

CHILE



Treaty Series No. 66 (1977)

Exchange of Notes

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the Republic of Chile
further amending the
United Kingdom/Chile Loan No 2, 1969.

London, 1 April 1977

[The Exchange of Notes entered into force on 1 April 1977]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
August 1977*

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**EXCHANGE OF NOTES
BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM
OF GREAT BRITAIN AND NORTHERN IRELAND
AND THE GOVERNMENT OF THE REPUBLIC OF CHILE
FURTHER AMENDING THE
UNITED KINGDOM/CHILE LOAN No. 2 1969**

No. 1

*The Secretary of State for Foreign and Commonwealth Affairs
to the Chilean Chargé d'Affaires at London*

*Foreign and Commonwealth Office,
London,*

1 April 1977.

Sir,

I have the honour to refer to discussions between representatives of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Chile and to the Exchange of Notes between the two Governments dated the 4th of March 1969 and the 11th of March 1969 which it was agreed should be referred to as the United Kingdom/Chile Loan Number 2, 1969⁽¹⁾, as amended by the Exchange of Notes between the two Governments dated the 29th of December 1972⁽¹⁾.

I have the honour to propose the following amendments to the United Kingdom/Chile Loan Number 2, 1969 as amended by the Exchange of Notes dated the 29th December 1972:

1.—Paragraph B (8) in both Notes shall be re-numbered paragraph B (8) (a), and the following shall be added as paragraph B (8) (b):

“(b) Notwithstanding paragraph (8) (a) of this Note, the instalments which become due on the 30th of June 1974 and the 31st of December 1974 shall instead be payable as follows:

- (i) 5% of the total amount due in that period shall be paid on the 28th of February 1975;
- (ii) 5% of the total amount due in that period shall be paid on the 30th of June 1975;
- (iii) 10% of the total amount due in that period shall be paid on the 30th of June 1976;
- (iv) The remaining 80% of the total amount due in that period shall be payable in thirteen equal semi-annual instalments each of 5.7% of the total amount commencing on the 1st of January 1977, plus a fourteenth (and final) balancing payment of 5.9% of the total amount on the 1st of July 1983.”

2. Paragraph B (9) (c) of each Note shall be amended to read as follows:

“(c) Interest shall be paid on the 30th of June and on the 31st of December in each year.”

(1) Treaty Series No. 91 (1973), Cmnd. 5406.

3. At the end of paragraph B (9) of each Note, the following subparagraphs (d) and (e) shall be added:
- “(d) Notwithstanding paragraph B (9) (c) of this Note, instead of paying the interest otherwise due on the 31st of December 1971, the 30th of June 1972 and the 31st of December 1972 (hereinafter referred to as ‘the deferred interest’), the Government of Chile shall make the following payments:—
- (i) £18,391·97, being 30% of the deferred interest, on the 1st of January 1973;
 - (ii) £42,914·61, being the remaining amount of the deferred interest, in thirteen equal instalments at six-monthly intervals commencing on the 1st of March 1975; and
 - (iii) on the 1st of March 1973 the sum of £268·09,
on the 1st of July 1973 the sum of £268·09,
on the 1st of March 1975 the sum of £525·39,
on the 1st of September 1975 the sum of £624·42,
on the 1st of March 1976 the sum of £723·46,
on the 1st of September 1976 the sum of £822·49,
on the 1st of March 1977 the sum of £921·52,
on the 1st of September 1977 the sum of £1,020·55,
on the 1st of March 1978 the sum of £1,119·58,
on the 1st of September 1978 the sum of £1,218·61,
on the 1st of March 1979 the sum of £1,317·64,
on the 1st of September 1979 the sum of £1,416·67,
on the 1st of March 1980 the sum of £1,515·70,
on the 1st of September 1980 the sum of £1,614·73,
on the 1st of March 1981 the sum of £1,713·74.
- (e) Notwithstanding paragraph B (9) (c) of this Note, instead of paying the interest otherwise due on the 30th of June 1973, the 31st of December 1973, the 30th of June 1974 and the 31st of December 1974, the Government of Chile shall make the following payments:
- (i) 5% of the total amount due in respect of the period 1st of January 1973 to the 31st of December 1974 shall be paid on the 28th of February 1975
 - (ii) 5% of the total amount due in respect of the period 1st of January 1973 to the 31st of December 1974 shall be paid on 30th of June 1975, and a further 10% of that total shall be paid on 30th of June 1976;
 - (iii) the remaining 80% of the total amount due in respect of the period the 1st of January 1973 to the 31st of December 1974 shall be payable in thirteen equal semi-annual instalments each of 5·7% of the total amount commencing on the 1st of January 1977, plus a fourteenth (and final) balancing payment of 5·9% of the total amount on the 1st of July 1983.”
4. Paragraph B (10) in both Notes shall be re-numbered paragraph B (11) and a new paragraph B (10) shall be inserted, to read as follows:
- “(10) In addition the Government of Chile shall pay moratorium interest on all sums herein calculated to be paid between the

