10, 1837

Senate advice and consent to ratification October 10, 1837

Ratified by the President of the United States October 14, 1837

Ratifications exchanged at Lima May 28, 1838

Entered into force May 28, 1838

Proclaimed by the President of the United States October 3, 1838

Replaced, for Peru, July 16, 1852, by treaty of July 26, 1851²

Replaced, for Bolivia, November 9, 1862, by treaty of May 13, 1858³

8 Stat. 487; Treaty Series 274⁴

GENERAL CONVENTION OF PEACE, FRIENDSHIP, COMMERCE AND NAVIGATION, BETWEEN THE UNITED STATES OF AMERICA AND THE PERU-BOLIVIAN CONFEDERATION

The United States of America and the Peru-Bolivian Confederation, desiring to make firm and permanent the peace and friendship which happily subsist between them,—have resolved to fix, in a clear, distinct, and positive manner, the rules which shall in future be religiously observed between the one and the other, by means of a Treaty, or General Convention of Peace, Friendship, Commerce and Navigation.

For this desirable purpose, the President of the United States of America has conferred full powers on Samuel Larned, Chargé d'Affaires of the said

¹ See also BOLIVIA, *ante*, vol. 5, p. 721, and PERU, *post*, p. 999.

² TS 276, *post*, p. 1002. The Peru-Bolivian Confederation did not last beyond January 1839. On Nov. 23, 1839, the Peruvian Congress declared the 1836 treaty not binding on PERU, but the United States was not so informed until 1847.

³ TS 32, *ante*, vol. 5, p. 721, BOLIVIA.

⁴ For a detailed study of this treaty, see 4 Miller 71.

States near the Government of Peru, and the Supreme Protector of the North and South Peruvian States, President of the Republic of Bolivia, encharged with the direction of the foreign relations of the Peru-Bolivian Confederation,—has conferred like powers on John Garcia del Rio, Minister of State in the Department of Finance, of the North Peruvian State:—who after having exhibited to each other their respective full powers,—found to be in due and proper form,—and exchanged certified copies thereof, have agreed to the following articles, to wit,

ARTICLE I

There shall be a perfect, firm, and inviolable peace, and sincere friendship, between the United States of America and the Peru-Bolivian Confederation;—in all the extent of their respective territories and possessions;—and between their people and citizens, respectively, without distinction of persons or places.

ARTICLE II

The United States of America and the Peru-Bolivian Confederation, desiring to live in peace and harmony, as well with each other as with all the Nations of the earth, by means of a policy frank and equally friendly with all, engage, mutually, not to concede any particular favor to other nations, in respect of commerce and navigation,—which shall not immediately become common to the other party to this Treaty; who shall enjoy the same freely, if the concession was freely made, or on allowing the same compensation, if the concession was conditional.

ARTICLE III

The two high contracting parties, being likewise desirous of placing the commerce and navigation of their respective countries on the liberal basis of perfect equality with the most favored nation, mutually agree, that the citizens of each may frequent with their vessels all the coasts and countries of the other, and may reside and trade there, in all kinds of produce, manufactures and merchandize, not prohibited to all; and shall pay no other or higher duties, charges, or fees, whatsoever, either on their vessels or cargoes, than the citizens or subjects of the most favored are, or shall be, obliged to pay, on their vessels and cargoes:—and they shall enjoy, respectively, all the rights, privileges and exemptions, in navigation and commerce, which the citizens or subjects of the most favored nation do, or shall enjoy; they submitting themselves to the laws, decrees and usages there established, to which such citizens or subjects are, of right, subjected.

But it is understood that the stipulations contained in this article, do not include the coasting trade of either of the two countries; the regulation of this trade being reserved by the parties, respectively, according to their own separate laws.

ARTICLE IV

It is likewise agreed that it shall be wholly free for all merchants, commanders of ships, and other citizens, of both countries, to manage, themselves, their own business;—in all the ports and places subject to the jurisdiction of the other, as well with respect to the consignment and sale of their goods and merchandize, as to the purchase of their returns, unloading, loading, and sending off, of their vessels. The citizens of neither of the contracting parties shall be liable to any embargo, nor to be detained with their vessels, cargoes, merchandize or effects, for any military expedition, nor for any public or private purpose whatever,—without being allowed therefor a sufficient indemnification. Neither shall they be called upon for any forced loan, or occasional contributions—nor be subject to military service, on land or sea.

ARTICLE V

Whenever the citizens of either of the contracting parties, shall be forced to seek refuge, shelter or relief, in the rivers, bays, ports, and dominions of the other, with their vessels, whether of war, (public or private) of trade, or employed in the fisheries,—through stress of weather, want of water or provisions, pursuit of pirates or enemies,—they shall be received, and treated with humanity; and all favor and protection shall be given to them, in the repairing of their vessels, procuring of supplies, and placing of themselves in a condition to pursue their voyage, without obstacle or hindrance.

ARTICLE VI

All ships, merchandize, and effects, belonging to citizens of one of the contracting parties, which may be captured by pirates, whether on the high seas, or within the limits of its jurisdiction, and may be carried or found in the rivers, roads, bays, ports, or dominions of the other,—shall be delivered up to the owners; they proving, in due and proper form, their rights, before the competent tribunals: it being understood, that the claim should be made within the term of two years; by the parties themselves, their attorneys, or the agents of their respective governments.

ARTICLE VII

Whenever any vessel belonging to the citizens of either of the contracting parties shall be wrecked, founder, or suffer damage, on the coasts, or within the dominions, of the other, all assistance and protection shall be given to the said vessel, her crew, and the merchandize on board;—in the same manner as is usual and customary with vessels of the nation, where the accident happens, in like cases: and it shall be permitted to her, if necessary, to unload the merchandize and effects on board, with the proper precautions to prevent their illicit introduction, without exacting, in this case, any duty impost, or contribution, whatever; provided the same be exported.

ARTICLE VIII

The citizens of each of the contracting parties, shall have power to dispose of their personal effects, within the jurisdiction of the other, by sale, donation, testament, or otherwise; and their representatives, being citizens of the other party, shall succeed to their said personal effects, whether by testament or *ab intestato*; and may take possession thereof, either themselves, or by others acting for them; and dispose of the same at their will;—paying such dues, only, as the inhabitants of the country wherein said effects are, shall be subject to pay in like cases. And if, in the case of real estate, the said heirs should be prevented from entering into possession of the inheritance, on account of their character as aliens, there shall be granted to them the term of three years, in which to dispose of the same, as they may think proper, and to withdraw the proceeds; which they may do without obstacle, and exempt from all charges, save those which are imposed by the laws of the country.

ARTICLE IX

Both the contracting parties solemnly promise and engage, to give their special protection to the persons and property of the citizens of each other, of all classes and occupations, who may be in the territories subject to the jurisdiction of the one or the other, transient or dwelling therein:—leaving open & free to them the tribunals of justice, for their judicial recourse, on the same terms as are usual and customary with the natives, or citizens, of the country in which they may be: for which purpose they may employ in defence of their rights, such advocates, solicitors, notaries, agents and factors as they may judge proper, in all their trials at law: and such citizens or agents shall have free opportunity to be present at the decisions and sentences of the tribunals, in all cases that may concern them; and, likewise, at the taking of all evidence and examinations that may be exhibited in the said trials.

And to render more explicit, and make more effectual, the solemn promise and engagement herein before mentioned,—under circumstances to which one of the parties thereto has heretofore been exposed,—it is hereby further stipulated and declared, that all the rights and privileges which are now enjoyed by, or may hereafter be conferred on, the citizens of one of the contracting parties by, or in virtue of the Constitution and laws of the other, respectively;—shall be deemed and held to belong to, and inhere in, them, until such rights and privileges shall have been abrogated or withdrawn by an authority constitutionally or lawfully competent thereto.

ARTICLE X

It is likewise agreed, that perfect and entire liberty of conscience shall be enjoyed by the citizens of both the contracting parties, in the countries subject to the jurisdiction of the one and the other; without their being liable to be disturbed or molested on account of their religious belief, so long as they

respect the laws, and established usages of the country. Moreover, the bodies of the citizens of one of the contracting parties who may die in the territories of the other, shall be buried in the usual burying grounds, or in other decent and suitable places; and shall be protected from violation or disturbance.

ARTICLE XI

It shall be lawful for the citizens of the United States of America and of the Peru-Bolivian Confederation, to sail with their ships, with all manner of liberty and security,—no distinction being to be made who are the proprietors of the merchandize laden therein,—from any port or place, whatever, to the ports and places of those who are now, or hereafter shall be, at enmity with either of the contracting parties. It shall likewise be lawful for the citizens aforesaid, to sail with the ships and merchandize before mentioned, and to trade, with the same liberty and security, from the places, ports and havens of those who are enemies of both, or of either party,—without any opposition or disturbance whatsoever,—not only directly from the places of the enemy, before mentioned, to neutral places; but, also, from one place belonging to an enemy to another place belonging to an enemy; whether they be under the jurisdiction of one power or under that of several. And it is hereby stipulated, that free ships shall give freedom to goods; and that every thing shall be deemed to be free and exempt which shall be found on board of the ships belonging to the citizens of either of the contracting parties, although the whole lading, or any part thereof, should appertain to the enemies of either,—goods contraband of war being always excepted. It is also agreed, in like manner, that the same liberty shall be extended to persons who are on board of a free ship;—with this effect, that, although they be enemies to both or either of the parties, they shall not be taken out of that free ship, unless they are officers or soldiers, and in the actual service of the enemy:—provided, however; and it is hereby further agreed, that the stipulations in this article contained, declaring that the flag shall cover the property, shall be understood as applying to those Powers, only, who recognise this principle: but if either of the contracting parties shall be at war with a third, and the other be neutral, the flag of the neutral shall cover the property of those enemies whose governments acknowledge this principle, and not that of others.

ARTICLE XII

It is likewise agreed, that in cases where the neutral flag of one of the contracting parties shall protect the property of the enemies of the other, in virtue of the above stipulation,—it shall always be understood, that the neutral property found on board of such enemy's vessel, shall be held and considered as enemy's property; and as such shall be liable to detention and confiscation;—except such property as was put on board of such vessels before the declaration of war, or even afterwards, if it were done without the knowledge

of such declaration; but the contracting parties agree, that six months having elapsed, after the declaration, their citizens shall not be allowed to plead ignorance thereof. On the contrary, if the flag of the neutral does not protect the enemy's property on board, in this case, the goods and merchandize of the neutral, embarked in such enemy's ship, shall be free.

ARTICLE XIII

This liberty of navigation and commerce shall extend to all kinds of merchandize; excepting, only, those which are distinguished by the name of contraband, or prohibited, goods:—under which name shall be comprehended,—1st cannons, mortars, howitzers, swivels, blunderbusses, muskets, fusees, rifles, carbines, pistols, pikes, swords, sabres, lances, spears, halberds, granades and bombs; powder, matches, balls, and all other things belonging to the use of these arms. 2ndly Bucklers, helmets, breastplates, coats-of-mail, infantry belts, and clothes made up in a military form, and for a military use. 3rdly Cavalry belts, and horses with their furniture. 4thly and generally, all kinds of arms and instruments of iron, steel, brass and copper, or of any other materials, manufactured, prepared and formed expressly for the purposes of war—either by sea or land.

ARTICLE XIV

All other merchandize and things, not comprehended in the articles of contraband explicitly enumerated and classified as above, shall be held and considered as free, and subjects of free and lawful commerce; so that they may be carried and transported, in the freest manner, by both the contracting parties;—even to places belonging to an enemy;—excepting, only, those places which are at that time, besieged or blockaded: and, to avoid all doubt in this particular, it is declared, that those places, only, are besieged, or blockaded, which are actually attacked by a force capable of preventing the entry of the neutral.

ARTICLE XV

The articles of contraband, of those before enumerated and classified, which may be found in a vessel bound for an enemy's port, shall be subject to detention and confiscation; but the rest of the cargo, and the ship, shall be left free, that the owners may dispose of them as they see proper. No vessel, of either of the contracting parties, shall be detained on the high seas, on account of having on board articles of contraband, whenever the master, captain, or supercargo of said vessel will deliver up the articles of contraband to the captor; unless, indeed, the quantity of such articles be so great, and of so large a bulk, that they cannot be received on board of the capturing vessel without great inconvenience:—but in this, and all other cases of just detention, the vessel detained shall be sent to the nearest convenient and safe port, for trial and judgment, according to law.

ARTICLE XVI

And whereas it frequently happens, that vessels sail for a port or place belonging to an enemy, without knowing that the same is besieged, blockaded or invested,—it is agreed, that every vessel so circumstanced, may be turned away from such port or place, but shall not be detained;—nor shall any part of her cargo,—if not contraband,—be confiscated; unless, after being warned of such blockade or investment, by the commanding officer of a vessel forming part of the blockading forces,—she shall again attempt to enter:—but she shall be permitted to go to any other port or place the master or supercargo shall think proper. Nor shall any vessel, of either party, that may have entered into such port or place before the same was actually besieged, blockaded, or invested, by the other, be restrained from quitting it, with her cargo; nor if found therein, before or after the reduction and surrender, shall such Vessel, or her cargo, be liable to seizure, confiscation, or any demand on the score of redemption or restitution:—but the owners thereof shall be allowed to remain in the undisturbed possession of their property. And if any vessel, having thus entered the port before the blockade took place, shall take on board a Cargo, after the blockade be established, and attempt to depart, she shall be subject to being warned by the blockading forces, to return to the port blockaded, and discharge the said cargo; and if, after receiving said warning, the vessel shall persist in going out with the cargo, she shall be liable to the same consequences to which a vessel attempting to enter a blockaded port, after being warned off by the blockading forces, would be liable.

ARTICLE XVII

To prevent all kinds of disorder and irregularity in the visiting and examining of the ships and cargos, of both the contracting parties, on the high seas, they have agreed, mutually, that whenever a vessel of war, public or private, shall meet with a neutral, of the other contracting party, the first shall remain at the greatest distance compatible with the possibility and safety of making the visit, under the circumstances of wind and sea, and the degree of suspicion attending the vessel to be visited; and shall send one of her small boats, with no more men than those necessary to man it, for the purpose of executing the said examination,—of the papers concerning the ownership and cargo of the vessel,—without causing the least extortion, violence, or ill treatment; in respect of which, the commanders of said armed vessels shall be responsible, with their persons and property; for which purpose, the commanders of said private armed vessels shall, before receiving their commissions,—give sufficient security, to answer for all the injuries and damages they may commit. And it is expressly agreed, that the neutral party shall in no case be required to go on board the examining vessel, for the purpose of exhibiting the ships papers; nor for any other purpose whatever.

ARTICLE XVIII

To avoid all vexation and abuses in the examination of the papers relating to the ownership of the vessels belonging to the citizens of the contracting parties;—they have agreed, and do agree, that, in case one of them should be engaged in war, the ships and vessels of the other must be furnished with sea-letters, or passports;—expressing the name, property and burden of the ship; as also the name and place of residence of the master or commander thereof; in order that it may thereby appear that the said ship really and truly belongs to the citizens of one of the parties. They have likewise agreed, that such ships, being laden, besides the said sea-letters or passports, shall be provided with certificates containing the several particulars of the cargo, and the place whence the ship sailed;—so that it may be known whether any contraband or prohibited goods are on board of the same:—which certificates shall be made out by the officers of the place whence the ship sailed, in the accustomed form, without which requisites, the said Vessel may be detained, to be adjudged by the competent tribunals: and may be declared a legal prize,—unless the said defect shall be proved to be owing to accident, or be satisfied or supplied by testimony entirely equivalent, in the opinion of said tribunals; to which ends, there shall be allowed a sufficient term of time for its procurement.

ARTICLE XIX

And it is further agreed, that the stipulations above expressed, relative to the visiting and examining of vessels, shall apply to those, only, which sail without convoy, and when said Vessels shall be under convoy, the verbal declaration of the commander of the convoy, on his word-of-honor, that the vessels under his protection belong to the nation whose flag he carries, and, when they are bound to an enemy's port, that they have no contraband goods on board, shall be sufficient.

ARTICLE XX

It is moreover agreed, that, in all cases, the established Courts for prize causes, in the country to which the prize may be conducted, shall, alone, take cognizance of them. And whenever such tribunal, or court, of either party, shall pronounce judgment against any vessel, goods, or property, claimed by citizens of the other party,—the sentence, or decree, shall mention the reasons, or motives, in which the same shall have been founded:—and an authenticated copy of the sentence, or decree, and of all the proceedings in the case, shall, if demanded, be delivered to the commander, or agent, of said Vessel or property; without any excuse or delay;—he paying the legal fees for the same.

ARTICLE XXI

Whenever one of the contracting parties shall be engaged in war with another State, no citizen of the other contracting party, shall accept a com-

mission, or letter-of-marque, for the purpose of assisting, or cooperating hostilely with the said enemy, against the said party so at war; under pain of being treated as a pirate.

ARTICLE XXII

If at any time a rupture should take place between the two contracting Nations, and (which God forbid) they should become engaged in war with each other, they have agreed, and do agree now, for then, that the merchants, traders, and other citizens, of all occupations of each of the two parties, residing in the Cities, ports and dominions of the other, shall have the privilege of remaining and continuing their trade and business therein, and shall be respected and maintained in the full and undisturbed enjoyment of their personal liberty and property; so long as they behave peaceably and properly, and commit no offence against the laws. And in case their conduct should render them suspected of male-practices, and, having thus forfeited this privilege, the respective Governments should think proper to order them to depart, the term of twelve months from the publication, or intimation of this order therefor, shall be allowed them, in which to arrange and settle their affairs, and remove with their families, effects and property; to which end, the necessary safe conduct shall be given to them, and which shall serve as a sufficient protection until they arrive at the designated port and there embark. But this favor shall not be extended to those who shall act contrary to the established laws. It is nevertheless to be understood, that the persons so suspected, may be ordered, by the respective Governments, to remove forthwith into the interior, to such places as they shall think fit to designate.

ARTICLE XXIII

Neither the debts, due from individuals of the one Nation to the individuals of the other, nor shares, nor money, which they may have in public funds, nor in public or private Banks, shall ever, in any event of war or national difference, be sequestered or confiscated.

ARTICLE XXIV

Both the contracting parties being desirous of avoiding all inequality in relation to their public communications and official intercourse, they have agreed, and do agree, to grant to their Envoys, Ministers, and other public Agents the same favors, immunities and exemptions as those of the most favored Nation do, or shall enjoy:—it being understood, that whatever favors, immunities, or privileges the United States of America, or the Peru-Bolivian confederation, may find it proper to grant to the Envoys, Ministers, and public Agents of any other Power, shall by the same act, be granted and extended to those of the contracting parties respectively.

ARTICLE XXV

To make more effectual the protection which the United States of America and the Peru-Bolivian confederation shall afford in future to the navigation and commerce of the citizens of each other;—they agree to receive and admit Consuls and Vice Consuls, in all the ports open to foreign commerce; who shall enjoy within their respective consular districts, all the rights, prerogatives and immunities of the Consuls and Vice Consuls of the most favored Nation; each contracting party however, remaining at liberty to except those ports and places in which the admission and residence of such functionaries may not seem convenient.

ARTICLE XXVI

In order that the Consuls and Vice-Consuls of the two contracting parties may enjoy the rights, prerogatives and immunities which belong to them by their public character, they shall before entering on the exercise of their functions, exhibit their commission, or patent, in due form, to the government to which they are accredited, and having received their *exequatur*, they shall be held and considered as such Consuls and Vice Consuls, by all the authorities, magistrates and inhabitants in the Consular district in which they reside.

ARTICLE XXVII

It is likewise agreed that the Consuls, Vice Consuls, their secretaries, officers, and persons attached to their service;—they not being Citizens of the country in which the Consul, or Vice Consul resides, shall be exempt from all public service, and also from all kinds of taxes, imposts and contributions, except those which they shall be obliged to pay on account of commerce, or their property; and from which the Citizens of their respective country, resident in the other, are not exempt, in virtue of the stipulations contained in this treaty:—they, being, in every thing besides, subject to the laws of the respective States. The archives and Papers of the Consulates shall be respected inviolably, and under no pretext, whatever, shall any magistrate, or other person, seize, or in any way interfere with them.

ARTICLE XXVIII

The said Consuls and Vice-Consuls shall have power to require the assistance of the authorities of the country, for the arrest, detention and custody, of deserters from the public and private vessels of their country; and for this purpose, they shall address themselves to the Courts, Judges, or officers competent, and shall demand the said deserters in writing; proving, by an exhibition of the ship's roll, or other public document, that the men so demanded, are part of the crew of the vessel from which it is alledged they have deserted: and, on this demand, so proved, (saving however, when the

contrary is more conclusively proved) the delivery shall not be refused. Such deserters, when arrested, shall be put at the disposal of the said Consuls or Vice-Consuls, and may be put in the public prisons, at the request and expense of those who reclaim them, to be sent to the ships to which they belong;—or to others of the same nation: but if they should not be so sent within two months, to be counted from the day of their arrest,—they shall be set at liberty, and shall be no more arrested for the same cause.

ARTICLE XXIX

For the purpose of more effectually protecting their commerce and Navigation, the two contracting parties do hereby agree to form, as soon hereafter as may be mutually convenient, a Consular convention, which shall declare, specially, the powers and immunities of the Consuls and Vice Consuls of the respective parties.

ARTICLE XXX

The United States of America and the Peru-Bolivian Confederation, desiring to make as durable as circumstances will permit, the relations which are established between the two parties in virtue of this Treaty, or General Convention of Peace, Friendship, Commerce and Navigation, have declared solemnly, and do agree, as follows:

1st The present Treaty shall be in force for twelve years, from the day of the exchange of the ratifications thereof; and, further, until the end of one year after either of the contracting parties shall have given notice to the other of its intention to terminate the same each of them reserving to itself the right of giving such notice to the other, at the end of said term of twelve years. And it is hereby agreed between the parties, that, on the expiration of one year after such notice shall have been received by either of them, from the other, as above mentioned;—this Treaty shall, in all points relating to commerce and navigation, altogether cease and determine;—and in all those parts which relate to peace and friendship, it shall be permanently and perpetually binding on both Powers.

2nd If any, one or more, of the citizens of either party shall infringe any of the articles of this Treaty, such citizen, or citizens, shall be held personally responsible therefor;—and the harmony and good correspondence between the two nations shall not be interrupted thereby; each party engaging, in no way to protect the offender or offenders, or to sanction such violence;—under pain of rendering itself liable for the consequences thereof.

3rd If, (which indeed cannot be expected) unfortunately, any of the stipulations contained in the present Treaty shall be violated, or infringed, in any other way whatever, it is expressly covenanted and agreed, that neither of the contracting parties will order or authorize, any act of reprizals, nor declare or make war against the other, on complaint of injuries or damages resulting

therefrom, until the party considering itself aggrieved shall first have presented to the other a statement or representation of such injuries or damages, verified by competent proofs,—and have demanded redress and satisfaction;—and the same shall have been either refused or unreasonably delayed.

4^{thly} Nothing in this treaty contained shall, however, be construed to operate contrary to former and existing public Treaties with other States or Sovereigns.

The present Treaty of Peace, Friendship, Commerce and Navigation shall be approved and ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof; and by the Supreme Protector of the North and South Peruvian States, President of the Republic of Bolivia, encharged with the direction of the foreign relations of the Peru-Bolivian Confederation;—and the ratifications shall be exchanged within eighteen Months from the date of the signature hereof;—or sooner if possible.

In faith whereof, we, the Plenipotentiaries of the United States of America, and the Peru-Bolivian Confederation, have signed and sealed these presents.

Done, in the City of Lima, on the thirtieth day of November in the year of Our Lord, One thousand eight hundred and thirty Six.

SAM. LARNED

[SEAL]

J. GARCIA DEL RIO

[SEAL]

*Peru*¹

SETTLEMENT OF CLAIMS

Convention signed at Lima March 17, 1841

Senate advice and consent to ratification January 5, 1843

Ratified by the President of the United States January 12, 1843²

Ratified by Peru provisionally in 1843

Ratifications exchanged at Lima July 22, 1843²

Proclaimed by the President of the United States February 21, 1844²

Approved by the Peruvian Congress, with a modification, October 21, 1845³

Senate advice and consent to ratification, as modified, May 29, 1846

Ratified by the President of the United States, as modified, June 1, 1846

Ratified by Peru October 8, 1846

Ratifications exchanged at Lima October 31, 1846

Entered into force October 31, 1846

Proclaimed by the President of the United States January 8, 1847

Terminated upon fulfillment of its terms⁴

8 Stat. 570; Treaty Series 275⁵

The United States of America and the Republic of Peru, desirous of consolidating permanently, the good understanding and friendship now happily existing between the parties, have resolved to arrange and terminate their differences and pretensions, by means of a Convention that shall determine exactly, the responsibilities of Peru, with respect to the claims of certain citizens of the United States against her: And with this intention, the President

¹ See also PERU-BOLIVIAN CONFEDERATION, *ante*, p. 987.

² In the light of the modification later proposed by Peru, the first United States ratification and proclamation, and the first exchange of ratifications, were ineffectual.

³ The modification proposed by Peru called for payment of the first annual installment of \$30,000 referred to in art. II to be paid on Jan. 1, 1846, and the interest on this annual sum, according to art. III, to be calculated and paid from Jan. 1, 1842.

⁴ For a discussion of the settlement, see Moore, *International Arbitrations*, vol. V, p. 4591.

⁵ For a detailed study of this convention, see 4 Miller 333.

of the United States has appointed James C. Pickett, Chargé d'Affaires of said States, near Peru, and His Excellency the President of the Republic of Peru, has appointed Don Manuel del Rio, Principal Officer of the Department of Finance, Acting Minister of the same Department and supernumerary Councillor of State; and both Commissioners, after having exchanged their powers, have agreed upon and signed the following articles:

ARTICLE I

The Peruvian Government, in order to make full satisfaction for various claims of citizens of the United States, on account of seizures, captures, detentions, sequestrations and confiscations of their vessels, or for the damage and destruction of them, of their cargoes, or other property, at sea, and in the ports and territories of Peru, by order of said Government of Peru, or under its authority,—has stipulated, to pay to the United States, the sum of three hundred thousand dollars, which shall be distributed among the claimants, in the manner and according to the rules that shall be prescribed by the Government of the United States.

ARTICLE II

The sum of three hundred thousand dollars, which the Government of Peru has agreed to pay, in the preceding article, shall be paid at Lima, in ten equal annual instalments of thirty thousand dollars each, to the person or persons that may be appointed by the United States, to receive it. The first instalment shall be paid on the first day of January, in the year one thousand eight hundred and forty four,⁶ and an instalment on the first day of each succeeding January, until the whole sum of three hundred thousand dollars shall be paid.

ARTICLE III

The Peruvian Government agrees also, to pay interest on the before mentioned sum of three hundred thousand dollars, at the rate of four per centum per annum, to be computed from the first day of January one thousand eight hundred and forty two, and the interest accruing on each instalment, shall be paid with the instalment. That is to say; interest shall be paid on each annual instalment, from the first day of January one thousand eight hundred and forty two.

ARTICLE IV

All the annual payments made on account of the three hundred thousand dollars, shall be paid in hard dollars of the same standard and value as those now coined at the Mint in Lima, and the annual payments, as well as the accruing interest may be exported from Peru, free of all duty whatever.

⁶ See footnote 3, p. 999.

ARTICLE V

There shall not be demanded of the Government of Peru, any other payment or indemnification, on account of any claim of the citizens of the United States, that was presented to it by Samuel Larned Esquire, when Chargé d'Affaires of the United States, near Peru. But the claims subsequent to those presented by Mr. Larned, to the Government of Peru, shall be examined and acted upon, hereafter.

ARTICLE VI

It is further agreed, that the Peruvian Government shall have the option of paying each annual instalment, when it is due, with orders on the Custom House at Callao, which shall be endorsable in sums of any amount, and receivable in the Treasury, as cash, in payment of duties on importations of all kinds; and the orders shall be given in such a manner as, that in case similar orders shall be at a discount in the market, the full value of each annual payment shall be secured and made good to the United States, as though it had been paid in cash, at the time of its falling due; and any loss occasioned by discount, or delay in the collection, shall be borne and made good by the Peruvian Government.

ARTICLE VII

This Convention shall be ratified by the contracting parties, and the ratifications shall be exchanged within two years from its date, or sooner, if possible, after having been approved by the President and Senate of the United States, and by the Congress of Peru. In witness whereof, the respective Commissioners have signed the same, and affixed thereto their seals.

Done in triplicate at the City of Lima, this seventeenth day of March, in the year of Our Lord one thousand eight hundred and forty one.

J. C. PICKETT [SEAL]
MANUEL DEL RIO [SEAL]

FRIENDSHIP, COMMERCE, AND NAVIGATION

Treaty signed at Lima July 26, 1851

Ratified by Peru December 1, 1851

Senate advice and consent to ratification June 23, 1852

Ratified by the President of the United States July 16, 1852

Ratifications exchanged at Washington July 16, 1852

Entered into force July 16, 1852

Proclaimed by the President of the United States July 19, 1852

Article XXII annulled and revoked, in part, by convention of July 22, 1856¹

Article XII interpreted by convention of July 4, 1857²

Terminated December 9, 1863³

10 Stat. 926; Treaty Series 276⁴

The United States of America and the Republic of Peru, being equally animated with the desire to render firm and permanent the peace and friendship which have always so happily subsisted between them, and to place their commercial relations upon the most liberal basis, have resolved to fix clear and precise rules, which shall in future be religiously observed between the two Nations, by means of a Treaty of Friendship, Commerce and Navigation.

To attain this desirable object, the President of the United States of America has conferred Full Powers on John Randolph Clay, the accredited Chargé d'Affaires of the said States to the Government of Peru, and the President of the Republic of Peru has conferred like Full Powers on Brigadier General, Don Juan Crisostomo Torrico, Minister of War and the Marine, Minister of Foreign Affairs and interim &c. &c. who, after exchanging their respective Full Powers, found to be in good and due form, have agreed upon and concluded the following Articles:

ARTICLE I

There shall be perfect and perpetual peace and friendship, between the United States of America and the Republic of Peru and between their re-

¹ TS 277, *post*, p. 1019.

² TS 278, *post*, p. 1025.

³ Pursuant to notice of termination given by Peru Dec. 9, 1862.

⁴ For a detailed study of this treaty, see 5 Miller 1005.

spective territories, people and citizens, without distinction of persons, or places.

ARTICLE II

The United States of America and the Republic of Peru mutually agree, that there shall be reciprocal liberty of Commerce and Navigation, between their respective territories and citizens; the citizens of either Republic may frequent with their vessels all the coasts, ports and places of the other, wherever foreign commerce is permitted, and reside in all parts of the territories of either and occupy dwellings and warehouses, and every thing belonging thereto shall be respected and shall not be subjected to any arbitrary visits, or search. The said citizens shall have full liberty to trade in all parts of the territories of either, according to the rules established by the respective regulations of Commerce, in all kinds of goods, merchandise, manufactures and produce not prohibited to all, and to open retail stores and shops, under the same municipal and police regulations as native citizens; and they shall not, in this respect, be liable to any other, or higher taxes, or imposts, than those which are or may be paid by native citizens. No examination, or inspection of their books, papers, or accounts, shall be made, without the legal order of a competent tribunal, or judge. The citizens of either country shall also have the unrestrained right to travel in any part of the possessions of the other, and shall, in all cases, enjoy the same security and protection as the natives of the country wherein they reside, on condition of their submitting to the laws and ordinances there prevailing; they shall not be called upon for any forced loan, or occasional contribution, nor shall they be liable to any embargo, or to be detained with their vessels, cargoes, merchandise, goods, or effects, for any military expedition, or for any public purpose whatsoever, without being allowed therefor a full and sufficient indemnification, which shall, in all cases, be agreed upon and paid in advance.

ARTICLE III

The two High Contracting Parties hereby bind and engage themselves; not to grant any favor, privilege, or immunity whatever, in matters of Commerce and Navigation, to other Nations, which shall not be, also, immediately extended to the citizens of the other contracting party, who shall enjoy the same, gratuitously, if the concession shall have been gratuitous, or on giving a compensation as nearly as possible of proportionate value and effect, to be adjusted by mutual agreement, if the concession shall have been conditional.

ARTICLE IV

No higher or other duties, or charges, on account of tonnage, light-houses, or harbour dues, pilotage, quarantine, salvage in case of damage or shipwreck, or any other local charges, shall be imposed in any ports of

Peru on vessels of the United States, of the burthen of two hundred tons and upwards, than those payable in the same ports by Peruvian vessels of the same burthen; nor in any of the Ports of the United States, by Peruvian vessels, of the burthen of two hundred tons and upwards, than shall be payable, in the same ports, by vessels of the United States of the same burthen.

ARTICLE V

All kinds of merchandise and articles of Commerce which may be lawfully imported into the ports and territories of either of the High Contracting Parties, in national vessels, may also be so imported in vessels of the other party, without paying other or higher duties and charges, of any kind or denomination whatever, than if the same merchandise and articles of commerce were imported in national vessels. Nor shall any distinction be made in the manner of making payment of the said duties or charges.

It is expressly understood, that the stipulations in this and the preceding Article are, to their full extent, applicable to the vessels and their cargoes, belonging to either of the High Contracting Parties, arriving in the Ports and territories of the other, whether the said vessels have cleared directly from the ports of the country to which they appertain, or from the ports of any other nation.

ARTICLE VI

No higher or other duties, or charges, shall be imposed or levied upon the importation into the ports and territories of either of the High Contracting Parties, of any Article, the produce, growth or manufacture of the other party than are or shall be payable on the like Article, being the produce, growth or manufacture of any other country: nor shall any prohibition be imposed upon the importation of any article, the produce, growth or manufacture of either party, into the ports or territories of the other, which shall not equally extend to all other nations.

ARTICLE VII

All kinds of merchandise and articles of Commerce which may be lawfully exported from the ports and territories of either of the High Contracting Parties, in national vessels, may also be exported in vessels of the other party and they shall be subject to the same duties only, and be entitled to the same drawbacks, bounties and allowances, whether the same merchandise and articles of Commerce be exported in vessels of the one party or in vessels of the other party.

ARTICLE VIII

No changes or alterations in the tariffs of either of the High Contracting Parties, *augmenting* the duties payable upon merchandise or articles of Commerce, of any sort or kind, imported into, or exported from their re-

spective ports, shall be held to apply to the Commerce or navigation of either party, until the expiration of eight calendar months after the said changes or alterations shall have been promulgated and become a law, unless the law or decree, by which such changes or alterations shall be made, contain a prospective provision to the same, or similar effect.

ARTICLE IX

It is hereby declared, that the stipulations of the present treaty are not to be understood as applying to the navigation and coasting trade, between one port and another situated in the territories of either contracting Party—the regulation of such navigation and trade being reserved, respectively, by the Parties, according to their own separate laws.

Vessels of either Country shall however be permitted to discharge part of their cargoes at one port open to foreign commerce in the territories of either of the High Contracting Parties, and to proceed with the remainder of their cargo to any other port, or ports, of the same territories, open to foreign commerce, without paying other or higher tonnage dues or port charges, in such cases, than would be paid by national vessels in like circumstances, and they shall be permitted to load in like manner at different ports in the same voyage outwards.

ARTICLE X

The Republic of Peru desiring to increase the intercourse along its coasts, by means of Steam Navigation, hereby engages to accord to any citizen or citizens of the United States, who may establish a line of Steam vessels, to navigate, regularly, between the different ports of entry, within the Peruvian territories, the same privileges of taking in and landing freight, entering the by-ports for the purpose of receiving and landing passengers and their baggage, specie and bullion; carrying the public mails, establishing depots for coal, erecting the necessary machine and workshops, for repairing and refitting the Steam vessels; and all other favors enjoyed by any other association or company whatsoever.

It is, furthermore, understood, between the Two High Contracting Parties, that the Steam vessels of either shall not be subject, in the ports of the other Party, to any duties of tonnage, harbor or other similar duties whatsoever, than those that are or may be paid by any other association or Company.

ARTICLE XI

For the better understanding of the preceding Articles, and taking into consideration the actual State of the commercial marine of Peru, it is stipulated and agreed that every vessel, belonging exclusively to a citizen or citizens of the said Republic, and of which the Captain is also a citizen of the same, though the construction or the crew is, or may be, foreign, shall be considered for all the objects of this treaty, as a Peruvian vessel.

ARTICLE XII⁵

The Whale Ships of the United States shall have access to the port of Tumbez, as well as to the ports of entry in Peru, and may sail from one port to another for the purposes of refreshment and refitting, and they shall be permitted to sell or barter their supplies, or goods, including Oil, to the amount of two hundred dollars, *ad valorem*, for each vessel; without paying any tonnage or harbour dues, or any duties or imposts upon the articles so sold or bartered. They shall be also permitted, with like exemption from tonnage and harbour dues, further to sell or barter, their supplies, or goods, including oil, to the additional amount of one thousand dollars, *ad valorem*, for each vessel; upon paying for the said additional articles, the same duties as are payable upon like supplies, or goods, and oil, when imported in the vessels and by the citizens, or subjects, of the most favored nation.

ARTICLE XIII

The merchants, commanders, or masters of vessels and other citizens of either contracting party, shall be wholly free to manage their own business and affairs, in all the ports and places within the jurisdiction of the other, or to commit their business and affairs to the management of any person whom they may choose to appoint, as agent, factor, consignee, or interpreter. They shall not be restrained in the choice of persons to act in such capacities, or be compelled to pay any salary, or remuneration, to any one whom they do not wish to employ. Absolute freedom shall be given, as well with respect to the consignment and sale of their merchandise and articles of commerce, as to the purchase of their returns, unloading, loading and sending off their vessels. The buyer and seller shall have full liberty to bargain together and fix the price of any merchandise, or articles of Commerce, imported into, or to be exported from the territories of either contracting Party, the regulations of Commerce, established in the respective countries, being in every case, duly observed.

ARTICLE XIV

Peruvian citizens shall enjoy the same privileges, in frequenting the mines and in digging or working for gold, upon the public lands situated in the State of California, as are, or may be hereafter accorded by the United States of America, to the citizens or subjects of the most favored nation.

ARTICLE XV

The citizens of either of the High Contracting Parties shall have the full power and liberty to dispose of their personal property and effects, of every kind and description, within the jurisdiction of the other, by sale, donation,

⁵ For an interpretation of art. XII, see TS 278, *post*, p. 1025.

testament or otherwise; and their heirs or representatives, being citizens of the other party, shall succeed to their said personal property and effects, whether by testament, or *ab intestato*, and may take possession of the same, themselves, or by others acting for them, and dispose of the same at their pleasure, paying such dues, only, as the inhabitants of the country, wherein said effects may be, shall be subject to pay in like cases. Should the property consist of real estate and the heirs, on account of their character as Aliens, be prevented from entering into possession of the inheritance, they shall be allowed the term of three years, to dispose of the same and withdraw and export the proceeds, which they may do, without any hindrance and without paying any other dues or charges, than those which are established by the laws of the country.

ARTICLE XVI

If any vessel belonging to the citizens of either of the High Contracting Parties should be wrecked, suffer damage, or be left derelict, on or near the coasts within the territories of the other, all assistance and protection shall be given to such vessel and her crew, and the vessel or any part thereof, and all furniture and appurtenances belonging thereto, together with all the merchandise, which shall be saved therefrom, or the produce thereof, if sold, shall be faithfully restored to the owners, or their agents, they paying only the expenses incurred in the preservation of the property, together with the rate of salvage, which would have been payable in the like case by national vessels; and it shall be permitted for them to unload the merchandise and effects on board, with the proper precautions to prevent their illicit introduction, without exacting in such case any duty, impost or contribution whatever, provided the same be exported.

ARTICLE XVII

When through stress of weather, want of water or provisions, pursuit of enemies or pirates, the vessels of one of the High Contracting Parties, whether of war (public or private) or of trade, or employed in fishing, shall be forced to seek shelter in the ports, rivers, bays and dominions of the other, they shall be received and treated with humanity: sufficient time shall be allowed for the completion of repairs, and while any vessel may be undergoing them, its cargo shall not, unnecessarily, be required to be landed, either in whole or in part: all assistance and protection shall be given to enable the vessels to procure supplies and to place them in a condition to pursue their voyage, without obstacle or hindrance.

ARTICLE XVIII

All vessels, merchandise and effects, belonging to the citizens of either of the High Contracting Parties, which may be captured by Pirates, either on the high seas or within the limits of its jurisdiction, and may be carried into, or

found in the rivers, roads, bays, ports or dominions of the other, shall be delivered up to the owners or their agents, they proving, in due and proper form, their rights before the competent tribunals; it being understood, that the claim thereto shall be made within two years, by the owners themselves, their agents or the agents of the respective Governments.

ARTICLE XIX

The High Contracting Parties promise and engage, to give full and perfect protection to the persons and property of the citizens of each other, of all classes and occupations, who may be dwelling or transient in the territories, subject to their respective jurisdiction: they shall have free and open access to the tribunals of justice for their judicial recourse, on the same terms as are usual and customary with the natives or citizens of the country in which they may be, and they shall be at liberty to employ in all causes, the advocates, attorneys, notaries or agents of whatever description, whom they may think proper.

The said citizens shall not be liable to imprisonment, without formal commitment under a warrant signed by a legal authority, except in cases *flagrantis delicti*, and they shall, in all cases, be brought before a magistrate, or other legal authority, for examination, within twenty four hours after arrest, and, if not so examined, the accused shall, forthwith, be discharged from custody. Said citizens, when detained in prison shall be treated, during their imprisonment, with humanity and no unnecessary severity shall be exercised towards them.

ARTICLE XX

It is likewise agreed, that perfect and entire liberty of conscience shall be enjoyed by the citizens of both the contracting parties, in the countries subject to the jurisdiction of the one or the other, without their being liable to be disturbed or molested on account of their religious belief, so long as they respect the laws and established usages of the country.

Moreover, the bodies of the citizens, of one of the contracting parties, who may die in the territories of the other, shall be buried in the usual burying grounds, or in other decent and suitable places, and shall be protected from violation or disturbance.

ARTICLE XXI

The citizens of the United States of America and of the Republic of Peru may sail with their vessels, with entire freedom and security from any port, to the ports or places of those who now are or hereafter shall be enemies of either of the contracting parties, whoever may be the owners of the merchandise laden in the said vessels. The same citizens shall also be allowed to sail with their vessels, and to carry and traffic with their merchandise, from the ports and places of the enemies of both parties, or of one of them, with-

out any hindrance, not only to neutral ports and places, but also from one port belonging to an enemy to another enemy's port, whether they be under the jurisdiction of one power or under several. And it is agreed, that free ships shall give freedom to goods, and that every thing shall be deemed free, which shall be found on board the vessels belonging to the citizens of either of the contracting parties, although the whole lading, or a part thereof, should belong to the enemies of either; articles, contraband of war being always excepted. The same liberty shall be extended to persons, who may be on board free ships, so that said persons cannot be taken out of them, even if they may be enemies of both parties, or of one of them, unless they are officers or soldiers in the actual service of the enemy. It is agreed, that the stipulations in this article, declaring that the flag shall cover the property shall be understood as applying to those nations only who recognize this principle; but if either of the contracting parties shall be at war with a third, and the other shall remain neutral, the flag of the neutral shall cover the property of enemies whose governments acknowledge this principle and not that of others.

ARTICLE XXII⁶

When the neutral flag of one of the contracting parties shall protect the property of the enemies of the other, in virtue of the preceding article, neutral property found on board enemies' vessels shall likewise be considered as enemies' property, and shall be subject to detention and confiscation, unless it shall have been put on board before the declaration of war, or even afterwards, if it were done without knowledge of such declaration; but the contracting parties agree that ignorance cannot be alleged after the lapse of six months from the declaration of war. On the contrary, in those cases where the flag of the neutral does not protect enemies' property which may be found on board, the goods or merchandise of the neutral embarked in enemies' vessels shall be free.

ARTICLE XXIII

The liberty of commerce and navigation, stipulated for in the preceding Articles, shall extend to all kinds of merchandise, except the articles called contraband of War, under which name shall be comprehended—1st Cannons, mortars, howitzers, swivels, blunderbusses, muskets, fusees, rifles, carbines, pistols, pikes, swords, sabres, lances, spears, halberds, grenades, bombs, powder, matches, balls and every thing belonging to the use of these arms.

2nd Bucklers, helmets, breastplates, coats of mail, accoutrements and clothes made up in military form and for military use.

3rd Cavalry belts and horses, with their harness.

⁶ For partial annulment and revocation of art. XXII, see convention of July 22, 1856 (TS 277), *post*, p. 1019.

4th And generally all offensive or defensive arms made of iron, steel, brass, copper, or of any other material, prepared and formed to make war by land or at sea.

ARTICLE XXIV

All other merchandise and things not comprehended in the articles of contraband, explicitly enumerated and classified as above, shall be held and considered as free, and subjects of free and lawful commerce, so that they may be carried and transported in the freest manner by both the contracting parties, even to places belonging to an enemy, excepting only those places, which are at that time besieged or blockaded; and to avoid all doubt in this particular, it is declared, that those places only shall be considered as besieged or blockaded, which are actually invested or attacked by a force capable of preventing the entry of the neutral.

ARTICLE XXV

The articles of contraband, or those before enumerated and classified, which may be found in a vessel bound for an enemy's port, shall be subject to detention and confiscation; but the rest of the cargo and the ship shall be left free, that the owners may dispose of them, as they see proper. No vessel of either of the contracting parties shall be detained on the high seas, on account of having on board articles of contraband, whenever the master, captain, or supercargo of said vessel will deliver up the articles of contraband to the captor; unless indeed, the quantity of such articles be so great, or of so large bulk, that they cannot be received on board the capturing vessel without great inconvenience; but in this and all other cases of just detention, the vessel detained shall be sent to the nearest convenient and safe port for trial and judgment according to law.

ARTICLE XXVI

And whereas it frequently happens that vessels sail for a port or place belonging to an enemy, without knowing that the same is besieged, blockaded, or invested, it is agreed, that every vessel so circumstanced may be turned away from such port or place, but shall not be detained; nor shall any part of her cargo, if not contraband, be confiscated, unless, after having been warned of such blockade or investment by the commanding officer of a vessel, forming part of the blockading forces, she again attempt to enter, but she shall be permitted to go to any other port or place, the master or supercargo may think proper. Nor shall any vessel of either party, that may have entered into such port or place before the same was actually besieged, blockaded, or invested by the other be restrained from leaving it with her cargo; nor if found therein before or after the reduction and surrender, shall such vessel or her cargo be liable to seizure, confiscation, or any demand on the score of redemption or restitution; but the owners thereof shall remain in

the undisturbed possession of their property. And if any vessel, having thus entered the port before the blockade took place, shall take on board a cargo, after the blockade be established, and attempt to depart, she may be warned by the blockading forces, to return to the blockaded port, and discharge the said cargo; and if, after receiving such warning, the vessel shall persist in going out with the cargo, she shall be liable to the same consequences, as in the case of a vessel attempting to enter a blockaded port after having been warned off by the blockading forces.

ARTICLE XXVII

To prevent disorder and irregularity in visiting and examining the vessels and cargoes of both the contracting parties, on the high seas, they have agreed, mutually, that whenever a vessel of war, public or private, shall meet with a neutral of the other party, the former shall remain at the greatest distance compatible with the possibility and safety of making the visit under the circumstances of wind and sea and the degree of suspicion attending the vessel to be visited and shall send one of her small boats with no more men than may be necessary to execute the said examination of the papers concerning the ownership and cargo of the vessel, without causing the least extortion, violence, or ill-treatment in respect of which, the commanders of said armed vessel, shall be responsible with their persons and property; for which purpose, the commanders of said private armed vessels shall, before receiving their commissions, give sufficient security, to answer for all the injuries and damages they may commit. And it is expressly agreed that the neutral party shall in no case be required to go on board of the examining vessel for the purpose of exhibiting the ship's papers; nor for any other purpose whatever.

ARTICLE XXVIII

Both contracting Parties likewise agree, that when one of them shall be engaged in War, the vessels of the other must be furnished with sea letters, patents or passports, in which shall be expressed the name, burthen of the vessel and the name and place of residence of the owner, and master, or Captain, thereof, in order that it may appear that the vessel really and truly belongs to citizens of the said other party. It is also agreed, that such vessels being laden, besides the said sea letters, patents, or passports, shall be provided with Manifests or certificates, containing the particulars of the cargo and the place where it was taken on board, so that it may be known whether any part of the same consists of contraband or prohibited articles—which certificates shall be made out, in the accustomed form, by the authorities of the port whence the vessel sailed: without which requisites the vessel may be detained, to be adjudged by the competent tribunals and may be declared good and legal prize, unless it shall be proved, that the said defect or omission was owing to accident, or unless it shall be satisfied, or supplied, by testimony

equivalent in the opinion of the said tribunals, for which purpose there shall be allowed a reasonable length of time to procure and present it.

ARTICLE XXIX

The preceding stipulations relative to the visit and examination of vessels, shall apply only to those which sail without convoy; for when said vessels shall be under convoy, the verbal declaration of the commander of the convoy, on his word of honor, that the vessels under his protection belong to the nation whose flag they carry, and when they are bound to an enemy's port, that they have no contraband goods on board, shall be sufficient.

ARTICLE XXX

It is further agreed, that in all prize cases the courts specially established for such causes, in the country to which the prizes may be conducted, shall alone take cognizance of them. And whenever such courts of either party shall pronounce judgment against any vessel, merchandise, or property, claimed by the citizens of the other party, the sentence or decree shall set forth the reasons or motives on which the same shall have been founded, and an authenticated copy of the sentence, or decree and of all the proceedings, connected with the case shall, if demanded, be delivered to the commander, or agent, of the said vessel, merchandise or property, without any excuse or delay, upon payment of the established legal fees for the same.

ARTICLE XXXI

Whenever one of the contracting parties shall be engaged in war with another Nation, no citizen of the other contracting party shall accept a commission or letter of marque, for the purpose of assisting or co-operating hostilely with the said enemy against the said party so at war, under pain of being treated as a pirate.

ARTICLE XXXII

If, which is not to be expected, a rupture should at any time take place between the two contracting nations, and they should engage in war with each other, they have agreed, now for then, that the merchants, traders, and other citizens of all occupations of either of the two parties, residing in the cities, ports and dominions of the other, shall have the privilege of remaining and continuing their trade and business therein, and shall be respected and maintained in the full and undisturbed enjoyment of their personal liberty and property, so long as they conduct themselves peaceably and properly and commit no offence against the laws. And, in case their acts should render them justly suspected, and having thus forfeited this privilege, the respective governments should think proper to order them to leave the country, the term of twelve months, from the publication or intimation of the order therefor, shall be allowed them, in which to arrange and settle their affairs and

remove with their families, effects and property; to which end, the necessary safe conduct shall be given to them, which shall serve as a sufficient protection, until they arrive at the designated port and there embark; but this favor shall not be extended to those, who shall act contrary to the established laws. It is, nevertheless, understood, that the respective governments may order the persons so suspected to remove, forthwith, to such places in the interior as may be designated.

ARTICLE XXXIII

In the event of a war or of any interruption of friendly intercourse between the High Contracting Parties, the money, private debts, shares in the public funds, or in the public or private banks, or any other property whatever, belonging to the citizens of the one party in the territories of the other, shall in no case be sequestrated, or confiscated.

ARTICLE XXXIV

The High Contracting Parties desiring to avoid all inequality in their public communications and official intercourse, agree to grant to their Envoys, Ministers, Chargés d'Affaires and other Diplomatic Agents, the same favors, privileges, immunities and exemptions, that those of the most favored nations do or shall enjoy: it being understood that the favors, privileges, immunities and exemptions granted by the one party, to the Envoys, Ministers, Chargés d'Affaires or other Diplomatic Agents of the other party, or to those of any other Nation, shall be, reciprocally, granted and extended to those of both the High Contracting Parties respectively.

ARTICLE XXXV

To protect more effectively the Commerce and Navigation of their respective citizens, the United States of America and the Republic of Peru agree to admit and receive, mutually, Consuls and Vice Consuls, in all their ports open to foreign Commerce, who shall enjoy, within their respective Consular districts, all the rights, prerogatives, and immunities of the Consuls and Vice Consuls of the most favored Nation, but, to enjoy the rights, prerogatives and immunities which belong to them in virtue of their public character, the Consuls and Vice Consuls shall, before exercising their official functions, exhibit, to the government to which they are accredited, their Commissions or patents in due form; in order to receive their *exequatur*, after receiving which, they shall be acknowledged, in their official characters, by the authorities, magistrates and inhabitants of the district in which they reside. The High Contracting Parties, nevertheless, remain at liberty to except those ports and places, where the admission and residence of Consuls or Vice Consuls may not seem convenient, provided that the refusal to admit them shall likewise extend to those of all nations.

ARTICLE XXXVI

The Consuls, Vice Consuls, their officers and persons employed in their Consulates, shall be exempt from all public service and from all kinds of taxes, imposts and contributions, except those which they shall lawfully be held to pay on account of their property or commerce and to which the citizens and other inhabitants of the country in which they reside are subject, they being in other respects subject to the laws of the respective countries. The archives and papers of the Consulates shall be inviolably respected and no person, magistrate, or other public authority, shall, under any pretext, interfere with or seize them.

ARTICLE XXXVII

The Consuls and Vice Consuls shall have power to require the assistance of the public authorities of the country in which they reside, for the arrest, detention and custody of deserters from the vessels of War or merchant vessels of their nation; and where the deserters claimed shall belong to a merchant vessel, the Consuls or Vice Consuls must address themselves to the competent authority and demand the deserters in writing, proving by the ship's roll, or other public document, that the individuals claimed are a part of the crew of the vessel from which it is alleged that they have deserted, but should the individuals claimed form a part of the crew of a vessel of War, the word of honor of a commissioned officer, attached to the said vessel, shall be sufficient to identify the deserters; and when the demand of the Consuls or Vice Consuls shall, in either case, be so proved, the delivery of the deserters shall not be refused. The said deserters when arrested shall be delivered to the Consuls or Vice Consuls, or at the request of these, shall be put in the public prisons and maintained at the expense of those who reclaim them, to be delivered to the vessels to which they belong or sent to others of the same nation; but if the said deserters should not be so delivered or sent within the term of two months, to be counted from the day of their arrest, they shall be set at liberty and shall not be again apprehended for the same cause. The High Contracting Parties agree, that it shall not be lawful for any public authority or other person, within their respective dominions to harbor or protect such deserters.

ARTICLE XXXVIII

For the purpose of more effectually protecting their commerce and navigation, the two contracting parties do hereby agree to form, as soon hereafter as may be mutually convenient, a consular convention, which shall declare specially the powers and immunities of the Consuls and Vice Consuls of the respective parties.

ARTICLE XXXIX

Until the Conclusion of a Consular Convention, the High Contracting Parties agree that, in the absence of the legal heirs or representatives, the Consuls or Vice Consuls of either party shall be, *ex officio*, the Executors or Administrators of the citizens of their nation, who may die within their Consular jurisdictions, and of their countrymen dying at sea, whose property may be brought within their district. The said Consuls or Vice Consuls shall call in a Justice of the peace, or other local authority, to assist in taking an inventory of the effects and property left by the deceased, after which the said effects shall remain in the hands of the said Consuls, or Vice Consuls, who shall be authorised to sell, immediately, such of the effects, or property, as may be of a perishable nature, and to dispose of the remainder, according to the instructions of their respective Governments. And where the deceased has been engaged in Commerce, or other business, the Consuls or Vice Consuls shall hold the effects and property, so remaining, until the expiration of twelve calendar months; during which time the creditors, if any, of the deceased, shall have the right to present their claims or demands against the said effects and property, and all questions, arising out of such claims or demands, shall be decided by the laws of the country wherein the said citizens may have died. It is understood, nevertheless, that if no claim or demand shall have been made against the effects and property of an individual so deceased, the Consuls or Vice Consuls at the expiration of the twelve calendar months, may close the estate and dispose of the effects and property in accordance with the instructions from their own Governments.

ARTICLE XL

The United States of America and the Republic of Peru, desiring to make as durable as circumstances will permit the relations established between the two parties, in virtue of this Treaty of Friendship, Commerce and Navigation, declare solemnly, and agree as follows:

1st The present Treaty shall remain in force for the term of ten years, from the day of the exchange of the ratifications thereof, and further, until the end of one year after either of the High Contracting Parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice, to the other, at the end of the said term of ten years. And it is hereby agreed between the parties, that, on the expiration of one year after such notice shall have been received by either of them, from the other party as above mentioned, this Treaty shall altogether cease and determine.

2^{dly} If any citizen or citizens, of either party, shall infringe any of the Articles of the Treaty, such citizen or citizens shall be held personally responsible therefor, and the harmony and good understanding between the two

nations, shall not be interrupted thereby,—each party engaging in no way to protect the offender or offenders, or to sanction such violation under pain of rendering itself liable for the consequences thereof.

3^{dly} Should, unfortunately, any of the provisions contained in the present Treaty be violated or infringed in any other manner whatever, it is expressly stipulated and agreed that neither of the contracting parties shall order or authorise any act of reprisals, nor declare or make war against the other, on complaint of injuries or damages resulting therefrom, until the party considering itself aggrieved, shall first have presented to the other a statement or representation of such injuries or damages, verified by competent proofs and demanded redress and satisfaction, and the same shall have been either refused or unreasonably delayed.

4^{thly} Nothing contained in this Treaty shall, however be construed to operate contrary to former and existing public treaties with other Nations or Sovereigns.

The present Treaty of Friendship, Commerce and Navigation shall be approved and ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by the President of the Republic of Peru, with the authorisation of the Congress thereof, and the ratifications shall be exchanged, at Washington, within eighteen months from the date of the signature hereof, or sooner if possible.

In faith whereof, we the Plenipotentiaries of the United States of America and of the Republic of Peru have signed and sealed these presents.

Done at the city of Lima on the twenty sixth day of July, in the year of Our Lord one thousand eight hundred and fifty one.

J. RANDOLPH CLAY [SEAL]
J. CMO TORRICO [SEAL]

CLAIMS: THE CASE OF SAMUEL FRANKLIN TRACY

Agreement signed at Lima August 6, 1852

Entered into force August 6, 1852

Terminated upon fulfillment of its terms¹

6 Miller 59

The Undersigned having held several Conferences upon the claim of Samuel Franklin Tracy, a citizen of the United States, to be indemnified, for certain losses sustained by him in Peru, in the year 1839, in consequence of the measures taken against him, during the Administration of General, D. Augustin Gamarra, and it appearing, by an account transmitted to the Minister of Foreign Affairs of Peru, by James C. Pickett, Chargé d'Affaires of the United States, with an official note bearing date the 5th of May 1840, that the said Samuel, Franklin Tracy claims as follows viz:

1.	Loss of twenty three percent on the sale of certain shares in the Cerro de Pasco—say 23% on \$52.448	\$12. 083.—
2.	Loss of twenty five percent, on the sale of stock of merchandise in his store, or Almacen, in Lima; say 25% on \$16.656.5½, equal to \$4164.0½ and traspasa of House and fixtures \$312: forming together the sum of	\$4. 476. ½
3.	Damages for illegal arrest and detention at Callao	\$10. 000.—
4.	Loss of time and on his business during that period	\$18. 000.—
5.	Loss on two shares, in the Huancavelica Mining Company, dissolved by Decree of the Peruvian Government, dated at Ayacucho April 20 th 1839	\$60. 000.—

		\$104. 559. ½

And, after a minute examination into the merits of the aforesaid claim, the Undersigned have agreed that it shall be finally adjusted and settled in the following manner.

1st The Peruvian Government consents to pay to the said Samuel, Franklin Tracy, his heirs, administrators or assigns, the sum of twenty six thousand, five hundred and sixty dollars, current money of Peru, in two annual instalments of thirteen thousand, two hundred and eighty dollars each; the first of the said instalments to be paid, on the 1st of January 1854, and the second of the said instalments to be paid on the 1st of January 1855.

¹ For a discussion of the settlement, see 6 Miller 72.

2^d The Peruvian Government also consents to allow and pay, to the said Samuel, Franklin Tracy, his heirs, administrators or assigns, interest upon the said sum of twenty six thousand, five hundred and sixty dollars; at the rate of five percentum per annum, counting from the present date.

3^d And it is hereby agreed, between the Undersigned, that the said sum of twenty six thousand, five hundred and sixty dollars shall, when paid, together with the interest thereon, as aforesaid, be received by the said Samuel, Franklin Tracy, his heirs, administrators, or assigns, as full satisfaction for the losses comprehended in items N^os 1. 2. 3 and 4 as above mentioned.

And with regard to the fifth item, of sixty thousand dollars, for losses incurred by the said Samuel, Franklin Tracy, by the dissolution of the Huancavelica Mining Company; the Undersigned have not included it in the present Memorandum; but refer the said claimant, to the liquidation of the affairs of the said Company, made, between the Peruvian Government and General Francisco de Paula Otero, Director of the said Company and representing the interests of the same, on the 15th of July 1852.

Done at Lima the 6th August 1852.

J. RANDOLPH CLAY

[SEAL]

JOAQⁿ J. DE OSMA

[SEAL]

RIGHTS OF NEUTRALS AT SEA

Convention signed at Lima July 22, 1856

Senate advice and consent to ratification March 12, 1857

Ratified by Peru May 14, 1857

Ratified by the President of the United States October 22, 1857

Ratifications exchanged at Washington October 31, 1857

Entered into force October 31, 1857

Proclaimed by the President of the United States November 2, 1857

11 Stat. 695; Treaty Series 277¹

The United States of America, and the Republic of Peru, in order to render still more intimate their relations of Friendship and good understanding, and desiring, for the benefit of their respective commerce and that of other nations, to establish an uniform system of maritime legislation, in time of war, in accordance with the present state of civilization, have resolved to declare, by means of a formal Convention, the principles which the two Republics acknowledge, as the basis of the rights of neutrals at sea, and which they recognize and profess as permanent and immutable, considering them as the true and indespensable conditions of all freedom of navigation and maritime commerce and trade.

For this purpose, the President of the United States of America has conferred full powers on John Randolph Clay, their Envoy Extraordinary and Minister Plenipotentiary to the Government of Peru: and the Liberator, President of the Republic of Peru has conferred like full powers on Don José Maria Seguin, Chief officer of the Ministry of Foreign Affairs, in charge of that Department: who, after having exchanged their said full powers, found to be in good and due form, have agreed upon and concluded the following Articles.

ARTICLE I

The two High Contracting Parties recognize as permanent and immutable the following principles.

1st That free ships make free goods: that is to say, that the effects or merchandize, belonging to a Power or Nation at war, or to its citizens or sub-

¹ For a detailed study of this convention, see 7 Miller 417.

jects, are free from capture and confiscation when found on board of neutral vessels, with the exception of articles contraband of war.

2^d That the property of neutrals on board of an enemy's vessel is not subject to detention or confiscation, unless the same be contraband of war: it being also understood that, as far as regards the two Contracting Parties, war-like articles destined for the use of either of them shall not be considered as contraband of war.

The two High Contracting Parties engage to apply these principles to the commerce and navigation of all Powers and States, as shall consent to adopt them as permanent and immutable.

ARTICLE II

It is hereby agreed between the two High Contracting Parties, that the provisions contained in Article Twentysecond of the Treaty concluded between them, at Lima, on the twentysixth day of July, One thousand, eight hundred and fifty one,² are hereby annulled and revoked; in so far as they militate against or are contrary to the stipulations contained in this Convention. But nothing in the present Convention shall, in any manner, affect or invalidate the stipulations contained in the other Articles of the said Treaty of the twentysixth of July, One thousand, eight hundred and fiftyone, which shall remain in their full force and effect.

ARTICLE III

The two High Contracting Parties reserve to themselves to come to an ulterior understandings, as circumstances may require, with regard to the application and extension to be given, if there be any cause for it, to the principles laid down in the first Article. But they declare, from this time, that they will take the stipulations contained in the said Article, as a rule whenever it shall become a question to judge of the rights of neutrality.

ARTICLE IV

It is agreed between the two High Contracting Parties, that all Nations which shall consent to accede to the rules of the first Article of this Convention, by a formal declaration, stipulating to observe them, shall enjoy the rights resulting from such accession, as they shall be enjoyed and observed by the two Parties signing this Convention.

They shall communicate to each other the result of the steps which may be taken on the subject.

ARTICLE V

The present Convention shall be approved and ratified by the President of the United States of America, by and with the advice and consent of the

² TS 276, *ante*, p. 1009.

Senate of said States, and by the President of the Republic of Peru, with the authorization of the Legislative Body of Peru, and the ratifications shall be exchanged, at Washington, within eighteen months from the date of the signature hereof, or sooner if possible.

In faith whereof the Plenipotentiaries of the United States of America and the Republic of Peru, have signed and sealed these Presents.

Done at the City of Lima on the twenty second day of July, in the year of Our Lord, One thousand eight hundred and fifty six.

J. RANDOLPH CLAY [SEAL]
J. M. SEGUIN [SEAL]

CLAIMS: AMERICAN SHIPMASTERS AT CHINCHA ISLANDS

Exchange of notes at Lima, April 8 and 9, 1857

Entered into force April 9, 1857

Terminated upon fulfillment of its terms¹

7 Miller 503

The Minister of Foreign Affairs to the American Minister

[TRANSLATION]

LIMA, April 8, 1857

At the last conference which the undersigned, Minister of Foreign Affairs, held yesterday afternoon with His Excellency, the Envoy Extraordinary and Minister Plenipotentiary of the United States, to terminate equitably the claim of indemnification solicited by the North American captains who were wounded and ill-treated at the islands of Chincha on the 17th of August 1853, the undersigned had the honor to explain to His Excellency, Mr. Clay, that, notwithstanding the desire of the Peruvian Government to bring this business to the definitive settlement to which the arrangements previously made at Washington between the Minister of Peru and the Secretary of State of the American Union contributed, the political situation of the Republic at present and the increased expenses caused by it do not permit the National Treasury to make, immediately, the payment of the forty thousand dollars (\$40,000) to which the said claim amounts—a disbursement which the Government of the undersigned is disposed to make in the following form, if accepted by His Excellency, the Envoy Extraordinary and Minister Plenipotentiary of the United States.

