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UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND and YUGOSLAVIA

Exchange of notes constituting an agreement on certain commercial debts (with annex). Belgrade, 29 July 1987

Authentic texts: English and Serbo-Croatian.

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

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

Échange de notes constituant un accord relatif à certaines dettes commerciales (avec annexe). Belgrade, 29 juillet 1987

Textes authentiques : anglais et serbo-croate.

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

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE FEDERAL COUNCIL OF THE ASSEMBLY OF THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA, THE GOVERNMENT OF YUGOSLAVIA ON CERTAIN COMMERCIAL DEBTS (UNITED KINGDOM/YUGOSLAVIA DEBT AGREEMENT No. 3 (1986))

I

Her Majesty's Ambassador at Belgrade to the Director in the Federal Secretariat for Finance of the Socialist Federal Republic of Yugoslavia

BRITISH EMBASSY
BELGRADE

29 July 1987

Your Excellency,

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of the Socialist Federal Republic of Yugoslavia which was signed by the Participating Creditor Countries and representatives of the Federal Executive Council of the Assembly of the Socialist Federal Republic of Yugoslavia, the Government of Yugoslavia, in Paris on 13 May 1986, to provide alleviation of that country's external debt service obligation and to inform Your Excellency that the Government of the United Kingdom of Great Britain and Northern Ireland is prepared to provide debt relief to the Federal Executive Council of the Assembly of the Socialist Federal Republic of Yugoslavia, the Government of Yugoslavia, on the terms and conditions set out in the attached Annex.

If these terms and conditions are acceptable to the Federal Executive Council of the Assembly of the Socialist Federal Republic of Yugoslavia, the Government of Yugoslavia, I have the honour to propose that this Note, together with it Annex, and your reply to that effect shall constitute an Agreement between the two Governments in this matter which shall be known as 'the United Kingdom/Yugoslavia Debt Agreement No. 3 (1986)'. This Exchange of Notes, together with the Annex hereto, shall apply provisionally from the date of your reply and shall enter into force definitively on ratification, in accordance with the laws in force in Yugoslavia; it shall remain in force until all amounts due under the attached Annex have been paid.

I have the honour to convey to Your Excellency the assurance of my highest consideration.

A. M. Wood

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[1] Came into force provisionally on 29 July 1987, the date of the note in reply, and definitively on 5 January 1988 by ratification by Yugoslavia, in accordance with the provisions of the said notes.

ANNEX

Section 1. DEFINITIONS AND INTERPRETATION

(1) In this Annex, unless the contrary intention appears:

(*a*) "Agreed Minute" means the Agreed Minute on the Consolidation of the Debt of the Socialist Federal Republic of Yugoslavia which was signed at the Conference held in Paris on 13 May 1986.

(*b*) "The Bank" means Udruzena Beogradska Banka of 2-4 Knez Mihajlova 11000 Beograd, Yugoslavia which has been nominated by the Federal Executive Council to act as its agent.

(*c*) "The First Consolidation Period" means the period from 16 May 1986 to 15 May 1987 inclusive.

(*d*) "The Second Consolidation Period" means the period from 16 May 1987 to 31 March 1988 inclusive.

(*e*) "Contract" means a contract concluded before 2 December 1982 the parties to which include a Debtor and a Creditor and which is either for the sale of goods and/or services from outside Yugoslavia to a buyer in Yugoslavia or is in respect of the financing of such a sale and which in either case granted or allowed credit to the Debtor for a period exceeding one year.

(*f*) "Creditor" means a person or body of persons or corporation resident or carrying on business in the United Kingdom or any successor in title thereto.

(*g*) "Currency of the Debt" means the currency specified in the relevant Contract as being the currency in which that Debt is to be paid.

(*h*) "Debt" means any debt to which, by virtue of the provisions of Section 2(1), the provisions of this Annex apply.

(*i*) "Debtor" means any organisation of associated labour or business bank carrying on business in Yugoslavia or any successor in title hereto.

(*j*) "The Department" means the Secretary of Sate of the Government of the United Kingdom acting through the Export Credits Guarantee Department or any other Department of the Government of the United Kingdom which that Government may subsequently nominate for the purposes hereof.

(*k*) "Federal Executive Council" means the Federal Executive Council of the Assembly of the Socialist Federal Republic of Yugoslavia, the Government of Yugoslavia.

(*l*) "The Government of the United Kingdom" means the Government of the United Kingdom of Great Britain and Northern Ireland.

(*m*) "The Loan Agreements" means the agreements to be entered into between the parties to the Loans.

(*n*) "Loans" means the refinancing loans specified in Section 3.

(*o*) "Maturity" in relation to a Debt means the due date for the payment or repayment thereof under the relevant Contract or on a promissory note or bill of exchange drawn up pursuant thereto.

(*p*) "Previous Agreements" means the Agreements signed on 6 December 1984[1] and 7 February 1986 between the Government of the United Kingdom of Great Britain and Northern Ireland and the Federal Executive Council of the Assembly of the Socialist Federal Republic of Yugoslavia, the Government of Yugoslavia, on Certain Commercial Debts.

[1] United Nations, *Treaty Series*, vol. 1426, p. 307.