

CONSEIL DE L'ATLANTIQUE NORD
NORTH ATLANTIC COUNCIL

EXEMPLAIRE

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RESULTS OF THE FOUR-POWER MEETING

Note by the Secretary General and Vice-
Chairman of the Council

The Foreign Ministers of the United Kingdom, France, the Federal Republic of Germany and the United States, meeting in the Palais de Chaillot, Paris, on October 20th and 21st, 1954, agreed to sign a Protocol on the Termination of the Occupation Régime in the Federal Republic of Germany. The text of this Protocol, with its accompanying schedules, is attached.

2. These documents will, in the first instance, be placed on the Agenda of the Nine-Power Meeting on October 21st, and thereafter will be placed on the Agenda of the Ministerial Meeting of the Council on October 22nd, for information.

(Signed) ISMAY

Palais de Chaillot,
Paris, XVIe.

PROTOCOL ON THE TERMINATION OF THE OCCUPATION
FORCES IN THE FEDERAL REPUBLIC OF GERMANY

The United States of America, the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany agree as follows:

Article 1

The Convention on Relations between the Three Powers and the Federal Republic of Germany, the Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany, the Finance Convention, the Convention on the Settlement of Matters arising out of the War and the Occupation, signed at Bonn on 26 May 1952, the Protocol signed at Bonn on 27 June 1952 to correct certain textual errors in the aforementioned Conventions, and the Agreement on the Tax Treatment of the Forces and their Members signed at Bonn on 26 May 1952, as amended by the Protocol signed at Bonn on 26 July 1952, shall be amended in accordance with the five Schedules to the present Protocol and as so amended shall enter into force (together with subsidiary documents agreed by the Signatory States relating to any of the aforementioned instruments) simultaneously with it.

Article 2

Pending the entry into force of the arrangements for the German Defence Contribution, the following provisions shall apply:

- (1) The rights heretofore held or exercised by the United States of America, the United Kingdom of Great Britain and Northern Ireland and the French Republic relating to the fields of disarmament and demilitarisation shall be retained and exercised by them, and nothing in any of the instruments mentioned in Article 1 of the present Protocol shall authorise the enactment, amendment, repeal or deprivation of effect of legislation or, subject to the provisions of paragraph (2) of this Article, executive action in those fields by any other authority.
- (2) On the entry into force of the present Protocol, the Military Security Board shall be abolished (without prejudice to the validity of any action or decisions taken by it) and the controls in the fields of disarmament and demilitarisation shall thereafter be applied by a Joint Four-Power Organization to which each of the Signatory States shall appoint one representative and which shall take its decisions by majority vote of the four members.
- (3) The Governments of the Signatory States will conclude an administrative agreement which shall provide, in conformity with the provisions of this Article, for the establishment of the Joint Four-Power Commission and its staff and for the organization of its work.

Article 3

- (1) The present Protocol shall be ratified or approved by the Signatory States in accordance with their respective constitutional procedures. The Instruments of Ratification or Approval shall be deposited by the Signatory States with the Government of the Federal Republic of Germany.
- (2) The present Protocol and subsidiary documents relating to it agreed between the Signatory States shall enter into force upon the deposit by all the Signatory States of the Instruments of Ratification or Approval as provided in paragraph 1 of this Article.
- (3) The present Protocol shall be deposited in the Archives of the Government of the Federal Republic of Germany, which will furnish each Signatory State with certified copies thereof and notify each State of the date of entry into force of the present Protocol.

IN FAITH WHEREOF the undersigned Representatives duly authorized thereto have signed the present Protocol.

Done at Paris this day of October, 1954, in three texts, in the English, French and German languages, all being equally authentic.

For the United States of America:

For the United Kingdom of Great Britain and Northern Ireland :

For the French Republic :

For the Federal Republic of Germany :

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SCHEDULE I

Amendments to the Convention on
Relations between the Three Powers
and the Federal Republic of Germany

Introductory words

Substitute:

"The United States of America, the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany have entered into the following Convention setting forth the basis for their new relationship."

Preamble

Delete.

Article 1

Substitute:

"Article 1

1. On the entry into force of the present Convention the United States of America, the United Kingdom of Great Britain and Northern Ireland and the French Republic (hereinafter and in the related Conventions sometimes referred to as "the Three Powers") will terminate the Occupation régime in the Federal Republic, revoke the Occupation Statute and abolish the Allied High Commission and the Offices of the Land Commissioners in the Federal Republic.

2. The Federal Republic shall have accordingly the full authority of a

sovereign State over its internal and external affairs."

Article 2

Substitute:

"Article 2

In view of the international situation, which has so far prevented the reunification of Germany and the conclusion of a peace settlement, the Three Powers retain the rights and the responsibilities, heretofore exercised or held by them, relating to Berlin and to Germany as a whole, including the reunification of Germany and a peace settlement. The rights and responsibilities retained by the Three Powers relating to the stationing of armed forces in Germany and the protection of their security are dealt with in Articles 4 and 5 of the present Convention."