The Minister of Finance will draw four bills, of ten thousand dollars each, upon the house of Barreda & Brother in the United States, payable at three, six, nine, and twelve months after sight, in order that, from the product of the guano sold in that Republic, it may hold at the disposal of the Government of the Union the whole amount of forty thousand dollars (\$40,000) at the dates above mentioned.

The undersigned feels confident that His Excellency, the Envoy Extraordinary and Minister Plenipotentiary of the United States, in informing his

¹ For a discussion of the settlement, see 7 Miller 516.

Government of the conclusion of this disagreeable business, will communicate to it the great consideration it has merited from that of Peru, the more especially as it has been concluded through the respectable organ of His Excellency, Mr. Clay, who has given so many proofs of intelligence and sagacity in the adjustment of the different claims he has laid before the Government of the undersigned.

The undersigned reiterates to His Excellency, Mr. Clay, the assurance of his high consideration and distinguished esteem.

MANUEL ORTIZ DE ZEVALLOS

The American Minister to the Minister of Foreign Affairs

LEGATION OF THE UNITED STATES
Lima, April 9th 1857

The Undersigned, Envoy Extraordinary and Minister Plenipotentiary of the United States of America, has the honor to acknowledge the receipt of the note addressed to him yesterday by His Excellency, the Minister of Foreign Affairs, in which, after referring to the conference held between them, on the 7th Instant, in relation to the claim of indemnity to the American Shipmasters, injured at the Chincha Islands, on the 17th of August 1853: His Excellency sets forth, that the present political state of the Republic of Peru and the great expenses caused by it do not permit the Government to pay, immediately, the forty thousand dollars, agreed upon as the amount of the indemnity to the said Captains. His Excellency proposes, that the payment of the forty thousand dollars shall be made, by four bills of ten thousand dollars each, drawn by the Minister of Finance of the Republic of Peru, upon the House of Mess^{rs} Barreda and Brother, in the United States, payable to the Government of the United States at three, six, nine and twelve months after sight.

The Undersigned, in reply, begs to state, that taking into consideration the circumstances alluded to by His Excellency, the Minister of Foreign Affairs; he agrees to the arrangement proposed by His Excellency for the payment of the forty thousand dollars, through the House of Barreda and Brother, to the Government of the United States; in the sums of ten thousand dollars at three, six, nine and twelve months after sight of the bills drawn by the Minister of Finance of Peru for that purpose.

The Undersigned will take great pleasure in representing to his Government the high sense of justice and friendly disposition, evinced by the Government of Peru in this disagreeable question, to the adjustment of which, the frankness and intelligent perception of His Excellency, Don Manuel Ortiz de Zevallos have materially contributed.

Thanking His Excellency for the complimentary expressions contained in His Excellency's note, the Undersigned avails himself of this occasion to renew the assurance of his highest consideration.

J. RANDOLPH CLAY

FRIENDSHIP, COMMERCE, AND NAVIGATION: WHALE SHIPS

*Convention signed at Lima July 4, 1857, interpreting article XII of
treaty of July 26, 1851*

Ratified by Peru October 5, 1857

Senate advice and consent to ratification April 30, 1858

Ratified by the President of the United States May 7, 1858

Ratifications exchanged at Washington October 13, 1858

Entered into force October 13, 1858

Proclaimed by the President of the United States October 14, 1858

Treaty of July 26, 1851, terminated December 9, 1863¹

11 Stat. 725; Treaty Series 278²

Certain doubts having arisen with regard to the interpretation to be given to Article Twelfth of the Treaty of the 26th of July 1851,³ as to the goods, other than oil and the produce of their fishery, that the whale ships of the United States may land and sell, or barter, duty free; for the purpose of obtaining provisions and refitting; a concession which, in Articles eighty one and one hundred and ten of the General, Commercial Regulations,² is not so extensive; and it being convenient for the advantage of the citizens of the United States, employed in the whale fishery and of the citizens of Peru who furnish provisions, to fix, clearly and definitively, the proper meaning of the concessions stipulated in the abovementioned Article twelfth of the Treaty of the 26th of July 1851; so that while those reciprocal benefits are secured, all and every controversy in the matter may be avoided:

The Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Republic of Peru, John Randolph Clay, in virtue of his Full Powers;

And His Excellency, Doctor, Don Manuel Ortiz de Zevallos, Minister of Foreign Affairs of the Republic of Peru, fully authorised to act in the Premises by the Excellent Council of Ministers charged with the Government of the Republic;

¹ Pursuant to notice of termination given by Peru Dec. 9, 1862.

² For a detailed study of this convention, see 7 Miller 649.

³ TS 276, *ante*, p. 1006.

After having held repeated conferences and come to a mutual understanding, upon the true spirit and extent of the exemption from duties conceded to the said whale Ships, in the sale and barter of their stores and Merchandise, by Article twelfth of the Treaty of 1851, which provides.

“ARTICLE XII

“The whale ships of the United States shall have access to the port of Tumbes, as well as to the ports of entry of Peru and may sail from one port to another, for the purposes of refreshment and refitting, and they shall be permitted to sell or barter their supplies or goods, including oil, to the amount of two Hundred dollars, *ad valorem*, for each vessel, without paying any tonnage or harbor dues, or any duties or imposts upon the articles so sold or bartered. They shall be also permitted, with like exemption from tonnage and harbor dues, further to sell or barter their supplies or goods, including oil, to the additional amount of one thousand dollars, *ad valorem*, for each vessel, upon paying for the said additional articles the same duties as are payable upon like supplies, or goods and oil, when imported in the vessels and by the citizens or subjects of the most favored nations.”

Have agreed and declared.

ARTICLE I

That the permission to the whale ships of the United States, to barter or sell their supplies and goods to the value of two hundred dollars, *ad valorem*, without being obliged to pay port or tonnage dues, or other imposts, should not be understood to comprehend every kind of Merchandise without limitation; but those only that whale ships are usually provided with for their long voyages.

ARTICLE II

That in the said exemption from duties of every kind are included the following articles, in addition to the produce of their fishery, viz:

White, Unbleached Domestics	Axes, Hatchets
White, Bleached Domestics	Biscuits of every kind
Wide Cotton Cloths	Flour
Blue Drills	Lard
Twilled Cottons	Butter
Shirting Stripes	Rum
Ticking	Beef
Cotton Shirtings	Pork
Prints	Spermaceti and Composition Candles
Sailor's Clothing of all Kinds	Canvass
Soap	Rope
Slush	Tobacco
Boots, Shoes and Brogans	

ARTICLE III

It is also agreed upon and understood between the Contracting Parties, that the whale Ships of the United States may land and sell or barter, free of all duties or imposts whatsoever, the supplies and merchandise specified, in the preceding article, to the amount of five hundred dollars, *ad valorem*, in conformity with Article 81 of the General, Commercial Regulations; but for every additional quantity, from five hundred dollars to one thousand dollars, *ad valorem*, the exemption shall only extend to port and tonnage dues.

ARTICLE IV

The stipulations in this Convention shall have the same force and effect as if inserted, word for word, in the Treaty concluded in Lima on the 26th of July 1851, and of which they shall be deemed and considered as explanatory. For which purpose, the present Convention shall be approved and ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof; and by the Executive Power of the Republic of Peru, with the authorization, of the National Peruvian Legislature: and the ratifications shall be exchanged in Washington, in as short a time as possible.

In faith whereof the above-named Plenipotentiaries have signed in quadruplicate this Convention, explanatory of the Treaty of the Twenty sixth of July one thousand eight hundred and fifty one, and have hereunto affixed their seals.

Done at Lima the fourth day of July, in the year of Our Lord, one thousand, eight hundred and fifty seven.

J. RANDOLPH CLAY

[SEAL]

MANUEL ORTIZ DE ZEVALLOS

[SEAL]

CLAIMS: THE CASES OF THE "LIZZIE THOMPSON" AND THE "GEORGIANA"

Convention signed at Lima December 20, 1862

Senate advice and consent to ratification February 18, 1863

Ratified by the President of the United States February 24, 1863

Ratified by Peru April 15, 1863

Ratifications exchanged at Lima April 21, 1863

Entered into force April 21, 1863

Proclaimed by the President of the United States May 19, 1863

Terms of agreement not fulfilled¹

13 Stat. 635; Treaty Series 279²

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PERU

Whereas differences having arisen between the United States of America and the Republic of Peru, originating in the capture and confiscation by the latter of two ships belonging to citizens of the United States, called the "Lizzie Thompson" and "Georgiana;" and the two Governments not being able to come to an agreement upon the questions involved in said capture and confiscation, and being equally animated with the desire to maintain the relations of harmony which have always existed, and which it is desirable to preserve and strengthen between the two Governments, have agreed to refer all the questions, both of law and fact, involved in the capture and confiscation of said ships by the Government of Peru, to the decision of some friendly Power; and it being now expedient to proceed to and regulate the reference as above described, the United States of America and the Republic of Peru have for that purpose named their respective Plenipotentiaries—that is to say, the President of the United States has appointed Christopher Robinson their Envoy Extraordinary and Minister Plenipotentiary to Peru, and the President of Peru Don José Gregorio Paz Soldan, Minister of State in the office of Foreign Relations and President of the Council of Ministers, who, after having exchanged their full powers, found to be in due and proper form, have agreed upon the following articles:

¹ When the King of Belgium refused to act as arbitrator, the United States decided not to pursue the claims further; that decision was formally communicated to the Government of Peru on July 9, 1864.

² For a detailed study of this convention, see 8 Miller 889.

ARTICLE I

The two contracting parties agree in naming as arbiter, umpire, and friendly arbitrator, his Majesty the King of Belgium, conferring upon him the most ample power to decide and determine all the questions both of law and fact involved in the proceedings of the Government of Peru in the capture and confiscation of the ships "Lizzie Thompson" and "Georgiana."

ARTICLE II

The two contracting parties will adopt the proper measures to solicit and obtain the assent of his Majesty the King of Belgium to act in the office hereby conferred upon him.

After his Majesty the King of Belgium shall have declared his assent to exercise the office of arbiter, the two contracting parties will submit, through their diplomatic agents residing at Brussels, to his Majesty copies of all the correspondence, proofs, papers, and documents which have passed between the two Governments or their respective representatives; and should either party think proper to present to said arbiter any other papers, proofs, or documents in addition to those above mentioned, the same shall be communicated to the other party within four months after the ratification of this convention.

ARTICLE III

Both parties being equally interested in having a decision upon the questions hereby submitted, they agree to deliver to the said arbiter all the documents referred to in the second article within six months after he shall have signified his consent to act as such.

ARTICLE IV

The sentence or decision of said arbiter when given shall be final and conclusive upon all the questions hereby referred, and the contracting parties hereby agree to carry the same into immediate effect.

ARTICLE V

This convention shall be ratified and the ratifications exchanged in the term of six months from the date hereof.

In faith whereof the Plenipotentiaries of the two Governments have signed and sealed, with their respective seals, the present convention.

Done in the city of Lima, in duplicate, on the twentieth day of December, in the year of our Lord one thousand eight hundred and sixty-two.

CHRISTOPHER ROBINSON [SEAL]
JOSÉ G. PAZ SOLDAN [SEAL]

SETTLEMENT OF CLAIMS

Convention signed at Lima January 12, 1863

Senate advice and consent to ratification, with an amendment, February 18, 1863¹

Ratified by the President of the United States, with an amendment, February 24, 1863¹

Ratified by Peru April 15, 1863

Ratifications exchanged at Lima April 18, 1863

Entered into force April 18, 1863

Proclaimed by the President of the United States May 19, 1863

Terminated November 27, 1863²

Treaty Series 280³

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PERU FOR THE SETTLEMENT OF THE PENDING CLAIMS OF THE CITIZENS OF EITHER COUNTRY AGAINST THE OTHER

The United States of America and the Republic of Peru, desiring to settle and adjust amicably the claims which have been made by the citizens of each country against the Government of the other, have agreed to make arrangements for that purpose by means of a Convention, and have named as their Plenipotentiaries to confer and agree thereupon as follows: The President of

¹ In the convention as signed the opening phrase of art. I reads as follows:

"The claims of the American citizens, Dr. Charles Easton, Edmund W. Sartori and the owners of the Whale ship William Lee, against the Government of Peru, and the Peruvian citizen Stephen Montano, against the Government of the United States, shall be referred to a mixed commission, composed of four members appointed as follows:"

The U.S. amendment called for substitution of the following wording:

"All claims of citizens of the United States against the Government of Peru, and of citizens of Peru against the Government of the United States, which have not been embraced in conventional or diplomatic agreement between the two Governments or their Plenipotentiaries, and statements of which, soliciting the interposition of either government, may, previously to the exchange of the ratifications of this convention, have been filed in the Department of State at Washington, or the Department of Foreign Affairs at Lima, shall be referred to a mixed commission composed of four members, appointed as follows:"

The text printed here is the amended text as proclaimed by the President.

² For final report of Commission, see Moore, *International Arbitrations*, vol. II, p. 1620.

³ For a detailed study of this convention, see 8 Miller 915.

the United States Christopher Robinson, Envoy Extraordinary and Minister Plenipotentiary of said States to Peru, and the President of Peru Don José Gregorio Paz Soldan, the Minister of Foreign Relations and President of the Council of Ministers, who, after having communicated to each other their respective full powers, found to be in due and proper form, have agreed as follows:

ARTICLE I⁴

All claims of citizens of the United States against the Government of Peru, and of citizens of Peru against the Government of the United States, which have not been embraced in conventional or diplomatic agreement between the two Governments or their Plenipotentiaries, and statements of which, soliciting the interposition of either government, may, previously to the exchange of the ratifications of this convention, have been filed in the Department of State at Washington, or the Department of Foreign Affairs at Lima, shall be referred to a mixed commission composed of four members, appointed as follows: Two by the Government of the United States and two by the Government of Peru. In case of the death, absence, or incapacity of either commissioner, or in the event of either commissioner ceasing to act, the Government of the United States, or its Envoy Extraordinary and Minister Plenipotentiary in Peru, acting under its direction, or that of the Republic of Peru, shall forthwith proceed to fill the vacancy thus occasioned.

ARTICLE II

The commissioners so named shall immediately after their organization, and before proceeding to any other business, proceed to name a fifth person to act as an arbitrator or umpire in any case or cases in which they may themselves differ in opinion.

ARTICLE III

The commissioners appointed as aforesaid shall meet in Lima within three months after the exchange of the ratifications of this Convention; and each one of the commissioners, before proceeding to any business, shall take an oath, made and subscribed before the most Excellent Supreme Court, that they will carefully examine and impartially decide, according to the principles of justice and equity, the principles of international law and treaty stipulations, upon all the claims laid before them under the provisions of this Convention, and in accordance with the evidence submitted on the part of either Government. A similar oath shall be taken and subscribed by the person selected by the commissioners as arbitrator or umpire, and said oaths shall be entered upon the record of the proceedings of said commission.

* For a U.S. amendment to art. I, see footnote 1, p. 1030.

ARTICLE IV

The arbitrator or umpire being appointed, the commissioners shall, without delay, proceed to examine and determine the claims specified in the first article, and shall hear, if required, one person in behalf of each Government on each separate claim. Each Government shall furnish, at the request of either of the commissioners, the papers in its possession which may be important to the just determination of any of the claims referred.

ARTICLE V

From the decision of the commissioners there shall be no appeal; and the agreement of three of them shall give full force and effect to their decisions as well with respect to the justice of their claims as to the amount of indemnification that may be adjudged to the claimants, and in case the commissioners cannot agree, the points of difference shall be referred to the arbitrator or umpire, before whom the commissioners may be heard, and his decision shall be final.

ARTICLE VI

The decision of the mixed commission shall be executed without appeal by each of the contracting parties, and it shall be the duty of the commissioners to report to the respective Governments the result of their proceedings; and if the decision of said commissioners require the payment of indemnities to any of the claimants, the sums determined by the said commissioners shall be paid by the Government against which they are awarded within one month after said Government shall have received the report of said commissioners; and for any delay in the payment of the sum awarded after the expiration of said month, the sum of six per cent. interest shall be paid during such time as said delay shall continue.

ARTICLE VII

For the purpose of facilitating the labors of the mixed commission, each Government shall appoint a secretary to assist in the transaction of their business and to keep a record of their proceedings, and for the conduct of their business said commissioners are authorized to make all necessary rules.

ARTICLE VIII

The decisions of this commission, or of the umpire in case of a difference between the commissioners, shall be final and conclusive, and shall be carried into full effect by the two contracting parties. The commission shall terminate its labors in six months from and including the day of its organization; provided, however, if at the time stipulated for the termination of said commission, any case or cases should be pending before the umpire and awaiting his decision, it is understood and agreed by the two contracting parties, that said umpire is authorized to proceed and make his decision or award in such case

or cases, and upon his report thereof to each of the two Governments, mentioning the amount of indemnity, if such shall have been allowed by him, such award shall be final and conclusive in the same manner as if it had been made by the commissioners under their own agreement; provided that said decision shall be made by said umpire within thirty days after the final adjournment of said commission, and at the expiration of the said thirty days, the power and authority hereby granted to said umpire shall cease.

ARTICLE IX

Each Government shall pay its own commissioners and secretary, but the umpire shall be paid, one-half by the Government of the United States and one-half by the Republic of Peru.

ARTICLE X

The present Convention shall be ratified and the ratifications thereof shall be exchanged in the term of four months from the date hereof.

In faith whereof, the respective Plenipotentiaries have signed the same and affixed their respective seals.

Done in the city of Lima this twelfth day of January, in the year of our Lord one thousand eight hundred and sixty-three.

CHRISTOPHER ROBINSON [SEAL]
JOSÉ G. PAZ SOLDAN [SEAL]

SETTLEMENT OF CLAIMS

Convention signed at Lima December 4, 1868

Senate advice and consent to ratification April 15, 1869

Ratified by the President of the United States May 3, 1869

Ratifications exchanged at Lima June 4, 1869

Entered into force June 4, 1869

Proclaimed by the President of the United States July 6, 1869

Terminated February 26, 1870¹

16 Stat. 751; Treaty Series 281

Whereas claims may have, at various times since the signature of the decisions of the mixed commission which met in Lima in July, 1863, been made on the government of the United States of America, by citizens of Peru, and have been made by citizens of the United States of America on the government of Peru, and whereas some of such claims are still pending, the President of the United States of America and the President of Peru, being of opinion that a speedy and equitable settlement of all such claims will contribute much to the maintenance of the friendly feelings which subsist between the two countries, have resolved to make arrangements for that purpose by means of a convention, and have named as their plenipotentiaries to confer and agree thereupon, that is to say:

The President of the United States names Alvin P. Hovey, envoy extraordinary and minister plenipotentiary of the United States of America near the government of Peru, and the President of Peru names his excellency Doctor Don José Antonio Barrenechea, minister of foreign affairs of Peru, who, after having communicated to each other their respective full powers, found in good and true form, have agreed as follows:

ARTICLE I

The high contracting parties agree that all claims on the part of corporations, companies, or private individuals, citizens of the United States, upon the government of Peru, and all claims on the part of corporations, companies, or private individuals, citizens of Peru, upon the government of the United States, which may have been presented to either government for its

¹ For final report of Commission, see Moore, *International Arbitrations*, vol. II, p. 1645.

interposition since the sittings of the said mixed commission, and which remain yet unsettled, as well as any other claims which may be presented within the time specified in Article III hereinafter, shall be referred to the two commissioners, who shall be appointed in the following manner, that is to say: One commissioner shall be named by the President of the United States, and one by the President of Peru. In case of the death, absence, or incapacity of either commissioner, or in the event of either commissioner omitting or ceasing to act as such, the President of the United States or the President of Peru, respectively, shall forthwith name another person to act as commissioner in the place or stead of the commissioner already named. The commissioners so named shall meet at Lima at their earliest convenience after they have been respectively named, not to exceed three months from the ratification of this convention, and shall, before proceeding to any business, make and subscribe a solemn declaration that they will impartially and carefully examine and decide to the best of their judgment, and according to justice and equity, without fear, favor, or affection to their own country, upon all such claims as shall be laid before them on the part of the governments of the United States and Peru, respectively, and such declarations shall be entered on the record of the commission.

The commissioners shall then, and before proceeding to other business, name some third person of some third nation to act as an arbitrator or umpire in any case or cases on which they may themselves differ in opinion. If they should not be able to agree upon the name of such third person, they shall each name a person of a third nation, and in each and every case in which the commissioners may differ in opinion as to the decision which they ought to give, it shall be determined by lot which of the two persons so named shall be the arbitrator or umpire in that particular case. The person or persons so to be chosen to be arbitrator or umpire shall, before proceeding to act as such in any case, make and subscribe a solemn declaration in a form similar to that which shall have already been made and subscribed by the commissioners, which shall be entered upon the records of their proceedings. In the event of the death, absence, or incapacity of such person or persons, or of his or their omitting, or declining, or ceasing to act as such arbitrator or umpire, another and different person shall be named as aforesaid to act as such arbitrator or umpire in the place and stead of the person so originally named as aforesaid, and shall make and subscribe such declaration as aforesaid.

ARTICLE II

The commissioners shall then forthwith proceed to the investigation of the claims which shall be presented to their notice. They shall investigate and decide upon such claims in such order and in such manner as they may conjointly think proper, but upon such evidence or information as shall be fur-

nished by or on behalf of their respective governments. They shall be bound to receive and peruse all written documents or statements which may be presented to them by or on behalf of their respective governments, in support of, or in answer to any claim, and to hear, if required, one person on each side on behalf of each government as counsel or agent for such government, on each and every separate claim. Should they fail to agree in opinion on any individual claim, they shall call to their assistance the arbitrator or umpire whom they have agreed to name, or who may be determined by lot, as the case may be, and such arbitrator or umpire, after having examined the evidence adduced for and against the claim, and after having heard, as required, one person on each side, as aforesaid, and consulted with the commissioners, shall decide thereupon finally and without appeal. The decision of the commissioners and of the arbitrator or umpire shall be given upon each claim in writing, and shall be signed by them respectively. It shall be competent for each government to name one person to attend the commissioners as agent on its behalf, and to answer claims made upon it, and to represent it generally in all matters connected with the investigation and decision thereof.

The President of the United States, and the President of Peru, hereby solemnly and sincerely engage to consider the decision of the commissioners conjointly, or of the arbitrator or umpire, as the case may be, as absolutely final and conclusive upon each claim decided upon by them or him, respectively, and to give full effect to such decisions, without any objections, evasion, or delay whatsoever. It is agreed that no claim arising out of any transaction of a date prior to the 30th of November, 1863, shall be admissible under this convention.

ARTICLE III

Every claim shall be presented to the commissioners within two months from the day of their first meeting, unless in any case where reasons for delay shall be established to the satisfaction of the commissioners, or of the arbitrator or umpire, in the event of the commissioners differing in opinion thereon, and then and in every such case the period for presenting the claim may be extended to any period not exceeding one month longer.

The commissioners shall be bound to examine and decide upon every claim within six months from the day of their first meeting.

ARTICLE IV

All sums of money which may be awarded by the commissioners, or by the arbitrator or umpire, on account of any claim, shall be paid by the one government to the other, as the case may be, within four months after the date of the decision, without interest, and without any deduction, save as specified in Article VI, hereinafter.

ARTICLE V

The high contracting parties agree to consider the result of the proceedings of this commission as a full, perfect, and final settlement of every claim upon either government arising out of any transaction of a date prior to the exchange of the ratifications of the present convention; and further engage that every such claim, whether or not the same may have been presented to the notice of, made, preferred, or laid before the said commissioners, shall, from and after the conclusion of the proceedings of the said commission, be considered and treated as finally settled, barred, and therefore inadmissible.

ARTICLE VI

The salaries of the commissioners shall not exceed forty-five hundred dollars in United States gold coin, each, yearly. Those of the secretaries and arbitrator or umpire shall be determined by the commissioners, and in case the said commission finish its labors in less than six months, the commissioners together with their assistants will be entitled to six months' pay, and the whole expenses of the commission shall be defrayed by a ratable deduction on the amount of the sums awarded by the commissioners, provided always that such deduction shall not exceed the rate of five per cent, on the sums so awarded. The deficiency, if any, shall be defrayed by the two governments in moieties.

ARTICLE VII

The present convention shall be ratified by the President of the United States, by and with the consent of the Senate thereof, and by the President of Peru, with the approbation of the Congress of that republic, and the ratifications will be exchanged in Lima, as soon as may be, within six months of the date hereof.

ARTICLE VIII

The high contracting parties declare that this convention shall not be considered as a precedent obligatory on them, and that they remain in perfect liberty to proceed in the manner that may be deemed most convenient regarding the diplomatic claims that may arise in the future.

In witness whereof the respective plenipotentiaries have signed the same in the English and Spanish languages, and have affixed thereto the seals of their arms.

Done in Lima, the fourth day of December, in the year of our Lord one thousand eight hundred and sixty-eight.

ALVIN P. HOVEY

[SEAL]

J. A. BARRENECHEA

[SEAL]

FRIENDSHIP, COMMERCE, AND NAVIGATION

Treaty signed at Lima September 6, 1870

Senate advice and consent to ratification March 31, 1871

Ratified by the President of the United States April 11, 1871

*Period for exchange of ratifications extended by agreement of June 5,
1873¹*

Ratified by Peru May 28, 1874

Ratifications exchanged May 28, 1874

Entered into force May 28, 1874

Proclaimed by the President of the United States July 27, 1874

Terminated March 31, 1886²

18 Stat. 698; Treaty Series 282

The United States of America and the Republic of Peru, being equally animated with the desire to render firm and permanent the peace and friendship which have always so happily subsisted between them, and to place their commercial relations upon the most liberal basis, have resolved to fix clear and precise rules which shall in future be religiously observed between the two nations by means of a treaty of friendship, commerce and navigation. To attain this desirable object, the President of the United States of America has conferred full powers on Alvin P. Hovey, the accredited Envoy Extraordinary and Minister Plenipotentiary of the said States to the Government of Peru, and the President of Peru has conferred like full powers upon Doctor José Jorge Loayza, Minister of Foreign Affairs, who, after exchanging their respective full powers, found to be in good and due form, have agreed upon, and concluded the following articles.

ARTICLE I

There shall be perfect and perpetual peace and friendship between the United States of America and the Republic of Peru, and between their respective territories, people and citizens, without distinction of persons or places.

ARTICLE II

The United States of America and the Republic of Peru mutually agree that there shall be reciprocal liberty of commerce and navigation between

¹ TS 284, *post*, p. 1056.

² Pursuant to notice of termination given by Peru Mar. 31, 1885.

their respective territories and citizens; the citizens of either republic may frequent with their vessels, all the coasts, ports, and places of the other, wherever foreign commerce is permitted, and reside in all parts of the territory of either, and occupy the dwellings and warehouses which they may require; and everything belonging thereto shall be respected, and shall not be subject to any arbitrary visits or search. The said citizens shall have full liberty to trade in all parts of the territories of either, according to the rules established by the respective regulations of commerce, in all kinds of goods, merchandise, manufactures, and produce not prohibited to all, and to open retail stores and shops under the same municipal and police regulations as native citizens; and they shall not in this respect be liable to any other or higher taxes or imposts than those which are or may be paid by native citizens. The citizens of either country shall also have the unrestrained right to travel in any part of the possessions of the other, and shall in all cases enjoy the same security and protection as the natives of the country wherein they reside, on condition of their submitting to the laws and ordinances there prevailing; they shall not be called upon for any forced loan or extraordinary contribution, for any military expedition, or for any public purpose whatever, nor shall they be liable to any embargo, or be detained with their vessels, cargoes, merchandise, goods or effects, without being allowed therefor a full and sufficient indemnification, which shall in all cases be agreed upon and paid in advance.

ARTICLE III

The two high contracting parties hereby bind, and engage themselves not to grant any favor, privilege, or immunity whatever, in matters of commerce and navigation, to other nations, which shall not be immediately extended also to the citizens of the other contracting party, who shall enjoy the same gratuitously if the concession shall have been gratuitous, or on giving a compensation as nearly as possible of proportionate value and effect, to be adjusted by mutual agreement, if the concession shall have been conditional.

ARTICLE IV

No higher or other duties or charges on account of tonnage, lighthouses or harbor dues, pilotage, quarantine, salvage in case of damage or shipwreck, or any other local charges, shall be imposed in any ports of Peru on vessels of the United States than those payable in the same ports by Peruvian vessels: nor in any of the ports of the United States by Peruvian vessels than shall be payable in the same ports by vessels of the United States.

ARTICLE V

All kinds of merchandise and articles of commerce which may be lawfully imported from the ports and territories of either of the high contracting

parties in national vessels, may also be so imported in vessels of the other party without paying other or higher duties or charges of any kind or denomination whatever than if the same merchandise and articles of commerce were imported in national vessels; nor shall any distinction be made in the manner of making payment of the said duties or charges. It is expressly understood that the stipulations in this and the preceding articles are to their full extent applicable to the vessels and their cargoes belonging to either of the high contracting parties arriving in the ports and territories of the other, whether the said vessels have cleared directly from the ports of the country to which they appertain or from the ports of any other nation.

ARTICLE VI

No higher or other duties or charges shall be imposed or levied upon the importation into the ports and territories of either of the high contracting parties of any article, the produce, growth, or manufacture of the other party, than are or shall be payable on the like article being the produce, growth, or manufacture of any other country; nor shall any prohibition be imposed upon the importation of any article the produce, growth, or manufacture of either party into the ports or territories of the other, which shall not equally extend to all other nations.

ARTICLE VII

All kinds of merchandise and articles of commerce which may be lawfully exported from the ports and territories of either of the high contracting parties in national vessels, may also be exported in vessels of the other party; and they shall be subject to the same duties only, and be entitled to the same drawbacks, bounties and allowances whether the same merchandise and articles of commerce be exported in vessels of the one party, or in vessels of the other party.

ARTICLE VIII

It is hereby declared that the stipulations of the present treaty are not to be understood as applying to the navigation and coasting trade between one port and another situated in the territories of either contracting party, the regulation of such navigation and trade being reserved, respectively by the parties according to their own separate laws. Vessels of either country shall, however, be permitted to discharge part of their cargoes at one port open to foreign commerce in the territories of either of the high contracting parties, and to proceed with the remainder of their cargo to any other port or ports of the same territories open to foreign commerce, without paying other or higher tonnage dues or port charges in such cases than would be paid by national vessels in like circumstances; and they shall be permitted to load in like manner at different ports in the same voyage outwards.

ARTICLE IX

The Republic of Peru desiring to increase the intercourse along its coasts by means of steam navigation hereby engages to accord to any citizen or citizens of the United States who may establish a line of steam vessels to navigate regularly between the different ports of entry within the Peruvian territories, the same privileges of taking in and landing freight and cargo, entering the by-ports for the purpose of receiving and landing passengers and their baggage, specie and bullion, carrying the public mails, establishing depots for coal, erecting the necessary machine and work shops for repairing and refitting the steam vessels, and all other favors enjoyed by any other association or company whatsoever. It is furthermore understood between the two high contracting parties that the steam vessels of either shall not be subject in the ports of the other party to any duties of tonnage, harbor, or other similar duties whatsoever, than those that are or may be paid by any other association or company.

ARTICLE X

For the better understanding of the preceding articles, and taking into consideration the actual state of the commercial marine of Peru, it is stipulated and agreed that every vessel belonging exclusively to a citizen or citizens of the said republic and of which the captain is also a citizen of the same, though the construction of the crew is or may be foreign, shall be considered, for all of the objects of this treaty, as a Peruvian vessel.

ARTICLE XI

The merchants, commanders or masters of vessels, and other citizens of either contracting party, shall be wholly free to manage their own business and affairs in all the ports and places within the jurisdiction of the other, or to commit their business and affairs, to the management of any person whom they may choose to appoint, as agent factor, consignee, or interpreter. They shall not be restrained in the choice of persons to act in such capacities, or be compelled to pay any salary or remuneration to any one whom they do not wish to employ. Absolute freedom shall be given, as well with respect to the consignment and sale of their merchandise and articles of commerce, as to the purchase of their returns, unloading, loading, and sending off their vessels. The buyer and seller shall have full liberty to bargain together and fix the price of any merchandise or articles of commerce imported into or to be exported from the territories of either contracting party, the regulations of commerce established in the respective countries being in every case duly observed.

ARTICLE XII

The citizens of either of the high contracting parties shall have the full power and liberty to dispose of their personal and real estate and effects, of

every kind and description, within the jurisdiction of the other, by sale, donation, testament, or otherwise, and their heirs or representatives, being citizens of the other party, shall succeed to the said personal and real estate and effects, whether by testament or *ab intestato*, and may take possession of the same themselves or by others acting for them, and dispose of the same at their pleasure, paying such dues only as the citizens of the country wherein said estate and effects may be, shall be subject to pay in like cases.

ARTICLE XIII

If any vessel belonging to the citizens of either of the high contracting parties should be wrecked, suffer damage, or be left derelict on or near the coasts, within the territories of the other, all assistance and protection shall be given to such vessel and her crew, and the vessel, or any part thereof, and all furniture and appurtenances belonging thereto, together with all the merchandise which shall be saved therefrom, or the produce thereof if sold, shall be faithfully restored to the owners or their agents they paying only the expenses incurred in the preservation of the property, together with the rate of salvage which would have been payable, in like case, by national vessels, and it shall be permitted for them to unload the merchandise and effects on board, with the proper precautions to prevent their illicit introduction, without exacting in such case any duty, impost, or contribution whatever, provided the same be exported.

ARTICLE XIV

When through stress of weather, want of water or provision, pursuit of enemies or pirates, the vessels of one of the high contracting parties, whether of war, (public or private) or of trade, or employed in fishing, shall be forced to seek shelter in the ports, rivers, bays and dominions of the other, they shall be received and treated with humanity: sufficient time shall be allowed for the completion of repairs: and while any vessel may be undergoing them, its cargo shall not unnecessarily be required to be landed either in whole or in part: all assistance and protection shall be given to enable the vessels to procure supplies, and to place them in a condition to pursue their voyage without obstacle or hindrance.

ARTICLE XV

All vessels, merchandise and effects belonging to the citizens of either of the high contracting parties, which may be captured by pirates either on the high seas, or within the limits of its jurisdiction, and may be carried into or found in the rivers, roads, bays, ports or dominions of the other, shall be delivered up to the owners or their agents, they proving in due and proper form, their rights before the competent tribunals, it being understood that

the claim thereto shall be made within two years, by the owners themselves, their agents, or agents of the respective Governments.

ARTICLE XVI

The high contracting parties promise and engage to give full and perfect protection to the persons and property of the citizens of each other, of all classes and occupations, who may be dwelling or transient in the territories subject to their respective jurisdiction: they shall have free and open access to the tribunals of justice for their judicial recourse, on the same terms as are usual and customary with the natives or citizens of the country in which they may be: and they shall be at liberty to employ, in all cases, the advocates, attorneys, notaries or agents, of whatever description, whom they may think proper. The said citizens shall not be liable to imprisonment without formal commitment under a warrant signed by a legal authority, except in cases *flagrantis delicti*; and they shall in all cases be brought before a magistrate, or other legal authority for examination within twenty-four hours after arrest; and if not so examined the accused shall forthwith be discharged from custody. Said citizens, when detained in prison, shall be treated during their imprisonment with humanity, and no unnecessary severity shall be exercised toward them.

ARTICLE XVII

It is likewise agreed that perfect and entire liberty of conscience shall be enjoyed by the citizens of both the contracting parties in the countries subject to the jurisdiction of the one or the other, without their being liable to be disturbed or molested on account of their religious belief so long as they respect the laws and established usages of the country. Moreover, the bodies of the citizens of one of the contracting parties who may die in the territories of the other, shall be buried in the usual burying grounds, or in other decent and suitable places, and shall be protected from violation or disturbance.

ARTICLE XVIII

The citizens of the United States of America and of the Republic of Peru may sail with their vessels, with entire freedom and security, from any port to the ports or places of those who now are, or hereafter shall be, the enemies of either of the contracting parties, whoever may be the owners of the merchandise laden in the said vessels. The same citizens shall also be allowed to sail with their vessels, and to carry and traffic with their merchandise from the ports and places of the enemies of both parties, or of one of them, without any hindrance, not only to neutral ports and places, but also from one port belonging to an enemy to another enemy's port, whether they be under the jurisdiction of one power or of several. And it is agreed that free ships shall give freedom to goods, and that everything shall be deemed free

which shall be found on board the vessels belonging to the citizens of either of the contracting parties, although the whole lading or a part thereof, should belong to the enemies of either, articles contraband of war being always excepted. The same liberty shall be extended to persons who may be on board free ships, so that said persons cannot be taken out of them, even if they be the enemies of both parties, or of one of them, unless they are officers or soldiers in the actual service of the enemy. It is agreed that the stipulations in this article declaring that the flag shall cover the property shall be understood as applying to those nations only who recognize this principle: but if either of the contracting parties shall be at war with a third, and the other shall remain neutral, the flag of the neutral shall cover the property of enemies whose Governments acknowledge this principle, and not that of others.

ARTICLE XIX

When the neutral flag of one of the contracting parties shall protect the property of the enemies of the other, in virtue of the preceding article, neutral property found on board enemies' vessels shall likewise be considered as enemies' property, and shall be subject to detention and confiscation, unless it shall have been put on board before the declaration of war, or even afterwards, if it were done without the knowledge of such declaration: but the contracting parties agree that ignorance cannot be alleged after the lapse of six months from the declaration of war. On the contrary, in those cases where the flag of the neutral does not protect enemies' property which may be found on board, the goods or merchandise of the neutral embarked in enemies' vessels shall be free.

ARTICLE XX

The liberty of commerce and navigation stipulated for in the preceding articles shall extend to all kinds of merchandise, except the articles called contraband of war, under which name shall be comprehended:

1. Cannons, mortars, howitzers, swivels, blunderbusses, muskets, fusees, rifles, carbines, pistols, pikes, swords, sabres, lances, spears, halberds, grenades, bombs, powder, matches, balls, torpedoes, and everything belonging to the use of these arms.
2. Bucklers, helmets, breast-plates, coats of mail, accoutrement and clothes made up in military form, and for military use.
3. Cavalry belts and horses, with their harnesses.
4. And generally all offensive and defensive arms made of iron, steel, brass, copper, or of any other material, prepared and formed to make war by land or at sea.

ARTICLE XXI

All other merchandise and things not comprehended in the articles of contraband explicitly enumerated and classified as above, shall be held and

considered as free, and subjects of free and lawful commerce, so that they may be carried and transported in the freest manner by both the contracting parties even to places belonging to an enemy, excepting only those places which are at that time besieged or blockaded: and to avoid all doubt in this particular, it is declared that those places only shall be considered as besieged or blockaded which are actually invested or attacked by a force capable of preventing the entry of the neutral.

ARTICLE XXII

The articles of contraband or those before enumerated and classified, which may be found in a vessel bound for an enemy's port, shall be subject to detention and confiscation; but the rest of the cargo and the ship shall be left free, that the owners may dispose of them as they see proper. No vessel of either of the contracting parties shall be detained on the high seas on account of having on board articles of contraband, whenever the master, captain, or supercargo of said vessel will deliver up the articles of contraband to the captor, unless, indeed, the quantity of such articles be so great, or of so large bulk, that they cannot be received on board the capturing vessel without great inconvenience; but in this, and in all other cases of just detention, the vessel detained shall be sent to the nearest convenient and safe port, for trial and judgment, according to law.

ARTICLE XXIII

And whereas it frequently happens that vessels sail for a port or place belonging to an enemy without knowing that the same is besieged, blockaded, or invested, it is agreed that every vessel so circumstanced may be turned away from such port or place, but shall not be detained, nor shall any part of her cargo, if not contraband, be confiscated, unless, after having been warned of such blockade or investment by a commanding officer of a vessel forming part of the blockading forces, she again attempts to enter; but she shall be permitted to go to any other port or place the master or supercargo may think proper. Nor shall any vessel of either party that may have entered into such port or place before the same was actually besieged, blockaded, or invested by the other, be restrained from leaving it with her cargo, nor if found therein before or after the reduction or surrender, shall such vessel or her cargo be liable to seizure, confiscation, or any demand on the score of redemption or restitution: but the owners thereof shall remain in the undisturbed possession of their property. And if any vessel having thus entered the port before the blockade took place, shall take on board a cargo after the blockade be established and attempt to depart, she may be warned by the blockading forces to return to the blockaded port, and discharge the said cargo: and if, after receiving such warning, the vessel shall persist in going out with the cargo, she shall be liable to the same consequences as in the

case of a vessel attempting to enter a blockaded port after having been warned off by the blockading forces.

ARTICLE XXIV

To prevent disorder and irregularity in visiting and examining the vessels and cargoes of both the contracting parties on the high seas, they have agreed, mutually, that whenever a vessel of war, public or private, shall meet with a neutral of the other party, the former shall remain at the greatest distance compatible with the possibility and safety of making the visit, under the circumstances of wind and sea, and the degree of suspicion attending the vessel to be visited, and shall send one of her small boats with no more men than may be necessary to execute the said examination of the papers concerning the ownership and cargo of the vessel, without causing the least extortion, violence or ill-treatment, in respect of which the commanders of said armed vessels shall be responsible with their persons and property: for which purpose the commanders of said private armed vessels shall, before receiving their commissions, give sufficient security to answer for all the injuries and damages they may commit. And it is expressly agreed that the neutral party shall in no case be required to go on board of the examining vessel for the purpose of exhibiting the ship's papers, nor for any other purpose whatever.

ARTICLE XXV

Both contracting parties likewise agree that when one of them shall be engaged in war the vessels of the other must be furnished with sea-letters, patents, or passports, in which shall be expressed the name, burden of the vessel, and the name and place of residence of the owner and master, or captain thereof, in order that it may appear that the vessel really and truly belongs to citizens of the said other party. It is also agreed that such vessel, being laden, besides the said sea-letters, patents, or passports shall be provided with manifests or certificates containing the particulars of the cargo, and the place where it was taken on board, so that it may be known whether any part of the same consists of contraband or prohibited articles: which certificate shall be made out in the accustomed form by the authorities of the port whence the vessel sailed: without which requisites the vessel may be detained, to be adjudged by the competent tribunals, and may be declared good and legal prize, unless it shall be proved that the said defect or omission was owing to accident, or unless it shall be satisfied or supplied by testimony equivalent in the opinion of the said tribunals, for which purpose there shall be allowed a reasonable length of time to procure and present it.

ARTICLE XXVI

The preceding stipulations relative to the visit and examination of vessels shall apply only to those which sail without convoy: for when said vessels

shall be under convoy, the verbal declaration of the commander of the convoy, on his word of honor, that the vessels under his protection belong to the nation whose flag they carry, and, when they are bound to an enemy's port, that they have no contraband goods on board, shall be sufficient.

ARTICLE XXVII

It is further agreed that, in all prize cases, the courts specially established for such causes in the country to which the prizes may be conducted shall alone take cognizance of them. And whenever such courts of either party shall pronounce judgment against any vessel, merchandise, or property claimed by the citizens of the other party, the sentence or decree shall set forth the reasons or motives on which the same shall have been founded; and an authenticated copy of the sentence or decree, and of all the proceedings connected with the case, shall, if demanded, be delivered to the commander or agent of the said vessel, merchandise, or property, without any excuse or delay, upon payment of the established legal fees for the same.

ARTICLE XXVIII

Whenever one of the contracting parties shall be engaged in war with another nation, no citizen of the other contracting party shall accept a commission, or letter of marque for the purpose of assisting or cooperating hostilely with the said enemy against the said party so at war, under pain of being treated as a pirate.

ARTICLE XXIX

If, which is not to be expected, a rupture should at any time take place between the two contracting nations, and they should engage in war with each other, they have agreed now for then, that the merchants, traders, and other citizens of all occupations of either of the two parties residing in the cities, ports and dominions of the other, shall have the privilege of remaining and continuing their trade and business therein, and shall be respected and maintained in the full and undisturbed enjoyment of their personal liberty and property so long as they conduct themselves peaceably and properly, and commit no offense against the laws. And in case their acts should render them justly suspected, and having thus forfeited this privilege, the respective Governments should order them to leave the country, the term of twelve months from the publication or intimation of the order therefor shall be allowed them in which to arrange and settle their affairs, and remove with their families, effects, and property: to which end the necessary safe-conduct shall be given to them, which shall serve as a sufficient protection, until they arrive at the designated port and there embark, but this favor shall not be extended to those who shall act contrary to the established laws. It is, nevertheless, understood that the respective Governments may order the persons so suspected to remove, forthwith, to such places in the interior as may be designated.

ARTICLE XXX

In the event of a war, or of any interruption of friendly intercourse between the high contracting parties, the money, private debts, shares in the public funds, or in the public or private banks, or any other property whatever, belonging to the citizens of the one party in the territories of the other, shall in no case be sequestrated or confiscated.

ARTICLE XXXI

The high contracting parties, desiring to avoid all inequality in their public communications, and official intercourse, agree to grant to their envoys, ministers, chargés d'affaires and other diplomatic agents, the same favors, privileges, immunities and exemptions, that those of the most favored nation do or shall enjoy, it being understood that the favors, privileges, immunities and exemptions granted by the one party to the envoys, ministers, chargé d'affaires, or other diplomatic agents of the other party, or to those of any other nation, shall be reciprocally granted and extended to those of both the high contracting parties respectively.

ARTICLE XXXII

To protect more effectually the commerce and navigation of their respective citizens, the United States of America and the Republic of Peru agree to admit and receive, mutually, consuls and vice-consuls in all their ports open to foreign commerce, who shall enjoy, within their respective consular districts, all the rights, privileges, and immunities of the consuls and vice-consuls of the most favored nation: but to enjoy the rights, prerogatives and immunities which belong to them in virtue of their public character, the consuls and vice-consuls shall, before exercising their official functions, exhibit to the Government to which they are accredited their commissions or patents in due form: in order to receive their exequatur, after receiving which they shall be acknowledged, in their official characters by the authorities, magistrates and inhabitants of the district in which they reside. The high contracting parties, nevertheless, remain at liberty to except those ports and places where the admission and residence of consuls and vice-consuls may not seem to be convenient, provided that the refusal to admit them shall likewise extend to those of all nations.

ARTICLE XXXIII

The consuls, vice-consuls, their officers and persons employed in their consulates shall be exempt from all public service, and from all kinds of taxes, imposts and contributions except those which they shall be lawfully held to pay on account of their property or commerce, and to which the citizens and other inhabitants of the country in which they reside are subject, they being, in other respects subject to the laws of the respective countries. The archives

and papers of the consulates shall be inviolably respected, and no person, magistrate, or other public authority shall, under any pretext, interfere with or seize them.

ARTICLE XXXIV

The consuls and vice-consuls shall have power to require the assistance of the public authorities of the country in which they reside, for the arrest, detention and custody of deserters from the vessels of war or merchant-vessels of their nation; and where the deserters claimed shall belong to a merchant-vessel, the consuls or vice-consuls must address themselves to the competent authority, and demand the deserters in writing, proving by the ship's roll, or other public document, that the individuals claimed are a part of the crew of the vessel from which it is alleged that they have deserted; but should the individuals claimed form a part of the crew of a vessel of war, the word of honor of a commissioned officer attached to the said vessel shall be sufficient to identify the deserters: and when the demand of the consuls, or vice-consuls, shall, in either case, be so proved, the delivery of the deserters shall not be refused. The said deserters, when arrested, shall be delivered to the consuls or vice-consuls, or, at the request of these, shall be put in the public prisons, and maintained at the expense of those who reclaim them, to be delivered to the vessels to which they belong, or sent to others of the same nation; but if the said deserters should not be so delivered or sent within the term of two months, to be counted from the day of their arrest, they shall be set at liberty, and shall not be again apprehended for the same cause. The high contracting parties agree that it shall not be lawful for any public authority, or other persons within their respective dominions, to harbor or protect such deserters.

ARTICLE XXXV

For the purpose of more effectually protecting their commerce and navigation, the two contracting parties do hereby agree to form, as soon hereafter as may be mutually convenient, a consular convention, which shall declare specially the powers, and immunities of the consuls and vice-consuls of the respective parties.

ARTICLE XXXVI

Until the conclusion of a consular convention the high contracting parties agree that, in the absence of the legal heirs or representatives, the consuls or vice-consuls of either party shall be *ex officio* the executors or administrators of the citizens of their nation who may die within their consular jurisdictions, and of their countrymen dying at sea, whose property may be brought within their district. The said consuls or vice-consuls shall call in a justice of the peace, or some other judicial authority, to assist in taking an inventory of the effects and property left by the deceased, after which the said effects shall remain in the hands of the said consuls or vice-consuls, who shall be authorized to

sell immediately such of the effects or property as may be of a perishable nature, and to dispose of the remainder according to the instructions of their respective Governments. And where the deceased has been engaged in commerce or other business, the consuls or vice-consuls shall hold the effects and property so remaining until the expiration of twelve calendar months; during which time the creditors, if any, of the deceased shall have the right to present their claims and demands against the said effects and property, and all questions arising out of such claims or demands shall be decided by the laws of the country wherein the said citizens may have died. It is understood, nevertheless, that, if no claim or demand shall have been made against the effects and property of an individual so deceased, the consuls or vice-consuls, at the expiration of the twelve calendar months, may close the estate, and dispose of the effects and property, in accordance with the instructions from their own Governments.

ARTICLE XXXVII

As a consequence of the principles of equality herein established, in virtue of which the citizens of each one of the high contracting parties enjoy in the territory of the other, the same rights as natives, and receive from the respective Governments the same protection in their persons and property, it is declared that only in case that such protection should be denied, on account of the fact that the claims preferred have not been promptly attended to by the legal authorities, or that manifest injustice has been done by such authorities, and after all the legal means have been exhausted, then alone shall diplomatic intervention take place.

ARTICLE XXXVIII

The United States of America and the Republic of Peru desiring to make as durable as possible the relations established between the two parties in virtue of this treaty of friendship, commerce and navigation, declare solemnly and agree as follows:

1st. The present treaty shall remain in force for the term of ten years from the day of the exchange of the ratifications thereof, and further until the end of one year after either of the high contracting parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice to the other at the end of the said term of ten years. And it is hereby agreed between the parties that, on the expiration of one year after such notice shall have been received by either of them from the other party as above mentioned, this treaty shall altogether cease and terminate.

2d. If any citizen or citizens of either party shall infringe any of the articles of this treaty, such citizen or citizens shall be held personally responsible therefor and the harmony and good understanding between the two nations shall not be interrupted thereby, each party engaging in no way

to protect the offender or offenders, or to sanction such violation, under pain of rendering itself liable for the consequences thereof.

3d. Should, unfortunately, any of the provisions contained in the present treaty be violated or infringed in any other manner whatever, it is expressly stipulated and agreed that neither of the contracting parties shall order or authorize any act of reprisals, nor declare nor make war against the other, on complaint of injuries or damages resulting therefrom, until the party considering itself aggrieved shall first have presented to the other a statement or representation of such injuries or damages verified by competent proofs, and demanded redress and satisfaction, and the same shall have been either refused or unreasonably delayed.

4th. Nothing contained in this treaty shall however, be construed to operate contrary to former and existing public treaties with other nations or sovereigns.

The present treaty of friendship, commerce and navigation shall be approved and ratified by the President of the United States by and with the advice and consent of the Senate thereof, and by the President of the Republic of Peru with the approbation of the Congress thereof, and the ratifications shall be exchanged at Washington or Lima within eighteen months from the date of the signature hereof, or sooner if possible.³

In faith whereof, we, the Plenipotentiaries of the United States of America, and of the Republic of Peru, have signed and sealed these presents.

Done at the city of Lima, in duplicate English and Spanish this the sixth day of September in the year of our Lord one thousand eight hundred and seventy.

ALVIN P. HOVEY	[SEAL]
JOSÉ J. LOAYZA	[SEAL]

³ For agreement extending period for exchange of ratification, see TS 284, *post* p. 1056.

EXTRADITION

Treaty signed at Lima September 12, 1870

Senate advice and consent to ratification March 31, 1871

Ratified by the President of the United States April 11, 1871

*Period for exchange of ratifications extended by agreement of June 5,
1873¹*

Ratified by Peru May 28, 1874

Ratifications exchanged at Lima May 28, 1874

Entered into force May 28, 1874

Proclaimed by the President of the United States July 27, 1874

Terminated March 31, 1886²

18 Stat. 719; Treaty Series 283

The United States of America and the Republic of Peru, having judged it expedient, with a view to the better administration of justice and the prevention of crime within their respective territories and jurisdictions, that persons charged with the crimes hereinafter enumerated should, under certain circumstances, be reciprocally delivered up, have resolved to conclude a treaty for this purpose, and have named as their respective Plenipotentiaries, that is to say: the President of the United States of America has appointed Alvin P. Hovey, Envoy Extraordinary and Minister Plenipotentiary of the United States of America near the Government of the Republic of Peru; and the President of Peru has appointed his Excellency Doctor José J. Loayza, Minister of Foreign Affairs of Peru; who, after having communicated to each other their respective full powers, found in good and true form, have agreed upon and concluded the following articles:

ARTICLE I

It is agreed that the contracting parties shall, on requisitions made in their name through the medium of their respective diplomatic agents, deliver up to justice persons who, being accused or convicted of the crimes enumerated in Article II of the present treaty, committed within the jurisdiction of the requiring party, shall seek an asylum, or shall be found within the territories of the other: *Provided*, That this shall be done only when the fact of the

¹ TS 284, *post*, p. 1056.

² Pursuant to notice of termination given by Peru Mar. 31, 1885.

commission of the crime shall be so established as that the laws of the country in which the fugitive or the person so accused shall be found would justify his or her apprehension and commitment for trial if the crime had been there committed.

ARTICLE II

Persons shall be so delivered up who shall be charged, according to the provisions of this treaty, with any of the following crimes, whether as principals, accessories, or accomplices, to wit:

1. Murder, comprehending the crimes of parricide, assassination, poisoning and infanticide.
2. Rape, abduction by force.
3. Bigamy.
4. Arson.
5. Kidnapping, defining the same to be the taking or carrying away of a person by force or deception.
6. Robbery, highway robbery, larceny.
7. Burglary, defined to be the action of breaking and entering by night-time into the house of another person with the intent to commit a felony.
8. Counterfeiting or altering money, the introduction or fraudulent commerce of and in false coin and money; counterfeiting the certificates or obligations of the Government, of bank-notes, and of any other documents of public credit, the uttering and use of the same; forging or altering judicial judgments or decrees of the Government or courts of the seals, dies, postage-stamps and revenue-stamps of the Government, and the use of the same; forging public and authentic deeds and documents, both commercial and of banks, and the use of the same.
9. Embezzlement of public moneys committed within the jurisdiction of either party by public officers or bailees, and embezzlement by any persons hired or salaried.
10. Fraudulent bankruptcy.
11. Fraudulent barratry.
12. Mutiny on board of a vessel, when the persons who compose the crew have taken forcible possession of the same or have transferred the ship to pirates.
13. Severe injuries intentionally caused on railroads, to telegraph-lines, or to persons by means of explosions of mines or steam boilers.
14. Piracy.

ARTICLE III

The provisions of the present treaty shall not be applied in any manner to any crime or offence of a purely political character, nor shall the provisions of the present treaty be applied in any manner to the crimes enumerated in the second article committed anterior to the date of the exchange

of the ratifications hereof. Neither of the contracting parties shall be bound to deliver up its own citizens under the stipulations of this treaty.

ARTICLE IV

The extradition will be granted in virtue of the demand made by the one Government on the other, with the remission of a condemnatory sentence, an order of arrest, or of any other process equivalent to such order, in which will be specified the character and gravity of the imputed acts, and the dispositions of the penal laws relative to the case. The documents accompanying the demand for extradition shall be originals or certified copies, legally authorized by the tribunals or by a competent person. If possible, there shall be remitted at the same time a descriptive list of the individual required, or any other proof towards his identity.

ARTICLE V

If the person accused or condemned is not a citizen of either of the contracting powers, the Government granting the extradition will inform the Government of the country to which the accused or condemned may belong of the demand made, and if the last-named Government reclaims the individual on its own account for trial in its own tribunals, the Government to which was made the demand of extradition may, at will, deliver the criminal to the State in whose territories the crime was committed, or to that to which the criminal belongs. If the accused or sentenced person whose extradition may be demanded in virtue of the present convention from one of the contracting parties, should at the same time be the subject of claims from one or other Governments simultaneously for crimes or misdemeanors committed in their respective territories, he or she shall be delivered up to that Government in whose territories the offense committed was of the gravest character; and when the offenses are of like nature and gravity, the delivery will be made to the Government making the first demand; and if the dates of the demands be the same, that of the nation to which the criminal may belong will be preferred.

ARTICLE VI

If the person claimed is accused or sentenced in the country where he may have taken refuge, for a crime or misdemeanor committed in that country, his delivery may be delayed until the definitive sentence releasing him be pronounced, or until such time as he may have complied with the punishment inflicted on him in the country where he took refuge.

ARTICLE VII

In cases not admitting of delay, and especially in those where there is danger of escape, each of the two Governments, authorized by the order for apprehension, may, by the most expeditious means, ask and obtain the arrest

of the person accused or sentenced, on condition of presenting the said order for apprehension as soon as may be possible, not exceeding four months.

ARTICLE VIII

All expenses whatever of detention and delivery effected in virtue of the preceding provisions shall be borne and defrayed by the Government in whose name the requisition shall have been made.

ARTICLE IX

This treaty shall commence from the date of the exchange of the ratifications, and shall continue in force until it shall be abrogated by the contracting parties or one of them; but it shall not be abrogated, except by mutual consent, unless the party desiring to abrogate it shall give twelve months' previous notice.

ARTICLE X

The present treaty shall be ratified in conformity with the constitutions of the two countries, and the ratifications shall be exchanged at the cities of Washington or Lima, within eighteen months from the date hereof, or sooner if possible.

In witness whereof we, the Plenipotentiaries of the United States of America and the Republic of Peru, have signed and sealed these presents.

Done in the city of Lima, in duplicate, English and Spanish, this the twelfth day of September, in the year of our Lord one thousand eight hundred and seventy.

ALVIN P. HOVEY [SEAL]
José J. LOAYZA [SEAL]

FRIENDSHIP, COMMERCE, AND NAVIGATION; EXTRADITION

*Agreement signed at Lima June 5, 1873, extending period for exchange of ratifications of treaties of September 6 and 12, 1870
Senate advice and consent to ratification February 9, 1874*

Ratified by the President of the United States February 16, 1874

Ratified by Peru May 28, 1874

Ratifications exchanged at Lima May 28, 1874

Entered into force May 28, 1874

Terminated upon fulfillment of its terms

Treaty Series 284

AGREEMENT

In Lima the 5th day of June 1873, being united in conference in the Office of the Minister of Foreign Relations, José de la Riva Aguero, Minister of Foreign Relations, for the Republic of Peru, and Francis Thomas, Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Peru; and having taken into consideration the Treaty of Friendship, Commerce and Navigation, and the Treaty of Extradition of Criminals, entered into between the two countries, which have been approved by the Congress of Peru, only wanting for their completion, that they should be approved by the Senate of the United States, it was mutually agreed by us as follows, To extend the time for exchanging of ratifications of the Treaty of Friendship, Commerce and Navigation,¹ and the Treaty of Extradition of Criminals² agreed upon by the Republic of Peru, and the United States of America, respectively, on the 6th and 12th day of September 1870, until nine months after the Senate of the United States of America shall have given their approbation.

In Testimony whereof we the undersigned have signed this agreement in Duplicate one copy in English and one copy in Spanish and sealed the same with our respective Seals.

FRANCIS THOMAS

[SEAL]

J. DE LA RIVA AGUERO

[SEAL]

¹ TS 282, *ante*, p. 1038.

² TS 283, *ante*, p. 1052.

FRIENDSHIP, COMMERCE, AND NAVIGATION

Treaty signed at Lima August 31, 1887

*Senate advice and consent to ratification, with an amendment,
May 10, 1888¹*

*Ratified by the President of the United States, with an amendment,
June 6, 1888¹*

Ratified by Peru September 22, 1888

Ratifications exchanged at Lima October 1, 1888

Entered into force October 1, 1888

Proclaimed by the President of the United States November 7, 1888

Terminated November 1, 1899²

25 Stat. 1444; Treaty Series 285

The United States of America and the Republic of Peru, being mutually animated with the desire, to render permanent the friendly relations which happily have always subsisted between them, and to place their international intercourse upon the most liberal basis, have resolved to fix clear rules for their future guidance, through the formation of a treaty of friendship, commerce, and navigation. To attain this purpose, the President of the United States of America has conferred full powers on Charles W. Buck, Envoy Extraordinary and Minister Plenipotentiary of said Government, to the Govern-

¹ The U.S. amendment deleted paragraph numbered 4 of article XXXV, which read as follows:

"4th. The high contracting parties engage themselves to consider the Chief Executives of the two countries authorized to arrange in a friendly and definite manner the claims and other questions pending between the two Governments, as also, such as may hereafter arise. With this object, and when they may consider it necessary, the said Executives will submit the adjustment of such matters to the decision of an arbitrator, or of an arbitrating commission, whose form of appointment, duties, and procedure necessary in pronouncing decisions, and expenses incident thereto, will be arranged by agreement or convention, for the determination of which the said Executives will be considered equally empowered by the fact of the ratification of the present Treaty. As the object of these provisions is to avoid that the high contracting parties should resort to acts of hostility, reprisals, or aggression of any nature, without exerting themselves, of preference, through appeal to arbitration, in order to arrange their differences; it is declared that these do not exclude the right of resort to other means of National redress in case of necessity. But in event of having resorted to arbitration the decision or decisions of the arbitrator or arbitrators shall be respected and held inviolable."

The fifth paragraph of article XXXV was renumbered 4.

The text printed here is the amended text as proclaimed by the President.

² Pursuant to notice of termination given by Peru Oct. 7, 1898.

ment of Peru, and the President of Peru has conferred like full powers upon Señor Don Carlos M. Elias, Minister of Foreign Relations who, after comparing their respective powers, found to be in proper form, have agreed upon the following articles:

ARTICLE I

There shall be perfect and perpetual peace and friendship between the United States of America and the Republic of Peru, and between their respective territories, people, and citizens, without distinction of persons or places.

ARTICLE II

The United States of America and the Republic of Peru mutually agree that there shall be reciprocal liberty of commerce and navigation between their respective territories and citizens; the citizens of either Republic may frequent with their vessels all the coasts, ports, and places of the other, wherever foreign commerce is permitted, and reside in all parts of the territory of either, and occupy the dwellings and warehouses which they may require, subject to the existing laws; and everything pertaining thereto shall be respected, and shall not be subjected to any arbitrary visits or search. The said citizens shall have full liberty to trade in all parts of the territories of either, according to the rules established by the respective regulations of commerce, in all kinds of goods, merchandise, manufactures, and produce not prohibited to all, and to open retail and wholesale stores and shops under the same municipal and police regulations as native citizens; and they shall not in this respect be liable to any other or higher taxes or imposts than those which are or may be paid by native citizens. The citizens of either country shall also have the unrestrained right to travel in any part of the possessions of the other, and shall in all cases enjoy the same security and protection as the natives of the country wherein they reside, on condition of their submitting to the laws and ordinances there prevailing; they shall not be called upon for any forced loan or extraordinary contribution for any military expedition, or for any public purpose whatever, nor shall they be liable to any embargo, or be detained with their vessels, cargoes, merchandise, goods, or effects, without being allowed therefor a full and sufficient indemnification, which shall in all cases be agreed upon and paid in advance.

ARTICLE III

No higher or other duties, or charges on account of tonnage, light-houses or harbor dues, pilotage, quarantine, salvage in case of damage or shipwreck, or any other local charges, shall be imposed in any ports of Peru, on vessels of the United States, than those payable in the same ports by Peruvian vessels, nor in any of the ports of the United States on Peruvian vessels, than shall be payable in the same ports by vessels of the United States.

ARTICLE IV

All kinds of merchandise and articles of commerce which may be lawfully imported into the ports and territories of either of the high contracting parties in national vessels may also be so imported in vessels of the other party without paying other or higher duties or charges, of any kind or denomination whatever, than if the same merchandise and articles of commerce were imported in national vessels; nor shall any distinction be made in the manner of making payment of the said duties or charges. It is expressly understood that the stipulations in this and the preceding article are to their full extent applicable to the vessels, and their cargoes, belonging to either of the high contracting parties arriving in the ports and territories of the other, whether the said vessels have cleared directly from the ports of the country to which they appertain, or from the ports of any other nation.

ARTICLE V

No higher or other duties or charges shall be imposed or levied upon the importation into the ports and territories of either of the high contracting parties of any article, the produce, growth, or manufacture of the other party, than are, or shall be, payable on the like article, being the produce, growth, or manufacture of any other country; nor shall any prohibition be imposed upon the importation of any article, the produce, growth, or manufacture of either party, into the ports or territories of the other, which shall not equally extend to all other nations.

ARTICLE VI

All kinds of merchandise and articles of commerce which may be lawfully exported from the ports and territories of either of the high contracting parties in national vessels, may also be exported in vessels of the other party; and they shall be subject to the same duties only, and be entitled to the same drawbacks, bounties, and allowances, whether the same merchandise and articles of commerce be exported in vessels of the one party or in vessels of the other party.

ARTICLE VII

It is hereby declared that the stipulations of the present treaty are not to be understood as applying to the navigation and coasting trade between one port and another, situated in the territories of either contracting party, the regulation of such navigation and trade being reserved respectively by the parties according to their own separate laws. Vessels of either country shall, however, be permitted to discharge part of their cargoes at one port open to foreign commerce in the territories of either of the high contracting parties, and to proceed with the remainder of their cargo to any other port or ports of the same territories open to foreign commerce, without paying

other or higher tonnage-dues or port-charges in such cases than would be paid by national vessels in like circumstances; and they shall be permitted to load in like manner at different ports in the same voyage outward.

