No. 6024

UNITED STATES OF AMERICA
and
FEDERAL REPUBLIC OF GERMANY

Second Agreement regarding certain matters arising from the validation of German dollar bonds (with schedule). Signed at Bonn, on 16 August 1960

Official texts: English and German.

Registered by the United States of America on 3 January 1962.

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

Deuxième Accord relatif à certaines questions ayant trait à la validation d'obligations allemandes émises en dollars (avec liste). Signé à Bonn, le 16 août 1960

Textes officiels anglais et allemand.

Enregistré par les États-Unis d'Amérique le 3 janvier 1962.

No. 6024. SECOND AGREEMENT[1] BETWEEN THE UNITED STATES OF AMERICA AND THE FEDERAL REPUBLIC OF GERMANY REGARDING CERTAIN MATTERS ARISING FROM THE VALIDATION OF GERMAN DOLLAR BONDS. SIGNED AT BONN, ON 16 AUGUST 1960

The United States of America and the Federal Republic of Germany,

Considering, that the United States of America (hereinafter referred to as " the United States ") and the Federal Republic of Germany (hereinafter referred to as " the Federal Republic ") concluded on April 1, 1953 an Agreement Regarding Certain Matters Arising from the Validation of German Dollar Bonds,[2] which entered into force on September 16, 1953;

That Article 1 of that Agreement provides that, except as may be agreed between the Federal Republic and the United States, the Federal Republic will not amend or modify its Law for the Validation of German Foreign Currency Bonds of August 25, 1952 (*Bundesgesetzblatt* 1952, Part I, page 553) (hereinafter referred to as " the Validation Law ") or the Schedule thereto as they relate to bonds, debentures or other obligations listed in the said Schedule or in the First Implementing Ordinance under the said Law of February 21, 1953 (*Bundesgesetzblatt* 1953, Part I, page 31) and in respect of which the Schedule or the said Ordinance describes the United States as the Country of Offering, or extend the provisions of the said Law to bonds offered in the United States and not listed in the said Schedule or the said Ordinance;

That the Validation Law and thus the said Agreement relate only to Dollar Bonds whose issuers have their seat in the area of applicability of the Validation Law;

That it appears now in the mutual interest to extend the provisions of the Validation Law and the Agreement to the Dollar Bonds described in Article I, paragraph 1, below, whose issuers have no seat in the area of applicability of the Validation Law, since the Dollar Bonds are guaranteed by corporations located in that area or since the issuers own realizable assets in that area;

[1] Came into force on 30 June 1961, upon the exchange of the instruments of ratification at Washington, in accordance with article VII (2).

[2] United Nations, *Treaty Series*, Vol. 224, p. 3.

That it further appears necessary to enable the Federal Repbublic to amend the Validation Law with a view to allowing the subsequent granting of declaratory decrees, so as to eliminate hardships borne by former holders of Dollar Bonds;

Have agreed as follows:

Article I

(1) Dollar Bonds of the types listed in the attached Schedule[1] shall be deemed to be foreign currency bonds as defined in Article 1 of the Validation Law. In respect of such Dollar Bonds, the United States shall be deemed to be the Country of Offering.

(2) The provisions of the Validation Law, the provisions of the Second Implementing Ordinance (*Bundesanzeiger* No. 50 of March 13, 1953) and of the Twelfth Implementing Ordinance (*Bundesgesetzblatt* 1956, Part I, page 742) thereto dated respectively March 7, 1953 and August 11, 1956, and the arrangements made in the Agreement between the Government of the United States and the Government of the Federal Republic of February 27, 1953[2] and in the Agreement between the United States and the Federal Republic of April 1, 1953 shall apply to the Dollar Bonds listed in the attached Schedule including coupons issued in connection with the said Bonds, except as otherwise hereinafter provided.

(3) The Federal Republic may, with the consent of the Government of the United States, provide for the validation of other Dollar Bonds.

Article II

The provisions referred to in Article I, paragraph 2, above, shall apply to the Dollar Bonds listed in the attached Schedule under serial number 1 with the following provisos:

1. The guarantors referred to under serial number 1 of the attached Schedule shall be deemed to be the issuers.
2. Articles 2 and 50 of the Validation Law and Article II of the Agreement between the United States and the Federal Republic of April 1, 1953 shall apply only in respect of the guarantors' obligations.
3. The Examining Agency (Article 11 of the Validation Law) shall be designated within two months from the date of entry into force of this Agreement.
4. The Opening Date (Article 19 of the Validation Law) shall be the first day of the third month following the date of the entry into force of this Agreement.

[1] See p. 246 of this volume.

[2] United Nations, *Treaty Series*, Vol. 223, p. 167.