Article 4

Substitute:

"Article 4

1. Pending the entry into force of the arrangements for the German Defence Contribution, the Three Powers retain the rights, heretofore exercised or held by them, relating to the stationing of armed forces in the Federal Republic. The mission of these forces will be the defence of the free world, of which Berlin and the Federal Republic form

part. Subject to the provisions of paragraph 2 of Article 5 of the present Convention, the rights and obligations of these forces shall be governed by the Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany (hereinafter referred to as "the Forces Convention") referred to in paragraph 1 of Article 8 of the present Convention.

2. The rights of the Three Powers, heretofore exercised or held by them, which relate to the stationing of armed forces in Germany and which are retained, are not affected by the provisions of this Article insofar as they are required for the exercise of the rights referred to in the first sentence of Article 2 of the present Convention. The Federal Republic agrees that, from the entry into force of the arrangements for the German Defense Contribution, forces of the same nationality and effective strength as at that time may be stationed in the Federal Republic. In view of the status of the Federal Republic as defined in Article 1, paragraph 2 of the present Convention and in

view of the fact that the Three Powers do not desire to exercise their rights regarding the stationing of armed forces in the Federal Republic, insofar as it is concerned, except in full accord with the Federal Republic, a separate Convention deals with this matter."

Article 5

Substitute:

"Article 5

1. Pending the entry into force of the arrangements for the German Defence Contribution, the following provisions shall be applicable to the forces stationed in the Federal Republic:

- (a) the Three Powers will consult with the Federal Republic, insofar as the military situation permits, with regard to all questions concerning the stationing of these forces. The Federal Republic will, according to the present Convention and the related Conventions, co-operate, within the framework of its Basic Law, to facilitate the mission of these forces;

(b) the Three Powers will obtain the consent of the Federal Republic before bringing into the Federal territory, as part of their forces, contingents of the armed forces of any nation not now providing such contingents. Such contingents may nevertheless be brought into the Federal territory without the consent of the Federal Republic in the event of external attack or imminent threat of such attack, but, after the elimination of the danger, may only remain with its consent.

2. The rights of the Three Powers, heretofore held or exercised by them, which relate to the protection of the security of armed forces stationed in Federal Republic and which are temporarily retained, shall lapse when the appropriate German authorities have obtained similar powers under German legislation enabling them to take effective action to protect the security of those forces, including the ability to deal with a serious disturbance of public security and order. To the

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extent that such rights continue to be exercisable they shall be exercised only after consultation, insofar as the military situation does not preclude such consultation, with the Federal Government and with its agreement that the circumstances require such exercise. In all other respects the protection of the security of those forces shall be governed by the Forces Convention or by the provisions of the Agreement which replaces it and, except as otherwise provided in any applicable agreement, by German Law."

Article 6, paragraph 2,
second sentence

Delete.

Article 7, paragraph 1

For the words "The Three Powers and the Federal Republic" substitute the words "The Signatory States".

Article 7, paragraph 2

Substitute:

"2. Pending the peace settlement, the Signatory States will co-operate to achieve, by peaceful means, their common aim of a reunified Germany enjoying a liberal-democratic constitution, like that of the Federal Republic, and integrated within the European Community."

Article 7, paragraph 3

Delete.

Article 7, paragraph 4

Delete the word "other".

Article 8

Substitute:

"1(a) The Signatory States have concluded the following related

Conventions:

Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany;

Finance Convention;

Convention on the Settlement of Matters Arising out of the War and the Occupation.

(b) The Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany and the Agreement on the Tax Treatment of the Forces and their Members signed at Bonn on 26 May 1952, as amended by the Protocol signed at Bonn on 26 July 1952, shall remain in force until the entry into force of new arrangements setting forth the rights and obligations of the forces of the Three Powers and other States having forces in the territory of the Federal Republic. The new arrangements will be based on the Agreement Between the Parties to the North Atlantic Treaty Regarding the Status of Their Forces, signed in London

on 19 June 1951, supplemented by such provisions as are necessary in view of the special conditions existing in regard to the forces stationed in the Federal Republic.

(c) The Finance Convention shall remain in force until the entry into force of the new arrangements negotiated in pursuance of paragraph 4 of Article 4 of that Convention with other member Governments of the North Atlantic Treaty Organization who have forces stationed in the Federal territory.

2. During the transitional period provided for in paragraph 4 of Article 6 of Chapter One of the Convention on the Settlement of Matters arising out of the War and the Occupation, the rights of the three Signatory States referred to in that paragraph shall be retained."

Article 9, paragraph 1

Substitute:

"1. There shall be established an Arbitration Tribunal which shall function in accordance with the provisions of the annexed Charter."

