

N° 4067.

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## ESTONIE ET LETTONIE

Accord modifiant l'Accord de clearing  
du 10 avril 1935, avec protocole,  
signés à Riga, le 10 février 1937,  
et échange de notes y relatif de  
la même date.

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## ESTONIA AND LATVIA

Agreement modifying the Clearing  
Agreement of April 10th, 1935,  
with Protocol, signed at Riga,  
February 10th, 1937, and Ex-  
change of Notes relating thereto  
of the same Date.

<sup>1</sup> TRADUCTION. — TRANSLATION.

No. 4067. — AGREEMENT <sup>2</sup> MODIFYING THE CLEARING AGREEMENT BETWEEN ESTONIA AND LATVIA OF APRIL 10TH, 1935. SIGNED AT RIGA, FEBRUARY 10TH, 1937.

*French official text communicated by the Estonian Minister for Foreign Affairs. The registration of this Agreement took place March 2nd, 1937.*

THE GOVERNMENT OF ESTONIA and THE GOVERNMENT OF LATVIA have agreed to make the following modifications in the Clearing Agreement <sup>3</sup> between Estonia and Latvia signed on April 10th, 1935 :

Articles 1, 4, 5, 8 and 9 shall read as follows :

*Article 1.*

Claims in connection with goods transactions between Estonia and Latvia shall be settled by clearing at the Eesti Pank and at the Clearing Office attached to the Latvian Finance Ministry, as hereinafter provided.

Latvian purchasers of Estonian goods shall settle the debts incurred in respect of their purchases by depositing the price of the goods in lats in a special account kept at the Latvian Clearing Office in the name of the Eesti Pank. Whatever the currency in which the sales contract or invoices are made out, the Latvian Clearing Office shall credit the sums received to the Eesti Pank's account, converting them into pounds sterling at the average Riga Stock Exchange rate for the previous day.

Estonian purchasers of Latvian goods shall settle the debts incurred in respect of their purchases by depositing the price of the goods in Estonian crowns in a special account kept at the Eesti Pank in the name of the Latvian Clearing Office. Whatever the currency in which the sales contract or invoices are made out, the Eesti Pank shall credit the sums received in crowns to the account of the Latvian Clearing Office, converting them into pounds sterling at the average Tallinn Stock Exchange rate for the previous day.

*Article 4.*

Payments to vendors of goods shall be made at the Latvian Clearing Office in lats and at the Eesti Pank in Estonian crowns at the local Stock Exchange rate for the pound sterling on the day of payment. Payments to exporters may only be made when the institution making a payment has been advised by the other institution of the deposit made by the purchaser in accordance with Articles 1 and 2 of the present Agreement. Payments shall be made in the chronological order of the deposits received and to the extent of the funds available in the clearing accounts referred to in Article 1.

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

<sup>2</sup> Came into force February 20th, 1937.

<sup>3</sup> Vol. CLIX, page 103, of this Series.

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

*Article 5.*

Where the invoices or contracts of sale are made out in another foreign currency, they shall be expressed in pounds sterling at the last known average rate quoted on the local Stock Exchange.

*Article 8.*

The present Agreement is concluded for an indefinite period. Nevertheless, each Contracting Party shall be entitled to denounce it by giving one month's notice.

*Article 9.*

In the event of the present Agreement lapsing, the clearing accounts shall be balanced.

Should there be an uncleared balance, its settlement shall not be required by any means other than the export of goods originating in the debtor country, which latter shall allow the export to the other country of all goods originating in its own territory the export of which is not prohibited, provided that such goods are intended for domestic consumption in the importing country.

The present Agreement shall come into force on the day following the date on which the Contracting Parties have notified one another of the approval of their respective Governments. The two Governments have, however, agreed to give it provisional effect ten days after it is signed.

Done at Riga, in duplicate, this 10th day of February 1937.

K. MENNING.

V. MUNTERS.

PROTOCOL

TO THE AGREEMENT MODIFYING THE CLEARING AGREEMENT BETWEEN ESTONIA AND LATVIA OF APRIL 10th, 1935.

On proceeding to sign the Agreement modifying the Clearing Agreement between Estonia and Latvia, the two Governments declare that, in consequence of the said modifications, the accounts referred to in Articles 1 and 2 of the Protocol<sup>1</sup> of December 7th, 1935, supplementing the Clearing Agreement between Estonia and Latvia concluded on April 10th, 1935, hitherto kept in gold lats, shall in future be kept in pounds sterling.

Done at Riga, this tenth day of February, 1937.

K. MENNING.

V. MUNTERS.

EXCHANGE OF NOTES

I.

RIGA, *February 10th, 1937.*

MONSIEUR LE MINISTRE,

I have the honour to confirm to Your Excellency that our Governments are agreed on the following provisions :

1. Referring to the stipulations of Article 4 of the Clearing Agreement between Estonia and Latvia, the two Governments agree that the Latvian Clearing Office shall settle accounts with exporters by paying them 80% of each amount at the last average known rate quoted on the Riga Stock Exchange on the day of payment, and 20% at

<sup>1</sup> Vol. CLXIX, page 119, of this Series.

the last average quotation for the pound sterling on the Riga Stock Exchange on September 28th, 1936, until such time as the total of these 20% payments equals the amount of the balance as struck on September 29th, 1936, viz., 293,759.08 gold lats.

2. All existing accounts shall be balanced on September 29th, 1936, and each balance expressed in pounds sterling at the rate of £1 = 15.58 gold lats, more particularly so in the case of the sugar-benzine account showing a balance of 143,709.63 gold lats in Latvia's favour, the "Debt Arrears" account showing a balance of 241,894.73 gold lats in Estonia's favour, and the "Current Funds" account showing a balance of 51,864.35 gold lats in Estonia's favour.

3. The two Governments agree to settle by clearing the payments arising out of the goods finishing trade between the two countries.

I have the honour to be etc.

His Excellency  
Monsieur V. Munters,  
Minister for Foreign Affairs,  
Riga.

K. MENNING.

## II.

LATVIAN MINISTER  
FOR FOREIGN AFFAIRS,  
RIGA.

No. J. 710. 32/37/3527.

RIGA, *February 10th, 1937.*

MONSIEUR LE MINISTRE,

I have the honour to confirm to Your Excellency that our Governments are agreed on the following provisions :

1. Referring to the stipulations of Article 4 of the Clearing Agreement between Latvia and Estonia, the two Governments agree that the Latvian Clearing Office shall settle accounts with exporters by paying them 80% of each amount at the last average known rate quoted on the Riga Stock Exchange on the day of payment, and 20% at the last average quotation for the pound sterling on the Riga Stock Exchange on September 28th, 1936, until such time as the total of these 20% payments equals the amount of the balance as struck on September 29th, 1936, viz., 293,759.08 gold lats.

2. All existing accounts shall be balanced on September 29th, 1936, and each balance expressed in pounds sterling at the rate of £1 = 15.58 gold lats, more particularly so in the case of the sugar-benzine account showing a balance of 143,709.63 gold lats in Latvia's favour, the "Debt Arrears" account showing a balance of 241,894.73 gold lats in Estonia's favour, and the "Current Funds" account showing a balance of 51,864.35 gold lats in Estonia's favour.

3. The two Governments agree to settle by clearing the payments arising out of the goods finishing trade between the two countries.

I have the honour to be etc.

His Excellency  
Monsieur K. Menning,  
Envoy Extraordinary and  
Minister Plenipotentiary of Estonia,  
Riga.

V. MUNTERS.