ARTICLE VIII

The Republic of Peru, desiring to increase the intercourse along its coasts by means of steam-navigation, hereby engages to accord to any citizen or citizens of the United States, who may establish a line of steam-vessels to navigate regularly between the different ports of entry within the Peruvian territories, the same privileges of taking in and landing freight and cargo, entering the by-ports for the purpose of receiving and landing passengers and their baggage, specie and bullion, carrying the public mails, establishing depots for coal, erecting the necessary machine and work-shops for repairing and refitting the steam-vessels, and all other favors enjoyed by any other association or company whatsoever. It is furthermore understood between the two high contracting parties that the vessels of either shall not be subject in the ports of the other party to any duties of tonnage, harbor, or other similar duties whatsoever, than those that are or may be paid by any other association or company as provided by law current at the time of application.

ARTICLE IX

For the better understanding of the preceding articles, it is stipulated and agreed that every vessel belonging exclusively to a citizen or citizens of either country, and flying the flag of such country, shall be considered as a vessel of that country.

ARTICLE X

The merchants, commanders, or masters of vessels, and other citizens of either contracting party, shall be wholly free to manage their own business and affairs in all the ports and places within the jurisdiction of the other, or to commit their business and affairs to the management of any person whom they may choose to appoint as agent, factor, consignee, or interpreter. They shall not be restrained in the choice of persons to act in such capacities, or be compelled to pay any salary or remuneration to any one whom they do not wish to employ. Absolute freedom shall be given, as well with respect to the consignment and sale of their merchandise and articles of commerce, as to the purchase of their returns, unloading, loading, and sending off their vessels. The buyer and seller shall have full liberty to bargain together and fix the price of any merchandise or articles of commerce imported into or to be exported from the territories of either contracting party, the regulations of commerce established in the respective countries being in every case duly observed.

ARTICLE XI

The citizens of either of the high contracting parties shall have the full power and liberty to dispose of their personal and real estate and effects of every kind and description, within the jurisdiction of the other, by sale, donation, testament, or otherwise; and their heirs or representatives, being citizens of the other party, shall succeed to the said personal and real estate and effects, whether by testament or *ab intestato*, and may take possession of the same themselves or by others acting for them, and dispose of the same at their pleasure, paying such dues only as the citizens of the country, wherein said estate and effects may be, shall be subject to pay in like cases.

ARTICLE XII

If any vessel belonging to the citizens of either of the high contracting parties should be wrecked, suffer damage, or be left derelict on or near the coasts within the territories of the other, all assistance and protection shall be given to such vessel and her crew; and the vessel, or any part thereof, and all furniture and appurtenances belonging thereto, together with all the merchandise which shall be saved therefrom, or the produce thereof, if sold, shall be faithfully restored to the owners or their agents, they paying only the expenses incurred in the preservation of the property, together with the rate of salvage which would have been payable, in like case by national vessels; and it shall be permitted for them to unload the merchandise and effects on board, with the proper precautions to prevent their illicit introduction, without exacting in such case any duty, impost or contribution whatever, provided the same be exported.

ARTICLE XIII

When through stress of weather, want of water or provisions, pursuit of enemies or pirates, the vessels of one of the high contracting parties, whether of war, (public or private,) or of trade, or employed in fishing, shall be forced to seek shelter in the ports, rivers, bays, and dominions of the other, they shall be received and treated with humanity; sufficient time shall be allowed for the completion of repairs, and while any vessel may be undergoing them, its cargo shall not unnecessarily be required to be landed either in whole or in part; all assistance and protection shall be given to enable the vessels to procure supplies, and to replace them in a condition to pursue their voyage without obstacle or hinderance.

ARTICLE XIV

All vessels, merchandise, and effects belonging to the citizens of either of the high contracting parties, which may be captured by pirates either on the high seas or within the limits of its jurisdiction, and may be carried into

or found in the rivers, roads, bays, ports, or dominions of the other, shall be delivered up to the owners or their agents, they proving, in due and proper form, their rights before the competent tribunals, it being understood that the claim thereto shall be made within two years by the owners themselves, their agents, or the agents of the respective Governments.

ARTICLE XV

The high contracting parties promise and engage to give full and perfect protection to the persons and property of the citizens of each other, of all classes and occupations, who may be dwelling or transient in the territories subject to their respective jurisdiction; they shall have free and open access to the tribunals of justice for their judicial recourse, on the same terms as are usual and customary with the natives or citizens of the country in which they may be; and they shall be at liberty to employ, in all causes, the advocates, attorneys, notaries, or agents, of whatever description, whom they may think proper. The said citizens shall not be liable to imprisonment without formal commitment under a warrant signed by a legal authority, except in cases *flagrantis delicti*; and they shall in all cases be brought before a magistrate or other legal authority for examination within twenty-four hours after arrest; and if not so examined, the accused shall forthwith be discharged from custody. Said citizens, when detained in prison, shall be treated, during their imprisonment, with humanity, and no unnecessary severity shall be exercised toward them.

ARTICLE XVI

It is likewise agreed that perfect and entire liberty of conscience shall be enjoyed by the citizens of both the contracting parties in the countries subject to the jurisdiction of the one or the other, without their being liable to be disturbed or molested on account of their religious belief, so long as they respect the laws and established usages of the country. Moreover, the bodies of the citizens of one of the contracting parties who may die in the territories of the other shall be buried in the usual burying-grounds, or in other decent and suitable places, and shall be protected from violation or disturbance.

ARTICLE XVII

The citizens of the United States of America and the Republic of Peru may sail with their vessels, with entire freedom and security, from any port to the ports or places of those who now are, or hereafter shall be, the enemies of either of the contracting parties, whoever may be the owners of the merchandise laden in the said vessels.

The same citizens shall also be allowed to sail with their vessels, and to carry and traffic with their merchandise, from the ports and places of the enemies of both parties, or of one of them, without any hinderance, not only to neutral ports and places, but also from one port belonging to an enemy to

another enemy's port, whether they be under the jurisdiction of one power or of several. And it is agreed that free ships shall give freedom to goods, and that everything shall be deemed free which shall be found on board the vessels belonging to the citizens of either of the contracting parties, although the whole lading, or a part thereof, should belong to the enemies of either, articles contraband of war being always excepted. The same liberty shall be extended to persons who may be on board free ships, so that said persons cannot be taken out of them, even if they may be enemies of both parties, or of one of them, unless they are officers or soldiers in the actual service of the enemy. It is agreed that the stipulations in this article declaring that the flag shall cover the property shall be understood as applying to those nations only who recognize this principle; but if either of the contracting parties shall be at war with a third, and the other shall remain neutral, the flag of the neutral shall cover the property of enemies whose Governments acknowledge this principle, and not that of others.

ARTICLE XVIII

The liberty of commerce and navigation stipulated for in the preceding articles shall extend to all kinds of merchandise, except the articles called contraband of war, under which name shall be comprehended.

1. Cannons, mortars, howitzers, swivels, blunderbusses, muskets, fusees, rifles, carbines, pistols, pikes, swords, sabres, lances, spears, halberds, grenades, bombs, powder, dynamite and all explosives which are recognized as of use for purposes of war, matches, balls, torpedoes, and everything belonging to the use of these arms.
2. Bucklers, helmets, breastplates, coats of mail, accoutrements, and clothes made up in military form and for military use.
3. Cavalry belts and horses, with their harness.
4. And, generally, all offensive and defensive arms made of iron, steel, brass, copper, or any other material, prepared and formed to make war by land or at sea.

ARTICLE XIX

All other merchandise and things not comprehended in the articles of contraband explicitly enumerated and classified as above shall be held and considered as free, and subjects of free and lawful commerce, so that they may be carried and transported in the freest manner by both the contracting parties, even to places belonging to an enemy, excepting only those places which are at that time besieged or blockaded; and to avoid all doubt in this particular, it is declared that those places only shall be considered as besieged or blockaded which are actually invested or attacked by a force capable of preventing the entry of the neutral.

ARTICLE XX

The articles of contraband, or those before enumerated and classified, which may be found in a vessel bound for an enemy's port, shall be subject to detention and confiscation, but the rest of the cargo and the ship shall be left free, that the owners may dispose of them as they see proper. No vessel of either of the contracting parties shall be detained on the high seas on account of having on board articles of contraband, whenever the master, captain, or supercargo of said vessel will deliver up the articles of contraband to the captor, unless, indeed, the quantity of such articles be so great, or of so large bulk, that they cannot be received on board the capturing vessel without great inconvenience; but in this, and in all other cases of just detention, the vessel detained shall be sent to the nearest convenient and safe port for trial and judgment, according to law.

ARTICLE XXI

And whereas it frequently happens that vessels sail for a port or place belonging to an enemy without knowing that the same is besieged, blockaded, or invested, it is agreed that every vessel so circumstanced may be turned away from such port or place, but shall not be detained; nor shall any part of her cargo, if not contraband, be confiscated, unless, after having been warned of such blockade or investment by a commanding officer of a vessel forming part of the blockading forces, she again attempts to enter; but she shall be permitted to go to any other port or place the master or supercargo may think proper. Nor shall any vessel of either party that may have entered into such port or place before the same was actually besieged, blockaded, or invested by the other, be restrained from leaving it with her cargo, nor, if found therein before or after the reduction or surrender, shall such vessel or her cargo be liable to seizure, confiscation, or any demand on the score of redemption or restitution, but the owners therof shall remain in the undisturbed possession of their property. And if any vessel having thus entered the port before the blockade took place shall take on board a cargo after the blockade be established and attempt to depart, she may be warned by the blockading forces to return to the blockaded port and discharge the said cargo; and if, after receiving such warning, the vessel shall persist in going out with the cargo, she shall be liable to the same consequences as in the case of a vessel attempting to enter a blockaded port after having been warned off by the blockading forces.

ARTICLE XXII

To prevent disorder and irregularity in visiting and examining the vessels and cargoes of both the contracting parties on the high seas, they have agreed mutually that whenever a vessel of war, public or private, shall meet with a neutral of the other party, the former shall remain at the greatest distance

compatible with the possibility and safety of making the visit, under the circumstances of wind and sea, and the degree of suspicion attending the vessel to be visited, and shall send one of her small boats with no more men than may be necessary to execute the said examination of the papers concerning the ownership and cargo of the vessel, without causing the least extortion, violence, or ill-treatment, in respect of which the commanders of said armed vessels shall be responsible with their persons and property; for which purpose the commanders of said private armed vessel shall, before receiving their commissions, give sufficient security to answer for all the injuries and damages they may commit. And it is expressly agreed that the neutral party shall in no case be required to go on board of the examining vessel for the purpose of exhibiting the ship's papers, nor for any other purpose whatever.

ARTICLE XXIII

Both contracting parties likewise agree that when one of them shall be engaged in war, the vessels of the other must be furnished with sea-letters, patents, or passports, in which shall be expressed the name, burden of the vessel, and the name and place of residence of the owner thereof, in order that it may appear that the vessel really and truly belongs to citizens of the said other party. It is also agreed that such vessel, being laden, besides the said sea-letters, patents, or passports, shall be provided with manifests or certificates containing the particulars of the cargo, and the place where it was taken on board, so that it may be known whether any part of the same consists of contraband or prohibited articles; which certificate shall be made out in the accustomed form by the authorities of the port whence the vessel sailed; without which requisites the vessel may be detained, to be adjudged by the competent tribunals and may be declared good and legal prize, unless it shall be proved that the said defect or omission was owing to accident, or unless it shall be satisfied or supplied by testimony equivalent in the opinion of the said tribunals, for which purpose there shall be allowed a reasonable length of time to procure and present it.

ARTICLE XXIV

The preceding stipulations relative to the visit and examination of vessels shall apply only to those which sail without convoy; for when said vessels shall be under convoy, the verbal declaration of the commander of the convoy, on his word of honor, that the vessels under his protection belong to the nation whose flag they carry, and when they are bound to an enemy's port, that they have no contraband goods on board, shall be sufficient.

ARTICLE XXV

It is further agreed that, in all prize-cases, the courts specially established for such causes in the country to which the prizes may be conducted shall

alone take cognizance of them. And whenever such courts of either party shall pronounce judgment against any vessel, merchandise, or property claimed by the citizens of the other party, the sentence or decree shall set forth the reasons or motives on which the same shall have been founded; and an authenticated copy of the sentence or decree, and of all the proceedings connected with the case, shall, if demanded, be delivered to the commander or agent of the said vessel, merchandise, or property, without any excuse or delay, upon payment of the established legal fees for the same.

ARTICLE XXVI

Whenever one of the contracting parties shall be engaged in war with another nation, no citizen of the other contracting party shall accept a commission or letter of marque for the purpose of assisting or coöperating hostilely with the said enemy against the said party so at war, under pain of being treated as a pirate.

ARTICLE XXVII

If, which is not to be expected, a rupture should at any time take place between the two contracting nations, and they should engage in war with each other, they have agreed, now for then, that the merchants, traders, and other citizens of all occupations of either of the two parties residing in the cities, ports, and dominions of the other, shall have the privilege of remaining and continuing their trade and business therein, and shall be respected and maintained in the full and undisturbed enjoyment of their personal liberty and property so long as they conduct themselves peaceably and properly, and commit no offence against the laws. And in case their acts should render them justly suspected, and having thus forfeited this privilege the respective Governments should order them to leave the country, the term of twelve months from the publication or intimation of the order therefore shall be allowed them in which to arrange and settle their affairs, and remove with their families, effects, and property; to which end the necessary safe-conduct shall be given to them, which shall serve as a sufficient protection, until they arrive at the designated port and there embark; but this favor shall not be extended to those who shall act contrary to the established laws. It is, nevertheless, understood that the respective Governments may order the persons so suspected to remove forthwith to such places in the interior as may be designated.

ARTICLE XXVIII

In the event of a war, or of any interruption of friendly intercourse between the high contracting parties, the money, private debts, shares in the public funds, or in the public or private banks, or any other property whatever, belonging to the citizens of the one party in the territories of the other, shall in no case, for that cause alone, be sequestrated or confiscated.

ARTICLE XXIX

The high contracting parties, desiring to avoid all inequality in their public communications and official intercourse, agree to grant to their envoys, ministers, chargés d'affaires, and other diplomatic agents, the same favors, privileges, immunities, and exemptions that those of the most favored nation do or shall enjoy, it being understood that the favors, privileges, immunities, and exemptions granted by the one party to the envoys, ministers, chargés d'affaires, or other diplomatic agents of the other party, or to those of any other nation, shall be reciprocally granted and extended to those of both the high contracting parties respectively.

ARTICLE XXX

To protect more effectually the commerce and navigation of their respective citizens, the United States of America and the Republic of Peru agree to admit and receive, mutually, consuls and vice-consuls in all their ports open to foreign commerce, who shall enjoy, within their respective consular districts, all the rights, privileges, and immunities of the consuls and vice-consuls of the most favored nation; but to enjoy the rights, prerogatives, and immunities which belong to them in virtue of their public character, the consuls and vice-consuls shall, before exercising their official functions, exhibit to the Government to which they are accredited their commissions or patents in due form, in order to receive their exequatur; after receiving which they shall be acknowledged in their official characters by the authorities, magistrates and inhabitants of the district in which they reside. The high contracting parties, nevertheless, remain at liberty to except those ports and places where the admission and residence of consuls and vice-consuls may not seem to be convenient, provided that the refusal to admit them shall likewise extend to those of all nations.

ARTICLE XXXI

The consuls, vice-consuls, their officers and persons employed in their consulates, shall be exempt from all public service, and from all kinds of taxes, imposts, and contributions, except those which they shall be lawfully held to pay on account of their property or commerce, and to which the citizens and other inhabitants of the country in which they reside are subject, they being, in other respects, subject to the laws of the respective countries. The archives and papers of the consulates shall be inviolably respected; and no person, magistrate, or other public authority shall, under any pretext, interfere with or seize them.

ARTICLE XXXII

The consuls and vice-consuls shall have power to require the assistance of the public authorities of the country in which they reside for the arrest,

detention, and custody of deserters from the vessels of war or merchant-vessels of their nation; and where the deserters claimed shall belong to a merchant-vessel, the consuls or vice-consuls must address themselves to the competent authority, and demand the deserters in writing, proving by the ship's roll or other public document that the individuals claimed are a part of the crew of the vessel from which it is alleged that they have deserted; but should the individuals claimed form a part of the crew of a vessel of war, the word of honor of a commissioned officer attached to the said vessel shall be sufficient to identify the deserters; and when the demand of the consuls or vice-consuls shall, in either case, be so proved, the delivery of the deserters shall not be refused. The said deserters, when arrested, shall be delivered to the consuls or vice-consuls, or, at the request of these, shall be put in the public prisons, and maintained at the expense of those who reclaim them, to be delivered to the vessels to which they belong or sent to others of the same nation; but if the said deserters should not be so delivered or sent within the term of two months, to be counted from the day of their arrest, they shall be set at liberty, and shall not be again apprehended for the same cause. The high contracting parties agree that it shall not be lawful for any public authority or other person within their respective dominions to harbor or protect such deserters.

ARTICLE XXXIII

Until the conclusion of a consular convention, which the high contracting parties agree to form as soon as may be mutually convenient, it is stipulated, that in the absence of the legal heirs or representatives the consuls or vice-consuls of either party shall be ex-officio the executors or administrators of the citizens of their nation who may die within their consular jurisdictions, and of their countrymen dying at sea whose property may be brought within their district. The said consuls or vice-consuls shall call in a justice of the peace or some other judicial authority to assist in taking an inventory of the effects and property left by the deceased, after which the said effects shall remain in the hands of the said consuls or vice-consuls, who shall be authorized to sell immediately such of the effects or property as may be of a perishable nature, and to dispose of the remainder according to the instructions of their respective Governments. And where the deceased has been engaged in commerce or other business, the consuls or vice-consuls shall hold the effects and property so remaining until the expiration of twelve calendar months, during which time the creditors, if any, of the deceased, shall have the right to present their claims and demands against the said effects and property; and all questions arising out of such claims or demands shall be decided by the laws of the country wherein the said citizens may have died. It is understood, nevertheless, that if no claim or demand shall have been made against the effects and property of an individual so deceased, the consuls or vice-consuls, at the expiration of the twelve calendar months, may close the estate and

dispose of the effects and property in accordance with the instructions from their own Governments.

ARTICLE XXXIV

As a consequence of the principles of equality herein established, in virtue of which the citizens of each one of the high contracting parties enjoy in the territory of the other the same rights as natives, and receive from the respective Governments the same protection in their persons and property, it is declared that only in case that such protection should be denied, on account of the fact that the claims preferred have not been promptly attended to by the legal authorities, or that manifest injustice has been done by such authorities, and after all the legal means have been exhausted, then alone shall diplomatic intervention take place.

ARTICLE XXXV³

The United States of America and the Republic of Peru, desiring to make as durable as possible the relations established between the two parties in virtue of this treaty of friendship, commerce, and navigation, declare solemnly and agree as follows:

1st. The present treaty shall remain in force for the term of ten years from the day of the exchange of the ratifications thereof, and further until the end of one year after either of the high contracting parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice to the other at any time after expiration of the said term of ten years. And it is hereby agreed between the parties that, on the expiration of one year after such notice shall have been received by either of them from the other party, as above mentioned, this treaty shall altogether cease and terminate.

2nd. If any citizen or citizens of either party shall infringe any of the articles of this treaty, such citizen or citizens shall be held personally responsible therefor, and the harmony and good understanding between the two nations shall not be interrupted thereby, each party engaging in no way to protect the offender or offenders, or to sanction such violation, under pain of rendering itself liable for the consequences thereof.

3d. Should, unfortunately, any of the provisions contained in the present treaty be violated or infringed in any other manner whatever, it is expressly stipulated and agreed that neither of the contracting parties shall order or authorize any act of reprisals, nor declare nor make war against the other on complaint of injuries or damages resulting therefrom, until the party considering itself aggrieved shall first have presented to the other a statement or representation of such injuries or damages, verified by competent proofs, and demanded redress and satisfaction, and the same shall have been either refused or unreasonably delayed.

³ For a U.S. amendment to art. XXXV, see footnote 1, p. 1057.

4th. Nothing contained in this treaty shall, however, be construed to operate contrary to former and existing public treaties with other nations or sovereigns.

The present treaty of friendship, commerce, and navigation shall be approved and ratified by the President of the United States, by and with the advice and consent of the Senate thereof, and by the President of the Republic of Peru, with the approbation of the Congress thereof, and the ratifications shall be exchanged at Washington or Lima as soon thereafter as possible.

In evidence whereof we, the Plenipotentiaries of the United States of America and of the Republic of Peru, have signed and sealed these presents at the city of Lima, in duplicate English and Spanish, this the thirty-first day of August in the year of our Lord one thousand eight hundred and eighty-seven.

CHAS. W. BUCK
CARLOS M. ELIAS

[SEAL]
[SEAL]

CLAIMS: THE CASE OF VICTOR H. MACCORD

Protocol signed at Washington May 17, 1898

Entered into force May 17, 1898

Articles III and IV amended by protocol of June 6, 1898¹

Terminated October 15, 1898²

Treaty Series 286

PROTOCOL OF AN AGREEMENT BETWEEN THE SECRETARY OF STATE OF THE UNITED STATES AND THE ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY OF THE REPUBLIC OF PERU, FOR SUBMISSION TO AN ARBITRATOR OF THE AMOUNT OF DAMAGES TO BE AWARDED IN FAVOR OF VICTOR H. MACCORD, AN AMERICAN CITIZEN, AGAINST THE REPUBLIC OF PERU, SIGNED AT WASHINGTON MAY 17, 1898

The United States of America and the Republic of Peru, through their Representatives, William R. Day, Secretary of State of the United States of America, and Dr. Don Victor Eguiguren, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Peru, have agreed upon and signed the following Protocol:

Whereas, the United States of America, on behalf of Victor H. MacCord, a citizen of the United States of America, has claimed indemnity from the Government of Peru, for injuries inflicted upon him, at Arequipa, Peru, in 1885; it is agreed between the two Governments:

I

That the question of the amount of the said indemnity shall be referred to the Right Honorable Sir Samuel Henry Strong, P.C., Chief Justice of the Supreme Court of the Dominion of Canada, who is hereby appointed as Arbitrator to hear said cause and to determine the amount of said indemnity.

II

The Government of the United States of America will lay before the Arbitrator both the claimant's evidence and that which has been submitted by the Government of Peru. The Government of the United States shall furnish the Peruvian Minister a list thereof.

¹ TS 287, *post*, p. 1073.

² Date on which arbitrator returned award in favor of claimant.

III³

The Peruvian Government, having condescended, as an act of deference to the United States, in excluding from the arbitration the discussion of its liability or irresponsibility, the Arbitrator will limit his decision and the award to the following point, that is the only one that is submitted to his decision: to determine, in view of the proofs that will be submitted to him, the amount of pecuniary indemnity that will be paid to Mr. Victor H. MacCord for the acts committed against him, in Arequipa, Peru, in 1885. The United States Government having declined to submit any matter in dispute herein to arbitration except the amount of damages to be awarded, the Government of Peru accedes to the proposal to waive its denial of liability and to allow the Arbitrator, on the hearing of the case, to award such sum as he may believe MacCord to be entitled to and the amount of which award the Government of Peru undertakes and agrees to pay. The evidence is to be finally submitted to the Arbitrator on or before the 1st day of July, 1898, and his decision is to be rendered within two months from the date of its submission.

IV³

Each Government may furnish to the Arbitrator an argument or brief, not later than the 10th day of August 1898; but the Arbitrator need not for that purpose delay his decision.

V

The Government of Peru shall pay the sum fixed by the Arbitrator as soon as the Congress of Peru shall authorize the payment; but the time thus allowed shall in no case exceed six months from the day the decision shall be pronounced.

VI

Reasonable compensation to the Arbitrator, and the other expenses of said arbitration, are to be paid in equal moieties by both Governments.

VII

Any award given by the Arbitrator shall be final and conclusive.

Done in duplicate at Washington this 17th day of May, 1898.

WILLIAM R. DAY
VICTOR EGUIUREN

³ For amendments to arts. III and IV, see protocol of June 6, 1898 (TS 287), *post*, p. 1073.

CLAIMS: THE CASE OF VICTOR H. MACCORD

*Protocol signed at Washington June 6, 1898, amending protocol of
May 17, 1898*

Entered into force June 6, 1898

Terminated October 15, 1898¹

Treaty Series 287

SUPPLEMENTAL PROTOCOL BETWEEN THE UNITED STATES AND PERU, IN RE THE CLAIM OF VICTOR H. MACCORD

Whereas, a Protocol was signed at Washington, May 17th, 1898,² between the Secretary of State of the United States and the Envoy Extraordinary and Minister Plenipotentiary of the Republic of Peru, for submission to an arbitrator of the amount of damages to be awarded in favor of Victor H. MacCord; and

Whereas, it is stipulated in Article III, of said Protocol as follows, to wit: "The evidence is to be finally submitted to the arbitrator on or before the 1st day of July, 1898, and his decision is to be rendered within two months from the date of its submission"; and

Whereas, it is stipulated by Article IV of said Protocol as follows, to wit: "Each Government may furnish to the Arbitrator an argument or brief, not later than the 10th day of August, 1898; but the Arbitrator need not for that purpose delay his decision";

It is agreed between the two Governments that the said stipulation in said Article III be, and the same is hereby amended to read as follows, to wit: "The evidence is to be finally submitted to the Arbitrator on or before the 10th day of August, 1898, and his decision is to be rendered within three months from the date of its submission."

It is agreed that said Article IV be, and it is hereby amended to read as follows, to wit: "Each Government may furnish to the Arbitrator an argument or brief, not later than the 1st day of October, 1898; but the Arbitrator need not for that purpose delay his decision."

Done in duplicate at Washington this sixth day of June, 1898.

WILLIAM R. DAY
VICTOR EGUILUREN

¹ Date on which arbitrator returned award in favor of claimant.

² TS 286, *ante*, p. 1071.

EXTRADITION

Treaty signed at Lima November 28, 1899

Senate advice and consent to ratification, with an amendment, February 8, 1900¹

Ratified by the President of the United States, with an amendment, November 23, 1900¹

Ratified by Peru January 23, 1901

Ratifications exchanged at Lima January 23, 1901

Proclaimed by the President of the United States January 29, 1901

Entered into force February 22, 1901

31 Stat. 1921; Treaty Series 288

The United States of America and the Republic of Peru, being desirous to confirm their friendly relations and to promote the cause of justice, have resolved to conclude a treaty for the extradition of fugitives from justice between the United States of America and the Republic of Peru, and have appointed for that purpose the following Plenipotentiaries:

The President of the United States of America, Irving B. Dudley, Envoy Extraordinary and Minister Plenipotentiary of the United States to Peru, and

The President of Peru, His Excellency Doctor Manuel María Gálvez, Minister for Foreign Relations of Peru, who, after having communicated to each other their respective full power, found in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

The Government of the United States and the Republic of Peru mutually agree to deliver up persons who, having been charged with or convicted of any of the crimes and offenses specified in the following article, committed within the jurisdiction of one of the contracting parties, shall seek an asylum or be found within the territories of the other: Provided, that this shall only

¹ The U.S. amendment called for insertion of the following phrase after the word "larceny" in art. II, para. 6: "provided that the value of the property or the amount of money so embezzled or stolen is not less than \$200 or 420 soles."

The text printed here is the amended text as proclaimed by the President.

be done upon such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II

Extradition shall be granted for the following crimes and offenses:

1. Murder, comprehending assassination, parricide, infanticide, and poisoning; attempt to commit murder; manslaughter, when voluntary.
2. Arson.
3. Robbery, defined to be the act of feloniously and forcibly taking from the person of another, money or goods, by violence or putting him in fear; burglary.
4. Forgery, or the utterance of forged papers; the forgery or falsification of official acts of government, of public authorities, or of courts of justice, or the utterance of the thing forged or falsified.
5. The counterfeiting, falsifying or altering of money, whether coin or paper, or of instruments of debt created by national, state, provincial, or municipal governments, or of coupons thereof, or of bank notes, or the utterance or circulation of the same; or the counterfeiting, falsifying or altering of seals of state.
6. Embezzlement by public officers; embezzlement by persons hired or salaried, to the detriment of their employers; larceny, provided that the value of the property or the amount of money so embezzled or stolen is not less than \$200 or 420 soles.²
7. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, or other person acting in a fiduciary capacity, or director or member or officer of any company, when such act is made criminal by the laws of both countries and the amount of money or the property misappropriated is not less than \$200 or 420 soles in value.
8. Perjury; subornation of perjury.
9. Rape; abduction; kidnaping; bigamy.
10. Willful and unlawful destruction or obstruction of railroads which endangers human life.
11. Crimes committed at sea:
 - (a) Piracy, by statute or by the law of nations.
 - (b) Revolt, or conspiracy to revolt, by two or more persons on board a ship on the high seas against the authority of the master.
 - (c) Wrongfully sinking or destroying a vessel at sea, or attempting to do so.
 - (d) Assaults on board a ship on the high seas with intent to do grievous bodily harm.

² For a U.S. amendment to art. II, para. 6, see footnote 1, p. 1074.

12. Crimes and offenses against the laws of both countries for the suppression of slavery and slave trading.

Extradition is also to take place for participation, as accessories, accomplices or otherwise, in any of the crimes and offenses mentioned in this Treaty; provided, however, that extradition shall not be granted for any crime or offense hereinbefore enumerated or for participation therein unless such crime or offense, or such participation may be punished, in the United States as a felony, and in Peru by imprisonment for one year.

ARTICLE III

Requisitions for the surrender of fugitives from justice shall be made by the diplomatic agents of the contracting parties, or in the absence of these from the country or its seat of government, may be made by the superior consular officers; or, in the absence of both diplomatic and consular representatives from the country or its seat of government, may be made directly by the Government thus unrepresented upon the other.

If the person whose extradition is requested shall have been convicted of a crime or offense, a duly authenticated copy of the sentence of the court in which he was convicted, or if the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime has been committed, and of the depositions or other evidence upon which such warrant was issued, shall be produced.

The extradition of fugitives under the provisions of this Treaty shall be carried out in the United States and in Peru, respectively, in conformity with the laws regulating extradition for the time being in force in the state on which the demand for surrender is made.

ARTICLE IV

In cases not admitting of delay, and especially in those where there is danger of escape, each of the two Governments may, by the most expeditious means, ask and obtain the arrest and provisional detention of the fugitive on condition of presenting a formal requisition, accompanied by the necessary evidence of his criminality under the stipulations of this Treaty within two months from the date of his provisional arrest or detention.

ARTICLE V

Neither of the contracting parties shall be bound to deliver up its own citizens or subjects under the stipulations of this Treaty.

ARTICLE VI

A fugitive criminal shall not be surrendered if the offense in respect of which his surrender is demanded be of a political character, or if he proves

that the requisition for his surrender has, in fact, been made with a view to try or punish him for an offense of a political character.

No person surrendered by either of the high contracting parties to the other shall be triable or tried, or be punished, for any political crime or offense, or for any act connected therewith, committed previously to his extradition.

If any question shall arise as to whether a case comes within the provisions of this article, the decision of the authorities of the government on which the demand for surrender is made, or which may have granted the extradition, shall be final.

ARTICLE VII

Extradition shall not be granted in pursuance of the provisions of this Treaty, if legal proceedings or the enforcement of the penalty for the act committed by the person claimed has become barred by limitation, according to the laws of the country to which the requisition is addressed.

ARTICLE VIII

If the person claimed is accused or sentenced in the country where he may have taken refuge for a crime or misdemeanor committed in that country, his delivery may be delayed until the definitive sentence releasing him be pronounced, or until such time as he may have complied with the punishment inflicted on him in the country wherein he took refuge.

ARTICLE IX

No person surrendered by either of the high contracting parties to the other shall, without the consent of the government which surrendered him, be triable or tried or be punished for any crime or offense committed prior to his extradition other than that for which he was delivered up, until he shall have had an opportunity of returning to the country from which he was surrendered.

ARTICLE X

All articles seized which are in the possession of the person to be surrendered at the time of his apprehension, whether being the proceeds of the crime or offense charged, or being material as evidence in making proof of the crime or offense, shall, so far as practicable and in conformity with the laws of the respective countries, be given up when the extradition takes place. Nevertheless, the rights of third parties with regard to such articles shall be duly respected.

ARTICLE XI

If the individual claimed by one of the high contracting parties, in pursuance of the present Treaty, shall also be claimed by one or several other powers on account of crimes or offenses committed within their respective

jurisdictions, his extradition shall be granted to the state whose demand is first received: Provided, that the government from which extradition is sought is not bound by treaty to give preference otherwise.

ARTICLE XII

The expenses incurred in the arrest, detention, examination, and delivery of fugitives under this Treaty shall be borne by the state in whose name the extradition is sought; Provided, that the demanding government shall not be compelled to bear any expense for the services of such public officers of the government from which extradition is sought as receive a fixed salary; And, provided, that the charge for the services of such public officers as receive only fees or perquisites shall not exceed their customary fees for the acts or services performed by them had such acts or services been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XIII

The present Treaty shall take effect on the thirtieth day after the date of the exchange of ratifications, and shall not operate retroactively.

The ratifications of the present Treaty shall be exchanged at Lima as soon as possible, and it shall remain in force for a period of six months after either of the contracting governments shall have given notice of a purpose to terminate it.

In witness whereof, the respective Plenipotentiaries have signed the above articles, both in the English and the Spanish languages, and have hereunto affixed their seals.

Done in duplicate, at the city of Lima this twenty-eighth day of November in the year of our Lord one thousand eight hundred and ninety nine.

IRVING B. DUDLEY

[SEAL]

M. M. GÁLVEZ

[SEAL]

NATURALIZATION

Convention signed at Lima October 15, 1907

Senate advice and consent to ratification February 19, 1908

Ratified by the President of the United States March 9, 1908

Ratified by Peru July 23, 1909

Ratifications exchanged at Lima July 23, 1909

Entered into force July 23, 1909

Proclaimed by the President of the United States September 2, 1909

36 Stat. 2181; Treaty Series 532

The United States of America and the Republic of Peru, desiring to regulate the citizenship of those persons who emigrate from the United States of America to Peru, and from Peru to the United States of America, have resolved to conclude a convention on this subject and for that purpose have appointed their Plenipotentiaries that is to say:

The President of the United States of America, Leslie Combs, Envoy Extraordinary and Minister Plenipotentiary of the United States at Lima; and

The President of Peru señor don Solón Polo, Minister for Foreign Relations of Peru, who have agreed to and signed the following articles.

ARTICLE I

Citizens of the United States who may be or shall have been naturalized in Peru upon their own application or by their own consent, will be considered by the United States as citizens of the Republic of Peru. Reciprocally, Peruvians who may or shall have been naturalized in the United States upon their own application or with their consent, will be considered by the Republic of Peru as citizens of the United States.

ARTICLE II

If a Peruvian, naturalized in the United States of America, renews his residence in Peru without intent to return to the United States, he may be held to have renounced his naturalization in the United States. Reciprocally if a citizen of the United States naturalized in Peru renews his residence in the United States without intent to return to Peru, he may be presumed to have renounced his naturalization in Peru.

The intent not to return may be held to exist when the person naturalized in the one country resides more than two years in the other country, but this presumption may be destroyed by evidence to the contrary.

ARTICLE III

It is mutually agreed that the definition of the word "citizen" as used in this convention shall be held to mean a person to whom nationality of the United States or of Peru attaches.

ARTICLE IV

A recognized citizen of the one party returning to the territory of the other remains liable to trial and legal punishment for any action punishable by the laws of his original country and committed before his emigration; but not for the emigration itself, saving always the limitation established by the laws of his original country and any other remission of liability to punishment.

ARTICLE V

The declaration of intention to become a citizen of the one or the other country has not for either party the effect of naturalization.

ARTICLE VI

The present convention shall go into effect immediately on the exchange of ratifications, and in the event of either party giving the other notice of its intention to terminate the convention it shall continue to be in effect one year more to count from the date of such notice.

The present convention shall be submitted to the approval and ratification of the respective appropriate authorities of each of the contracting parties, and the ratifications shall be exchanged at Lima within twenty-four months of the date thereof.

In witness whereof, the respective Plenipotentiaries have signed the above articles both in the English and Spanish languages, and have hereunto affixed their seals.

Done in duplicate at the city of Lima this fifteenth day of October one thousand nine hundred and seven.

LESLIE COMBS [SEAL]
American Minister in Peru

SOLÓN POLO [SEAL]

ARBITRATION

*Convention signed at Washington December 5, 1908
Senate advice and consent to ratification December 10, 1908
Ratified by the President of the United States March 1, 1909
Ratified by Peru May 3, 1909
Ratifications exchanged at Washington June 29, 1909
Entered into force June 29, 1909
Proclaimed by the President of the United States June 30, 1909*

36 Stat. 2169; Treaty Series 528

The Government of the United States of America, signatory of the two conventions for the Pacific Settlement of International Disputes, concluded at The Hague, respectively, on July 29, 1899,¹ and October 18, 1907,² and the Government of the Republic of Peru, adherent to the said convention of July 29, 1899, and signatory of the said convention of October 18, 1907;

Taking into consideration that by Article XIX of the convention of July 29, 1899, and by Article XL of the convention of October 18, 1907, the High Contracting Parties have reserved to themselves the right of concluding Agreements, with a view to referring to arbitration all questions which they shall consider possible to submit to such treatment;

Have authorized the Undersigned to conclude the following Convention:

ARTICLE I

Differences which may arise of a legal nature, or relating to the interpretation of treaties existing between the two Contracting Parties, and which it may not have been possible to settle by diplomacy, shall be referred to the Permanent Court of Arbitration established at The Hague by the convention of the 29th July, 1899, for the pacific settlement of international disputes, and maintained by The Hague Convention of the 18th October, 1907; provided, nevertheless, that they do not affect the vital interests, the independence, or the honor of the two Contracting States, and do not concern the interests of third Parties.

ARTICLE II

In each individual case the High Contracting Parties, before appealing to the Permanent Court of Arbitration, shall conclude a special Agreement; de-

¹ TS 392, *ante*, vol. 1, p. 230.

² TS 536, *ante*, vol. 1, p. 577.

fining clearly the matter in dispute, the scope of the powers of the arbitrators, and the periods to be fixed for the formation of the Arbitral Tribunal and the several stages of the procedure. It is understood that on the part of the United States such special agreements will be made by the President of the United States, by and with the advice and consent of the Senate thereof, and on the part of Peru shall be subject to the procedure required by the Constitution and laws thereof.

ARTICLE III

The present Convention is concluded for a period of five years and shall remain in force thereafter until one year's notice of termination shall be given by either party.

ARTICLE IV

The present Convention shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof; and by the President of Peru in accordance with the constitution and laws thereof. The ratifications shall be exchanged at Washington as soon as possible, and the Convention shall take effect on the date of the exchange of its ratifications.

Done in duplicate in the English and Spanish languages at Washington, this 5th day of December, in the year one thousand nine hundred and eight.

ELIHU ROOT

[SEAL]

FELIPE PARDO

[SEAL]

ADVANCEMENT OF PEACE

Treaty signed at Lima July 14, 1914

Senate advice and consent to ratification August 20, 1914

Ratified by the President of the United States December 1, 1914

Ratified by Peru January 26, 1915

Ratifications exchanged at Lima March 4, 1915

Entered into force March 4, 1915

Proclaimed by the President of the United States March 6, 1915

39 Stat. 1611; Treaty Series 613

The United States of America and the Republic of Peru, with the earnest desire to strengthen their bonds of friendship and to contribute to the development of the spirit of universal peace, have resolved upon the celebration of a treaty containing the rules for the practice of these high proposals, and to that end have nominated as their plenipotentiaries:

The President of the United States, Benton McMillin, Envoy Extraordinary and Minister Plenipotentiary of the United States in Peru; and

The President of Peru, Doctor J. Fernando Gazzani, Minister of Foreign Relations;

Who, after having examined their full powers, which were found in due form, have agreed upon the following articles:

ARTICLE I

The High Contracting Parties agree that all disputes between them, of every nature whatsoever, to the settlement of which previous arbitration treaties or agreements do not apply in their terms or are not applied in fact, shall, when diplomatic methods of adjustment have failed, be referred for investigation and report to an International Commission, to be constituted in the manner prescribed in the next succeeding article; and they agree not to declare war or begin hostilities during such investigation and before the report is submitted.

ARTICLE II

The International Commission shall be composed of five members, two named by each one of the respective Governments and one named jointly

by them. The designations made by each Government can only devolve one on a citizen of the State itself and the other on a citizen of a third country. The designation of the fifth member can not devolve upon a citizen of either of the two interested nations.

Each of the High Contracting Parties reserves to itself the right to withdraw its two Commissioners, or one of them, before the initiation of the investigations, and, within the same period, to withdraw its agreement to the joint designation of the fifth member. In these cases, they shall proceed to replace them according to the forms above laid down.

During the period of investigation the Commissioners shall receive such pecuniary compensation as shall be agreed upon by the High Contracting Parties.

The Commission, whose expenses shall be met in equal parts by the two Governments, shall be appointed a short time after the exchange of the ratifications of the Treaty; and to provide for possible vacancies on it, the same rules shall be applied as in the original designations.

ARTICLE III

The questions which divide the High Contracting Parties should they be incapable of solution by diplomatic means, shall be submitted immediately to the International Commission for its investigation and report.

The International Commission may, however, by unanimous agreement, spontaneously offer its services to that effect, and in such case it shall notify both Governments, and request their cooperation in the investigation.

The High Contracting Parties agree to furnish the International Commission all means and all facilities for the investigation and report.

The report shall be presented in the maximum period of one year, but the High Contracting Parties, by mutual accord, may shorten or extend this period. The report shall appear in three copies.

The Commission shall reserve one of the copies for its archives and deliver the other two to the Governments interested.

The High Contracting Parties reserve the right to act independently in the question dealt with in the investigations after the issue of the report.

ARTICLE IV

The ratifications of this Treaty shall be made by the President of the United States of America by and with the advice and consent of the Senate; and by the President of Peru if the Legislative Power shall give its approval in conformity with the Constitution and the laws. The exchange of ratifications shall take place as soon as possible, and immediately afterward this Treaty shall take effect for a period of five years, at the end of which it will remain in effect until twelve months after the day on which one of the Parties advises the other of its intention of terminating it.

In witness whereof, we the respective plenipotentiaries have signed the present treaty, in duplicate, in the English and Spanish languages and have hereunto affixed our respective seals.

Done at Lima the fourteenth day of July, in the year of our Lord one thousand nine hundred and fourteen.

BENTON McMILLIN

[SEAL]

J. FERNANDO GAZZANI

[SEAL]

CLAIMS: THE CASE OF JOHN CELESTIN LANDREAU

Protocol signed at Lima May 21, 1921

Entered into force May 21, 1921

Article IV modified by agreement of August 4, 1922¹

Terminated May 11, 1924, upon fulfillment of its terms²

Treaty Series 653

PROTOCOL FOR ARBITRATION OF THE LANDREAU CLAIM AGAINST PERU

The Government of the United States of America and the Government of the Republic of Peru, not having been able to reach an agreement concerning the claim against Peru of the heirs and assigns of the American citizen, John Celestin Landreau, arising out of a decree of October 24, 1865, of the Government of Peru, providing for the payment of rewards to John Teophile Landreau, brother of John Celestin Landreau, for the discovery of guano deposits, and out of contracts between John Teophile Landreau and John Celestin Landreau entered into on or about April 6th, 1859, and October 29th, 1875, which claim is supported by the Government of the United States, have resolved to submit the question for decision to an International Arbitral Commission, and to that end have named their respective plenipotentiaries, that is to say, the President of the United States, William E. Gonzales, Ambassador of the United States at Lima, and the President of Peru, doctor Alberto Salomón, Minister of Foreign Relations, who, after having exchanged their full powers, found to be in due and proper form, have agreed upon the following articles:

ARTICLE I

The questions to be determined by the Arbitral Commission are: First. Whether the release granted the Peruvian Government in 1892 by John Teophile Landreau eliminated any claim which John Celestin Landreau, the American citizen, may have had against the Peruvian Government, and

¹ Post, p. 1090.

² The arbitrators rendered an award in favor of the claimants on Oct. 26, 1922, in the amount of \$125,000. On Mar. 29, 1924, Peru paid the amount by check, and on May 11, 1924, Peru paid an additional amount of \$10,062.50 as accrued interest, pursuant to art. XII of the protocol.

if all claims were not thereby extinguished then, second: what sum if any is equitably due the heirs or assigns of John Celestin Landreau.

ARTICLE II

The Commission shall be composed of three members as follows:

The Government of the United States and the Government of Peru shall each, within thirty days after this Protocol becomes effective, appoint one Commissioner, and these two shall, within ninety days after this Protocol becomes effective, select a third Commissioner, who shall act as President of the Commission, and shall be a national of either Denmark, Great Britain or the Netherlands.

If, at the termination of the ninety days period just mentioned, they are unable to agree upon a third Commissioner, he shall be selected, within a further period of thirty days, by the Queen of the Netherlands, provided she is willing.

ARTICLE III

All vacancies occurring from death, resignation or otherwise, in the membership of the Commission, shall be filled as was the original appointment, within thirty days from the occurrence of such vacancy.

ARTICLE IV³

The Commission shall, with the consent of the respective Government, meet at the residence place of the President of the Commission, within sixty days after the case is ready for consideration, according to the 2nd paragraph of article X of this protocol, and shall hold all of its sessions in the same place.

ARTICLE V

The concurrent action of any two members of the Commission shall be adequate for a decision on all matters coming before them, including the making of the final award.

ARTICLE VI

The Government of the United States and the Government of Peru shall each be entitled to appoint an Agent for the presentation and argument of its case before the Commission.

ARTICLE VII

The Commission shall keep a record of all its proceedings. For this purpose the President of the Commission shall appoint a Secretary who shall be of his own nationality.

³ For a modification to art. IV, see agreement of Aug. 4, 1922, *post*, p. 1090.

ARTICLE VIII

In the presentation of its documents, evidence, correspondence or arguments to the Commission, either party may use the English or the Spanish language.

ARTICLE IX

Either party may demand from the other the discovery of any fact or of any document deemed to be or to contain material evidence for the party asking it. Any document desired shall be described with sufficient accuracy for identification, and the demanded discovery shall be made by delivering a statement of the fact or by depositing a copy of such document (certified by its lawful custodian, if it be a public document, and verified as such by the possessor, if a private one) to the Foreign Office of the demanding Government which shall be given opportunity to examine the original through its duly accredited diplomatic representatives. If notice of the desired discovery be given too late to be answered ten days before the Commission herein provided for shall sit for hearings, then the answer desired thereto shall be filed with or documents produced before the Commission as speedily as possible.

ARTICLE X

The case of the United States and supporting evidence shall be presented to the Government of Peru through its duly accredited representative at Washington as soon as possible, and, at the latest, within four months, from the date when this agreement becomes effective. The Government of Peru shall submit in like manner, through its representative at Washington, its full answer to such case within five months from the date of the presentation of the case of the United States. The Government of the United States shall present in like manner its reply to the answer of the Peruvian Government, which reply shall contain only matters in reply to the case of the Government of Peru, within three months from the date of the filing of the Peruvian answer, and Peru may, in like manner, within four months, present a reply to the reply of the Government of the United States. The allegations and documents of each party shall be presented at least in quintuplicate.

The case shall then be ready for consideration by the Commission, which shall hear arguments by the Agents of the respective Governments, and, in its discretion, may, after convening, call for further documents, evidence or correspondence from either Government; and such further documents, evidence or correspondence, shall if possible be furnished within sixty days from the date of the call. If not so furnished within the time specified, a decision in the case may be given without the use of said documents, evidence or correspondence.

ARTICLE XI

The decision of the Commission shall be rendered within four months from the date of its first meeting, unless the Commission, for reasons which shall be communicated to both Governments, shall find it imperatively necessary to extend the time. The decision, when made, shall be forthwith communicated to the Governments at Washington and Lima. It shall be accepted as final and binding upon the two Governments.

ARTICLE XII

The amount granted by the award, if there should be any, shall be made payable in gold coin of the United States, at the Department of State, Washington, within one year after the rendition of the decision by the Commission, with interest at six per centum per annum, beginning to run one month, after the rendition of the decision.

ARTICLE XIII

Each of the parties hereto shall pay its own expenses and one-half of the common expenses of the Arbitration. Each Government shall pay the salary and expenses of the Commissioner appointed by it, but the salary and expenses of the third Commissioner and of the Secretary shall be included in the common expenses of the Arbitration.

In faith whereof, they have drawn up the present protocol, in duplicate, in like terms in English and Spanish, signing and sealing it with their private seals, in Lima, this twenty-first day of May one thousand nine hundred and twenty one.

WILLIAM E. GONZALES
A. SALOMÓN

[SEAL]
[SEAL]

CLAIMS: THE CASE OF JOHN CELESTIN LANDREAU

*Agreement signed at Lima August 4, 1922, modifying protocol of
May 21, 1921*

Entered into force August 4, 1922

Terminated May 11, 1924¹

Department of State files

It has been agreed between the Governments of the United States of America and the Republic of Peru, the President of the United States of America represented by Mr. Frederick A. Sterling, Chargé d'Affaires ad interim at Lima, and the President of Peru by señor doctor Albert Salomón, Minister for Foreign Affairs, both fully and properly empowered, that Article IV of The Protocol for Arbitration of the Landreau Claim against Peru, executed in duplicate in the English and Spanish languages at Lima, on the twenty-first day of May one thousand nine hundred and twenty-one,² be modified to read and provide as follows:

ARTICLE IV

The Commission with the consent of the Government of Great Britain, shall meet in first session at London on such day and date between the second and tenth, both included, days of October in the year nineteen hundred and twenty-two, as the President of the Commission shall determine and announce, through the Secretary of the Commission to the Agents of the respective Governments, and all subsequent sessions of the Commission shall be held at the same place.

IN WITNESS WHEREOF this Agreement, drawn up in duplicate original forms in English and Spanish, is signed and sealed on behalf each of the High Contracting Governments in the City of Lima, this fourth day of August one thousand nine hundred and twenty-two.

FREDERICK A. STERLING

[SEAL]

A. SALOMÓN

[SEAL]

¹ See footnote 2, *ante*, p. 1086.

² TS 653, *ante*, p. 1086.

FACILITATING THE WORK OF TRAVELING SALESMEN

Convention and protocol signed at Lima January 19, 1923

Senate advice and consent to ratification February 27, 1923

Proclaimed by the President of the United States July 18, 1924

Ratified by Peru June 15, 1924

Ratifications exchanged at Lima July 8, 1924

Entered into force July 8, 1924

Proclaimed by the President of the United States July 18, 1924

43 Stat. 1802; Treaty Series 692

CONVENTION CONCERNING COMMERCIAL TRAVELERS

The United States of America and the Republic of Peru, being desirous to foster the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen, have agreed to conclude a Convention for that purpose and have to that end appointed as their Plenipotentiaries:

The President of the United States of America, Mr. Frederick A. Sterling, Chargé d'Affaires *ad interim* in Lima, and the President of Peru, Doctor Alberto Salomón, Minister for Foreign Affairs, who, having communicated to each other their full powers, which were found to be in due form, have agreed upon the following articles:

ARTICLE I

Manufacturers, merchants, and traders domiciled within the jurisdiction of one of the High Contracting Parties may operate as commercial travelers either personally or by means of agents or employees within the jurisdiction of the other High Contracting Party on obtaining from the latter, upon payment of a single fee, a license which shall be valid throughout its entire territorial jurisdiction.

In case either of the High Contracting Parties shall be engaged in war, it reserves to itself the right to prevent from operating within its jurisdiction under the provisions of this convention, or otherwise, enemy nationals or other aliens whose presence it may consider prejudicial to public order and national safety.

ARTICLE II

In order to secure the license above mentioned the applicant must obtain from the country of domicile of the manufacturers, merchants, and traders represented a certificate attesting his character as a commercial traveler. This certificate, which shall be issued by the authority to be designated in each country for the purpose, shall be viséed by the consul of the country in which the applicant proposes to operate, and the authorities of the latter shall, upon the presentation of such certificate, issue to the applicant the national license as provided in Article I.

ARTICLE III

A commercial traveler may sell his samples without obtaining a special license as an importer.

ARTICLE IV

Samples without commercial value shall be admitted to entry free of duty.

Samples marked, stamped or defaced in such manner that they cannot be put to other uses shall be considered as objects without commercial value.

ARTICLE V

Samples having commercial value shall be provisionally admitted upon giving bond for the payment of lawful duties if they shall not have been withdrawn from the country within a period of six (6) months.

Duties shall be paid on such portion of the samples as shall not have been so withdrawn.

ARTICLE VI

All customs formalities shall be simplified as much as possible with a view to avoid delay in the despatch of samples.

ARTICLE VII

Pedlers and other salesmen who vend directly to the consumer, even though they have not an established place of business in the country in which they operate, shall not be considered as commercial travelers, but shall be subject to the license fees levied on business of the kind which they carry on.

ARTICLE VIII

No license shall be required of:

- (a) Persons traveling only to study trade and its needs, even though they initiate commercial relations, provided they do not make sales of merchandise.
- (b) Persons operating through local agencies which pay the license fee or other imposts to which their business is subject.
- (c) Travelers who are exclusively buyers.

ARTICLE IX

Any concessions affecting any of the provisions of the present convention that may hereafter be granted by either High Contracting Party, either by law or by treaty or convention, shall immediately be extended to the other Party.

ARTICLE X

This convention shall be ratified; and the ratifications shall be exchanged at Washington or Lima within two years, or sooner if possible.

The present convention shall remain in force until the end of six months after either of the High Contracting Parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice to the other at any time. And it is hereby agreed between the Parties that, on the expiration of six months after such notice shall have been received by either of them from the other Party as above mentioned, this Convention shall altogether cease and terminate.

In testimony whereof the respective plenipotentiaries have signed these articles and have thereunder affixed their seals.

Done in duplicate, in English and Spanish, at Lima, this nineteenth day of January one thousand nine hundred and twenty-three.

FREDERICK A. STERLING

[SEAL]

A. SALOMÓN

[SEAL]

PROTOCOL

For the better fulfillment of the provisions of the Convention concerning commercial travelers, signed today, the undersigned Mr. Frederick A. Sterling, Chargé d'Affaires *ad interim* of the United States of America; and Doctor Alberto Salomón, Minister for Foreign Relations of Peru, representing their respective countries, have agreed as follows:

ARTICLE I

Regulations governing the renewal and transfer of licenses, and the imposition of fines and other penalties for any misuse of licenses, may be made by either of the High Contracting Parties whenever advisable, within the terms of the present Convention, and without prejudice to the rights defined therein.

If such regulation should permit the renewal of licenses, the corresponding fee will not be greater than that charged for the original license.

If such regulations should permit the transfer of licenses, upon satisfactory proof that transferee or assignee is in every sense the true successor of the original licensee, and can furnish a certificate of identification similar to that

furnished by the said original licensee, he will be allowed to operate as a commercial traveler pending the arrival of the new certificate of identification, but the cancellation of the bond for the samples shall not be effected before the arrival of the said certificate.

ARTICLE II

It is the citizenship of the firm that the commercial traveler represents, and not his own, that governs the issuance to him of a certificate of identification.

In order to obtain practical results, the High Contracting Parties agree to empower the local customs officials to issue the said licenses upon surrender of the certificate of identification and authenticated list of samples, acting as deputies of the central office constituted for the issuance and regulation of licenses. The said customs officials shall immediately transmit the appropriate documentation to the said central office, to which the licensee shall thereafter give due notice of his intention to ask for the renewal or transfer of his license, if these acts be allowable, or cancellation of his bond, upon his departure from the country. Due notice in this connection will be regarded as the time required for the exchange of correspondence in the normal mail schedules, plus five business days for purposes of official verification and registration.

ARTICLE III

It is understood that the traveler will not engage in the sale of other articles than those embraced by his lines of business; that is to say, he may sell his samples, thus incurring an obligation to pay the customs duties thereupon, but he may not sell other articles brought with him or sent to him, which are not reasonably and clearly representative of the kind of business he purports to represent.

ARTICLE IV

Advertising matter brought by commercial travelers in appropriate quantities shall be treated as samples without commercial value. Objects having a depreciated commercial value because of adaptation for purposes of advertisement, and intended for gratuitous distribution, shall, when introduced in reasonable quantities, also be treated as samples without commercial value. It is understood, however, that this prescription shall be subject to the customs laws of the respective countries.

ARTICLE V

If the original license were issued for a period longer than six months, or if the license be renewed, the bond for the samples will be correspondingly extended. It is understood, however, that this prescription shall be subject to the customs laws of the respective countries.

ARTICLE VI

Samples accompanying the commercial traveler will be despatched as a portion of his personal baggage; and those arriving after him will be given precedence over ordinary freight.

In witness whereof, they have signed and sealed this Protocol in duplicate, in English and Spanish, at Lima, this nineteenth day of January one thousand nine hundred and twenty three.

FREDERICK A. STERLING

[SEAL]

A. SALOMÓN

[SEAL]

WAIVER OF VISAS AND VISA FEES FOR NONIMMIGRANTS

Exchange of notes at Lima May 20 and July 1 and 2, 1929

Entered into force July 2, 1929; operative July 15, 1929

Amended by agreement of February 13 and March 18 and 22, 1930¹

Superseded January 1, 1957, by agreement of April 6 and September 26, 1956²

Department of State files

The American Ambassador to the Minister of Foreign Affairs

No. 89

LIMA, May 20, 1929

EXCELLENCY:

Under instructions from my Government, I have the honor to inform Your Excellency that the Government of the United States is desirous of waiving the fees for passport visas and applications therefor in favor of citizens of Peru who are included in the definition of *non-immigrants* by the Immigration Act of 1924,³ in the event that the Government of Peru is willing to waive the visa requirement in favor of citizens of the United States of like classes traveling to Peru.

This proposal does not apply to immigrants and does not contemplate the waiver of visas on Peruvian passports but it does include the waiver of all fees for passport visas and applications therefor, in favor of citizens of Peru of non-immigrant classes visiting the United States. It is believed that such an arrangement would reduce to a minimum the formalities required for entry and that it would greatly facilitate the travel of businessmen and tourists between the two countries.

Should Your Excellency's Government find this proposal acceptable, I am authorized to effect an agreement in the premises by an exchange of notes substantially in the form I beg leave to suggest as follows:

"The Government of the United States will, from the first of June, 1929, collect no fee for visaing passports or executing applications therefor in the case of citizens of the Republic of Peru desiring to visit the United States (in-

¹ Post, p. 1100.

² 8 UST 468; TIAS 3800.

³ 43 Stat. 153.

cluding the Insular Possessions) who are not ‘immigrants’ as defined in the Immigration Act of the United States of 1924; namely, “(1) a government official, his family, attendants, servants and employees, (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure, (3) an alien in continuous transit through the United States, (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory, (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman, and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation;” and from the same date the Government of Peru will not require non-immigrant citizens of the United States of like classes desiring to visit the Republic of Peru or its possessions, to present visaed passports”.

I take pleasure in informing Your Excellency that of the classes defined above as non-immigrants, Government officials, and aliens in continuous transit through the United States, are already granted visas gratis without regard to the attitude of foreign Governments toward the arrangement herein outlined, and the United States contemplates no change in its practice in this respect.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest regard and most distinguished consideration.

ALEXANDER P. MOORE

His Excellency

Doctor Don PEDRO JOSÉ RADA Y GAMIO,
Minister of Foreign Relations,
Lima.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

No. 36

LIMA, July 1, 1929

MR. AMBASSADOR:

With reference to Your Excellency’s esteemed Note No. 89 of May 20, last, in which you were pleased to inform me that the Government of the United States was desirous of waiving the fees for passport visas and applications therefor in favor of non-immigrant Peruvians, as defined in the American Immigration Act of 1924, who travel to the United States and its possessions,

in the event that my Government should find itself disposed to waive the visa requirement in favor of American citizens of like classes who enter Peru, I am pleased to inform Your Excellency that my Government gladly accepts the proposal formulated by your own, on the bases set forth in your above-mentioned note to which I am replying.

I take this opportunity, Mr. Ambassador, to renew the assurances of my highest and most distinguished consideration.

PEDRO JOSÉ RADA Y GAMIO

To His Excellency Mr. ALEXANDER P. MOORE,
*Ambassador Extraordinary and Plenipotentiary
of the United States
City*

The American Ambassador to the Minister of Foreign Affairs

No. 95

LIMA, July 1, 1929

MR. MINISTER:

I have the honor to acknowledge the receipt of Your Excellency's attentive Note Number 36 of July 1, 1929, informing me that the Peruvian Government gladly accepts the proposal outlined in my Note Number 89 of May 20, 1929, in the terms therein set forth.

If Your Excellency's Government finds it convenient, I suggest that the effective date for the agreement be July 15, 1929, and I therefore have the honor to transmit herewith a signed English text,⁴ identical in wording to the proposal contained in my Note Number 89, referred to above, with the exception of the change in date.

In expressing my deep appreciation for Your Excellency's courteous consideration of this matter, which I am convinced will work to the mutual benefit of both countries, I avail myself of the opportunity to renew to Your Excellency the assurances of my highest regard and most distinguished consideration.

ALEXANDER P. MOORE

His Excellency

Doctor Don PEDRO JOSÉ RADA Y GAMIO,
*Minister of Foreign Relations,
Lima.*

⁴ Not printed here.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

No. 37

LIMA, July 2, 1929

MR. AMBASSADOR:

I have had the honor to receive your Excellency's courteous note No. 95 of yesterday in which, referring to my government's acceptance of the proposal of your government made through your Excellency, regarding the visa of passports of Peruvian and American citizens of non-immigrant classes who proceed respectively to the United States and Peru, and in which your Excellency asked if it would be convenient to my government to have this agreement effective from the 15th of the present month.

In reply, I am pleased to inform your Excellency that my government gladly accepts the 15th of this month as the effective date of the aforementioned agreement and that to this end it will immediately transmit telegraphic instructions to the Consulates of the Republic in the United States and to the police authorities of the littoral.

I take this opportunity to renew, Mr. Ambassador, the assurances of my highest and most distinguished consideration.

PEDRO JOSÉ RADA Y GAMIO

His Excellency

ALEXANDER P. MOORE,

*Ambassador Extraordinary and Minister
Plenipotentiary of the United States,
City.*

WAIVER OF VISAS AND VISA FEES FOR NONIMMIGRANTS

*Exchange of notes at Lima February 13 and March 18 and 22, 1930,
amending agreement of May 20 and July 1 and 2, 1929*

Entered into force March 18, 1930

Superseded January 1, 1957, by agreement of April 6 and September 26, 1956¹

Department of State files

The American Chargé d'Affaires ad interim to the Minister of Foreign Affairs

No. 170

LIMA, February 13, 1930

EXCELLENCY:

During Your Excellency's recently enforced absence from the Foreign Office owing to the illness from which I am so happy to learn you have recovered, I discussed informally with His Excellency, the Chief Executive of the Republic, the question of passport visas. President Leguia affirmed the Agreement described in Mr. Moore's note No. 89 of May 20, 1929, and your reply, being note No. 36 of July 1, 1929.² The President, however, informed me of his concern regarding Bolshevik activities in Peru, as set forth in your note No. 86 of November 28, 1929, and expressed the hope that some amendment might be made in the aforesaid Agreement which would enable the Peruvian Government the better to provide against their activities. In reply to a report to the Department of State in this respect, Mr. Stimson expressed himself as very pleased to co-operate with the Peruvian Government and authorized me to offer an amendment to the Agreement of July 1st, restoring the requirement for the visa by the appropriate Peruvian officials of the classes of non-immigrants described on page two in my note No. 89 of May 20, 1929, except in the case of "tourists", it being understood that the visas in all the classes of non-immigrants just mentioned would be given gratis by the said Peruvian authorities.

¹ 8 UST 468; TIAS 3800.

² *Ante*, p. 1097.

When I informed His Excellency the President of this proffered Amendment on the part of my Government, he expressed his appreciation and requested me to arrange the matter in that fashion with his Government through the Foreign Office. May I therefore express the hope that Your Excellency will be so kind as to affirm this Amendment and to take the necessary steps either through a Supreme Resolution or by legislation or by both to put satisfactorily into effect, the Agreement of July 1, 1929 as amended.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest regard and most distinguished consideration.

FERDINAND L. MAYER

His Excellency

Doctor Don PEDRO JOSÉ RADA Y GAMIO,
Minister of Foreign Relations,
Lima.

The Minister of Foreign Affairs to the American Chargé d'Affaires ad interim

[TRANSLATION]

Number 24

LIMA, March 18, 1930

MR. CHARGÉ D'AFFAIRES:

With reference to your distinguished note to this Ministry, of February 13, 1930, Number 170, on the subject of consular visas for passports, I have the honor to inform you that I have given instructions to our Embassy in Washington, D.C. to direct our Consuls in the United States of America to comply with the agreement arrived at by our respective Governments, by virtue of which, passports of tourists will not require visas, but that the passports of American citizens who travel to Peru and who do not have the character of immigrants, must be legalized free of charge.

I avail myself of this opportunity, Mr. Chargé d'Affaires, to offer once more the assurances of my distinguished consideration.

PEDRO M. OLIVEIRA

Mr. FERDINAND MAYER,
Chargé d'Affaires of the
United States of America
Lima

The American Chargé d'Affaires ad interim to the Minister of Foreign Affairs

No. 184

LIMA, March 22, 1930

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of March 18, 1930, in which you were good enough to inform me that you had given instructions to the Peruvian Embassy at Washington to direct the Peruvian Consuls in the United States of America to comply with the Passport Visa Agreement arrived at between our respective Governments by virtue of this Embassy's Note No. 89 of May 20, 1929, your Government's Note No. 36 of July 1, 1929, my note No. 170 of February 13, 1930 and Your Excellency's reply under acknowledgment.

In these circumstances apparently only the Peruvian Consuls in the United States of America will have been informed that the Agreement is in force. May I also ask you to be so kind as to cause similar instructions to be sent to the Peruvian Consulates outside of the United States of America.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest regard and most distinguished consideration.