1st of January 1973 and the 31st of December 1974 inclusive on the dates and in the sums as follows:

on the 28th of February 1975 the sum of £9,014·73,
on the 30th of June 1975 the sum of £4,193·88,
on the 30th of June 1976 the sum of £11,903·26,
on the 1st of January 1977 the sum of £5,340·88,
on the 1st of July 1977 the sum of £4,866·32,
on the 1st of January 1978 the sum of £4,567·46,
on the 1st of July 1978 the sum of £4,119·67,
on the 1st of January 1979 the sum of £3,808·44,
on the 1st of July 1979 the sum of £3,373·02,
on the 1st of January 1980 the sum of £3,049·35,
on the 1st of July 1980 the sum of £2,633·66,
on the 1st of January 1981 the sum of £2,284·15,
on the 1st of July 1981 the sum of £1,879·72,
on the 1st of January 1982 the sum of £1,531·36,
on the 1st of July 1982 the sum of £1,133·07,
on the 1st of January 1983 the sum of £772·34,
on the 1st of July 1983 the sum of £386·42.

Such moratorium interest shall be calculated on a day-to-day basis, on the balance of sums due in accordance with paragraphs (8) (b) and (9) (e) of this Note for the time being still outstanding.”

5. The Exchange of Notes dated the 29th of December 1972 shall be terminated and replaced by the present Exchange of Notes.

If the foregoing proposals are acceptable to the Government of Chile, I have the honour to suggest that the present Note together with your reply in that sense shall constitute an Agreement between our two Governments, which shall enter into force on the date of your reply.

I have the honour to be
with high consideration

Sir

Your obedient Servant
(for the Secretary of State)

H. A. H. CORTAZZI

*The Chilean Chargé d'Affaires at London to the Deputy Under-Secretary
of State for Foreign and Commonwealth Affairs*

Embajada de Chile en Londres

1 de abril de 1977

Sir,

I have the honour to acknowledge receipt of your Note of 1st April 1977 which in translation reads as follows:

Tengo el honor de referirme a conversaciones entre los representantes del Gobierno del Reino Unido de Gran Bretaña e Irlanda del Norte y el Gobierno de la República de Chile y al Intercambio de Notas entre los dos Gobiernos, de fecha 4 de Marzo de 1969 y 11 de Marzo de 1969, el cual, según se acordó, sería designado como Préstamo N° 2, 1969 Reino Unido/Chile, modificado por el Intercambio de Notas entre ambos Gobiernos de fecha 29 de Diciembre de 1972.

Tengo el honor de proponer los siguientes cambios al Préstamo N° 2, 1969 Reino Unido/Chile modificado por el Intercambio de Notas de fecha 29 de Diciembre de 1972:

1.—Párrafo B (8) en ambas Notas será designado como párrafo B (8) (a) y se agregará el siguiente párrafo B (8) (b):

“(b) No obstante lo dispuesto en el párrafo (8) (a) de esta Nota, las cuotas que venzan el 30 de Junio de 1974 y el 31 de Diciembre de 1974, serán, en cambio, pagaderas de la siguiente manera:

- (i) 5% del monto total adeudado en dicho período será pagado el 28 de Febrero de 1975;
- (ii) 5% del monto total adeudado en dicho período será pagado el 30 de Junio de 1975;
- (iii) 10% del monto adeudado en dicho período será pagado el 30 de Junio de 1976;
- (iv) 80% del saldo del monto total adeudado en dicho período será pagadero en trece cuotas iguales, semestrales, cada una por 5,7% del monto total, a partir del 1° de Enero de 1977, más un catorceavo (y último) pago de 5,9% del monto total el 1° de Julio de 1983”.

2.—Párrafo B (9) (c) en cada Nota será modificado de la siguiente manera:

“(c) El interés será cancelado el 30 de Junio y el 31 de Diciembre de cada año”.

