

No. 4066

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**UNITED STATES OF AMERICA,  
FEDERAL REPUBLIC OF GERMANY, FRANCE  
and UNITED KINGDOM OF GREAT BRITAIN  
AND NORTHERN IRELAND**

**Administrative Agreement (with annex) concerning the  
Arbitration Tribunal and the Arbitral Commission on  
Property, Rights and Interests in Germany. Signed at  
Bonn, on 13 July 1956**

*Official texts: English, French and German.*

*Registered by the United States of America on 11 November 1957.*

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**ÉTATS-UNIS D'AMÉRIQUE,  
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE, FRANCE  
et ROYAUME-UNI DE GRANDE-BRETAGNE  
ET D'IRLANDE DU NORD**

**Accord administratif (avec annexe) relatif au Tribunal  
d'arbitrage et à la Commission arbitrale sur les biens,  
droits et intérêts en Allemagne. Signé à Bonn, le  
13 juillet 1956**

*Textes officiels anglais, français et allemand.*

*Enregistré par les États-Unis d'Amérique le 11 novembre 1957.*

No. 4066. ADMINISTRATIVE AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA, THE FEDERAL REPUBLIC OF GERMANY, FRANCE AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND CONCERNING THE ARBITRATION TRIBUNAL AND THE ARBITRAL COMMISSION ON PROPERTY, RIGHTS AND INTERESTS IN GERMANY. SIGNED AT BONN, ON 13 JULY 1956

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The Governments of the Federal Republic of Germany, the French Republic, the United Kingdom of Great Britain and Northern Ireland and the United States of America, in pursuance of Articles 7 and 8 of Annex B to the Convention on Relations between the Three Powers and the Federal Republic of Germany (Charter of the Arbitration Tribunal) and of paragraph 3 of Article 16 of the Annex to the Convention on the Settlement of Matters Arising out of the War and the Occupation (Charter of the Arbitral Commission on Property, Rights and Interests in Germany) signed at Bonn on the 26th of May, 1952,<sup>2</sup> as amended by the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany signed at Paris on the 23rd of October, 1954,<sup>2</sup>

Have agreed as follows :

*Article 1*

SEAT

The seat of the Arbitration Tribunal (hereinafter referred to as the Tribunal) and of the Arbitral Commission (hereinafter referred to as the Commission) shall be at Koblenz in the Federal Republic of Germany.

*Article 2*

INVIOLABILITY OF THE PREMISES AND ARCHIVES

The Federal Government shall take without delay such measures within its competence as are necessary, in accordance with constitutional provisions of the Federal Republic, to secure the inviolability of the premises and archives of the Tribunal and of the Commission.

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<sup>1</sup> Came into force on 13 July 1956, the date of signature, with retroactive effect from 5 May 1955, in accordance with article 11.

<sup>2</sup> United States of America : *Treaties and Other International Acts Series 3425*.

*Article 3*

## MEMBERS

Each Member of the Tribunal and of the Commission, notwithstanding any other activity in which he may be engaged, shall be available as required to attend to the business of the Tribunal or of the Commission as the case may be.

*Article 4*

## REGISTRAR

1. The Registrar of the Tribunal shall have a Deputy Registrar to assist him in the fulfilment of his duties.

2. In the absence of the Registrar the Deputy Registrar shall assume the official duties and powers of the Registrar and shall act on behalf of the Registrar.

3. The official duties and powers of the Registrar shall, subject to Article 6 of the Charter of the Tribunal, include those provided in the present Agreement and those which may be defined in Rules of Procedure to be issued by the Tribunal or the Commission. Without prejudice to the provisions of paragraph 3 (a) and (c) of Article 6 of the present Agreement the Registrar shall be bound by instructions given to him by the Tribunal or the Commission.

4. The Registrar shall have recognised legal qualifications and experience in international law and a knowledge of the English, French and German languages.

5. The terms and conditions of service of the Registrar shall be regulated in a contract concluded with him by the President of the Tribunal. The contract shall require the approval of the Administrative Board.