FERDINAND L. MAYER

His Excellency

PEDRO M. OLIVEIRA,

Minister for Foreign Affairs.

RADIO COMMUNICATIONS BETWEEN AMATEUR STATIONS ON BEHALF OF THIRD PARTIES

*Exchange of notes at Lima February 16 and May 23, 1934
Entered into force May 23, 1934*

49 Stat. 3555; Executive Agreement Series 66

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
Lima, February 16, 1934

No. 562

EXCELLENCY:

Upon instructions from my Government, I have the honor to bring the following matter to Your Excellency's attention:

An important restriction upon the international exchange of messages by amateur radio stations on behalf of third parties was incorporated in Article 8 of the Radio Regulations annexed to the International Telecommunication Convention of Madrid,¹ of which Sections 1 and 2 read as follows:

“§ 1. The exchange of communications between amateur stations and between private experimental stations of different countries shall be forbidden if the Administration of one of the countries concerned has given notice of its opposition to this exchange.

“§ 2. (1) When this exchange is permitted, the communications must be carried out in plain language and be limited to messages having to do with experiments and remarks of a private nature for which, by reason of their unimportance, there could be no question of resorting to the public telegraph service. Owners of amateur stations shall be strictly prohibited from transmitting international communications emanating from third parties.

“(2) The above provisions may be modified by special arrangements between the interested countries.”

This prohibition upon the exchange of third party messages was not contained in the earlier Radio Regulations, and in deference to the wishes of those governments which might wish to permit the international exchange

¹ Convention signed at Madrid Dec. 9, 1932 (49 Stat. 2391; TS 867).

of such messages, the provision permitting the relaxation of the prohibition by special arrangements was introduced.

The Radio Regulations of Madrid were signed on behalf of Peru and the United States, but they have not yet been ratified by the United States, nor so far as my Government is aware, have they been ratified by Peru. In view of the possible future ratification of the Regulations, however, it is believed desirable to keep the prohibition above quoted from applying at the time of such ratification to messages transmitted by amateur radio stations on behalf of third parties.

In recognition of the important services which amateurs have rendered in the development of radio, my Government is suggesting to a number of other governments the conclusion of agreements which would give radio amateurs some relaxation from the restriction introduced at Madrid by authorizing, within narrow limits, the exchange of messages on behalf of third parties. Such relaxation of the restriction, however, would be of a kind which would not permit radio amateurs to compete with public or commercial radio or telegraph systems.

The proposed agreement refers only to messages exchanged on behalf of third parties, for, under the Madrid regulations, operators of amateur stations may exchange international messages on their own behalf in the absence of a prohibition upon such exchange by one of the interested governments.

I therefore suggest to Your Excellency, and my Government hopes that that of Peru will agree to, an exchange of notes in the following terms:

"Amateur radio stations of Peru and of the United States may interchange messages on behalf of third parties, provided that such messages shall be of the character that would not normally be sent by any existing means of electrical communication or except for the availability of the amateur stations, and on which no compensation must be directly or indirectly paid.

"This arrangement shall apply to the United States and its territories and possessions including Alaska, the Hawaiian Islands, Puerto Rico, the Virgin Islands, the Panama Canal Zone and the Philippine Islands.

"This arrangement shall be subject to termination by either government on sixty days' notice to the other government, by further arrangement between the two governments dealing with the same subject, or by the enactment of legislation in either country inconsistent therewith."

I avail myself of this occasion to extend to Your Excellency the renewed assurance of my highest consideration.

FRED MORRIS DEARING

His Excellency

Doctor SOLON POLO,

*Minister for Foreign Affairs,
Lima, Peru.*

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS

No. 50

Lima, May 23, 1934

MR. AMBASSADOR:

I have the honor to refer to Your Excellency's kind note No. 562, in which you were good enough to suggest an interchange of notes between the Embassy under your worthy charge and this Ministry, concerning the transmission of messages of third parties by amateur radio stations in the following form:

[For text of note, see above.]

I take pleasure in advising Your Excellency that my Government gladly accepts the proposal that you have been good enough to make in your note above mentioned, in the foregoing terms.

I avail myself of the opportunity to renew to you, Mr. Ambassador, the assurances of my highest and most distinguished consideration.

SOLÓN POLO

His Excellency

Mr. FRED MORRIS DEARING,

Ambassador Extraordinary and Minister Plenipotentiary

of the United States of America,

City.

EXCHANGE OF PUBLICATIONS

Exchange of notes at Lima October 16 and 20, 1936

Entered into force October 20, 1936

50 Stat. 1601; Executive Agreement Series 103

The Minister of Foreign Affairs to the American Chargé d'Affaires

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS,

Number 6-3/103

Lima, October 16, 1936

MR. CHARGÉ D'AFFAIRES:

With reference to our conversations and to Your Excellency's memorandum of August 28, 1936, I have the honor to make it a matter of record that we have agreed upon the following:

There shall be a complete exchange of official publications between Peru and the United States of America, which shall be conducted under the following terms:

1. The official exchange office on the part of Peru is Section of Propaganda and Publications of the Ministry of Foreign Affairs. The official exchange office for the transmission of publications of the United States is the Smithsonian Institution.

2. The exchange sendings shall be received on behalf of Peru by the Ministry of Foreign Affairs; on behalf of the United States by the Library of Congress.

3. Peru will furnish regularly in one copy the official publications of the departments, offices and institutions which appear in the attached list. The list shall be extended to include, without the necessity of subsequent negotiations, the publications of any new offices that the State may create in the future.

4. The United States will furnish regularly in one copy a full set of the official publications of the departments, bureaus, offices, and institutions which appear in the attached list number two. The list shall be extended to include, without the need of subsequent negotiations, the publications of any new offices that the State may create in the future.

5. Confidential publications, blank forms, and circular letters not of a public nature are not to be included in this exchange.

6. So far as offices which at this time do not issue publications and which are not mentioned in the attached lists, there is the understanding that publications issued in the future by the offices shall be furnished in one copy.

7. Each party to the agreement shall bear the postal, railroad, steamship and other charges arising in its own country.

8. Both parties express their willingness, so far as possible, to expedite shipments.

9. This agreement is not concerned with the already existing exchange agreements between the various government departments, etc., of the two countries.

Upon receipt of Your Excellency's note, identical in tenor to the present communication, my Government will consider that the foregoing agreement enters into effect.

I avail myself of this opportunity to reiterate, Mr. Chargé d'Affaires, the assurance of my distinguished consideration.

ALBERTO ULLOA

The Honorable LOUIS G. DREYFUS,
Chargé d'Affaires of the United States,
Lima.

LIST OF PERUVIAN OFFICIAL PUBLICATIONS WHICH ARE TO BE FURNISHED
 TO THE LIBRARY OF CONGRESS AT WASHINGTON IN ACCORDANCE WITH
 THE AGREEMENT ON EXCHANGE OF PUBLICATIONS BETWEEN THE GOV-
 ERNMENTS OF PERU AND OF THE UNITED STATES¹

Ministry of Foreign Affairs:

Report (Memoria) of the Minister;
 Official Bulletin of the Department;
 Treaties, Conventions, and Agreements in Force Between Peru and Other States;
 Supplements to the Treaties;
 Economic, Commercial and Financial Reports of Peru;
 Review of Current Events in Peru.

Ministry of Gobierno and Police:

Annual Publication of Peruvian Legislation;
 Political Constitution of Peru (the one in force);
 Report of the Minister.

Ministry of Hacienda and Commerce:

General Budget of the Republic;
 General Account of the Republic;
 Annual Publication on the Foreign Commerce of Peru;
 Quarterly Résumé of the Special Commerce of Peru;
 Monthly Bulletin of the Special Commerce of Peru;
 Bulletin of the Central Reserve Bank of Peru;
 Report of the Office of the General Superintendent of Banks;
 Report of the Minister;
 Customs Bulletin.

¹ List transmitted to American Embassy by Minister of Foreign Affairs with note dated Feb. 17, 1937.

Ministry of Fomento and Industries:

Report of the Minister;
Bulletin of the General Bureau of Fomento;
Bulletin of the Office of Agriculture;
Pamphlets for Purposes of Popularization, of the Section Entitled "Agricultural Propaganda";
Bulletin of the Irrigation Section;
Bulletin of the General Office of Public Works;
Bulletin of the Corps of Mining Engineers;
Bulletin of the Office of Mines and Petroleum;
Bulletin of the Vocation School.

Ministry of Public Health, Labor and Social Welfare:

Report of the Minister;
Bulletin of the General Office of Public Health;
Health Pamphlets.

Ministry of Public Education:

Report of the Minister;
Review of Education;
Official Program of Education.

Ministry of Justice and Worship:

Report of the Minister;
Annals of the Supreme Court;
Report of the President (Chief Justice) of the Supreme Court;
Report of the President of the Superior Court.

Ministry of War:

Report of the Minister;
Review of the Military School of Peru;
Bulletin of the Class.

Ministry of Marine and Aviation:

Report of the Minister;
The Review, "Aviation";
Review of the Naval School of Peru;
The Review, "Alas" (Wings), from the Office of the General Command of Aviation.

National Agrarian Society:

Annual Report.

National Society of Industries:

The Review, "La Industria Peruana" (Peruvian Industries).

Universidad Mayor de San Marcos de Lima. (Great University of San Marcos de Lima)

Annual Report of the Rector;
University Review;
"Letras" (Organ of the Faculty of Letters);
Bibliographical Bulletin (from the Central Library of the University);
Review of the Faculty of Law;
Review of the Faculty of Medicine.

University of Cuzco:

University Review;
Report of the Rector.

University of Arequipa:

Annual Report of the Rector;
University Review.

University of Trujillo:

Annual Report of the Rector;
University Review.

National Museum:

Review of the Museum;
Albums of Peruvian Art.

Municipality of Lima:

Annual Report of the Alcalde;
Bulletin of the Municipal Library;
Regulations of the Municipality;
Municipal Decrees and Resolutions.

National Academy of Medicine:

Annals of Peruvian Medicine.

College of Lawyers of Lima:

Revista del Foro ("Court Review").

Geographical Society of Lima:

Review of the Geographical Society.

The American Chargé d'Affaires ad interim to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 1177

Lima, October 20, 1936

EXCELLENCY:

With reference to our conversations, to my memorandum on August 28 last, and to Your Excellency's note No. 6-3/103 of October 16, 1936, I have the honor to express our agreement for the exchange of official publications between the Governments of the United States of America and of Peru, as follows:

There shall be a complete exchange of official publications between Peru and the United States of America, which shall be conducted under the following terms:

[For terms of agreement, see numbered paragraphs in Peruvian note, above.]

I avail myself of this opportunity to extend to Your Excellency the renewed assurance of my highest consideration.

LOUIS G. DREYFUS, Jr.
Chargé d'Affaires, a. i.

His Excellency

Doctor ALBERTO ULLOA,
Minister of Foreign Affairs,
Lima.

LIST OF UNITED STATES GOVERNMENT DEPARTMENTS, BUREAUS, OFFICES,
AND INSTITUTIONS, OFFICIAL PUBLICATIONS OF WHICH ARE TO BE
FURNISHED TO THE PERUVIAN MINISTRY OF FOREIGN AFFAIRS IN AC-
CORDANCE WITH THE AGREEMENT FOR THE EXCHANGE OF OFFICIAL PUB-
LICATIONS BETWEEN THE UNITED STATES OF AMERICA AND PERU ²

1. Congress. (Publications include the Congressional record, bound; the Journals, Documents, and Reports, bound, of both the Senate and the House of Representatives; and all documents not bearing a Congressional number printed by order of either House)
2. The President of the United States
3. Department of State
4. Department of the Treasury, and the following subordinate bureaus:
 - a. Office of the Comptroller of currency
 - b. Office of the Treasurer of the United States
 - c. Bureau of customs
 - d. Bureau of internal revenue
 - e. Federal alcohol administration
 - f. Bureau of mint
 - g. Bureau of the Public Health Service
 - h. Coast Guard
 - i. Bureau of the Budget
5. Department of War and the following subordinate offices:
 - a. Office of the Adjutant General
 - b. Office of the Judge Advocate General
 - c. Office of the Surgeon General
 - d. Office of the Chief of Engineers
 - e. Office of the Chief Signal Officer
 - f. Bureau of Insular Affairs
 - g. Office of the Chief of the Air Corps
 - h. National Guard Bureau
 - i. Office of the Chief of the Chemical Warfare Service
 - j. Army War College
 - k. Military Academy: West Point.
6. Department of Justice and the following subordinate offices:
 - a. Federal Bureau of Investigation
 - b. Bureau of Prisons
7. Post Office Department
8. Department of the Navy, and the following subordinate offices:
 - a. Office of Naval Operations
 - b. Bureau of Navigation, including Hydrographic Office and Naval Observatory
 - c. Bureau of Medicine and Surgery
 - d. Bureau of Engineering
 - e. Bureau of Aeronautics
 - f. Marine Corps
 - g. Naval Academy, Annapolis
 - h. Naval War College
9. Department of the Interior, and the following subordinate offices:
 - a. General land office
 - b. Bureau of Indian Affairs
 - c. Office of Education
 - d. Geological Survey
 - e. Bureau of Reclamation
 - f. Bureau of Mines
 - g. National Park Service
 - h. Board of Geographic Names

² List transmitted to Minister of Foreign Affairs by American Embassy with note dated Feb. 24, 1937.

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10. Department of Agriculture, and the following subordinate offices:
 - a. Office of Experiment Stations
 - b. Bureau of Biological Survey
 - c. Bureau of Chemistry and Soils
 - d. Forest Service
 - e. Bureau of Public Roads
 - f. Soil Conservation Service
 - g. Weather Bureau
11. Department of Commerce, and the following subordinate offices:
 - a. Bureau of Air Commerce
 - b. Bureau of Census
 - c. Bureau of Foreign and Domestic Commerce
 - d. National Bureau of Standards
 - e. National Bureau of Fisheries
 - f. Bureau of Lighthouses
 - g. Coast and Geodetic Survey
 - h. Bureau of Marine Inspection and Navigation
 - i. Patent Office (Drawings and specifications of patents are not available on international exchange)
 - j. Shipping Board Bureau
12. Department of Labor, including the following subordinate offices:
 - a. Bureau of Labor Statistics
 - b. Immigration and Naturalization Service
 - c. Children's Bureau
 - d. Women's Bureau
 - e. Employment Service
13. Board of Governors of the Federal Reserve System
14. Board of Tax Appeals
15. Bureau of American Ethnology
16. Civil Service Commission
17. Court of Claims of the United States
18. Court of Customs and Patent Appeals
19. District of Columbia Government
20. Farm Credit Administration
21. Federal Communications Commission
22. Federal Home Loan Bank Board
23. Federal Housing Administration
24. Federal Power Commission
25. Federal Trade Commission
26. General Accounting Office
27. Government Printing Office
28. Interstate Commerce Commission
29. Library of Congress (Including the Copyright Office)
30. National Advisory Committee for Aeronautics
31. National Archives
32. National Mediation Board
33. National Museum
34. Securities and Exchange Commission
35. Smithsonian Institution (Only publications issued by the Government Printing Office)
36. Social Security Board
37. Supreme Court of the United States
38. Tariff Commission
39. Veterans' Administration

NAVAL MISSION

Agreement signed at Washington July 31, 1940

Entered into force July 31, 1940

Amended by agreements of January 31, February 9, and March 21

and 31, 1944;¹ and April 26, May 2 and 21, and July 15, 1960²

Extended by agreements of January 31, February 9, and March 21

and 31, 1944;¹ January 12 and March 2, 1948;³ January 18

and March 24, 1952;⁴ January 27 and March 14, 1956;⁵ and

March 15 and April 21, 1961⁶

Terminated August 26, 1969⁷

54 Stat. 2344; Executive Agreement Series 177

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PERU

In conformity with the request of the Ambassador of the Republic of Peru in Washington, to the Secretary of State, the President of the United States of America has authorized the appointment of officers and enlisted men to constitute a Naval Mission to the Republic of Peru under the conditions specified below:

TITLE I

Purpose and Duration

Article 1. The purpose of this Mission is to cooperate with the Minister of Marine and Aviation of Peru and with the officers of the Peruvian Navy, with a view to enhancing the efficiency of the Peruvian Navy.

Article 2. This Mission shall continue for a period of four years from the date of the signing of this Agreement by the accredited representatives of the Government of the United States and the Government of Peru, unless previously terminated or extended as hereinafter provided. Any member of the Mission may be recalled by the Government of the United States after

¹ EAS 396, *post*, p. 1168.

² 11 UST 1982; TIAS 4548.

³ 109 UNTS 9.

⁴ 3 UST 3745; TIAS 2504.

⁵ 7 UST 357; TIAS 3511.

⁶ 15 UST 2489; TIAS 5742.

⁷ Pursuant to notice of termination given by Peru May 26, 1969.

the expiration of two years of service, in which case another member shall be furnished to replace him.

Article 3. If the Government of Peru should desire that the services of the Mission be extended beyond the stipulated period, it shall make a written proposal to that effect six months before the expiration of this Agreement.

Article 4. This Agreement may be terminated before the expiration of the period of four years prescribed in Article 2, or before the expiration of the extension authorized in Article 3, in the following manner:

(a) By either of the Governments, subject to three months' written notice to the other Government;

(b) By the recall of the entire personnel of the Mission by the Government of the United States in the public interest of the United States, without necessity of compliance with provision (a) of this Article.

Article 5. This Agreement is subject to cancellation upon the initiative of either the Government of Peru or the Government of the United States in case either country becomes involved in domestic or foreign hostilities.

TITLE II

Composition and Personnel

Article 6. This Mission shall consist of a Chief of the Mission of the rank of Captain or Commander on active service in the United States Navy and such other personnel of the United States Navy as may subsequently be requested by the Ministry of Marine and Aviation of Peru through its authorized representative in Washington and agreed upon by the Navy Department of the United States.

Article 7. United States naval personnel now serving on individual contracts with the Government of Peru may continue their services in accordance with the terms of this Agreement, effective from the date on which it is signed by the duly authorized representatives of the Government of Peru and the Government of the United States. The service performed by such personnel under individual contracts shall be counted for the purpose of enjoying the benefits and privileges that are agreed upon, under this Agreement, for members of the Mission with two or more years of service on the Mission.

TITLE III

Duties, Rank and Precedence

Article 8. The personnel of the Mission shall perform such duties as may be agreed upon between the Minister of Marine and Aviation of Peru and the Chief of the Mission.

Article 9. The members of the Mission shall be responsible solely to the Minister of Marine and Aviation of Peru, through the Chief of the Mission.

Article 10. Each member of the Mission shall serve on the Mission with the rank he holds in the United States Navy and shall wear the uniform of his rank in the United States Navy, but shall have precedence over all Peruvian officers of the same rank.

Article 11. Each member of the Mission shall be entitled to all benefits or privileges which the Regulations of the Peruvian Navy provide for Peruvian officers and subordinate personnel of corresponding rank.

Article 12. The personnel of the Mission shall be governed by the disciplinary regulations of the United States Navy.

TITLE IV

Compensation and Perquisites

Article 13. Members of the Mission shall receive from the Government of Peru such net annual compensation expressed in United States currency as may be agreed upon between the Government of the United States and the Government of Peru for each member. This compensation shall be paid in twelve (12) equal monthly installments, each due and payable on the last day of the month. Payment may be made in Peruvian national currency and when so made shall be computed at the highest value of the dollar at the free market rate of exchange in Lima on the day on which due. Payments made outside of Peru shall be in the national currency of the United States. The compensation shall not be subject to any tax, now or hereafter in effect, of the Government of Peru or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be borne by the Ministry of Marine and Aviation of Peru in order to comply with the provision of this Article that the compensation agreed upon shall be net.

Article 14. The compensation agreed upon in the preceding Article shall begin upon the date of departure from the City of New York of each member of the Mission, and shall continue after the termination of his service with the Mission during his return trip to the City of New York and thereafter for the period of any accumulated leave to which he is entitled.

Article 15. The compensation due for the period of the return trip and accumulated leave shall be paid to a detached member of the Mission before his departure from Peru, and such payment shall be computed for travel by the shortest usually traveled sea route regardless of the route and method of travel used by the member of the Mission.

Article 16. Each member of the Mission and each member of his family shall be provided by the Government of Peru with first-class accommodations for travel required and performed under this Agreement, by the shortest usually travelled sea route between the City of New York and his official residence in Peru, both for the outward and for the return voyage. The

expenses of shipment of the household effects, baggage and automobile of each member of the Mission between the City of New York and his official residence in Peru shall also be paid by the Government of Peru; this shall include all necessary expenses incident to unloading from the steamer upon arrival in Peru, cartage between the ship and the residence in Peru, and packing and loading on board the steamer upon departure from Peru. The transportation of such household effects, baggage and automobile shall be made in a single shipment and all subsequent shipments shall be at the expense of the respective members of the Mission except when the result of circumstances beyond their control. Payment by the Government of Peru of the expenses for the transportation of the families, household effects, baggage and automobiles of personnel who may join the Mission for temporary service at the request of the Minister of Marine and Aviation of Peru shall not be obligatory under this Agreement, but shall be determined by negotiations between the Navy Department of the United States and the authorized representative in Washington of the Ministry of Marine and Aviation of Peru, at such time as the detail of personnel for such temporary service is agreed upon.

Article 17. The Government of Peru shall allot in the budget of the Ministry of Marine and Aviation an amount adequate to pay customs duties on articles imported by the members of the Mission for their personal use and for the use of their families, provided that the Chief of the Mission authorizes such importations.

Article 18. If the services of any member of the Mission should be terminated by the Government of the United States, except as established in the provisions of Article 5, before the completion of two years of service, the provisions of Article 16 shall not apply to the return trip. If the services of any member of the Mission should terminate or be terminated before the completion of two years of service, for any other reason, including those established in Article 5, such member shall receive from the Government of Peru all compensations, emoluments, and perquisites as though he had completed two years of service, but the annual salary shall terminate as provided in Article 14. But should the Government of the United States recall any member for breach of discipline, the cost of the return trip to the United States of such member, his family, household effects, baggage or automobile shall not be borne by the Government of Peru.

Article 19. Compensation for transportation and travelling expenses in the Republic of Peru on official business of the Government of Peru shall be provided by the Government of Peru in accordance with the provisions of Article 11.

Article 20. The Government of Peru shall provide the Chief of the Mission with a suitable automobile with chauffeur, for use on official business. Suitable motor transportation with chauffeur, and when necessary a launch properly equipped shall on call be made available by the Government of

Peru for use by the members of the Mission for the conduct of the official business of the Mission.

Article 21. The Government of Peru shall provide suitable office space and facilities for the use of the members of the Mission.

Article 22. If any member of the Mission or any member of his family should die in Peru, the Government of Peru shall have the body transported to such place in the United States as the surviving members of the family may decide, but the cost to the Government of Peru shall not exceed the cost of transporting the remains from the place of decease to the City of New York. Should the deceased be a member of the Mission, his services with the Mission shall be considered to have terminated fifteen (15) days after his death. Return transportation to the City of New York for the family of the deceased member and for their household effects, baggage and automobile shall be provided as prescribed in Article 16. All compensation due the deceased member, including salary for the fifteen (15) days following his death, and reimbursement due the deceased member for expenses and transportation on trips made on official business of the Government of Peru, shall be paid to the widow of the deceased member or to any other person who may have been designated in writing by the deceased while he was serving under the terms of this Agreement; but the widow or other person shall not be compensated for accrued leave due but not taken by the deceased. All compensations due the widow or other person designated by the deceased, under the provisions of this Article, shall be paid before the departure of the widow or such other person from Peru and within fifteen (15) days after the death of the member.

TITLE V

Requisites and Conditions

Article 23. So long as this Agreement, or any extension thereof, is in effect, the Government of Peru shall not engage the services of any personnel of any other foreign government for duties of any nature connected with the Peruvian Navy, except by mutual agreement between the Government of the United States and the Government of Peru.

Article 24. Each member of the Mission shall agree not to divulge or in any way disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant in his capacity as a member of the Mission. This requirement shall continue in force after the termination of service with the Mission and after the expiration or cancellation of this Agreement or any extension thereof.

Article 25. Throughout this Agreement the term "family" is limited to mean wife and dependent children.

Article 26. Each member of the Mission shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any

fractional part of a year. Unused portions of said leave shall be cumulative from year to year during service as a member of the Mission.

Article 27. The leave specified in the preceding Article may be spent in Peru, in the United States or in other countries, but the expenses of travel and transportation not otherwise provided for in this Agreement shall be borne by the member of the Mission taking such leave. All travel time, including sea travel, shall count as leave and shall not be in addition to the time authorized in the preceding Article.

Article 28. The Government of Peru agrees to grant the leave specified in Article 26 upon receipt of written application, approved by the Chief of the Mission with due consideration for the convenience of the Government of Peru.

Article 29. Members of the Mission that may be replaced shall terminate their services on the Mission only upon the arrival of their replacements, except when otherwise mutually agreed upon in advance by the respective Governments.

Article 30. The Government of Peru shall provide suitable medical attention to members of the Mission and their families. In case a member of the Mission becomes ill or suffers injury, he shall, at the discretion of the Chief of the Mission, be placed in such hospital as the Chief of the Mission deems suitable, after consultation with the Peruvian naval authorities, and all expenses incurred as the result of such illness or injury while the patient is a member of the Mission and remains in Peru shall be paid by the Government of Peru. If the hospitalized member is a commissioned officer he shall pay his cost of subsistence, but if he is an enlisted man the cost of subsistence shall be paid by the Government of Peru. Families shall enjoy the same privileges agreed upon in this Article for members of the Mission, except that a member of the Mission shall in all cases pay the cost of subsistence incident to hospitalization of a member of his family except as may be provided under Article 11.

Article 31. Any member of the Mission unable to perform his duties with the Mission by reason of long continued physical disability shall be replaced.

IN WITNESS WHEREOF, the undersigned, Sumner Welles, Acting Secretary of State of the United States of America, and Eduardo Garland, Chargé d'Affaires of the Republic of Peru, duly authorized thereto, have signed this Agreement in duplicate in the English and Spanish languages, at Washington, District of Columbia, United States of America, this thirty-first day of July of 1940.

SUMNER WELLES [SEAL]
EDUARDO GARLAND [SEAL]

NAVAL AVIATION MISSION

Agreement signed at Washington July 31, 1940

Entered into force July 31, 1940

*Amended by agreement of January 31, February 18, April 6 and 29,
and May 2, 1944¹*

*Extended by agreements of January 31, February 18, April 6 and 29,
and May 2, 1944;¹ July 24 and August 19, 1946;² and
August 31 and September 18, 1946²*

Expired September 30, 1946

54 Stat. 2355; Executive Agreement Series 178

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PERU

In conformity with the request of the Ambassador of the Republic of Peru in Washington, to the Secretary of State, the President of the United States of America has authorized the appointment of officers and enlisted men to constitute a Naval Aviation Mission to the Republic of Peru under the conditions specified below:

TITLE I

Purpose and Duration

Article 1. The purpose of this Mission is to cooperate with the Minister of Marine and Aviation of Peru and with the officers of the Peruvian Air Force, with a view to enhancing the efficiency of the Peruvian Air Force.

Article 2. This Mission shall continue for a period of four years from the date of the signing of this Agreement by the accredited representatives of the Government of the United States and the Government of Peru, unless previously terminated or extended as hereinafter provided. Any member of the Mission may be recalled by the Government of the United States after the expiration of two years of service, in which case another member shall be furnished to replace him.

Article 3. If the Government of Peru should desire that the services of the Mission be extended beyond the stipulated period, it shall make a written proposal to that effect six months before the expiration of this Agreement.

¹ EAS 402, *post*, p. 1185.

² 109 UNTS 15.

Article 4. This Agreement may be terminated before the expiration of the period of four years prescribed in Article 2, or before the expiration of the extension authorized in Article 3, in the following manner:

- (a) By either of the Governments, subject to three months' written notice to the other Government;
- (b) By the recall of the entire personnel of the Mission by the Government of the United States in the public interest of the United States, without necessity of compliance with provision (a) of this Article.

Article 5. This Agreement is subject to cancellation upon the initiative of either the Government of Peru or the Government of the United States in case either country becomes involved in domestic or foreign hostilities.

TITLE II

Composition and Personnel

Article 6. This Mission shall consist of such aviation personnel of the Navy or Marine Corps of the United States as may be requested by the Ministry of Marine and Aviation of Peru through its authorized representative in Washington and agreed upon by the Navy Department of the United States.

TITLE III

Duties, Rank and Precedence

Article 7. The personnel of the Mission shall perform such duties as may be agreed upon between the Minister of Marine and Aviation of Peru and the Chief of the Mission.

Article 8. The members of the Mission shall be responsible solely to the Minister of Marine and Aviation of Peru, through the Chief of the Mission.

Article 9. Each member of the Mission shall serve on the Mission with the rank he holds in the United States Navy or Marine Corps and shall wear the uniform of his rank in the United States Navy or Marine Corps, but shall have precedence over all Peruvian officers of the same rank.

Article 10. Each member of the Mission shall be entitled to all benefits or privileges which the Regulations of the Peruvian Air Force provide for Peruvian officers and subordinate personnel of corresponding rank.

Article 11. The personnel of the Mission shall be governed by the disciplinary regulations of the United States Navy.

TITLE IV

Compensation and Perquisites

Article 12. Members of the Mission shall receive from the Government of Peru such net annual compensation expressed in United States currency as may be agreed upon between the Government of the United States and the

Government of Peru for each member. This compensation shall be paid in twelve (12) equal monthly installments, each due and payable on the last day of the month. Payment may be made in Peruvian national currency and when so made shall be computed at the highest value of the dollar at the free market rate of exchange in Lima on the day on which due. Payments made outside of Peru shall be in the national currency of the United States. The compensation shall not be subject to any tax, now or hereafter in effect, of the Government of Peru or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be borne by the Ministry of Marine and Aviation of Peru in order to comply with the provision of this Article that the compensation agreed upon shall be net.

Article 13. The compensation agreed upon in the preceding Article shall begin upon the date of departure from the City of New York of each member of the Mission, and shall continue after the termination of his service with the Mission during his return trip to the City of New York and thereafter for the period of any accumulated leave to which he is entitled.

Article 14. The compensation due for the period of the return trip and accumulated leave shall be paid to a detached member of the Mission before his departure from Peru, and such payment shall be computed for travel by the shortest usually travelled sea route regardless of the route and method of travel used by the member of the Mission.

Article 15. Each member of the Mission and each member of his family shall be provided by the Government of Peru with first-class accommodations for travel required and performed under this Agreement, by the shortest usually travelled sea route between the City of New York and his official residence in Peru, both for the outward and for the return voyage. The expenses of shipment of the household effects, baggage and automobile of each member of the Mission between the City of New York and his official residence in Peru shall also be paid by the Government of Peru; this shall include all necessary expenses incident to unloading from the steamer upon arrival in Peru, cartage between the ship and the residence in Peru, and packing and loading on board the steamer upon departure from Peru. The transportation of such household effects, baggage and automobile shall be made in a single shipment and all subsequent shipments shall be at the expense of the respective members of the Mission except when the result of circumstances beyond their control. Payment by the Government of Peru of the expenses for the transportation of the families, household effects, baggage and automobiles of personnel who may join the Mission for temporary service at the request of the Minister of Marine and Aviation of Peru shall not be obligatory under this Agreement, but shall be determined by negotiations between the Navy Department of the United States and the authorized representative in Washington of the Ministry of Marine

and Aviation of Peru, at such time as the detail of personnel for such temporary service is agreed upon.

Article 16. The Government of Peru shall allot in the budget of the Ministry of Marine and Aviation an amount adequate to pay customs duties on articles imported by the members of the Mission for their personal use and for the use of their families, provided that the Chief of the Mission authorizes such importations.

Article 17. If the services of any member of the Mission should be terminated by the Government of the United States, except as established in the provisions of Article 5, before the completion of two years of service, the provisions of Article 15 shall not apply to the return trip. If the services of any member of the Mission should terminate or be terminated before the completion of two years of service, for any other reason, including those established in Article 5, such member shall receive from the Government of Peru all compensations, emoluments, and perquisites as though he had completed two years of service, but the annual salary shall terminate as provided in Article 13. But should the Government of the United States recall any member for breach of discipline, the cost of the return trip to the United States of such member, his family, household effects, baggage or automobile shall not be borne by the Government of Peru.

Article 18. Compensation for transportation and travelling expenses in the Republic of Peru on official business of the Government of Peru shall be provided by the Government of Peru in accordance with the provisions of Article 10.

Article 19. The Government of Peru shall provide the Chief of the Mission with a suitable automobile with chauffeur, for use on official business. Suitable motor transportation with chauffeur, and when necessary a launch properly equipped, shall on call be made available by the Government of Peru for use by the members of the Mission for the conduct of the official business of the Mission.

Article 20. The Government of Peru shall grant to the personnel of the Mission blanket authorization to make flights in Peru, in United States aircraft or in Peruvian aircraft which shall be made available, as necessary in the conduct of the official business of the Mission, as well as for such periodic flights as may be required to maintain their proficiency as aviators. No liability shall be incurred by any member of the Mission or by the Government of the United States for damage to property or equipment or for injury or death to others as the result of any accident in which a member of the Mission may be involved while engaged in flights in accordance with the provisions of this Agreement.

Article 21. The Government of Peru shall provide suitable office space and facilities for the use of the members of the Mission.

Article 22. If any member of the Mission or any member of his family should die in Peru, the Government of Peru shall have the body transported to such place in the United States as the surviving members of the family may decide, but the cost to the Government of Peru shall not exceed the cost of transporting the remains from the place of decease to the City of New York. Should the deceased be a member of the Mission, his services with the Mission shall be considered to have terminated fifteen (15) days after his death. Return transportation to the City of New York for the family of the deceased member and for their household effects, baggage and automobile shall be provided as prescribed in Article 15. All compensation due the deceased member, including salary for the fifteen (15) days following his death, and reimbursement due the deceased member for expenses and transportation on trips made on official business of the Government of Peru, shall be paid to the widow of the deceased member or to any other person who may have been designated in writing by the deceased while he was serving under the terms of this Agreement; but the widow or other person shall not be compensated for accrued leave due but not taken by the deceased. All compensations due the widow or other person designated by the deceased, under the provisions of this Article, shall be paid before the departure of the widow or such other person from Peru and within fifteen (15) days after the death of the member.

TITLE V

Requisites and Conditions

Article 23. So long as this Agreement, or any extension thereof, is in effect, the Government of Peru shall not engage the services of any personnel of any other foreign government for duties of any nature connected with the Peruvian Air Force, except by mutual agreement between the Government of the United States and the Government of Peru.

Article 24. Each member of the Mission shall agree not to divulge or in any way disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant in his capacity as a member of the Mission. This requirement shall continue in force after the termination of service with the Mission and after the expiration or cancellation of this Agreement or any extension thereof.

Article 25. Throughout this Agreement the term "family" is limited to mean wife and dependent children.

Article 26. Each member of the Mission shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of a year. Unused portions of said leave shall be cumulative from year to year during service as a member of the Mission.

Article 27. The leave specified in the preceding Article may be spent in Peru, in the United States or in other countries, but the expenses of travel

and transportation not otherwise provided for in this Agreement shall be borne by the member of the Mission taking such leave. All travel time, including sea travel, shall count as leave and shall not be in addition to the time authorized in the preceding Article.

Article 28. The Government of Peru agrees to grant the leave specified in Article 26 upon receipt of written application, approved by the Chief of the Mission with due consideration for the convenience of the Government of Peru.

Article 29. Members of the Mission that may be replaced shall terminate their services on the Mission only upon the arrival of their replacements, except when otherwise mutually agreed upon in advance by the respective Governments.

Article 30. The Government of Peru shall provide suitable medical attention to members of the Mission and their families. In case a member of the Mission becomes ill or suffers injury, he shall, at the direction of the Chief of the Mission, be placed in such hospital as the Chief of the Mission deems suitable, after consultation with the Peruvian naval authorities, and all expenses incurred as the result of such illness or injury while the patient is a member of the Mission and remains in Peru shall be paid by the Government of Peru. If the hospitalized member is a commissioned officer he shall pay his cost of subsistence, but if he is an enlisted man the cost of subsistence shall be paid by the Government of Peru. Families shall enjoy the same privileges agreed upon in this Article for members of the Mission, except that a member of the Mission shall in all cases pay the cost of subsistence incident to hospitalization of a member of his family, except as may be provided under Article 10.

Article 31. Any member of the Mission unable to perform his duties with the Mission by reason of long continued physical disability shall be replaced.

IN WITNESS WHEREOF, the undersigned, Sumner Welles, Acting Secretary of State of the United States of America, and Eduardo Garland, Chargé d'Affaires of the Republic of Peru, duly authorized thereto, have signed this Agreement in duplicate in the English and Spanish languages, at Washington, District of Columbia, United States of America, this thirty-first day of July of 1940.

SUMNER WELLES

[SEAL]

EDUARDO GARLAND

[SEAL]

DETAIL OF MILITARY ADVISER TO REMOUNT SERVICE

Agreement signed at Washington April 15, 1941

Entered into force April 15, 1941

Extended by agreement of November 23 and December 20, 1943¹

Superseded by agreement of July 10, 1944²

55 Stat. 1254; Executive Agreement Series 205

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PERU

In conformity with the request of the Ambassador of the Republic of Peru in Washington to the Secretary of State of the United States of America, the President of the United States of America has authorized the appointment of an officer of the United States Army to serve in the Republic of Peru under the conditions specified below.

TITLE I

Duties and Duration

ARTICLE 1. The Government of the United States of America shall place at the disposal of the Government of Peru the technical and professional services of an officer of the United States Army to serve as Adviser to the Remount Service of the Peruvian Army.

ARTICLE 2. The officer detailed to this duty by the Government of the United States of America shall be Colonel Thomas J. Johnson, United States Army, or another officer of similar qualifications in replacement if necessary as may mutually be agreed upon by the Government of the United States of America and the Government of Peru.

ARTICLE 3. This Agreement shall come into force on the date of signature and shall continue in force for a period of three years, unless previously terminated as hereinafter stipulated.

ARTICLE 4. If the Government of Peru should desire that the services of the officer be extended beyond the period stipulated in Article 3, it shall make a written proposal to that effect six months before the expiration of this Agreement.

¹ EAS 363, *post*, p. 1166.

² EAS 409, *post*, p. 1189.

ARTICLE 5. This Agreement may be terminated before the expiration of the period of three years prescribed in Article 3, or before the expiration of the extension authorized in Article 4, in the following manner:

- (a) By either of the Governments, subject to three months' written notice to the other Government;
- (b) By the recall of the officer by the Government of the United States of America in the public interest of the United States of America, without necessity of compliance with provision (a) of this Article.

ARTICLE 6. This Agreement is subject to cancellation upon the initiative of either the Government of the United States of America or the Government of Peru in case either Government becomes involved in domestic or foreign hostilities.

ARTICLE 7. Should the officer become unable to perform his duties by reason of continued physical disability, he shall be replaced.

TITLE II

Requisites and Conditions

ARTICLE 8. The officer shall serve in Peru with the rank he holds in the United States Army, and shall wear the uniform of his rank in the United States Army, but shall have precedence over all Peruvian officers of the same rank.

ARTICLE 9. The officer shall be governed by the disciplinary regulations of the United States Army.

ARTICLE 10. The officer shall be responsible directly and solely to the Minister of War of Peru.

ARTICLE 11. During the period this officer is detailed under this Agreement or any extension thereof, the Government of Peru shall not engage the services of any personnel of any other foreign government for the duties and purposes contemplated by this Agreement.

ARTICLE 12. This officer shall not divulge nor by any means disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant as a natural consequence of his functions, or in any other way, it being understood that this requisite honorably continues even after the expiration or cancelation of the present Agreement or extension thereof.

ARTICLE 13. During the entire duration of this Agreement, this officer shall be entitled to the benefits which the Peruvian Army Regulations provide for officers of corresponding rank in the Peruvian Army.

ARTICLE 14. Throughout this Agreement the term "family" of the officer is limited to mean wife and dependent children.

ARTICLE 15. The officer shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of

a year. Unused portions of said leave shall be cumulative from year to year during the service of the officer under this Agreement.

ARTICLE 16. The leave specified in the preceding Article may be spent in foreign countries, subject to the standing instructions of the United States War Department concerning visits abroad. In all cases the said leave, or portions thereof, shall be taken by the officer only after consultation with the Minister of War of Peru with a view to ascertaining the mutual convenience of the Government of Peru and the officer in respect to this leave.

ARTICLE 17. The expenses of travel and transportation not otherwise provided for in this Agreement shall be borne by the officer in taking such leave. All travel time, including sea travel, shall count as leave and shall not be in addition to the time authorized in Article 15.

TITLE III

Compensations

ARTICLE 18. For the services specified in Article 1 of this Agreement, this officer shall receive from the Government of Peru such net annual compensation expressed in United States currency as may be agreed upon between the Government of the United States of America and the Government of Peru. This compensation shall be paid in twelve (12) monthly installments, as nearly equal as possible, each due and payable on the last day of the month. Payment may be made in the Peruvian national currency and when so made shall be computed at the highest rate of exchange in Lima on the day on which due. Payments made outside of Peru shall be in the national currency of the United States of America. The compensation shall not be subject to any tax, now or hereafter in effect, of the Government of Peru or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be borne by the Ministry of War of Peru.

ARTICLE 19. The compensation set forth in Article 18 shall begin on the date of departure of the officer from the United States of America, and it shall continue after the termination of his services in Peru, during his return trip to the United States of America, and thereafter for the period of any accumulated leave to which he is entitled.

ARTICLE 20. The compensation due for the period of the return trip and accumulated leave shall be paid to the officer before his departure from Peru, and such payment shall be computed for travel by the shortest usually travelled sea route from Peru to the port of the United States of America from which the officer embarked, regardless of the route and method of travel used by him.

ARTICLE 21. The officer and his family shall be provided by the Government of Peru with first-class accommodations for travel required and performed under this Agreement between the port of embarkation from the

United States of America and his official residence in Peru, both for the outward and for the return voyage. The expenses of transportation by land and sea of the officer's household effects and baggage, including automobile, from the port of embarkation in the United States of America to Peru and return, shall also be paid by the Government of Peru. These expenses shall include all necessary costs incidental to unloading from the steamer upon arrival in Peru, cartage from the ship to the officer's residence in Peru, and packing and loading on board the steamer upon departure from Peru upon termination of services. The transportation of such household effects, baggage and automobile shall be made in a single shipment, and all subsequent shipments shall be at the expense of the officer.

ARTICLE 22. The household effects, personal effects and baggage, including an automobile, of the officer and his family, shall be exempt from customs duties in the Republic of Peru, or if such customs duties are imposed and required, an equivalent additional allowance to cover such charge shall be paid by the Government of Peru. During service in Peru the officer shall be permitted to import articles needed for his personal use and for the use of his family without payment of customs duties, provided that his requests for free entry have received the approval of the American Ambassador or Chargé d'Affaires ad interim.

ARTICLE 23. If the services of the officer should be terminated by the Government of the United States of America, except as established in the provisions of Article 6, before the completion of two years of service, the provisions of Article 21 shall not apply to the return trip. If the services of the officer should terminate or be terminated before the completion of two years of service, for any other reason, including those established in Article 6, the officer shall receive from the Government of Peru all compensations, emoluments, and perquisites as though he had completed two years of service, but the annual salary shall terminate as provided in Article 19. But should the Government of the United States of America recall the officer for breach of discipline, the cost of the return trip to the United States of America of such officer, his family, household effects and baggage, and automobile, shall not be borne by the Government of Peru.

ARTICLE 24. Compensation for transportation and travelling expenses in the Republic of Peru on official business of the Government of Peru shall be provided by the Government of Peru in accordance with the provisions of Article 13.

ARTICLE 25. The Government of Peru shall provide suitable office space and facilities for the use of the officer.

ARTICLE 26. The Government of Peru shall provide the officer with an automobile with chauffeur, for his official use, as well as with a cavalry horse and an orderly for his personal service, which shall be provided by the Peruvian Army.

ARTICLE 27. If replacement of the officer is made during the life of this Agreement or any extension thereof, the terms as stipulated in this Agreement shall also apply to the replacement officer, with the exception that the replacement officer shall receive an amount of annual compensation which shall be agreed upon by the two Governments.

ARTICLE 28. The Government of Peru shall provide suitable medical attention for the officer and his family. In case the officer or any member of his family becomes ill or suffers injury, he or she shall be placed in such hospital as the officer deems suitable after consultation with the Ministry of War of Peru. The officer shall in all cases pay the cost of subsistence incident to his hospitalization or that of a member of his family.

ARTICLE 29. If the officer or any member of his family should die in Peru during the period while this Agreement is in effect, the Government of Peru shall have the body transported to such place in the United States of America as the family may decide, but the cost to the Government of Peru shall not exceed the cost of transporting the remains from the place of decease to New York City. Should the deceased be the officer, his services shall be considered to have terminated fifteen (15) days after his death. Return transportation to the United States of America for the family of the deceased officer and for their household effects, baggage and automobile shall be provided as prescribed in Article 21. All compensation due the deceased officer and reimbursement due the deceased officer for expenses and transportation on official business of the Government of Peru shall be paid to the widow of the officer, or to any other person who may have been designated in writing by the officer, provided such widow or other person shall not be compensated for the accrued leave of the deceased, and further provided that these compensations shall be paid within fifteen (15) days after the death of the officer.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Agreement in two texts in duplicate, each one in the English and Spanish languages, in Washington, District of Columbia, United States of America, this fifteenth day of April, 1941.

CORDELL HULL

[SEAL]

Secretary of State

of the United States of America

M. DE FREYRE Y S

[SEAL]

Ambassador of the Republic of Peru

DETAIL OF OFFICER AS ASSISTANT TO MILITARY ADVISER TO REMOUNT SERVICE

Agreement signed at Washington March 11, 1942

*Entered into force March 11, 1942; operative from February 14,
1942*

Expired February 14, 1945

56 Stat. 1424; Executive Agreement Series 240

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA BETWEEN THE GOVERNMENT OF THE REPUBLIC OF PERU

In conformity with the request of the Minister of Foreign Affairs of the Republic of Peru in Lima to the Secretary of State of the United States of America, the President of the United States of America has authorized the appointment of an officer of the United States Army to serve in the Republic of Peru under the conditions specified below.

TITLE I

Duties and Duration

ARTICLE 1. The Government of the United States of America shall place at the disposal of the Government of Peru the technical and professional services of an officer of the United States Army to serve as Assistant to the Adviser of the Remount Service of the Peruvian Army.

ARTICLE 2. The officer detailed to this duty by the Government of the United States of America shall be Captain D. Russell McNellis, United States Army, or another officer of similar qualifications in replacement if necessary as may mutually be agreed upon by the Government of the United States of America and the Government of Peru.

ARTICLE 3. This Agreement shall be considered as having come into force on February 14, 1942, and shall continue in force for a period of three years, unless previously terminated as hereinafter stipulated.

ARTICLE 4. If the Government of Peru should desire that the services of the officer be extended beyond the period stipulated in Article 3, it shall make a written proposal to that effect six months before the expiration of this Agreement.

ARTICLE 5. This Agreement may be terminated before the expiration of the period of three years prescribed in Article 3, or before the expiration of the extension authorized in Article 4, in the following manner:

(a) By either of the Governments, subject to three months' written notice to the other Government;

(b) By the recall of the officer by the Government of the United States of America in the public interest of the United States of America, without necessity of compliance with provision (a) of this Article.

ARTICLE 6. This Agreement is subject to cancelation upon the initiative of either the Government of the United States of America or the Government of Peru at any time during a period when either Government is involved in domestic or foreign hostilities.

ARTICLE 7. Should the officer become unable to perform his duties by reason of continued physical disability, he shall be replaced.

TITLE II

Requisites and Conditions

ARTICLE 8. The officer shall serve in Peru with the rank he holds in the United States Army, and shall wear the uniform of his rank in the United States Army, but shall have precedence over all Peruvian officers of the same rank.

ARTICLE 9. The officer shall be governed by the disciplinary regulations of the United States Army.

ARTICLE 10. The officer shall be responsible directly and solely to the Minister of War of Peru.

ARTICLE 11. During the period this officer is detailed under this Agreement or any extension thereof, the Government of Peru shall not engage the services of any personnel of any other foreign government for the duties and purposes contemplated by this Agreement.

ARTICLE 12. This officer shall not divulge nor by any means disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant as a natural consequence of his functions, or in any other way, it being understood that this requisite honorably continues even after the expiration or cancelation of the present Agreement or extension thereof.

ARTICLE 13. During the entire duration of this Agreement, this officer shall be entitled to the benefits which the Peruvian Army Regulations provide for officers of corresponding rank in the Peruvian Army.

ARTICLE 14. Throughout this Agreement the term "family" of the officer is limited to mean wife and dependent children.

ARTICLE 15. The officer shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of

a year. Unused portions of said leave shall be cumulative from year to year during the service of the officer under this Agreement.

ARTICLE 16. The leave specified in the preceding Article may be spent in foreign countries, subject to the standing instructions of the United States War Department concerning visits abroad. In all cases the said leave, or portions thereof, shall be taken by the officer only after consultation with the Minister of War of Peru with a view to ascertaining the mutual convenience of the Government of Peru and the officer in respect to this leave.

ARTICLE 17. The expenses of travel and transportation not otherwise provided for in this Agreement shall be borne by the officer in taking such leave. All travel time, including sea travel, shall count as leave and shall not be in addition to the time authorized in Article 15.

TITLE III

Compensations

ARTICLE 18. For the services specified in Article 1 of this Agreement, this officer shall receive from the Government of Peru such net annual compensation expressed in United States currency as may be agreed upon between the Government of the United States of America and the Government of Peru. This compensation shall be paid in twelve (12) monthly installments, as nearly equal as possible, each due and payable on the last day of the month. Payment may be made in the Peruvian national currency and when so made shall be computed at the highest rate of exchange in Lima on the day on which due. Payments made outside of Peru shall be in the national currency of the United States of America. The compensation shall not be subject to any tax, now or hereafter in effect, of the Government of Peru or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be borne by the Minister of War of Peru.

ARTICLE 19. The compensation set forth in Article 18 shall begin on the date of departure of the officer from the United States of America, and it shall continue after the termination of his services in Peru, during his return trip to the United States of America, and thereafter for the period of any accumulated leave to which he is entitled.

ARTICLE 20. The compensation due for the period of the return trip and accumulated leave shall be paid to the officer before his departure from Peru, and such payment shall be computed for travel by sea, air or land or any combination thereof to the actual port of entry of the United States of America.

ARTICLE 21. The officer and his family shall be provided by the Government of Peru with first-class accommodations for travel required and performed under this Agreement between the port of embarkation from the United States of America and his official residence in Peru, both for the out-

ward and for the return voyage. The expenses of transportation by land and sea of the officer's household effects and baggage, including automobile, from the port of embarkation in the United States of America to Peru and return, shall also be paid by the Government of Peru. These expenses shall include all necessary costs incidental to unloading from the steamer upon arrival in Peru, cartage from the ship to the officer's residence in Peru, and packing and loading on board the steamer upon departure from Peru upon termination of services. The transportation of such household effects, baggage and automobile shall be made in a single shipment, and all subsequent shipments shall be at the expense of the officer except when such shipments are necessitated by circumstances beyond his control.

ARTICLE 22. The household effects, personal effects and baggage, including an automobile, of the officer and his family, shall be exempt from customs duties in the Republic of Peru, or if such customs duties are imposed and required, an equivalent additional allowance to cover such charge shall be paid by the Government of Peru. During service in Peru the officer shall be permitted to import articles needed for his personal use and for the use of his family without payment of customs duties, provided that his requests for free entry have received the approval of the American Ambassador or Chargé d'Affaires ad interim.

ARTICLE 23. If the services of the officer should be terminated by the Government of the United States of America, except as established in the provisions of Article 6, before the completion of two years of service, the provisions of Article 21 shall not apply to the return trip. If the services of the officer should terminate or be terminated before the completion of two years of service, for any other reason, including those established in Article 6, the officer shall receive from the Government of Peru all compensations, emoluments, and perquisites as though he had completed two years of service, but the annual salary shall terminate as provided in Article 19. But should the Government of the United States of America recall the officer for breach of discipline, the cost of the return trip to the United States of America of such officer, his family, household effects and baggage, and automobile, shall not be borne by the Government of Peru.

ARTICLE 24. Compensation for transportation and travelling expenses in the Republic of Peru on official business of the Government of Peru shall be provided by the Government of Peru in accordance with the provisions of Article 13.

ARTICLE 25. The Government of Peru shall provide suitable office space and facilities for the use of the officer.

ARTICLE 26. The Government of Peru shall provide the officer with an automobile with chauffeur, for his official use, as well as with a cavalry horse and an orderly for his personal service, which shall be provided by the Peruvian Army.

ARTICLE 27. If replacement of the officer is made during the life of this Agreement or any extension thereof, the terms as stipulated in this Agreement shall also apply to the replacement officer, with the exception that the replacement officer shall receive an amount of annual compensation which shall be agreed upon by the two Governments.

ARTICLE 28. The Government of Peru shall provide suitable medical attention for the officer and his family. In case the officer or any member of his family becomes ill or suffers injury, he or she shall be placed in such hospital as the officer deems suitable after consultation with the Ministry of War of Peru. The officer shall in all cases pay the cost of subsistence incident to his hospitalization or that of a member of his family.

ARTICLE 29. If the officer or any member of his family should die in Peru during the period while this Agreement is in effect, the Government of Peru shall have the body transported to such place in the United States of America as the family may decide, but the cost to the Government of Peru shall not exceed the cost of transporting the remains from the place of decease to New York City. Should the deceased be the officer, his services shall be considered to have terminated fifteen (15) days after his death. Return transportation to the United States of America for the family of the deceased officer and for their household effects, baggage and automobile shall be provided as prescribed in Article 21. All compensation due the deceased officer and reimbursement due the deceased officer for expenses and transportation on official business of the Government of Peru shall be paid to the widow of the officer, or to any other person who may have been designated in writing by the officer, provided such widow or other person shall not be compensated for the accrued leave of the deceased, and further provided that these compensations shall be paid within fifteen (15) days after the death of the officer.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Agreement in two texts in duplicate, each one in the English and Spanish languages, in Washington, this eleventh day of March, 1942.

SUMNER WELLES [SEAL]
*Acting Secretary of State
of the United States of America*

M. DE FREYRE Y S [SEAL]
*Ambassador Extraordinary and Plenipotentiary
of the Republic of Peru at Washington*

AGRICULTURAL EXPERIMENT STATION AT TINGO MARIA

Memorandum of agreement signed at Washington April 21, 1942

Entered into force April 21, 1942

Amended by agreement of March 17 and June 1, 1948¹

Superseded by agreement of April 21, 1952²

62 Stat. 3474; Treaties and Other
International Acts Series 1866

MEMORANDUM OF AGREEMENT

The Government of the United States of America, through the United States Department of Agriculture, and the Government of Peru desiring to cooperate in the establishment and operation of an agricultural experiment station at Tingo Maria, Peru, for the purpose of promoting the production of basic and strategic tropical products have reached the following agreement:

1. The general functions of the station shall include: (a) agronomic production investigations necessary to permanent agriculture in the Tingo Maria region and in general over the whole of the Peruvian Amazon basin with complementary products, particularly rubber, as the cash crops; (b) extension of approved agricultural practices by the operation of demonstration farms, and by agricultural extension work as liaison between the station and the private farms; (c) the propagation and distribution of planting material to farmers; and (d) cooperation with other agricultural institutions of the Western Hemisphere in the promotion of tropical agriculture through consultation and the exchange of scientific information and personnel.

2. The Government of Peru will make available all land necessary to conduct investigations and demonstration work designed to promote the profitable production of export crops, such as rubber, fibers, insecticides, medicinals, et cetera, and increase the income and foreign trade of the people of Peru. Such land shall be selected by the director of the station in cooperation with the appropriate governmental agency of Peru, and the Government of Peru shall permit the continued use of the land by the experiment station

¹ TIAS 1866, *post*, p. 1274.

² Not printed.

free of charge. The land shall include a minimum of 500 hectares in the vicinity of the central station at Tingo Maria, and at least three other parcels with a minimum of 50 hectares each which shall be representative of various natural land divisions of the Amazonas.

3. The Government of Peru also agrees to construct: (a) residences, complete with furnishings, for the North American and Peruvian members of the staff, except stoves and refrigerators not manufactured in Peru; (b) a laboratory, office and library building for technical work; and (c) service buildings, including repair shops, one or more buildings for the preparation and propagation of plant material, a building for the storage of equipment and plant material, and such buildings as may be needed for studies in live-stock production and the housing of pilot plants for processing agricultural production for shipment.

4. The Peruvian Government shall provide: (a) complete furnishings, services, and equipment, except scientific equipment and apparatus not produced or manufactured in Peru, for the laboratory, office, and library building; (b) an adequate and pure water supply; (c) recreational facilities such as tennis courts, swimming pool, et cetera; (d) a graduate medical doctor and surgeon at the existing hospital at Tingo Maria; (e) agricultural publications, necessary to the proper functioning of the station, including reference books, noncurrent journals, and all journals and bulletins published outside of the United States, as well as the binding of journals; and (f) the funds necessary for the preparation, printing and distribution of four types of publications to be issued by the station as follows:

(1) A popular Spanish periodical written for the farm family and containing articles by the staff and other qualified persons on such subjects as health, hygiene, community organization, information on the Amazonas region, aims of the experiment station, treatment of agricultural practices and methodology.

(2) farm circulars written in Spanish and issued as required, dealing with specific farm practices or products,

(3) technical bulletins in English or Spanish dealing with the results of specific scientific investigation at the station, and

(4) an annual report in Spanish, covering the work of the station performed during the year, and the status of agriculture in the region;

(g) the services of at least one Peruvian scientist to cooperate with the scientists detailed to Peru by the United States Department of Agriculture, and the services of technologists qualified in the fields of land-surveying, topography, drainage, drafting, minor construction, botany, entomology, chemical analysis, and library management; (h) stenographers, clerks, mechanics, machinists, field plot and laboratory assistants, and such unskilled labor as

may be necessary to conduct the work of the experiment station; and (i) the transportation expenses incurred by Peruvian and United States members of the station staff for travel on station business within Peru. The Peruvian Government also undertakes, when possible, to maintain Peruvian students in graduate study in each of the fields of agriculture in colleges or universities in the United States.³

5. The Government of the United States of America, through the United States Department of Agriculture, and subject to the availability of funds for the purpose, agrees to provide; (a) the services of scientists to perform the functions of director of the station, agronomist, plant geneticist and breeder, pedologist, animal husbandman, rubber specialist, and agricultural extension specialist; (b) current scientific journals on plant and animal science published in the United States; (c) scientific equipment and apparatus not produced or manufactured in Peru; (d) stoves and refrigerators not manufactured in Peru, for the residences of the staff; (e) hand and mechanical tools for the station shops; (f) hospital equipment for the treatment of emergency cases; and (g) for the designing of all buildings, including residences for the Peruvian and North American members of the staff.

6. The Government of the United States of America and the Government of Peru mutually agree: (a) that the agricultural experiment station shall be governed by a commission composed of one representative of each of the two Governments; that the commission shall have authority to make all appointments after approval by the Peruvian Government, and to direct and supervise the work and in general have full responsibility and authority in all matters necessary to the proper functioning of the station, provided that the governing commission may delegate to the Director of the station such of its functions as it may deem fit; (b) that the United States Department of Agriculture shall provide the services of an executive secretary to assist the governing commission; (c) that, exclusive of salaries of the scientists made available to the station by the United States Department of Agriculture, the obligations of the United States Government shall not exceed \$60,000 the first year, nor more than \$40,000 in any one fiscal year thereafter; (d) that the furnishing of the items described under clauses (c), (d), (e) and (f) of numbered paragraph 5, of this Agreement shall be contingent upon the availability of supplies of such items in the United States; and (e) that the obligations assumed by the Government of Peru under numbered paragraph 3, and clauses (a), (b) and (c) of numbered paragraph 4, shall not be construed to commit the Peruvian Government to an additional expenditure in excess of 1,000,000 soles.

7. This Agreement shall come in force on the day of signature and shall continue in force for a period of ten years, unless the Congress of either

³ For an amendment to para. 4, see agreement of Mar. 17 and June 1, 1948 (TIAS 1866), *post*, p. 1274.

country shall fail to appropriate the funds necessary for its execution in which event it may be terminated on sixty days written notice by either Government.

For the United States of America:

CLAUDE R. WICKARD

Secretary of Agriculture

For the Republic of Peru:

DAVID DASSO

Minister of Finance

WASHINGTON, D.C.

April 21, 1942

MAPPING

Exchange of notes at Lima March 7 and April 23, 1942

Entered into force April 23, 1942

Department of State files

The American Ambassador to the Minister of Foreign Affairs

No. 699

LIMA, March 7, 1942

EXCELLENCY:

I have the honor to invite Your Excellency's sympathetic attention to the desire of the Air Corps of the War Department of the United States that photographic mapping of air lanes be begun in various of the Latin American nations, with a view to making aeronautical charts for air navigation which are urgently needed for the defense of the Hemisphere and which are not available in reliable form at the present time.

The War Department's plan contemplates commencing operations as soon after the first of March as possible, simultaneously in the various countries. Under the direction of the commanding general of the Caribbean Defense Command, flight parties, as well as ground parties, will be dispatched. Length of sojourn is dependent upon meteorological conditions, as are dates of arrival.

Each country is to receive 200 copies of finished charts covering its own territory, as well as three contact prints of each negative. The War Department is prepared to furnish these, as well as to arrange to give demonstration work locally, to train attached personnel in small groups in aerial laboratory procedure, and to carry on photographic flights a technical representative of the Government of Peru.

It is the War Department's desire that personnel proceed without passports or visas, but in uniform. The War Department also desires to supply information with respect to scope of operations and with respect to the initial entry of planes and personnel, through the military attaché of the United States, from the commanding general, Caribbean Defense Command.

In view of the foregoing, and of the deep interest manifested by the Peruvian Government in cooperating in the defense of the hemisphere, I have the honor to request Your Excellency's support to the end that permission for the work outlined above may be granted as promptly as possible. I need not stress to Your Excellency the advantages which will accrue to the aviation of Peru, as well as to the United States and to Inter-American interests generally, through completion of the proposed enterprise.

I avail myself of this occasion to extend to Your Excellency the renewed assurance of my highest consideration.

R. HENRY NORWEB

His Excellency

Dr. ALFREDO SOLF Y MURO,
Minister for Foreign Affairs,
Lima.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

No. : 6-3-133

LIMA, April 23, 1942

MR. AMBASSADOR:

I have the honor to inform Your Excellency, with reference to your note No. 699, that the Ministry of the Navy and Air Force informs this Foreign Office that, in view of the importance to the Peruvian Air Force of the preparation of photographic maps of the country's airfields, it is granting the permission requested in Your Excellency's aforementioned note.

Accordingly, at the request of the Ministry of the Navy and Air Force, I would greatly appreciate it if Your Excellency would be good enough to indicate the date for starting the work in question, so that steps may be taken to facilitate carrying out this work most effectively.

I avail myself of the opportunity to renew to you the assurances of my highest and most distinguished consideration.

ALFREDO SOLF Y MURO

His Excellency

R. HENRY NORWEB,
Ambassador of the United States,
City.

PURCHASE OF RUBBER PRODUCED IN PERU

Exchange of notes at Washington April 23, 1942

Entered into force April 23, 1942

Terminated June 30, 1947¹

1942 For. Rel. (VI) 667

The Peruvian Minister of Finance and Commerce to the Secretary of State

PERUVIAN EMBASSY
WASHINGTON, D.C.

APRIL 23, 1942

MY DEAR MR. SECRETARY:

I am happy to be able to advise you that the Government of Peru has initiated measures designed to increase the available supplies of Peruvian rubber, and that it suggests to the Government of the United States the following proposal designed to assure to the United States the maximum amounts of raw rubber.

(1) In order to stimulate the development of the raw rubber resources of Peru, Rubber Reserve Company would establish a fund of \$1,125,000 to be available to Peruvian Amazon Corporation for the purpose of increasing the wild rubber production in Peru as approved by Rubber Reserve Company. It is estimated that the expenditure of this sum should result in increasing the export of Peruvian rubber to the United States to an annual total of not less than 6,000 long tons.

(2) Peruvian Amazon Corporation, or some other Peruvian governmental department or agency, would become the sole ultimate purchaser of rubber, both for export and for domestic consumption except that Rubber Reserve Company may buy rubber for its own account provided Peru after consultation in each instance makes no objection to such action. The Government of Peru would maintain internal and export quotas with the view to making available to the United States the maximum amounts of raw rubber.

It is understood that the Government of the United States will collaborate with the Government of Peru with the view of assuring to the Government

¹ With termination of memorandum of understanding of Apr. 23, 1942, for purchase of rubber between Peru and Rubber Reserve Company (not printed), as extended by exchange of notes of May 15 and 18, 1945 (not printed).

of Peru an equitable distribution of the supplies of rubber products available to the United States and to Peru on the basis of relative needs and of the present emergency, and that the Government of Peru will limit the consumption of crude rubber and the use of rubber products to the extent necessary to permit its maximum contribution to the defense of the Hemisphere. It is contemplated by the Government of Peru that, on this basis, its internal consumption of rubber will not exceed 468 long tons per annum.

(3) Rubber Reserve Company would enter into a five year agreement with the Government of Peru for the purchase of rubber produced in Peru.

(4) The Government of Peru and the Government of the United States would collaborate fully for the purpose of increasing the output of Peruvian raw rubber.

(5) In furtherance of Resolution XXX adopted at the Rio de Janeiro conference of Foreign Ministers,² the Government of the United States would extend to development work in the Amazon Valley and adjacent regions the good offices of the Health and Sanitation Division established by the Office of the Coordinator of Inter-American Affairs to carry out a program of improving health and sanitation conditions in cooperation with Governmental agencies of the other American republics.

