

No. 6608

**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.

**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 AGREEMENT¹ 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

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, 1955.² 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, 1961,³ 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.⁴

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-

¹ Came into force on 25 May 1962 by the exchange of the said notes.

² United Nations, *Treaty Series*, Vol. 240, p. 69.

³ United Nations, *Treaty Series*, Vol. 405, p. 323.

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