

**AGREEMENT
BETWEEN
THE GOVERNMENT
OF THE PEOPLE'S DEMOCRATIC
REPUBLIC OF ALGERIA
ON ONE SIDE
AND
THE GOVERNMENT
OF THE CZECH REPUBLIC
AND
THE GOVERNMENT
OF THE SLOVAK REPUBLIC
ON THE OTHER SIDE
ON SETTLEMENT
OF FINANCIAL ISSUES**

The Government of the People's Democratic Republic of Algeria (hereinafter referred to separately as "the Algerian Government"), the Government of the Czech Republic (hereinafter referred to separately as "the Czech Government") and the Government of the Slovak Republic (hereinafter referred to separately as "the Slovak Government"), and hereinafter referred to jointly as "the Contracting Parties",

TAKING into account the Note of the Ministry of the Foreign Affairs of the Czech Republic No. 112.958/94-MPO of November 30, 1994, and the Note of the Ministry of Foreign Affairs of the Slovak Republic No. 584/94-NO of October 4, 1994, addressed to the Ministry of Foreign Affairs of the People's Democratic Republic of Algeria, regarding the division of receivables and liabilities of the former Czech and Slovak Federal Republic towards other countries between the Czech Republic and the Slovak Republic,

REFERRING to the Credit Agreement between the Government of the People's Democratic Republic of Algeria and the Government of the Socialist Republic of Czechoslovakia, dated November 16, 1984 (hereinafter referred to as "the Credit Agreement"),

RESPECTING the fact that the Czech Republic and the Slovak Republic as the two legal successors of the former Czech and Slovak Federal Republic administer, individually and independently, their shares in receivables and liabilities of the former Czech and Slovak Federal Republic against foreign countries in proportion of approximately two-thirds for the Czech Republic and one-third for the Slovak Republic,

TAKING into account the Minutes of the Trilateral Meeting between the Representatives of the Ministries of Finance of the People's Democratic Republic of Algeria, the Slovak Republic and the Czech Republic, dated February 15, 2023,

TAKING into account the Agreed Minutes of the Trilateral Meeting between the Representatives of the Ministries of Finance of the People's Democratic Republic of Algeria, the Czech Republic and the Slovak Republic, dated October 31, 2023,

AIMING to amicably settle the financial dispute related to the Credit Agreement dating back to the era of the Socialist Republic of Czechoslovakia,

Have agreed as follows:

Article I

Concerned Financial Issues

1. The trilateral financial dispute is based on the fact that not all conditions of the Credit Agreement were fulfilled, due to the unresolved issues related to contractual commitments of the Czechoslovak company PRAGOINVEST towards the Algerian company ENDMC, concluded in 1987, relating to the provision and installation of industrial equipment for projects in Algeria, funded by the Credit Agreement in the amount of two hundred million United States Dollars (200,000,000 USD).
2. The Contracting Parties agree that the principal of the outstanding credit based on the Credit Agreement used for the purpose of implementation of the projects mentioned in Paragraph 1 is amounted to eighteen million five hundred ninety-three thousand two hundred ninety-four United States Dollars and twenty-two cents (18,593,294.22 USD).

Article II

Confirmation of Actual Status of Concerned Financial Issues and Mutual Debts and Receivables

1. With reference to the total amount of principal stated in Article I, Paragraph 2 the part of principal related to the Czech Republic is amounted to twelve million five hundred thirty-three thousand nine hundred thirty-eight USD and thirteen cents (12,533,938.13 USD).
2. With reference to the total amount of principal stated in Article I, Paragraph 2 the part of principal related to the Slovak Republic is amounted to six million fifty-nine thousand and three hundred fifty-six USD and nine cents (6,059, 356.09 USD).
3. The remaining Slovak monetary asset in the amount of two million four hundred forty-nine thousand three hundred seventy-five USD and sixty-three cents (2,449,375.63 USD) is held in separate bank account in the Bank of Algeria.