I believe that the foregoing proposal will substantially further the effectiveness of Resolution II of the Rio de Janeiro Conference³ wherein the Government of Peru undertook to collaborate with the other American republics to the fullest degree possible in the mobilization of its economic resources with the special objective of increasing the production of those strategic materials essential for the defense of the Hemisphere against armed aggression and for the maintenance of the economies of Peru and the other American republics.

On behalf of the Government of Peru and in accordance with the conversations which I have had with officials of the Government of the United States, I request that the Government of the United States give consideration to the above proposals.

I avail myself of the opportunity to present to Your Excellency the assurance of my highest consideration.

DAVID DASSO
*Minister of Finance
and Commerce*

The Honorable
CORDELL HULL,
Secretary of State.

² For text, see *Department of State Bulletin*, Feb. 7, 1942, p. 137.

³ For text, see *ibid.*, p. 119.

The Secretary of State to the Peruvian Minister of Finance and Commerce

APRIL 23, 1942

EXCELLENCY:

I acknowledge the receipt of your note of April 23, 1942, outlining a program for the development of the production of rubber in Peru as a project for economic cooperation between the United States and Peru in furtherance of Resolution II of the Third Meeting of the Ministers of Foreign Affairs of the American Republics at Rio de Janeiro.

I am pleased to inform you that the appropriate agencies of the Government of the United States have considered this proposal and are prepared to undertake this development in accordance with the specific proposals with respect thereto mentioned in your note.

I believe that this program will be a substantial step forward in developing mutually advantageous economic relations between our two countries as contemplated by the Resolution adopted at the conference at Rio de Janeiro.

Accept, Excellency, the assurances of my most distinguished consideration.

CORDELL HULL

His Excellency

DAVID DASSO,

Minister of Finance and Commerce of Peru.

RECIPROCAL TRADE

*Agreement and exchanges of notes signed at Washington May 7,
1942¹*

Proclaimed by the President of the United States June 29, 1942

Proclaimed by Peru June 29, 1942

Entered into force July 29, 1942

Terminated October 7, 1951²

56 Stat. 1509; Executive Agreement Series 256

TRADE AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PERU

The President of the United States of America and the President of the Republic of Peru, being desirous of strengthening the traditional bonds of friendship between the two countries by maintaining the principle of equality of treatment as the basis of commercial relations and by granting mutual and reciprocal concessions and advantages for the promotion of trade, have through their respective plenipotentiaries arrived at the following agreement:

ARTICLE I

With respect to customs duties or charges of any kind imposed on or in connection with importation or exportation, and with respect to the method of levying such duties or charges, and with respect to all rules and formalities in connection with importation or exportation, and with respect to all laws or regulations affecting the sale, taxation or use of imported articles within the country, any advantage, favor, privilege or immunity which has been or may hereafter be granted by the United States of America or the Republic of Peru to any article originating in or destined for any third country shall be accorded immediately and unconditionally to the like article originating in or destined for the Republic of Peru or the United States of America, respectively.

ARTICLE II

Articles the growth, produce or manufacture of the United States of America or the Republic of Peru, shall, after importation into the other

¹ For schedules annexed to agreement, see 56 Stat. 1524 or p. 18 of EAS 256.

² Date on which Peru became a contracting party to the General Agreement on Tariffs and Trade; see understanding effected by exchange of notes Sept. 12 and 28, 1951 (3 UST 2548; TIAS 2421).

country, be exempt from all internal taxes, fees, charges or exactions other or higher than those imposed on like articles of national origin or of any other foreign origin.

ARTICLE III

1. No prohibition or restriction of any kind shall be imposed by the Government of the United States of America or the Government of the Republic of Peru on the importation of any article the growth, produce or manufacture of the other country or upon the exportation of any article destined for the other country, unless the importation of the like article the growth, produce or manufacture of all third countries, or the exportation of the like article to all third countries, respectively, is similarly prohibited or restricted.

2. No restriction of any kind shall be imposed by the Government of the United States of America or by the Government of the Republic of Peru on the importation from the other country of any article in which that country has an interest, whether by means of import licenses or permits or otherwise, unless, the total quantity or value of such article permitted to be imported during a specified period, or any change in such quantity or value, shall have been established and made public. If the Government of the United States of America or the Government of the Republic of Peru allots a share of such total quantity or value to any third country, it shall allot to the other country, unless it is mutually agreed to dispense with such allotment, a share based upon the proportion of the total imports of such article supplied by that country in a previous representative period, account being taken in so far as practicable of any special factors which may have affected or may be affecting the trade in that article, and shall make such share available so as to facilitate its full utilization. No limitation or restriction of any kind other than such an allotment shall be imposed, by means of import licenses or permits or otherwise, on the share of such total quantity or value which may be imported from the other country.

3. The provisions of this article shall apply in respect of the quantity or value of any article permitted to be imported at a specified rate of duty.

ARTICLE IV

1. If the Government of the United States of America or the Government of the Republic of Peru establishes or maintains any form of control of the means of international payment, it shall accord unconditional most-favored-nation treatment to the commerce of the other country with respect to all aspects of such control.

2. The Government establishing or maintaining such control shall impose no prohibition, restriction or delay on the transfer of payment for any article the growth, produce or manufacture of the other country which is not imposed on the transfer of payment for the like article the growth, produce or manufacture of any third country. With respect to rates of exchange and

with respect to taxes or charges on exchange transactions, articles the growth, produce or manufacture of the other country shall be accorded unconditionally treatment no less favorable than that accorded to the like articles the growth, produce or manufacture of any third country. The foregoing provisions shall also extend to the application of such control to payments necessary for or incidental to the importation of articles the growth, produce or manufacture of the other country. In general, the control shall be administered so as not to influence to the disadvantage of the other country the competitive relationships between articles the growth, produce or manufacture of the territories of that country and like articles the growth, produce or manufacture of third countries.

ARTICLE V

1. In the event that the Government of the United States of America or the Government of the Republic of Peru establishes or maintains a monopoly for the importation, production or sale of a particular article or grants exclusive privileges, formally or in effect, to one or more agencies to import, produce or sell a particular article, the Government of the country establishing or maintaining such monopoly, or granting such exclusive privileges, agrees that in respect of the foreign purchases of such monopoly or agency the commerce of the other country shall be accorded fair and equitable treatment. To this end such monopoly or agency will, in making its foreign purchases of any article, be influenced solely by considerations, such as price, quality, marketability and terms of sale, which would ordinarily be taken into account by a private commercial enterprise interested solely in purchasing on the most favorable terms.

2. The Government of the United States of America and the Government of the Republic of Peru, in the awarding of contracts for public works and generally in the purchase of supplies, shall accord fair and equitable treatment to the commerce of the other country as compared with the treatment accorded to the commerce of other foreign countries.

ARTICLE VI

1. Laws, regulations of administrative authorities and decisions of administrative or judicial authorities of the United States of America and the Republic of Peru, respectively, pertaining to the classification of articles for customs purposes or to rates of duty shall be published promptly in such manner as to enable traders to become acquainted with them.

2. No administrative ruling by the Government of the United States of America or the Government of the Republic of Peru effecting advances in rates of duties or in charges applicable under an established and uniform practice to imports originating in the territory of the other country, or imposing any new requirement with respect to such importations, shall be effec-

tive retroactively or, as a general rule, with respect to articles either entered, or withdrawn from warehouse, for consumption prior to the expiration of thirty days after the date of publication of notice of such ruling in the usual official manner. The provisions of this paragraph do not apply to administrative orders imposing anti-dumping duties, or relating to regulations for the protection of human, animal or plant life or health, or relating to public safety, or giving effect to judicial decisions.

ARTICLE VII

1. Articles the growth, produce or manufacture of the United States of America, enumerated and described in schedule I annexed to this agreement³ and made an integral part thereof, on their importation into the Republic of Peru, if now exempt from ordinary customs duties, shall continue to be so exempt or, if now dutiable, shall be exempt from ordinary customs duties in excess of those set forth and provided for in the said schedule, subject to the conditions therein set out.

2. The said articles shall also be exempt from all other duties, taxes, fees, charges or exactions, imposed on or in connection with importation, in excess of those imposed on the day of the signature of this agreement or required to be imposed thereafter under the laws of the Republic of Peru in force on that day.

ARTICLE VIII

1. Articles the growth, produce or manufacture of the Republic of Peru, enumerated and described in schedule II annexed to this agreement and made an integral part thereof, on their importation into the United States of America, if now exempt from ordinary customs duties, shall continue to be so exempt or, if now dutiable, shall be exempt from ordinary customs duties in excess of those set forth and provided for in the said schedule, subject to the conditions therein set out.

2. The said articles shall also be exempt from all other duties, taxes, fees, charges or exactions, imposed on or in connection with importation, in excess of those imposed on the day of the signature of this agreement or required to be imposed thereafter under the laws of the United States of America in force on that day.

ARTICLE IX

The provisions of articles VII and VIII of this agreement shall not prevent the Government of the United States of America or the Government of the Republic of Peru from imposing at any time on the importation of any article a charge equivalent to an internal tax imposed in respect of a like domestic article or in respect of a commodity from which the imported article has been manufactured or produced in whole or in part.

³ See footnote 1, p. 1143.

ARTICLE X

1. No prohibition, restriction or any other form of quantitative regulation, whether or not operated in connection with any agency of centralized control, shall be imposed by the Government of the Republic of Peru on the importation or sale of any article the growth, produce or manufacture of the United States of America enumerated and described in schedule I, or by the Government of the United States of America on the importation or sale of any article the growth, produce or manufacture of the Republic of Peru enumerated and described in schedule II.

2. The foregoing provision shall not apply to quantitative regulations in whatever form imposed by the Government of the United States of America or by the Government of the Republic of Peru on the importation or sale of any article the growth, produce or manufacture of the other country, in conjunction with governmental measures or measures under governmental authority operating to regulate or control the production, market supply, quality or prices of like domestic articles, or tending to increase the labor costs of production of such articles, or to maintain the exchange value of the currency of the country. Whenever the Government of the United States of America or the Government of the Republic of Peru proposes to impose or to alter substantially any quantitative regulation authorized by this paragraph, it shall give notice thereof in writing to the other Government and shall afford such other Government an opportunity to consult with it in respect of the proposed action, in accordance with the procedure provided for in article XI.

3. The provisions of paragraph 1 of this article shall not apply in respect of quantitative restrictions imposed by the Government of the United States of America on imports of coffee from Peru pursuant to the provisions of the Inter-American Coffee Agreement signed on November 28, 1940⁴ or of any other international agreement.

ARTICLE XI

1. If the Government of the United States of America or the Government of the Republic of Peru should consider that any circumstance, or any measure adopted by the other Government, even though it does not conflict with the terms of this agreement, has the effect of nullifying or impairing any object of the agreement or of prejudicing an industry or the commerce of the country, such other Government shall give sympathetic consideration to such written representations or proposals as may be made with a view to effecting a mutually satisfactory adjustment of the matter. If agreement is not reached with respect to the matter within thirty days after such representations or proposals are received, the Government which made them shall be free, within fifteen days after the expiration of the aforesaid period of thirty

⁴ TS 970, *ante*, vol. 3, p. 671.

days, to terminate this agreement in whole or in part on thirty days' written notice.

2. The Government of the United States of America and the Government of the Republic of Peru agree to consult to the fullest possible extent in regard to all matters affecting the operation of the present agreement. In order to facilitate such consultation, a commission consisting of representatives of each Government shall be established to study the operation of the agreement, to make recommendations regarding the fulfillment of the provisions of the agreement, and to consider such other matters as may be submitted to it by the two Governments.

ARTICLE XII

1. The provisions of this agreement relating to the treatment to be accorded by the United States of America and the Republic of Peru, respectively, to the commerce of the other country shall apply to the respective customs territories of the two countries.

2. Furthermore, the provisions of this agreement relating to most-favored-nation treatment shall apply to all territory under the sovereignty or authority of the United States of America or the Republic of Peru, except that they shall not apply to the Panama Canal Zone.

ARTICLE XIII

1. The advantages now accorded or which may hereafter be accorded by the United States of America or the Republic of Peru to adjacent countries in order to facilitate frontier traffic, and advantages accorded by virtue of a customs union to which either country may become a party, shall be excepted from the operation of this agreement.

2. The advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another or to the Republic of Cuba shall be excepted from the operation of this agreement. The provisions of this paragraph shall continue to apply in respect of any advantages now or hereafter accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another, irrespective of any change in the political status of any of the territories or possessions of the United States of America.

ARTICLE XIV

1. Nothing in this agreement shall be construed to prevent the adoption or enforcement of measures

- (a) imposed on moral or humanitarian grounds;
- (b) designed to protect human, animal or plant life or health;
- (c) relating to prison-made goods;

- (d) relating to the enforcement of police or revenue laws;
- (e) relating to the importation or exportation of gold or silver;
- (f) relating to the control of the export or sale for export of arms, ammunition, or implements of war, and, in exceptional circumstances, all other military supplies;
- (g) relating to neutrality;
- (h) relating to public security, or imposed for the protection of the country's essential interests in time of war or other national emergency.

2. The provisions of this agreement relating to the sale, taxation or use of imported articles within the United States of America are understood to be subject to the constitutional limitations on the authority of the Federal Government.

ARTICLE XV

1. Greater than nominal penalties shall not be imposed in the United States of America or in the Republic of Peru upon importations of articles the growth, produce or manufacture of the other country because of errors in documentation obviously clerical in origin or where good faith can be established.

2. The Government of the United States of America and the Government of the Republic of Peru will accord sympathetic consideration to, and when requested will afford adequate opportunity for consultation regarding, such representations as the other Government may make with respect to the operation of customs regulations, quantitative regulations or the administration thereof, the observance of customs formalities, and the application of sanitary laws and regulations for the protection of human, animal or plant life or health.

3. In the event that the Government of the United States of America or the Government of the Republic of Peru makes representations to the other Government in respect of the application of any sanitary law or regulation for the protection of human, animal or plant life or health, and if there is disagreement with respect thereto, a committee of technical experts on which each Government shall be represented shall, on the request of either Government, be established to consider the matter and to submit recommendations with respect thereto.

ARTICLE XVI

1. This agreement shall enter into full force on the thirtieth day following proclamation thereof by the President of the United States of America and the President of the Republic of Peru or, should the proclamations be issued on different days, on the thirtieth day following the date of the later in time of such proclamations, and, subject to the provisions of article XI, shall remain in force for a period of two years thereafter. The Government of each country shall notify the Government of the other country of the date of its proclamation.

2. Unless six months before the expiration of the aforesaid period of two years the Government of the United States of America or the Government of the Republic of Peru shall have given to the other Government notice of intention to terminate this agreement upon the expiration of the aforesaid period, the agreement shall remain in force thereafter, subject to the provisions of article XI, until six months from the date on which notice of intention to terminate it shall have been given by either Government.

IN WITNESS WHEREOF, the respective plenipotentiaries have signed this agreement and have affixed their seals hereto.

DONE in duplicate, in the English and Spanish languages, both authentic, at the city of Washington this seventh day of May, 1942.

For the President of the United States of America:

CORDELL HULL [SEAL]
*Secretary of State
of the United States of America*

For the President of the Republic of Peru:

DAVID DASSO [SEAL]
*Minister of Finance and Commerce
of the Republic of Peru*

[For schedules annexed to agreement, see 56 Stat. 1524 or p. 18 of EAS 256.]

EXCHANGES OF NOTES

The Peruvian Minister of Finance and Commerce to the Secretary of State

[TRANSLATION]

EMBASSY OF PERU
WASHINGTON, D.C.

MAY 7, 1942

EXCELLENCY:

I have the honor to refer to the conversations which have taken place in the course of the negotiation of the trade agreement signed this day between the Republic of Peru and the United States of America, regarding trade relations between Peru and contiguous countries.

During the course of these conversations the Peruvian representatives have pointed out that, although the Government of the Republic of Peru is completely in accord with the principles expressed by the representatives of the Government of the United States of America that international trade should be developed to the fullest possible extent on a multilateral, unconditional most-favored-nation basis the Government of Peru has considered it necessary, in special circumstances, to grant certain tariff preferences to contiguous countries.

The Peruvian representatives have referred in this connection to the recommendation adopted by the Inter-American Financial and Economic Advisory Committee on September 18, 1941, that any such tariff preferences, in order to be an instrument for sound promotion of trade, should be made effective through trade agreements embodying tariff reductions or exemptions; that the parties to such agreements should reserve the right to reduce or eliminate the customs duties on like imports from other countries; and that any such regional tariff preferences should not be permitted to stand in the way of any broad program of economic reconstruction involving the reduction of tariffs and the scaling down or elimination of tariff and other trade preferences with a view to the fullest possible development of international trade on a multilateral, unconditional most-favored-nation basis.

The conversations to which I have referred have disclosed a mutual understanding as follows:

The Government of the United States will not invoke the provisions of article I of the trade agreement signed this day for the purpose of obtaining the benefit of tariff preferences meeting the requirements of the afore-mentioned recommendation adopted by the Inter-American Financial and Economic Advisory Committee which Peru may accord to a contiguous country, it being understood that if any such preference should be extended by Peru to any non-contiguous country it would be extended immediately and unconditionally to the United States.

Accept, Excellency, the renewed assurances of my highest consideration.

DAVID DASSO

His Excellency

CORDELL HULL,

Secretary of State of the United States of America.

The Secretary of State to the Peruvian Minister of Finance and Commerce

WASHINGTON

May 7, 1942

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of today's date with reference to the understanding reached between representatives of the Government of the United States of America and the Government of the Republic of Peru, in connection with the trade agreement signed this day, regarding trade relations between Peru and contiguous countries.

I have the honor to confirm Your Excellency's statement of the understanding reached with reference to this matter.

Accept, Excellency, the assurances of my most distinguished consideration.

CORDELL HULL
*Secretary of State of the
 United States of America*

His Excellency

Señor Doctor Don DAVID DASSO,
*Minister of Finance and Commerce
 of the Republic of Peru.*

The Peruvian Minister of Finance and Commerce to the Secretary of State

EMBASSY OF PERU
 WASHINGTON, D.C.

[TRANSLATION]

MAY 7, 1942

EXCELLENCY:

I have the honor to refer to the conversations which have taken place in connection with the negotiation of the trade agreement signed this day with reference to the quantitative restrictions imposed by Your Excellency's Government on imports of long-staple cotton of Peruvian origin.

The conversations to which I have referred have resulted in a mutual understanding that the United States Tariff Commission will be requested to make an investigation regarding the import quotas now imposed on long-staple cotton under section 22 of the Agricultural Adjustment Act of 1933, as amended,⁵ with a view to consolidating the existing allocations by countries into a global quota equal to the sum of the present individual country quotas, thus allowing Peru and other countries to utilize fully the total amount permitted to be imported; that if such an investigation by the Tariff Commission results in a finding of fact and a recommendation to the President of the United States in the above sense, the President will then issue a proclamation giving effect to such recommendation; and the President of Peru will then be enabled to issue his proclamation of the trade agreement.

I should appreciate receiving Your Excellency's confirmation of the understanding set forth above.

Accept, Excellency, the assurances of my most distinguished consideration.

DAVID DASSO
*Minister of Finance and Commerce
 of the Republic of Peru*

His Excellency

CORDELL HULL,
*Secretary of State of the United States
 of America.*

⁵ 49 Stat. 773.

The Secretary of State to the Peruvian Minister of Finance and Commerce

WASHINGTON

May 7, 1942

EXCELLENCY:

I have the honor to acknowledge receipt of Your Excellency's note of today's date regarding the understanding reached between representatives of the Government of the United States of America and the Government of the Republic of Peru, with reference to the quantitative restrictions imposed by the Government of the United States on long-staple cotton of Peruvian origin.

I have the honor to confirm Your Excellency's statement of the understanding which has been reached on this matter.

Accept, Excellency, the assurances of my most distinguished consideration.

CORDELL HULL

*Secretary of State of the
United States of America*

His Excellency

Señor Doctor Don DAVID DASSO,
*Minister of Finance and Commerce
of the Republic of Peru.*

HEALTH AND SANITATION PROGRAM

Exchange of notes at Washington May 9 and 11, 1942

Entered into force May 11, 1942

Supplemented and extended by agreements of March 2 and April 3, 1944;¹ June 18 and 25, 1947;² October 4 and 18, 1949;³ June 28, 1948, and May 22, 1950;⁴ September 22 and 25, 1950;⁵ and February 23 and March 22, 1955.⁶

Supplemented by agreements of April 16 and 19, 1947,⁷ and January 30, 1952, and April 9, 1953.⁸

Expired June 30, 1960

58 Stat. 1543; Executive Agreement Series 441

*The Under Secretary of State to the Peruvian Minister of Finance
and Commerce*

DEPARTMENT OF STATE
WASHINGTON
May 9, 1942

MY DEAR MR. MINISTER:

I refer to the notes exchanged between the Governments of the United States and Peru on April 23, 1942⁹ on rubber development in the Peruvian Amazon in which rubber development is to be carried forward. If it is the desire of the Government of Peru to carry out health and sanitation work in connection with the production of rubber in this area, the Office of the Coordinator of Inter-American Affairs is prepared to send at once to Peru, on your request, in cooperation with the appropriate officials of the Peruvian Government and its health services such experts as your Government desires

¹ TIAS 1578, *post*, p. 1171.

² TIAS 1673, *post*, p. 1256.

³ TIAS 2102, *post*, p. 1301.

⁴ 1 UST 566; TIAS 2101.

⁵ 1 UST 841; TIAS 2162.

⁶ 6 UST 3726; TIAS 3371.

⁷ TIAS 1630, *post*, p. 1251.

⁸ 4 UST 2907; TIAS 2894.

⁹ Not printed; for a memorandum of agreement signed at Washington Apr. 21, 1942 (TIAS 1866), see *ante*, p. 1134.

in order to collaborate in developing and executing a specific health and sanitation program. This program would be initially designed for the Amazon Basin area for the special purpose of aiding in the stimulation of rubber production, but at the desire of the Government of Peru could be extended to other areas.

For these purposes this Government, through the agency of the Coordinator of Inter-American Affairs, will provide an amount not to exceed \$1,000,000 to be expended toward the development of this health and sanitation program.

It is understood that the Government of Peru will furnish such expert personnel, materials, services, and funds for local expenditures as it may be able to or consider necessary for the efficient development of the program.

The group of United States medical and sanitation experts which the Peruvian Government requests to be sent by the Office of the Coordinator of Inter-American Affairs shall be under the direction of the chief medical officer of the health and sanitation field party of the Coordinator's Office, who, in turn, will be under the supervision of the appropriate officials of the Peruvian Government.

Detailed arrangements for the execution of each project shall be discussed and agreed to between the chief medical officer and the appropriately designated official of the Peruvian Government. Technical advice and expert assistance of the United States medical and sanitation specialists will be made available to the appropriate Peruvian authorities at any time that the need for consultation arises.

I understand that the Government of Peru would be particularly interested in continuing and expanding the measures and services which the health and sanitation agencies of the Government of Peru have been carrying out in the areas in question. These measures and services may be included under the following general headings:

1. Malaria control.
2. Yellow fever control.
3. General disease control by hospitals, clinics, and public education.
4. Water-supply systems.
5. Sewage systems.
6. Garbage and rubbish disposal.

It is contemplated that projects to be executed will be planned in conformity with availability of materials and that no projects will be initiated without reasonable expectation that they can be successfully completed in sufficient time to assist in the development of rubber production in the Amazon area.

All projects completed in accordance with the present arrangement will of course be the property of the Government of Peru.

I would appreciate it if you could confirm to me your approval of this general proposal, with the understanding that the details of the program will be the subject of further discussion and agreement.

Sincerely yours,

SUMNER WELLES
Under Secretary

His Excellency

DAVID DASSO,

Minister of Finance and Commerce of Peru.

*The Peruvian Minister of Finance and Commerce to the Under Secretary
of State*

PERUVIAN EMBASSY
WASHINGTON, D.C.

MAY 11, 1942

MY DEAR UNDER SECRETARY:

I take pleasure in acknowledging receipt of your note of May 9th outlining the program of health and sanitation work in connection with the production of rubber in the Peruvian Montaña. You state therein that your Government, through the Agency of the Coordinator of Inter-American Affairs, will provide an amount not to exceed \$1,000,000 to be expended in this work which would be carried out with the cooperation of my Government who in turn will furnish such expert personnel, materials, services and funds for local expenditure as may be necessary for the efficient development of the program.

I am in full agreement with what you state in your note and want now to express to you the formal acceptance of your offer of such a valuable help in carrying out this most important work. As soon as I arrive in Lima steps will be taken in order that the appropriate officials of the Peruvian Government get in touch with the Office of the Coordinator of Inter-American Affairs so that detailed arrangements can be made for the execution of this program and of each of the projects to be carried out under it.

Taking this as yet another proof of the extent of the cooperation which our two Governments are mutually desirous of extending ever further, allow me to express to you the assurances of my most distinguished consideration.

DAVID DASSO
Minister of Finance and Commerce

His Excellency

SUMNER WELLES,

*Under Secretary of State
of the United States of America*

SCHOLARSHIP PROGRAM

Exchange of notes at Washington August 4 and 24, 1942

Entered into force August 24, 1942

Expired June 30, 1943

56 Stat. 1859; Executive Agreement Series 298

The Peruvian Ambassador to the Secretary of State

PERUVIAN EMBASSY
WASHINGTON, D.C.

AUGUST 4, 1942

YOUR EXCELLENCY,

I have the honour to refer to the informal and unofficial discussions which have been conducted by the Department with Mr. Luis Ortiz de Zevallos, a Peruvian government official on a special mission in Washington, for the past several months with relation to a proposed scholarship program, to be set up in cooperation between the Peruvian Government on the one hand and the Government of the United States and educational institutions and organizations in this country on the other hand, whereunder advanced students from Peru would receive further technical training in the United States.

In this connection I now have the honour to request the kind cooperation of the Department of State in the proposed program, and to inform Your Excellency that the Peruvian Government are prepared to invest a sum of about \$50,000 in it, subject to the conditions envisaged in the informal discussions above-mentioned, wherein on the understanding that the sum in question would be devoted principally to maintenance grants and, where necessary, tuition costs, the Department of State is willing to award travel grants during the 1943 fiscal year to sixteen or twenty properly selected and qualified Peruvians and to use its good offices with the Institute of International Education in order to obtain as many tuition scholarships as possible for these persons. The following specific conditions would govern the establishment of the proposed program:

(1) The Peruvian Government would decide on the fields of study in which technical instruction is to be given and on the number of persons to be appointed in each field. This information would be submitted immediately to the Department of State in order that the Institute of International Education might earmark the necessary scholarships for as many fields as possible and send information to Peru regarding the general requirements for study in each field, for the guidance of the selection authorities.

(2) The Peruvian Government would announce the study opportunities and state that qualified students needing travel assistance would be recommended to the United States Government for travel grants.

(3) Candidates would be selected by a permanent committee to be set up in Lima with the cooperation of the American Embassy and would be placed in United States Universities by the Institute of International Education. It should be understood that the Institute would have a free hand in placing the students to their best advantage and that the term of study would be one year, to be extended in special cases to two years.

(4) The Peruvian Government or the candidates chosen would make travel reservations from Peru, but the United States Government would pay the travel costs by the most direct route and per diem while in travel status. Priorities for air travel would not be requested by the Department of State and candidates would be expected to come by sea with the approval of their government in the event air transportation was not readily available.

(5) The proposed program would be coordinated as far as possible with existing opportunities for study or training in the United States, such as the Inter-American Trade Scholarships, the internships of the United States Public Health Service, fellowships under the Convention for the Promotion of Inter-American Cultural Relations,¹ and the Department of Agriculture training programs. This would require centralization of information and publicity regarding the scholarships and of the selection of candidates, and it is suggested that these activities might be functions of the Peruvian North American Cultural Institute working in cooperation with the Peruvian authorities.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

M. DE FREYRE Y S

His Excellency

CORDELL HULL,
Secretary of State,
Washington.

The Secretary of State to the Peruvian Ambassador

DEPARTMENT OF STATE
WASHINGTON
August 24, 1942

EXCELLENCY:

I have the honor to acknowledge the receipt of your note of August 4, 1942, requesting the cooperation of the Government of the United States and

¹ TS 928, *ante*, vol. 3, p. 372.

educational institutions and organizations in this country in a scholarship program which the Peruvian Government proposes to institute whereunder advanced students from Peru would receive further technical training in the United States.

I have noted your statement that the Peruvian Government is prepared to invest a sum of about \$50,000 in this program to be devoted principally to maintenance grants and, where necessary, tuition costs and I am pleased to inform you that the Department of State will award travel grants during the 1943 fiscal year to sixteen or twenty properly selected and qualified Peruvians and will use its good offices with the Institute of International Education in order that as many tuition scholarships as possible may be obtained for these persons.

I have also noted the specific conditions which have governed the establishment of the proposed program, in all of which this Government is in accord.

I trust that the selection and placing of students can now proceed with the greatest possible dispatch in order that candidates may, if at all possible, arrive in the United States in time to take up their studies at the beginning of the forthcoming academic year. Appropriate instructions in this sense have been sent to the American Embassy at Lima.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:
SUMNER WELLES

His Excellency

Señor Don MANUEL FREYRE Y SANTANDER,
Ambassador of Peru.

FOOD PRODUCTION PROGRAM

Exchange of notes at Lima May 19 and 20, 1943, with memorandum of agreement of May 19, 1943, between the Institute of Inter-American Affairs and the Minister of Agriculture

Entered into force May 20, 1943

Supplemented and extended by agreements of August 18 and October 10, 1944;¹ June 11, 1945, and November 22, 1946;² December 4, 1946, and January 29, 1947;³ June 28 and July 8, 1948;⁴ August 17 and 18, 1949;⁵ September 15 and 21, 1950;⁶ and February 23 and March 9, 1955⁷

Supplemented by agreements of June 7 and 15, 1951,⁸ and January 24 and February 22, 1952⁹

Expired June 30, 1960

57 Stat. 1405; Executive Agreement Series 385

The American Ambassador to the Minister of Agriculture

EMBASSY OF THE
UNITED STATES OF AMERICA
Lima, May 19, 1943

EXCELLENCY:

I have the honor to refer to Your Excellency's Note No. 402 of May 14, 1943 transmitting for my consideration the revised draft of the Spanish text of the agreement for the establishment of the Inter-American Cooperative Food Production Service, and to inform Your Excellency that except for two minor changes in wording I concur in Your Excellency's opinion that this Spanish text is satisfactory.

These two minor changes, which have been informally discussed with Mr. Moravsky, the Director of Agriculture, are:

¹ EAS 433, *post*, p. 1198.

² TIAS 1647, *post*, p. 1224.

³ TIAS 1669, *post*, p. 1243.

⁴ TIAS 1872, *post*, p. 1279.

⁵ TIAS 1993, *post*, p. 1292.

⁶ 1 UST 820; TIAS 2161.

⁷ 6 UST 697; TIAS 3208.

⁸ 2 UST 1608; TIAS 2303.

⁹ 3 UST 5351; TIAS 2743.

1. Page 3, Clause Six, line 11 of the Spanish draft, to be altered to read in English as follows: "but, without prejudice to the immediately preceding provisions of this sentence, the necessary steps will so far as possible be taken to obtain those"

2. Page 3, Clause Nine, next to last line, the insertion after the words "labores oficiales", of the following new sentence which in English reads: "The members of the Food Production Mission of the Institute of Inter-American Affairs will not pay to Peru any direct tax on salaries when they are subject to such a tax by the United States of America".

In view of Mr. Moravsky's verbal statement that the above two minor changes are acceptable, I have pleasure in transmitting as an enclosure to this Note an original and one copy of the English text of this *Memorandum of Agreement*. Providing you perceive no objection. I shall also, immediately on receipt from Your Excellency of the agreed-upon Spanish text, forward that document to my Government with the statement that this exchange of notes constitutes the agreement for the establishment of the Inter-American Cooperative Food Production Service in Peru.

With respect to your Government's desire, expressed in Your Excellency's Note under reference, that the Service assist, by means of its specialized technical personnel, in the problems of transportation and distribution of food products which, while connected with the general program outlined in Clause Three of the *Memorandum of Agreement*, have not been clearly explained therein, permit me to say that there would appear to be no objection to the United States technical personnel, if so mutually agreed upon, also lending their services toward these ends. Such technical assistance, it may be observed, would seem to be provided for under the terms of the final paragraph of the *Memorandum of Agreement*.

Please accept, Excellency, the assurance of my high consideration.

R. HENRY NORWEB

Enclosure:

Memorandum of Agreement

His Excellency

GODOFREDO A. LABARTHE,
Minister of Agriculture,
Lima.

MEMORANDUM OF AGREEMENT

First—The Government of the Republic of Peru will create, as a separate entity, a special technical service within the Ministry of Agriculture, which shall be known as the Servicio Cooperativo Inter-Americano de Producción de Alimentos (Inter-American Cooperative Food Production Service), hereafter to be called the SCIPA. The SCIPA shall function in the formulation

and execution of the food production program hereinafter set forth. It shall be a dependency of the Ministry of Agriculture.

Second—The Government of the United States of America, represented by The Institute of Inter-American Affairs, a corporation organized and existing under the laws of the State of Delaware, an instrumentality of the United States of America, will name a food production mission to assist in the consummation of the program in Peru. The person in charge of this mission will be an expert who shall have the title of Chief, Food Production Mission in Peru. This official shall be the representative of the Food Production Division of The Institute of Inter-American Affairs in Peru. Subject to the approval of the Minister of Agriculture, the Chief of the Food Production Mission in Peru shall be the Director of the SCIPA. The appointment of the Director is for the term of one year.

Third—The SCIPA will submit and develop a program to increase the production of foodstuffs of vegetable and animal origin, of primary necessity, covering at least the following items:

- (a) technical assistance for the increase and improvement of production of food products of animal and vegetable origin;
- (b) development of plants for crop adjustment;
- (c) development of new acreage, including agricultural colonization, and plans for soil conservation works; dry farming; and soil survey for new irrigation areas.
- (d) supply of means, tools, equipment, insecticides, seeds, livestock, and other materials, for the increased production of food products of animal and vegetable origin;
- (e) assistance in the further development of extension work to promote the production of food products;
- (f) provision of loans or other assistance to small producers;
- (g) studies and related work in the fields of nutrition and diet.

Fourth—The funds for servicing the SCIPA shall be supplied by contributions up to three hundred thousand American dollars (\$300,000) on the part of The Institute of Inter-American Affairs, and provided the Government of Peru makes similar contributions to the program in cash, property, or services.

The funds supplied by The Institute of Inter-American Affairs shall be transferred to the SCIPA as required by the progress of the work performed by said SCIPA.

The total funds, property or services supplied by the Government of Peru shall be transferred to the SCIPA in proportion to the amounts provided by The Institute of Inter-American Affairs.

The amount of three hundred thousand dollars supplied by The Institute of Inter-American Affairs shall constitute the sum total of its contribution and shall include the cost of the materials and equipment supplied by the

Institute to the SCIPA. The funds supplied by The Institute of Inter-American Affairs shall be spent exclusively on the realization of the plan indicated in Clause *Three*.

The funds of the SCIPA shall be deposited in a special account in the name of the SCIPA and shall be disbursed by the Director of the SCIPA only upon projects having the mutual consent of the Minister or his representative and the Director of the SCIPA.

Fifth—The salaries and travelling expenses of the members of the Food Production Mission of The Institute of Inter-American Affairs for work in Peru shall be paid by The Institute of Inter-American Affairs from funds not assigned to the SCIPA.

Sixth—All construction undertaken according to this agreement shall become the property of the Government of Peru. No work shall be undertaken which will require materials or personnel indispensable to the prosecution of any phase of the war effort, but without prejudice to the immediately preceding provisions of this sentence the necessary steps will so far as possible be taken to obtain those which are necessary to the realization of the proposed plan.

Seventh—The kind of work to be undertaken by the SCIPA in accordance with the program established in Clause *Three* shall be determined through mutual agreement between the Minister or his appointed representative and the Director of the SCIPA, and shall be carried out by the Director of the SCIPA always in conformity with policies prescribed jointly by the Minister or his representative and the Director of the SCIPA.

Eighth—All contracts and agreements relating to projects agreed upon between the Minister of Agriculture or his representative and the Director of the SCIPA may be drawn up, signed and executed by the Director of the SCIPA with any other legal entity or individual, or any combination of legal entities or individuals. All such contracts shall conform to general regulations previously approved by the Minister or his representative and the Director of the SCIPA.

Ninth—All rights and privileges which are enjoyed by similar official divisions of Government in Peru and by the personnel and employees of the same, shall accrue to the SCIPA, and to all its personnel and employees while performing their official duties. The members of the Food Production Mission of The Institute of Inter-American Affairs will not pay to Peru any direct tax on salaries when they are subject to such a tax by the United States of America. The customs duties paid by the SCIPA on imports of equipment, supplies and material destined for the use of the food production program will be reimbursed by the Ministry of Finance as shown by respective customs house documents and receipts.

Tenth—The Director of the SCIPA, with the agreement and consent of the Minister of Agriculture or his representative, shall select, appoint and dismiss the personnel of the SCIPA and shall determine the salaries, trans-

fers and conditions of employment. The personnel shall enjoy the rights and privileges accorded to Government employees.

Eleventh—The Director of the SCIPA shall furnish the Minister of Agriculture or his representative all information necessary concerning the SCIPA.

Twelfth—The SCIPA shall present to the Minister of Agriculture or his appointed representative, at intervals agreed upon by the Minister or his appointed representative and the Director of the SCIPA, a complete account of all its indebtedness, financial transactions, and expenditures. The accounts and records of the SCIPA shall be open at any time for the inspection of the Minister or his appointed representative, and The Institute of Inter-American Affairs and its designated representatives.

Thirteenth—The present agreement will be for the duration of one year, continuing from the date of signature of the Note of Transmittal, and may be extended in the judgment of the contracting parties.

In addition to the plan to promote food production through the SCIPA, it is understood that the Government of Peru and the Government of the United States of America, through the Institute of Inter-American Affairs, may undertake such other activities and programs as are deemed advisable by the Minister of Agriculture and the Chief of the Food Production Mission to promote the production of food products in the Republic of Peru. If such additional programs are undertaken, the facilities of the SCIPA may be used if deemed advisable by the representatives of the two governments.

For The Institute of Inter-American Affairs:

R. HENRY NORWEB

Ambassador of the United States of America

For the Republic of Peru:

GODOFREDO A. LABARTHE

Minister of Agriculture

The Minister of Agriculture to the American Ambassador

[TRANSLATION]

Note 107 DA

LIMA, May 20, 1943

THE AMBASSADOR OF THE UNITED STATES OF AMERICA.

I take pleasure in acknowledging the receipt of your communication of the 19th instant, to which you attached the final plan, in English regarding the creation of the Inter-American Cooperative Food Production Service, considering in it the small modifications clarifying the previous text.

I have gone over the plan and, finding it satisfactory, am taking the necessary steps in order that my Government approve the contract by means of the respective *Resolución Suprema*.

I am enclosing for you a copy, in Spanish, of the memorandum¹⁰ in which our countries agree upon the creation of the Service.

I avail myself of the opportunity to repeat to you the assurance of my consideration.

May God watch over you.

GODOFREDO A. LABARTHE
Minister of Agriculture

¹⁰ Not printed here.

DETAIL OF MILITARY ADVISER TO REMOUNT SERVICE

Exchange of notes at Washington November 23 and December 20, 1943, extending agreement of April 15, 1941

Entered into force April 15, 1944

Superseded by agreement of July 10, 1944¹

57 Stat. 1276; Executive Agreement Series 363

The Peruvian Ambassador to the Secretary of State

PERUVIAN EMBASSY
WASHINGTON, D.C.

NOVEMBER 23, 1943

YOUR EXCELLENCY:

I have the honour to inform Your Excellency that the Peruvian Government desires to renew the agreement signed with the Government of the United States on April 15, 1941,² referring to the services of Colonel Thomas J. Johnson, U.S.A., as Advisor to the Remount Service of the Peruvian Army. According to the provision of the said agreement I will be glad to sign, on behalf of my Government, another agreement in identical conditions as the one actually in force.

I wish to avail myself of this opportunity to state that my Government has been highly satisfied with the services rendered during these last three years by Colonel Johnson whose technical work is deeply appreciated.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

M. DE FREYRE Y S.

His Excellency,
CORDELL HULL,
Secretary of State.

¹ EAS 409, *post*, p. 1189.

² EAS 205, *ante*, p. 1124.

DETAIL OF MILITARY ADVISER—NOV. 23 AND DEC. 20, 1943 1167

The Secretary of State to the Peruvian Ambassador

DEPARTMENT OF STATE

WASHINGTON

December 20, 1943

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of November 23, 1943 requesting, on behalf of your Government, the renewal of the Agreement signed April 15, 1941 between the Governments of the United States and the Republic of Peru providing for the detail of a United States army officer to serve as Advisor to the Remount Service of the Peruvian Army.

In this connection, I am pleased to inform Your Excellency that the renewal of the Agreement for a period of three years effective from April 15, 1944, is agreeable to the Government of the United States.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

A. A. BERLE, Jr.

His Excellency

Señor Don MANUEL DE FREYRE Y SANTANDER,
Ambassador of Peru.

NAVAL MISSION

*Exchange of notes at Washington January 31, February 9, and
March 21 and 31, 1944, amending and extending agreement of
July 31, 1940*

Entered into force July 31, 1944

Mission agreement terminated August 26, 1969¹

58 Stat. 1220; Executive Agreement Series 396

The Peruvian Ambassador to the Secretary of State

PERUVIAN EMBASSY
WASHINGTON, D.C.

JANUARY 31, 1944

YOUR EXCELLENCY:

In accordance with the provision of Article Three of the Agreement signed between the United States of America and Peru² for the appointment of officers and enlisted men to constitute a Naval Mission in the Republic of Peru, I have the honor to inform Your Excellency that my Government desires that the said services be extended for an identical period as the actual Agreement in force, the renewal to commence upon the termination of the present Agreement on July 31, 1944.

I will appreciate if Your Excellency would be kind enough to inform me if my Government's proposal is satisfactory to the Government of the United States.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

M. DE FREYRE Y S.

His Excellency,
CORDELL HULL,
Secretary of State.

¹ Pursuant to notice of termination given by Peru May 26, 1969.

² Agreement signed July 31, 1940 (EAS 177, *ante*, p. 1112).

The Secretary of State to the Peruvian Ambassador

DEPARTMENT OF STATE

WASHINGTON

February 9, 1944

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of January 31, 1944, in which you conveyed the request of Your Government for renewal of the Agreement entered into on July 31, 1940 between the Governments of Peru and the United States of America providing for the assignment of a United States Naval Mission to Peru.

I note that Your Excellency's Government desires to renew this Agreement for a period of four years, the renewal to commence upon the termination of the present Agreement on July 31, 1944 and I am pleased to inform Your Excellency that this arrangement is agreeable to this Government provided the Agreement is so amended as to include the following language as an additional article to the basic Agreement:

"The members of this Mission are permitted and may be authorized to represent the United States of America on any commission and in any other capacity having to do with military cooperation or hemispheric defense without prejudice to this Agreement."

I shall appreciate it if Your Excellency will inform me whether the suggested amendment is acceptable to the Peruvian Government.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

EDWARD R. STETTINUS, Jr.

His Excellency

Señor Don MANUEL DE FREYRE Y SANTANDER,
Ambassador of Peru.

The Peruvian Ambassador to the Secretary of State

PERUVIAN EMBASSY
WASHINGTON, D.C.

MARCH 21, 1944

YOUR EXCELLENCY:

In reply to Your Excellency's note dated February 9, 1944 referring to the renewal of the Agreement signed by the Governments of Peru and the United States of America on July 31, 1940 providing for the assignment of a United States Naval Mission to Peru, I am pleased to inform Your Excellency that the Peruvian Government has taken note that this renewal is agreeable to the United States Government and that it agrees to include the additional

article suggested in Your Excellency's note with the following amendment: "during the present war emergency". In consequence the said article would read as thus:

"The members of this Mission are permitted and may be authorized to represent the United States of America on any commission and in any other capacity having to do with military cooperation or hemispheric defense without prejudice to this Agreement, during the present war emergency".

I shall appreciate if Your Excellency will be good enough to inform me if the above wording is acceptable to the Government of the United States of America.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

M. DE FREYRE Y S

His Excellency,
CORDELL HULL,
Secretary of State.

The Secretary of State to the Peruvian Ambassador

DEPARTMENT OF STATE
WASHINGTON
March 31, 1944

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of March 21, 1944 concerning the renewal of the Agreement entered into on July 31, 1940 between the Governments of the United States of America and the Republic of Peru.

I note that the proposed additional article to the basic Agreement, as set forth in my note of February 9, 1944, is acceptable to Your Excellency's Government providing it is amended by adding the following words: "during the present war emergency".

I am pleased to inform Your Excellency that the amendment proposed by Your Excellency's Government to the additional article to the basic Agreement, is acceptable to this Government.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

DEAN ACHESON

His Excellency
Señor Don MANUEL DE FREYRE Y SANTANDER,
Ambassador of Peru.

HEALTH AND SANITATION PROGRAM

Exchange of notes at Lima March 2 and April 3, 1944, supplementing and extending agreement of May 9 and 11, 1942; exchange of notes at Lima March 11 and 15, 1944, between the Institute of Inter-American Affairs and the Minister of Public Health and Social Welfare

*Entered into force July 1, 1944
Program expired June 30, 1960*

61 Stat. 2484; Treaties and Other International Acts Series 1578

The American Chargé d'Affaires ad interim to the Minister of Foreign Affairs

No. 1707

LIMA, March 2, 1944

EXCELLENCY:

I have the honor to refer to notes exchanged between His Excellency David Dasso, Minister of Finance and Commerce of Peru, and His Excellency Sumner Welles, Under Secretary of State of the United States of America, on May 9 and May 11, 1942,¹ relative to the cooperative program of Health and Sanitation provided for by Resolution XXX, approved at the third meeting of Ministers of Foreign Affairs of the American Republics held in Rio de Janeiro in January, 1942.² In accordance with the notes under reference, the United States of America has contributed the sum of One Million Three Hundred and Fifty Thousand U.S. Dollars (\$1,350,000.00) to the cooperative health and sanitation program now being carried out in Peru.

If desired by the Government of Peru, the Government of the United States of America through the Institute of Inter-American Affairs, an agency of the Office of the Coordinator of Inter-American Affairs, is prepared to contribute an additional sum of Five Hundred Thousand U.S. Dollars (\$500,000.00) for the purpose of cooperating with the Government of Peru in extending the cooperative program of health and sanitation and providing for the termination of this program within a three-year period beginning July 1, 1944, in so far as the funds contributed by the United States of America are concerned.

¹ EAS 441, *ante*, p. 1154.

² For text, see *Department of State Bulletin*, Feb. 7, 1942, p. 117.

It is understood that the Government of Peru will contribute a sum of soles equivalent to Five Hundred Thousand U.S. Dollars (\$500,000.00) to be combined with the funds contributed by the United States of America and expended over the same three-year period for the cooperative program of health and sanitation in Peru.

The kind of work and specific projects to be undertaken and the cost thereof are to be mutually agreed to by the appropriate official of the Government of Peru and appropriate official of the Institute of Inter-American Affairs for the Government of the United States of America.

It is understood that the funds contributed by both Governments will be expended through the special agency created within the Ministry of Public Health and Social Welfare by your Government, which special agency is known as the Servicio Cooperativo Inter-Americano de Salud Publica. Detailed arrangements for the continuation of this special agency and the fulfillment of the program will be effected by agreement between the appropriate official of the Government of Peru and the appropriate official of the Institute of Inter-American Affairs of the United States of America.

All projects completed and property acquired in connection with the health and sanitation program shall be the property of the Government of Peru.

No project will be undertaken that will require supplies or materials the procurement of which would handicap any phase of the war effort.

I should appreciate it if Your Excellency would be so kind as to confirm to me your approval of this general proposal, with the understanding that the details of the program will be the subject of further discussion and agreement as provided for herein.

Accept, Excellency, the renewed assurance of my highest consideration.

J. P.
Jefferson Patterson

His Excellency

Doctor ALFREDO SOLF Y MURO,
Minister for Foreign Affairs,
Lima.

*The Minister of Foreign Affairs to the American Chargé d'Affaires
ad interim*

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
AND WORSHIP

Nº (D). 6-3/70

LIMA, April 3, 1944

MR. CHARGÉ D'AFFAIRES:

In response to your Excellency's courteous note No. 1707 of the 2d of last March referring to the extension of the agreement made by the Peruvian Government with relation to the cooperative sanitary program agreed upon

in Resolution XXX of the Third Meeting of the Ministers of Foreign Affairs of the American Republics, held at Rio de Janeiro in 1942, I have the honor to transmit to you a copy of the Supreme Resolution issued by the Ministry of Public Health and Social Welfare, in which the aforementioned agreement is approved.

Upon bringing this matter to Your Excellency's attention I avail myself of the opportunity to renew the assurances of my most distinguished consideration.

ALFREDO SOLF Y MURO

The Honorable JEFFERSON PATTERSON,
Charge d'Affaires ad interim
of the United States of America.
City.

COPY

"Having seen the attached additional agreement concluded between the Peruvian Government, represented by the Minister of Public Health and Social Welfare, and the Institute of Inter-American Affairs of the Office of the Coordinator of Inter-American Affairs, represented by General George C. Dunham, for the continuation of the work that is being carried out in conformity with supreme resolution N° 1895a of July 14, 1942; and it being agreed upon: It is resolved: To approve the additional agreement referred to, which consists of 9 clauses, countersigned on the 16th of the present month; and consequently: 1) — The Institute of Inter-American Affairs will contribute an amount not larger than five hundred thousand dollars to continue the work in progress connected with sanitary work, for a period of three years to begin as of July 1 of the present year. The Peruvian Government will contribute for the same purpose a sum equivalent to five hundred thousand dollars. The aforementioned Institute as well as the Peruvian Government will transfer to the account of the 'Service' the aforementioned amounts, in monthly payments, as is specified in the additional agreement referred to; transfers will be made in advance for quarterly periods, after presentation to the Ministry of Public Health and Social Welfare, on the part of the 'Service', of the monthly reports of the expenses incurred in the preceding quarterly period.— 2) — Beginning on January 1, 1947, the Ministry of Public Health and Social Welfare will assume direct and immediate control of the functioning and maintenance of the sanitary program of the Selva;—but the 'Service' shall continue until the termination of the contract of June 30, 1947, the execution of its program in different zones of the Selva and in the work of the new programs which may be arranged between the Ministry in question and the Director of the 'Service'.— The same Institute and the Ministry of Public Health and Social Welfare agree to the contents of the notes exchanged, of July 7 and 11 of 1942,³ which constitute the orig-

³ Not printed.

inal agreement of the cooperative sanitary program, as well as the notes of October 10 and 31, 1942,³ with reference to the plan for drainage in Chimbote.— 4) — Any balance of funds will be transferred to the account of the 'Service'; but the balance which may exist at the expiration of the contract, that is to say, on June 30, 1947, may be disposed of in the form and manner upon which the Minister of Public Health and Social Welfare and the Director of the 'Service' may agree.— 5) — The Director of the 'Service' and the co-Director of the same will prepare in advance administrative budgets for all the works of the program of the 'Service', in order that the said budgets may be approved by supreme resolution; the 'Service' being required to render a monthly account of the expenses incurred which shall be corroborated by the respective original vouchers. Let it be registered and communicated. Seal of the President of the Republic.

CARVALLO"

*The Executive Vice-President of the Institute of Inter-American Affairs
to the Minister of Public Health and Social Welfare*

LIMA, March 11, 1944

His Excellency

Dr. CONSTANTINO J. CARVALLO

*Minister of Public Health & Social Welfare
Lima, Peru*

YOUR EXCELLENCY:

I have the honor to refer to the notes exchanged between His Excellency, David Dasso, Minister of Finance and Commerce of Peru and His Excellency, Sumner Welles, Under Secretary of State of the United States of America on May 9th and May 11th, 1942 and to the subsequent correspondence exchanged between the Institute of Inter-American Affairs and the Ministry of Public Health and Social Welfare on July 7th, 1942 and July 11th, 1942 and on October 10th and October 31st, 1942 establishing in Peru a cooperative health and sanitation program as provided for by Resolution XXX approved at the third meeting of Ministers of Foreign Affairs of the American Republics held in Rio de Janeiro in January, 1942.

I now have the following proposals for additional cooperative health work to submit to your Excellency for your consideration:

1. If desired by the Government of Peru, the Government of the United States of America, through the Institute of Inter-American Affairs, an agency of the Office of the Coordinator of Inter-American Affairs, is prepared to allocate a sum of not to exceed U.S. \$500,000.00 for the purpose of extending the cooperative health and sanitation program being carried out by the Servicio Cooperativo Inter-Americano de Salud Pública (hereafter referred

to as the Servicio) for a period of three years beginning July 1st, 1944, provided the Government of Peru appropriates a like sum equivalent in Soles of U.S. \$500,000.00 for the same purpose. These funds are to be employed for maintaining projects in operation, or to be placed in operation under the terms of the existing agreement; and, insofar as funds may be available, for any such new projects as may be mutually agreed upon between the Minister of Public Health and Social Welfare, or his representative, and the Director of the Servicio.

2. For the purpose of effectuating the objectives of this agreement, the Institute of Inter-American Affairs agrees to transfer to the account of the Servicio, the sum of U.S. \$500,000.00 on the following basis:

During July 1944	U.S. \$58,000
During October 1944	U.S. 58,000
During January 1945	U.S. 40,000
During April 1945	U.S. 40,000
During July 1945	U.S. 40,000
During October 1945	U.S. 40,000
During January 1946	U.S. 50,000
During April 1946	U.S. 50,000
During July 1946	U.S. 50,000
During October 1946	U.S. 50,000
During January 1947	U.S. 12,000
During April 1947	U.S. 12,000

The government of Peru will agree to transfer to the account of the Servicio the equivalent in Soles of U.S. \$500,000.00 on the following basis:

During July 1944	the equivalent in Soles of U.S. \$19,275
During October 1944	" " " 19,275
During January 1945	" " " 60,000
During April 1945	" " " 60,000
During July 1945	" " " 60,000
During October 1945	" " " 60,000
During January 1946	" " " 50,000
During April 1946	" " " 50,000
During July 1946	" " " 50,000
During October 1946	" " " 50,000
During January 1947	" " " 10,725
During April 1947	" " " 10,725

The transfer of funds according to this schedule will be made in advance of expenditures and for three months periods. Transfer of each three months allotment by the Government of Peru will be made during the month stipulated above, and on the presentation by the Servicio to the Ministry of Public Health of monthly expenditure summaries for the preceding three months period.

3. The above funds are to be used for the maintenance of the health program being carried out by the Servicio under the terms of the original agreement from the period of July 1, 1944 to December 31, 1946. At this date the Servicio will turn over to the Ministry of Public Health for operation and maintenance, all of its Amazon program, continuing thereafter until the expiration of this extended agreement on June 30, 1947 to operate only that part of its program which is outside of the Amazon area, and such new

projects that may have been mutually agreed upon under the terms of this extended agreement.

4. It is understood that the Institute of Inter-American Affairs recognizes its obligation to make available a sum of not to exceed U.S. \$1,000,000 and the Ministry of Public Health and Social Welfare will likewise recognize its obligation to contribute such funds, personnel, facilities and equipment as might be considered necessary for the cooperative health and sanitation program in Peru in accordance with the terms of the letters exchanged between the Institute of Inter-American Affairs and the Ministry of Public Health and Social Welfare dated July 7th and July 11th, 1942 respectively, which constitute the original agreement for the cooperative health and sanitation program.

In the event that any part of the funds referred to in this section has not been expended at the termination of the original agreement date of June 30, 1944, such funds will be transferred in their entirety to the account of the Servicio and used for the completion of the projects agreed upon under the terms of the original agreement. Any of these funds remaining unexpended after the completion of the original program will be available for use in the extended program of the Servicio.

5. It is also understood that the Institute of Inter-American Affairs recognizes its obligation to make available for the Chimbote project a sum of not to exceed U.S. \$350,000 which constitutes 67 percent of the total amount made available for this purpose and that the Ministry of Public Health and Social Welfare likewise recognizes its obligation to make available for the Chimbote project the equivalent in Soles of U.S. \$172,388.00 which is 33 percent of the total made available for this project, in accordance with the terms of the letters exchanged October 10th and October 31st, 1942, extending the original agreement referred to above.

In the event that any part of the total sum made available for the Chimbote project by the Institute of Inter-American Affairs and the Ministry of Public Health and Social Welfare remains unexpended when the Chimbote project is completed, such unexpended funds will be transferred to the account of the Servicio and expended for the completion of its program formulated under the original agreement. Any of these funds remaining unexpended at the completion of the original program will be available for use in the extended program of the Servicio.

6. Any part of the funds transferred to the account of the Servicio according to the schedule outlined above, which may be unexpended at the termination of the period in which they were transferred shall continue to be available for the purpose of the general health program of the Servicio and shall not revert to either the Institute of Inter-American Affairs or the Ministry of Public Health and Social Welfare.

7. The Minister of Public Health and Social Welfare or his representative of the Division of Health and Sanitation of the Institute of Inter-American

can Affairs in Peru, shall determine by mutual agreement, the disposition of any unexpended funds, which may remain to the credit of the Servicio on June 30th, 1947.

8. The agreements effectuated by the letters exchanged between the Institute of Inter-American Affairs and the Ministry of Public Health on July 7th and July 11th, 1942 and on October 10th and 31st, 1942 will remain in full force and effect for the purpose of extending the cooperative health and sanitation program to June 30th, 1947 and the provisions contained therein will apply during the continuation of the program. The procedures and methods established and in use for the operation of the Servicio, under the terms of the agreements referred to above, will continue to apply to the operation of the Servicio until the termination of this extended agreement on June 30th, 1947.

9. The Director of the Servicio and the Representative of the Minister of Public Health will prepare budgets outlining the expenditure of funds in mutually agreed upon Servicio projects for each fiscal year, and the Servicio will submit monthly summaries of expenditures to the Ministry of Public Health along with the original receipts for all expenditures.

If this proposal is acceptable to Your Excellency, this letter and Your Excellency's acceptance will constitute a binding and effective agreement between the Institute of Inter-American Affairs and the Ministry of Public Health and Social Welfare of Peru in accordance with the terms contained therein.

Accept, Excellency, the assurances of my highest consideration.

GEORGE C. DUNHAM
Executive Vice-President
The Institute of Inter-American Affairs

The Minister of Public Health and Social Welfare to the Executive Vice-President of the Institute of Inter-American Affairs

[TRANSLATION]

MINISTRY OF PUBLIC HEALTH
AND SOCIAL WELFARE

Of. No. 14

LIMA, March 15, 1944

Mr. GEORGE C. DUNHAM
*Vice President of the Institute
of Inter-American Affairs.*

I have your communication of the 11th of the current month in which, in your capacity as Vice President of the Institute of Inter-American Affairs, you propose an agreement additional to that concluded with this Ministry,

which was approved by the Supreme Resolution of July 13, 1942, for the execution of the cooperative sanitary program provided for in Resolution XXX approved at the Third Meeting of the Ministers of Foreign Affairs of the American Republics, held at Rio de Janeiro in January 1942.

This Ministry has studied your proposal, consisting of 10 clauses, and expresses its complete agreement with its contents, agreeing upon the continuation of the Cooperative Service in the matter of sanitary conditions with your Institute for a period of 3 years, to begin as of July 1 of the present year, and in accordance with the terms of your proposal.

For the proper execution of this agreement there will be sent shortly the corresponding Resolution of Approval.

Please accept the expressions of appreciation of this Office as well as the assurances of my most distinguished consideration.

May God keep you.

CONSTANTINO J. CARVALLO
*Minister of Public Health
and Social Welfare*

COOPERATIVE EDUCATION PROGRAM

Exchange of notes at Lima April 1 and 15, 1944, with memorandum of agreement of April 4, 1944, between the Inter-American Educational Foundation and the Minister of Public Education

Entered into force April 15, 1944

Supplemented by agreements of January 30, 1945;¹ April 30, 1945;² and June 28 and 30, 1948³

Extended by agreements of June 28 and 30, 1948,³ and August 26 and September 1, 1949⁴

Superseded June 30, 1950, by agreement of September 25 and 29, 1950⁵

61 Stat. 3871; Treaties and Other International Acts Series 1740

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 1758

Lima, April 1, 1944

EXCELLENCY:

I have the honor to refer to the note, dated December 17, 1943, from Dr. Enrique Laroza, Minister of Education of Peru, to Mr. Kenneth Holland, Vice President of the Inter-American Educational Foundation, concerning the undertaking of cooperative educational activities. The note expresses the desire of the Government of Peru for the cooperation of the Government of the United States in undertaking certain projects in the field of education.

As it appears desirable that the Government of Peru and the Government of the United States should cooperate in the undertaking, I take pleasure in informing Your Excellency that my Government is prepared to collaborate with the Government of Peru in activities looking to the development of an educational program to be conducted over a period of approximately three

¹ TIAS 1740, *post*, p. 1207.

² TIAS 1740, *post*, p. 1209.

³ TIAS 1952, *post*, p. 1276.

⁴ TIAS 2117, *post*, p. 1295.

⁵ 1 UST 816; TIAS 2160.

years. The Inter-American Educational Foundation, Inc., an agency of the Office of the Coordinator of Inter-American Affairs of the United States, is prepared to provide a sum not to exceed \$172,000 (One Hundred Seventy-Two Thousand Dollars U.S. currency) to be made available for the local projects to be approved mutually by representatives of the two governments and for paying the salaries and other expenses of the educational specialists furnished by the Inter-American Foundation, Inc., to work on the program in Peru. The personnel to be furnished by the Inter-American Educational Foundation, Inc., is to be satisfactory to the Republic of Peru and is to be under the direction of a person to be designated as the Chief of Field Staff, Inter-American Educational Foundation, Inc., who will be the representative of the Foundation in connection with the cooperative program.

It is further understood that the Government of Peru will provide, in addition to its regular national budget for education, the total sum of approximately \$86,000 (Eighty-Six Thousand Dollars U.S. currency) for the cooperative educational program, together with personnel, supplies and materials as may be required and available.

It is further understood that a special cooperative educational service will be set up in the Ministry of Education for the purpose of carrying out the cooperative activities to be undertaken.

It is also understood that detailed arrangements for the establishment of the special cooperative service and the development of the program will be made between representatives of the two governments. In this connection, I am enclosing a copy of a Memorandum of Agreement which sets forth the details regarding the cooperative educational program as proposed by the Inter-American Educational Foundation. If this agreement is satisfactory, it is suggested that it be signed by the proper official of the Republic of Peru and thereafter it will be signed by a representative of the Foundation.

I avail myself of this occasion to extend to Your Excellency the renewed assurance of my highest consideration.

JEFFERSON PATTERSON

Enclosure:

Memorandum of Agreement

His Excellency

Doctor ALFREDO SOLF Y MURO,
Minister for Foreign Affairs,
Lima.

[For text of memorandum of agreement, as signed, see p. 1181.]

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
AND WORSHIP

No. (D)-6-3/75

LIMA, April 15, 1944

MR. AMBASSADOR:

I have the honor to acknowledge receipt of the courteous note No. 1758, of the first instant, by which your Embassy has seen fit to communicate to this Office the text of the Memorandum of Agreement—subsequently concluded under date of the 4th of the same month by the competent Peruvian and American authorities—to develop a cooperative educational program such as has been proposed by the Inter-American Educational Foundation.

I avail myself of this opportunity to renew to you, Mr. Ambassador, the assurances of my highest and most distinguished consideration.

ALFREDO SOLF Y MURO

His Excellency

JOHN CAMPBELL WHITE,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.*

MEMORANDUM OF AGREEMENT

The Government of the Republic of Perú and the Inter-American Educational Foundation, Inc. (hereinafter referred to as the "Foundation"), a division of the Office of the Coordinator of Inter-American Affairs and an agency of the Government of the United States of America, have agreed to undertake a cooperative educational program available to all interested public and private groups in accordance with the following terms and conditions:

1. The cooperative educational program may include:
 - a. A staff of educational specialists requested by the Ministry of Public Education for service in Perú in carrying out the cooperative educational program;
 - b. Grants to permit Peruvian educators to travel to the United States of America for training, to deliver lectures and to realize an interchange of ideas and experiences with United States educators;
 - c. Exploration and survey of Perú of local educational needs and of the resources which are indispensable for the carrying out of training projects;
 - d. Development, adaptation and exchange of suitable teaching materials, particularly visual materials;
 - e. Local projects needed to implement the program in Perú.

2. For the purpose of providing an instrumentality through which the cooperative educational program can be conducted by the representatives of the two parties of this agreement, the Government of Perú shall create a special service to be known as the Servicio de Cooperación Peruano Norteamericano en Educación (hereinafter referred to as S.C.P.N.E.), which shall operate as an entity within and subordinate to the Ministry of Public Education. The S.C.P.N.E. shall have the power to execute the cooperative educational program agreed upon herein.

3. The Foundation will provide a group of educational specialists to collaborate in the consummation of the cooperative educational program. The group of specialists shall be under the direction of the Representative in Peru of the Inter-American Educational Foundation, Inc., who shall be appointed by the same and who shall be acceptable to the Government of Perú. This official shall be the representative of the Foundation in connection with the program to be undertaken in accordance with this agreement.

4. The Government of Perú shall appoint as Director of the S.C.P.N.E. the Representative in Perú of the Inter-American Educational Foundation, Inc. The Director of the S.C.P.N.E. shall be responsible for the execution of, and shall have authority to carry out, the cooperative educational program of the S.C.P.N.E. The Director of the S.C.P.N.E. shall delegate certain of his functions to personnel of the S.C.P.N.E. including personnel of the Foundation assigned to the S.C.P.N.E.

5. The cooperative educational program in Perú shall consist of individual projects. Such projects shall consist of specific kinds of work and activities to be undertaken by the representatives of both Governments in the execution of this agreement. The projects and the allocation of the funds of the S.C.P.N.E. shall be agreed upon by the Minister of Public Education for the Republic of Perú and by the Representative in Perú of the Inter-American Educational Foundation, Inc. for the Foundation.