Article 9, paragraph 2

Substitute:

"2. The Arbitration Tribunal shall have exclusive jurisdiction over all disputes arising between the Three

Powers and the Federal Republic under the provisions of the present Convention or the annexed Charter or any of the related Conventions which the parties are not able to settle by negotiation or by other means agreed between all the Signatory States, except as otherwise provided by paragraph 3 of this Article or in the annexed Charter or in the related Conventions."

Article 9, paragraph 3

For the words "on action taken thereunder, or involving the provisions of paragraphs 1 to 7 of Article 5" substitute the words "the first two sentences of paragraph 1 of Article 4, the first sentence of paragraph 2 of Article 4 and the first two sentences of paragraph 2 of Article 5, on action taken thereunder;"

Article 10

Substitute:

"Article 10

The Signatory States will review the terms of the present Convention and the related Conventions

- (a) upon request of any one of them, in the event of the reunification of Germany, or an international understanding being reached with the participation or consent of the States parties

to this Convention on steps towards bringing about the reunification of Germany, or the creation of a European Federation; or

(b) in any situation which all of the Signatory States recognize has resulted from a change of a fundamental character in the conditions prevailing at the time of the entry into force of the present Convention.

In either case they will, by mutual agreement, modify the present Convention and the related Conventions to the extent made necessary or advisable by the fundamental change in the situation."

Article 11, paragraphs 1 & 2 Delete.

Annex A Delete.

Amendments to Annex B, Charter of the Arbitration Tribunal

Article 1, paragraph 2(c) Substitute:

"(c) A President and two Vice-Presidents (hereinafter referred to also as "the neutral members") appointed by agreement between the Governments of the Three Powers and the Federal Government, none of whom shall be a

national of any one of the Three Powers or a German national."

Article 1, paragraph 3,
second sentence

Substitute:

"Within the same period the Governments of the three Powers and the Federal Government shall agree upon the three neutral members, one of whom shall be nominated as President and the other two as Vice-Presidents."

Article 1, paragraph 3,
third sentence

Substitute:

"If after the expiry of such period, one or more of the neutral members shall not have been agreed upon, either the Governments of the Three Powers or the Federal Government may request the President of the International Court of Justice to nominate such neutral member or members."

Article 3

Delete.

Article 6

Add:

"3. The Registrar, upon receipt of the first petition filed pursuant to Article 14 of the present Charter, shall immediately notify the President, who shall thereupon call the first meeting of the Tribunal in plenary session at the seat of the Tribunal as soon as practicable, for the purpose of determining the Rules of Procedure and attending to other business. Thereafter the Tribunal shall meet as business requires.

4: Paragraphs 3 and 4 of Article 2 of the present Charter shall not become effective until the first meeting in plenary session referred to in paragraph 3 of this Article."

Article 9, paragraph 1

After the word "negotiation" insert the words "or by other means agreed between all the Signatory States."

Article 9, paragraph 2(a)

Substitute for the words "Chapter Two" the words "Chapter One".

Article 9, paragraph 3

Delete the words "and to the provisions: of the present Charter".

Article 11

Substitute:

"1. The Signatory States undertake to comply with the decisions of the Tribunal and to take the action required of them by such decisions or necessary to remedy the situation.

2. If a Signatory State required by a decision of the Tribunal to take action to give effect to that decision is unable, or fails, to take such action within the time specified by the Tribunal, or if no time is specified, within a reasonable time, then that State, or any other Signatory State a party to the dispute may apply to the Tribunal for a further decision as to alternative action to be taken by the defaulting State."

SCHEDULE II

Amendments to the Convention on the Rights
and Obligations of Foreign Forces and their
Members in the Federal Republic of Germany

- Contents Delete references to Articles 49 and 50 and Annex C.
- Introductory words Substitute:
"The United States of America, the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany agree as follows:"
- Article 1, paragraph 3 Substitute:
"3. Other Sending State:
Any Power, other than one of the Three Powers, which, by agreement with the Three Powers or any one of them, has Forces stationed in the Federal territory on the entry into force of the present Convention; and any other Power which may in future have forces stationed in the Federal territory,
(a) if before the entry into force of the arrangements for the German Defence Contribution, by agreement with the Three Powers, or any one of them, so far as such other Power does not, with the consent of the Three Powers, conclude a separate

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Convention with the Federal Republic concerning the status of its Forces, and

(b) if after the entry into force of the arrangements for the German Defence Contribution, by agreement with the Federal Republic."

Article 17, paragraph 8 Substitute:

"8. A Standing Commission shall be established, to be composed of representatives of the appropriate authorities of the Three Powers and of representatives of the authorities of the Federal Republic. The duty of this Commission shall be to guarantee effective co-ordination between civil and military air activities."

Article 33, paragraph 1(c) Delete

Article 33, paragraph 3(a) Substitute:

"The tax treatment of the Forces and their members shall be governed, to the extent that provision is not made in the present Convention, by the Agreement on the Tax Treatment of the Forces and their Members signed at Bonn on 26 May 1952 as amended by the Protocol signed at Bonn on 26 July 1952".