6. The term of office of the Registrar may be terminated before the expiry of his contract :

- (a) after the expiry of at least three months' notice given by the Registrar to the President;
- (b) summarily or after the expiry of a period of notice, on notification by the President, as a result of a decision of the Tribunal.

7. The Deputy Registrar shall be nominated by the Administrative Board and appointed by the President of the Commission in consultation with the President of the Tribunal. The terms and conditions of service of the Deputy Registrar shall be fixed by the Administrative Board.

8. The Deputy Registrar shall have recognised legal qualifications and a knowledge of the English, French and German languages.

9. The Registrar, in consultation with the President of the Tribunal or the President of the Commission as the case may be, shall formulate administrative regulations necessary in implementation of the present Agreement and its Annex. Such administrative regulations shall require the approval of the Administrative Board.

10. Except as otherwise provided in paragraph 7 of this Article regarding the appointment of his Deputy, the Registrar shall engage and discharge the personnel of the Registry in the name of the Federal Republic in accordance with the Establishment and the Service Regulations referred to in paragraph 2 of Article 5 and, subject to paragraph 4 of Article 5, in accordance with the provisions applicable to the public service of the Federal Republic.

In performing this duty and other administrative functions within his competence on behalf of the Tribunal and the Commission the Registrar is authorized to conclude contracts and enter into other legal transactions in the name of the Federal Republic.

11. The Registrar or the Deputy Registrar shall reside at the seat of the Tribunal.

### *Article 5*

#### PERSONNEL OF THE REGISTRY

1. In so far as it does not impair the efficient functioning of the Tribunal and of the Commission, the personnel of the Registry may be of any nationality; however, the composition of the staff as far as nationalities are concerned should conform to the extent possible to the composition of the Tribunal and the Commission. Candidates for a position on the staff who are nationals of one of the States whose Governments are Parties to the present Agreement must be approved by the Government concerned before appointment.

2. The Establishment of the Registry and Service Regulations for its personnel shall be formulated by the Registrar in consultation with the President of the Tribunal and the President of the Commission, and shall require the approval of the Administrative Board. The Establishment of the Registry shall be determined and reviewed as necessary in the light of the number of cases submitted to the Tribunal and the Commission and the amount of work resulting therefrom.

3. The Registrar shall administer the Service Regulations referred to in paragraph 2 of this Article.

4. The remuneration and the conditions of employment of the personnel of the Registry shall be in accordance with the provisions applicable in corresponding cases in the public service of the Federal Republic. Such remuneration

and conditions of employment may, however, be suitably modified in the cases of non-German employees not normally resident in the Federal Republic.

### Article 6

#### ADMINISTRATIVE BOARD

1. An Administrative Board shall be constituted consisting of three representatives appointed by the Federal Republic and one representative appointed by each of the other Parties to the present Agreement. The representatives on the Administrative Board may not be members of the Tribunal or of the Commission or have any other employment with the Tribunal or the Commission. The names of the representatives shall be notified to the President of the Tribunal and to the President of the Commission.

2. The Administrative Board shall meet at least once a year at a place and time agreed upon by the representatives, as notified by the Registrar. It shall also meet if so requested by the representatives of at least two of the Parties to the present Agreement. Such request shall be addressed to the Registrar who shall notify the other representatives.

3. The Administrative Board shall exercise the powers conferred on it by the present Agreement. In particular it shall have the right :

- (a) to give instructions to the Registrar on administrative matters of the Tribunal or of the Commission, and to supervise the execution of such instructions;
- (b) to approve the budget submitted by the Registrar;
- (c) to summon the Registrar to attend the meetings of the Administrative Board and to require him to provide the Board with all the information it may require concerning the administration of the Tribunal and of the Commission.

4. Except in the case of a decision taken pursuant to paragraph 3 (b) of this Article which shall be unanimous, decisions of the Administrative Board shall be by majority vote of its six members.

5. The President of the Tribunal and the President of the Commission shall have the right to attend meetings of the Administrative Board in an advisory capacity.