Article III

Conditions of Settlement

1. The Contracting Parties agree on following settlement principles:
 - a) the amount resulting from the final judgement of the Court of Hussein-Dey, Algiers, dated December 6, 1992, condemning the Czechoslovak company PRAGOINVEST to pay two billion seven hundred twenty-one million eighty-one thousand one hundred seventy-four Algerian Dinars (2,721,081,174.00 DZD), increased by delay penalties of five thousand Algerian Dinars (5000 DZD) per day, as a compensation for the damage suffered following the non-fulfilment by PRAGOINVEST of its contractual commitments, shall not be applied;

- b) the interest accrued on the principal of the outstanding credit set in Article I, Paragraph 2, amounting to twenty-five million five hundred sixty-eight thousand two hundred forty United States Dollars and eighty-five cents (25,568,240.85 USD) as of December 31, 2022, shall not be applied;
 - c) the amount of additional expenses and overheads incurred by Algerian Government related to the continuation of the remaining works for the completion of the projects, amounting to eight million two hundred seventy-five thousand eight hundred eighty United States Dollars and seventy cents (8,275,880.70 USD), shall be deducted from the principal of the outstanding credit set in Article I, Paragraph 2.
2. The deducted amount of eight million two hundred seventy-five thousand eight hundred eighty USD and seventy cents (8,275,880.70USD) set in Article III, Paragraph 1 c) corresponds to the following expenses:
- a) 7,029,533.07 USD related to the contract N° 141/92 signed between Enterprise Céramique de l'Ouest "ECO" (former ENDMC) and Nasseti Ettore SPA on May 5, 1992;
 - b) 639,399.09 USD related to the contract N° 150/93 signed between Enterprise Céramique de l'Ouest "ECO" (former ENDMC) and Nasseti Ettore SPA on September 6, 1993;
 - c) 606,948.54 USD related to notices of debits corresponding to payments covering the period 1992-1994, entering in the frame of contracts signed between Enterprise Céramique de l'Est "ECE" (former ENDMC) and Nasseti Ettore SPA in 1992.
3. In accordance with the principles stated in Paragraph 1, the final settlement balance of the outstanding undivided credit of the Czech Republic and the Slovak Republic (hereinafter referred to as "Settlement Amount") amounts to ten million three hundred seventeen thousand four hundred thirteen United States Dollars and fifty-two cents (10,317,413.52 USD).
4. The Contracting Parties agree that the Settlement Amount set in Paragraph 3 shall be divided between the Czech Republic and the Slovak Republic in the following manner:
- a) the part of the Settlement Amount related to the Czech Republic (hereinafter referred to as "Settlement Amount CZ") amounts to six million eight hundred seventy-eight thousand two hundred seventy-five United States Dollars and sixty-eight cents (6,878,275.68 USD);
 - b) the part of the Settlement Amount related to the Slovak Republic (hereinafter referred to as "Settlement Amount SK") amounts to three million four hundred thirty-nine thousand one hundred thirty-seven United States Dollars and eighty-four cents (3,439,137.84 USD).

Article IV
Conditions of Repayment

1. The Algerian Government shall pay the Settlement Amount as divided under Article III, Paragraph 4, separately the Settlement Amount CZ to the Czech Republic and the Settlement Amount SK to the Slovak Republic, in six (6) equal and successive semi-annual instalments. The first instalment shall be made by September 30, 2024, and the last one by March 31, 2027, in accordance with the amortization schedule as set forth in the Annex which is an integral part of this Agreement.
2. Each payment of the instalments set in Paragraph 1 shall be made by the Algerian Government, on behalf of the Public Treasury, through transfers in the following manner:
 - a) Respective payments to the Czech Republic shall be made in favour of the Czech National Bank's account No. 10923239 with Citibank in New York (using Swift Code: CITIUS33);
 - b) Respective payments to the Slovak Republic shall be made in favour of the National Bank of Slovakia, account No. 1001330032 with VUB Bratislava (using Swift Code: SUBASKBX).
3. Payments made in accordance with the provisions of this Agreement shall be net of taxes or duties that may be due under the legal or regulatory provisions of the People's Democratic Republic of Algeria, the Czech Republic, or the Slovak Republic.
4. If any payment under this Agreement falls due on a date, which is not a banking day, it shall be made on the next succeeding banking day.
5. Any payment under this Agreement shall be made in United States Dollars (USD).