Article 33, paragraph 3(b) Delete

Article 36, paragraph 5(d) Delete the word "Special".

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Article 38, paragraph 1 Delete the words "this shall also apply to armed forces of the European Defence Community if the latter agrees to participate in this procedure."

Article 38, paragraph 7 Substitute:

"7. In implementing the first accommodation programme, if no comparable alternative accommodation is available in the same area, the Forces shall, for six months after the entry into force of the present Convention, be entitled to the first option on such publicly owned accommodation included in the property referred to in Article 13 of Chapter One of the Convention on the Settlement of Matters arising out of the War and the Occupation as becomes available. This shall not apply to accommodation in the Bonn Enclave."

Article 39, paragraph 2 Substitute:

"2. A Joint Supply Board shall be established, to be composed of representatives of the appropriate authorities of the Three Powers and of representatives of the Federal Republic. The Board shall be responsible for establishing by agreement periodical programmes for the procurement of the requirements of the Forces, and for resolving any difficulties which may

arise in the course of the implementation of these programmes."

Article 42, paragraph 1 Substitute:

"1. The public services of the posts and telecommunications system of the Federal Republic shall be available to the Forces and their members. In this respect the Forces shall enjoy such preferential treatment as is necessary for the satisfactory fulfilment of their defence mission and is consistent with the reasonable reconciliation of the requirements resulting therefrom and the essential civilian and defence requirements of the Federal Republic. The conditions of service effective on the entry into force of the present Convention shall remain in force. These conditions of service shall be subject to review and modification at the request of any one of the Signatory States, where they are inconsistent with the present Convention. In the event of such a review the conditions of service to be determined shall be consistent with the needs of the Forces and the conditions of service of their members in the performance of the defence mission of the Forces."

Article 44, paragraph 2 Substitute:

"2. Germans who are working in the service of the Forces shall be subject

to all obligations arising from the arrangements for the German Defence Contribution. They shall only be engaged on services of a non-combatant character including civilian guard duties."

Article 44, paragraph 10 Substitute:
first sentence

"The Mixed Commissions referred to in paragraphs 3 and 8 of this Article shall be composed equally of representatives of the appropriate authorities of the Three Powers and of representatives of the Federal Republic."

Article 47, paragraph 2 Delete.

Article 49 Delete.

Article 50 Delete.

Annex B, paragraph 3 Substitute:

"3. A Frequency Committee is hereby established, to be composed of representatives of the appropriate authorities of the Three Powers and of representatives of the Federal Republic. The Frequency Committee shall make its decisions by unanimous vote."

Annex C Delete.

SCHEDULE III

Amendments to the Finance Convention

- | | |
|---------------------------|--|
| Introductory words | Substitute

"The United States of America, the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany agree as follows: |
| Article 1, paragraph 1 | Insert "The Forces;" between "The Power concerned;" and "Authorities of the Forces;" |
| Article 1, paragraph 2(b) | Delete the sub-paragraph |
| Article 1, paragraph 2(c) | Substitute:

"(c) Funds for the support of the Forces.

Funds of the Federal Republic which are made available in accordance with paragraphs 1 to 3 of Article 4 of the present Convention to the Powers concerned to assist in meeting the costs of the Forces stationed in the Federal territory and their members." |
| Article 3 | Delete |

Article 4

Substitute:

Article 4.

1. (a) From the entry into force of the present Convention until the entry into force of the arrangements for the German Defence Contribution, the Federal Republic will provide a monthly average contribution of DM 600 million as funds for the support of the Forces.
- (b) Out of the sum of DM 600 million referred to in sub-paragraph (a) of this paragraph a sum of DM 100 million a month will be earmarked for particular defence measures agreed jointly between the Three Powers and the Federal Republic, which latter sum will include expenditure for the NATO Infrastructure programme. Payment of claims for Occupation damages can be included.
- (c) The provisions of sub-paragraphs (a) and (b) of this paragraph apply in any case only until 30 June 1955. If the arrangements for the German Defence Contribution enter into force after that date,

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negotiations shall take place between the Federal Republic and the Three Powers concerning the contribution of the Federal Republic to the support of the Forces for the period after 30 June 1955 and before the entry into force of the arrangements for the German Defence Contribution.

2. During the first twelve months after the entry into force of the arrangements for the German Defence Contribution, the Federal Republic will make available as funds for the support of the Forces a total amount of DM 3,200 million.

These funds shall be made available as follows: -

- DM 400 million a month for the first two months;
- DM 300 million a month for the next four months;
- DM 200 million a month for the last six months.

If the arrangements for the German Defence Contribution enter into force after 30th June 1955, these provisions shall not apply, and negotiations shall take place between the Federal Republic and the Three Powers concerning the

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contribution of the Federal Republic to the support of the Forces for a period not exceeding twelve months after the entry into force of the arrangements for the German Defence Contribution.

