

**No. 3761**

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**SWEDEN  
and  
FEDERAL REPUBLIC OF GERMANY**

**Agreement (with Protocol of Signature and exchange of letters) concerning German assets in Sweden. Signed at Bonn, on 22 March 1956**

*Official texts: Swedish and German.*

*Registered by Sweden on 20 March 1957.*

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**SUÈDE  
et  
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**

**Accord (avec Protocole de signature et échange de lettres) concernant les avoirs allemands en Suède. Signé à Bonn, le 22 mars 1956**

*Textes officiels suédois et allemand.*

*Enregistré par la Suède le 20 mars 1957.*

[TRANSLATION — TRADUCTION]

No. 3761. AGREEMENT<sup>1</sup> BETWEEN THE KINGDOM OF SWEDEN AND THE FEDERAL REPUBLIC OF GERMANY CONCERNING GERMAN ASSETS IN SWEDEN. SIGNED AT BONN, ON 22 MARCH 1956

Whereas, under the Agreement entered into at Washington on 18 July 1946<sup>2</sup> between Sweden of the one part, and the United States of America, France and the United Kingdom of Great Britain and Northern Ireland, of the other part, German assets in Sweden were liquidated and the proceeds cleared against claims, and on 17 January 1956<sup>3</sup> the Governments of the States Parties to the present Agreement and the Deutsche Revisions- und Treuhand-Aktiengesellschaft, Frankfurt-am-Main, concluded an Agreement concerning the satisfaction of claims of Swedish creditors against German debtors,

And whereas the Parties hereto are desirous of settling definitively the financial and economic questions connected with the liquidation of German assets in Sweden, with a view to further strengthening their relations,

Now therefore, the Kingdom of Sweden and the Federal Republic of Germany have resolved to conclude the following Agreement :

*Article 1*

(1) German assets in Sweden shall not henceforth be seized or alienated for the purpose of liquidation.

(2) Notice No. 526 of 29 June 1945, which in order to give effect to the Swedish liquidation measures prohibited the alienation of German assets, shall be revoked, to the intent that German assets, including industrial property rights and applications for such rights, which have not been alienated shall be released.

(3) Act No. 486 of 10 July 1947, which was enacted for the purposes of the liquidation of German assets and which concerned the invalidation of certain certificates physically situated outside Sweden, shall cease to have effect.

*Article 2*

In the case of German assets which were alienated subject to the condition that they must not be transferred to German nationals, that condition shall be declared inoperative.

<sup>1</sup> Came into force on 3 September 1956, one month after the exchange of the instruments of ratification which took place at Bonn on 3 August 1956, in accordance with article 12.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 125, p. 119.

<sup>3</sup> See p. 301 of this volume.

### Article 3

(1) German industrial property rights and applications for such rights in Sweden which were acquired or lodged by German natural or juristic persons before 1 January 1947 and which, after 1 January 1945, expired, or, in the case of applications, were not admitted owing to the non-fulfilment of statutory conditions, shall be reinstated to the fullest possible extent in favour of the German beneficiaries. The more particular provisions shall be embodied in a separate agreement between the Contracting States.

(2) So far as by virtue of Swedish liquidation measures German industrial property rights have been vested in other persons, or have been diminished in favour of other persons, it shall be for the parties concerned to reach a settlement. If a settlement between the parties does not materialize, then, on the application of one of the parties concerned, either of the Contracting States may approach the other Contracting State with a view to the convening of a joint government commission, which shall thereupon be appointed, to assist the parties concerned in arriving at an amicable arrangement.

### Article 4

(1) The competent Swedish authority shall place at the disposal of the Deutsche Revisions- und Treuhand-Aktiengesellschaft the balance of all proceeds from the liquidation of German assets remaining, or still to accrue, after compulsory clearing against claims.

(2) The Deutsche Revisions- und Treuhand-Aktiengesellschaft shall administer the proceeds transferred to it under paragraph 1 above and under the Agreement of 17 January 1956 mentioned in the preamble to this Agreement, including the earnings thereof, as an *ad hoc* "Liquidation Adjustment Fund".