6. Each Party to the present Agreement shall bear the cost of its representation on the Administrative Board.

*Article 7*

## REMUNERATION

1. The President of the Tribunal shall be remunerated at the rate of D. M. 500 per month with effect from the date of his appointment until the first day of the month in which the first petition is filed pursuant to Article 14 of the Charter of the Tribunal, with effect from which date the President's remuneration shall be D. M. 30,000 per period of twelve months (hereinafter referred to as a 'salary year') plus D. M. 1,000 for each calendar week during which he has spent three days on the business of the Tribunal in public session, provided, however, that :

- (a) his total remuneration for any one salary year shall not exceed D. M. 50,000; and
- (b) if in any one salary year he is not engaged on any business of the Tribunal in public session his remuneration for that salary year shall be D. M. 12,000.

2. The remuneration of each Vice-President of the Tribunal shall be D. M. 12,000 per period of twelve months plus D. M. 1,000 for each calendar week during which he has spent three days on the business of the Tribunal in public session, with effect from the first day of the month in which the first petition is filed pursuant to Article 14 of the Charter of the Tribunal, provided, however, that :

- (a) his total remuneration for any one salary year shall not exceed D. M. 40,000; and
- (b) if in any one salary year he is not engaged on any business of the Tribunal in public session his remuneration for that salary year shall be D. M. 5,000.

3. The remuneration of the President and each Vice-President of the Commission shall be at the rate of D. M. 40,000 per period of twelve months with effect from the date of their appointments. Such remuneration shall be paid for two periods of twelve months and thereafter their remuneration will be fixed by the Parties to the present Agreement after consultation with the President and the Vice-Presidents.

4. The Registrar and the Deputy Registrar of the Tribunal shall be remunerated with effect from the dates of their appointments at a rate to be fixed from time to time by the parties to the present Agreement.

5. On the request of the entitled person, remuneration, other than subsistence and travel allowances, shall be converted into the currency of the country of which that person is a national.

6. The remuneration of those Members of the Tribunal and of the Commission who are appointed by one of the Governments Parties to the present Agreement, shall be fixed and paid by the appointing Government.

### *Article 8*

#### ALLOWANCES IN RESPECT OF TRAVEL AND CHANGE OF RESIDENCE

1. Travel expenses shall be paid :
  - (a) to the Members of the Tribunal and of the Commission, to the Registrar and to the personnel of the Registry for all duty journeys made on behalf of the Tribunal or of the Commission, with the exception of journeys to and from work at the seat of the Tribunal and the Commission;
  - (b) to the President and the Vice-Presidents of the Tribunal and of the Commission, to the Registrar and to the personnel of the Registry for journeys from their usual places of residence to the seat of the Tribunal and of the Commission on first assuming their appointments and for journeys from the seat of the Tribunal and of the Commission to their former places of residence or not more distant places on termination of their appointments.

2. Travel expenses referred to in paragraph 1 of this Article shall include the amount actually spent on fares and daily and overnight subsistence allowances, in accordance with rates to be fixed by the Administrative Board.

3. The expenses incurred by the President and the Vice-Presidents of the Tribunal and of the Commission and either the Registrar or the Deputy Registrar (whichever one resides at the seat of the Tribunal) in moving their families from their usual places of residence to their new places of residence in the Federal Republic and on the termination of their appointments in moving their families from the Federal Republic to their former places of residence or to not more distant places shall be reimbursed in an amount agreed by the Administrative Board. This provision shall only apply if the person concerned establishes his permanent residence at the seat of the Tribunal and the Commission.

4. Payments in accordance with this Article shall be calculated in Deutsche Mark. On the request of the entitled person, however, payment shall be made in the currency in which the expenses were incurred.

### *Article 9*

#### FINANCE

1. All expenditure of the Tribunal and the Commission other than the salaries of the national Members appointed by the Parties to the present Agreement shall be met from the Budgetary Funds of the Tribunal and of the Commission.