3. The Three Powers recognise the right of the Federal Republic to propose that the provisions of paragraph 2 of this Article be re-examined should it consider that the burden imposed by the build-up of the agreed German forces justifies such re-examination. In this event, the signatory States will examine all the relevant factors and if found necessary will agree to amend the above provisions on funds for the support of the Forces.
4. In accordance with the spirit of Article 3 of the North Atlantic Treaty the Federal Republic agrees that at the end of the period laid down in paragraph 2 of this Article it will be prepared to negotiate with other member Governments of the North Atlantic Treaty Organization who have forces stationed in the Federal territory in respect of questions relating to the support (for example, goods and

services) of those forces having regard to the requirements of the forces of the Federal Republic.

5. Funds to be made available in accordance with paragraphs 1 to 3 of this Article for one period of time may be utilised in other periods in accordance with the provisions of paragraph 6 of this Article. The Three Powers will be responsible for allocating or re-allocating among the Powers concerned, after consultation with the Federal Government, the amount made available in accordance with this Article. The provisions of Article 5 of the present Convention shall apply to the expenditure of these funds except to the extent that such funds are expended in accordance with sub-paragraph (a) of paragraph 6 of this Article.
6. The only expenditure chargeable to the funds for the support of the Forces made available in accordance with paragraphs 1 to 3 of this Article shall be:-
 - (a) Amounts expended on payment authorisations issued after the entry into force of the present Convention to satisfy liabilities for accommodation,

goods, materials or services procured or ordered before the entry into force of the present Convention by the authorities of the Powers concerned as a charge to occupation costs or mandatory expenditures, to the extent that such amounts are not covered by unexpended occupation costs and mandatory expenditure funds remaining available to the Three Powers for the purpose after the entry into force of the present Convention;

- (b) Amounts expended on payment authorisations issued before the end of the period covered by paragraph 2 of this Article under the Deutsche Mark budgets of the Powers concerned established in accordance with Article 5 of the present Convention. To the extent that the funds provided under paragraph 1 of this Article have not been fully expended to meet payment authorisations issued before the end of the period covered by that paragraph they will remain available to the Forces for a period of eighteen months for the

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liquidation of liabilities then outstanding which are chargeable to the funds for the support of the Forces. A corresponding procedure will apply to the funds made available in accordance with paragraph 2 of this Article; however, the latter funds will remain available to the Forces after the end of the relevant period for twelve months, and

(c) Amounts expended for such other purposes as may be agreed between the Federal Republic and the Three Powers.

7. The Three Powers undertake to make a consistent effort to ensure that the carry over will not increase and shall be substantially reduced as rapidly as possible. The authorities of the Three Powers and the Federal Republic will co-operate fully for this purpose and will assist each other by exchanging relevant information and in any other appropriate ways. The carry over within the meaning of this paragraph is that part of the funds made available by the Federal Republic for occupation costs and mandatory expenditures which has

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not been disbursed, together with that part of the funds made available in accordance with paragraph 1 of this Article which has similarly not been disbursed."

Article 5, paragraph 3: Delete the sentence "Expenditures under such budget control over them."

Article 6, paragraph 1: Substitute:
"1. Subject to the provisions of Article 4 of the present Convention, the Federal Republic shall take all steps necessary to make available, as required, the funds for the support of the Forces."

Article 7, paragraph 1(g)(iii): Substitute for the words "the defence contribution of the Federal Republic" the words "funds for the support of the Forces".

Article 8, paragraph 14: Substitute:
"14. Compensation awarded under a decision of an agency of the Forces shall, for the periods specified in paragraph 1 and 2 of Article 4 of the present Convention be chargeable to the funds for the support of the Forces of the Power concerned unless otherwise agreed between the Federal Republic and the

Power concerned. An agreement between the Federal Republic and the United Kingdom of Great Britain and Northern Ireland in that regard and in relation to ancillary procedure is annexed to the present Convention as Annex A. A similar agreement between the Federal Republic and the United States of America is annexed to the present Convention as Annex B."

Article 8, paragraph 15: Substitute:

"15. Notwithstanding the other provisions of this Article, claims in respect of damage caused to accommodation or moveables which have been made available for use by the Authorities of the Power concerned before the entry into force of the present Convention, and released by them after the end of the period covered by paragraph 2 of Article 4 of the present Convention shall be determined by the German authorities and shall not be charged to the funds for the support of the Forces, or to the Power concerned."

