

No. 6435

**ISRAEL
and
FEDERAL REPUBLIC OF GERMANY**

**Agreement regarding German Secular Property in Israel
(with exchange of letters). Signed at Geneva, on 1 June
1962**

Official text: English.

Registered by Israel on 18 December 1962.

**ISRAËL
et
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**

**Accord relatif aux biens séculiers allemands situés en Israël
(avec échange de lettres). Signé à Genève, le 1^{er} juin 1962**

Texte officiel anglais.

Enregistré par Israël le 18 décembre 1962.

No. 6435. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF ISRAEL REGARDING GERMAN SECULAR PROPERTY IN ISRAEL. SIGNED AT GENEVA, ON 1 JUNE 1962

Considering that the Government of the Federal Republic of Germany and the Government of the State of Israel have concluded at Luxembourg on 10 September 1952² an agreement concerning compensation for German secular property in Israel, hereinafter called "The Property Agreement", and

Considering that pursuant to Article 7 of the Property Agreement, the Contracting Parties have concluded at Copenhagen on 29 October 1959, a "Special Agreement", by which a Mediator was appointed and certain questions were referred to him for mediation, and

Considering that the Contracting Parties have requested the Mediator to make a reconciliation proposal, and

Considering that the Mediator has submitted at Geneva on 21 May 1962 "Suggested Terms of a Fair Settlement",
the Government of the Federal Republic of Germany and the Government of the State of Israel have agreed as follows :

Article I

Israel agrees to pay to the order of the Federal Republic of Germany the sum of fifty four million Deutsche Mark (DM 54,000,000.-).

Article II

The amount of DM 54,000,000.— referred to in Article I hereof is made up as follows :

- (a) the sum of DM 45,000,000.— suggested by the Mediator as a fair settlement of all the claims of the Federal Republic of Germany which under the Special Agreement were submitted to mediation ; and
- (b) the sum of DM 9,000,000.— in respect of all other claims advanced with regard to German secular property in Israel.

¹ Came into force on 13 August 1962, the day following the day on which the Government of the Federal Republic of Germany notified the Government of Israel that the constitutional requirements to give effect to the Agreement had been fulfilled, in accordance with the provisions of article VII.

² United Nations, *Treaty Series*, Vol. 345, p. 91.

Article III

(1) On account of the amount referred to in Article I hereof, Israel has already paid to the Federal Republic of Germany sums totalling twenty two million eight hundred thousand Deutsche Mark (DM 22,800,000.—).

(2) The balance amounting to thirty one million two hundred thousand Deutsche Mark (DM 31,200,000.—) will be paid by Israel in two equal instalments, payable not later than 31 December 1962, and not later than 31 December 1963, respectively, in the manner provided for in Article 4 (d) of the Property Agreement.

Article IV

The payment of the amount of DM 54,000,000.— referred to in Article I hereof shall be in full and final discharge of all claims, rights and interests of the Federal Republic of Germany or any person or body claiming for or under it or any of the persons referred to in Article 2 of the Property Agreement, by virtue of the Property Agreement or by virtue of any other claim or title regarding German secular property in Israel ; and the Government of the Federal Republic of Germany hereby acknowledges that upon payment of the amount referred to in Article I hereof, it will have no claim, right or interest whatsoever under the Property Agreement or under any other title whatsoever against the State of Israel in regard to any matter relating to German secular property in Israel.

Article V

This Agreement shall be communicated to the Mediator appointed under the Special Agreement, with the request of both Parties that the mediation proceedings be formally terminated.

Article VI

Subject to the provisions of Article III hereof, the Property Agreement and the Special Agreement shall cease to have any further force and effect.

Article VII

This Agreement shall come into force on the day following the day on which the Government of the Federal Republic of Germany notifies the Government of Israel that the constitutional requirements to give effect hereto have been fulfilled.

DONE at Geneva on the first day of June 1962 in two originals in the English language with two authentic copies thereof ; each of the Contracting Parties shall be furnished with one original, and the Mediator with the authentic copies.

For the Government
of the Federal Republic of Germany :
(Signed) Bernhard WOLFF

For the Government
of Israel :
(Signed) Zev ARGAMAN

EXCHANGE OF LETTERS

No. 1, *a*

HEAD OF GERMAN DELEGATION

Geneva, 1st June 1962

The Authorized Agent of the Government
of the State of Israel

Dear Mr. Argaman,

In connection with the Agreement signed today¹ between our Governments, I have the honour to particularize hereunder the separate claims which were advanced against the Government of Israel by the Government of the Federal Republic of Germany and to which the sum mentioned in Article II (b) of the said Agreement relates ; namely :

- (1) The amount of £1,793,000.— (one million seven hundred and ninety three thousand pounds sterling) referred to in Article 5 (e) of an Agreement concluded between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Israel at London on 30 March 1950 ;²
- (2) The amount of £346,000.— (three hundred and forty six thousand pounds sterling) referred to in the same Article of the said Agreement of 30 March 1950 ;
- (3) Property other than real estate which is or at any time was vested in the Custodian of German Property in Israel under Israel law.

The sum of DM 7,000,000.— (seven million Deutsche Mark) is being paid in respect of the claims mentioned under (1) and (2) above, and the balance of DM 2,000,000.— (two million Deutsche Mark) is being paid in respect of the property other than real estate mentioned under (3) above.

In this connection, I should like to state that, in the opinion of the Government of the Federal Republic of Germany, the acceptance, as a result of reconciliation proceedings, of the said sum of DM 7,000,000.— (seven million Deutsche Mark) in respect of the amounts of £1,793,000.— and £346,000.— mentioned above, does not prejudice any claims which your Government or any third Government may have against the Government of the United Kingdom of Great Britain and Northern Ireland with regard to these amounts.

Please accept, dear Mr. Argaman, the assurance of my highest consideration.

(Signed) Bernhard WOLFF

¹ See p. 228 of this volume.

² United Nations, *Treaty Series*, Vol. 86, p. 231.

No. 1, b

HEAD OF ISRAEL DELEGATION

Geneva, 1st June 1962

The Authorized Agent of the Government
of the Federal Republic of Germany

Dear Herr Wolff,

I have the honour to acknowledge receipt of your letter of today's date, which reads as follows :

[See letter 1, a]

I am instructed to inform you of the consent of the Government of Israel to the contents of the above letter.

Please accept, dear Herr Wolff, the assurance of my highest consideration.

(Signed) Zev ARGAMAN

No. 2, a

HEAD OF GERMAN DELEGATION

Geneva, 1st June 1962

The Authorized Agent of the Government
of the State of Israel

Dear Mr. Argaman,

With reference to Article I of the Agreement concluded today between our Governments, I have the honour to inform you that the Government of the Federal Republic of Germany desires the payment of the amount therein specified to be made to Hessische Landesbank und Girozentrale, Frankfurt am Main, for the account entitled "Zahlung Israel" of the Deutsche Revisions- und Treuhand Aktiengesellschaft, Frankfurt am Main.

Please accept, dear Mr. Argaman, the assurance of my highest consideration.

(Signed) Bernhard WOLFF