

No. 5829

**UNITED STATES OF AMERICA
and
CHILE**

**Exchange of notes constituting an agreement relating to
investment guaranties. Santiago, 29 July 1960**

Official texts :English and Spanish.

Registered by the United States of America on 23 August 1961.

**ÉTATS-UNIS D'AMÉRIQUE
et
CHILI**

**Échange de notes constituant un accord relatif à la garantie
des investissements. Santiago, 29 juillet 1960**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 23 août 1961.

No. 5829. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND CHILE RELATING TO INVESTMENT GUARANTIES. SANTIAGO, 29 JULY 1960

I

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

EMBASSY OF THE UNITED STATES OF AMERICA
SANTIAGO, CHILE

July 29, 1960

No. 37

Excellency :

I have the honor to refer to conversations which have been held between representatives of our two governments to conclude the negotiations relative to guarantying United States investors against the risk of inconvertibility, in accordance with the terms of Section 413 (b) (4) (B) (i) of the Mutual Security Act of 1954, of the United States of America, as amended. In this regard, I have the honor to confirm the following understanding reached as a result of these conversations :

1. The Government of the United States of America and the Government of Chile shall, upon the request of either of them, consult respecting investment projects to be carried out in Chile proposed by citizens of the United States of America with respect to which guaranties under Section 413 (b) (4) (B) (i) of the Mutual Security Act of 1954 of the United States of America, as amended, have been made or are under consideration.

2. The Government of the United States of America agrees that it will issue no guaranty with respect to any project unless it is approved by the Government of Chile.

3. With respect to the guaranties against inconvertibility covering projects approved by the Government of Chile for purposes of guaranty, the Government of Chile agrees :

a) That if the Government of the United States of America makes payment in United States dollars to any person under such guaranty, the Government of Chile will recognize the transfer to the Government of the United States of America of any right, title, or interest of such persons in currency or credits in currency on account of which such payment was made, and the subrogation of the Government of the United States of America to any claim or cause of action, or right of such person arising in connection therewith.

¹ In accordance with the provisions of the said notes, the Agreement came into force on 15 February 1961, the date on which the Government of Chile notified the Government of the United States of America that the said Agreement had been approved pursuant to the constitutional procedures of Chile.