6. The Foundation shall pay the salaries and expenses of the members of the group as well as the other administrative expenses of the Foundation in a total amount which shall not exceed One Hundred and Thirty Thousand Three Hundred (\$130,300.00) Dollars and shall, in addition, grant to the S.C.P.N.E. the total sum of Forty-one Thousand Seven Hundred (\$41,700.00) Dollars, as follows:

No later than June 4, 1944, the sum of \$13,900.00
No later than April 3, 1945, the sum of \$13,900.00
No later than April 3, 1946, the sum of \$13,900.00

7. The Government of Perú shall contribute to the S.C.P.N.E. the sum of Eighty-six Thousand (\$86,000.00) Dollars or the equivalent in Peruvian Soles calculated on the basis of a rate of exchange of 6.485 Soles per U.S. Dollar, namely, the sum of Five Hundred and Fifty-seven Thousand Seven Hundred and Ten (S/.557,710.00) Peruvian Soles, as follows:

No later than June 4, 1944, the sum of \$28,666.68 or S/.185,903.34
No later than April 3, 1945, the sum of \$28,666.66 or S/.185,903.33
No later than April 3, 1946, the sum of \$28,666.66 or S/.185,903.33

It is understood that the salary which is received by the professor who is in charge of organizing and supervising the teaching of English in Perú may be deducted from the contribution which the Government of Perú shall make available in conformity with this agreement.

The funds of the S.C.P.N.E. shall be deposited in a special account in the name of the S.C.P.N.E. and shall be disbursed by the Director of the S.C.P.N.E. only upon projects having the mutual approval of the Minister of Public Education and the Representative in Perú of the Inter-American Educational Foundation, Inc.

The Government of Perú will also furnish such office space, office equipment and furnishings, and supplies and materials as may be necessary and, within the facilities available to it, will construct such buildings as the execution of the cooperative educational program may require.

8. In view of the fact that many purchases of materials and supplies must necessarily be made in the United States of America and paid for in Dollars, the Minister of Public Education and the Representative in Perú of the Inter-American Educational Foundation, Inc. may agree to withhold from the deposits to be made by the Foundation, as hereinabove provided, an amount established to be necessary to pay for the same. Any funds so withheld by the Foundation for such purposes and not expended on or obligated for materials or supplies for the S.C.P.N.E. shall be deposited to the account of the S.C.P.N.E.

9. Interest, if any, earned on the deposits of the S.C.P.N.E. shall be credited to the said Servicio. The parties hereto shall determine by mutual agreement the disposition of any unobligated funds remaining to the credit of the S.C.P.N.E. upon the termination of this agreement.

10. The Director of the S.C.P.N.E. shall have the power to select, appoint or discharge the employees of the S.C.P.N.E. and shall determine the salaries, transfers and conditions of employment within the S.C.P.N.E. with the approval of the Ministry of Public Education which will issue in each case the corresponding Supreme Resolution.

11. Contracts and agreements relating to the execution of projects previously agreed upon by the Minister of Public Education and the Representative in Perú of the Inter-American Educational Foundation, Inc. shall be executed in the name of the S.C.P.N.E. by the Director of the same.

12. The S.C.P.N.E. shall be considered as an integral part of the public administration of Perú. As a consequence, its Director and its personnel shall enjoy the same privileges and rights which are held by Direcciones and other public divisions of the Government of Perú and by the personnel thereof.

The Foundation shall enjoy the same rights, privileges and immunities which correspond to public agencies of Perú with respect to such of its opera-

tions as are related to property destined for the realization of the cooperative educational program.

Since the personnel of Foundation are obliged, as citizens of the United States, to pay income taxes in the United States upon their salaries, they shall not be required to pay Peruvian Income Taxes upon the same.

13. The expenditure, audit, and accounting of funds in the S.C.P.N.E. account, as well as the purchases and sales of personal property for the account of the S.C.P.N.E., shall be regulated and controlled under such rules, regulations and procedures as shall be mutually agreed upon by the Minister of Public Education and the Representative in Perú of the Inter-American Educational Foundation, Inc. The accounts of the S.C.P.N.E. shall be available for audit whenever it is considered necessary by the appropriate agency of the Government of Perú and by the Foundation or its delegate.

14. At the termination of this agreement, all property of the S.C.P.N.E. shall remain the property of the Government of Perú.

15. All rights, powers, privileges or duties conferred by this agreement upon either the Minister of Public Education or the Representative in Perú of the Inter-American Educational Foundation, Inc. may be delegated by the recipient thereof to representatives, provided that such representatives be satisfactory to the other.

16. This memorandum of agreement may be amended from time to time if deemed advisable by the parties hereto, and the amendments are to be in writing and signed by the representatives of the Government of Perú and the Foundation.

17. The Government of Perú shall take the necessary legal steps to effectuate the terms of this agreement.

This agreement shall become effective as of the date hereof and shall remain in force for three calendar years from said date, unless amended by mutual agreement.

IN WITNESS WHEREOF, the undersigned, duly authorized, sign the present contract, in duplicate, in English and in Spanish, at Lima, Perú, this fourth day of April 1944.

For the Government of the Republic of Peru:

E. LAROZA
Minister of Public Education

For the Inter-American Educational Foundation, Inc.:

KENNETH HOLLAND
*Vice-President,
Inter-American Educational Foundation, Inc.*

NAVAL AVIATION MISSION

*Exchange of notes at Washington January 31, February 18, April 6
and 29, and May 2, 1944, amending and extending agreement
of July 31, 1940*

Entered into force July 31, 1944

Mission agreement expired September 30, 1946

58 Stat. 1249; Executive Agreement Series 402

The Peruvian Ambassador to the Secretary of State

PERUVIAN EMBASSY
WASHINGTON, D.C.

JANUARY 31, 1944

YOUR EXCELLENCY:

In accordance with the provision of Article Three of the Agreement signed between the United States of America and Peru¹ for the appointment of officers and enlisted men to constitute a Naval Aviation Mission in the Republic of Peru, I have the honor to inform Your Excellency that my Government desires that the said services be extended for an identical period as the actual Agreement in force, the renewal to commence upon the termination of the present Agreement on July 31, 1944.

I will appreciate if Your Excellency would be kind enough to inform me if my Government's proposal is satisfactory to the Government of the United States.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

M. DE FREYRE Y S.

His Excellency,
CORDELL HULL,
Secretary of State.

The Acting Secretary of State to the Peruvian Ambassador

DEPARTMENT OF STATE

WASHINGTON

February 18, 1944

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of January 31, 1944, in which you conveyed the request of your Government for renewal of the Agreement entered into on July 31, 1940 between the

¹ Agreement signed July 31, 1940 (EAS 178, *ante*, p. 1118).

Governments of Peru and the United States of America providing for the assignment of a United States Naval Aviation Mission to Peru.

I note that Your Excellency's Government desires to renew this Agreement for a period of four years, the renewal to commence upon the termination of the present Agreement on July 31, 1944 and I am pleased to inform Your Excellency that this arrangement is agreeable to this Government provided the Agreement is so amended as to include the following language as an additional article to the basic Agreement:

"The members of this Mission are permitted and may be authorized to represent the United States of America on any commission and in any other capacity having to do with military cooperation or hemispheric defense without prejudice to this Agreement."

I shall appreciate it if Your Excellency will inform me whether the suggested amendment is acceptable to the Peruvian Government.

Accept, Excellency, the renewed assurances of my highest consideration.

EDWARD R. STETTINIUS, Jr.
Acting Secretary of State

His Excellency
Señor Don MANUEL DE FREYRE Y SANTANDER,
Ambassador of Peru.

The Peruvian Chargé d'Affaires ad interim to the Secretary of State

PERUVIAN EMBASSY
WASHINGTON, D.C.

APRIL 6, 1944

YOUR EXCELLENCY:

In reply to Your Excellency's note dated February 18, 1944 referring to the renewal of the Agreement signed by the Governments of Peru and the United States of America on July 31, 1940 providing for the assignment of a United States Naval Aviation Mission to Peru, I am pleased to inform Your Excellency that the Peruvian Government has taken note that this renewal is agreeable to the United States Government and that it agrees to include the additional article suggested in Your Excellency's note with the following amendment: "during the present war emergency". In consequence the said article would read as thus:

"The members of this Mission are permitted and may be authorized to represent the United States of America on any commission and in any other capacity having to do with military cooperation or hemispheric defense without prejudice to this Agreement, during the present war emergency".

The Peruvian Government also suggests that the period of the said Mission would be for two years instead of four years from the date of the signing of the Agreement and that the following wording would be added to Article II[2] of the Agreement: "Any member of the Mission may be recalled by the Government of the United States after the expiration of two years of service during peace time and at any moment during war time. In which case another member shall be furnished to replace him". According to a recent act approved by the Congress of Peru the Ministry of Aeronautics has been established and it will be appreciated if the title of Ministry of Marine and Aviation be changed to Ministry of Aeronautics in every instance that it appears in the Agreement.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

EDUARDO GARLAND

His Excellency,

CORDELL HULL,

Secretary of State.

The Secretary of State to the Peruvian Chargé d'Affaires ad interim

DEPARTMENT OF STATE

WASHINGTON

April 29, 1944

SIR:

Reference is made to your note of April 6, 1944 concerning the renewal of the Agreement entered into on July 31, 1940 between the Governments of the United States of America and the Republic of Peru, providing for the assignment of a United States Naval Aviation Mission to Peru.

I note that the proposed additional article to the basic Agreement, as set forth in my note of February 18, 1944, is acceptable to your Government provided it is amended by adding the following words "during the present war emergency". It is also noted that the Government of Peru desires that the Agreement be extended only for a period of two years and that the following language be added to Title I Article 2 of the basic Agreement:

"Any member of the Mission may be recalled by the Government of the United States after the expiration of two years of service during peace time and at any moment during war time, in which case another member shall be furnished to replace him."

It is inferred, and is the understanding of this Government, that the Peruvian Government's request contemplates also that in the same way the title

"Minister of Marine and Aviation" shall be changed to "Minister of Aeronautics".

I am pleased to inform you that the proposed changes are acceptable to this Government with the exception of the proposed addition to Title I Article 2, which the Navy Department is of the opinion is already covered by Title IV Article 17 of the basic Agreement.

In the event that the above proposal is acceptable to your Government, I shall consider this note and your response to that effect as completing the Agreement between the two Governments for the renewal of the Agreement of 1940 in accordance with Title I Article 3.

Accept, Sir, the renewed assurances of my highest consideration.

For the Secretary of State:

A. A. BERLE, Jr.

Señor Dr. EDUARDO GARLAND,
Chargé d'Affaires ad interim of Peru.

The Peruvian Chargé d'Affaires ad interim to the Secretary of State

PERUVIAN EMBASSY
WASHINGTON, D.C.

MAY 2, 1944

YOUR EXCELLENCY:

With reference to Your Excellency's note dated April 29, 1944, I have the honour to inform Your Excellency that as Your Excellency suggests in the said note, considering that the proposed addition to Title I Article 2 of the Agreement providing for the assignment of the United States Naval Aviation Mission to Peru is already covered by Title IV Article 17 of the same, the Peruvian Government accepts Your Excellency's suggestion and as Your Excellency has given his acceptance to the other proposed changes submitted by this Embassy, this note will be considered as completing the Agreement for the renewal of the Agreement of 1940 in accordance with Title I Article 3.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

EDUARDO GARLAND

His Excellency,
CORDELL HULL,
Secretary of State.

MILITARY MISSION

Agreement signed at Washington July 10, 1944

Entered into force July 10, 1944

Extended by agreement of July 9 and August 23, 1948¹

Superseded by agreement of June 20, 1949²

58 Stat. 1311; Executive Agreement Series 409

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PERU

In conformity with the request of the Government of the Republic of Peru to the Government of the United States of America, the President of the United States of America has authorized the appointment of officers and enlisted men of the United States Army to constitute a Military Mission to the Republic of Peru under the conditions specified below:

TITLE I

Purpose and Duration

ARTICLE 1. The purpose of this Mission is to cooperate with the Minister of War of the Republic of Peru and with the officers of the Peruvian Army with a view to enhancing the efficiency of the Peruvian Army.

ARTICLE 2. This Mission shall continue for a period of four years from the date of the signing of this Agreement by the accredited representatives of the Government of the United States of America and the Government of the Republic of Peru unless previously terminated or extended as hereinafter provided. Any member of the Mission may be recalled by the Government of the United States of America after the expiration of two years of service, in which case another member shall be furnished to replace him.

ARTICLE 3. If the Government of the Republic of Peru should desire that the services of the Mission be extended beyond the stipulated period, it shall make a written proposal to that effect six months before the expiration of this Agreement.

ARTICLE 4. This Agreement may be terminated before the expiration of the period of four years prescribed in Article 2, or before the expiration of the extension authorized in Article 3, in the following manner:

¹ Not printed.

² TIAS 1937, *post*, p. 1286.

- (a) By either of the Governments, subject to three months' written notice to the other Government;
- (b) By the recall of the entire personnel of the Mission by the Government of the United States of America in the public interest of the United States of America, without necessity of compliance with provision (a) of this Article.

ARTICLE 5. This Agreement is subject to cancellation upon the initiative of either the Government of the United States of America or the Government of the Republic of Peru at any time during a period when either Government is involved in domestic or foreign hostilities.

TITLE II

Composition and Personnel

ARTICLE 6. This Mission shall consist of such personnel of the United States Army as may be agreed upon by the Minister of War of the Republic of Peru through his authorized representative in Washington and by the War Department of the United States of America.

TITLE III

Duties, Rank and Precedence

ARTICLE 7. The personnel of the Mission shall perform such duties as may be agreed upon between the Minister of War of the Republic of Peru and the Chief of the Mission.

ARTICLE 8. The members of the Mission shall be responsible solely to the Minister of War of the Republic of Peru, through the Chief of the Mission.

ARTICLE 9. Each member of the Mission shall serve on the Mission with the rank he holds in the United States Army and shall wear the uniform of his rank in the United States Army but shall have precedence over all Peruvian officers of the same rank.

ARTICLE 10. Each member of the Mission shall be entitled to all benefits and privileges which the Regulations of the Peruvian Army provide for Peruvian officers and enlisted men of corresponding rank.

ARTICLE 11. The personnel of the Mission shall be governed by the disciplinary regulations of the United States Army.

TITLE IV

Compensation and Perquisites

ARTICLE 12. Members of the Mission shall receive from the Government of the Republic of Peru such net annual compensation expressed in United States currency as may be agreed upon between the Government of the United States of America and the Government of the Republic of Peru for

each member. This compensation shall be paid in twelve (12) equal monthly instalments, each due and payable on the last day of the month. Payment may be made in Peruvian national currency and when so made shall be computed at the highest value of the dollar at the free market rate of exchange in Lima on the day on which due. Payments made outside of the Republic of Peru shall be in the national currency of the United States of America. The compensation shall not be subject to any tax, now or hereafter in effect, of the Government of the Republic of Peru or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be borne by the Minister of War of the Republic of Peru in order to comply with the provision of this Article that the compensation agreed upon shall be net.

ARTICLE 13. The compensation agreed upon as indicated in the preceding Article shall commence upon the date of departure from the United States of America of each member of the Mission, and, except as otherwise expressly provided in this Agreement, shall continue, following the termination of duty with the Mission, for the return voyage to the United States of America and thereafter for the period of any accumulated leave which may be due.

ARTICLE 14. The compensation due for the period of the return trip and accumulated leave shall be paid to a detached member of the Mission before his departure from the Republic of Peru, and such payment shall be computed for travel by the shortest usually traveled route to the port of entry in the United States of America, regardless of the route and method of travel used by the member of the Mission.

ARTICLE 15. Each member of the Mission and each dependent member of his family shall be provided by the Government of the Republic of Peru with first-class accommodations for travel required and performed under this Agreement by the shortest usually traveled route between the port of embarkation in the United States of America and his official residence in the Republic of Peru, and from his official residence in the Republic of Peru to the port of debarkation in the United States of America. The expenses of shipment of his household effects, baggage, and automobile of each member of the Mission between the port of embarkation in the United States of America and his official residence in the Republic of Peru shall also be paid by the Government of the Republic of Peru; this shall include all necessary expenses incident to unloading from the steamer upon arrival in the Republic of Peru, cartage between the ship and the residence in the Republic of Peru, and packing and loading on board the steamer upon departure from the Republic of Peru. The transportation of such household effects, baggage, and automobile shall be made in a single shipment and all subsequent shipments shall be at the expense of the respective members of the Mission except when such

shipments are necessitated by circumstances beyond their control. Payment by the Government of the Republic of Peru of the expenses for the transportation of the families, household effects, baggage, and automobiles of personnel who may join the Mission for temporary service at the request of the Minister of War of the Republic of Peru shall not be obligatory under this Agreement, but shall be determined by negotiations between the War Department of the United States of America and the authorized representative in Washington of the Minister of War of the Republic of Peru, at such time as the detail of personnel for such temporary service is agreed upon.

ARTICLE 16. The Government of the Republic of Peru shall allot in the budget of the Minister of War an amount adequate to pay customs duties on articles imported by the members of the Mission for their personal use and for the use of their families, provided that the Chief of the Mission authorizes such importations.

ARTICLE 17. If the services of any member of the Mission should be terminated by the Government of the United States of America, except as established in the provisions of Article 5, before the completion of two years of service, the provisions of Article 15 shall not apply to the return trip. If the services of any member of the Mission should terminate or be terminated before the completion of two years of service, for any other reason, including those established in Article 5, such member shall receive from the Government of the Republic of Peru all compensations, emoluments, and perquisites as though he had completed two years of service, but the annual salary shall terminate as provided in Article 13. But should the Government of the United States of America recall any member for breach of discipline, the cost of the return trip to the United States of America of such member, his family, household effects, baggage, or automobile shall not be borne by the Government of the Republic of Peru.

ARTICLE 18. Compensation for transportation and traveling expenses in the Republic of Peru on official business of the Government of the Republic of Peru shall be provided by the Government of the Republic of Peru in accordance with the provisions of Article 10.

ARTICLE 19. The Government of the Republic of Peru shall provide the Chief of the Mission with suitable motor transportation with chauffeur for use on official business. Suitable motor transportation with chauffeur shall on call be made available by the Government of the Republic of Peru for use by the members of the Mission for the conduct of the official business of the Mission.

ARTICLE 20. The Government of the Republic of Peru shall provide suitable office space and facilities for the use of the members of the Mission.

ARTICLE 21. If any member of the Mission or any member of his family should die in the Republic of Peru, the Government of the Republic of Peru shall have the body transported to such place in the United States of America

as the surviving members of the family may decide, but the cost to the Government of the Republic of Peru shall not exceed the cost of transporting the remains from the place of decease to New York City. Should the deceased be a member of the Mission, his services with the Mission shall be considered to have terminated fifteen (15) days after his death. Return transportation to New York City for the family of the deceased member and for their household effects, baggage, and automobile shall be provided as prescribed in Article 15. All compensation due the deceased member, including salary for the fifteen (15) days following his death, and reimbursement due the deceased member for expenses and transportation on trips made on official business of the Government of the Republic of Peru, shall be paid to the widow of the deceased member or to any other person who may have been designated in writing by the deceased while he was serving under the terms of this Agreement; but the widow or other person shall not be compensated for accrued leave due but not taken by the deceased. All compensations due the widow or other person designated by the deceased, under the provisions of this Article, shall be paid before the departure of the widow or such other person from the Republic of Peru and within fifteen (15) days after the death of the member.

TITLE V

Requisites and Conditions

ARTICLE 22. So long as this Agreement, or any extension thereof, is in effect, the Government of the Republic of Peru shall not engage the services of any personnel of any other foreign government for duties of any nature connected with the Peruvian Army, except by mutual agreement between the Government of the United States of America and the Government of the Republic of Peru.

ARTICLE 23. Each member of the Mission shall agree not to divulge or in any way disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant in his capacity as a member of the Mission. This requirement shall continue in force after the termination of service with the Mission and after the expiration or cancellation of this Agreement or any extension thereof.

ARTICLE 24. Throughout this Agreement the term "family" is limited to mean wife and dependent children.

ARTICLE 25. Each member of the Mission shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of a year. Unused portions of said leave shall be cumulative from year to year during service as a member of the Mission.

ARTICLE 26. The leave specified in the preceding Article may be spent in the Republic of Peru, in the United States of America, or in other countries, but the expense of travel and transportation not otherwise provided for

in this Agreement shall be borne by the member of the Mission taking such leave. All travel time shall count as leave and shall not be in addition to the time authorized in the preceding Article.

ARTICLE 27. The Government of the Republic of Peru agrees to grant the leave specified in Article 25 upon receipt of written application, approved by the Chief of the Mission with due consideration for the convenience of the Government of the Republic of Peru.

ARTICLE 28. Members of the Mission that may be replaced shall terminate their services on the Mission only upon the arrival of their replacement, except when otherwise mutually agreed upon in advance by the respective Governments.

ARTICLE 29. The Government of the Republic of Peru shall provide suitable medical attention to members of the Mission and their families. In case a member of the Mission becomes ill or suffers injury, he shall, at the discretion of the Chief of the Mission, be placed in such hospital as the Chief of the Mission deems suitable, after consultation with the Minister of War of the Republic of Peru, and all expenses incurred as the result of such illness or injury while the patient is a member of the Mission and remains in the Republic of Peru shall be paid by the Government of the Republic of Peru. If the hospitalized member is a commissioned officer he shall pay his cost of subsistence, but if he is an enlisted man the cost of subsistence shall be paid by the Government of the Republic of Peru. Families shall enjoy the same privileges agreed upon in this Article for members of the Mission, except that a member of the Mission shall in all cases pay the cost of subsistence incident to hospitalization of a member of his family, except as may be provided under Article 10.

ARTICLE 30. Any member of the Mission unable to perform his duties with the Mission by reason of long continued physical disability shall be replaced.

IN WITNESS WHEREOF, the undersigned, Cordell Hull, Secretary of State of the United States of America, and Eduardo Garland, Minister Counselor, Chargé d'Affaires ad interim of the Republic of Peru in Washington, duly authorized thereto, have signed this Agreement in duplicate in the English and Spanish languages, in Washington, this tenth day of July, one thousand nine hundred forty-four.

For the United States of America:
CORDELL HULL [SEAL]

For the Republic of Peru:
EDUARDO GARLAND [SEAL]

ANTHROPOLOGICAL RESEARCH AND INVESTIGATION

Exchange of notes at Lima March 9 and August 4, 1944, with memorandum agreement

Entered into force August 4, 1944

Superseded July 1, 1948, by agreement of March 17 and 25, 1949¹

58 Stat. 1518; Executive Agreement Series 438

The American Ambassador to the Minister of Foreign Affairs

No. 1719

LIMA, March 9, 1944

EXCELLENCY:

I have the honor, at the instance of my Government and as a sequel to a communication of January 28, 1944, received in the Embassy from Dr. Luis E. Valcárcel, Director of the National Museum of Lima expressing the interest of that organization in obtaining the services of scientists of the Smithsonian Institution qualified in the field of anthropology, to state that the Institute of Social Anthropology of the Smithsonian Institute is now prepared to cooperate with the appropriate Peruvian authorities in the conduct of anthropological research and investigation at Lima, Cuzco, and elsewhere under the general program of the Interdepartmental Committee on Cooperation with the American Republics. The purposes of the project in Peru would include the provision of university and field training for students in anthropology and geography, assistance in coordinating the efforts of collaborating scientists of Peru and the United States in carrying out long-range social science studies in selected areas, the provision of headquarters for field research where students from the American republics could obtain guidance and training in field work after the war, and the publication of research findings, et cetera.

In order to facilitate this proposed collaboration, should it be found acceptable to Your Excellency's Government, there is transmitted a draft informal memorandum agreement for the consideration of the appropriate Peruvian authorities. In the event that the proposal is considered acceptable, Your Excellency's reply to that effect would complete the agreement. It will not be necessary that the memorandum be signed.

It will be noted that the draft constitutes a proposal whereby the Governments of the two countries would agree to cooperate through the appropriate

¹ TIAS 1960, post, p. 1282.

agencies for the accomplishment of certain broad objectives, on the understanding that whereas the obligations to be assumed by the Government of the United States would involve primarily the detail of qualified scientists to Peru from time to time, the manner in which the various phases of the cooperation would be carried out would be made the subject of separate projects to be approved by both Governments in advance of their execution.

Should the enclosed draft memorandum agreement prove acceptable to Your Excellency's Government, I shall be glad, on being informed to that effect, to propose initial projects, involving the detail of personnel of the Smithsonian Institution, to be undertaken pursuant to the terms of the proposed memorandum agreement.

I avail myself of this occasion to extend to Your Excellency the renewed assurance of my highest consideration.

JEFFERSON PATTERSON

Enclosure:

Memorandum agreement.

His Excellency

Doctor ALFREDO SOLF Y MURO,
Minister for Foreign Affairs,
Lima, Peru.

MEMORANDUM AGREEMENT

As a part of its program for cooperation with the other American republics, the Government of the United States through the Institute of Social Anthropology of the Smithsonian Institution, and the Government of Peru through such agencies as it may designate, agree to cooperate for the following purposes:

1. To provide university and field training for students in anthropology and geography that will serve to equip the trainees for teaching and research positions in Peru when a need for teachers so trained is acknowledged to exist by the cooperating agencies of the two Governments.
2. To assist in coordinating the efforts of collaborating scientists of Peru and the United States in carrying out long-range social science studies in selected areas to be chosen by joint agreement between the cooperating agencies of the two Governments.
3. In connection with field work, to solicit the cooperation of institutions not mentioned herein, when the necessity for specialized research is indicated.
4. To provide a headquarters for field research in anthropology and geography where students from the American Republics can obtain guidance and training in field work after the war.
5. To further scientific investigations in anthropology and geography as the occasion may arise.

6. To publish research findings under such auspices and in such forms and languages as in the opinion of the cooperating agencies of the two Governments may render them the most useful.

Whereas the obligations to be assumed by the Government of the United States through the Institute of Social Anthropology of the Smithsonian Institution would involve primarily the detail of qualified scientists to Peru from time to time to assist the cooperating Peruvian agencies, the manner in which the two Governments would cooperate in carrying out the various phases of the work would be the subject of separate proposals. Such proposals would include a description of the work to be performed, and a statement of the conditions under which it would be undertaken. Each proposal would also be brought to the attention of the Peruvian Government in advance for preliminary consideration, and no action would be taken except with the full approval of the Peruvian authorities.

This agreement shall come into effect on the day on which it is accepted by the Government of Peru, and shall continue in effect until June 30, 1948, or for an additional period if mutually agreed upon in writing, unless the Congress of either country shall fail to make available the funds necessary for its execution, in which case it may be terminated on sixty days' advance written notice by the Government of either country.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
AND WORSHIP

No. (D) 6-3/170

LIMA, August 4, 1944

MR. AMBASSADOR:

With reference to Your Excellency's courteous note No. 179, of July 31 last, relative to the agreement for cooperation between Peruvian authorities and the Institute of Social Anthropology of the Smithsonian Institution of Washington, I am pleased to inform you that the Ministry of Education advises me that it considers acceptable the proposal contained in the Memorandum transmitted with your Embassy's courteous note No. 1719 of March 9th of the present year.

I avail myself of the opportunity to renew to you, Mr. Ambassador, the assurances of my highest and most distinguished consideration.

ALFREDO SOLF Y MURO

His Excellency

JOHN CAMPBELL WHITE, *Ambassador*
Extraordinary and Plenipotentiary
of the United States of America,
City

FOOD PRODUCTION PROGRAM

*Exchange of notes at Lima August 18 and October 10, 1944, supplementing and extending agreement of May 19 and 20, 1943, with memorandum of agreement of June 1, 1944, between the Institute of Inter-American Affairs and the Minister of Agriculture
Entered into force October 10, 1944; operative from May 19, 1944
Program expired June 30, 1960*

58 Stat. 1484; Executive Agreement Series 433

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
Lima, August 18, 1944

No. 216

EXCELLENCY:

I have the honor to refer to the agreement of May 19, 1943, relating to the establishment of the Inter-American Cooperative Food Production Service in Peru, which agreement was effected by an exchange of notes dated May 19, and 20, 1943,¹ between the American Ambassador in Lima and the Peruvian Minister of Agriculture. With the Ambassador's note of May 19, 1943 there was enclosed an English text of a Memorandum of Agreement signed by the Ambassador for the Institute of Inter-American Affairs and by the Minister of Agriculture for the Republic of Peru. With the Minister's note of May 20, 1943 there was enclosed a Spanish text of the Memorandum of Agreement, similarly signed.

In the Ambassador's note of May 19, 1943, it was stated "that this exchange of notes constitutes the agreement for the establishment of the Inter-American Cooperative Food Production Service in Peru." In the Memorandum of Agreement accompanying the exchange of notes it was stated as follows:

"Thirteenth—The present agreement will be for the duration of one year, continuing from the date of signature of the Note of Transmittal, and may be extended in the judgment of the contracting parties."

¹ EAS 385, *ante*, p. 1160.

It appears that the agreement of May 19, 1943 was approved on the part of the Government of Peru by *Resolución Suprema* 286, May 20, 1943. I am informed that no further action on the part of the Government of the United States of America was requisite.

On June 1, 1944 there was signed in Lima by the Executive Vice-President of the Institute of Inter-American Affairs and by the Minister of Agriculture of Peru a Memorandum of Agreement which reads in English and Spanish as follows:

“LIMA, June 1, 1944

“MEMORANDUM OF AGREEMENT

“1. The memorandum of agreement executed May 19, 1943 between The Institute of Inter-American Affairs and the Ministry of Agriculture for the Republic of Peru providing for a cooperative food production program and for the creation and operation of a special technical service within the Ministry of Agriculture known as the Servicio Cooperativo Inter-Americano de Producción de Alimentos is hereby extended to August 31, 1945, except as modified by this memorandum.

“2. The provisions of Article Four of the agreement of May 19, 1943, are considered to be fulfilled by the contribution of U.S. \$124,817.11 by The Institute of Inter-American Affairs, plus the contribution of U.S. \$38,159.66 to be made by The Institute of Inter-American Affairs during June 1944 to cover outstanding obligations, making a total contribution on the part of The Institute of Inter-American Affairs of U.S. \$162,976.77 (S/.1,056,904.35) and by the contribution of S/.823,595 that has been made by the Government of Peru, plus S/.233,309.35 to be contributed during June 1944, making a total of S/.1,056,904.35 (U.S. \$162,976.77).

“3. For the purpose of extending the agreement of May 19, 1943, The Institute of Inter-American Affairs will make available an additional sum of U.S. \$150,000 (S/.972,750) and the Government of Peru will likewise make available an additional sum of S/.1,945,500 (U.S. \$300,000). Thus, The Institute of Inter-American Affairs will contribute a total sum of U.S. \$312,976.77 (S/.2,029,654.35) and the Government of Peru will contribute a total sum of S/.3,002,404.35 (U.S. \$462,976.42) for the operations of the Servicio Cooperativo Inter-Americano de Producción de Alimentos, for the period of May 19, 1943, to August 31, 1945, inclusive.

“4. For the purpose of effectuating the objectives of this extension agreement, The Institute of Inter-American Affairs agrees to transfer to the account of the Servicio Cooperativo Inter-Americano de Producción de Alimentos the sum of U.S. \$150,000 (S/.972,750) on the following basis, except that The Institute of Inter-American Affairs may withhold the estimated or actual amount of orders placed for the Servicio in the United States

and such costs, in appropriate amounts, shall be regarded as bi-monthly contributions as provided herein:

	U.S. Dollars	Peruvian Soles
July, August, 1944	25,000.00	162,125.00
September, October, 1944	25,000.00	162,125.00
November, December, 1944	25,000.00	162,125.00
January, February, 1945	25,000.00	162,125.00
March, April, 1945	16,666.66	108,083.33
May, June, 1945	16,666.67	108,083.33
July, August, 1945	16,666.67	108,083.34
	<hr/>	<hr/>
	150,000.00	972,750.00

"5. The Government of Peru agrees to transfer to the account of the Servicio S/.1,945,500 (\$300,000 U.S.) on the following basis:

	Peruvian Soles	U.S. Dollars
July, August, 1944	324,250.00	50,000.00
September, October, 1944	324,250.00	50,000.00
November, December, 1944	324,250.00	50,000.00
January, February, 1945	324,250.00	50,000.00
March, April, 1945	216,166.66	33,333.33
May, June, 1945	216,166.67	33,333.33
July, August, 1945	216,166.67	33,333.34
	<hr/>	<hr/>
	1,945,500.00	300,000.00

"6. All funds contributed by The Institute of Inter-American Affairs which are not, proportionately with funds contributed by the Peruvian Government, expended or pledged by contract or other legal commitment on August 31, 1945, shall be returned to The Institute of Inter-American Affairs.

"7. The funds contributed according to the above are to be employed only for maintaining or extending projects contemplated under the original agreement and as listed in the budget approved August 16, 1943 and as elaborated in project proposals approved by the Minister of Agriculture and the Director of the Servicio, or as modified by them, except that no part of the additional funds contributed by The Institute of Inter-American Affairs shall be utilized in projects involving poultry, fishery or warehouses.

"8. The Chief of the Food Production Mission in Peru of The Institute of Inter-American Affairs shall continue as Director of the Servicio Cooperativo Inter-Americano de Producción de Alimentos for the life of the extended agreement.

"9. The agreement of May 19, 1943 shall remain in full force and effect for the purpose of extending the cooperative food production program to August 31, 1945, except as specifically modified herein and the provisions contained therein will apply during the life of the extended agreement.

"10. This extended agreement shall be definitely terminated on August 31, 1945. It is understood that during the life of this agreement there will be an orderly withdrawal of the activities of the Food Supply Division of

The Institute of Inter-American Affairs in Peru and the gradual assumption of its functions by the appropriate entities of the Ministry of Agriculture.

For the Institute of Inter-American Affairs:

G. C. DUNHAM
Major General U. S. Army
Executive Vice-President

For the Republic of Peru:

GODOFREDO A. LABARTE
Minister of Agriculture”

It is a pleasure for me to inform Your Excellency that the provisions of the Memorandum of Agreement as hereinabove set forth, by which the agreement of May 19, 1943 would be extended to August 31, 1945, except as modified by the said Memorandum of Agreement, meet with the approval of the Government of the United States of America. It is my understanding that those provisions likewise meet with the approval of the Government of the Republic of Peru. This note, together with your reply indicating the approval of the Government of the Republic of Peru, will be considered as constituting an agreement between our two Governments on the subject, it being understood that this agreement shall be effective as of May 19, 1944 and that this agreement shall continue in force to August 31, 1945.

Accept, Excellency, the renewed assurances of my highest consideration.

J. C. WHITE

His Excellency

Doctor ALFREDO SOLF Y MURO,
Minister for Foreign Affairs,
Lima.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
AND WORSHIP

Number : (M)-6-3-224

LIMA, October 10, 1944

MR. AMBASSADOR:

With reference to Your Excellency's courteous note No. 216 of August 18 last, by which you requested the extension until August 31, 1945 of the Agreement on the Inter-American Cooperative Food Production Service, I am pleased to inform you that my Government, by Supreme Resolution No.

455 issued by the Ministry of Agriculture, has approved, with the modifications agreed upon, said extension of time.

I avail myself of this opportunity to repeat to you, Mr. Ambassador, the assurances of my highest and most distinguished consideration.

ALFREDO SOLF Y MURO

His Excellency

JOHN CAMPBELL WHITE,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America.*

City.

FELLOWSHIP PROGRAM

Exchange of notes at Washington December 21, 1944, and January 4, 1945

Entered into force January 4, 1945

Expired upon fulfillment of its terms

59 Stat. 1594; Executive Agreement Series 474

The Peruvian Ambassador to the Secretary of State

DECEMBER 21, 1944

YOUR EXCELLENCY:

With reference to informal conversations which have been held by officers of the Department of State with Dr. Eduardo Garland, Minister-Counsellor of the Peruvian Embassy, regarding a Second Peruvian-United States Co-operative Fellowship Program, and in view of the excellent results reached by the accomplishment of the understanding outlined in the Department of State Memorandum dated July 30, 1942 and the Embassy's note of August 4, 1942¹ for a special technical training granted in educational institutions of the United States for advance students of Peru, I have been instructed by the Peruvian Government to inform Your Excellency that the Peruvian Government will be glad to agree to a program of this nature to be undertaken as follows:

The program will cover fifteen (15) fellowships at the graduate level for study in the United States, expenses and responsibilities of which will be taken care of as follows:

The Peruvian Government will attend to travel expenses from student's residence in Peru to the place of study in the United States and return, tuition expenses during orientation and tuition expenses if necessary to place a student in a field of study specified by the Peruvian Government for which no fellowship is available.

The United States Government will handle maintenance expenses for twelve (12) months at place of study, including orientation period, in standard amounts now paid in the different localities and not exceeding \$135.00 per month.

¹ EAS 298, *ante*, p. 1157

The Institute of International Education will take care of the acquisition of tuition fellowship for each candidate at principal place of study, in so far as possible, placement of candidates at appropriate institutions of higher learning in the United States and supervision of students, including periodical reports on their progress.

To achieve the best possible results the Peruvian Government considers that the following procedure be adopted for the program:

1. *Fields of study.* The Peruvian Government will decide on the fields of study in which technical instruction is to be given and on the number of persons to be appointed to each field. This information will be submitted as soon as possible to the Department of State in order that the Institute of International Education may earmark the necessary fellowships for as many fields as possible and send information to Peru regarding the general requirements for study in each field for the guidance of the selection authorities.

2. *Selection of candidates.* Candidates would submit their applications on forms of the Institute of International Education which would be filed with the Peruvian-North American Fellowship and Scholarship Committee in Lima. For the purpose of this program, the Peruvian Government would, should it so desire, appoint two representatives to sit with the Committee and have a voice in its proceedings. If possible, two candidates will be submitted for each fellowship.

3. *Standards of eligibility.* The awards will be made to persons with university or superior normal school degrees who have had at least one year of practical experience in the respective fields in which they wish to pursue graduate studies; who demonstrate that they possess a working knowledge of the English language; who have better than average academic records; who have satisfactory personality and potential adaptability to living abroad; and who are in good health.

4. *Present location of candidates.* The awards will be made to persons now in Peru who have not previously received fellowship assistance from the United States Government.

5. *Orientation course.* For the purpose of adequately preparing the Peruvian students to undertake the advanced courses most effectively, the students will be given orientation courses in the language and customs of the United States upon their arrival. This course will be given at the place agreed upon by the Department of State, the Peruvian Embassy in Washington, and the Institute of International Education, and the tuition charges therefor will be borne by the Peruvian Government.

6. *Announcement of program.* Public announcement of the program will be made simultaneously in Peru and in the United States at a mutually agreeable time.

7. *Time schedule.* It is suggested that the following schedule be adopted:

FELLOWSHIP PROGRAM—DEC. 21, 1944, AND JAN. 4, 1945 1205

Public Announcement shall be arranged for upon receipt of a reply from the Department of State to this note.

December 20, 1944—February 1, 1945—Receipt of applications by Selection Committee.

February 1—February 15, 1945—Review of applications by Selection Committee and transmission to the Institute of International Education.

March 1, 1945—May 1, 1945—Placement of candidates by the Institute of International Education.

May 1, 1945 (earlier if possible)—Announcement of awards.

June 1—June 15, 1945—Arrival of successful candidates in the United States.

June 15, 1945—Orientation.

(Date to be fixed in each case)—Commencement of formal studies.

8. *Renewals.* Renewal of fellowships will be considered through the regular program of the Institute of International Education for a limited number of persons who demonstrate high ability, provided funds are available for this purpose.

9. *Other conditions.* Candidates must obligate themselves to return to Peru on the conclusion of their studies.

Fellowships may be revoked should any student demonstrate inability to pursue the studies for which he has been brought to the United States.

I will appreciate Your Excellency's acceptance of this program which I believe will undoubtedly contribute to foster the excellent relations that have always existed between our two countries.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

P. G. BELTRÁN

His Excellency,

EDWARD R. STETTINIUS,

Department of State,

Washington, D.C.

The Secretary of State to the Peruvian Ambassador

WASHINGTON
January 4, 1945

EXCELLENCY:

I have the honor to acknowledge receipt of your note of December 21, 1944, which refers to informal conversations which have been held by officers of the Department with Dr. Eduardo Garland, Minister-Counsellor of the Peruvian Embassy, regarding a Second Peruvian—United States Cooperative Fellowship Program and expresses the desire of the Peruvian Government,

in view of the excellent results of the First Program, to undertake a similar agreement with the Government of the United States.

I have noted that it is proposed that the program cover fifteen (15) fellowships at the graduate level for study in the United States, expenses and responsibilities of which would be divided between the Peruvian Government and the Government of the United States, the latter having the co-operation of the Institute of International Education. The specific conditions governing the procedure for carrying out the program have been noted and this Government is in entire accord with them.

It is a source of satisfaction to my Government that the First Peruvian-United States Cooperative Fellowship Program should have been so successful, and it is with much pleasure that I am able to inform you of my Government's desire to cooperate in this Second Program.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

ARCHIBALD MACLEISH

His Excellency

Señor Don PEDRO BELTRÁN,
Ambassador of Peru.

COOPERATIVE EDUCATION PROGRAM

Agreement signed at Lima January 30, 1945, supplementing agreement of April 4, 1944¹

Entered into force January 30, 1945

Paragraphs 1 and 2 superseded by agreement of April 30, 1945²

Expired upon fulfillment of its terms

61 Stat. 3871; Treaties and Other
International Acts Series 1740

MINISTRY OF PUBLIC EDUCATION

SUPPLEMENTARY AGREEMENT NO. 1. RELATING TO THE PERUVIAN-AMERICAN COOPERATIVE EDUCATION SERVICE

[TRANSLATION]

The undersigned, the Minister of Education of Peru and the Director of the Peruvian-American Cooperative Education Program Service, for the purpose of the functioning of the said Service, approve this supplementary agreement, which consists of the following points:

1. To deposit the funds of the Service, having as their source Peruvian and United States contributions, in the National City Bank of New York, Lima Branch, in a special account called "Peruvian-American Cooperative Education Service". The Program Director of the Service shall draw checks against this account to cover the expenses previously approved by the Minister of Public Education.
2. In order to avoid the losses resulting from exchange operations and to defray the expenses of Peruvian scholarship holders in the United States of America, for the 1944-1945 period, to leave in the custody of the Inter-American Educational Foundation Inc. eleven twelfths of the contribution of the latter for the 1944-1945 period, or \$25,483.33, the remaining twelfth, amounting to \$2,316.67, having to be deposited, together with that belonging to Peru, in the account of the Service in Lima.
3. To authorize the Director of the aforementioned Service to dispose of up to three hundred sols a month in cash to provide for the most urgent expenses of the office, such as postage for mail, office equipment, etc.

¹ TIAS 1740, *ante*, p. 1179.

² TIAS 1740, *post*, p. 1209.

4. To engage a bilingual stenographer-typist at the beginning monthly salary of two hundred and fifty sols.

5. To engage the services of an employee to keep the books of the Service, with a beginning salary of three hundred sols a month. – To engage, also, the services of a messenger at thirty sols a month.

6. To obtain exemption from income tax and from the requirement of the foreign identification booklet for Dr. J. Graham Sullivan, Dr. Reginald Reindorp and the American personnel which belongs to the Service.

7. To grant to the American personnel of the Service referred to, the travel discounts which are granted to Peruvian personnel which is traveling officially.

LIMA, January 30, 1945.

E. LAROZA

Minister of Public Education

REGINALD C. REINDORP

Director of the S.C.P.N.E.

COOPERATIVE EDUCATION PROGRAM

*Agreement signed April 30, 1945, supplementing agreement of April 4,
1944, and amending agreement of January 30, 1945
Entered into force April 30, 1945
Expired upon fulfillment of its terms*

61 Stat. 3871; Treaties and Other
International Acts Series 1740

MINISTERIO DE EDUCACION PUBLICA

SUPPLEMENT TO BASIC AGREEMENT

This agreement is made this 30 day of April 4, 1945 between the Government of Perú, represented by Ingº Enrique Laroza, Minister of Public Education (hereinafter called the Minister) and the Inter-American Educational Foundation, Inc., a corporation of the Office of the Coordinator of Inter-American Affairs (now known as the Office of Inter-American Affairs) and an Agency of the Government of the United States of America (hereinafter called the Foundation), represented by J. Graham Sullivan, its Special Representative.

Clause I

The Basic Contract of April 4, 1944,¹ made between the Government of Perú, represented by the Minister, and the Inter-American Educational Foundation, Inc., represented by its Vice-President, provides in paragraphs 6 and 7 that the Foundation would grant to the Servicio de Cooperación Peruano Norte-Americano en Educación (hereinafter called the S.C.P.N.E.) the total sum of \$41,700.00, U.S. Dollars, as follows:

No later than June 4, 1944, the sum of \$13,900.00
No later than April 3, 1945, the sum of \$13,900.00
No later than April 3, 1946, the sum of \$13,900.00;

and that the Government of Perú would contribute to the S.C.P.N.E. the sum of \$86,000.00, U.S. Dollars, or the equivalent in Peruvian Soles, calculated on the basis of a rate of exchange of 6.485 Soles per U.S. Dollar, namely, the sum of S/.557,710.00, Peruvian Soles, as follows:

No later than June 4, 1944, the sum of \$28,666.68 or S/.185,903.34
No later than April 3, 1945, the sum of \$28,666.66 or S/.185,903.33
No later than April 3, 1946, the sum of \$28,666.66 or S/.185,903.33

¹ TIAS 1740, *ante*, p. 1181.

Clause II

Because of the fact that circumstances rendered it impossible for the Foundation to secure the services of qualified individuals to make up its group of educational specialists, it became necessary to postpone activities under the Basic Contract and to delay the deposit of the contributions to the S.C.P.N.E. mentioned above.

Clause III

In December of 1944 Dr. Reginald C. Reindorp was appointed by the Foundation as its Acting Special Representative in Perú and pursuant to conversations with the Minister was also appointed as Acting Director of the S.C.P.N.E. by Supreme Resolution No. 3987 of the Government of Perú on December 6, 1945.

Clause IV

As a result of conversations between the Minister and the Acting Representative of the Foundation, it was agreed that the payments of both the Peruvian Government and the Foundation to the S.C.P.N.E., as called for in the Basic Contract, should be modified and accelerated in the following manner:

A. The Peruvian Government agrees to contribute to the S.C.P.N.E., during the calendar year beginning January 1, 1945 and ending December 31, 1945, the equivalent in Soles of \$57,333.34, U.S. Dollars, calculated at the rate of 6.485 Soles per U.S. Dollar, being the Sum of Soles 371,806.67. This was the total amount which the Peruvian Government had agreed on the Basic Contract to contribute to the S.C.P.N.E. on June 4, 1944 and April 3, 1945. It was further agreed that this sum should be paid in monthly installments of Soles 30,983.88 during each month of the said calendar year.

B. At the same time the Foundation agreed to modify and accelerate its payments under the Basic Contract by granting to the S.C.P.N.E. during the calendar year beginning January 1, 1945 and ending December 31, 1945, the sum of \$27,800.00, U.S. Dollars. This was the total of the amounts which the Foundation had agreed to grant to the S.C.P.N.E. in accordance with the Basic Contract on June 4, 1944 and April 3, 1945.

C. However, it was stipulated that of the \$27,800.00, U.S. Dollars which the Foundation agreed to make available under this new arrangement, the Foundation should withhold in Washington the sum of \$25,483.33, U.S. Dollars, for the purpose of paying expenses of the Servicio which might be contracted in Dollars; and that the Foundation should deposit to the account of the S.C.P.N.E. in Perú the sum of \$2,316.67, U.S. Dollars.

D. It was further agreed that the official depositary of the funds of the S.C.P.N.E. in Lima, Perú should be in the Lima Branch of The National City Bank of New York.

Clause V

The Agreement referred to in Clause IV hereof was embodied in part in paragraphs 1 and 2 of Supplementary Agreement No. 1, dated January 30, 1945,² entered into in Lima, Perú, between Ingº Enrique Laroza, as Minister of Public Education, and Dr. Reginald C. Reindorp as Director of the S.C.P.N.E.

Clause VI

For the purpose of clarifying Supplementary Agreement No. 1 and setting out in writing the full scope of the new arrangement referred to in Clause IV hereof, the undersigned herewith agree that:

A. Paragraphs 1 and 2 of Supplementary Agreement No. 1 shall be replaced and superseded by this Agreement.

B. The Government of Perú shall deposit to the account of the S.C.P.N.E. during the calendar year 1945, in the Lima Branch of The National City Bank of New York the equivalent in Soles of \$57,333.34, U.S. Dollars, calculated at the rate of exchange of 6.485 Soles per U.S. Dollar, namely, the sum of Soles 371,806.67, as follows:

During the month of January, 1945 the sum of S/.30,983.88
During the month of February, 1945 the sum of S/.30,983.88
During the month of March, 1945 the sum of S/.30,983.88
During the month of April, 1945 the sum of S/.30,983.88
During the month of May, 1945 the sum of S/.30,983.88
During the month of June, 1945 the sum of S/.30,983.88
During the month of July, 1945 the sum of S/.30,983.88
During the month of August, 1945 the sum of S/.30,983.88
During the month of September, 1945 the sum of S/.30,983.88
During the month of October, 1945 the sum of S/.30,983.88
During the month of November, 1945 the sum of S/.30,983.88
During the month of December, 1945 the sum of S/.30,983.88

C. The Foundation shall grant to the S.C.P.N.E., during the calendar year 1945, the sum of \$27,800.00, U.S. Dollars. Of that amount the Foundation will deposit to the account of the S.C.P.N.E. in the Lima Branch of The National City Bank of New York, during the calendar year 1945, the sum of \$2,316.67, U.S. Dollars, and shall withhold in Washington the sum of \$25,483.33, U.S. Dollars. The sum withheld shall be used to finance the cost of visits of Peruvian educators to the United States and the purchase of materials, supplies and equipment which necessarily must be made in the United States, all in accordance with, and for the purposes set out in, paragraph 8 of the Basic Contract of April 4, 1944. The actual use to which such withheld funds shall be put shall be the subject of mutual written agreements between the Minister and the Special Representative of the Foundation.

D. The Foundation herewith acknowledges that the Government of Perú has deposited the sum of Soles 123,935.52 in the account of the S.C.P.N.E. in the Lima Branch of The National City Bank of New York,

² TIAS 1740, *ante*, p. 1207.

in equal installments of Soles 30,983.88, which installments were deposited on January 30, 1945, Feburary 28, 1945, April 2, 1945 and April 12, 1945. The Government of Perú herewith acknowledges that the Foundation has deposited in the account of the S.C.P.N.E. in the Lima Branch of The National City Bank of New York the sum of \$2,316.67, U.S. Dollars, on January 26, 1945.

E. The funds of the S.C.P.N.E. shall be deposited in its name in the Lima Branch of The National City Bank of New York. The Director of the S.C.P.N.E. shall draw checks against this account and shall make disbursement of these funds to cover expenditures of the S.C.P.N.E. which have been previously approved by the Minister.

Clause VII

The parties hereto agree that all the provisions of the Basic Contract and such other contracts as they have already made shall remain unchanged and in full force and effect, except insofar as they have been specifically amended herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives on the day and year first above written.

For the Government of Peru:

By E. LAROZA
Minister of Public Education

For the Inter-American Educational Foundation, Inc.:

By J. GRAHAM SULLIVAN
Special Representative

MILITARY SERVICE

Exchange of notes at Washington May 23 and June 12, 1945

Entered into force June 12, 1945

Terminated March 31, 1947¹

56 Stat. 1606; Executive Agreement Series 477

The Acting Secretary of State to the Peruvian Chargé d'Affaires ad interim

WASHINGTON

May 23, 1945

SIR:

I refer to conversations which have taken place between officers of the Peruvian Embassy and of the Department of State with respect to the application of the United States Selective Training and Service Act of 1940,² as amended, to Peruvian nationals residing in the United States.

As you are aware, the Act provides that with certain exceptions every male citizen of the United States and every other male person between the ages of eighteen and sixty-five residing in the United States shall register. The Act further provides that, with certain exceptions, registrants within specified age limits are liable for active military service in the United States armed forces.

This Government recognizes that from the standpoint of morale of the individuals concerned and the over-all military effort of the countries at war with the Axis Powers, it is desirable to permit certain nationals of cobelligerent countries who have registered or who may register under the Selective Training and Service Act of 1940, as amended, to enlist in the armed forces of their own country, should they desire to do so. It will be recalled that during the World War this Government signed conventions with certain associated powers on this subject. The United States Government believes, however, that under existing circumstances the same ends may now be accomplished through administrative action, thus obviating the delays incident to the signing and ratification of conventions.

¹ Upon termination of functions of U.S. Selective Service System (60 Stat. 341).

² 54 Stat. 885.

This Government has, therefore, initiated a procedure permitting aliens who have registered under the Selective Training and Service Act of 1940, as amended, who are nationals of certain cobelligerent countries and who have not declared their intention of becoming American citizens to elect to serve in the forces of their respective countries, in lieu of service in the armed forces of the United States, at any time prior to their induction into the armed forces of this country. This Government is also affording to such nationals, who may already be serving in the armed forces of the United States, an opportunity of electing to transfer to the armed forces of their own country. The details of the procedure are arranged directly between the War Department and the Selective Service System on the part of the United States Government and the appropriate authorities of the cobelligerent government concerned. It should be understood, however, that in all cases a person exercising an option under the procedure must actually be accepted by the military authorities of the country of his allegiance before his departure from the United States.

Before the above-mentioned procedure is made effective with respect to a cobelligerent country, this Department wishes to receive from the diplomatic representative in Washington of that country a note stating that his government desires to avail itself of the procedure and in so doing agrees that:

(a) No threat or compulsion of any nature will be exercised by his government to induce any person in the United States to enlist in the forces of his or any foreign government;

(b) Reciprocal treatment will be granted to American citizens by his government; that is, prior to induction in the armed forces of his government they will be granted the opportunity of electing to serve in the armed forces of the United States in substantially the same manner as outlined above. Furthermore, his government shall agree to inform all American citizens serving in its armed forces or former American citizens who may have lost their citizenship as a result of having taken an oath of allegiance on enlistment in such armed forces and who are now serving in those forces that they may transfer to the armed forces of the United States provided they desire to do so and provided they are acceptable to the armed forces of the United States. The arrangements for effecting such transfers are to be worked out by the appropriate representatives of the armed forces of the respective governments;

(c) No enlistments will be accepted in the United States by his government of American citizens subject to registration or of aliens of any nationality who have declared their intention of becoming American citizens and are subject to registration.

This Government is prepared to make the proposed regime effective immediately with respect to Peru upon the receipt from you of a note stating

that your Government desires to participate in it and agrees to the stipulations set forth in lettered paragraphs (a), (b), and (c) above.

Accept, Sir, the renewed assurances of my high consideration.

For the Acting Secretary of State:

JULIUS C. HOLMES

The Honorable

Señor Dr. EDUARDO GARLAND,

Minister Counselor,

Chargé d'Affaires ad interim of Peru.

The Peruvian Minister Counselor to the Acting Secretary of State

[TRANSLATION]

PERUVIAN EMBASSY
WASHINGTON, D.C.

JUNE 12, 1945

MR. SECRETARY:

I have the honor to inform Your Excellency that I have received instructions from my Government to accept the agreement of an administrative character which was proposed by Your Excellency in the note of the twenty-third instant [May] relative to the application to Peruvian citizens of the United States Selective Training and Service Act of 1940.

The Peruvian Government accepts, on a reciprocal basis, the option proposed in favor of Peruvian citizens registered under the said act or who are now serving under the United States flag to place themselves at the disposal of the appropriate Peruvian military authorities for the purposes of the provisions of their obligatory military service, as well as the guarantees stipulated in Paragraphs (a), (b), and (c) of the note under reference.

The Government of Peru is ready to put into force immediately the said agreement and to study the details of its application with the appropriate authorities of the Government of the United States.

On this opportunity I reiterate to Your Excellency the assurances of my highest consideration.

H. FÉRNÁNDEZ DÁVILA

His Excellency

JOSEPH C. GREW,

*Acting Secretary of State,
Washington, D.C.*

MILITARY AVIATION MISSION

Agreement signed at Washington October 7, 1946

Entered into force October 7, 1946

*Amended by agreement of April 26, May 2 and 21, and July 15,
1960¹*

*Extended by agreements of September 29 and October 31, 1950,² and
March 15 and June 2, 1961³*

Terminated August 26, 1969⁴

61 Stat. 2398; Treaties and Other
International Acts Series 1562

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PERU FOR ESTABLISHING A UNITED STATES ARMY AIR FORCES MISSION FOR THE PURPOSE OF INSTRUCTION OF THE PERSONNEL OF THE PERUVIAN AIR CORPS

In conformity with the request of the Government of the Republic of Peru to the Government of the United States of America, the President of the United States of America has authorized the appointment of officers and enlisted men of the Army of the United States of America and of the United States Navy to constitute a Military Aviation Mission to the Republic of Peru under the conditions specified below:

TITLE I

Purpose and Duration

ARTICLE 1. The purpose of this Mission is to cooperate with the Minister of Aeronautics of Peru and with the Officers of the Peruvian Air Corps, with a view to enhancing the efficiency of the Peruvian Air Corps.

ARTICLE 2. This Mission shall continue for a period of four (4) years from the date of the signing of this Agreement by the accredited representatives of the Government of the United States of America and the Government of Peru, unless previously terminated or extended as hereinafter provided.

¹ 11 UST 1982; TIAS 4548.

² 3 UST 351; TIAS 2395.

³ 15 UST 2489; TIAS 5742.

⁴ Pursuant to notice of termination given by Peru May 26, 1969.

Any member of the Mission may be recalled by the Government of the United States of America after the expiration of two years of service, in which case another member shall be furnished to replace him.

ARTICLE 3. If the Government of Peru should desire that the services of the Mission be extended beyond the stipulated period, it shall make a written proposal to that effect six months before the expiration of this Agreement.

ARTICLE 4. This Agreement may be terminated before the expiration of the period of four years prescribed in Article 2, or before the expiration of the extension authorized in Article 3, in the following manner:

(a) By either of the Governments, subject to three months' written notice to the other Government.

(b) By the recall of the entire personnel of the Mission by the Government of the United States of America in the public interest of the United States of America, without necessity of compliance with provision (a) of this Article.

ARTICLE 5. This Agreement is subject to cancellation upon the initiative of either the Government of the United States of America or the Government of Peru in case either country becomes involved in domestic or foreign hostilities.

ARTICLE 6. The members of this Mission are permitted and may be authorized to represent the United States of America on any commission or in any other capacity relating to military cooperation for the defense of the hemisphere without prejudice to this Agreement in conformity with the inter-American and international pacts which have been ratified by the Government of the United States of America and the Government of Peru.

TITLE II

Composition and Personnel

ARTICLE 7. This Mission shall consist of members of the personnel of any corps of the Army of the United States of America or of the United States Navy as may be requested by the Minister of Aeronautics through his authorized representative in Washington and agreed upon by the War and Navy Departments of the aforementioned Government.

ARTICLE 8. This Mission may be composed of such additional personnel of the Army of the United States of America or of the United States Navy as the Chief of Mission, with the approval of the Minister of Aeronautics, considers indispensable for the accomplishment of his duties as Chief of Mission in Peru, provided that such additional personnel shall not require any expenditures by the Government of Peru and shall be subject to all the requirements set forth herein with respect to the personnel assigned to the Mission in accordance with the provisions of the preceding article.

TITLE III

Duties, Rank, and Precedence

ARTICLE 9. The personnel of the Mission shall perform such duties as may be agreed upon between the Minister of Aeronautics of Peru and the Chief of the Mission. All of these services shall be performed in accordance with the laws and regulations of the Government of Peru.

ARTICLE 10. The members of the Mission shall be responsible solely to the Minister of Aeronautics of Peru, through the Chief of the Mission.

ARTICLE 11. Each member of the Mission shall serve on the Mission with the rank he holds in the United States Army or Navy and shall wear the uniform of his rank in the United States Army or Navy and shall have precedence over all Peruvian Officers of the same rank.

ARTICLE 12. Each member of the Mission shall be entitled to all benefits or privileges which the Regulations of the Peruvian Air Corps provide for Peruvian Officers and enlisted personnel with regard to rank and position.

ARTICLE 13. The personnel of the Mission shall be governed by the disciplinary regulations of the United States Army or Navy.

TITLE IV

Compensation and Perquisites

ARTICLE 14. The Members of the Mission shall receive from the Government of Peru a net monthly compensation computed in Peruvian currency. This compensation shall be paid monthly in Peruvian national currency, due and payable on the last day of each month. The scale of pay, allowances, and subsistence of each member of the Mission shall be equal to that established in the Peruvian Air Force for personnel of corresponding rank and position.

Compensation shall not be subject to any tax, now or hereafter in effect, of the Government of Peru or any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be paid by the Ministry of Aeronautics in order to comply with the provisions of this Article that the compensation agreed upon shall be net.

ARTICLE 15. The compensation agreed upon in the preceding Article shall begin on the date of departure from the United States of America of each member of the Mission, and shall continue after the termination of his service with the Mission during his return trip to the United States of America and thereafter for the period of any accumulated leave to which he is entitled.

ARTICLE 16. The compensation due for the period of the return trip and accumulated leave shall be paid to a detached member of the Mission before his departure from Peru, and such payment shall be computed for travel by

the shortest usually traveled route, regardless of the route and method of travel used by the said detached member of the Mission.

ARTICLE 17. Each member of the Mission and each member of his family shall be provided by the Government of Peru with first-class accommodations for travel required and performed under this Agreement, by the shortest usually traveled route between a port in the United States of America and his official residence in Peru, both for the outward and for the return voyage.

The expenses of shipment of the household effects, baggage and automobile of each member of the Mission between a port in the United States of America and his official residence in Peru shall also be paid by the Government of Peru; this shall include all necessary expenses incident to unloading from the steamer upon arrival in Peru, cartage between the ship and the residence in Peru, and packing and loading on board the steamer upon departure from Peru.

The transportation of such household effects, baggage and automobile shall be made in a single shipment and all subsequent shipments shall be at the expense of the respective members of the Mission except when necessitated by circumstances beyond their control. Payment by the Government of Peru of the expenses for the transportation of the families, household effects, baggage and automobiles of personnel who may join the Mission for temporary service at the request of the Minister of Aeronautics shall not be at the expense of the Peruvian Government.

ARTICLE 18. The Government of Peru shall allot in the budget of the Ministry of Aeronautics an amount adequate to pay customs duties on articles, including those mentioned in Article 17 of this Agreement, imported by members of the Mission, who shall be granted the scale of exemptions allowed the diplomatic corps accredited to the Government of Peru, in accordance with the following classification:

The Chief of the Mission, in the category of Resident Minister,
The Senior Officers, in the category of Chargé d'Affaires,
The Junior Officers (Captain and Lieutenants), in the category of
Counsellors,
The Enlisted Personnel, in the category of Second Secretary.

All duties and taxes for the importation of articles which exceed the exemption granted shall be paid by the member of the Mission concerned and not by the Government of Peru.

ARTICLE 19. If any member serving on the Mission pursuant to Article 7 of the present Agreement should, at the termination of his service with the Mission and prior to his return to the United States of America, desire to sell in the Peruvian market his household effects, baggage, and personal automobile which were imported free of duty and for which transportation was paid by the Government of Peru in accordance with the provisions of

Article 17 of this Agreement, he shall be required to give the Government of Peru priority in the purchase of said articles, discounting from the sale price the value of transportation and customs duties.

For such a sale, the Chief of the Mission and the authorized representative of the Minister of Aeronautics shall confer, and in case the prices of the articles are not satisfactory to the Government of Peru, the sale or return to the United States of America shall be authorized. In the latter case, the first paragraph of Article 17 of this Agreement shall be applicable.

ARTICLE 20. If the services of any member of the Mission should be terminated by the Government of the United States of America, except as established in the provisions of Article 5, before the completion of two years of service, the provisions of Article 17 shall not apply to the return trip. If the services of any member of the Mission should terminate before the completion of two years' service by reason of termination of the Mission or for reasons contemplated in Article 5, each member shall receive from the Government of Peru compensation for the return trip expenses and compensation for vacations in the proportion resulting between the effective period of services rendered and the normal time of two years' service. However, if the Government of the United States of America should recall any member for breach of discipline, the cost of the return trip to the United States of America of such a member, his family, household effects, baggage or automobile shall not be borne by the Government of Peru.

ARTICLE 21. Compensation and payments for transportation and traveling expenses while on duty within the territory of the Republic of Peru on official business of the Government of Peru shall be provided by the Ministry of Aeronautics in accordance with the provisions of Article 12 of Title III of this Agreement.

ARTICLE 22. The Government of Peru shall provide the Chief of the Mission with a suitable automobile with chauffeur for use on official business. Suitable motor transportation with chauffeur, and when necessary a launch properly equipped, shall on call be made available by the Government of Peru for use of the members of the Mission for the conduct of the official business of the Mission.

ARTICLE 23. The Government of Peru shall grant to the personnel of the Mission blanket authorization to make flights in Peru in United States aircraft or in Peruvian aircraft which shall be made available, as necessary in the conduct of the official business of the Mission, as well as such periodic flights as may be required to maintain their proficiency as aviators. No liability shall be incurred by any member of the Mission or by the Government of the United States of America for damage to property or equipment or for injury or death to others as the result of any accident in which a member of the Mission may be involved while engaged in flights in accordance with the provisions of this Agreement.

Reciprocally, the Government of the United States of America may grant blanket flight authorization to any member of the Peruvian Air Force to make flights within the territory of Peru as a passenger in any United States Army Air Force plane which has been made available to the Mission for the performance of its duties as defined in this Agreement.

ARTICLE 24. The Government of Peru shall provide suitable office space and adequate facilities for the Mission, including suitable facilities for parking and storage for the airplanes assigned to the Mission.

