

Agreement Between the Government of the United States of America and the Government of the Socialist Federal Republic of Yugoslavia Regarding Claims of United States Nationals

*Signed November 5, 1964; Entered into force January 26, 1965.
With minute and exchange of notes.*

[T.I.A.S. 5750]

The Government of the United States of America and the Government of the Socialist Federal Republic of Yugoslavia, desiring to effect a settlement of claims of United States nationals against the Government of the Socialist Federal Republic of Yugoslavia, have agreed as follows:

Article I

(a) The Government of Yugoslavia agrees to pay, and the Government of the United States agrees to accept, the sum of \$3,500,000 United States currency in full settlement and discharge of all pecuniary claims of nationals of the United States, whether natural or juridical persons, against the Government of Yugoslavia, on account of the nationalization and other taking of property and of rights and interests in and with respect to property which occurred between July 19, 1948 and the date of this Agreement.

(b) Such payment by the Government of Yugoslavia shall be made to the Secretary of State of the United States in equal payments of \$700,000 each. The first payment shall be made on January 1, 1966, and the remaining payments shall be made on January 1, 1967, January 1, 1968, January 1, 1969 and January 1, 1970, respectively.

Article II

The claims of nationals of the United States to which reference is made in Article I of this Agreement refer to claims which were owned by nationals of the United States on the date on which the property and rights and interests in and with respect to property on which they are based was nationalized or taken by the Government of Yugoslavia and on the date of this Agreement.

Article III

The distribution of the lump sum referred to in Article I of this Agreement is within the exclusive competence of the Government of the United States in accordance with its legislation and without any responsibility arising therefrom for the Government of Yugoslavia.

Article IV

With a view to assisting the Government of the United States in its distribution among claimants of the lump sum referred to in Article I of this Agreement, the Government of Yugoslavia will, upon the request of the Government of the United States, with respect to property claimed furnish certified copies of pertinent public records of ownership, mortgages and exemptions from nationalization or taking, certified copies of pertinent decrees or orders of competent Yugoslav authorities with respect to the nationalization and other taking and, to the extent available, original or certified copies of pertinent Yugoslav official evaluations.

The Government of the United States will furnish to the Government of Yugoslavia certified copies of such formal submissions as may be made by claimants to the Government of the United States for participation in the lump sum to be paid by the Government of Yugoslavia pursuant to this Agreement and of the corresponding decisions with respect thereto. Upon receipt of such decisions the Government of Yugoslavia will inform the Government of the United States if the property or right or interest in and with respect to property claimed was not in fact owned by the claimant or

was not in fact nationalized or otherwise taken by the Government of Yugoslavia.

The documents and information referred to herein will be furnished by the respective Governments as expeditiously as possible.

Article V

The present Agreement shall enter into force on the date of the exchange of notes confirming that it has been approved by the competent authorities of both Governments.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

DONE at Belgrade on the 5th day of November, 1964, in duplicate, in the English and Serbo-Croatian languages, both texts being equally authentic.

For the Government of the United States of America:

C. BURKE ELBRICK

Ambassador of the United States of America.

For the Government of the Socialist Federal Republic of Yugoslavia:

K. GLIGOROV

Member of the Federal Executive Council, Federal Secretary for Finance.

Interpretative Minute

For the purpose of the Agreement between the Government of the United States of America and the Government of the Socialist Federal Republic of Yugoslavia regarding Claims of United States Nationals signed at Belgrade, November 5, 1964, it is understood that:

1. Rights and interests in and with respect to properties which have not been established through probate or other appropriate legal proceedings in Yugoslavia are covered and settled by this Agreement for the amount of the equity or value remaining after deduction of Yugoslav taxes which would have been payable if such probate or other legal proceedings had been concluded.

2. Properties or parts thereof which have been exempted from nationalization or other taking by the Government of Yugoslavia in accordance with the laws of Yugoslavia are not covered or settled by this Agreement.

3. Rights and interests in and with respect to properties which are mortgaged or otherwise encumbered by an owner or the owners thereof are covered and settled by this Agreement for the amount of the equity or value remaining after deduction of the principal amount of such mortgage or other encumbrance.

Belgrade, November 5, 1964.

C. Burke Elbrick

K. Gligorov

Yugoslav Note

BELGRADE, November 5, 1964.

EXCELLENCY,

With reference to the Agreement between the Government of the Socialist Federal Republic of Yugoslavia and the Government of the United States of America regarding claims of United States Nationals signed in Belgrade, November 5, 1964, I have the honour to inform you that under the respective Yugoslav Laws foreign nationals are entitled to equal treatment with Yugoslav nationals in respect of compensation for nationalization or other takings of property; consequently, claims of nationals of the United States which were not owned by nationals of the United States on the date on which the property or the rights and interests in and with respect to property on which they are based was nationalized or taken by the Government of Yugoslavia, will be treated by the Government of Yugoslavia under compensation procedures prescribed by Yugoslav Laws no less favorable than those of Yugoslav nationals for similar property or rights and interests in and with respect to property.

Accept, Excellency, the assurances of my highest consideration.

K. GLIGOROV

His Excellency
C. BURKE ELBRICK

Ambassador of the United States of America, Belgrade

U.S. Note

BELGRADE, November 5, 1964.

EXCELLENCY,

I have the honor to acknowledge receipt of your letter of this date which reads as follows:

"With reference to the Agreement between the Government of the Socialist Federal Republic of Yugoslavia and the Government of the United States of America regarding claims of United States Nationals signed in Belgrade, November 5, 1964, I have the honour to inform you that under the respective Yugoslav Laws foreign nationals are entitled to equal treatment with Yugoslav nationals in respect of compensation for nationalization or other takings of property; consequently, claims of nationals of the United States which were not owned by nationals of the United States on the date on which the property or the rights and interests in and with respect to property on which they are based was nationalized or taken by the Government of Yugoslavia, will be treated by the Government of Yugoslavia under compensation procedures prescribed by Yugoslav Laws no less favorable than those of Yugoslav nationals for similar property or rights and interests in and with respect to property."

I have the honor to inform you, that my Government has taken note of the statement quoted above.

Accept, Excellency, the assurances of my highest consideration.

C. Burke Elbrick

His Excellency

Kiro Gligorov

*Member of the Federal Executive Council, Federal Secretary for
Finance Belgrade*