### Article 5

(1) The resources of the Liquidation Adjustment Fund (article 4, paragraph 2) shall be distributed in accordance with an adjustment scheme governed by the provisions of the Protocol of Signature.<sup>1</sup>

(2) The following persons (hereinafter called "persons entitled to adjustment") shall be entitled to participate in the adjustment scheme in accordance with the provisions of the Protocol of Signature:

1. Persons whose assets in Sweden have been liquidated, and
2. Creditors whose debtors remitted payments to the Swedish clearing authority (Clearingnämnden) under the former German-Swedish clearing arrange-

<sup>1</sup> See p. 388 of this volume.

ments, in respect of which payments the Swedish clearing authority has no record of the receipt of a notice from the German clearing house stating that corresponding sums were paid out to the creditors, except that creditors to whom payments were actually made shall not be entitled to participate.

#### Article 6

Should the sums distributed by the Fund amount to two-thirds of the sums entered against the names of the persons entitled to adjustment pursuant to paragraph 4 of the Protocol of Signature, the Contracting States will agree on the manner in which the resources (if any) remaining in the Liquidation Adjustment Fund are to be used. In this connexion, consideration is to be given in particular to hardship cases, to persons persecuted under the National Socialist regime for political, racial or religious reasons, to expellees and refugees, and where applicable to holders of title who, under paragraph 7 of the Protocol of Signature, are not entitled to participate in the adjustment scheme.

#### Article 7

The Contracting States shall take all the steps necessary for the purpose of carrying out this Agreement.

#### Article 8

The Governments of the Contracting States shall consult on all matters relating to the interpretation and application of this Agreement. They shall enter into any supplementary arrangements necessary for the technical application of this Agreement.

#### Article 9

(1) Any differences of opinion which cannot be resolved in the manner described in article 8 above shall, at the request of one of the Contracting States, be submitted to arbitration.

(2) For each particular case an *ad hoc* court of arbitration shall be formed in the following manner: each of the Contracting States shall appoint one arbitrator, and the two arbitrators so appointed shall jointly select a national of a third State as umpire. If the arbitrators and umpire are not appointed within three months after one of the Contracting States has given notice of its intention to submit a case to arbitration, either of the Contracting States may, in the absence of any other arrangement, request the President of the International Court of Justice to make the necessary appointments. If the President is a national of one of the Contracting States, or if there is some other impediment to his making the necessary appointments, they shall be made by the Vice-President.

(3) The awards of the court of arbitration shall be given by majority vote. The awards shall be binding. Each of the Contracting Parties shall defray the costs of its own arbitrator. The remaining costs shall be shared equally by the Contracting States. In all other respects the court of arbitration shall be the master of its own procedure.

#### Article 10

In consideration of the terms herein agreed on, the Federal Republic of Germany will not reopen questions which arose out of the liquidation of German assets in Sweden.

#### Article 11

The application of this Agreement shall extend to the *Land* Berlin unless a declaration to the contrary is addressed to the Royal Swedish Government by the Government of the Federal Republic of Germany within the three months following the entry into force of this Agreement.

#### Article 12

(1) This Agreement is subject to ratification; the instruments of ratification shall be exchanged at Bonn as soon as possible and simultaneously with the instruments of ratification relating to the Agreement concerning the reinstatement of industrial property rights<sup>1</sup> and the Agreement concerning the German Equalization of Burdens Scheme.<sup>2</sup>

(2) This Agreement shall enter into force one month after the date of exchange of the instruments of ratification.

IN WITNESS WHEREOF the undersigned, being thereunto duly authorized, have affixed their signatures to this Agreement.

DONE at Bonn on 22 March 1956, in duplicate, in the Swedish and German languages, each being equally authentic.

For the Kingdom of Sweden :

R. KUMLIN  
Emil SANDSTRÖM  
[L.S.]

For the Federal Republic of Germany :

BERGER  
FÉAUX DE LA CROIX  
[L.S.]

<sup>1</sup> See p. 423 of this volume.

<sup>2</sup> See p. 401 of this volume.

PROTOCOL OF SIGNATURE TO THE AGREEMENT BETWEEN THE  
KINGDOM OF SWEDEN AND THE FEDERAL REPUBLIC OF  
GERMANY CONCERNING GERMAN ASSETS IN SWEDEN

*Ad article 1*

1. In any case in which the legality of action taken to pay German claims has been contested under relevant provisions, the competent Swedish authority shall have the power to maintain the prohibition against alienation (paragraph 2 of the article) until the case has been disposed of definitively.

