

法規名稱：CREDIT AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF CHINA AND THE AGENCY FOR INTERNATIONAL DEVELOPMENT OF THE UNITED STATES OF AMERICA (AD.1965.05.24)

簽訂日期：民國 54 年 05 月 24 日

生效日期：民國 54 年 05 月 24 日

The Government of the Republic of China (the "Government") and the Agency for International Development ("A.I.D."), an Agency of the Government of the United States of America ("United States"), agree that:

1 Credit. In accordance with the provisions of the Agricultural

Trade Development and Assistance Act of 1954. as amended, and pursuant to the provisions of the amendment dated January 24, 1963, to the Agricultural Commodities Agreement between the United States and the Government dated November 19, 1962 ("Commodities Agreement"), A.I.D. hereby establishes in favor of the Government a line of credit not to exceed twenty-six percent (26%) of the New Taiwan Dollar proceeds accruing under the Commodities Agreement, hereby estimated as Two Hundred Two Million and Six Hundred Ninety-Six Thousand New Taiwan Dollars (NT\$ 202,696,000), to assist in financing such economic development projects or purposed as may be from time to time agreed upon by the Government and A.I.D.; provided that none of such proceeds shall be disbursed under this credit after November 18, 1967, unless agreement by the Government and A.I.D. as to their use has been reached prior to such date.

2 Amortization. The Government will repay to A.I.D., its succes-

sors or assigns, the principal sum of Two Hundred Two Million and Six Hundred Ninety-Six Thousand New Taiwan Dollars (NT\$202,696,000) or as many New Taiwan Dollars (hereinafter referred to as "national currency") as may be advanced against this line of credit, in semi-annual installments to be paid three (3) years after the date of first disbursement. Should the amount disbursed exceed such principal sum, installments remaini-



ng unpaid shall be proportionately adjusted. Should the amount disbursed fall short of such principal sum by more than ten per cent (10%), installments remaining unpaid shall be proportionately adjusted; should the amount disbursed fall short by ten per cent (10%) or less, the deficiency shall be deducted from the last installment or installments. shown in the attached S chedule of Payments.

3 Interest. The Government will pay interest of four per cent (4

%) per annum on the unpaid principal, such interest to accrue from the date of each disbursement and to be paid semiannually beginning six months from the date of the first disbursement.

4 Prepayments. The Government, without penalty or premium, may

make prepay ments of principal on this loan. Any such prepay ments shall apply to the principal installments in the inverse order of their maturity.

5 Currency of payments. Payments of principal and interest to be

made by the Government to A.I.D. under this Agreement shall be made in the national currency or, at the option of the Government, in United States dollars. If the Government elects to exercise the option to make payments in dollars, the amount of any such payment shall be calculated at the time of payment to be equivalent to the obligation in the national currency computed on the following basis:

(a) The effective rate at which United States dollars are sold in exchange for the national currency to residents of the Republic of China for the meeting of payment obligations abroad, provided effective rates for the national currency differing by more than one per cent from the par value agreed with the International Monetary Fund for that currency are not permitted by the Government; or

(b) Such other rate as is mutually agreed from time to time.

6 Conditions Precedent to First Disbursement. The Government sh-

all furnish to A.I.D. prior to and as a condition precedent to the first disbursement hereunder the following material in form and substance satisfactory to A.I.D.:

- (a) Evidence of authority of the person who has executed this Agreement and otherwise acts as the representative of the Government in connection with the credit; and
- (b) An opinion of the Minister of Justice of the Government or other legal counsel satisfactory to A.I.D. demonstrating to the satisfaction of A.I.D. that the Government has taken all action necessary under its laws to authorize the contracting of the credit under this Agreement and that the Agreement constitutes the valid and binding obligation of the Government in accordance with its terms.

7 Covenants.

- (a) No funds received under this Agreement shall be directly or indirectly transferred or applied to private enterprise or to any person or publicly owned enterprise of a profit-earning type except as a loan at a rate of interest approximately equivalent to that prevailing in the Republic of China for comparable loans.
- (b) The national currency received by the United States hereunder may be used by the United States for any expenditures of or payments in the Republic of China; provided that the United States will take into account the economic position of the Republic of China. The Government will provide facilities for the conversion by the United States of two per cent (2%) of such national currency into such other currencies as the United States may specify to help develop new markets for United States agricultural commodities.
Any such national currency in excess of two per cent (2%) may be used in areas other than the Republic of China or converted into other currencies as may be mutually agreed upon.



(c) The United States may invest any unexpended balances received hereunder in interest-earning obligations or deposits denominated in the national currency.

(d) The Government may purchase for United States dollars all or any part of the unexpended balances received hereunder not otherwise committed by the United States at a rate of exchange then mutually agreed upon.

8 Default. In the event the Government fails to make full payme-

nt of any principal or credit fee when due hereunder, the entire unpaid balance of funds disbursed and credit fee accrued thereon shall become immediately due and payable upon demand of A.I.D. The non-exercise of A.I.D. of such right at any time shall not constitute a waiver thereof.

9 Modification. whenever the parties to this Agreement determine

that it would be to their mutual interests to modify any of its provisions, they may by mutual agreement in writing provide for any such modification, including the payment of all or any part of principal and interest by the delivery to the United States of (a) such materials, or (b) such other valuable consideration as may be mutually agreed upon by the parties hereto

IN WITNESS WHEREOF, the Government and A.I.D. have executed this Credit Agreement in Washington, D.C., on May 24, 1965.

THE GOVERNMENT OF THE REPUBLIC OF CHINA

(Signed)

BY

Martin Wong

Economic Minister Counselor

Chinese Embassy

AGENCY FOR INTERNATIONAL DEVELOPMENT

BY

(Signed)

Rutherford Poats

Assistant Administrator

for the Far East



SCHEDULE OF PAYMENTS

| Due Date of Payment | Principial Payment |
|------------------------|-----------------------|
|------------------------|-----------------------|

Repayment of principal shall be in 45 equal semi-annual installments with the first installment becoming due three years after the date of first disbursement.