

**17. UNITED NATIONS CONVENTION ON THE ASSIGNMENT OF RECEIVABLES IN
INTERNATIONAL TRADE**

New York, 12 December 2001

NOT YET IN FORCE:

see article 45 which reads as follows : "1. This Convention enters into force on the first day of the month following the expiration of six months from the date of deposit of the fifth instrument of ratification, acceptance, approval or accession with the Depositary. 2. For each State that becomes a Contracting State to this Convention after the date of deposit of the fifth instrument of ratification, acceptance, approval or accession, this Convention enters into force on the first day of the month following the expiration of six months after the date of deposit of the appropriate instrument on behalf of that State. 3. This Convention applies only to assignments if the contract of assignment is concluded on or after the date when this Convention enters into force in respect of the Contracting State referred to in article 1, paragraph 1 (a), provided that the provisions of this Convention that deal with the rights and obligations of the debtor apply only to assignments of receivables arising from original contracts concluded on or after the date when this Convention enters into force in respect of the Contracting State referred to in article 1, paragraph 3. 4. If a receivable is assigned pursuant to a contract of assignment concluded before the date when this Convention enters into force in respect of the Contracting State referred in article 1, paragraph 1 (a), the right of the assignee has priority over the right of a competing claimant with respect to the receivable to the extent that, under the law that would determine priority in the absence of this Convention, the right of the assignee would have priority."

STATUS:

Signatories: 3. Parties: 2.

TEXT:

[Doc. A/RES/56/81](#).

Note: The Convention was adopted by resolution [A/RES/56/81](#) of 12 December 2001 at the fifty-sixth session of the General Assembly of the United Nations. In accordance with its article 34 (1), the Convention is open for signature by all States at the Headquarters of the United Nations in New York until 31 December 2003.

<i>Participant</i>	<i>Signature</i>	<i>Approval(AA), Acceptance(A), Accession(a), Ratification</i>	<i>Participant</i>	<i>Signature</i>	<i>Approval(AA), Acceptance(A), Accession(a), Ratification</i>
Liberia.....		16 Sep 2005 a	Madagascar.....	24 Sep 2003	
Luxembourg.....	12 Jun 2002		United States of America.....	30 Dec 2003	15 Oct 2019

***Declarations and Reservations
(Unless otherwise indicated, the declarations and reservations were made
upon ratification, acceptance or approval.)***

LUXEMBOURG

“Pursuant to article 39 of the Convention, the Grand Duchy of Luxembourg declares that it does not wish to be bound by chapter V, which contains autonomous conflict-of-laws rules that allow too wide an application to laws other than those of the assignor and that moreover are difficult to reconcile with the Rome Convention.”
“The Grand Duchy of Luxembourg, pursuant to article 42, paragraph 1 (c), of the Convention, will be bound by the priority rules set forth in section III of the annex, namely those based on the time of the contract of assignment.”

UNITED STATES OF AMERICA

“UNDERSTANDINGS

(1) It is the understanding of the United States that paragraph (2) (e) of Article 4 excludes from the scope of the Convention the assignment of-

(A) receivables that are securities, regardless of whether such securities are held with an intermediary; and

(B) receivables that are not securities, but are financial assets or instruments, if such financial assets or instruments are held with an intermediary.

(2) It is the understanding of the United States that the phrase ‘that place where the central administration of the assignor or the assignee is exercised,’ as used in Articles 5 (h) and 36 of the Convention, has a meaning equivalent

to the phrase, 'that place where the chief executive office of the assignor or assignee is located.'

(3) It is the understanding of the United States that the reference, in the definition of 'financial contract' in Article 5 (k), to 'any other transaction similar to any transaction referred to above entered into in financial markets' is intended to include transactions that are or become the subject of recurrent dealings in financial markets and under which payment rights are determined by reference to-

(A) underlying asset classes; or

(B) quantitative measures of economic or financial risk or value associated with an occurrence or contingency. Examples are transactions under which payment rights are determined by reference to weather statistics, freight rates, emissions allowances, or economic statistics.

(4) It is the understanding of the United States that because the Convention applies only to 'receivables,' which are defined in Article 2 (a) as contractual rights to payment of a monetary sum, the Convention does not apply to other rights of a party to a license of intellectual property or an assignment or other transfer of an interest in intellectual property or other types of interests that are not a contractual right to payment of a monetary sum.

(5) The United States understands that, with respect to Article 24 of the Convention, the Article requires a Contracting State to provide a certain minimum level of rights to an assignee with respect to proceeds, but that it does not prohibit Contracting States from providing additional rights in such proceeds to such an assignee.

DECLARATIONS

(1) Pursuant to Article 23 (3), the United States declares that, in an insolvency proceeding of the assignor, the insolvency laws of the United States or its territorial units may under some circumstances-

(A) result in priority over the rights of an assignee being given to a lender extending credit to the insolvency estate, or to an insolvency administrator that expends

funds of the insolvency estate for the preservation of the assigned receivables (see, for example, title 11 of the United States Code, sections 364 (d) and 506 (c)); or

(B) subject the assignment of receivables to avoidance rules, such as those dealing with preferences, undervalued transactions and transactions intended to defeat, delay, or hinder creditors of the assignor.

(2) Pursuant to Article 36 of the Convention, the United States declares that, with respect to an assignment of receivables governed by enactments of Article 9 of the Uniform Commercial Code, as adopted in one of its territorial units, if an assignor's location pursuant to Article 5 (h) of the Convention is the United States and, under the location rules contained in section 9-307 of the Uniform Commercial Code, as adopted in that territorial unit, the assignor is located in a territorial unit of the United States, that territorial unit is the location of the assignor for purposes of this Convention.

(3) Pursuant to Article 37 of the Convention, the United States declares that any reference in the Convention to the law of the United States means the law in force in the territorial unit thereof determined in accordance with Article 36 and the Article 5 (h) definition of location. However, to the extent under the conflict-of-laws rules in force in that territorial unit, a particular matter would be governed by the law in force in a different territorial unit of the United States, the reference to 'law of the United States' with respect to that matter is to the law in force in the different territorial unit. The conflict-of-laws rules referred to in the preceding sentence refer primarily to the conflict-of-laws rules in section 9-301 of the Uniform Commercial Code as enacted in each State of the United States.

(4) Pursuant to Article 39 of the Convention, the United States declares that it will not be bound by chapter V of the Convention.

(5) Pursuant to Article 40, the United States declares that the Convention does not affect contractual anti-assignment provisions where the debtor is a governmental entity or an entity constituted for a public purpose in the United States."