

## RECIPROCAL TRADE

*Exchange of notes at Managua February 8, 1938, amending agreement of March 11, 1936*

*Entered into force March 10, 1938*

*Terminated April 28, 1950, by agreement of February 28, 1950<sup>1</sup>*

52 Stat. 1486; Executive Agreement Series 120

*The Minister of Foreign Affairs to the American Minister*

[TRANSLATION]

MANAGUA, D. N.

*February 8, 1938*

No. 8-38 sk

MR. MINISTER:

I have the honor to refer to the recent conversations had with regard to the desire of the Government of Nicaragua that the trade agreement between the Republic of Nicaragua and the United States of America signed at Managua on March 11, 1936,<sup>2</sup> be modified in certain respects on account of the grave emergency financial conditions which it is obliged to face at the present time.

I now have the honor to confirm and make of record by means of the present note, the agreement which, as a result of the conversations referred to, has been reached between the Government of Nicaragua and the Government of the United States, that the provisions of article I, those of the first paragraph of article II and those of article III (except insofar as relates to note 1 to schedule I appended to the agreement) and those of article V of the said agreement of March 11, 1936, shall cease to be in force and to have effect from the tenth day of March of the current year, inclusive, forward.

Furthermore, I have the honor to confirm that while the rate of exchange between the paper cordoba and the gold cordoba will be increased for purposes of collection of customs duties, the Government of Nicaragua does not

<sup>1</sup> 1 UST 701; TIAS 2133.

<sup>2</sup> EAS 95, *ante*, p. 395.

in reality contemplate an increase in the basic duties specified in schedule I of the said trade agreement.

I have the satisfaction of adding that the Government of Nicaragua will be pleased to reopen negotiations with the Government of the United States, as soon as it is possible, for the renewal or replacement of the above-mentioned articles of the trade agreement of March 11, 1936.

I avail myself of the opportunity to renew to Your Excellency the assurance of my highest esteem and distinguished consideration.

M. CORDERO REYES

His Excellency Mr. BOAZ W. LONG,  
*Envoy Extraordinary and Minister Plenipotentiary*  
*of the United States of America,*  
*Managua, D. N.*

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*The American Minister to the Minister of Foreign Affairs*

No. 235

MANAGUA, D. N., NICARAGUA, *February 8, 1938*

EXCELLENCY:

Reference is made to recent conversations which have taken place with regard to the desire of the Government of Nicaragua, in view of the emergency financial conditions with which it finds itself confronted, that the Agreement between the United States of America and the Republic of Nicaragua signed at Managua on March 11, 1936, be modified in certain respects.

I have now the honor to confirm and make of record by this note the agreement which as a result of the conversations referred to has been reached between the Government of the United States and the Government of Nicaragua that the provisions of Article I, the First Paragraph of Article Two, Article Three (except insofar as it relates to Note One to Schedule I appended to the Agreement) and Article Five of the Agreement of March 11, 1936, shall cease to have force and effect on and after March 10, 1938.

The Government of the United States has noted that, while the conversion rate between the paper cordoba and gold cordoba will be increased for customs collection purposes, the Government of Nicaragua does not contemplate an increase in the basic rates of duty now specified in Schedule I of the Trade Agreement.

The Government of the United States has noted with pleasure the willingness of the Government of Nicaragua to enter into negotiations, at the earliest practicable date, for the renewal or replacement of the provisions of the above-mentioned articles of the Trade Agreement of March 11, 1936.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest esteem and most distinguished consideration.

BOAZ LONG

His Excellency

DOCTOR MANUEL CORDERO REYES,  
*Minister for Foreign Affairs,*  
*Managua, D. N.*