

as fully accepted, a general annual liquidation account of transit charges. If necessary, it conforms to the rule laid down by Article 161, § 3, for annual payments.

This account shows:

- (a) the Debit and Credit of each Administration;
- (b) the debit balance or the credit balance of each Administration;
- (c) the sums to be paid by the debtor Administrations;
- (d) the sums to be received by the creditor Administrations.

The International Bureau arranges by setting-off balances to limit as far as practicable the number of payments to be made.

4.—The general annual liquidation accounts must be forwarded by the International Bureau to the Administrations as early as possible, and, at the latest, before the end of the first quarter of the year following the year of their preparation.

## ARTICLE 171

### Settlement of Transit Charges

1.—The balance resulting from the general annual liquidation account of the International Bureau or from the special settlements, including if necessary the adjustment prescribed by Article 161, § 3, is paid by the debtor Administration to the creditor Administration by one of the following methods:

- (a) at the choice of the debtor Administration in gold or by means of cheques or drafts fulfilling the conditions prescribed in § 2 hereafter, and payable at sight on the capital or on a commercial centre of the creditor country, or
- (b) following agreement between the two Administrations, through the intermediary of a bank clearing through the Bank of International Settlements at Bâle, or by any other means.

2.—In the case of payment by means of cheques or drafts, these cheques or drafts are expressed in the money of a country where the central issuing bank or other official issuing office buys and sells gold or gold currency for the national money at fixed rates determined by law or in virtue of an agreement with the Government.

If the currencies of several countries fulfil these conditions the creditor country indicates the currency which is convenient to it. The conversion is effected at the gold par rate.

3.—Following agreement between the two Administrations on the subject, cheques or drafts may also be drawn in the currency of the creditor country, even if this currency does not fulfil the conditions prescribed by § 2. In that case, the balance is converted at the gold par rate into the currency of a country fulfilling the conditions prescribed by § 2. The result arrived at is then converted into the currency of the debtor country and from this into the currency of the creditor country at the rate of exchange in the capital or at a commercial centre of the debtor country on the day of delivery of the order of purchase of the cheque or draft.

4.—The costs of the payment are borne by the debtor Administration.

5.—The payment above-mentioned must be made with as little delay as possible, and, at the latest, before the end of a period of four months from the date of despatch of the liquidation account by the International Bureau, or of the request for payment, addressed by the creditor Administration to the debtor Administration, in the case of an account settled separately. This period may be extended to five months in relations with distant countries.