

No. 3474

**UNITED STATES OF AMERICA
and
FEDERAL REPUBLIC OF GERMANY**

**Agreement for the sale of feed grain and the purchase of
building materials for United States defense purposes.
Signed at Washington, on 18 February 1955**

Official text: English.

Registered by the United States of America on 25 July 1956.

**ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**

**Accord relatif à la vente de graines et à l'achat de maté-
riaux de construction pour les besoins de la défense
des États-Unis. Signé à Washington, le 18 février
1955**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 25 juillet 1956.

No. 3474. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY FOR THE SALE OF FEED GRAIN AND THE PURCHASE OF BUILDING MATERIALS FOR UNITED STATES DEFENSE PURPOSES. SIGNED AT WASHINGTON, ON 18 FEBRUARY 1955

The Governments of the United States of America and the Federal Republic of Germany agree as follows :

1. The United States will authorize the sale of approximately five million dollars worth of feed grain to the Federal Republic of Germany with payment in Deutschemarks.

2. The sales will be made through United States private trade channels and the feed grain will be priced at the prevailing export price.

3. The feed grain will be sold to German buyers f.o.b. vessel United States ports. Where United States flag vessels are used in shipping the grain the dollar cost will be for account of the Federal Republic of Germany, but the United States will rebate to Germany an amount of Deutschemarks equivalent to the differential between the United States flag and foreign flag rates on such quantity, not in excess of 55 percent of the total, as is shipped on United States flag vessels. After completion of the feed grain imports the differential will be determined by comparing the actual freight costs paid for shipments on United States flag vessels and those prevailing for like shipments on foreign flag vessels.

4. The net purchase price shall be paid in Deutschemarks to the United States Disbursing Officer in Germany at the time the feed grain is delivered to German buyers. An exchange rate of 4.2 Deutschemarks to the dollar shall be used in making such deposits and in making any contract adjustments, or any rebates which are necessary because of the flag differential. The Deutschemarks in this account will be used solely by the United States Government for purchases in the Federal Republic of Germany of materials for the construction of United States military, air, and naval bases in Spain. The United States Government will expect to purchase such materials c.i.f. Spanish ports.

¹ Came into force on 18 February 1955, upon signature, in accordance with paragraph 8.

5. For the materials to be purchased by the United States from the Federal Republic of Germany under this agreement and exported by German firms, the tax privileges will be granted which are provided for exports according to the German law, especially tax exemptions and tax refunds concerning turnover taxes, custom duties, consumer taxes, and monopoly taxes.

6. The Government of the Federal Republic of Germany will use its good offices to encourage its suppliers to furnish materials supplied under this program at competitive prices.

7. The feed grain shall be purchased for shipment prior to May 15, 1955.

8. This agreement shall take effect upon signature by representatives of the two governments.

DONE at Washington in duplicate this 18th day of February 1955.

For the Government of the United States of America :
Livingston T. MERCHANT

For the Government of the Federal Republic of Germany :
G. VOGEL