Article V
Late Interest

1. If the Algerian Government fails to pay any instalment as set in Article IV, Paragraph 1, up to 30 days after the due date, the late interest shall be applied on any overdue amount from the due date to the date of the actual payment.
2. The late interest shall be calculated as 2% (two per cent) per annum of the overdue amount of that one due instalment and shall be paid as a part of the next regular instalment, in any case no later than six (6) months after the last regular instalment, the amount being confirmed among the Contracting Parties.

Article VI

Notifications

All notifications related to this Agreement shall be made in writing, and they shall be signed and delivered by hand or sent by registered mail with acknowledgment of receipt or by special carrier service to the attention of the recipient to the addresses indicated below:

For the Algerian Government:

MINISTRY OF FINANCE

General Directorate of Treasury and Accounting Management of State Financial Operations.

Address: Cité Malki, Ahmed FRANCIS Building, Ben Aknoun – ALGIERS.

For the Czech Government:

MINISTRY OF FINANCE

International Relations Department

Address: Letenská 15, Praha 1, CZECH REPUBLIC

For the Slovak Government:

MINISTRY OF FINANCE

Specific Legal Affairs Department

Address: Štefanovičova 2968/5, 811 04 Bratislava, SLOVAK REPUBLIC

Article VII

General Provisions

1. None of the Contracting Parties shall assign or otherwise transfer (by participation or otherwise) any or all of their rights, or delegate any or all of their obligations, under this Agreement without the prior written consent of other Contracting Parties. Any purported assignment or delegation lacking such consent shall be null and void.

2. Upon the entry into force of this Agreement, the validity of the Credit Agreement shall be thereby terminated when it comes to the relations between the People's Democratic republic of Algeria and the Czech Republic.
3. The Algerian Government hereby confirms the remaining Slovak asset amount which is two million four hundred forty-nine thousand three hundred seventy-five USD and sixty-three cents (2,449,375.63 USD) held in separate bank accounts in the Bank of Algeria. The Algerian Government and the Slovak Government shall resolve questions related to the Slovak asset registered in the records of the Bank of Algeria through bilateral negotiations.

Article VIII

Settlement of Disputes

Any dispute that may arise under this Agreement with respect to its interpretation, application or implementation shall be settled amicably and by consultation or negotiation between the Contracting Parties through the diplomatic channels and shall not be referred to any national tribunal or court for resolution.

Article IX

Effectiveness and Termination

1. This Agreement shall enter into force on the day of its signature by the Contracting Parties.
2. This Agreement shall remain in force until the full repayment of the Settlement Amount in accordance with its provisions.

Article X

Amendments

This Agreement may be amended by mutual consent of the Contracting Parties, in writing and through the diplomatic channels. Such amendments shall enter into force according to the same procedures related to the entry into force of this Agreement.

Done at _____, on _____, in three originals in the English language.

**For
the Government of
the People's Democratic
Republic of Algeria**

**For
the Government of
the Czech Republic**

**For
the Government of
the Slovak Republic**

Payment Schedule

Due date in USD	Outstanding amount at the start of the period			Repayment Installment			Outstanding amount at the end of the period		
	Czech Part	Slovak Part	Total	Czech Part	Slovak Part	Total	Czech Part	Slovak Part	Total
30-sept-24	6 878 275,68	3 439 137,84	10 317 413,52	1 146 379,28	573 189,64	1 719 568,92	5 731 896,40	2 865 948,20	8 597 844,60
31-mar-25	5 731 896,40	2 865 948,20	8 597 844,60	1 146 379,28	573 189,64	1 719 568,92	4 585 517,12	2 292 758,56	6 878 275,68
30-sept-25	4 585 517,12	2 292 758,56	6 878 275,68	1 146 379,28	573 189,64	1 719 568,92	3 439 137,84	1 719 568,92	5 158 706,76
31-mar-26	3 439 137,84	1 719 568,92	5 158 706,76	1 146 379,28	573 189,64	1 719 568,92	2 292 758,56	1 146 379,28	3 439 137,84
30-sept-26	2 292 758,56	1 146 379,28	3 439 137,84	1 146 379,28	573 189,64	1 719 568,92	1 146 379,28	573 189,64	1 719 568,92
31-mar-27	1 146 379,28	573 189,64	1 719 568,92	1 146 379,28	573 189,64	1 719 568,92	0,00	0,00	0,00
Grand Total				6 878 275,68	3 439 137,84	10 317 413,52			