*Ad article 4*

2. If and to the extent that it should appear that the Liquidation Adjustment Fund has acquired resources not derived from the liquidation of German property in Sweden, the Deutsche Revisions- und Treuhand-Aktiengesellschaft shall, at the request of the competent Swedish authority, make return remittances to such authority in the amounts concerned. This obligation shall not apply if, in the opinion of the committee referred to in article 7 of the Agreement of 17 January 1956 between the Royal Swedish Government and the Government of the Federal Republic of Germany and the Deutsche Revisions- und Treuhand-Aktiengesellschaft, such a return remittance would jeopardize the completion of a uniform distribution already in progress (paragraph 13 below).

*Ad article 5*

3. The competent Swedish authority shall, so far as practicable, notify to a German agency to be duly designated the names of the persons entitled to adjustment according to its records and the amounts entered against their names, unless the particulars in question have already been communicated to the Dienststelle für Auslandsvermögen at Cologne. In the cases referred to in paragraph 1 above, these particulars may be supplied later.

4. The German agency shall compile a register in which shall be entered the names of the persons entitled to adjustment, the amounts notified in accordance with paragraph 3 above and their equivalents in Deutsche Mark (listed amount). The German agency shall compute in Deutsche Mark any amounts notified by the Swedish authority in non-German currencies, by applying article 8 of annex IV of the Agreement of 27 February 1953 on German external debts, *mutatis mutandis*, the date on which the present Agreement enters into force being treated as the date of payment for this purpose. Amounts in Reichsmark shall be computed in Deutsche Mark by applying the German legislation reorganizing the monetary system to the original Reichsmark claim.

5. Every person entitled to adjustment shall receive from the Liquidation Adjustment Fund a distribution, the ratio of which to his listed amount, referred to in paragraph 4 above, shall be the same as the ratio of the resources in the Fund to the sum of all the listed amounts; the operation of article 6 of the Agreement shall not be affected by this provision.

6. The committee referred to in paragraph 2 above shall determine the amount of the resources in the Fund.

7. The holders of title specified in article 14 of the third Act to reorganize the monetary system (Conversion Act) and in article 18 of the Old Banks Act of 10 December 1953 (*Gesetz- und Verordnungsblatt für Berlin*, No. 92, 15 December 1953, p. 1483) are not entitled to adjustment.

8. The German agency shall send to each person entitled to adjustment, or to the trustee appointed under paragraph 12 below, a notification of the entries relating to him made in its register.

9. The notification of the German agency is open to protest. The protest (if any) must be lodged with the German agency not later than one month after the date of the notification. The German agency shall give a decision on the protest, if necessary after further consultation with the competent Swedish authority; a protest shall be deemed to have been rejected if the agency does not give a decision within two months.

10. Persons entitled to adjustment who have not received a notification within three months after the entry into force of this Agreement may apply to the German agency for inclusion in its register. The application must be made (if at all) not later than two months after the expiration of the period specified in the foregoing sentence. The German agency shall, if necessary after further consultation with the competent Swedish authority, communicate to the applicant a decision stating whether he has been placed on the adjustment register and, if so, what amount has been set against his name; an application shall be deemed to have been rejected if the agency does not give a decision within two months.

11. A decision under paragraphs 9 or 10 above may be contested by suit brought in the competent German *Land* Administrative Court (*Landesverwaltungsgericht*) not later than one month after the date of the decision. The only grounds on which suit may be brought shall be failure to register, or failure to register correctly, a person entitled to adjustment or the amount notified by the competent Swedish authority, or failure to compute the amount in Deutsche Mark in keeping with the provisions of paragraph 4 above.

12. If a person entitled to adjustment is not domiciled in the territory of the Federal Republic or (West) Berlin, the German agency shall appoint a

trustee for such person, unless this appointment can be dispensed with owing to special circumstances. The committee referred to in paragraph 2 above shall have the right to request the appointment of a trustee. The committee may give directions to the trustee.

