

N° 3721.

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**BELGIQUE  
ET GRAND-DUCHÉ DE  
LUXEMBOURG**

Convention relative aux questions  
financières et monétaires. Signée  
à Bruxelles, le 23 mai 1935.

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**BELGIUM  
AND GRAND DUCHY OF  
LUXEMBURG**

Convention regarding Financial and  
Monetary Questions. Signed at  
Brussels, May 23rd, 1935.

<sup>1</sup> TRADUCTION. — TRANSLATION.No. 3721. — CONVENTION<sup>2</sup> BETWEEN BELGIUM AND THE GRAND DUCHY OF LUXEMBURG REGARDING FINANCIAL AND MONETARY QUESTIONS. SIGNED AT BRUSSELS, MAY 23RD, 1935.

*French official text communicated by the Belgian Minister for Foreign Affairs. The registration of this Convention took place August 29th, 1935.*

HIS MAJESTY THE KING OF THE BELGIANS

and

HER ROYAL HIGHNESS THE GRAND DUCHESS OF LUXEMBURG,

Being desirous, in a spirit of mutual co-operation, of bringing the provisions of Article 22 of the Convention<sup>3</sup> for the Establishment of an Economic Union concluded on July 25th, 1921, into accordance with present conditions,

Have resolved to conclude a Convention to that effect and for this purpose have appointed as their Plenipotentiaries :

HIS MAJESTY THE KING OF THE BELGIANS :

Monsieur Paul VAN ZEELAND, Prime Minister, Minister for Foreign Affairs and Minister for Foreign Trade, and

Monsieur Max-Léo GÉRARD, Minister for Finance; and

HER ROYAL HIGHNESS THE GRAND DUCHESS OF LUXEMBURG :

Monsieur Joseph BECH, Minister of State, President of the Government, and

Monsieur Pierre DUPONG, Minister for Finance, Social Welfare and Labour;

Who, having communicated their full powers, found in good and due form, have agreed as follows :

## A.

1. The Belgian Government shall assign to the Luxemburg Government a share in the increased assets resulting from the revaluation of the gold and foreign exchange reserve of the National Bank of Belgium and from any and every cession of gold by the latter.

The said share shall be calculated on the basis of the relation between the respective populations of the two countries, the arrangements with regard to the allocation of the " common receipts " for which Article 11 of the Convention for the Establishment of an Economic Union provides being applied within the limits of the present Convention.

<sup>1</sup> Traduit par le Secrétariat de la Société des Nations, à titre d'information.

<sup>1</sup> Translated by the Secretariat of the League of Nations, for information.

<sup>2</sup> The exchange of ratifications took place at Brussels, August 6th, 1935. Came into force August 6th, 1935.

<sup>3</sup> Vol. IX, page 223; Vol. CXXXIV, page 394, and Vol. CLX, page 327, of this Series.

2. The National Bank of Belgium shall open an account in the name of the Grand Ducal Government, to be called "The Currency Loan 1922, Redemption Fund", with a view to the anticipatory redemption on June 1st, 1937, of the 6 % Loan of 178,118,000 francs issued on June 1st, 1922.

The following shall be paid into the said account on the ratification of the present Convention :

(a) The share of the Grand Duchy of Luxemburg in the increased assets of the National Bank ;

(b) A sum of 10,000,000 francs, to be made available by the Grand Duchy, in bonds of the Currency Loan reckoned at their nominal value.

The National Bank of Belgium shall invest the liquid assets of the Redemption Fund in agreement with the Belgian and Luxemburg Governments ; and the proceeds of such investments shall be carried to credit of the Fund.

3. The Belgian Government undertakes to pay into the Redemption Fund the balance required for the total redemption of the Loan.

#### B.

1. The Belgian Government shall assign to the Luxemburg Government as from January 1st, 1927, a share in the profits paid by the National Bank of Belgium to the Belgian Treasury.

The said share shall be calculated on the basis of the relation between the respective populations of the two countries, the arrangements with regard to the allocation of the "common receipts" for which Article 11 of the Convention for the Establishment of an Economic Union provides being applied within the limits of the present Convention.

2. The Belgian Government assumes the charge of the service of the interest on the Luxemburg Currency Loan at the full rate for the payments falling due during the period June 1st, 1927, to June 1st, 1937.

The Grand Duchy of Luxemburg for its part waives its share in the annual profits of the National Bank due to the Belgian Treasury as from January 1st, 1927, until such time as the said share shall be equal to a charge of 2 % on a capital of 175,000,000, for the payments falling due during the period June 1st, 1927, to June 1st, 1937.

#### C.

Notwithstanding any Convention or Agreement to the contrary, notes of the National Bank of Belgium shall be accepted in the Grand Duchy of Luxemburg as legal tender by public institutions and private individuals, the gold parity of the Belgian franc being fixed by Royal Decree in accordance with Articles 2 and 3 of the Currency Law of March 30th, 1935.

#### D.

The National Bank of Belgium shall establish an agency in Luxemburg, with a discount department attached.

#### E.

The Luxemburg Government shall be entitled to allow notes for amounts not exceeding 100 francs to continue in circulation within the territory of the Grand Duchy up to a total not exceeding 100 million francs. The said total may be increased temporarily up to 125 million francs, provided it is reduced to 100 million francs not later than October 1st, 1942.

## F.

The present Convention shall remain in force for the same period as the Convention for the Establishment of an Economic Union. It shall be ratified and the instruments of ratification shall be exchanged at Brussels at the earliest possible date.

In faith whereof the respective Plenipotentiaries have signed the present Convention and have thereto affixed their seals.

Done at Brussels, in duplicate, the 23rd day of May, 1935.

*(Signed)* P. VAN ZEELAND.

*(Signed)* BECH.

*(Signed)* Max-Léo GÉRARD.

*(Signed)* DUPONG.