

Соглашение заключено на английском языке

AGREEMENT

BETWEEN THE GOVERNMENT OF

THE RUSSIAN FEDERATION

AND

THE GOVERNMENT OF

THE KINGDOM OF THAILAND

ON THE SETTLEMENT OF THE OUTSTANDING DEBTS

OF THE RUSSIAN FEDERATION

OWED TO THE KINGDOM OF THAILAND

PREAMBLE

THE GOVERNMENT OF THE RUSSIAN FEDERATION AND THE GOVERNMENT OF THE KINGDOM OF THAILAND (hereinafter referred to as the "Parties"),

With a view to settling all outstanding debts under the Agreement between the Government of the Russian Federation and the Government of Thailand on the reschedule of the debts due to the Ministry of Commerce of the Government of the Kingdom of Thailand, signed in Moscow on August 23rd, 1994 (hereinafter referred to as the "1994 Agreement");

Desiring to develop further cooperation in the fields of science and technology, trade, finance and economics between the two countries;

Have agreed as follows:

ARTICLE I

The Amounts of the Debts

1. The debts to which the provisions of the present Agreement shall apply are the following:

- all outstanding amounts of principal under the 1994 Agreement on the date of entry into force of the present Agreement;

- all outstanding amounts of overdue contractual and late interest under the 1994 Agreement on the date of entry into force of the present Agreement;

and

- all the amounts of penalty charge due under the 1994 Agreement on the date of entry into force of the present Agreement.

2. The total outstanding principal amount under the 1994 Agreement as on the date of entry into force of the present Agreement (that is, USD 36,441,731.98, which is hereinafter referred to as the "Settled Amount") shall be repaid in accordance with the provisions of the present Agreement.

3. Payment of the Settled Amount in accordance with the present Agreement shall be deemed, and is expressly agreed by the Parties to constitute, full and final satisfaction and discharge of all outstanding amounts of principal, interest and penalty charge due under the 1994 Agreement.

4. No contractual and late interest and penalty charge shall be due and payable on the amounts mentioned in paragraph 1 of this Article from the original maturity dates under the 1994 Agreement up to the date of entry into force of the present Agreement.

## ARTICLE II

### Repayment of the Settled Amount

The Settled Amount and Interest shall be repaid within 5 years starting from the date of entry into force of the present Agreement by deliveries of goods and services from the Russian Federation to the Kingdom of Thailand in accordance with the procedure set forth in Article IV of the present Agreement.

## ARTICLE III

### Calculation and Repayment of Interest

1. The interest at the fixed rate of 2,5% per annum shall be calculated on the outstanding balance of the Settled Amount of each calendar year on daily basis based on 360-day year without intermediate capitalisation. The interest shall be accrued and summed up for the repayment purpose at the beginning of the following calendar year. For the year 2003, the interest period shall start from the date of entry into force of the present Agreement.

2. The accrued interest of the previous year shall be paid at the beginning of the following year by deliveries of goods and services from the Russian Federation to the Kingdom of Thailand in accordance with the procedure set forth in Article IV of the present Agreement. Such accrued interest shall be primarily deducted until it has been paid off, then the Settled Amount shall be deducted. Whenever the Settled Amount has been paid off, the interest shall be immediately paid in full.

## ARTICLE IV

### Repayment Mode

1. The Settled Amount and Interest shall be repaid by delivery of goods and services from the Russian Federation to the Kingdom of Thailand on the basis of the individual export-import contracts (hereinafter referred to as "Contracts") to be entered into between the relevant authorised Russian suppliers and Thai buyers on the most favourable and competitive terms and conditions.

2. The categories of goods and services to be delivered by the Russian Party are the following:

- Space communication technologies, equipment and services;
- Military equipment and services; and
- Other goods and services to be agreed between the competent authorities of the Parties.

3. For the purposes of the effective implementation of the present Agreement the competent authorities of the Parties shall, after the entry into force of the Agreement, meet as soon as possible in order to discuss the delivery amount, the list of goods and services and the settlement of accounts which shall be agreed upon in the form of Protocol between the competent authorities of the Parties. The list of goods and services to be delivered shall be indicated by the Thai side.

4. With the aim of increasing economic co-operation between the two countries, the Parties agree that the contract value of the goods and services under each Contract shall be credited against, and shall constitute repayment of, the Settled Amount and Interest under the present Agreement. The Parties also agree that in case the total amount of Contract's value exceeds the Settled Amount and Interest, as least 50% of the exceeding amount shall be paid by deliveries of goods and services from the Kingdom of Thailand to the Russian Federation and the rest shall be paid by the Thai buyers to the Russian suppliers in cash.

5. The provisions of the Contracts shall provide for the collection form of settlement for the deliveries of goods and services. The settlement of the indebtedness under each delivery of goods and services shall be effected with the value date being the date of acceptance of documents by the Thai buyer.

6. The due date for acceptance and payment or non-acceptance/refusal of the documents presented for collection shall not be later than 15 calendar days after the date of receipt of each document by Export-Import Bank of Thailand (referred herein to as "EXIM") from the Bank for Foreign Economic Affairs of the USSR (referred herein to as "Vnesheconombank"). If within 15 calendar days Vnesheconombank fails to receive from the EXIM any notice of non-acceptance of documents by the Thai buyer, the dispatched documents shall be considered as accepted and paid and the corresponding indebtedness shall be deemed satisfied and discharged in full.

## ARTICLE V

### Prepayment

Amounts due under the present Agreement may be prepaid at any time on the terms and conditions to be agreed upon by the Parties following written notice by the Russian Party to the Thai Party.

## ARTICLE VI

### Authorised Agents

1. Vnesheconombank and EXIM shall be authorised agents of the Russian Party and the Thai Party, respectively.

2. Vnesheconombank and EXIM shall process export and import documents and account keeping under the present Agreement. Technical procedures shall be

determined by the respective interbanking arrangement to be concluded between Vnesheconombank and EXIM.

## ARTICLE VII

### Settlement of Disputes

Any difference and/or dispute arising under the present Agreement shall be sealed amicably between the Parties through consultation.

## Article VIII

### Amendment

The present Agreement may be amended or modified at any time by written agreement of the Parties.

## Article IX

### Entry into Force

The present Agreement shall enter into force on the date of its signing as set forth below.

The provisions of the present 'Agreement shall exclusively govern the debts referred herein regardless of the payment mechanisms provided for in the original credit contracts and/or in 1994 Agreement.

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

Done in Bangkok, on 21 October, in two originals in the English language, both texts being equally authentic.

FOR THE GOVERNMENT

FOR THE GOVERNMENT

OF THE RUSSIAN FEDERATION

OF THE KINGDOM OF THAILAND