13. After the expiration of the periods specified in the first and second sentences of paragraph 10 above, the German agency shall, with the concurrence of the committee referred to in paragraph 2 above, instruct the Deutsche Revisions- und Treuhand-Aktiengesellschaft to make distributions in accordance with paragraph 5 above to the persons entitled to adjustment. Partial distributions are permissible. The committee may specify that in any particular case distributions, or partial distributions, must amount to not less than 10 Deutsche Mark. If no further incoming payments into the Liquidation Adjustment Fund are expected, the committee may decide how the sums not distributed by reason of the circumstances indicated in the preceding sentence are to be disposed of.

14. If there is uncertainty concerning the identity of the person entitled to adjustment, the sum to be distributed may be placed in a deposit account.

*Ad article 9*

15. It is understood that this article does not apply to the questions dealt with in article 3.

This Protocol of Signature is an integral part of the Agreement signed this day between the Kingdom of Sweden and the Federal Republic of Germany concerning German assets in Sweden.

DONE at Bonn on 22 March 1956, in duplicate, in the Swedish and German languages, both being equally authentic.

For the Kingdom of Sweden :

R. KUMLIN  
Emil SANDSTRÖM

[L.S.]

For the Federal Republic of Germany :

BERGER  
FÉAUX DE LA CROIX

[L.S.]



## EXCHANGE OF LETTERS

## I

## THE HEAD OF THE SWEDISH DELEGATION

Bonn, 22 March 1956

Sir,

During the negotiations which have led to the signature of the Agreement<sup>1</sup> of today's date concerning German assets in Sweden, with Protocol of Signature,<sup>2</sup> an effort was made to calculate the probable distribution quota resulting from the operation of paragraph 5 of the Protocol of Signature. Such a computation proved to be difficult at the present time, especially as the total proceeds from the satisfaction of claims transferred to the Deutsche Revisions- und Treuhand-Aktiengesellschaft under the Agreement of 17 January 1956<sup>3</sup> are hardly predictable. Nor is it possible to estimate accurately at this time the prices at which bonds held by the Deutsche Revisions- und Treuhand-Aktiengesellschaft will be disposed of.

Proceeding on the assumption that no substantial change in general economic conditions will occur, we believe there are sound reasons for hoping that the total resources accruing to the Liquidation Adjustment Fund will be at or near the level required for the distribution quota of two-thirds mentioned in article 6 of the Agreement.

Should, however, this expectation not be borne out by future developments, I propose that our Governments should re-examine the questions relating to the distribution quota at a future time but not later than the expiration of the time limits specified in the first and second sentences of paragraph 10 of the Protocol of Signature.

I have the honour to be, etc.

Emil SANDSTRÖM

*Ministerialdirigent*

Dr. Ernst Féaux de la Croix  
Head of the German Delegation

<sup>1</sup> See p. 380 of this volume.

<sup>2</sup> See p. 388 of this volume.

<sup>3</sup> See p. 301 of this volume.

## II

THE HEAD OF THE GERMAN DELEGATION

Bonn, 22 March 1956

Sir,

I hereby acknowledge receipt of your letter in Swedish of today's date in the following terms :

[See letter I]

I have the honour to inform you that the Government of the Federal Republic of Germany is in accord with the contents of your letter and accepts your proposal.

I have the honour to be, etc.

Dr. FÉAUX DE LA CROIX

Justice Emil Sandström  
Head of the Swedish Delegation

## III

THE HEAD OF THE SWEDISH DELEGATION

Bonn, 22 March 1956

Sir,

With reference to the statements of the Swedish Delegation during the negotiations which have resulted in the Agreement of today's date concerning German assets in Sweden, I have the honour to inform you of the following :

The Government of Sweden proceeds on the assumption that the Agreement of today's date concerning German assets in Sweden will be applied in a reunified Germany. Moreover, the Government of Sweden expects the Government of the Federal Republic of Germany to use its influence to that effect should the circumstances prevailing at the time of the reunification of Germany so require.

I have the honour to be, etc.

Emil SANDSTRÖM

*Ministerialdirigent*

Dr. Ernst Féaux de la Croix  
Head of the German Delegation

## IV

## THE HEAD OF THE GERMAN DELEGATION

Bonn, 22 March 1956

Sir,

I have the honour to acknowledge receipt of your letter in Swedish of today's date in the following terms :

[See letter III]

I have the honour to inform you that the Government of the Federal Republic of Germany has taken note of the above statement.

I have the honour to be, etc.

Dr. FÉAUX DE LA CROIX

Justice Emil Sandström  
Head of the Swedish Delegation