3. Al final del párrafo B (9) de cada Nota se agregarán los siguientes subpárrafos (d) y (e):

“(d) No obstante lo dispuesto en el párrafo B (9) (c) de esta Nota, en vez de pagar el interés que, de otra manera, vencería el 31 de Diciembre de 1971, el 30 de Junio de 1972 y el 31 de Diciembre

de 1972 (designado de ahora en adelante 'interés diferido'), el Gobierno de Chile efectuará los siguientes pagos:

- (i) £18,391.97, como 30% del interés diferido, el 1° de Enero de 1973;
 - (ii) £42,914.61 como el saldo remanente del interés diferido, en trece cuotas iguales, semestrales, a partir del 1° de Marzo de 1975; y
 - (iii) la suma de £268.09 el 1° de Marzo de 1973,
la suma de £268.09 el 1° de Julio de 1973,
la suma de £525.39 el 1° de Marzo de 1975,
la suma de £624.42 el 1° de Septiembre de 1975,
la suma de £723.46 el 1° de Marzo de 1976,
la suma de £822.49 el 1° de Septiembre de 1976,
la suma de £921.52 el 1° de Marzo de 1977,
la suma de £1.020.55 el 1° de Septiembre de 1977,
la suma de £1.119.58 el 1° de Marzo de 1978,
la suma de £1.218.61 el 1° de Septiembre de 1978,
la suma de £1.317.64 el 1° de Marzo de 1979,
la suma de £1.416.67 el 1° de Septiembre de 1979,
la suma de £1.515.70 el 1° de Marzo de 1980,
la suma de £1.614.73 el 1° de Septiembre de 1980,
la suma de £1.713.74 el 1° de Marzo de 1981.
- (e) No obstante lo dispuesto en el párrafo B (9) (c) de esta Nota, en vez de pagar el interés que, de otra manera, vencería el 30 de Junio de 1973, el 31 de Diciembre de 1973, el 30 de Junio de 1974 y el 31 de Diciembre de 1974, el Gobierno de Chile efectuará los siguientes pagos:
- (i) 5% del monto total adeudado en relación con el período 1° de Enero de 1973 al 31 de Diciembre de 1974 se cancelará el 28 de Febrero de 1975;
 - (ii) 5% del monto total adeudado en relación con el período 1° de Enero de 1973 al 31 de Diciembre de 1974 se cancelará el 30 de Junio de 1975 y un 10% adicional de dicho total se cancelará el 30 de Junio de 1976;
 - (iii) el 80% remanente del monto total adeudado en relación con el período 1° de Enero de 1973 al 31 de Diciembre de 1974 será pagadero en trece cuotas iguales, semestrales, cada una por 5.7% del monto total, a partir del 1° de Enero de 1977, más un catorceavo (y último) pago de 5.9% del monto total el 1° de Julio de 1983."

4.—Párrafo B (10) en ambas Notas será designado como párrafo B (11) y se insertará el siguiente nuevo párrafo B (10), el cual dirá lo siguiente:

- "(10) Además, el Gobierno de Chile pagará interés moratorio sobre todas las cantidades calculadas en este instrumento, que debieran cancelarse entre el 1° de Enero de 1973 y el 31 de Diciembre

de 1974, inclusive, en las fechas y por las cantidades que se indican a continuación:

la suma de £9.014.73 el 28 de Febrero de 1975,
la suma de £4.193.88 el 30 de Junio de 1975,
la suma de £11.903.26 el 30 de Junio de 1976,
la suma de £5.340.88 el 1° de Enero de 1977,
la suma de £4.866.32 el 1° de Julio de 1977,
la suma de £4.567.46 el 1° de Enero de 1978,
la suma de £4.119.67 el 1° de Julio de 1978,
la suma de £3.808.44 el 1° de Enero de 1979,
la suma de £3.373.02 el 1° de Julio de 1979,
la suma de £3.049.35 el 1° de Enero de 1980,
la suma de £2.633.66 el 1° de Julio de 1980,
la suma de £2.284.15 el 1° de Enero de 1981,
la suma de £1.879.72 el 1° de Julio de 1981,
la suma de £1.531.36 el 1° de Enero de 1982,
la suma de £1.133.07 el 1° de Julio de 1982,
la suma de £772.34 el 1° de Enero de 1983,
la suma de £386.42 el 1° de Julio de 1983.

Dicho interés moratorio será calculado día a día, sobre los saldos adeudados, de acuerdo con lo dispuesto en los párrafos (8) (b) y (9) (e) de esta Nota, que aun se adeudaren.

5.—El Intercambio de Notas de 29 de Diciembre de 1972 será terminado y reemplazado por este Intercambio de Notas.

Si las proposiciones anteriormente indicadas fueren aceptables al Gobierno de Chile, tengo el honor de sugerir que la presente Nota, conjuntamente con la respuesta de Vuestra Excelencia en dicho sentido, constituya un Acuerdo entre nuestros dos Gobiernos, el cual entrará en vigencia en la fecha de vuestra respuesta.

In reply I have the honour to inform you that the foregoing is acceptable to the Government of the Republic of Chile and that your Note and this reply shall constitute an Agreement between the two Governments which enter into force on today's date.

I avail myself of this opportunity to reiterate to the Foreign and Commonwealth Office the assurances of my highest consideration.

JORGE BERGUÑO

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