No. 7471

ISRAEL
and
UNION OF SOVIET SOCIALIST REPUBLICS

Agreement (with annexes and plan) on the sale by the Government of the Union of Soviet Socialist Republics of property owned by the USSR to the Government of the State of Israel. Signed at Jerusalem, on 7 October 1964

Official texts: Hebrew and Russian.

Registered by Israel on 18 November 1964.

ISRAËL
et
UNION DES RÉPUBLIQUES SOCIALISTES SOVIÉTIQUES

Accord (avec annexes et plan) concernant la vente au Gouvernement de l'État d'Israël, par le Gouvernement de l'Union des Républiques socialistes soviétiques, de biens appartenant à l'URSS. Signé à Jérusalem, le 7 octobre 1964

Textes officiels hébreu et russe.

Enregistré par Israël le 18 novembre 1964.

[TRANSLATION — TRADUCTION]

No. 7471. AGREEMENT[1] ON THE SALE BY THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS OF PROPERTY OWNED BY THE USSR TO THE GOVERNMENT OF THE STATE OF ISRAEL. SIGNED AT JERUSALEM, ON 7 OCTOBER 1964

The Government of the State of Israel and the Government of the Union of Soviet Socialist Republics have agreed as follows :

Article 1

The Government of the USSR declares that it is the sole owner of the property described in the list[2] and plan[3] annexed to this Agreement. The Government of the USSR agrees to sell this property to the Government of the State of Israel on the terms set forth in this Agreement. (Annexed : list and plan.)

Article 2

In exchange for the property referred to in article 1 of this Agreement, the Government of the State of Israel shall pay to the Government of the USSR $US4,500,000 (four million five hundred thousand).

Article 3

Payment of the sum mentioned in article 2 of this Agreement shall be effected within two years from the date of signature of the Agreement, in three equal parts, in the amount of $US1,500,000 each. The first payment shall be made on the date of signature of this Agreement; the second, not more than one year later; and the third, within two years from the date of signature of the Agreement.

One third of each payment, in the amount of $US500,000 shall be made in cash by a transfer to the account of the State Bank of the USSR payable to its order, and the remaining two thirds of each payment, in the amount of $US1,000,000 shall be credited to a special account in the name of the USSR Bank for Foreign Trade which shall be opened by order of the State Bank of the USSR with the Bank of Israel.

[1] Came into force on 7 October 1964, upon signature, in accordance with article 6.

[2] See p. 84 of this volume.
[3] See insert between pp. 90 and 91 of this volume.

The sums paid into this account shall be used by the USSR for the purchase in the State of Israel of goods of interest to Soviet organisations or, by agreement between the Parties, for payment for services, including the payment of expenses of Soviet organizations in the State of Israel.

Interest at the rate of 3.5 per cent per annum shall accrue on the balance in the above-mentioned separate account. Deliveries of Israel goods shall be made on the basis of world market prices.

The Government of the State of Israel shall ensure the issue of any necessary licences for the export of the goods to the USSR, while the Government of the USSR shall ensure the issue of any necessary licences for the import of such goods into the USSR. Moreover, in the export and import of such goods, the Parties shall at all times accord each other most-favoured-nation treatment.

The exact terms for the delivery of the goods shall be laid down in contracts to be concluded by Soviet foreign trade organizations with corresponding Israel organizations or firms. The two Parties shall agree on the goods to be delivered in the foregoing manner, and the Government of Israel shall provide the necessary assistance in the conclusion of such contracts and shall also guarantee their faithful performance by the Israel suppliers. Goods delivered under such contracts shall not be re-exportable from the USSR.

Article 4

As security for the timely payment of the sum mentioned in article 2 of this Agreement, the Ministry of Finance, on behalf and by order of the Government of the State of Israel, shall on the date of signature of this Agreement provide the State Bank of the USSR with a non-negotiable promissory note for each of the dates of payment stipulated in article 3 of this Agreement. (Annex.)[1]

Article 5

All the property described in the list annexed to this Agreement shall pass into the ownership of the Government of the State of Israel on the date of issue of the promissory notes mentioned in article 4 of this Agreement, and the Government of the USSR shall sign the requisite documents for the transfer of ownership. The property shall be transferred in the condition in which it is on the date of signature of the Agreement.

No claims or demands may be made by the Government of the State of Israel, or any Israel or other foreign bodies corporate or private individuals,

[1] See pp. 86 and 88 of this volume.