- Article 8, paragraph 18: Delete
- Article 12, paragraph 6: Delete the sentence "Timely
30 June 1953."
- Article 13, paragraph 2: Substitute for the words "30 June
1953" the words "the end of the
period covered by paragraph 2 of
Article 4 of the present Convention,".
- Article 13, paragraph 3: Substitute:
"3. During the period covered by
paragraph 1 of Article 4 of the
present Convention, the costs of
the installations and works
referred to in Article 20 of the
Forces Convention shall be
chargeable to the funds for the
support of the Forces. During
the period covered by paragraph 2
of Article 4 of the present
Convention, the costs of the
above-mentioned installations
and works shall be chargeable
to the funds for the support
of the Forces to the extent that
provision is made therefor in the
budgets of the Powers concerned.
If installations and works should
be carried out for which no
provision has been made in such
budgets, their financing shall
be determined by prior agreement
between the Federal Republic
and the Powers concerned."

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Article 13, paragraph 4: Substitute for the words "30 June 1953" the words:

"the end of the period covered by paragraph 2 of Article 4 of the present Convention".

Article 13, paragraph 4: Delete the words "mentioned in paragraph 3 of Article 4 of the present Convention".

Article 13, paragraph 5: Delete

Article 14: Delete the sentence "Representatives involved".

Article 16: Delete the phrase "especially if agreements desirable".

Article 18, paragraph 1: Delete

Article 18, paragraph 2: Delete the words "which are not members of the European Defence Community,".

Article 19, sub-paragraph (a): Substitute: "(a) in matters which under

paragraphs 1 to 4 of Article 4 of the present Convention are to be settled by negotiation".

Annex 'A', Section 9: Delete

Annex 'B': Add new Annex 'B'

ANNEX B TO THE FINANCE CONVENTION

In the case of the Forces of the United States of America the provisions of Article 8 of the Finance Convention shall be implemented in accordance with the following provisions:

Section 1

The functions of the appropriate agency of the Forces set out in paragraph 9 of Article 8 of the Finance Convention shall in respect of these Forces be delegated to the Federal Republic.

Section 2

1. The appropriate German agency shall promptly inform the appropriate agency of the Forces of any claim lodged with it and shall append such particulars as the latter agency may require.
2. After receipt of these particulars, the appropriate agency of the Forces shall forward as soon as possible to the appropriate German agency such relevant information and evidence obtainable from its own sources as is necessary for dealing with the claim insofar as the making available of such evidence is permissible under the regulations of the United States. The German agency shall assess and pay any compensation upon the claim only in the full light of this evidence.

Section 3

1. The appropriate agency of the Forces shall include in the information and evidence forwarded to the appropriate German agency under paragraph 2, of Section 2 of this Annex a statement as to whether or not acts or omissions of the Forces as defined in paragraph 2 of Article 8 of the Finance Convention are involved.
2. The German agency shall not assess or pay any compensation unless the appropriate agency of the Forces has issued a statement that acts or omissions of the Forces as defined in

paragraph 2 of Article 8 of the Finance Convention are involved.

3. If during investigations of a claim circumstances appear which would lead to an inference different from that contained in the statement, the appropriate agency of the Forces shall, on the request of the appropriate German agency, review its statement taking into account the representations made by the German agency.

Section 4

If a claimant brings an action in the ordinary German court against the Federal Republic pursuant to paragraph 10 of Article 8 of the Finance Convention, the German agency shall forward to the appropriate agency of the Forces a copy of the complaint. Should the German agency deem it necessary in the light of the complaint to obtain from the agency of the Forces supplementary documents or evidence from its own sources for use in connection with the defence of the action, the German agency shall so inform the agency of the Forces as soon as possible.

Section 5

Should the legally enforceable judgment of a Court in an action brought under paragraph 10 of Article 8 of the Finance Convention differ from the decision of the German agency taken under Section 1 of this Annex, the decision shall be modified so as to make it accord with the judgment; this shall apply whether or not the authorities of the Forces exercised their right to participate in the action against the Federal Republic under paragraph 12 of Article 8 of the Finance Convention.

Section 6

To enable that part of the compensation awarded by the German agencies or Courts which under Section 7 of this Annex is to be charged to the funds for the support of the Forces

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of the United States to be so charged, the German agency shall by the fifteenth day of each month furnish to the appropriate agency of the Forces a list showing the amounts of compensation paid during the previous month.

Section 7

It is agreed, as provided for in paragraph 14 of Article 8 of the Finance Convention, that 75 per cent of the compensation awarded by the appropriate German agencies or by the ordinary German courts shall be charged to the funds for the support of the Forces made available under the Finance Convention. The remaining 25 per cent of the compensation shall be borne by the Federal Republic.

Section 8

The provisions of this Annex shall not affect the provisions of paragraph 15 of Article 8 of the Finance Convention.

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SCHEDULE IV

Amendments to the Convention on the Settlement of
Matters Arising out of the War and the Occupation

Introductory words

Substitute:

"The United States of America, the
United Kingdom of Great Britain and
Northern Ireland, the French
Republic and the Federal Republic
of Germany agree as follows:"

Chapter One - General Provisions

Article 8, sub-paragraph (d) For the words "paragraph 6 of Article
4 of Chapter Two of the present
Convention", substitute the
words "paragraph 1 of Article 12
of this Chapter."