ARTICLE 25. If any member of the Mission or any member of his family should die in Peru, the Government of Peru shall have the body transported to such place in the United States of America as the surviving members of the family may decide, but the cost to the Government of Peru shall not exceed the cost of transporting the remains from the place of decease to the City of New York. Should the deceased be a member of the Mission, his services with the Mission shall be considered to have terminated fifteen (15) days after his death. Return transportation to the City of New York for the family of the deceased member and for their household effects, baggage and automobile shall be provided as prescribed in Article 17. All compensation due the deceased member, including salary for the fifteen (15) days following his death, and reimbursement due the deceased member for expenses and transportation on trips made on official business of the Government of Peru, shall be paid to the widow of the deceased member or to any other person who may have been designated in writing by the deceased while he was serving under the terms of this Agreement; but the widow or other person shall not be compensated for accrued leave due but not taken by the deceased. All compensations due the widow or other persons designated by the deceased under the provisions of this Article, shall be paid before the departure of the widow or such other person from Peru and within fifteen (15) days after the death of the member.

TITLE V

Requisites and Conditions

ARTICLE 26. So long as this Agreement, or any extension thereof, is in effect, the Government of Peru shall not engage the services of any personnel of any other foreign government for duties of any nature connected with the Peruvian Air Force, except by mutual agreement between the Government of the United States of America and the Government of Peru.

ARTICLE 27. Each member of the Mission shall agree not to divulge or in any way disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant in his capacity as a member of the Mission. This requirement shall continue in force after the termination of service with the Mission and after the expiration or cancellation of this Agreement or any extension thereof.

ARTICLE 28. Throughout this Agreement the term "family" is limited to mean wife and dependent children.

ARTICLE 29. Each member of the Mission shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of a year. Unused portions of said leave shall not be cumulative from year to year during service as a member of the Mission.

The leave specified in the preceding paragraph may be spent in the Republic of Peru, in the United States of America, or in other countries, but the expense of travel and transportation not otherwise provided for in this Agreement shall be borne by the member of the Mission taking such leave. All travel time shall count as leave and shall not be in addition to the time authorized in the preceding paragraph.

ARTICLE 30. The Government of Peru agrees to grant the leave specified in Article 29 upon receipt of written application, approved by the Chief of the Mission with due consideration for the convenience of the Government of Peru.

ARTICLE 31. Members of the Mission that may be replaced shall terminate their services on the Mission only upon the arrival of their replacements, except when otherwise mutually agreed upon in advance by the respective Governments.

ARTICLE 32. The Government of Peru shall provide suitable medical attention to members of the Mission and their families.

In case a member of the Mission becomes ill or suffers injury, he may be attended by medical authorities of the Peruvian Air Force who shall determine, by mutual agreement with the Chief of the Mission, the need for hospitalization and the hospital where he will be hospitalized.

All expenses incurred as the result of such illness or injury while the patient is a permanent member of the Mission in Peru as prescribed in Article 7, shall be paid by the Government of Peru. If the hospitalized member is a commissioned officer he shall pay his cost of subsistence, but if he is an enlisted man, the cost of subsistence will be paid by the Government of Peru.

Families shall enjoy the same privileges agreed upon in this Article for members of the Mission, except that a member of the Mission shall in all cases pay the cost of subsistence incident to hospitalization of a member of his family, except as may be provided under Article 12.

ARTICLE 33. Any member of the Mission unable to discharge his duties with the Mission by reason of prolonged physical disability shall be replaced; however, the expenses of his return trip prior to the completion of two years of service with the Mission shall be borne by the Government of the United States of America.

TITLE VI*Common and Individual Obligations of the Members of the Mission*

ARTICLE 34. The Mission as an organized entity directed by its Chief is under obligation to inform and advise the Peruvian Government through the Minister of Aeronautics, the methods which it believes necessary to adopt in order to organize and elevate to the highest degree of efficiency the fighting forces of the Peruvian Air Corps, in keeping with the potential capacity of the Republic of Peru.

ARTICLE 35. Each member of the Mission in his capacity as advisor in the department to which he has been assigned, in accordance with Article 9, shall be required to propose the most expedient means for planning the instruction, organization and functioning of the Department to which he has been assigned. These proposals may be submitted directly to the Chief of the Department or to the Peruvian officer to whom the Mission member is assigned for duty without necessity of transmitting such proposals through the Chief of the Mission.

ARTICLE 36. Each member of the Mission shall be capable of conceiving and producing plans of organization, instruction, etc. for the Peruvian Air Forces in his respective specialty. It will not be an indispensable requisite to read, speak, or understand Spanish, but each Mission member shall be expected to understand that language within a short time following his arrival in Peru.

IN WITNESS WHEREOF, the undersigned, Dean Acheson, Acting Secretary of State of the United States of America, and Jorge Prado, Ambassador Extraordinary and Plenipotentiary of the Republic of Peru to the United States of America, duly authorized thereto, have signed this Agreement in duplicate in the English and Spanish languages, at Washington, this seventh day of October, one thousand nine hundred and forty-six.

For the Government of the United States of America:

DEAN ACHESON

For the Government of the Republic of Peru:

JORGE PRADO

FOOD PRODUCTION PROGRAM

*Exchange of notes at Lima June 11, 1945, and November 22, 1946,
supplementing and extending agreement of May 19 and 20,
1943, as supplemented and extended, with memorandum of
agreement of June 8, 1945, between the Institute of Inter-American
Affairs and the Minister of Agriculture*

*Entered into force November 22, 1946; operative from August 31,
1945*

*Paragraph 7 of memorandum of agreement amended by memorandum
of agreement of December 4, 1946¹*

Program expired June 30, 1960

61 Stat. 3123; Treaties and Other
International Acts Series 1647

The American Ambassador to the Acting Minister for Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

Lima, June 11, 1945

No. S12

EXCELLENCY:

I have the honor to refer to my Note 216 of August 18, 1944,² transmitting the English and Spanish texts of the Memorandum of Agreement signed on June 1, 1944, by Major General George C. Dunham, Executive Vice President of the Institute of Inter-American Affairs, and by His Excellency Godofredo A. Labarthe, Minister of Agriculture of Peru, extending to August 31, 1945, the Memorandum of Agreement dated May 19, 1943,³ which concerned the establishment of the Inter-American Cooperative Food Production Service in Peru.

On June 8, 1945, there was signed in Lima by Mr. William C. Brister, Vice President of the Institute of Inter-American Affairs, and by His Excellency Godofredo Labarthe, Minister of Agriculture of Peru, a Memorandum of Agreement which reads in English and in Spanish as follows:

"MEMORANDUM OF AGREEMENT

"The Republic of Peru and The Institute of Inter-American Affairs, a corporation of the Office of Inter-American Affairs and an agency of the

¹ TIAS 1669, *post*, p. 1244.

² EAS 433, *ante*, p. 1198.

³ EAS 385, *ante*, p. 1160.

Government of the United States of America, hereby agree to extend the food production program provided for in the Memorandum of Agreement dated May 19, 1943, as extended by the Memorandum of Agreement dated June 1, 1944, between the two parties hereto, as hereinafter provided.

“1. The food production program shall continue to be carried out through the Servicio Cooperativo Inter-American de Producción de Alimentos (hereinafter called the “SCIPA”), which was created by the Government of Peru in accordance with the agreements of May 19, 1943, and June 1, 1944, referred to above.

“2. The provisions of article 4 of the agreement of May 19, 1943, are considered to have been fulfilled by the contribution of US\$162,976.77 (S/.1,056,904.35) by The Institute of Inter-American Affairs, and by the contribution of S/.1,056,904.35 (US\$162,976.77) that has been made by the Government of Peru. The provisions of article 3 of the extended Memorandum of Agreement signed June 1, 1944, are considered to have been fulfilled as the result of contributions amounting to US\$150,000 (S/.972,750) by The Institute of Inter-American Affairs, and S/.1,945,500 (US\$300,000) by the Government of Peru, prior to the date of this agreement.

“3. For the purpose of extending the agreements of May 19, 1943 and June 1, 1944, The Institute of Inter-American Affairs will make available an additional sum of US\$75,000 (S/.486,375), and the Government of Peru will likewise make available an additional sum of S/.972,750 (US \$150,000) for the continuing operations of SCIPA during the period August 31, 1945 through December 31, 1946.

“4. For the purpose of effectuating the objectives of this Extension Agreement, The Institute of Inter-American Affairs agrees to transfer to the account of SCIPA the sum of US\$75,000 (S/.486,375) on the following basis, except that The Institute of Inter-American Affairs may withhold the estimated or actual amount of money required to cover orders and costs placed for SCIPA in the United States. Payments shall be in bimonthly contributions as provided herein:

	U.S. Dollars	Peruvian Soles
September 1, 1945	9,375.00	60,796.87
November 1, 1945	9,375.00	60,796.87
January 1, 1946	9,375.00	60,796.87
March 1, 1946	9,375.00	60,796.87
May 1, 1946	9,375.00	60,796.88
July 1, 1946	9,375.00	60,796.88
September 1, 1946	9,375.00	60,796.88
November 1, 1946	9,375.00	60,796.88
	<hr/> <u>75,000.00</u>	<hr/> <u>486,375.00</u>

“5. The Government of Peru agrees to transfer to the account of SCIPA the sum of S/.972,750 (US\$150,000) on the following basis:

	<i>Peruvian Soles</i>	<i>American Dollars</i>
September 1, 1945	121,593.75	18,750.00
November 1, 1945	121,593.75	18,750.00
January 1, 1946	121,593.75	18,750.00
March 1, 1946	121,593.75	18,750.00
May 1, 1946	121,593.75	18,750.00
July 1, 1946	121,593.75	18,750.00
September 1, 1946	121,593.75	18,750.00
November 1, 1946	121,593.75	18,750.00
	972,750.00	150,000.00

"6. The parties hereto by written agreement by the Chief of the Food Supply Mission and the Minister of Agriculture may amend the schedules for making the transfers as provided in paragraphs 4 and 5 above and agree to make the transfers as required by the needs of the program.

"7. All incomes accruing to the accounts of SCIPA as the result of normal project operation, through the liquidation of projects, or from whatever sources, will continue to be available to SCIPA for the promotion of those projects from which the income has accrued or, through mutual agreement between the Minister of Agriculture, the Chief of the Food Supply Mission and the Director of SCIPA may be apportioned to other projects of SCIPA. Funds contributed by The Institute of Inter-American Affairs, which may not have been expended or obligated by contract or other legal commitment, proportionately with funds contributed by the Peruvian Government, by December 31, 1946, shall be returned to The Institute of Inter-American Affairs. The unexpended and unobligated funds contributed by the Government of Peru and all accrued income from project operations on December 31, 1946, shall remain to the credit of the Peruvian Government with SCIPA.

"8. The funds contributed according to this agreement are to be employed only for maintaining or extending projects contemplated under the original agreement, and as provided for in the budget approved August 16, 1943, and as elaborated in the budget approved June 14, 1944, supported by Project Proposals approved by the Minister of Agriculture and the Chief of the Food Supply Mission of The Institute of Inter-American Affairs in Peru and Director of SCIPA, or as modified by them, except that no part of the additional funds contributed by The Institute of Inter-American Affairs shall be utilized in projects involving poultry, fisheries or warehouses.

"9. The Chief of the Food Supply Mission of The Institute of Inter-American Affairs in Peru shall continue as Director of SCIPA for the life of this agreement.

"10. The Agreements of May 19, 1943 and June 1, 1944, shall remain in full force and effect for the purpose of extending the cooperative food production program through December 31, 1946, except as specifically modified herein, and the provisions contained therein will apply during the life of this agreement.

"11. This agreement shall terminate on December 31, 1946. It is understood that during the life of this agreement, there will be an orderly withdrawal of the activities of the Food Supply Division of The Institute of Inter-American Affairs in Peru, and the gradual assumption of its functions by the appropriate entities of the Ministry of Agriculture.

LIMA, June 8, 1945

For the Institute of Inter-American Affairs:

W. C. BRISTER
Vice-President,
Institute of Inter-American Affairs

For the Republic of Peru:

GODOFREDO A. LABARTHE
Minister of Agriculture"

It is a pleasure for me to inform Your Excellency that the provisions of the Memorandum of Agreement as hereinabove set forth, by which the Agreement of May 19, 1943, would be further extended to December 31, 1946, except as modified by the said Memorandum of Agreement, meet with the approval of the Government of the United States of America. It is my understanding that those provisions likewise meet with the approval of the Government of the Republic of Peru. This note, together with your reply indicating the approval of the Government of the Republic of Peru, will be considered as constituting an agreement between our two Governments on the subject, it being understood that this agreement shall be effective as of August 31, 1945, and that this agreement shall continue in force to December 31, 1946.

I avail myself of this occasion to extend to Your Excellency the renewed assurance of my highest consideration.

J. C. WHITE

His Excellency

Dr. MANUEL CISNEROS,
Acting Minister for Foreign Affairs,
Lima.

The Acting Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
AND WORSHIP

Number: (H)-6-3/239

LIMA, November 22, 1946

MR. AMBASSADOR:

I have the honor to reply to Your Excellency's esteemed note number 199, of the 30th of last September, in which you are pleased to refer to that of

His Excellency Mr. John Campbell White, number 812, of June 11th of last year, containing the texts in English and Spanish of the memorandum of agreement signed on June 8, 1945, by the Minister of Agriculture, engineer Godofredo A. Labarthe, in the name of Peru, and by Mr. W. C. Brister, for the Institute of Inter-American Affairs—an agency of the Government of the United States of America—by which the food production program is extended until December 31, 1946.

In reply, I must inform Your Excellency that by Supreme Resolution No. 473, issued by the Ministry of Agriculture on June 8, 1945, it was decided to approve the said agreement for extension, with reference to the continuing of the functioning of the Cooperative Food Production Service, as a branch of the Ministry of Agriculture.

I am also pleased to inform Your Excellency that the Minister of Agriculture, in a recent note, expressed to this Office the desire to renew without any change the contract with the Inter-American Cooperative Food Production Service. Such desire is supported by the fact that the present SCIPA mission has been in the country some time and has increased the understanding of our problems, being, at the present time, in the most favorable situation for obtaining the best results. For these reasons our Embassy in the United States of America took steps for the said renewal.

I avail myself of this opportunity to renew to Your Excellency, the assurances of my highest and most distinguished consideration.

For the Minister
J. DELGADO Y.

His Excellency

PRENTICE COOPER,

*Ambassador Extraordinary and
Plenipotentiary of the United States of America.
City.*

AIR TRANSPORT SERVICES

*Agreement with annex and exchanges of notes signed at Lima
December 27, 1946*

Entered into force December 27, 1946

Supplemented by agreement of May 6 and 8 and July 21, 1947¹

*Exchange of notes concerning 30 percent ownership clause canceled
May 26, 1950*

*Annex amended by agreements of April 24 and May 28, 1958,² and
March 2, 1966³*

61 Stat. 2586; Treaties and Other
International Acts Series 1587

AIR TRANSPORT AGREEMENT

The Governments of the United States of America and the Republic of Peru, desiring to stimulate and promote the development of Air Transportation between both countries, and having in mind the recommendations of Section VIII of the Final Act of the Conference on International Civil Aviation, signed in Chicago on the seventh of December, 1944, have resolved to sign an Air Transport Agreement and for that purpose have designated their respective Plenipotentiaries to wit:

His Excellency the President of the United States of America,
Their Excellencies

Mr. Prentice Cooper, Ambassador Extraordinary and Plenipotentiary
before the Government of Peru, and

Mr. William Mitchell, Special Representative and Minister Plenipo-
tentiaty specially accredited for this purpose,

His Excellency the President of the Republic of Peru,
Their Excellencies Señores

Enrique García Sayán, Minister for Foreign Affairs, and
Enrique Góngora, Minister of Aeronautics.

who, after exchanging their full powers which they have found to be in good and proper form, have agreed that the establishment and development

¹ TIAS 1587, *post*, p. 1264.

² 9 UST 900; TIAS 4050.

³ 17 UST 1194; TIAS 6080.

of Air Transport Services between their respective territories shall be subject to the provisions of the present Agreement and of its Annex as follows:

ARTICLE 1

Each contracting party grants to the other contracting party the rights as specified in the Annex hereto necessary for establishing the international civil air routes and services therein described, whether such services be inaugurated immediately or at a later date at the option of the contracting party to whom the rights are granted.

ARTICLE 2

Each of the air services so described shall be placed in operation as soon as the contracting party to whom the rights have been granted by article 1 to designate an airline or airlines for the route concerned has authorized an airline for such route, and the contracting party granting the rights shall, subject to article 6 hereof, be bound to give the appropriate operating permission to the airline or airlines concerned; provided that the airlines so designated may be required to qualify before the competent aeronautical authorities of the contracting party granting the rights under the laws and regulations normally applied by these authorities before being permitted to engage in the operations contemplated by this agreement; and provided that in areas of hostilities or of military occupation, or in areas affected thereby, such operations shall be subject to the approval of the competent military authorities.

ARTICLE 3

In order to prevent discriminatory practices and to assure equality of treatment, both contracting parties agree that:

a) Each of the contracting parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the contracting parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

b) Fuel, lubricating oils, and spare parts introduced into the territory of one contracting party by the other contracting party or its nationals, and intended solely for use by aircraft of the airlines of such contracting party shall, with respect to the imposition of customs duties, inspection fees or other national duties or charges by the contracting party whose territory is entered, be accorded the same treatment as that applying to national airlines and to airlines of the most-favored nation.

c) The fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board civil aircraft of the airlines of one contracting party authorized to operate the routes and services described in the Annex

shall, upon arriving in or leaving the territory of the other contracting party, be exempt from customs, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.

ARTICLE 4

Certificates of airworthiness, certificate of competency and licenses issued or rendered valid by one contracting party and still in force shall be recognized as valid by the other contracting party for the purpose of operating the routes and services described in the Annex. Each contracting party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another state.

ARTICLE 5

a) The laws and regulations of one contracting party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of airlines designated by the other contracting party, and shall be complied with by such aircraft upon entering or departing from or while within the territory of the first party.

b) The laws and regulations of one contracting party as to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the airlines designated by the other contracting party upon entrance into or departure from or while within the territory of the first party.

ARTICLE 6

Each contracting party reserves the right to withhold or revoke the certificate or permit of an airline designated by the other contracting party in the event substantial ownership and effective control of such airlines are not vested in nationals of the other contracting party, or in case of failure by the airline designated by the other contracting party to comply with the laws and regulations of the contracting party over whose territory it operates, as described in Article 5 hereof, or otherwise to fulfill the conditions under which the rights are granted in accordance with this agreement and its Annex.

ARTICLE 7

This agreement, its Annex, and all amendments thereof, shall be registered with the Provisional International Civil Aviation Organization or its successor.

ARTICLE 8

This agreement or any of the rights for air transport services granted thereunder may be terminated by either contracting party upon giving one year's notice to the other contracting party.

ARTICLE 9

In the event either of the contracting parties considers it desirable to modify the routes or conditions set forth in the attached Annex, it may request consultation between the competent authorities of both contracting parties, such consultation to begin within a period of sixty days from the date of the request.

When these authorities mutually agree on new or revised conditions affecting the Annex, their recommendations on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.

ARTICLE 10

Except as otherwise provided in this agreement, or its Annex, any controversy between the contracting parties relative to the interpretation or application of this agreement, or its Annex, which cannot be settled through consultation shall be submitted for an advisory report to the Interim Council of the Provisional International Civil Aviation Organization, in accordance with the provisions of Article III, Section six (8) of the Provisional Agreement on International Civil Aviation signed at Chicago on December 7, 1944⁴ or to its successor, unless the contracting parties agree to submit the controversy to some other person or body designated by mutual agreement between the same contracting parties. The executive authorities of the contracting parties will use their best efforts under the powers available to them to put into effect the opinion expressed in such report.

ARTICLE 11

For the purpose of the present Agreement, and its Annex, except where the text provides otherwise:

a) The term "aeronautical authorities" shall mean in the case of the United States of America the Civil Aeronautics Board and any person or agency authorized to perform the functions exercised at the present time by the Civil Aeronautics Board or similar functions, and, in the case of Peru, the Minister of Aeronautics and any person or agency authorized to perform the functions exercised at present by the said Minister.

b) The term "designated airlines" shall mean those airlines that the aeronautical authorities of one of the contracting parties have communicated in writing to the aeronautical authorities of the other contracting party that

⁴ EAS 469, *ante*, vol. 3, p. 934.

they are the airlines that it has designated in conformity with Article 1 and 2 of the present Agreement for the routes specified in such designation.

ARTICLE 12

This agreement, including the provisions of the Annex thereof, will come into force on the day it is signed.

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed the present agreement.

Done at Lima this 27th. day of December, 1946, in duplicate in the English and Spanish languages, each of which shall be of equal authenticity.

For the Government of the United States of America:

PRENTICE COOPER
WILLIAM MITCHELL

For the Government of the Republic of Peru:

E. GARCÍA SAYÁN
E. GONGORA

Attachment:

Annex to Air Transport Agreement

ANNEX TO AIR TRANSPORT AGREEMENT⁵

It is agreed between the contracting parties:

- A. That the airlines of the two contracting parties operating on the routes described in this Annex shall enjoy fair and equal opportunity for the operation of said routes.
- B. That the air transport capacity offered by the airlines of both countries shall bear a close relationship to traffic requirements.
- C. That in the operation of common sections of trunk routes the airlines of the contracting parties shall take into account their reciprocal interests so as not to affect unduly their respective services.
- D. That the services provided by a designated airline under this agreement and its Annex shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country, or points under its jurisdiction, of which such airline is a national and the country of ultimate destination of the traffic.
- E. That the right to embark and to disembark at points under the jurisdiction of the other country international traffic destined for or coming from third countries at a point or points hereinafter specified, shall be applied in accordance with the general principles of orderly development to which

⁵ For amendments to annex, see agreements of Apr. 24 and May 28, 1958 (9 UST 900; TIAS 4050), and Mar. 2, 1966 (17 UST 1194; TIAS 6080).

both Governments subscribe and shall be subject to the general principle that capacity shall be related:

1. To traffic requirements between the country of origin, or points under its jurisdiction, and the countries of destination.
2. To the requirements of through airline operation, and
3. To the traffic requirements of the area through which the airline passes after taking account of local and regional services.

F. That the determination of rates to be charged by the airlines of either contracting party between points under the jurisdiction of the United States of America and points in the territory of the Republic of Peru on the routes specified in this Annex shall be made at reasonable levels, due regard being paid to all relevant factors, such as cost of operation, reasonable profit, and the rates charged by any other carriers, as well as the characteristics of each service.

G. That the appropriate aeronautical authorities of each of the contracting parties will consult from time to time, or at the request of one of the parties, to determine the extent to which the principles set forth in paragraphs A to F inclusive of this Annex are being followed by the airlines designated by the contracting parties. When these authorities agree on further measures necessary to give these principles practical application, the executive authorities of each of the contracting parties will use their best efforts under the powers available to them to put such measures into effect.

H. Airlines of the United States of America, designated in conformity with the present agreement, are accorded rights of transit and of nontraffic stop in and through the territory of the Republic of Peru as well as the right to pick up and discharge international traffic in passengers, cargo, and mail at Lima, Talara, Chiclayo and Arequipa on the following route via intermediate points in both directions:

The United States and/or the Canal Zone to Talara, Chiclayo, Lima and Arequipa; and beyond Peru, to points in Chile and Bolivia or beyond.

On the above route the airline or airlines authorized to operate the route may operate nonstop flights between any of the points enumerated omitting stops at one or more of the other points so enumerated.

I. Airlines of the Republic of Peru, designated in conformity with the present agreement, are accorded rights of transit and of nontraffic stop in and through the territory of the United States of America and in and through the Canal Zone as well as the right to pick up and discharge international traffic in passengers, cargo, and mail at Washington D.C., New York, N.Y., and the Canal Zone on the following route via intermediate points in both directions:

From Peru via the Canal Zone and Havana, Cuba, to Washington, D.C., and New York, N.Y.; and beyond the United States to Montreal, Canada.

On the above route the airline or airlines authorized to operate the route may operate nonstop flights between any of the points enumerated omitting stops at one or more of the other points so enumerated.

PRENTICE COOPER
WILLIAM MITCHELL
E. GARCÍA SAYÁN
E. GONGORA

EXCHANGES OF NOTES

*The Minister of Foreign Affairs to the American Ambassador*⁶

[TRANSLATION]

No. (D)-6-Y/5

LIMA, December 27, 1946

MR. AMBASSADOR:

I have the honor to address Your Excellency, in compliance with a request of the Ministry of Aeronautics, to explain how the Peruvian Government understands and proposes to put into execution the Air Transport Agreement between Peru and the United States of America, signed today.

The Government of Peru desires to call attention to the fact that at least up to the present, it has not been possible to designate an air line or air lines which are substantially owned and effectively controlled by Peruvian nationals, so that they may enjoy the rights granted by the aforesaid Agreement. This is due to the fact that time is an indispensable factor in training technical and administrative personnel, as well as in attracting the necessary capital.

The experience of recent months leads to the conclusion that the Government of Peru will be able to promote the formation of one or more Peruvian aviation enterprises for the purpose of being designated, as regards the agreement, only if a reasonable period of time could be available for a company originally formed with a moderate percentage of effectively Peruvian capital, to increase gradually, under the control of the Government of Peru, the proportion of Peruvian capital until a minimum proportion of 51% is reached, which will permit securing for it the title of an effectively Peruvian company; and, as the investigations made have shown that capital of United States and Canadian origin would be the most probable and perhaps the only capital which would be in a position to facilitate the process

⁶ Exchange of notes concerning 30 percent ownership clause canceled May 26, 1950.

of gradual Peruvianization of the company or companies to be designated, it is to the said capital that ownership of the proportion not in the possession of nationals of Peru would have to be handed over.

For the reasons set forth above and notwithstanding the present difficult but transitory economic conditions, the Government of Peru will endeavor to have the Agreement signed produce results profitable for the two contracting parties; and, in that sense, the Government of Peru understands that it may designate, under the terms of the Agreement, an air line or air lines meeting the following conditions:

1. At all times, a minimum of 30% of the capital shall be held by Peruvian nationals or by the Government of Peru.

2. Before the expiration of a term of 10 (ten) years, counting from the date of the Agreement, a minimum of 51% of the capital, as well as the effective control of the Company, must be held by Peruvian nationals or by the Government of Peru.

3. Until the conditions of paragraph 2 are met, the portion of the capital which is not held by Peruvian nationals must have been subscribed by nationals of the United States of America and of the Dominion of Canada, in such manner that, among the respective groups of nationals of each of those two countries, there shall not at any time exist a difference of more than 20% in the amount of their respective shares in the capital of the Company.⁷

I shall greatly appreciate it if Your Excellency will be so good as to inform me whether the foregoing duly reflects the mutual understanding of our respective Governments, which served as a basis for the conclusion of the Air Transport Agreement.

I avail myself of the opportunity to renew to you, Mr. Ambassador, the assurances of my highest and most distinguished consideration.

E. GARCÍA SAYÁN

His Excellency

PRENTICE COOPER,

Ambassador Extraordinary and Plenipotentiary of the

United States of America.

City.

The American Ambassador to the Minister of Foreign Affairs

No. 306

The Ambassador of the United States of America presents his compliments to His Excellency the Minister for Foreign Affairs and with reference

⁷ For an understanding regarding the three conditions, see agreement of May 6 and 8 and July 21, 1947 (TIAS 1587), *post*, p. 1264.

to the signing of the Air Transport Agreement between the Republic of Peru and the United States of America on this date has the honor to acknowledge the receipt of His Excellency's confidential note No. 6-Y/5, in which is expressed the understanding in connection with which the Government of Peru proposes to execute the Air Transport Agreement. The Ambassador is pleased to express hereby the acceptance by the Government of the United States of America of the terms of understanding contained in His Excellency's note.

Prentice Cooper avails himself of this occasion to extend to His Excellency Dr. Enrique García Sayán the renewed assurance of his highest and most distinguished consideration.

LIMA, December 27, 1946

The American Ambassador to the Minister of Foreign Affairs

No. 303

The Ambassador of the United States of America presents his compliments to His Excellency the Minister for Foreign Affairs, and has the honor to present herewith a statement of the understanding upon which the Government of the United States proposes to execute the Air Transport Agreement to be entered into with the Government of the Republic of Peru.

The Air Transport Agreement to be concluded on this date between the United States of America and the Republic of Peru contemplates the use of the military airport in the Canal Zone by the airlines designated in conformity with the aforementioned Agreement, but the United States military authorities reserve the right to restrict or prohibit the civil use of this airport as warranted by military requirements, although such restrictions on or prohibition of its use will be applied on a non-discriminatory basis, and no distinction in this respect will be made between airlines designated by the United States of America and airlines designated by the Republic of Peru. Also, an international civil airport is now being constructed in the Republic of Panama, and the United States military authorities contemplate that the further civil use of the military airport in the Canal Zone may be prohibited as soon as the international airport in the Republic of Panama becomes available. In such event, there will be no further opportunity for the use of the military airport in the Canal Zone by civil airlines, and presumably it will be necessary for appropriate arrangements to be made with the Republic of Panama for the use of its new international airport in substitution for the military airport in the Canal Zone presently used by civil air services.

With reference to the rights granted to designated Peruvian airlines to carry international traffic to and from the Canal Zone, the Government of the United States of America wishes to call attention to its Air Commerce

Act of 1926⁸ as amended by its Civil Aeronautics Act of 1938,⁹ which precludes the carriage by foreign aircraft of traffic between the Canal Zone and points in the United States, and the grant of rights to designated Peruvian airlines is accordingly subject to this limitation. This limitation will be applied without discrimination to the airlines of all countries, other than the United States.

It would be appreciated if His Excellency would inform the Embassy as to whether the foregoing correctly reflects the understanding of the Government of the Republic of Peru as the basis upon which the Air Transport Agreement is to be concluded.

Prentice Cooper avails himself of this occasion to extend to His Excellency Dr. Enrígue Sayán the renewed assurance of his highest and most distinguished consideration.

LIMA, December 27, 1946

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
AND WORSHIP

No.: (D)-6-Y/6

LIMA, December 27, 1946

MR. AMBASSADOR:

I have the honor to acknowledge receipt of Your Excellency's courteous note No. 303 of even date, in which you were good enough to set forth certain considerations in regard to the way in which the Government of the United States of America proposes to carry out the Air Transport Agreement signed today.

Your Excellency states that the military authorities of the United States of America reserve the right to restrict or prohibit the use, for civilian purposes, of the military airport of the Canal Zone, should military needs so require; and that, as soon as the international civil airport which is being constructed in Panama is completed, the United States military authorities intend to prohibit the use of the said military airport by civil and commercial aircraft.

Your Excellency adds that, under the Air Commerce Act of 1926, amended by the Civil Aeronautics Act of 1938, the granting of rights to the air lines designated by the Government of Peru is subject to the restrictions imposed by the said Acts, as regards transportation between the Canal Zone and the United States of America.

⁸ 44 Stat. 568.

⁹ 52 Stat. 973.

In reply, I thank Your Excellency for the above-mentioned information, which I have duly noted, and I am happy to inform you that it is in accordance with the thought which led the Government of Peru to conclude the said Air Transport Agreement between our two countries.

I avail myself of the opportunity to renew to you, Mr. Ambassador, the assurances of my highest and most distinguished consideration.

E. GARCÍA SAYÁN

His Excellency

PRENTICE COOPER

*Ambassador Extraordinary and Plenipotentiary of the
United States of America.
City.*

The American Ambassador to the Minister of Foreign Affairs

No. 301

The Ambassador of the United States of America presents his compliments to His Excellency the Minister for Foreign Affairs, and with reference to the negotiations leading up to the Air Transport Agreement between the Republic of Peru and the United States of America signed on this date, has the honor to convey on behalf of the representatives of the Government of the United States of America concerned certain information regarding possible future routes considered during the course of the negotiations.

At such time as the Government of the United States of America should consider that the surrounding circumstances have sufficiently developed, it contemplates requesting the Government of Peru for consultation pursuant to Article 9 of the Agreement referred to regarding modification of the Annex to include a proposed route from the United States and the Canal Zone via Colombia to Iquitos and other points in Southern Peru, and beyond to terminal points in Argentina, Brazil, and Uruguay, to be operated by an airline or airlines designed by the Government of the United States of America.

It would be appreciated if His Excellency would be kind enough to acknowledge the receipt of the information which is conveyed hereby on behalf of the United States Representatives.

Prentice Cooper avails himself of this occasion to extend to His Excellency Dr. Enrique García Sayán the renewed assurance of his highest and most distinguished consideration.

LIMA, December 27, 1946

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
AND WORSHIP

Number : (L) 6-3-/259

LIMA, December 27, 1946

MR. AMBASSADOR:

I have the honor to acknowledge receipt of Your Excellency's courteous note No. 301 of even date, in which you were good enough to send me certain information relating to the possible future air routes which were considered during the negotiations which were carried out for the purpose of concluding the Air Transport Agreement signed today.

Your Excellency states that the Government of the United States of America intends to encourage consultations with the Government of Peru when the circumstances of the case permit in conformity with Article XI [9] of the above-mentioned Agreement, for the purpose of agreeing upon the amending of the Annex to the said instrument in order to include a route between the United States of America and the Canal Zone and terminal points in Argentina, Brazil and Uruguay, via Colombia, to Iquitos and other places in Peru, which would be operated by an air line or air lines designated by the Government of the United States of America.

It is my duty, in reply, to state to Your Excellency that I have taken due note of the information which you have transmitted to me in regard to the Agreement signed today.

I avail myself of the opportunity, Mr. Ambassador, to renew to you the assurances of my highest and most distinguished consideration.

E. GARCÍA SAYÁN

His Excellency

PRENTICE COOPER,

*Ambassador Extraordinary and Plenipotentiary of the
United States of America.
City.*

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
AND WORSHIP

No. D-6-3/258

LIMA, December 27, 1946

MR. AMBASSADOR:

I have the honor to address Your Excellency in regard to the Air Transport Agreement between Peru and the United States of America, signed on this date, in order to transmit to Your Excellency, in compliance with a request

of the Ministry of Aeronautics, certain information relating to the possible future air routes which were considered during the negotiations.

The Government of Peru intends to encourage consultations with the Government of the United States of America when the circumstances of the case make it advisable, with a view to agreeing upon the amending of the Annex to the above-mentioned Air Transport Agreement, in conformity with Article 9 thereof, in order to include a route between Peru and Los Angeles and San Francisco, California, via the Canal Zone and Mexico City, which could extend to Vancouver, Canada, and as far as the Orient, and which would be operated by an air line or air lines designated by the Government of Peru.

I beg Your Excellency to be so good as to note the foregoing and to consider it as the expression of the thought which led the Government of Peru to conclude the above-mentioned Agreement. I shall therefore be very grateful to Your Excellency if you will be good enough to acknowledge receipt of this communication.

I avail myself of the opportunity to renew to you, Mr. Ambassador, the assurances of my highest and most distinguished consideration.

E. GARCÍA SAYÁN

His Excellency

PRENTICE COOPER,
*Ambassador Extraordinary and Plenipotentiary of the
United States of America.
City.*

The American Ambassador to the Minister of Foreign Affairs

No. 307

The Ambassador of the United States of America presents his compliments to His Excellency the Minister for Foreign Affairs, and with reference to the negotiations leading up to the Air Transport Agreement between the Republic of Perú and the United States of America signed on this date has the honor to acknowledge the receipt of His Excellency's note No. 6-3/258 in which certain information regarding possible future routes considered during the course of the negotiations is communicated on behalf of the representatives of the Peruvian Government.

Prentice Cooper avails himself of this occasion to extend to His Excellency Dr. Enrique García Sayán the renewed assurance of his highest and most distinguished consideration.

LIMA, December 27, 1946

CIVIL AVIATION MISSION

Exchange of notes at Lima December 27, 1946

Entered into force December 27, 1946

Modified by agreement of August 28 and November 11, 1947¹

*Extended by agreement of December 27, 1949, and February 8,
1950²*

Expired June 30, 1950

[For text, see 3 UST 353; TIAS 2396.]

¹ 3 UST 360; TIAS 2396.

² 5 UST 2817; TIAS 3134.

FOOD PRODUCTION PROGRAM

*Exchange of notes at Lima December 4, 1946, and January 29, 1947,
supplementing and extending agreement of May 19 and 20,
1943, as supplemented and extended, with memorandum of
agreement of December 4, 1946, between the Institute of Inter-
American Affairs and the Minister of Agriculture*

*Entered into force January 29, 1947; operative from January 1, 1947
Program expired June 30, 1960*

61 Stat. 3326; Treaties and Other
International Acts Series 1669

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 278

Lima, December 4, 1946

EXCELLENCY:

I have the honor to refer to this Embassy's note No. 812 of June 11, 1945¹ transmitting the English and Spanish texts of the Memorandum of Agreement signed on June 8, 1945¹ by William C. Brister and by His Excellency Godofredo Labarthe, Minister of Agriculture, extending to December 31, 1946 the revised Memorandum of Agreement dated May 19, 1943,² which concerned the establishment of an Inter-American Cooperative Food Production Service in Peru.

On December 4, 1946 there was signed in Lima by Colonel Arthur R. Harris and His Excellency Luis Rose Ugarte, Minister of Agriculture of Peru, a Memorandum of Agreement in English and Spanish, copies of which are attached. By virtue of this instrument the Agreement under reference is further extended until June 30, 1948.

If Your Excellency agrees, this note together with your reply indicating the approval of the Government of Peru will be considered as constituting an agreement between our two Governments on the subject. It is understood that this Agreement shall be effective as of January 1, 1947 and that it shall continue in force until June 30, 1948.

¹ TIAS 1647, *ante*, p. 1224.

² EAS 385, *ante*, p. 1160.

I avail myself of this occasion to extend to Your Excellency the renewed assurance of my highest and most distinguished consideration.

PRENTICE COOPER

His Excellency

Dr. ENRIQUE GARCÍA SAYÁN,
Minister for Foreign Affairs,
Lima.

MEMORANDUM OF AGREEMENT

WHEREAS the Cooperative Program of Food Production between the Republic of Peru, acting through the Minister of Agriculture of the Republic, and the Government of the United States of America, acting through the Institute of Inter-American Affairs (hereinafter called the Institute), covered by the Memorandum of Agreement of May 19, 1943 has contributed to the development of agriculture in Peru; WHEREAS the Government of Peru and the Government of the United States of America wish to derive the maximum benefit from the work performed to date under the basic agreement; WHEREAS the Government of Peru considers the Agreement to be indispensable to the economy and welfare of the country in the light of the acute shortage of essential commodities; WHEREAS the Republic of Peru believes that termination of the Agreement at this time might jeopardize the improvement of the basic economy of the country; WHEREAS the Government of the United States of America recognizes the benefits of the program to the people of the Republic of Peru; and WHEREAS the Government of the United States of America and that of the Republic of Peru consistent with the declaration of Mexico have expressed their adherence to the principle that economic cooperation is essential to the common prosperity of the American nations; and whereas the Government of Peru has requested that the agreement herein above mentioned be extended until June 30, 1948:

The Republic of Peru, acting through the Minister of Agriculture of the Republic of Peru, and the Government of the United States of America, acting through the Institute of Inter-American Affairs, a corporate instrumentality of that Government (hereinafter called the Institute) hereby agree to extend as hereinafter set forth the Cooperative Program of Food Production provided for in the Memorandum of Agreement dated May 19, 1943 entered into by the parties hereto as extended by the agreements of June 1, 1944³ and June 8, 1945.⁴

1. The cooperative program of food production shall continue to be carried out through the Servicio Cooperativo Inter-Americano de Producción de Alimentos (hereinafter called the "SCIPA"), which was created by the

³ EAS 433, *ante*, p. 1199.

⁴ TIAS 1647, *ante*, p. 1224.

Government of Peru in accordance with the Memorandum of Agreement of May 19, 1943 and continued by the Agreements of June 1, 1944 and June 8, 1945 referred to above.

2. The fields of activity which the programs of the SCIPA may embrace, as set forth in Article 3 of the Memorandum of Agreement, dated May 19, 1943, and as amended in the later Memoranda of Agreement mentioned herein, are hereby modified and restated as follows: The SCIPA will continue to develop programs to increase the production, processing and distribution of foodstuffs of vegetable and animal origin of primary necessity, which programs may include, without being limited to, the following items:

(a) technical assistance in the fields of production, processing, storage and distribution of food products of animal and vegetable origin.

(b) the study of the economic problems of production, processing, and distribution of foodstuffs, and the preparation of reports and studies destined to provide information essential to planning adjustments in the production of crops to domestic consumption requirements.

(c) the development of new acreage, including agricultural colonization, and of plans for soil conservation; soil surveys and the rehabilitation of existing irrigation facilities; aid in new irrigation facilities and drainage.

(d) the supply of means, tools, equipment, insecticides, seeds, livestock, and other materials, and of professional and technical services to agriculturists.

(e) the development of a country wide agricultural extension service to improve production of food and to promote the agricultural industry generally.

(f) technical studies and related work in the fields of nutrition, diet, and home economics, and to promote improved nutritional and general home economics practices through an organized extension service.

(g) special assistance to inadequately financed operators of small farms, including the providing of equipment for hire at minimum prices, the making of "loans in kind" during periods of special emergency, etc.

(h) the making available to the Government of Peru and the Government of the United States of America of technical and scientific information and discoveries of interest to agriculturists in either country and the promoting of scientific studies in Peruvian agricultural economy as requested by and in cooperation with either government.

3. The provisions of Article 4 of the Memorandum of Agreement of May 19, 1943 are considered to have been fulfilled by the contribution of US\$162,976.77 (S/.1,056,904.35) by the Institute and by the contribution of S/. 1,056,904.35 (US \$162,976.77) by the Republic of Peru. The provisions of Article 3 of the extended Memorandum of Agreement, signed June 1, 1944, are considered to have been fulfilled as the result of contributions amounting to US\$150,000 (S/.972,750) by the Institute and S/.1,945,500

(US \$300,000) by the Republic of Peru. The provisions of Article 3 of the extended Memorandum of Agreement, dated June 8, 1945, are considered to have been fulfilled as the result of contributions amounting to US \$75,000.00 (S/. 486,375) by the Institute paid by November 1, 1946 and of the amount of S/. 972,750.00 (US \$150,000) contributed by the Republic of Peru by November 1, 1946.

4. The cooperative food production program shall be financed by the parties during the extended period comprehended by this Agreement, as follows:

A. The Institute shall deposit to the account of the SCIPA the sum of Seventy-five Thousand (\$75,000.00) Dollars (being the equivalent of S/. 486,375 (Peruvian Soles) at the conversion rate of S/. 6.485 per U.S. dollar) on the following dates and in the following amounts:

	<i>Dollars</i>
January 1, 1947	4,200.00
February 1, 1947	4,200.00
March 1, 1947	4,200.00
April 1, 1947	4,200.00
May 1, 1947	4,200.00
June 1, 1947	4,200.00
July 1, 1947	4,200.00
August 1, 1947	4,200.00
September 1, 1947	4,200.00
October 1, 1947	4,200.00
November 1, 1947	4,200.00
December 1, 1947	4,200.00
January 1, 1948	4,200.00
February 1, 1948	4,200.00
March 1, 1948	4,200.00
April 1, 1948	4,200.00
May 1, 1948	4,200.00
June 1, 1948	3,600.00
	<hr/>
	US \$75,000.00

B. In view of the fact that many purchases of materials, supplies and equipment and other disbursements relating to the execution of the program will be made in the United States of America, the Institute may withhold from the deposits called for by subsection A of Article 4 the estimated amounts deemed to be necessary to pay for such purchase and disbursements. Any funds so withheld by the Institute for such purposes shall be considered as if deposited under the terms of subsection A hereof but, if they are not expended or obligated for such purposes, they shall be deposited to the order of the SCIPA at any time upon the mutual agreement of the Minister of Agriculture and the Chief of the Food Supply Mission of the Institute in Peru.

C. In addition to the contribution of the Institute mentioned in subsection A hereof, the Institute will make available during the period of this extension for the cooperative program the funds necessary to pay the salaries, living expenses, travel and transportation costs and other administrative

expenses of the members of the Food Supply Mission of the Institute in Peru. It is understood that this sum will not exceed Two Hundred and Twenty-five Thousand (\$225,000.00) Dollars. These funds will not be deposited to the account of the SCIPA but will be administered by the Chief of the Food Supply Mission of the Institute in Peru for the purposes stated and in the interest of the general cooperative program of food production and agricultural development in Peru.

D. The Republic of Peru shall deposit to the account of the SCIPA the equivalent in Peruvian currency of Four Hundred and Fifty Thousand (\$450,000) Dollars, namely, the sum of Two Million, Nine Hundred and Eighteen Thousand, Two Hundred and Fifty (S/. 2,918,250) Soles at the conversion rate of S/. 6.485 per U.S. Dollar, on the following dates and in the following amounts:

	<i>Soles</i>	<i>Dollars</i>
January 1, 1947	162, 125. 00	25, 000. 00
February 1, 1947	162, 125. 00	25, 000. 00
March 1, 1947	162, 125. 00	25, 000. 00
April 1, 1947	162, 125. 00	25, 000. 00
May 1, 1947	162, 125. 00	25, 000. 00
June 1, 1947	162, 125. 00	25, 000. 00
July 1, 1947	162, 125. 00	25, 000. 00
August 1, 1947	162, 125. 00	25, 000. 00
September 1, 1947	162, 125. 00	25, 000. 00
October 1, 1947	162, 125. 00	25, 000. 00
November 1, 1947	162, 125. 00	25, 000. 00
December 1, 1947	162, 125. 00	25, 000. 00
January 1, 1948	162, 125. 00	25, 000. 00
February 1, 1948	162, 125. 00	25, 000. 00
March 1, 1948	162, 125. 00	25, 000. 00
April 1, 1948	162, 125. 00	25, 000. 00
May 1, 1948	162, 125. 00	25, 000. 00
June 1, 1948	162, 125. 00	25, 000. 00
		<hr/>
	S/. 2, 918, 250. 00	US \$450, 000. 00

E. The parties hereto, by written agreement of the Minister of Agriculture and the Chief of the Food Supply Mission of the Institute, may amend the schedules for making the deposits provided for in Article 4, subsection A and D, and agree to make the deposits as required by the needs of the program.

F. By mutual agreement between the Minister of Agriculture and the Chief of the Food Supply Mission of the Institute in Peru funds of the SCIPA may be used to reimburse or defray the salaries, living expenses, travel and transportation costs, and other expenses of such additional personnel of the Food Supply Mission of the Institute in Peru as the parties mentioned may agree are necessary to be employed, in addition to the employees referred to under subsection C above. Such funds may be contributed or granted for such purposes by the SCIPA to the Institute or to any other organization, but in every case the Minister of Agriculture and the Chief of the Food Supply Mission of the Institute in Peru will enter into a

written project agreement setting forth the scope and the other necessary terms of such contributions or grants.

5. Article 7 of the Memorandum of Agreement signed June 8, 1945, is hereby amended to read: Any income accruing to the account of SCIPA as the result of normal project operations, or through the liquidation of projects, or from whatever source, will continue to be available to SCIPA for the promotion of those projects from which the income has accrued or, by mutual agreement between the Minister of Agriculture, the Chief of the Food Supply Mission of the Institute and the Director of SCIPA, may be apportioned to other projects of SCIPA. It is further agreed that any balance of the funds and property of SCIPA, unexpended or unused and unobligated at the termination of this agreement, will be disposed of by agreement between the Minister of Agriculture and the Chief of the Food Supply Mission of the Institute, having in mind the proportional contributions of each of the parties.

6. The funds contributed in accordance with this Memorandum of Agreement are to be employed only for maintaining or extending projects of the nature contemplated by the original Memorandum of Agreement, or as subsequently modified, or as further modified by Article 2 of this agreement, which projects shall be embodied in written project agreements and shall be signed by the Minister of Agriculture, the Chief of the Food Supply Mission of the Institute in Peru and the Director of SCIPA.

7. Article 9 of the original Memorandum of Agreement of May 19, 1943, is hereby amended to read: All rights and privileges which are enjoyed by official divisions of the Government of Peru and by the personnel and employees of the same, shall accrue to the SCIPA and to all its personnel and employees while performing their official duties. The members of the Food Supply Mission of the Institute will not be obligated to pay to Peru any direct tax or contribution for purposes of Social Security or retirement on salaries or income when they are subject to such taxes or contributions in the United States of America. The Government of Peru shall extend free entry or shall pay the corresponding charges for materiel and equipment necessary for the professional use of personnel of the Mission. In like manner the Government of Peru shall either grant free entry or pay corresponding duties on personal effects of Mission members according to the limitations covering members of the Diplomatic Corps accredited to the Government of Peru; for the purposes of this agreement Mission members shall be considered as having the same free entry privileges as First Secretaries in the Diplomatic Service. Duties exceeding these limits shall be paid by the personnel concerned. The customs duties paid by the SCIPA for imports of equipment, supplies and material destined for the use of the food supply program will be reimbursed to the SCIPA by the Minister of Finance, as shown by respective Customs House documents and receipts. In the same

manner, the customs duties paid by the Institute for imports of equipment, supplies and material destined for the use of the Food Supply Mission of the Institute will be reimbursed to the Institute by the Minister of Finance as shown by respective Customs House documents and receipts.

8. The Chief of the Food Supply Mission of the Institute in Peru shall continue as Director of SCIPA throughout the life of this agreement. In order that Peruvian personnel will be prepared to assume, at the termination of this agreement, or earlier where circumstances warrant, the responsibilities of the Food Mission personnel for the administrative and technical direction of the program, definite provision shall be made during the life of this agreement for the training of competent Peruvian personnel for all positions of administrative responsibility in the SCIPA organization.

9. The Memoranda of Agreement of May 19, 1943, June 1, 1944, and June 8, 1945, shall remain in full force and effect for the purpose of extending the cooperative food production program through June 30, 1948, except as they are modified by or are inconsistent with the present agreement, and the provisions contained therein will apply during the life of this agreement. This Memorandum of Agreement shall become effective upon an exchange of notes between the two Governments.

In witness whereof, the parties hereto have caused this agreement to be executed by their duly authorized representatives, in duplicate, in the English and Spanish languages, in Lima, Peru, this 4th day of December, 1946.

Republic of Peru:

By LUIS ROSE U.
Minister of Agriculture

The Institute of Inter-American Affairs:

By ARTHUR R. HARRIS

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
AND WORSHIP

Number: (H)-6-Y/1

LIMA, January 29, 1947

MR. AMBASSADOR:

I have the honor to reply to Your Excellency's courteous note No. 278 of December 4 last, in which you are good enough to inform me that on that date the Memorandum of Agreement, the text of which is transcribed hereinafter, was signed at Lima by Colonel Arthur R. Harris and Mr. Luis Rose Ugarte, Minister of Agriculture:

[For text of memorandum, see p. 1244.]

In reply, I must inform Your Excellency that, by Supreme Resolution No. 1219, issued by the Ministry of Agriculture on December 30 last, the Memorandum of Agreement transcribed in this note was approved.

Accordingly, this note, together with that of Your Excellency, concludes the above-mentioned Agreement between the Governments of Peru and the United States of America, which Agreement will expire on June 30, 1948.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

E. GARCÍA SAYÁN

His Excellency

PRENTICE COOPER,

*Ambassador Extraordinary and Plenipotentiary of the
United States of America.
City.*

HEALTH AND SANITATION PROGRAM

Exchange of notes at Lima April 16 and 19, 1947, with agreement of March 27, 1947, between the Institute of Inter-American Affairs and the Ministry of Public Health and Social Welfare, supplementing agreement of May 9 and 11, 1942, as supplemented and extended

*Entered into force April 19, 1947
Program expired June 30, 1960*

61 Stat. 2961; Treaties and Other International Acts Series 1630

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
AND WORSHIP

No. (D)-6-3/35

LIMA, April 16, 1947

MR. AMBASSADOR:

I have the honor to inform Your Excellency that, by Supreme Resolution No. 32 of March 16, last, there was approved the draft of the Supplementary Agreement for the Extension of the Cooperative Public Health Program under the direction of the Ministry of Public Health and Social Welfare and the Institute of Inter-American affairs, the text of which is as follows:

"This Supplementary Agreement concluded between Dr. Alberto Hurtado, Minister of Public Health and Social Welfare, in representation of the Government of Peru (designated hereinafter as the 'Minister') and the Institute of Inter-American Affairs, an incorporated agency of the Government of the United States of America (designated hereinafter as the 'Institute'), represented by Dr. Ernest B. Howard, Special Representative of the Institute of Inter-American Affairs, is concluded for the purpose of introducing certain changes in the Cooperative Health and Sanitation Program which was established by an exchange of notes between His Excellency David Dasso, Minister of Hacienda and Commerce of Peru, and His Excellency Sumner Welles, Under Secretary of State of the United States of America, in May 1942,¹ and subsequent communications exchanged between the Institute and the

¹ EAS 441, *ante*, p. 1154.

Minister during July and October, 1942, and confirmed by Supreme Resolutions No. 1895a of July 14, 1942, and No. 2947a of October 31, 1942 (designated hereinafter as the 'Basic Contract'). The Basic Contract was extended until June 30, 1947, by an exchange of notes, confirmed by Supreme Resolution No. 248 of March 17, 1944 (designated hereinafter as the 'Extension Contract'), dated March, 1944,² between the Minister of Public Health and Social Welfare of Peru and the Executive Vice President of the Institute.

ARTICLE I

"The Contracting Parties jointly propose, agree and declare that the Basic Contract, in its extended form, shall be supplemented, and therefore, by this agreement, it is supplemented and, in addition, amended, in accordance with the articles which are specified below.

ARTICLE II

"A group of officials and technicians known as the 'Mission of the Health and Sanitation Division of the Institute of Inter-American Affairs in Peru' shall continue to represent the Institute in Peru and this group of officials and technicians shall remain under the immediate direction of an official of the Institute known as the 'Chief of the Mission'. The Chief of the Mission shall continue to act as the Director of the Cooperative Inter-American Public Health Service (designated hereinafter as the 'Service') during the period covered by in this Supplementary Agreement.

ARTICLE III

"Paragraph 3 of the Extension Contract shall be amended hereby, it being the desire and intention of the Contracting Parties that the Amazon Program be extended and continued within the administration of the Cooperative Health and Sanitation Program, under the direction of the Service, on and after December 31, 1946, and therefore the Contracting Parties agree that the Amazon Program is extended, and shall continue in operation under the direction of the Service from January 1, 1947 to June 30, 1947, inclusive.

ARTICLE IV

"To the end that they may be applied to the expenses of maintenance and operation of the Amazon Program, during the period covered by this Agreement, the Contracting Parties agree to contribute funds during this period of time, in the following manner:

² TIAS 1578, *ante*, p. 1174.

(a) The Institute shall contribute a sum which shall not exceed twenty thousand dollars (\$20,000) and shall deposit that sum to the account of the Service on January 31, 1947 or before that date.

(b) The Institute may withhold from the deposits mentioned in Article IV (a) the sums which the Minister and the Chief of the Mission consider necessary for the payment of the purchases, made in the United States of America, of materials, supplies and equipment, and other expenses connected with the execution of the Amazon Program. Any of the funds thus withheld by the Institute shall be considered as deposited under the terms of Article IV(a), but if they are not spent or pledged for such purposes, they shall be deposited to the account of the Service for the Amazon Program, at any time, in accordance with the joint agreement of the Minister and the Chief of the Mission.

(c) The Government of Peru shall deposit to the account of the Service the equivalent, in Peruvian currency, of one hundred forty-six thousand five hundred dollars (\$146,500), United States currency, at the exchange rate of 6.50 soles for each United States dollar, in the following manner:

On or before January 31, 1947	\$73, 250
On or before April 30, 1947	\$73, 250
Total	\$146, 500

(d) By a written agreement between the Minister and the Chief of the Mission, the plan of deposits, according to Article IV (a) and (c), may be modified according to the needs of the Amazon Program.

(e) The funds credited to the account of Service, in conformity with Article IV (a) and (c), do not have to be deposited in a special account, but may be deposited in the general account of the Service, and, if the Minister and the Chief of the Mission decide, at any time, that the funds which must be deposited in conformity with the said Article IV (a) and (c) exceed the sum necessary to pay the calculated expenses of the Amazon Program, during the period covered by this Supplementary Agreement, then the surplus sum may be used for any other purpose of the cooperative program, by mutual agreement between the Minister and the Chief of the Mission.

(f) The Service may receive contributions from any source, in addition to those mentioned in Article IV (a) and (c), and the Service may spend such contributions, in the same manner as other funds, for the uses and purposes of the Cooperative Health and Sanitation Program, provided that the receipt of such additional contributions by the Service is in accordance with an advance written mutual agreement between the Minister and Chief of the Mission.

(g) Any of the funds and other property acquired by the Service which are not spent, used and pledged at the expiration of the period covered by this Supplementary Agreement shall remain the property of the Government of Peru and shall continue to be used for the purposes of the cooperative

program in a manner mutually agreed upon, in writing, by the Minister and the Chief of the Mission.

ARTICLE V

"The Basic Contract, in its extended form, is also amended by the inclusion of the following paragraph:

"The members who make up the Health and Sanitation Mission of the Institute shall not be obligated to pay, in Peru, any direct tax, social security or pension, in case they are subject to the payment of the said taxes in the United States of America. The Government of Peru shall permit free entry of, or, in lieu thereof, shall pay the respective duties on material and equipment necessary for the professional use of the personnel of the Mission. Likewise, the Government of Peru shall permit the free entry of, or guarantee the respective duties on, the personal effects of the members of the Mission, in accordance with the restrictive conditions to which the members of the Diplomatic Corps accredited to the Government of Peru are subject; for the purposes of this Agreement, the members of the Mission shall be considered as First Secretaries of the Diplomatic Service as regards exemptions'.

ARTICLE VI

"The Basic Contract and the Extension Contract above-mentioned shall remain in full force and therefore continues the obligation of the Peruvian Government to pay the instalments for January and April, 1947, in the amount of ten thousand seven hundred and twenty-five dollars (\$10,725) each, at the rate of exchange of 6.50 soles per dollar, except as they have been modified by this Supplementary Agreement or by reason of their being contradictory thereto.

ARTICLE VII

"This Supplementary Agreement shall have the effect of a formal Agreement completely obligating the Contracting Parties and shall come into force after January 1, 1947, as soon as Diplomatic Notes have been exchanged, confirming and approving the terms of this Supplementary Agreement between the Minister of Foreign Affairs and Worship of the Government of Peru and the Embassy of the United States of America in Peru.

"In witness whereof, the Contracting Parties had this Supplementary Agreement executed by their duly authorized representatives, in duplicate, in the English and Spanish languages, at Lima, Peru, on March 27, 1947.

Ministry of Public Health
and Social Welfare
ALBERTO HURTADO,
Minister

The Institute of Inter-
American Affairs
ERNEST B. HOWARD,
Special Representative"

If your Excellency finds it acceptable, this Note, together with the reply which it merits, shall be considered as the fulfillment of the specification of Article VII of this Supplementary Agreement, the terms of the Agreement thus being confirmed and approved.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

E. GARCÍA SAYÁN

His Excellency

PRENTICE COOPER,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America.
City.*

The American Ambassador to the Minister of Foreign Affairs

No. 485

LIMA, April 19, 1947

EXCELLENCY:

I have the honor to acknowledge receipt of Your Excellency's note No. (D) 6-3/35 of April 16, 1947, in which you were good enough to inform me of the promulgation of Supreme Resolution No. 32 of March 16, which approved the execution of a Supplementary Agreement for the extension to June 30, 1947, of the Cooperative Public Health Program under the direction of the Ministry of Public Health and Social Welfare and the Institute of Inter-American Affairs. The text of the Supplementary Agreement which was signed on March 27, 1947, by His Excellency Dr. Alberto Hurtado, Minister of Public Health and Social Welfare, and by Dr. Ernest B. Howard, Special Representative of the Institute of Inter-American Affairs, has been incorporated verbatim in Your Excellency's note under acknowledgment.

Consequently, this note, together with Your Excellency's note referred to, constitute an agreement between the Governments of the United States of America and of the Republic of Perú by which the terms of the Supplementary Agreement are confirmed and approved.

I avail myself of this occasion to extend to Your Excellency the renewed assurances of my highest and most distinguished consideration.

PRENTICE COOPER

His Excellency

DR. ENRIQUE GARCÍA SAYÁN,

*Minister for Foreign Affairs,
Lima.*

HEALTH AND SANITATION PROGRAM

Exchange of notes at Lima June 18 and 25, 1947, supplementing and extending agreement of May 9 and 11, 1942, as supplemented and extended; supplemental agreement of June 28, 1947, between the Institute of Inter-American Affairs and the Minister of Public Health and Social Welfare

Entered into force June 25, 1947; operative July 1, 1947

Extended by arrangement of June 30, 1948 between the Institute of Inter-American Affairs and the Minister of Public Health and Social Welfare¹

Program expired June 30, 1960

61 Stat. 3361; Treaties and Other International Acts Series 1673

EXCHANGE OF NOTES

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

Lima, June 18, 1947

No. 584

EXCELLENCY:

I have the honor to refer to Your Excellency's note No. (D)-6-3/35 of April 16, 1947² and to Ambassador Cooper's note No. 485 of April 19, 1947,¹ by which the Cooperative Health and Sanitation Program in Perú was extended through June 30, 1947.

I now have been requested by my Government to advise Your Excellency that, if the Government of Perú desires, the Institute of Inter-American Affairs, representing the United States, will extend the Cooperative Health and Sanitation Program through June 30, 1948, and will make available for that purpose the additional sum of \$196,582, of which \$50,000 will be contributed to the Servicio Cooperativo Interamericano de Salud Pública and the balance will be used for payment of the expenses of the field party furnished by the Institute.

The Institute of Inter-American Affairs has approved the extension of the Program with the understanding that the Government of Perú will contribute to the expenses of the Servicio Cooperativo Interamericano de Salud Pública the funds necessary to complete the budget for the Program contemplated

¹ Not printed.

² TIAS 1630, *ante*, p. 1251.

which amounts to \$550,000 or its equivalent in Peruvian currency to be computed at the official rate of exchange.

I shall be grateful if Your Excellency will advise me concerning the desires of the Government of Perú regarding the acceptance of this offer of the Institute of Inter-American Affairs to extend the Cooperative Health and Sanitation Program in Perú on the basis above indicated.

I avail myself of this occasion to extend to Your Excellency the renewed assurance of my highest and most distinguished consideration.

RALPH H. ACKERMAN

His Excellency

Dr. ENRIQUE GARCÍA SAYÁN,
Minister for Foreign Affairs,
Lima.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
AND WORSHIP

No. : (D)-6-3/70

LIMA, June 25, 1947

MR. CHARGÉ D'AFFAIRES:

I have the honor to acknowledge the receipt of your courteous note No. 584 of the 18th of the current month, in which you are good enough to inform me that, if the Government of Peru so desires, the Institute of Inter-American Affairs, which represents the United States of America, will extend until and including June 30, 1948 the Cooperative Health and Sanitation Program under the conditions which you mention, the Government of Peru having to contribute to the expenses of the Service the funds necessary to make up the approved Budget.

In reply, I am happy to inform you, in accordance with the communication made to my Department by the Ministry of Public Health, that the Peruvian Government accepts with pleasure this offer to continue the Cooperative Health and Sanitation Program in Peru.

I avail myself of the opportunity to renew to you, Mr. Chargé d'Affaires, the assurances of my most distinguished consideration.

E. GARCÍA SAYÁN

The Honorable

RALPH H. ACKERMAN
Chargé d'Affaires ad interim
of the United States of America.
City

SUPPLEMENTAL AGREEMENT RELATIVE TO THE COOPERATIVE PROGRAM IN
HEALTH AND SANITATION UNDERTAKEN BY THE GOVERNMENTS OF PERU
AND THE UNITED STATES OF AMERICA

This Supplemental Agreement between Dr. Alberto Hurtado, Minister of Public Health and Social Welfare, representing the Government of Peru (hereinafter called the "Minister"), and the Institute of Inter-American Affairs, a corporate instrumentality of the Government of the United States of America, (hereinafter called the "Institute"), represented by Dr. Ernest B. Howard, (hereinafter referred to as the "Special Representative"), is entered into for the purpose of recording an extension and modification of the cooperative program of health and sanitation which was undertaken by virtue of an exchange of notes between His Excellency David Dasso, Minister of Finance and Commerce of Peru, and His Excellency Sumner Welles, Under Secretary of State, the United States of America, in May 1942,³ and in accordance with the agreement and amendments set forth in the subsequent exchange of letters between the Institute and the Minister, dated July 7, 1942 and July 11, 1942;⁴ October 10, 1942, October 13, 1942, and October 31, 1942;⁴ March 11, 1944,⁵ March 15, 1944,⁶ and October 14, 1944;⁴ and by the Supplemental Agreement dated March 27, 1947⁷ (all of which letters and Supplemental Agreement hereinafter being collectively called the "Basic Agreement").

CLAUSE I

The parties hereto mutually intend, agree and declare that the Basic Agreement be and hereby is extended for an additional period of one year, from the first day of July 1947 through the thirtieth day of June 1948, and modified in accordance with the clauses hereinafter set forth.

CLAUSE II

The cooperative health and sanitation program in Peru shall continue to be carried out through the Servicio Cooperativo Inter-Americano de Salud Publica (hereinafter called the "Servicio").

CLAUSE III

The Institute shall continue to be represented in Peru by a group of its officials and technicians known as the "Field Party of the Health and Sanitation Division of The Institute of Inter-American Affairs in Peru", and such group of officials and technicians shall remain under the immediate direction of an Institute official known as the "Chief of Field Party". The Chief of

³ EAS 441, *ante*, p. 1154.

⁴ Not printed.

⁵ TIAS 1578, *ante*, p. 1174.

⁶ TIAS 1578, *ante*, p. 1177.

⁷ TIAS 1630, *ante*, p. 1251.

