

Véleposlanstvo Republike Hrvatske u Sjedinjenim Američkim Državama Embassy of the Republic of Croatia to the United States of America

Note No. 25/2015

The Embassy of the Republic of Croatia presents its compliments to the Department of State of the United States of America, and acknowledges receipt of the Department's note dated August 26, 2015, regarding the Agreement between the Government of the Republic of Croatia and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA, signed at Zagreb on March 20, 2015, which is not yet in force, which note reads as follows:

"The Department of State refers the Embassy of the Republic of Croatia to the Agreement between the Government of the United States of America and the Government of the Republic of Croatia to Improve International Tax Compliance and to Implement FATCA, signed at Zagreb on March 20, 2015, which is not yet in force (the "Agreement")".

The Department notes that Paragraph 10 of Article 3 of the Agreement provides: "This Agreement shall terminate on September 30, 2015, if Article 2 of this Agreement is not in effect for either Party pursuant to paragraph 9 of this Article by that date."

In connection with the Agreement, the Department, on behalf of the Government of the United States of America, proposes the following:

Notwithstanding Paragraph 10 of Article 3 of the Agreement, the Agreement shall not terminate as stated in that Paragraph.

However, the Agreement shall terminate 12 months following its entry into force if Article 2 of the Agreement is not in effect for either Party pursuant to paragraph 9 of Article 3 of the Agreement by that date.

If the foregoing is acceptable to the Government of the Republic of Croatia, the Department further proposes the present note and the Embassy's affirmative note in reply shall constitute an agreement between the Government of the United States of America and the Government of the Republic of Croatia and that the agreement shall enter into force on the date of the Embassy's reply."

The Embassy informs the Department that the Government of the Republic of Croatia accepts the proposals set forth in the Department's note. Therefore, the Department's note and the present note shall constitute an agreement between the Government of the Republic of Croatia and the Government of the United States of America regarding the Agreement between the Government of the Republic of Croatia and Government of the United States of America to Improve International Compliance and to Implement FATCA, which shall enter into force on the date of the present note, 09/28/2015.

The Embassy of the Republic of Croatia avails itself of this opportunity to renew to the Department of State the assurances of its highest considerations

Washington, D.C., September 28, 2015 RTMENT OF STATE

UNITED STATES DEPARTMENT OF STATE WASHINGTON D.C. The Department of State refers the Embassy of the Republic of Croatia to the Agreement between the Government of the United States of America and the Government of the Republic of Croatia to Improve International Tax Compliance and to Implement FATCA, signed at Zagreb on March 20, 2015, which is not yet in force (the "Agreement").

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DIPLOMATIC NOTE

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Department of State,

Washington, August 26, 2015.

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