

POLAND



Treaty Series No. 12 (1948)

Sterling Payments Agreement
between the
Government of the United Kingdom
and the Government of Poland

London, 2nd March, 1948

*Presented by the Secretary of State for Foreign Affairs
to Parliament by Command of His Majesty*

LONDON
HIS MAJESTY'S STATIONERY OFFICE

ONE PENNY NET

Cmd. 7352

STERLING PAYMENTS AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM AND THE GOVERNMENT OF POLAND

London, 2nd March, 1948

THE Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as the Government of the United Kingdom), of the one part, and the Polish Government of the other part, have agreed as follows:—

ARTICLE I

(i) All trade and financial payments between residents of Poland and residents of the Scheduled Territories shall be settled in sterling.

(ii) Payments due to or from residents of the Scheduled Territories which must necessarily be made in zloty shall be settled by the purchase or sale of sterling by residents of Poland on the basis laid down in Article II.

(iii) All other payments expressed in currencies other than sterling and zloty which are due to be settled in sterling shall be converted into and settled in sterling on the basis of the official rates in London.

ARTICLE II

The National Bank of Poland (hereinafter referred to as "the National Bank") shall quote buying and selling rates for sterling and for United States dollars which shall be related to one another at the Bank of England's middle rate for the United States dollar.

ARTICLE III

The existing account of the National Bank at the Bank of England shall be designated "National Bank of Poland No. 1 Account." This Account shall be a Polish Transferable Account.

ARTICLE IV

(i) Such other accounts of the National Bank and of other residents of Poland as may be agreed between the Bank of England and the National Bank shall also be designated Polish Transferable Accounts.

(ii) Accounts of residents of Poland not so designated shall be known as Polish Accounts.

ARTICLE V

All sterling payments to residents of Poland which residents of the Scheduled Territories or outside the Scheduled Territories are permitted to make to Poland under the Exchange Control Regulations in force in the United Kingdom shall be made to Polish Accounts or to Polish Transferable Accounts.

ARTICLE VI

(i) The Government of the United Kingdom shall not restrict the availability of sterling standing to the credit of any Polish Transferable Account for making—

(a) transfers to other residents of Poland;

(b) payments to residents of the Scheduled Territories; or

(c) payments in respect of current transactions to residents of such countries outside Poland and the Scheduled Territories as may be agreed between the Bank of England and the National Bank acting as agents of their respective Governments.

(ii) The Government of the United Kingdom shall not restrict the availability of sterling standing to the credit of any Polish Account for making—

- (a) transfers to a Polish Transferable Account or to another Polish Account; or
- (b) payments to residents of the Scheduled Territories.

ARTICLE VII

The Polish Government shall not restrict the acceptance by residents of Poland of sterling at the disposal of residents of the Scheduled Territories and, in respect of current transactions, of residents of such countries outside Poland and the Scheduled Territories as may be agreed between the Bank of England and the National Bank acting as agents of their respective Governments.

ARTICLE VIII

(i) The National Bank shall, on the basis of the rates fixed under Article II—

- (a) purchase, when required, sterling transferred to the credit of any Polish Account or Polish Transferable Account against disbursement of the zloty equivalent;
- (b) sell to residents of Poland such sterling at its disposal as may be required for any payments which residents of Poland are permitted to make to residents of the Scheduled Territories under the Exchange Control Regulations in force in Poland from time to time.

(ii) The Polish Government shall not restrict the availability for making payments—

- (a) to any resident of Poland, or
- (b) to any resident of the Scheduled Territories, for the purpose of making payments within Poland,

of any zloty arising from permitted current transactions and accruing to residents of the Scheduled Territories; and the Polish Government will not obstruct the transfer of such zloty into sterling in so far as the Polish exchange control regulations from time to time permit.

ARTICLE IX

Any sterling held by the National Bank shall be held and invested only as may be agreed with the Bank of England.

ARTICLE X

The Bank of England and the National Bank, as agents of their respective Governments, will maintain contact on all technical questions arising out of the Agreement.

ARTICLE XI

For the purposes of the present Agreement—

- (a) the expression "the Scheduled Territories" shall have the meaning from time to time assigned to it under the United Kingdom Exchange Control Act 1947;
- (b) the expression "Polish Account" shall mean an account of a resident of Poland which is for the time being recognised by the Bank of England as a Polish Account for the purposes of this Agreement.

ARTICLE XII

The present Agreement, which shall be subject to review and adjustment after mutual consultation, shall come into force on 10th March, 1948. At any time thereafter either Government may give notice to the other of its intention to terminate the Agreement and the Agreement shall cease to have effect three months after date of such notice. It shall terminate three years after the date of its coming into force unless the contracting Governments agree otherwise.

In witness whereof the undersigned, duly authorised thereto, have signed the present Agreement and have affixed thereto their seals.

Done in duplicate in London the 2nd day of March, 1948.

(L.S.) R. STAFFORD CRIPPS.

(L.S.) JERZY MICHALOWSKI.

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