No. 4184

NETHERLANDS
and
NORWAY

Agreement for repayment and amortization. Signed at Paris, on 9 July 1954

Additional Protocol to the above-mentioned Agreement. Signed at Paris, on 29 June 1956

Official text: French.

Registered by the Netherlands on 3 March 1958.

PAYS-BAS
et
NORVÈGE

Accord de remboursement et d'amortissement. Signé à Paris, le 9 juillet 1954

Protocole additionnel à l'Accord susmentionné. Signé à Paris, le 29 juin 1956

Texte officiel français.

Enregistrés par les Pays-Bas le 3 mars 1958.

[TRANSLATION — TRADUCTION]

No. 4184. AGREEMENT[1] FOR REPAYMENT AND AMORTIZATION BETWEEN THE KINGDOM OF THE NETHERLANDS AND THE KINGDOM OF NORWAY. SIGNED AT PARIS, ON 9 JULY 1954

The Government of the Kingdom of the Netherlands and

The Government of the Kingdom of Norway,

Desiring to conclude an agreement for repayment and amortization in accordance with the decisions of the Organization for European Economic Co-operation relating to the renewal of the European Payments Union (hereinafter referred to as the Union) for the year 1954-55,

Have agreed as follows :

Article 1

This Agreement shall apply to 8 million units of account of the Netherlands claims on the Union and 8 million units of account of the Norwegian debt to the Union.

Article 2

(*a*) One quarter of the said sum of 8 million units of account, namely, 2 million units of account, shall be paid by the Norges Bank to the Nederlandsche Bank in gold, dollars or any other currency acceptable to the Nederlandsche Bank, at the option of the Norges Bank, on the value date of operations for the month of June 1954.

(*b*) The positions of the Netherlands and of Norway in the Union shall be reduced in accordance with the principles laid down in the aforementioned decisions of OEEC.

Article 3

(*a*) The remaining three-quarters of the sum of 8 million units of account, namely, 6 million units of account, shall be repaid over a period of seven years beginning 1 July 1954.

During the life of the Union, the repayments shall be made, at the option of the Norges Bank, in gold, dollars or any other currency acceptable to the Nederlandsche Bank, in equal monthly instalments.

[1] Came into force on 9 July 1954, upon signature, in accordance with article 9.

Each monthly instalment shall therefore amount to :

$$\frac{6 \text{ million}}{7 \times 12} \text{ units of account}$$

After the liquidation of the Union, the repayments shall be made in equal semi-annual instalments.

Each semi-annual instalment shall therefore amount to :

$$\frac{6 \text{ million}}{7 \times 2} \text{ units of account}$$

(*b*) Beginning 1 July 1954 and until the liquidation of the Union :

i. The Norwegian Government shall be entitled to prepay, on any due date, all or part of the outstanding instalments.

ii. If Norway becomes a creditor in its cumulative accounting position in the Union, the Norwegian Government shall be entitled to suspend the repayments provided for above so long as that situation continues to exist.

If, in its cumulative accounting position in the Union, the Netherlands becomes a debtor, the Netherlands Government shall be entitled to cause the repayments to be suspended so long as that situation continues to exist.

If Norway, in its cumulative accounting position, becomes a creditor at the same time as the Netherlands, in its cumulative accounting position, becomes a debtor, the repayments shall be suspended so long as that situation continues to exist unless the two Governments decide otherwise by agreement between them.

iii. The positions of the Netherlands and of Norway in the Union shall be adjusted monthly by deduction of the monthly instalments repaid from the credit granted by the Netherlands to the Union and by the Union to Norway.

(*c*) On the liquidation of the Union, the outstanding balance of the debt shall be represented by Treasury bearer bonds issued by the Norwegian Government and placed at the disposal of the Nederlandsche Bank.

From that date, any prepayment shall be subject to the agreement of the two Governments.

The said Treasury bonds shall be denominated and payable in guilders.

The calculation in guilders shall be made on the basis of the stated parity of the guilder in relation to the unit of account on the date of liquidation of the Union.

The calculations made in application of the provisions on liquidation of the Union (annex B, section II, paragraphs 16 to 18, of the Agreement for the Establishment of the Union) may, however, show a debt greater or smaller than the outstanding balance :