2. The Budgetary Funds of the Tribunal and the Commission shall be contributed by the Parties to the present Agreement on the following basis : the Federal Republic shall contribute one-half and each of the other Parties one-sixth.

3. The contributions referred to in paragraph 2 of this Article shall be remitted or made available by the Parties to the present Agreement to a Federal Cash Office specified by the Federal Government, either in Deutsche Mark or in their respective national currency.

4. As from the entry into force of the present Agreement the Federal Government shall as and when required make available to the Budgetary Funds of the Tribunal and the Commission advances sufficient to finance the Tribunal and the Commission for a period not exceeding the first five months of their operation. Such advances shall be credited against the first annual contribution of the Federal Government in a manner to be determined by the Administrative Board.

5. The Federal Government undertakes to make available on the entry into force of the present Agreement the services of a Federal Cash Office to act as the Payment and Accounts Office of the Tribunal and the Commission. This Office shall, in accordance with the provisions of the Annex<sup>1</sup> to the present Agreement :

- (a) receive and accept on behalf of the Tribunal and the Commission, the contributions and the advances referred to in this Article and any other miscellaneous revenue of the Tribunal and the Commission;
- (b) establish and credit to the Budgetary Funds of the Tribunal and the Commission the revenue received under paragraph 5 (a) of this Article;
- (c) pay the remunerations provided for in Article 7 of the present Agreement and make, on behalf of the Tribunal and the Commission, all payments from the Budgetary Funds authorized by the Registrar;
- (d) operate and maintain, on behalf of the Registrar, the accounts of the Tribunal and the Commission.

6. The Registrar shall supply the Federal Cash Office referred to in paragraph 5 of this Article with the necessary authority and information for the proper exercise of the responsibilities of that office under the present Agreement.

7. The preparation and approval of the Budget, the expenditure of appropriations, the assessment and payment of the annual contributions and the operation, maintenance and auditing of the accounts of the Tribunal and of the Commission shall be governed by the provisions of the Annex<sup>1</sup> hereto which forms an integral part of the present Agreement.

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<sup>1</sup> See p. 20 of this volume.



*Article 10*

## MISCELLANEOUS

1. The Federal Republic undertakes to make available the accommodation and public services and utilities required by the Tribunal and the Commission and to provide the furniture, other equipment and transport initially required for the Tribunal and the Commission. The cash expenditure incurred by the Federal Republic pursuant to this paragraph shall be reimbursed from the Budgetary Funds referred to in Article 9 of the present Agreement.

2. The Federal Government undertakes to assist the Members and the Registrar of the Tribunal and of the Commission in obtaining adequate living accommodation at appropriate rentals.

3. The Federal Republic shall remain the owner of such tangible property as may be provided by it for the use of the Tribunal or the Commission, in so far as it has not been reimbursed in accordance with paragraph 1 of this Article for cash expenditure. Tangible property acquired from the Budgetary Funds of the Tribunal and of the Commission shall, subject to financial arrangements to be agreed by the Administrative Board at an appropriate time, vest in the Federal Republic.

4. To the extent that the liability of the Federal Republic is not already provided for by other provisions, the Federal Government undertakes to pay compensation in accordance with German law for damage caused to third parties by acts or omissions of the Registrar or the personnel of the Registry in the course of their duties for the Tribunal or the Commission, in the same manner as if such persons were acting on behalf of the Federal Republic. This obligation shall inure to the benefit of persons suffering damage in that their claims for compensation may be made direct against the Federal Republic.

5. Payments which are required to be made by the Federal Republic pursuant to the provisions of paragraph 3 or 4 of this Article, or paragraph 10 of Article 4 of the present Agreement, shall be reimbursed from the Budgetary Funds referred to in Article 9 of the present Agreement.

*Article 11*

## EFFECTIVE DATE OF AGREEMENT

The present Agreement shall enter into force on the date of signature with effect from the time and date of the entry into force of the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany signed at Paris on the 23rd of October, 1954.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

DONE at Bonn the thirteenth day of July, 1956 in the German, French and English languages, all three texts being equally authoritative.