Article 8, sub-paragraph (c) Delete

Add new Articles:

"Article 9

1. The Allied High Commission
legislation concerning the re-
organization of the German coal
mining and iron and steel industries,
to the extent that such legislation
is in force on the date of the
entry into force of the present
convention, shall be maintained in
force in so far and so long as
deconcentration measures ordered
before that date are still to be
carried out or claimants are still
to be protected.

2. The Federal Government shall

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ensure that the measures decreed under the legislation referred to in paragraph 1 of this Article by regulations or orders of the Allied High Commission or of its subordinate bodies as well as the measures required to be taken in implementation of the plans approved by such orders shall be carried through to completion.

3. The provisions of this Article shall be without prejudice to such expansion or affiliation of enterprises of the German coal mining and iron and steel industries as shall be permitted under the Treaty on the Establishment of the European Community for Coal and Steel.

Article 10

1. A mixed committee of experts composed of seven members shall be established according to the following procedure. Three of its members shall be appointed by the Federal Republic and one by each of the Three Powers immediately after the Federal Government has received the first application under paragraph 3 of this Article and has notified the Three Powers of that fact. The members so appointed shall elect a seventh member by majority vote within six months after this notification. If within

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that time the seventh member shall not have been elected or shall not have accepted election, the Board of Directors of the Bank for International Settlement shall be requested to appoint as a seventh member an expert who shall not be a national of any of the Signatory States.

2. The functions of the Mixed Committee shall be to consider applications for extensions of the final time for the disposition of securities required by regulations or orders of the Allied High Commission or its subordinate bodies or by reason of the terms of a plan approved by any such order.

3. Applications must be filed with the Federal Government not later than one year before the expiration of the time fixed for the disposition of the securities. The applicant shall, until the decision of the Mixed Committee is rendered, be entitled to file any additional supporting papers.

4. The Mixed Committee shall extend the time fixed for the disposition of the securities, provided that the applicant establishes that all of such securities could not, with the exercise of reasonable efforts, be disposed of on reasonable terms and on a basis which is compatible with the German public

interest and that such disposition will not be possible within the remaining time without a disruptive effect on the German capital market.

5. Any extension under paragraph 4 of this Article shall be granted for not more than one year but shall be subject to renewal upon a further application on the basis of the standards set forth in that paragraph. The Mixed Committee may attach appropriate conditions to any such extension or renewal.

6. The decision of a majority of the members shall constitute the decision of the Mixed Committee. The Committee shall render its decision before the expiration of the time fixed for the disposition of the securities.

7. The emoluments of the members of the Mixed Committee shall be paid by each of the Signatory States in respect of the member or members appointed by it. One-half of the emoluments of the seventh member shall be paid by the Federal Republic, and one-sixth by each of the Three Powers. The Mixed Committee may charge the remaining costs, in whole or in part, to the applicants.

8. The Mixed Committee shall adopt

its own rules for the conduct of its business.

Article 11

1. The Allied High Commission legislation concerning the termination of the deconcentration and liquidation of the IG Farbenindustrie AGIL to the extent that such legislation is in force on the entry into force of the present Convention shall be maintained in force until the liquidation of the IG Farbenindustrie AGIL in accordance with such legislation has been completely carried out. Those provisions of the legislation referred to in the first sentence of this paragraph which concern rights or obligations (Rechtsverhältnisse) continuing to exist after the completion of the liquidation of IG Farbenindustrie AGIL shall be maintained in force until such rights and obligations have been completely settled.

2. The Federal Government shall ensure that the measures decreed under the legislation referred to in paragraph 1 of this Article by regulations or orders of the Allied High Commission or of its subordinate bodies shall be carried through to completion.

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Article 12

1. After the entry into force of the present Convention the Board of Review provided for under Article 13 (as amended) of Allied High Commission Law No. 27 shall consist of one member appointed by each of the Three Powers and three members appointed by the Federal Republic. As so constitutes this Board of Review shall continue to be the sole appropriate body to review, on the petition of interested persons, any orders issued under sub-paragraph (c) of Article 5 of Law No. 27, or under paragraph 1 of Article 5 of Allied High Commission Law No. 35. The independence of the members of the Board of Review and their freedom of decision shall not be impaired by instructions or other actions of their Governments. Before rendering a decision the Board of Review shall grant the claimant a hearing.
2. The emoluments of the members of the Board of Review shall be paid by each of the Signatory States in respect of the member or members appointed by it. One-half of the remaining

expenses of the Board of Review shall be borne by the Federal Republic, and one-sixth by each of the Three Powers.

Article 13

In order to facilitate the smooth transition from the Occupation regime to normal diplomatic relationships, and to provide for the accomodation of the Embassies and Consulates of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the French Republic, the Governments of the United States, the United Kingdom and the French Republic are hereby granted the right, subject to the payment of compensation in appropriate cases, to the continued use for a transitional period of the property used by them on the entry into force of the present Convention, provided such property is required for use by the Embassies and Consulates to be set up by them."