Field Party shall continue to serve as Director of the Servicio for the period comprehended by this Supplemental Agreement. The salaries and expenses, including travel expenses of the personnel of the Institute working in Peru, will be paid by the Institute from funds exclusive of those allotted to or deposited to the account of the Servicio.

CLAUSE IV

The funds of the Servicio which are unspent and unobligated on June 30, 1947, the expiration date of the Basic Agreement, shall continue to be available for use in carrying out the cooperative health and sanitation program in accordance with the terms of this Supplemental Agreement.

CLAUSE V

In addition to the funds required for the contributions of the parties in accordance with the Basic Agreement, the cooperative health and sanitation program shall be further financed during the period established by this Supplemental Agreement, as follows:

A. The Institute shall contribute the sum of not to exceed one hundred ninety-six thousand five hundred eighty-two dollars (\$196,582) of which amount fifty thousand dollars (\$50,000) U.S. currency shall be deposited to the account of the servicio in the following manner:

During July, 1947	\$25,000
During January, 1948	25,000

B. The Institute will use the balance of the funds to be contributed to pay the salaries and expenses, including travelling expenses, of the personnel of the Institute Field Party in Peru and other Institute employees incurred after July 1, 1947. The estimated sum of approximately one hundred forty-six thousand five hundred eighty-two dollars (\$146,582) U.S. currency will be retained for these purposes separately and apart from the funds to be deposited to the account of the Servicio by the Institute and any unexpended portion thereof shall remain the property of the Institute.

C. The Government of Peru shall deposit to the account of the Servicio the equivalent in Peruvian currency of Five hundred fifty thousand dollars (\$550,000.00), U.S. currency at the official conversion rate in soles per U.S. dollar, in the following manner:

During July 1947	\$137,500.00
During October 1947	137,500.00
During January 1948	275,000.00

D. The Institute may withhold from the deposits called for by Clause V-A hereof the estimated amounts deemed necessary by the Minister and the Chief of Party to pay for the purchase in the United States of America of materials, supplies and equipment and other expenses relating to the execu-

tion of the program. Any funds so withheld by the Institute shall be considered as deposited under the terms of Clause V-A hereof but, if they are not expended or obligated for such purposes, they shall be deposited to the account of the Servicio at any time by mutual agreement of the Minister and the Chief of Party.

E. By written agreement between the Minister and the Chief of Party, the dates for making deposits, as fixed under Clauses V-A and V-C may be amended according to the needs of the program.

F. Contributions, in addition to those set out in Clauses V-A and V-C may be received by the Servicio from any source whatsoever and expended by it in the same manner as other funds for the uses and objectives of the co-operative health and sanitation program provided that the receipt of any such additional contributions by the Servicio shall first be agreed upon in writing in advance by the Minister and Chief of Party, and Director of the Servicio.

G. Any funds and other property acquired by the Servicio which may be unexpended or unused and unobligated at the termination of the period comprehended by this Supplemental Agreement shall remain the property of the Government of Peru and continue to be used for the purposes of the cooperative health and sanitation program in such manner as may be mutually agreed upon in writing by the Minister, Chief of Party and the Director of the Servicio.

H. Interest on funds of the Servicio, and any income, upon investments of the Servicio, and any increment of assets of the Servicio of whatever nature or source, shall be dedicated to the realization of the program and shall not be credited against the contributions of the Government of Peru or of the Institute.

CLAUSE VI

The funds provided in this Supplemental Agreement for deposit to the Servicio may be used for maintaining projects in operation, including projects within and outside the Amazon area, and for projects to be placed in operation. The cooperative health and sanitation program shall continue to consist of individual projects. Each project shall be embodied in a project agreement which shall be mutually accepted and signed by the Minister, the Chief of Party and the Director of the Servicio. Each project agreement shall define the nature of the work to be done, the allocation of funds therefor, the parties responsible for the execution of the project and any other matters which the contracting parties may wish to determine. The transfer from the Servicio to the Ministry of Public Health and Social Welfare or otherwise of the administration, operation, control and ownership of the individual projects shall be determined and prescribed for in written agreements signed by the Minister, the Chief of Party and the Director of the Servicio.

CLAUSE VII

All contracts and agreements to be made by the Servicio shall be made, signed and executed by the Minister and the Director of the Servicio. The general policies and procedures governing the realization of the cooperative health and sanitation program, the carrying out of the projects and the operations of the Servicio such as, but not limited to, the disbursement and accounting of funds, the purchase, use, inventory, control and disposition of property, and any other administrative matters, shall be determined and established by mutual written agreement between the Minister, the Chief of Party and the Director of the Servicio. The procedures and methods established and in use for the operation of the Servicio under the Basic Agreement shall continue to apply to the operation of the Servicio during the period fixed in this Supplemental Agreement unless changed and amended as herein provided.

CLAUSE VIII

The employees of the Servicio shall be employed and retained by the Minister in accordance with proposals made by the Director of the Servicio to the Minister on the persons to be employed and replaced in the Servicio and the Director will be the exclusive and final judge of their qualifications. The details of employing and replacing employees of the Servicio shall be in accordance with the general policies agreed upon by the Minister and the Director of the Servicio.

CLAUSE IX

The same rights and privileges which are enjoyed by official divisions of the Government of Peru and by the personnel and employees of the same, shall accrue to the Servicio and to all its personnel and employees while performing their official duties. These rights and privileges shall include, for example only and not exclusively, similar rights and privileges as to telephone, telegraph, postal or transportation services, rates, etc. The customs duties paid by the Servicio for equipment, supplies and medicines destined for public health and sanitation use in Peru will be reimbursed to the Servicio by the Minister of Finance as shown by the respective customs house documents and receipts.

CLAUSE X

For the purpose of this agreement, the Government of Peru accepts and recognizes the Institute as a corporate instrumentality of the Government of the United States of America and therefore, among other things, the Institute shall be exempt from all import and export tariffs, taxes, contributions and other charges. The customs duties paid by the Institute for import of supplies, equipment and materials destined for the use of the Institute will be

reimbursed to the Institute by the Minister of Finance as shown by respective Customs House documents and receipts.

CLAUSE XI

The members of the Field Party will not be obligated to pay to Peru any direct tax or contribution for purposes of social security or retirement on salaries or income when they are subject to such taxes or contributions in the United States of America. The Government of Peru shall extend free entry or shall pay the corresponding charges for material and equipment necessary for the professional use of personnel of the Field Party. In like manner the Government of Peru shall either grant free entry or pay corresponding duties on personal effects of Field Party members according to the limitations covering members of the Diplomatic Corps accredited to the Government of Peru; for the purposes of this agreement Field Party members shall be considered as having the same free entry privileges as First Secretaries in the Diplomatic Service.

CLAUSE XII

The books, records and accounts of the Servicio shall be open at all times for their inspection by representatives of the Government of Peru and of the Institute. The Director of the Servicio shall render reports to the Government of Peru and to the Institute at such intervals as are agreed upon between the Minister and the Chief of Party.

CLAUSE XIII

The Minister, the Chief of Party and the Director of the Servicio are empowered to delegate their authority, prerogatives and functions to duly appointed representatives of their own choosing provided that each such representative shall be satisfactory to the said official of the other government.

CLAUSE XIV

This Supplemental Agreement shall become effective upon the exchange of diplomatic notes concerning the health and sanitation program between the Minister of Foreign Affairs of the Government of Peru and the Embassy of the United States of America to Peru, or upon the date of execution hereof, in the event such notes have heretofore been exchanged. The Basic Agreement shall remain in full force and effect for the purpose of extending the cooperative health and sanitation program, except as it is modified or is inconsistent with this Supplemental Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Agreement to be executed by their duly authorized representatives, in dupli-

cate, in the English and Spanish languages at Lima, Peru, this 28th day of June 1947.

Minister of Public Health,
Labor and Social Welfare

The Institute of Inter-American
Affairs

By ALBERTO HURTADO
Minister

By ERNEST B. HOWARD
Special Representative

AIR TRANSPORT SERVICES

*Exchange of notes at Washington May 6 and 8 and July 21, 1947,
supplementing agreement of December 27, 1946*

Entered into force July 21, 1947

*Exchange of notes concerning 30 percent ownership clause canceled
May 26, 1950*

61 Stat. 2607; Treaties and Other
International Acts Series 1587

The Peruvian Ambassador to the Secretary of State

PERUVIAN EMBASSY
WASHINGTON, D.C.

M/109

May 6, 1947

YOUR EXCELLENCY:

I refer to the text of the notes of the Minister of Foreign Affairs of Peru and the Ambassador from the United States which were exchanged on December 27, 1946¹ and effected at the time of the conclusion of the bilateral Transport Agreement between the United States and Peru. This text was made public on April 29, 1947 by the State Department. As a consequence of this publication, the oral agreement on the application of the Peruvian International Airways for a permit to enter the United States was postponed until May 9, 1947.

I have been instructed by my Government to direct your attention to the English translation of the Foreign Office note of December 27, 1946 which had reference to participation by United States and Canadian capital in an airline to be designated by the Government of Peru (in this case the Peruvian International Airways) to enjoy the rights granted by the United States to a Peruvian airline.

In order that there may be no possible misinterpretation as to the mutual understanding, my Government desires to invite your attention to the following matters:

- (1) The English word "held" employed in the translation of each of the three conditions does not have the meaning of the Spanish words "en manos de". A more accurate redaction would be the literal translation of the words, namely "in the hands of".

¹ TIAS 1587, *ante*, p. 1229.

(2) It will be recalled that in the discussions held before the exchange of the above mentioned notes with respect to the third condition, it was the agreement that the balance of the capital of the Company which was not in the hands of Peruvian nationals should be in the hands of nationals of the United States and of Canada; and that the relative participation in this balance by the nationals of these two countries should not exceed a limit of 40% for one and 60% for the other, either way, based on the total non-Peruvian capital. This would permit a maximum discrepancy of 50% in the relative participations of the national groups of the United States and Canada, as compared to each other, but at the same time achieves the intended effect of preventing either of these national groups from acquiring more than 42% of the total capital. I would like to call to your attention that the note just published states that "among the respective groups of nationals of each of those two countries (United States and Canada), there shall not at any time exist a difference of more than 20% in the amount of their respective shares in the capital of the Company." The effect of the wording of this note would be that, assuming 30% of the capital were in the hands of Peruvian nationals, the relative participations in the balance by nationals of the United States and Canada could not exceed a limit of 45.5 for one and 54.5 for the other, either way, if the percentage were computed upon the relative holdings of Americans and Canadians rather than on the total non-Peruvian capital. The Minister of Foreign Affairs believes that you will agree that this was not the intention of both the United States and the Peruvian Governments when the Agreement was drawn up. Therefore, with the provision that this is agreeable to you, I suggest that the third paragraph be expressed as follows: "Of the remaining total participation by Americans and Canadians, no more than 60% shall be in the hands of nationals of either country." Furthermore, my Government believes that the use of the word "shares" is subject to misinterpretation. As used in the translation, this could be interpreted to mean "shares of stock". The Spanish word for shares of stock is "acciones". The word used in the Peruvian note of December 27th is "participaciones" and it should be translated as "participation in the capital of the Company."

I will appreciate very much receiving your confirmation of this interpretation of our mutual understanding at the time of the conclusion of the bilateral Air Transport Agreement.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

JORGE PRADO

His Excellency

General GEORGE MARSHALL
Secretary of State
Washington, D.C.

The Secretary of State to the Peruvian Ambassador

DEPARTMENT OF STATE
WASHINGTON

May 8 1947

EXCELLENCY:

I have the honor to acknowledge the receipt of your note No. M/109 of May 6, 1947, concerning the construction of the note of December 27, 1946, No. (D) 6Y/5 delivered to the Ambassador of the United States of America in Lima on that date by His Excellency the Minister for Foreign Affairs of the Republic of Peru, the terms of which latter note were accepted by note No. 306 dated December 27, 1946 from the Ambassador of the United States of America to His Excellency the Minister for Foreign Affairs of the Republic of Peru.

In paragraph (1) of your note you refer to the translation of the Spanish words "en manos de" by the English word "held," and suggest that a more accurate translation would be "in the hands of." The intent of the two notes exchanged in Lima, to which reference is made above, was to establish a standard of true, actual ownership of the shares of the Peruvian airline concerned. I believe that there is no doubt that such was the intention of all parties concerned. I therefore believe that whether the word "held" or the words "in the hands of" are used to translate the phrase "en manos de" is not a matter of substance, but would accept your phraseology, provided that the intention to establish a standard based on factual ownership is understood. It would be appreciated if Your Excellency would confirm this interpretation of the matter.

I accept the understandings expressed by Your Excellency in paragraph (2) of your note as representing a more precise expression of the intention of our respective Governments than evidenced by the exchange of notes in Lima above referred to.

If Your Excellency will inform me that these understandings are acceptable to your Government, I would suggest that your note of May 6, this note, and your reply thereto be deemed to constitute the controlling expression of understanding between our Governments concerning these matters.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

WILLARD L. THORP

His Excellency,

Senor Don JORGE PRADO,
Ambassador of Peru.

*The Peruvian Ambassador to the Secretary of State*PERUVIAN EMBASSY
WASHINGTON, D.C.

No. 5-3-M/160

July 21, 1947

YOUR EXCELLENCY:

I have the honor to refer to the notes exchanged between the Department of State and this Embassy in relation to the interpretation of certain terms of the Bilateral Transport Agreement signed by the United States and Peru. I also refer particularly to the note of the Department of May 8, 1947.

In reply, I am pleased to inform Your Excellency, following instructions from my Government, that since the Department in its above-mentioned note of May 8th agrees with my Government's translation of the Spanish words "en manos de" as "in the hands of", it may be understood that it was the intention of the parties in the exchange-of-notes to establish a standard based on factual ownership of the shares of stock in the hands of nationals of Peru, the United States and Canada.

Since my Government agrees with the Government of the United States in this interpretation, I have the honor to inform Your Excellency that the notes on this matter may be considered as the agreement of both Governments.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

JORGE PRADO

His Excellency

General GEORGE MARSHALL

*Secretary of State**Department of State**Washington, D.C.*

CIVIL AVIATION MISSION

*Exchange of notes at Lima August 28 and November 11, 1947,
modifying agreement of December 27, 1946¹*

Entered into force November 11, 1947

*Extended by agreement of December 27, 1949, and February 8,
1950²*

Expired June 30, 1950

[For text, see 3 UST 360; TIAS 2396.]

¹ 3 UST 353; TIAS 2396.

² 5 UST 2817; TIAS 3134.

MAPPING

*Agreement and exchange of notes signed at Lima February 5, 1948
Entered into force February 5, 1948*

Department of State files

AGREEMENT

The Governments of the Republics of Peru and of the United States of America resolve by the present agreement to carry out the stipulations which are established hereinafter for the execution of a program of aerial and topographic cartography of the territory of Peru, by means of aerial photography and geodetic and topographic surveys.

1st—The Governments of Peru and of the United States of America, by the designation of qualified administrative and technical personnel, will jointly undertake a program of work to obtain aeronautical charts and topographic maps, for the purpose of standardizing and coordinating the methods and systems which were used in former operations with the methods and systems of other countries, and to furnish their respective Governments with aeronautical charts and topographic maps of the territory of Peru which may be obtained by the use of these means.

2nd—The Government of the United States of America by the present agreement undertakes:

a). To execute, as soon as it may be possible and in accord with the regulations governing aerial photographic operations in Peru, the trimetrogon and vertical photography required by this program.

b). To furnish the expert personnel necessary to analyze the existing geodetic surveys and to prepare definite plans for their integration, and to determine the density and location of the additional ground control necessary for an accurate compilation.

c). To furnish, in case the Government of Peru does not have the specialized means for obtaining the ground control indispensable for an exact compilation, and in accordance with the existing laws of the United States and the availability of funds, additional personnel, materials and equipment, to aid in establishing geodetic bases, control towers, and ground references, and for carrying out the geodetic work and other technical work which must be done on the ground.

d). To deliver to the Government of Peru the following:

1. The original negative, exposed on topographic base film, of every aerial photograph which may be taken of the territory of Peru.
2. One set of index maps of each type of photography executed, indicating flight lines, area covered, and approximate location of every photograph taken.
3. The original of all reports on photographic flights.
4. The original of all data concerning geodetic control.
5. Two sets of the compilation sheets (quadrangle sheets) for the aeronautical charts at scale 1:500,000.
6. The aerial photogrammetric plane table sheets showing contour lines in order that the topographers of the Government of Peru can make the adjustments and nomenclature on the ground.
7. 200 copies of each of the aeronautical charts at scale 1:1'000,000; 200 copies of each of the topographic maps at scales 1:200,000; 1:100,000 and 1:50,000.

e). To sell to the Government of Peru and any of their authorized departments, copies of topographic maps or aeronautical charts of the territory of Peru, at the scales which may have been published and resulting from the data obtained by this program.

f). To deliver to the Government of Peru a duplicate copy of all information, of whatever nature, of data or references of an archaeological, historical or geological character, or of any other type, which may have been obtained by the Government of the United States through information secured from study of and analysis of the trimetrogon or merely the vertical photography referred to by this Agreement.

3rd—The Government of the Republic of Peru by the present agreement undertakes:

a). To allow the personnel of the Government of the United States in collaboration with Peruvian observers to take the aerial photographs of Peruvian territory which may be necessary for the execution of the program. In like manner, to allow the entry and departure of all the flight personnel, photographers and supervisors as well as the aircraft, aerial photographic equipment, accessories and fuel, and all other material required for the aerial photographic, photogrammetric, geodetic, and topographic operations of this program.

b). To designate the personnel which will cooperate with the functionaries of the United States of America, and the observers who participate in the photographic flights, and to execute inspections of the technical operations which are carried out in the field.

c). To make available to the personnel executing this program all astrometric, geodetic and topographic information, as well as maps presently existing and which are related to the execution of this program; and to provide existing technical units to establish with the accuracy required all reference points, including points for photogrammetric charts in sufficient number and in the locations necessary for compilation purposes by photogrammetric methods.

d). To coordinate a future program for the draughting of maps according to the methods and systems utilized in the carrying out of this agreement.

e). To carry out the field checking corrections and nomenclature on the aerophotogrammetric plane table sheets referred to in Article 2, paragraph d, sub 6, of this Agreement and to return said sheets to the Government of the United States, retaining a copy.

f). To permit the use, when deemed necessary, of airdromes, highways, bridges and other facilities under the control of the Government of Peru.

g). To permit the importation, free of duties, of equipment, fuel, and any other elements necessary for the execution of this program, as well as for subsistence of the personnel involved.

4th—In order to maintain due security, as well as to protect the interests of both Governments, and, especially, in order to safeguard the security of the Government of Peru, it is mutually agreed:

a). That all maps, charts, photographs, and any other information resulting from the execution of this Agreement shall be considered as the exclusive property of the Peruvian Government, because of having been obtained in the territory of Peru; but, inasmuch as all the labor inherent in the execution of this program is to be carried out by both Governments, the Government of Peru agrees to allow the Government of the United States of America to utilize the results obtained in the interest of both Governments. The Government of the United States will not make available to its nationals, individuals or corporate, the maps, charts, photographs or any other information resulting from the execution of this Agreement without prior consultation with the Government of Peru.

b). No specific or detailed information related to the aerial photography and to the geodetic studies or any other technical operation that may be obtained during the execution of this program shall be revealed to a third nation, its nationals, individuals or corporate, or agents, by the United States Government without previous consent of the Peruvian Government. In case the Peruvian Government should supply information to another nation, its nationals or agents, they will make this fact known to the United States Government.

c). The duplicate negatives of the photographs and the duplicate field notes of the technical departments, in hands of the United States Govern-

ment, shall be kept in the Archives of said Government according to security measures formerly expressed.

d). The originals of the negatives of the photographs and the originals of the field notes of the technical departments, in the hands of the Peruvian Government, will be kept in the Archives of said Government according to security measures formerly expressed.

5th—The Peruvian Government designates a Committee comprised of the Director General of Aerial Photography, the Director of the military Geographic Institute, and the Chief of the Hydrographic Service of the Navy, as the administrative and technical agent in charge of the execution of this program, and agrees to notify the Government of the United States of America with due anticipation of any change in this designation.

6th—Through the proper channel, the Government of the United States of America will notify the Government of Peru of the technical and administrative agent that will be designated for the execution of their part in the program and will advise with due anticipation, any change in this designation.

7th—This Agreement will become effective on this date and will remain in effect until the termination of the work contemplated.

8th—Either of the contracting parties may terminate this Agreement by written notice six months in advance.

The present Agreement is signed in the English and Spanish languages in two original versions in each language, having equal force and effect, for the Government of Peru by the Minister of Aeronautics as authorized by Supreme Resolution No. 777 of October 31, 1947, and for the Government of the United States by its Ambassador accredited to Peru.

Signed at Lima, Peru this 5th day of February, 1948.

For the United States Government:
PRENTICE COOPER

For the Government of Peru:
ARMANDO REVOREDO I.

EXCHANGE OF NOTES

The Peruvian Minister of Aeronautics to the American Ambassador

[TRANSLATION]

MINISTRY OF AERONAUTICS

FEBRUARY 5, 1948

MR. AMBASSADOR:

With regard to the Aerial Mapping Agreement which we have signed today, I have the honor to inform you that this Ministry understands that, in accordance with Article One, the program of works will not necessarily in-

clude all Peruvian territory, but the zones of which charts and maps are made will be selected by the Mixed Commission which is to be appointed for this purpose, and which will be formed by Peruvian and American personnel; and that the naming of these zones will have to be agreed upon by the members of both groups of the Commission.

Please be good enough to inform my office if this is the understanding of the Embassy also.

I avail myself of this opportunity to repeat to you, Mr. Ambassador, the expressions of my distinguished consideration.

ARMANDO REVOREDO I.
Minister of Aeronautics

To MR. AMBASSADOR OF THE UNITED STATES
OF AMERICA
Present.

The American Ambassador to the Peruvian Minister of Aeronautics

EMBASSY OF THE
UNITED STATES OF AMERICA
LIMA, February 5, 1948

MY DEAR MR. MINISTER:

In response to your note of today, I have the honor to inform you that it is also my understanding that in accordance with Article One of the Aerial Mapping Agreement we have just signed, the program will not necessarily include all Peruvian territory, but the zones to be mapped and charted will be selected by the Mixed Commission which is to be appointed for this purpose and which will be formed by Peruvian and American personnel, and that the selection of these zones will have to be agreed upon by the members of both groups of the Commission.

I avail myself of this opportunity to renew to you the assurances of my high consideration.

PRENTICE COOPER

His Excellency
General Don ARMANDO REVOREDO,
Minister of Aeronautics,
Lima.

AGRICULTURAL EXPERIMENT STATION AT TINGO MARIA

*Exchange of notes at Lima March 17 and June 1, 1948, amending
memorandum of agreement of April 21, 1942*

Entered into force June 1, 1948

Superseded by agreement of April 21, 1952¹

62 Stat. 3474; Treaties and Other
International Acts Series 1866

The American Ambassador to the Minister of Foreign Affairs

No. 912

LIMA, March 17, 1948

EXCELLENCY:

I have the honor to refer to the Memorandum of Agreement for cooperation between my Government and the Government of the Republic of Perú in the establishment and operation of an agricultural experiment station at Tingo María. The Agreement was drafted in the English language and signed on April 21, 1942² at Washington, D.C., by Claude R. Wickard, Secretary of Agriculture, on behalf of my Government, and by David Dasso, Minister of Finance, on behalf of the Government of the Republic of Perú.

I am informed that upon the request of the Ministry of Agriculture, the appropriate Ministries of Your Excellency's Government have agreed to grant free entry into Perú for the property of personnel of the United States Department of Agriculture assigned to the station at Tingo María, and that it is desirable accordingly to amend the Agreement by inserting an additional paragraph after the final sentence in Section 4, to contain the following language:

Section 4

"The United States personnel assigned to the Station will not be obligated to pay to Perú any direct tax or contribution for purposes of social security or retirement on salaries or income when they are subject to such taxes or contributions in the United States of America. The Government of Perú shall extend free entry or shall pay the corresponding charges for material and

¹ Not printed.

² TIAS 1866, *ante*, p. 1134.

equipment necessary for the professional use of United States personnel assigned to this Station. In like manner the Government of Perú shall either grant free entry or pay corresponding duties on personal effects of the United States personnel assigned to this Station, according to the limitations covering members of the Diplomatic Corps accredited to the Government of Perú; for the purposes of this agreement the United States personnel assigned to the Agricultural Experiment Station at Tingo María shall be considered as having the same free entry privileges as First Secretaries in the Diplomatic Service. Duties exceeding these limits shall be paid by the personnel concerned."

If the text of the amendment set forth above is acceptable to the Government of Perú, I should appreciate being informed by Your Excellency that it may be considered an integral part of the Memorandum of Agreement of April 21, 1942.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

PRENTICE COOPER

His Excellency

General ARMANDO REVOREDO IGLESIAS,
Minister for Foreign Affairs,
Lima.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
AND WORSHIP

No: (D)-6-3/28

LIMA, June 1, 1948

MR. AMBASSADOR:

I have the honor to inform Your Excellency, in reply to your courteous note No. 912, of March 17 last, that the Government of Peru does not find any objection to accepting the text of the proposed article, to be incorporated in the Agreement of April 21, 1942, relative to the establishment and administration of the Agricultural Experiment Station at Tingo María, which is couched in the following terms:

[For text of amendment, see U.S. note, above.]

I avail myself of this opportunity to renew to you, Mr. Ambassador, the assurances of my highest consideration.

A. REVOREDO I.

His Excellency

Mr. PRENTICE COOPER,
Ambassador Extraordinary and Plenipotentiary
of the United States of America.
Lima

COOPERATIVE EDUCATION PROGRAM

*Exchange of notes at Lima June 28 and 30, 1948, supplementing and
extending agreement of April 4, 1944*

Entered into force July 6, 1948; operative from July 1, 1948

*Program superseded June 30, 1950, by agreement of September 25
and 29, 1950¹*

62 Stat. 3866; Treaties and Other
International Acts Series 1952

The American Chargé d'Affaires ad interim to the Minister of Foreign Affairs

AMERICAN EMBASSY
Lima, Perú, June 28, 1948

No. 1025
EXCELLENCY:

I have the honor to refer to the Basic Agreement between the Government of Perú and the Inter-American Educational Foundation, Inc., dated April 4, 1944,² as later modified and extended,³ which provided for the initiation and execution of the existing cooperative educational program in Perú. I also refer to Your Excellency's note of June 25, 1948 suggesting the consideration by our respective Governments of a further extension of that Agreement. In accordance with legislation enacted during 1947 by the Congress and approved by the President of the United States all of the property, funds, functions, personnel, liabilities, and restrictions of the Inter-American Educational Foundation, Inc., were transferred to The Institute of Inter-American Affairs, a corporate instrumentality of the United States created by such legislative action. Consequently, the participation by the United States in the cooperative education program is now being effectuated through the Institute of Inter-American Affairs.

As Your Excellency knows, the agreement of April 4, 1944, as amended, provides that the cooperative education program will terminate on June 30, 1948. However, considering the mutual benefits which both governments are deriving from the program, my Government agrees with the Government of Perú that an extension of such program would be desirable. I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the cooperative program for a period of 1 year, from June 30, 1948 through June 30, 1949.

¹ 1 UST 816; TIAS 2160.

² TIAS 1740, *ante*, p. 1181.

³ TIAS 1740, *ante*, pp. 1207 and 1209.

It would be understood, that during such period of extension the Institute would make a contribution of \$40,000.00 U.S. Currency to the Servicio Cooperativo Peruano Norteamericano de Educación for use in carrying out project activities of the program on condition that Your Government would contribute to the Servicio for the same purpose the sum of Soles 1,565,469.08 (241,398.46 U.S. Cy.). The Institute would also be willing during the same extension period to make available an amount not exceeding \$125,000.00 U.S. Cy. to be retained by the Institute, and not deposited to the account of the Servicio, for payment of salaries and other expenses of the members of the Institute Education Division Field Staff who are maintained by the Institute in Perú. The amounts referred to would be in addition to the sums already required under the present Basic Agreement to be contributed and made available by the parties in furtherance of the program.

If Your Excellency agrees that the proposed extension on the above basis is acceptable to Your Government, I would appreciate receiving an expression of Your Excellency's opinion and agreement thereto as soon as may be possible in order that the technical details of the extension may be worked out by officials of the Ministry of Education and the Institute of Inter-American Affairs.

The Government of the United States of America will consider the present note and your reply note concurring therein as constituting an agreement between our two Governments, which shall come into force on the date of signature of an agreement by the Minister of Public Education of Perú and by a representative of the Institute of Inter-American Affairs embodying the above-mentioned technical details.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

R. M. DE LAMBERT
Chargé d'Affaires ad interim

His Excellency,
General Don ARMANDO REVOREDO IGLESIAS,
Minister for Foreign Affairs,
Lima.

The Minister of Foreign Affairs to the American Chargé d'Affaires ad interim

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
AND WORSHIP

No. (D)-6-3/48

LIMA, June 30, 1948

MR. CHARGÉ D'AFFAIRES:

I have the honor to acknowledge the receipt of Your Excellency's courteous note no. 1025 dated the 28th of this past month in which, regarding the ex-

tension of the Basic Agreement on Education concluded between the Government of Peru and the Institute of Inter-American Affairs, you inform me that the Institute would contribute \$40,000.00 (U.S. currency) to the Peruvian-North American Cooperative Service, for the activities envisaged in the amended and extended Agreement, and would contribute a sum not to exceed \$125,000.00, which would be retained by the Institute for payment of salaries and other personnel expenses of the Education Division of the Institute in Peru.

I am pleased to inform Your Excellency that the Ministry of Public Education has advised me that the Government of Peru would be willing to contribute the sum of 1,565,469.08 soles for the implementation of the Agreement.

In accordance with the terms of the communication to which I am replying, Your Excellency may consider this exchange of notes as the Agreement concluded between our two Governments, which shall go into effect on the date of the signature of the Extension of the Peruvian-North American Co-operative Educational Service in Peru, between the Minister of Public Education and the Institute of Inter-American Affairs.

I avail myself of this opportunity to renew to Your Excellency the assurances of my most distinguished consideration.

A. REVOREDO I.

The Honorable RICHARD M. DE LAMBERT,

*Chargé d'Affaires
of the United States of America,
City.*

FOOD PRODUCTION PROGRAM

Exchange of notes at Lima June 28 and July 8, 1948, supplementing and extending agreement of May 19 and 20, 1943, as supplemented and extended

Entered into force July 9, 1948

Program expired June 30, 1960

62 Stat. 3584; Treaties and Other
International Acts Series 1872

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 1022

Lima, June 28, 1948

EXCELLENCY:

I have the honor to refer to the Basic Agreement between the Government of Peru and the Institute of Inter-American Affairs, dated May 19, 1943,¹ as later modified and extended, which provided for the initiation and execution of the existing cooperative food production program in Peru. I also refer to Your Excellency's note of June 26, 1948 suggesting the consideration by our respective Governments of a further extension of that Agreement.

As your Excellency knows, the Agreement of May 19, 1943, as amended, provides that the cooperative food production program will terminate on June 30, 1948. However, considering the mutual benefits which both Governments are deriving from the program, my Government agrees with the Government of Peru that an extension of such program would be desirable. I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the cooperative program for a period of one year, from June 30, 1948 through June 30, 1949. It would be understood that, during such period of extension the Institute would make a contribution of \$100,000 in United States currency to the Servicio Cooperativo Interamericano de Producción de Alimentos for use in carrying out project activities of the program on condition that your Government would contribute to the Servicio for the same purpose the

¹ EAS 385, *ante*, p. 1160.

sum of S/. 3,149,600. The Institute would also be willing during the same extension period to make available an amount not exceeding \$200,000 United States currency to be retained by the Institute, and not deposited to the account of the Servicio, for payment of salaries and other expenses of the members of the Institute Food Supply Field Staff who are maintained by the Institute in Peru. The amounts referred to would be in addition to the sums already required under the present Basic Agreement to be contributed and made available by the parties in furtherance of the program.

If Your Excellency agrees that the proposed extension on the above basis is acceptable to your Government, the Government of the United States of America will consider the present note and your reply note concurring therein as constituting an agreement between our two Governments, which shall come into force on the date of signature of an agreement by the Minister of Agriculture of Peru and by a representative of the Institute of Inter-American Affairs embodying the above-mentioned technical details.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

PRENTICE COOPER

His Excellency

General ARMANDO REVOREDO IGLESIAS,
Minister for Foreign Affairs,
Lima.

*The Minister of Foreign Affairs to the American Chargé d'Affaires
ad interim*

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
AND WORSHIP

No : (D) 6-8/51

LIMA, July 8, 1948

MR. CHARGÉ D'AFFAIRES:

I have the honor to acknowledge to you the receipt of your Embassy's courteous note No. 1022, dated June 28, last, relative to the extension of the Cooperative Food Production Program to June 30, 1949.

I hereby inform you that, after I had duly consulted with the Ministry of Agriculture, that agency transmitted to me its approval of the conditions for such extension, as set forth in the note from your Embassy to which I reply. The present exchange of notes therefore constitutes an agreement between our two Governments, to come into force on the date on which the extension

of the Program is signed by the Minister of Agriculture and the Institute of Inter-American Affairs.

I avail myself of the opportunity to renew to you the assurances of my distinguished consideration.

A. REVOREDO I.

The Honorable

RICHARD M. DE LAMBERT,

*Chargé d'Affaires ad interim of the
United States of America,
City.*

ANTHROPOLOGICAL RESEARCH AND INVESTIGATION

Exchange of notes at Lima March 17 and 25, 1949

Entered into force March 25, 1949; operative from July 1, 1948

Terminated July 1, 1952¹

63 Stat. 2634; Treaties and Other
International Acts Series 1960

The American Ambassador to the Minister of Foreign Affairs

AMERICAN EMBASSY
Lima, March 17, 1949

No. 233

EXCELLENCY:

I have the honor to refer to the agreement between the United States of America and Perú regarding anthropological research and investigation which was effected by exchange of notes signed at Lima on March 9 and August 4, 1944² and under the provisions of which work was begun in Perú in 1944. I refer also to the request of the Ministry of Education of the Government of Perú that the Government of the United States of America continue to make available the services of one or more social anthropologists to assist in furthering the development of social sciences in Perú.

Pursuant to that request, I have the honor to state, at the instance of my Government, that the Institute of Social Anthropology of the Smithsonian Institution is prepared to cooperate with the appropriate Peruvian authorities in the continued conduct of anthropological research and investigation in Perú in accordance with the following principles and procedures:

1. General Provisions. The Government of the United States of America, desiring to cooperate with the Government of Perú in this undertaking, agrees, subject to its own personnel requirements, to make available to the Government of Perú the services of one or more social anthropologists of the Institute of Social Anthropology of the Smithsonian Institution. American personnel detailed under the provisions of this agreement will be stationed in Lima to cooperate with the personnel of the Instituto de Estudios Etnológicos of the Museo de la Cultura Peruana, a dependency of the Ministry of Education.

¹ Pursuant to notice of termination given by the United States May 2, 1952.

² EAS 438, *ante*, p. 1195.

It shall be the general objective of the program—

(a) To provide university and field training for students in social anthropology in particular, and in the social sciences in general, which will serve to equip the trainees for teaching, research, and administrative positions in Perú when a need therefor has been expressed by the appropriate Peruvian authorities.

(b) To assist in coordinating the efforts of collaborating scientists of the United States of America and Perú in conducting long-range social science studies in selected areas to be chosen by joint agreement of all cooperating parties. It is understood that cooperation in field work on the part of collaborating scientists and institutions not covered by this Agreement will be solicited as the necessity for specialized research is indicated.

(c) To further additionally the development of anthropological and other social sciences in Perú when the occasion arises, and in the manner best suited to the situation.

(d) To publish research findings under such auspices and in such forms and languages as in the opinion of the cooperating parties will render them most useful.

2. Specific Undertakings on the Part of the Government of the United States of America. Subject to the availability of appropriated funds the Government of the United States of America, through the Smithsonian Institution, agrees—

(a) To continue to detail one social anthropologist to the Ministry of Education of the Government of Perú, with the understanding that he will be stationed in Lima, to cooperate with the personnel of the Instituto de Estudios Etnológicos of the Museo de la Cultura Peruana;

(b) To pay the salary, living allowances, international travel, travel within Perú, and field expenses of the social anthropologist referred to in paragraph (a) above;

(c) To publish such portion of the results of the cooperative field work undertaken in accordance with the present agreement as may be to the mutual satisfaction of all cooperating parties;

(d) To give fullest consideration to any request of the Government of Perú for the detail under the present agreement of additional social scientists, should the need for their services become apparent, the financial arrangements for any such detail to be set forth in a subsequent exchange of notes between the two Governments; and

(e) To provide the Government of Perú, through the American Embassy in Lima, with biographical and professional data concerning each social scientist proposed for the detail. The assignment of each social scientist shall be effected on the basis of his acceptability to the Government of Perú.

3. Specific Undertakings on the Part of the Government of Perú. Subject to the availability of appropriated funds the Government of Perú, through the Ministry of Education, agrees—

- (a) To provide in Lima at the Instituto de Estudios Etnológicos the necessary headquarters for training and research, including adequate office space, laboratories, books, classrooms, and other teaching facilities;
- (b) To pay all the research expenses of Peruvian students and professors during that part of each year which, by mutual agreement, shall be devoted to field studies;
- (c) To publish such portion of the results of the cooperative field work undertaken in accordance with the present agreement as may be to the mutual satisfaction of all cooperating parties;
- (d) To grant free entry for the necessary professional material and equipment for the use of the scientists of the Smithsonian Institution;
- (e) To grant free entry, in accordance with the limitations set for First Secretaries in the Diplomatic Corps accredited to the Government of Perú, for personal effects of the members of the Smithsonian Institution assigned to carry on ethnological studies in Perú, any customs duties in excess of those limitations to be paid by the respective members;
- (f) To grant exemption from all Peruvian taxes on salaries or personal property of the American scientists detailed under the present agreement.

4. Revisions. The present agreement may be revised, amended, or changed in whole or in part with the approval of both Governments, as indicated and effected by an exchange of notes between the two Governments.

5. Term. The present agreement shall remain in effect until June 30, 1953 and may be continued in force for additional periods by written agreement to that effect by the two Governments, but either Government may terminate the present agreement by giving to the other Government notice in writing ninety days in advance. If the congress of either country shall fail to make available the funds necessary for the execution of the present agreement, either Government may terminate the present agreement by giving to the other Government notice in writing sixty days in advance.

The present Agreement, upon its entry into force, shall supersede the agreement between the United States of America and Perú regarding anthropological research and investigation which was effected by exchange of notes signed in Lima on March 9 and August 4, 1944.

Upon the receipt of a note from Your Excellency indicating that the foregoing principles and procedures are acceptable to the Government of Perú, the Government of the United States of America will consider that this note

and your reply constitute an agreement between the two Governments on this subject, which shall be considered in force from July 1, 1948.

Accept, Excellency, the renewed assurances of my highest consideration.

HAROLD H. TITTMANN
Ambassador

His Excellency

Contralmirante FEDERICO DÍAZ DULANTO,
Minister of Foreign Affairs
Lima.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
AND WORSHIP

No. 6-3/49

LIMA, March 25, 1949

MR. AMBASSADOR:

I have the honor to refer to the agreement between the United States of America and Peru regarding anthropological research and investigation which was effected by exchange of notes signed at Lima on March 9 and August 4, 1944, and to Your Excellency's note No. 233 of March 17 last, which refers to the extension of the aforesaid agreement.

In reply I am pleased to inform you that my Government accepts with pleasure the proposal made by Your Excellency in his latest note, in accordance with the following principles and procedures:

[For text of agreed principles and procedures, see numbered paragraphs, p. 1282]

The present Agreement, upon its entry into force, shall supersede the agreement between the United States of America and Peru regarding anthropological research and investigation which was effected by exchange of notes signed in Lima on March 9 and August 4, 1944.

I avail myself of this opportunity to renew to you, Mr. Ambassador, the assurances of my highest and most distinguished consideration.

FDCO. DÍAZ DULANTO

His Excellency

HAROLD TITTMANN, Jr.

*Ambassador Extraordinary and Plenipotentiary
of the United States of America.
City.*

MILITARY MISSION

Agreement signed at Washington June 20, 1949

Entered into force June 20, 1949

*Extended by agreements of March 18 and April 20, 1954,¹ and
July 10 and August 17, 1956²*

Superseded by agreement of September 6, 1956³

63 Stat. 2522; Treaties and Other
International Acts Series 1937

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PERU

In conformity with the request of the Government of the Republic of Peru to the Government of the United States of America, the President of the United States of America has authorized the appointment of officers and subordinate personnel of the Army of the United States as members of a United States Army Mission to Peru for training purposes, in accordance with the conditions stipulated below:

TITLE I

Purpose and Duration

ARTICLE 1. The purpose of this Mission is to cooperate with the Minister of War of the Republic of Peru and with the officers of the Peruvian Army in order to increase the military efficiency of the Peruvian Army.

ARTICLE 2. This Mission shall continue for a period of four (4) years, from the date of the signing of this Agreement by the accredited representatives of the Government of the United States of America and the Government of the Republic of Peru, unless previously terminated or extended as hereinafter provided. Any member of the Mission may be replaced by the Government of the United States of America after the expiration of two years of service, in which case a replacement shall be furnished.

ARTICLE 3. If the Government of the Republic of Peru should desire to extend the services of the Mission beyond the stipulated period it shall make

¹ 5 UST 1290; TIAS 2997.

² 7 UST 2523; TIAS 3643.

³ 7 UST 2477; TIAS 3636.

a proposal in writing to that effect six months before the expiration of this Agreement.

ARTICLE 4. This Agreement may be terminated before the expiration of the period of four (4) years prescribed in Article 2 or before the expiration of the extension authorized in Article 3, in the following manner:

(a) At the request of either of the Governments provided the other Government is notified in writing three (3) months in advance.

(b) By the recall of the personnel of the Mission by the Government of the United States of America in the public interest of the United States of America, without the necessity of compliance with provision (a) of this Article.

ARTICLE 5. This Agreement is subject to cancellation upon the initiative of either the Government of the United States of America or the Government of the Republic of Peru, at any time during the period in which either of the Governments is involved in domestic or foreign hostilities.

TITLE II

Organization and Personnel

ARTICLE 6. This Mission shall consist of such personnel of the Army of the United States of America as may be agreed upon by the Minister of War of the Republic of Peru through his authorized representative in Washington and the Department of the Army of the United States of America.

TITLE III

Duties, Rank and Precedence

ARTICLE 7. The members of the Mission shall be responsible through the Chief of Mission and the Inspector General of the Peruvian Army to the Minister of War of the Republic of Peru.

ARTICLE 8. The personnel of the Mission shall perform such duties as may be agreed upon by the Inspector General of the Peruvian Army and the Chief of the Mission.

ARTICLE 9. Each member of the Mission shall serve on the Mission with the rank he holds in the Army of the United States and shall wear the uniform of his rank in the Army of the United States, but shall have precedence over all Peruvian Officers of the same rank.

ARTICLE 10. Each member of the Mission shall be entitled to all benefits and privileges which the regulations of the Peruvian Army provide for Peruvian officers and enlisted men of corresponding rank.

ARTICLE 11. The personnel of the Mission shall be governed by the disciplinary regulations of the United States Army.

ARTICLE 12. Members of the Mission shall receive from the Government of the Republic of Peru such net annual compensation, payable in United

States currency, as may be agreed upon by the two Governments for each member. This compensation shall be paid in twelve (12) equal monthly installments, each of which shall be due and payable on the last day of the month.

The said compensation shall not be subject to any tax now or hereafter in effect of the Government of the Republic of Peru or of any of its political or administrative subdivisions. Should there, however, at present or while this Agreement is in effect, be any taxes that might affect this compensation, such taxes shall be paid by the Minister of War of the Republic of Peru, in order to comply with the provision of this Article that the compensation agreed upon shall be net.

ARTICLE 13. The compensation agreed upon as indicated in the preceding Article shall commence upon the date of departure from the United States of America of each member of the Mission, and, except as otherwise expressly provided in this Agreement, shall continue, following the termination of duty with the Mission, for the return voyage to the United States of America and thereafter for the period of any accumulated leave which may be due.

ARTICLE 14. The compensation due for the period of the return trip and accumulated leave shall be paid to a detached member of the Mission before his departure from the Republic of Peru, and such payment shall be computed for travel by the shortest usually traveled route to the port of entry in the United States of America, regardless of the route and method of travel used by the member of the Mission.

ARTICLE 15. The Government of Peru shall provide each member of the Mission, his wife and dependent children, with round trip first class accommodations for travel required and performed under this Agreement by the shortest usually traveled route between the Port of Embarkation in the United States of America and his official residence in Peru.

For travel in both directions, the expenses of transportation of baggage, household goods, and automobile of each member of the Mission shall be paid by the Government of the Republic of Peru; this shall include all necessary expenses incident to unloading upon arrival in the Republic of Peru, cartage to and from residence, and packing and loading upon departure from the Republic of Peru. The transportation of baggage, household goods, and automobile shall be made in a single shipment and all subsequent shipments shall be at the expense of the respective members of the Mission except as otherwise provided for in this Agreement, or when such shipments are necessitated by circumstances beyond their control. The Peruvian Government shall not be responsible under the terms of this Agreement for transportation expenses of personnel who join the Mission for temporary service, but such expenses will be the subject of separate negotiations in each case.

ARTICLE 16. The baggage, household goods, and automobile of all members of the Mission accredited and nonaccredited as well as articles imported

by the members of the Mission for their personal use and for the use of members of their families shall be exempt from customs duties, provided such importations are authorized by the Chief of the Mission.

ARTICLE 17. If the services of any member of the Mission should be terminated by the Government of the United States of America before the completion of two (2) years of service except as established in Article 5 of this Agreement the provisions of Article 15 shall not apply to the return trip.

If the services of any member of the Mission should terminate or be terminated before the completion of two (2) years of service for any other reason, including those established in Article 5, such member shall receive from the Government of Peru all compensation, emoluments, and perquisites as though he had completed two (2) years of service, but the additional compensation shall terminate as provided in Article 13. However, should the Government of the United States of America recall any member for breach of discipline the cost of the return to the United States of America of such member, his family, baggage, and household goods shall not be borne by the Government of Peru.

ARTICLE 18. Compensation for transportation and travel expenses in the Republic of Peru on official business of the Government of Peru shall be provided by the Government of Peru in accordance with the provisions of Article 10.

ARTICLE 19. The Government of the Republic of Peru shall provide the Chief of the Mission with a suitable automobile with chauffeur for use on official business. Suitable motor transportation with chauffeur shall, on call by the Chief of Mission, be made available by the Government of Peru for use by the members of the Mission for the conduct of the official business of the Mission.

ARTICLE 20. The Government of the Republic of Peru shall provide suitable office space and facilities for use of the Chief of the Mission and subordinate members.

ARTICLE 21. If any member of the Mission or any member of his family should die in the Republic of Peru, the Government of the Republic of Peru shall have the body transported to such place in the United States of America as the surviving members of the family may decide, but the cost to the Government of the Republic of Peru shall not exceed the cost of transporting the remains from the place of decease to New York City. Should the deceased be a member of the Mission, his services with the Mission shall be considered to have terminated fifteen (15) days after his death. Return transportation to New York City for the wife and dependent children of the deceased member and for their household effects, baggage, and automobile shall be provided as prescribed in Article 15. All compensation due the deceased member, including salary for the fifteen (15) days following his death, and reimbursement due the deceased member for expenses and transportation on trips made

on official business of the Government of the Republic of Peru, shall be paid to the widow of the deceased member or to any other person who may have been designated in writing by the deceased while he was serving under the terms of this Agreement; but the widow or other person shall not be compensated for accrued leave due but not taken by the deceased. All compensation due the widow or other person designated by the deceased, under the provisions of this Article, shall be paid before the departure of the widow or such other person from the Republic of Peru and within fifteen (15) days after the death of the member.

TITLE V

Requisites and Conditions

ARTICLE 22. So long as this Agreement, or any extension thereof, is in effect, the Government of the Republic of Peru shall not engage the services of any personnel of any other foreign government for duties of any nature connected with the Peruvian Army, except by mutual agreement between the Government of the United States of America and the Government of the Republic of Peru.

ARTICLE 23. Each member of the Mission shall agree not to divulge or in any way disclose to any foreign government or to any person whatsoever any secret or confidential matter of which he may become cognizant in his capacity as a member of the Mission.

This requirement shall continue in force after the termination of service with the Mission and after the expiration or cancellation of this Agreement or any extension thereof.

ARTICLE 24. Throughout this Agreement the term "family" is limited to mean wife and dependent children.

ARTICLE 25. Each member of the Mission shall be entitled to one month's annual leave with pay, or to a proportional part thereof with pay for any fractional part of a year. Unused portions of said leave shall be cumulative from year to year during service as a member of the Mission.

ARTICLE 26. The leave specified in the preceding Article may be spent in the Republic of Peru, in the United States of America, or in other countries, but the expense of travel and transportation not otherwise provided for in this Agreement shall be borne by the member of the Mission taking such leave. All travel time shall count as leave and shall not be in addition to the time authorized in the preceding Article.

ARTICLE 27. The Government of the Republic of Peru agrees to grant the leave specified in Article 25 upon receipt of written application, approved by the Chief of the Mission with due consideration for the convenience of the Government of the Republic of Peru.

ARTICLE 28. Members of the Mission that may be replaced shall terminate their services on the Mission only upon the arrival of their replacement,

except when otherwise mutually agreed upon in advance by the respective Governments.

ARTICLE 29. The Government of the Republic of Peru shall provide suitable medical attention to members of the Mission and their families.

In case a member of the Mission becomes ill or suffers injury, he shall, at the discretion of the Chief of the Mission, be placed in such hospital as the Chief of the Mission deems suitable, after consultation with the Minister of War of the Republic of Peru, and all expenses incurred as the result of such illness or injury while the patient is a member of the Mission and remains in the Republic of Peru shall be paid by the Government of the Republic of Peru. If the hospitalized member is a commissioned officer he shall pay his cost of subsistence, but if he is an enlisted man the cost of subsistence shall be paid by the Government of the Republic of Peru. Families shall enjoy the same privileges agreed upon in this Article for members of the Mission except that a member of the Mission shall in all cases pay the cost of subsistence incident to hospitalization of a member of his family, except as may be provided under Article 10.

ARTICLE 30. Any member of the Mission unable to perform his duties with the Mission by reason of long continued physical disability shall be replaced.

IN WITNESS WHEREOF, the undersigned, James E. Webb, Acting Secretary of State of the United States of America, and Fernando Berckemeyer, Ambassador Extraordinary and Plenipotentiary of the Republic of Peru to the United States of America, duly authorized thereto, have signed this Agreement in duplicate in the English and Spanish languages, at Washington, this twentieth day of June, one thousand nine hundred and forty-nine.

For the Government of the United States of America:

JAMES E. WEBB

For the Government of the Republic of Peru:

F. BERCKEMEYER

FOOD PRODUCTION PROGRAM

Exchange of notes at Lima August 17 and 18, 1949, supplementing and extending agreement of May 19 and 20, 1943, as supplemented and extended

*Entered into force August 18, 1949; operative from June 30, 1949
Program expired June 30, 1960*

63 Stat. 2747; Treaties and Other International Acts Series 1993

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
Lima, Perú, August 17, 1949

No. 570

EXCELLENCY:

I have the honor to refer to the Basic Agreement, as amended, entered into on May 19, 1943¹ between the Republic of Perú and the Institute of Inter-American Affairs, providing for the existing cooperative food production program in Perú. I also refer to Your Excellency's note of August 9, 1949 suggesting the consideration by our respective governments of a further extension of that Agreement.

Considering the mutual benefits which both governments are deriving from the program, my Government agrees with the Government of Perú that an extension of the program beyond its present termination date of June 30, 1949 would be desirable. Accordingly, I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the program for a period of one year, from June 30, 1949 through June 30, 1950. It would be understood that, during this period of extension, the Institute would make a contribution of \$150,000, in the currency of the United States, to the Servicio Cooperativo Inter-Americano de Producción de Alimentos, for use in carrying out project activities of the program, on condition that your Government would contribute to the Servicio for the same purpose the sum of S/. 4,724,-400. The Institute would also be willing during the same extension period to make available funds to be administered by the Institute, and not deposited

¹ EAS 385, *ante*, p. 1160.

to the account of the Servicio, for payment of salaries and other expenses of the members of the Food Supply Division field staff who are maintained by the Institute in Perú. The amounts referred to would be in addition to the sums already required under the present Basic Agreement, as amended, to be contributed and made available by the parties in furtherance of the program.

The Government of the United States of America will consider the present note and your reply note concurring therein as constituting an agreement between our two Governments, which shall come into force on the date of signature of an agreement by the Minister of Agriculture and a representative of the Institute of Inter-American Affairs embodying the above-mentioned technical details.

If the proposed extension on the above basis is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's assurance to that effect as soon as may be possible in order that the Minister of Agriculture and the representative of the United States Government may sign the Extension Agreement.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest and most distinguished consideration.

HAROLD H. TITTMANN

His Excellency

Capitán de Navío Don ERNESTO RODRÍGUEZ,
Minister for Foreign Affairs,
Lima.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
AND WORSHIP

Nº: (D) 6-3/63

LIMA, August 18, 1949

MR. AMBASSADOR:

I have the honor to acknowledge receipt of Your Excellency's courteous note No. 570 of the 17th instant, concerning the extension of the Food Production Cooperative Program through June 30, 1950.

I should inform Your Excellency that, after a consultation with the Ministry of Agriculture, the latter transmitted to me its approval of the conditions for the extension which are set forth in your Embassy's note to which I am replying. The present exchange of notes is, therefore, to be considered as constituting an agreement between both Governments which will come into force on the date of signature of the extension of the Program by the Ministry of Agriculture and the Institute of Inter-American Affairs.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

E. RODRÍGUEZ

His Excellency

HAROLD H. TITTMANN,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America.
City.*

COOPERATIVE EDUCATION PROGRAM

Exchange of notes at Lima August 26 and September 1, 1949, with extension agreement of September 1, 1949, between the Inter-American Educational Foundation and the Minister of Public Education

*Entered into force September 1, 1949; operative from July 1, 1949
Program superseded June 30, 1950, by agreement of September 25
and 29, 1950¹*

63 Stat. 2879; Treaties and Other International Acts Series 2117

The American Ambassador to the Minister of Foreign Affairs

AMERICAN EMBASSY
Lima, Perú, August 26, 1949

EXCELLENCY:

I have the honor to refer to the Basic Agreement between the Government of Perú and the Inter-American Educational Foundation, Inc., dated April 4, 1944,² as later modified and extended,³ providing for the initiation and execution of the cooperative educational program in Perú. I also refer to Your Excellency's note of June 9, 1949, submitting a proposed basis for an extension of that Agreement, and to Your Excellency's note of August 9, 1949, in which it was indicated that the draft of Agreement proposed by the Institute of Inter-American Affairs did not wholly agree with the expectations of the Minister of Education, together with a copy of a new note which the Minister had presented to the Special Representative.

The proposal of the Minister of Education was submitted to the consideration of the Institute of Inter-American Affairs. In reply, I regret to inform Your Excellency that, due to budgetary limitations, the Institute states that it is unable at this time to increase the proposed contribution for the fiscal year ending June 30, 1950.

¹ 1 UST 816; TIAS 2160.

² TIAS 1740, *ante*, p. 1181.

³ TIAS 1740, *ante*, pp. 1207 and 1209.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

HAROLD H. TITTMANN

His Excellency,
Capitán de Navío Don ERNESTO RODRÍGUEZ,
Minister for Foreign Affairs,
Lima.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

No. (D) 6-3/68

LIMA, September 1, 1949

MR. AMBASSADOR:

I have the honor to refer to this Ministry's notes Nos. 6-3/44 and 6/3/60, of July [June] 9 and August 9 last, respectively, in which Your Excellency was informed of the points of view which the Ministry of Public Education wished to see incorporated in the new Agreement on the extension of the Cooperative Education Program.

The Minister of Public Education has addressed to Mr. Lyle B. Pember, Director of the Servicio Cooperativo Peruano-Norteamericano de Educación, a letter, copy of which I attach herewith, setting forth his Ministry's agreement to the bases proposed by the Institute of Inter-American Affairs for the extension of the said Agreement.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

E. RODRÍGUEZ

His Excellency HAROLD H. TITTMANN,
Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.

[ENCLOSURE]

Mr. LYLE B. PEMBER,
Director, Servicio Cooperativo
Peruano-Norteamericano de Educación.

Communication No. 1226

LIMA, September 1, 1949

I take pleasure in replying to your courteous note No. P-4305 of August 26, in which you inform me that, pursuant to information which you have received from the Institute of Inter-American Affairs, it will be impossible to

increase the allocation of funds for the cooperative projects indicated in the draft Extension Agreement which you submitted to my consideration last July.

I keenly regret that, because of the fact which you explain, that the funds for the Cooperative Programs in Latin America have already been distributed, it will not be possible to increase for the present the sum of \$50,000 (U.S. cy.) fixed by the Institute of Inter-American Affairs for our Cooperative Program during the period from July 1, 1949 to June 30, 1950. I entertain the well-grounded hope that in the knowledge of our educational realities and of the need duly to intensify the impulses that we are going to initiate in our Cooperative Program, a greater sum will be considered for the long-term Program which would start on July 1, 1950 and which is now under study.

In accordance with present possibilities and confirming the conversations that we have had on the subject, my Ministry is agreeable to the extension Agreement which you have submitted to me, under which the Institute of Inter-American Affairs will contribute the sum of \$50,000.00 (U.S. cy.) and the Government of Peru the sum of S/.1'956,836.35, for the period from July 1, 1949 to June 30, 1950, for the continuation of the Program, in addition to the amount of \$129,000.00 (U.S. cy.) which the Institute will contribute for personnel expenses, and to the funds which, as in previous years, the Government of Peru will make available as indirect contributions.

On informing you of the Peruvian Government's decision to continue the Cooperative Program which happily links our two countries in the broad educational field, I take pleasure in renewing to you the assurances of my most distinguished consideration.

God keep you.

COLONEL JUAN MENDOZA R.
Minister of Public Education

EXTENSION AGREEMENT

The REPUBLIC OF PERU (hereinafter referred to as the "Republic") represented by Coronel Juan Mendoza R., the Minister of Public Education, (hereinafter referred to as the "Minister"), and THE INSTITUTE OF INTER-AMERICAN AFFAIRS (hereinafter referred to as the "Institute"), a corporate instrumentality of the Government of the United States of America, represented by its Special Representative, Education Division, Lyle B. Pember, (hereinafter referred to as the "Special Representative"), have agreed, pursuant to the request of the Republic, and in accordance with the subsequent exchange of notes dated August 26, 1949, and Sept. 1, 1949, between the American Ambassador and the Peruvian Minister of Foreign Affairs, upon the following technical details for extending and modifying, in the

manner hereinafter set forth, the Agreement executed by the Republic and the predecessor of the Institute in April 1944, as subsequently modified and extended (hereinafter referred to as the "Basic Agreement"), providing for a cooperative education program to be carried on in Perú.

CLAUSE I

The cooperative education program provided for in the Basic Agreement is hereby extended for an additional period of one year from June 30, 1949, through June 30, 1950. The parties hereto hereby express their complete satisfaction with the way the Servicio Cooperativo Peruano-Norteamericano de Educación (hereinafter referred to as the "Servicio") has operated since it was established, and their recognition of the effectiveness and efficiency of the services rendered by the Servicio to the education of Perú.

CLAUSE II

In addition to the funds required by the Basic Agreement and/or extensions thereto to be contributed or otherwise made available by the parties thereto with respect to the cooperative education program, the parties hereto shall contribute and make available funds for use in continuing the program during the period covered by this Extension Agreement in accordance with the following schedule:

1. The Institute shall make available the funds necessary to pay the salaries and all other expenses of its Education Division field staff in Perú during the period covered by this Extension Agreement, provided that the amount of such funds shall not exceed \$129,000.00. This amount shall be administered by the Institute and shall not be deposited to the credit of the Servicio.
2. The Institute shall deposit to the credit of the Servicio the sum of \$50,000.00, or its equivalent in soles, as follows:

On or before August 15, 1949	\$8,333.30
A sum of \$4,166.67 on or before the 15th day of each succeeding month to and including June 15, 1950, which monthly payments will aggregate	41,666.70
	<hr/>
Total	<u>\$50,000.00</u>

All cash grants made by the Institute to the Servicio will be deposited to the account of the Servicio in the United States in a commercial bank of recognized standing in international trade in order that exchange will always be available in dollars to meet the needs of approved Servicio projects.

3. The Republic shall deposit to the credit of the Servicio, the sum of S/.1'956,836.35, as follows:

On or before September 15, 1949	S/. 97,499.98
A sum of S/.10,833.34 on or before the 15th day of each succeeding month to and including December 15, 1949, which monthly payments will aggregate	32,500.02
On or before January 15, 1950	304,472.75
A sum of S/.304,472.74 on or before the 15th day of each succeeding month to and including June 15, 1950, which monthly payments will aggregate	1'522,363.60
Total	<u>S/.1'956,836.35</u>

4. The funds to be deposited by the Institute under sub-section 2 of this Clause II on Aug. 15, 1949, shall be available for expenditure from the date on which deposited but all payments to be thereafter deposited by either party shall not be available for withdrawal or expenditure until the corresponding deposit due from the other party on the same date has been made.

5. The parties hereto, by written agreement of the Minister and the Special Representative, may amend the schedules for making the deposits required by this Clause II.

CLAUSE III

The Basic Agreement shall remain in full force and effect for the purpose of extending the cooperative education program, as provided herein, and all provisions of the Basic Agreement shall be applicable to all operations and activities under this Extension Agreement; EXCEPT that the Basic Agreement, (including any extensions and amendments thereto) in its application to the period provided for in this Extension Agreement, shall be deemed to be amended and supplemented by the provisions of this Extension Agreement, including the following particulars:

1. The parties hereto agree that any funds which remain in the Servicio unexpended and unobligated on the termination of the cooperative education program, shall, as agreed upon in writing by the parties hereto at that time, either be turned over to the Republic to be devoted by it to activities which will further advance the purposes of the program, or be returned to the parties hereto in the proportion of the respective contributions made by the parties under the Basic Agreement (including any extensions and amendments thereof).

2. Sub-section 2 of Clause IV of the Extension Agreement signed by the parties hereto on July 6, 1948³ is hereby amended to read as follows:

“2. Any of the funds introduced into Perú by the Institute for the purpose of the cooperative education program shall be exempt from taxes, service charges, investment or deposit requirements, and other currency controls. Any of the funds deposited by the Institute to the credit of the Servicio shall be exchanged at the highest rate which, on the day the exchange is made, is available to the Government of the United States for its diplomatic and

³ Not printed.

other official expenditures in Perú, but in any event, at a rate of exchange of not less than S/.6.485 per dollar."

CLAUSE IV

The Republic undertakes to obtain or promulgate such legislation, decrees, orders or resolutions as may be necessary to effectuate the terms of this Extension Agreement.

CLAUSE V

This Extension Agreement shall become effective as of the first of July on the date it is signed.

IN WITNESS WHEREOF, the parties hereto have caused this Extension Agreement to be executed by their duly authorized Representatives, in quintuplicate, in the Spanish and English languages, in Lima, Perú, this 1^o day of September, 1949.

For the Institute of Inter-American Affairs:

By LYLE B. PEMBER
Special Representative

For the Republic of Peru:

By MENDOZA
Minister of Public Education

HEALTH AND SANITATION PROGRAM

Exchange of notes at Lima October 4 and 18, 1949, supplementing and extending agreement of May 9 and 11, 1942, as supplemented and extended

*Entered into force October 18, 1949; operative from July 1, 1949
Program expired June 30, 1960*

63 Stat. 2855; Treaties and Other International Acts Series 2102

The American Ambassador to the Minister of Foreign Affairs

AMERICAN EMBASSY
Lima, Perú, October 4, 1949

No. 643 EXCELLENCY:

I have the honor to refer to the Basic Agreement¹ between the Government of Perú and the Institute of Inter-American Affairs, as later modified and extended,² providing for the initiation and execution of the Health and Sanitation Cooperative Program in Perú. I also refer to Your Excellency's note no. (D).-6-3/71, of September 29, 1949, accepting an extension of this Agreement as proposed in this Embassy's note no. 469 of June 8, 1949.

I am submitting for Your Excellency's consideration, therefore, a draft of the proposed Agreement which has already received the unofficial approval of the Minister of Health. This Note, together with your reply note, shall constitute an agreement between our two Governments, which shall come into force on the date of signature by designated representatives of the Government of Perú and the Institute of Inter-American Affairs.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

HAROLD H. TITTMANN

Enclosure:

Draft of proposed Agreement.³

His Excellency

Rear Admiral Don ERNESTO RODRÍGUEZ,
Minister for Foreign Affairs,
Ciudad.

¹ Not printed. This was an agreement between the Institute of Inter-American Affairs and the Ministry of Public Health and Social Welfare, effected by exchange of letters dated July 7 and 11, 1942, pursuant to an exchange of notes dated May 9 and 11, 1942 (EAS 441, *ante*, p. 1154).

² TIAS 1578, 1630, and 1673, *ante*, pp. 1171, 1251, and 1256.

³ Not printed.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS
AND WORSHIP

Number : D 6-3/79

LIMA, October 18, 1949

MR. AMBASSADOR:

I have the honor to refer to Your Excellency's courteous note No. 643 dated October 4, 1949, in which you are good enough to refer to the Basic Agreement between the Government of Peru and the Institute of Inter-American Affairs containing provisions for the initiation of the Health and Sanitation Cooperative Program in Peru.

In this regard, I take pleasure in informing Your Excellency that the Ministry of Public Health and Social Welfare has confirmed its approval of the extension of the aforementioned Agreement, a copy of which Your Excellency was good enough to enclose with your above-mentioned communication.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

E. RODRÍGUEZ

His Excellency HAROLD H. TITTMANN
*Ambassador of the United States
of North America in Peru
City.*

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