

No. 6608

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

**Exchange of notes constituting an agreement relating to the  
disposition of defense equipment and materials. Bonn/  
Bad Godesberg and Bonn, 25 May 1962**

*Official texts: English and German.*

*Registered by the United States of America on 15 April 1963.*

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

**Échange de notes constituant un accord relatif à la liquida-  
tion d'équipement et de matériel destinés à la défense.  
Bonn/Bad Godesberg et Bonn, 25 mai 1962**

*Textes officiels anglais et allemand.*

*Enregistré par les États-Unis d'Amérique le 15 avril 1963.*

No. 6608. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND THE FEDERAL REPUBLIC OF GERMANY RELATING TO THE DISPOSITION OF DEFENSE EQUIPMENT AND MATERIALS. BONN/BAD GODESBERG AND BONN, 25 MAY 1962

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I

*The American Ambassador to the Minister for Foreign Affairs of the  
Federal Republic of Germany*

No. 195

Bonn/Bad Godesberg, May 25, 1962

Excellency :

I have the honor to refer to the recent discussions between our two Governments concerning the disposition of equipment and materials furnished to the Federal Republic of Germany on a grant basis under the Mutual Defense Assistance Agreement signed at Bonn on June 30, 1955.<sup>2</sup> I am pleased to inform Your Excellency that my Government is prepared to agree to the disposal of such equipment on the basis of the following understandings :

1. Notwithstanding the provisions of the Agreement effected by an exchange of letters signed at Bonn on June 30, 1955, as amended by an Agreement effected by an exchange of notes signed at Bonn on March 9, 1961,<sup>3</sup> the Government of the United States will sell its reversionary rights to equipment heretofore furnished on a grant basis under the above-mentioned Mutual Defense Assistance Agreement in return for payment of the present fair value of such equipment. It is agreed that the sum of \$75 million, based largely on scrap value of seven and one-half percent of the estimated original acquisition cost, is the present fair value.

2. Except as otherwise provided herein, the provisions of the Mutual Defense Assistance Agreement will continue to apply to the equipment affected by paragraph 1 of this note and will be interpreted and implemented in the same manner applied to equipment purchased by the Government of the Federal Republic of Germany under the Mutual Defense Assistance Agreement, as supplemented by the Agreement, relating to the sale of certain military equipment, materials, and services effected by an exchange of notes signed at Washington on October 8, 1956, as extended and amended.<sup>4</sup>

3. Prior to any disposal by the Government of the Federal Republic of Germany of any major items of equipment affected by paragraph 1 of this note, notice of the proposed disposal will be furnished to the Government of the United States. Should the Govern-

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<sup>1</sup> Came into force on 25 May 1962 by the exchange of the said notes.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 240, p. 69.

<sup>3</sup> United Nations, *Treaty Series*, Vol. 405, p. 323.

<sup>4</sup> United Nations, *Treaty Series*, Vol. 278, p. 9; Vol. 393, p. 332, and Vol. 434, p. 328.

ment of the United States determine that it requires any such item for the defense of the free world, upon request the Government of the Federal Republic of Germany will sell such item to the Government of the United States for seven and one-half percent of the estimated original acquisition cost of such item.

4. Upon receipt by the Government of the United States of the sum of \$75 million in accordance herewith, the Government of the United States agrees to the release to the Government of the Federal Republic of Germany of all funds held in escrow as the result of sales by VEPEG, a property disposal agency of the latter Government, of surplus *Bundeswehr* equipment, including equipment furnished on a grant basis by the Government of the United States.

5. Representatives of the Governments of the United States and of the Federal Republic of Germany will negotiate detailed arrangements necessary to carry out the provisions of this Agreement.

I have the honor to propose that, if these understandings are acceptable to your Government, this note and Your Excellency's note in reply confirming these understandings shall constitute an Agreement between our two Governments which shall enter into force on the date of Your Excellency's reply.

Accept, Excellency, the renewed assurances of my highest consideration.

Walter DOWLING

His Excellency Dr. Gerhard Schröder  
Federal Minister for Foreign Affairs  
Bonn

## II

### *The Minister for Foreign Affairs of the Federal Republic of Germany to the American Ambassador*

[GERMAN TEXT — TEXTE ALLEMAND]

DER BUNDESMINISTER DES AUSWÄRTIGEN

Bonn, den 25. Mai 1962

Herr Botschafter,

ich beehre mich, den Empfang Ihrer Note vom heutigen Tage zu bestätigen, deren Wortlaut in vereinbarter Übersetzung wie folgt lautet :

„Ich beehre mich, auf die kürzlich zwischen unseren beiden Regierungen geführten Besprechungen betreffend Verfügung über Ausrüstung und Material Bezug zu nehmen, das der Bundesrepublik Deutschland im Rahmen des am 30. Juni 1955 in Bonn unterzeichneten Abkommens über gegenseitige Verteidigungshilfe als Gratihilfe geliefert wurde. Ich darf Eurer Exzellenz mit Genugtuung davon Kenntnis geben, daß meine Regierung bereit ist, der Verfügung über diese Ausrüstung nach Maßgabe folgender Vereinbarungen zuzustimmen :

Ich beehre mich, Ihnen mitzuteilen, daß die Regierung der Bundesrepublik Deutschland mit den in ihrer Note enthaltenen Vorschlägen und damit einverstanden ist, daß Ihre Note und diese Antwort eine Vereinbarung zwischen unseren beiden Regierungen bilden sollen, die mit dem Datum dieser Antwort in Kraft tritt.

Genehmigen Sie, Herr Botschafter, den Ausdruck meiner ausgezeichnetsten Hochachtung.

SCHRÖDER

Seiner Exzellenz dem Botschafter der  
Vereinigten Staaten von Amerika  
Herrn Walter C. Dowling

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]

THE FEDERAL MINISTER OF FOREIGN AFFAIRS

Bonn, May 25, 1962

Mr. Ambassador :

I have the honor to acknowledge receipt of your note of today's date, the agreed translation of which reads as follows :

[*See note I*]

I have the honor to inform you that the Government of the Federal Republic of Germany concurs in the proposals contained in your note and in the proposal that your note and this reply shall constitute an Agreement between our two Governments, which shall enter into force on the date of this reply.

Accept, Mr. Ambassador, the assurance of my highest consideration.

SCHRÖDER

His Excellency Walter C. Dowling  
Ambassador of the United States of America

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<sup>1</sup> Translation by the Government of the United States of America.

<sup>2</sup> Traduction du Gouvernement des États-Unis d'Amérique.