Chapter Two - Decartelisation and Deconcentration

Delete whole Chapter.

Chapter Three - Internal Restitution

Article 1, sub-paragraph (a)(i) For the words "Military Government Law No. 59, as amended or supplemented by Ordinances No. ...240 and 243" substitute the words "... "Military

Government Law No. 59, as amended or supplemented by Ordinance No. ... 240, 243, 252, and 255."

Article 1, sub-paragraph (a)(ii) For the words "Laws No. ... 21 (as amended) and 30" substitute the words "Laws No. ... 21 (as amended), 30 and 42".

Article 1, sub-paragraph (b)(i) Replace the word "and" between "High Commissioner" and "paragraph 3" by a comma; add after "No. 202" the words "and Ordinance No. 254 of the United Kingdom High Commissioner".

Article 3, paragraph 3 Delete.

Article 3, paragraph 5 (a)(b)(c) Delete.

Article 6, paragraph 1(a) For the words "Board of Review" substitute the words "Supreme Restitution Court".

Annex, Article 5 paragraph 5(e)(i) Delete.

Annex, Article 9, paragraph 1(b) For the words "Board of Review established by Regulation No. 6 under British Military Government Law No. 59" substitute the words "Supreme Restitution Court for the British Zone established by Ordinance No. 255 of the United Kingdom High Commissioner".

Annex, Article 9, paragraph 2 For the words "Board of Review" substitute the words "Supreme Restitution Court for the British Zone".

Chapter Four - Compensation for Victims of Nazi Persecution

Paragraph 4 Delete.

Chapter Five - External Restitution

Article 2, paragraph 2 Substitute for the words "8 May 1955"
the words "8 May 1956".

Substitute for the words "8 May 1956"
the words "8 May 1957".

Article 3, paragraph 1 Substitute for the words "8 May 1955"
the words "8 May 1956".

Article 3, paragraph 2 Substitute for the words "8 May 1955"
the words "8 May 1956".

Chapter Six - Reparation

Article 2, first sentence Insert after the words "Law No. 63"
the words "as amended by Decision
No. 24 of the Allied High Commission".

Chapter Seven - Displaced Persons and Refugees

Article 1, sub-paragraphs Delete.
(a)(b)(c)

Article 3 Delete.

Article 5 Delete.

Chapter Eight - Claims against Germany

Delete whole Chapter with Annex.

Chapter Nine - Claims against Foreign Nations or Nationals

Article 3, paragraph 3 Insert after the words "Law No. 47" the
words "as amended by Allied High
Commission Law No. 79".

Chapter Ten - Foreign Interests in Germany

Article 2, second sentence Substitute:
"This legislation shall be reviewed
by the Federal Republic in agreement
with the other Signatory States on
the basis of the provisions of the

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Agreement on German External Debts, concluded in London on 27 February 1953, in so far as this legislation involves claims dealt with in that Agreement."

Article 6, paragraph 2 Substitute for the words "the proposed Final Equalisation of Burdens (Das Renaugsgleich) Law" the words "the Law on Equalisation of Burdens of 14 August 1952 (Bundesgesetzblatt Teil I Seit 446)".

Article 6, paragraph 2 Delete the word "proposed".
(last phrase before sub-paragraph (a))

Article 6, paragraph 2(c) Delete the word "proposed",
(last phrase)

Article 6, paragraph 7 Delete the word "Final" (English text only).

Article 7, sub-paragraph Delete.
(a)(1)

Article 7, sub-paragraph Delete the words "No. 55 (Second
(a)(11) amendment of Legislation concerning
Monetary Reform)".

Article 7, sub-paragraph Delete.
(a)(11i), (b)
and (c)(1)
and (11)

Article 9, paragraph 1 Delete the words (and also in connection
... Law No. 55".

Article 12, paragraph 1 Insert after sub-paragraph (f):
"appeals under the last sentence of
Article 2 and paragraph 3 of Article 7
of Allied High Commission Law No. 8,
pending on the entry into force of the
present Convention before the Patent
Appeal Board established by Regulation

No. 1 under Law No. 8 (amended), are hereby transferred to the Arbitral Commission and shall be dealt with by it in the same manner as appeals under this Article."

Chapter Eleven - Facilities for the Embassies and Consulates of the Three Powers in the Federal Republic

Delete whole Chapter.

Chapter Twelve - Civil Aviation

Article 1 Substitute for the words "Articles 2 to 7" the words "Articles 2 to 6".

Article 7 Delete.

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SCHEDULE V

Amendments to the Agreement on the Tax
Treatment of the Forces and their Members

Introductory words	Substitute: "The United States of America, the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany agree as follows:"
Article 5	After the word "negotiations" insert the words "or by other means agreed between all the Signatory States."
Article 6, paragraphs 1, 2, 3	Delete.