For the Government of the Federal Republic of Germany :  
(Signed) VON BRENTANO

For the Government of the French Republic :  
(Signed) Louis JOXE

For the Government of the United Kingdom of Great Britain  
and Northern Ireland :  
(Signed) Roger ALLEN

For the Government of the United States of America :  
(Signed) James B. CONANT

## A N N E X

### FINANCIAL REGULATIONS

1. These regulations shall govern the financial administration of the Tribunal and the Commission, as provided in Article 9 of the Administrative Agreement between the Governments of the Federal Republic of Germany, the French Republic, the United Kingdom of Great Britain and Northern Ireland and the United States of America<sup>1</sup> in accordance with the Charter of the Tribunal and the Charter of the Commission.

2. The financial year shall be from April 1 to March 31.

3. The Registrar shall submit by November 1, for approval by the Administrative Board, the budget estimates for the following financial year. In the course of any financial year, he may also submit such supplementary estimates as he deems necessary.

4. The estimates submitted to the Administrative Board shall be under appropriate headings and shall be accompanied by :

- (a) a statement of the estimated income;
- (b) a statement of the estimated expenditures during the current financial year, and the expenditures during the last completed financial year;
- (c) a statement showing the assets and liabilities at the end of the last completed financial year and the estimated financial position at the end of the current financial year.

5. The budget estimates shall be expressed in Deutsche Mark.

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<sup>1</sup> See p. 4 of this volume.

6. After approval of a budget by the Administrative Board, the Registrar is authorized to incur and make expenditures and to collect contributions.

7. If the budget estimates for the following financial year have not been approved on the due date, the Registrar is authorized for a period of not more than three months or until the approval of the budget, whichever period is the shorter, to incur and make expenditures and to collect the appropriate contributions in accordance with such estimates to an amount not exceeding the average amount approved for a corresponding period in the immediately preceding financial year.

#### TRANSFERS BETWEEN APPROPRIATIONS

8. Transfers from one appropriation to another shall not be made by the Registrar without the prior unanimous approval of the Administrative Board.

#### AVAILABILITY OF APPROPRIATIONS AT THE CLOSE OF THE FINANCIAL YEAR

9. Funds unexpended at the end of the financial year shall remain available until the following June 30 in order to discharge liabilities in respect of supplies furnished, services rendered or other charges incurred up to the previous March 31 and for which payment has not been made.

10. Funds unexpended by July 1 shall be divided among the Federal Republic of Germany, the French Republic, the United Kingdom of Great Britain and Northern Ireland and the United States of America (hereinafter referred to as the Four Powers) in proportion to their respective contributions and credited against their contributions for the following year.

11. The accounts for the financial year shall be completed not later than the July 31 next following.

#### PROVISION OF FUNDS

12. The appropriations, subject to any adjustments to be effected in accordance with the provisions of paragraph 13, shall be financed by contributions from the Four Powers according to assessments in the ratio set forth in the Administrative Agreement.

13. In assessing the contributions of the Four Powers, due account will be taken of :

- (a) supplementary appropriations for which contributions have not previously been assessed on the Four Powers;
- (b) estimated miscellaneous income during the financial year;
- (c) all income or losses which have not previously been taken into account;
- (d) any surrendered unspent balance of appropriations for the last completed financial year.

14. After approval of the budget by the Administrative Board the Registrar shall :

- (a) inform the respective Governments of their commitments in respect of annual contributions, transmitting to them at the same time the budget estimates;
- (b) request them to remit their contributions.

15. The annual contributions shall be assessed in terms of Deutsche Mark and shall be remitted in quarterly instalments to the Federal Cash Office referred to in paragraph 5 of Article 9 of the Administrative Agreement not later than the third day after the commencement of the quarter.

16. The amount of each instalment shall be determined on the basis of anticipated expenditures for the ensuing quarter within the frame-work of the budget estimates and shall be notified to the various Governments six weeks before payment is due.

