

Annex E

Pensions

Article 1

Each State shall assume responsibility for and regularly pay legally grounded pensions funded by that State in its former capacity as a constituent Republic of the SFRY, irrespective of the nationality, citizenship, residence or domicile of the beneficiary.

Article 2

Each State shall assume responsibility for and regularly pay pensions which are due to its citizens who were civil or military servants of the SFRY irrespective of where they are resident or domiciled, if those pensions were funded from the federal budget or other federal resources of the SFRY; provided that in the case of a person who is a citizen of more than one State -

- (i) if that person is domiciled in one of those States, payment of the pension shall be made by that State, and
- (ii) if that person is not domiciled in any State of which such person is a citizen, payment of the pension shall be made by the State in the territory of which that person was resident on 1 June 1991.

Article 3

The States shall, if necessary, conclude bilateral arrangements for ensuring the payment of pensions pursuant to Articles 1 and 2 above to persons located in a State other than that which is paying the pensions of those persons, for transferring the necessary funds to ensure payment of those pensions, and for the payment of pensions proportionally to the payment of contributions. Where appropriate, the conclusion of such definitive bilateral arrangements may be preceded by the conclusion of interim arrangements for ensuring the payment of pensions pursuant to Article 2. Any bilateral agreements concluded between any two of the States shall prevail over the provisions of this Annex and shall resolve the issue of mutual claims between the pension funds of the States relating to payments of pensions made before such agreements entered into force.