

No. 30238

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
ARGENTINA**

Exchange of notes constituting an agreement concerning certain commercial debts (The United Kingdom/Argentina debt agreement No. 5 (1992)) (with annex). London, 8 February 1993

Authentic texts: English and Spanish.

Registered by the United Kingdom of Great Britain and Northern Ireland on 30 August 1993.

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

Échange de notes constituant un accord relatif à certaines dettes commerciales [Accord n° 5 (1992) entre le Royaume-Uni et l'Argentine relatif aux dettes] (avec annexe). Londres, 8 février 1993

Textes authentiques : anglais et espagnol.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 30 août 1993.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC OF ARGENTINA CONCERNING CERTAIN COMMERCIAL DEBTS (THE UNITED KINGDOM/ARGENTINA DEBT AGREEMENT No. 5 (1992))

I

*The Secretary of State for Foreign and Commonwealth Affairs
to the Ambassador of the Republic of Argentina at London*

FOREIGN AND COMMONWEALTH OFFICE
LONDON

8 February 1993

Your Excellency

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of the Republic of Argentina which was signed at the Conference held in Paris on 22 July 1992, and to inform Your Excellency that the Government of the United Kingdom of Great Britain and Northern Ireland are prepared to provide debt relief to the Government of the Republic of Argentina on the terms and conditions set out in the attached Annex.

If these terms and conditions are acceptable to the Government of the Republic of Argentina, I have the honour to propose that this Note together with its Annex, and your reply to that effect, shall constitute an Agreement between our two Governments in this matter which shall be known as “The United Kingdom/Argentina Debt Agreement No. 5 (1992)” and which shall enter into force on the date of your reply.

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

A. R. MURRAY
For the Secretary of State

¹ Came into force on 8 February 1993, the date of the note in reply, 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) “the Agreed Minute” means the Agreed Minute on the Consolidation of the Debt of Argentina which was signed at the Conference held in Paris on 22 July 1992;
 - (b) “Appropriate Market Rate” means the Reference Rate plus a margin of 0.5 per cent;
 - (c) “Argentina” means the Republic of Argentina;
 - (d) “the Bank” means the Banco Central de la Republica Argentina or any other institution which the Government of Argentina may nominate for the purposes of this Annex;
 - (e) “Business Day” means a day on which dealings are carried on in the London Interbank Market and (if payment is required to be made on such day) on which banks are open for domestic and foreign exchange business in London in the case of sterling and in both London and New York City in the case of US dollars;
 - (f) “the Consolidation Period” means the period from 1 July 1992 to 31 March 1995 inclusive;
 - (g) “Contract” means a contract, or any agreement supplemental thereto, entered into before 10 December 1983, the parties to which include the Debtor and a Creditor and which either was for the sale of goods and/or services from outside Argentina to a buyer in Argentina, or was for the financing of such a sale, and which in either case granted or allowed credit to the Debtor for a period exceeding one year;
 - (h) “Creditor” means a person or body of persons or corporation resident or carrying on business in the United Kingdom, the Channel Islands or the Isle of Man, or any successor in title thereto;
 - (i) “Currency of the Debt” means the currency specified in the relevant Contract or in the Previous Agreements as being the currency in which that Debt is to be paid;
 - (j) “Debt” means any Debt to which, by virtue of the provisions of Section 2(1), the provisions of this Annex apply;
 - (k) “Debtor” means the Government of Argentina or any public sector entity (as described at Article II, paragraph 1, of the Agreed Minute) whether as primary debtor or as guarantor, or any person or body of persons or corporation resident or carrying on business in Argentina or any successor in title thereto, whose contract is covered by a FEIC;
 - (l) “the Department” means the Secretary of State 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 purpose hereof;
 - (m) “FEIC” means a Foreign Exchange Risk Insurance Contract issued by the Bank;
 - (n) “Maturity” in relation to a Debt:
 - (i) specified in Section 2(1)(a) and (b) means the due date for repayment specified in the relevant Previous Agreement;
 - (ii) specified in Section 2(1)(c) means
 - (a) 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, whichever of those dates is the latest, or

- (b) where the Debt is not an obligation of the Government of Argentina whether as primary debtor or as guarantor, the final date on which the Argentine currency counterpart of the obligation is deposited by the Debtor in accordance with Section 3(1);
- (o) “Previous Agreements” means the First and Second Agreements between the Government of the United Kingdom and the Government of Argentina on Certain Commercial Debts signed on 16 February 1989¹ and 24 October 1989² respectively;
- (p) “Reference Rate” means the rate (rounded upwards where necessary to the nearest multiple of 1/16th (one sixteenth) of one per cent) quoted by the Reuters Monitor Money Rate Services (International Swap Dealers Association Interbank Rates From London) (page reference “ISDA”), for six-month eurodollar deposits, in the case of a Debt denominated in US dollars, or six-month sterling deposits, in the case of a Debt denominated in sterling or any other business currency, two Business Days before the commencement of the relevant interest period. In the event that the Reuters Monitor Money Rate Services is unavailable on the required date for any of the currencies referred to in this paragraph, the rate or rates to be applied will be the mean of the rates provided by two banks, to be agreed upon by the Department and the Bank, as the mean of the rates at which those banks are offering six-month deposits for any of the said currencies on the required date.
- (q) “the United Kingdom” means the United Kingdom of Great Britain and Northern Ireland.
- (2) All references to interest, excluding contractual interest, shall be to interest accruing from day to day and calculated on the basis of actual days elapsed and a year of 360 days, in the case of Debts denominated in US dollars, and 365 days, in the case of Debts denominated in any other currency.
- (3) Where the context of this Annex so allows, words importing the singular include the plural and vice versa.
- (4) Unless otherwise indicated, reference to a specified Section shall be construed as a reference to that Section of this Annex.
- (5) The headings to the Sections are for ease of reference only.

SECTION 2

The Debt

- (1) The provisions of this Annex shall, subject to the provisions of paragraph (2) of this Section and Article IV paragraphs 3, 4 and 5 of the Agreed Minute, apply to:
- (a) any amount of interest payable under the Previous Agreements falling due between 1 July 1992 and 30 June 1993 inclusive and which remains unpaid;
- (b) any amount of principal payable under the Previous Agreements falling due during the Consolidation Period and which remains unpaid; and

¹ United Nations, *Treaty Series*, vol. 1584, No. I-27648.

² *Ibid.*, vol. 1640, No. I-28182.