#### INTERNAL CONTROL

17. The Registrar shall :

- (a) formulate such detailed financial rules and procedures as may be necessary to ensure effective financial administration and exercise of economy in consultation with the Federal Cash Office referred to in paragraph 5 of Article 9 of the Administrative Agreement; any such rules and procedures shall require the approval of the Administrative Board;
- (b) cause an accurate record to be kept of all capital acquisitions and all supplies purchased and used;
- (c) render to the appointed auditors, at the time of submission of the accounts, statements showing, as at March 31 of the financial year concerned, the supplies in hand and the assets and liabilities, together with statements of losses of cash, stores and other assets written off in accordance with the provisions of paragraph 19;
- (d) cause all payments to be made on the basis of supporting vouchers and other documents which ensure that services or commodities have been received and that payment has not been previously made;
- (e) designate, in consultation with the Federal Cash Office referred to in paragraph 5 of Article 9 of the Administrative Agreement the officials who may receive money, incur obligations and make payments on behalf of the Tribunal and the Commission, requiring surety bonds of such officials;
- (f) maintain a financial control which shall provide for an effective current examination or review of financial transactions, in order
  - (i) to ensure the regularity of the receipt, disposal and custody in respect of all funds and other resources of the Tribunal and the Commission;
  - (ii) to ensure that all expenditures conform with the appropriations;
  - (iii) to obviate any uneconomic use of the resources of the Tribunal and of the Commission.

18. No contract, agreement or undertaking of any nature involving a charge against the Tribunal or the Commission shall be entered into or have any force or effect, unless :

- (a) funds have been provided for in the respective appropriations to discharge any obligation which becomes due for payment in the financial year under such contract, agreement or undertaking; and
- (b) the charge is a proper one against the Tribunal or the Commission.

19. Subject to the requirements of paragraph 17 (c) the Registrar may, after appropriate investigation, authorize the writing off of any loss of cash, stores, and other assets not exceeding 100 Deutsche Mark individually or 500 Deutsche Mark in any financial

year. Any one loss exceeding 100 Deutsche Mark or total losses exceeding 500 Deutsche Mark in any financial year may only be written off after unanimous approval by the Administrative Board.

20. The accounts of the Tribunal and of the Commission shall each consist of :

(a) budget accounts showing :

- (i) original allocations,
- (ii) allocations after modification by any transfers,
- (iii) any provision of funds by a supplementary estimate,
- (iv) payments made,
- (v) expenditure incurred,
- (vi) all cash receipts and disbursements;

(b) property records showing :

- (i) capital acquisition and disposals,
- (ii) equipment and supplies purchased, used and on hand.

21. The accounts of the Tribunal and of the Commission shall be submitted by the Registrar to the Administrative Board and the appointed auditors by August 15 following the end of the financial year.

#### EXTERNAL AUDITORS

22. The Administrative Board shall appoint two External Auditors who must be qualified accountants, for the purpose of examining the accounts of the Tribunal and of the Commission in order to ensure that all transactions are in accordance with the budget, that the accounts are properly kept and economical use of the funds has been made and that there are no financial irregularities. The appointments shall be made subject to the following provisions :

- (a) the External Auditors may conduct the audit in such a manner as they think fit, after consultation with the Administrative Board concerning the scope of the audit, but subject to the provisions of these regulations and with due regard to the appropriation made for the cost of audit;
- (b) the External Auditors shall submit a report, together with the certified accounts and such other statements as necessary, to the Administrative Board to be available not later than October 1 following the end of the financial year to which the accounts relate. Immediately upon receipt the report, together with the certified accounts, shall be circulated to the respective Governments.

23. The Administrative Board, after examination of the report of the External Auditors, may by unanimous decision disallow any item in the accounts which it considers improper and direct the corresponding amendment of the accounts. If the Administrative Board disallows any item, it shall decide what further action is necessary. If the Administrative Board approves the accounts it shall release the Registrar from further responsibility therefor.