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LIQUIDATION OF GERMAN PROPERTY IN SPAIN

*Accord, executive protocol, financial protocol, and exchanges of letters
and notes signed at Madrid May 10, 1948
Entered into force May 10, 1948
Terminated July 2, 1959, upon entry into force of protocol of August 9,
1958¹*

62 Stat. 2061; Treaties and Other
International Acts Series 1773

ACCORD REGARDING THE ELIMINATION OF THE ECONOMIC POTENTIAL SITUATED IN SPAIN CAPABLE OF CONSTITUTING A DANGER TO PEACE, AND THE LIQUIDATION OF BALANCES AND PAYMENTS CLAIMS BETWEEN THE GOVERNMENTS OF SPAIN AND GERMANY

Whereas, in due course the Governments of the United States of America, of France, and of the United Kingdom of Great Britain and Northern Ireland approached the Spanish Government, making known their wish that the latter adhere to Resolution VI of Bretton Woods,² to the end of eliminating in Spanish territory the economic potential capable of constituting a danger to peace;

Whereas, the mutual desire of carrying out this common objective has been expressed in various Notes exchanged between the Spanish and the Allied Governments, especially those of October 28, 1946,³ by which it was acknowledged that, as a consequence of the Act of Surrender of Germany of May 7, 1945,⁴ and the Declaration of Berlin of the Allied Control Council dated June 5, 1945,⁵ the powers and authority of the Government of the German Reich had been assumed by a Representation of the Allied Governments, represented in Spain, for the purposes of this Accord, by the Governments of the United States of America, of France, and of the United Kingdom of Great Britain and Northern Ireland; and

¹ 11 UST 2274; TIAS 4606.

² *Proceedings and Documents of United Nations Monetary and Financial Conference, Bretton Woods, New Hampshire, July 1-22, 1944*, Department of State publication 2866 (U.S. Government Printing Office, 1948), vol. I, p. 939.

³ Not printed.

⁴ EAS 502, *ante*, vol. 3, p. 1123.

⁵ TIAS 1520, *ante*, vol. 3, p. 1140.

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Whereas, it is deemed convenient that the balances arising through trade and payments between the Governments of Spain and Germany, as well as certain claims pending between both States, be liquidated;

Now, therefore, the undersigned, duly appointed for the purpose of these negotiations, have entered into the following Accord, which will come into force through an exchange of Notes for that purpose.

ARTICLE I

Property situated in Spain, her Protectorates or Possessions (hereinafter referred to as "Spain"), belonging to persons of German nationality falling within the conditions defined in this Accord, shall be expropriated for reasons of national security under the conditions stipulated in legal dispositions which the Government of Spain may issue for that purpose.

ARTICLE II

For the purposes of this Accord, the term "property" refers to property or assets of every description as well as to the rights and interests which may exist therein, provided they were situated in Spain on May 5, 1945, as likewise to sums falling due between the last mentioned date and April 30, 1948, whether registered in the name of their true owners or in the names of interposed persons for the beneficial interest of such owners, and to those properties or assets referred to in the Decree Law of the Spanish Government of May 5, 1945, and not by subsequent disposition exempted therefrom.

ARTICLE III

The provisions of this Accord apply to all persons, natural and juridical, of German nationality not resident or domiciled in Spain—neither they nor their heirs at law (derechohabientes)—on May 5, 1945, as likewise to all those juridical persons domiciled in Spain, of whatever nationality, for that part of their capital which may belong to natural or juridical persons of German nationality not resident or domiciled in Spain as defined above. Natural persons of German nationality who are the object of an expulsion order by Spanish governmental authority, are considered as nonresident in Spain for the purposes of this article, even though for whatever reason said expulsion order may not have been executed.

ARTICLE IV

The Spanish Administration and the Representatives in Spain of the Allied Control Council for Germany (hereinafter referred to as the "Representatives") shall reciprocally maintain effective collaboration as regards the speedy and complete execution of this Accord. They will also exchange whatever information they may possess related to the identification of the foreign assets in Spain eventually to be expropriated.

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ARTICLE V

The Representatives, in their capacity as representatives of the Government of Germany, will assume the protection of the interests of the owners of the expropriable properties in the conditions stipulated in this Accord and in the legal dispositions which the Government of Spain may issue for that purpose.

ARTICLE VI

In cases where the identification of assets liable to expropriation or the valuation thereof gives rise to differences of opinion which prevent agreement between the Spanish Administration and the Representatives, the question shall be submitted for the final and impartial judgment of a disinterested person chosen by both parties. Such person shall determine his own procedure, and his decision shall be binding upon the interested parties.

ARTICLE VII

Once the expropriation has been accomplished, the expropriated property will be allotted in a manner consistent with the requirements of the Spanish economy.

Persons who apply for the allocation to them of such property must establish to the satisfaction of the Spanish Administration that they are not acting in representation of, nor under a mandate for, nor in relation with persons whose property has been expropriated or other persons affected by this Accord, in any manner whereby indirectly an economic potential capable of endangering peace might be reconstituted. Measures shall be adopted to insure that any infraction of this condition shall entail the nullification of the act of allocation and the forfeiture of all sums paid therefor. The Representatives may obtain and furnish pertinent information for the purposes mentioned.

ARTICLE VIII

Sums corresponding to the fair appraisal values (justiprecios) shall be inscribed in a special account opened in the Spanish Foreign Exchange Institute, mentioning separately the amounts corresponding to each valuation in order to facilitate payment to the respective owners in Germany. The Spanish Foreign Exchange Institute shall communicate to the Representatives the deposits entered in said special account as they are made. The Government of Germany will adopt the necessary measures for payment to the respective owners in Germany of the equivalent, and the Spanish Government shall be discharged from all obligation of payment once the communication referred to above has been made and the terms of Article IX of this Accord have been carried out.

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ARTICLE IX

Once acknowledgement of the communication of the Spanish Foreign Exchange Institute referred to in Article VIII has been received, the sums in pesetas realized from the expropriation shall be credited in an account to be opened in the Spanish Foreign Exchange Institute in the name of the Representatives. Drawings on this account and the use of the funds credited to it shall be subject to the provisions of this Accord and its supplements.

ARTICLE X

The provisions of Article VIII and IX of this Accord shall apply to the sums in pesetas deposited or due to be deposited in the Spanish Foreign Exchange Institute in fulfillment of the provisions of Article 2 of the Spanish Ministerial Order of May 14, 1945.

ARTICLE XI

As settlement of the balances between Spain and Germany, the sums set forth below shall be deducted from the account opened in the Spanish Foreign Exchange Institute in the name of the Representatives and shall be paid to the Spanish Government: 20 percent of the first 100 million pesetas realized from the sale of expropriated property; 22½ percent of the yield realized between 100 and 200 millions; 25 percent of that between 200 and 300; 27½ percent of that between 300 and 400, and 30 percent of any amount exceeding 400 million pesetas. The Spanish Government shall have free disposition of the amounts so deducted, and the remainder shall be distributed among the beneficiary Powers in the proportions determined by common agreement between the Powers signatory to this Accord. It is understood that the amounts so distributed shall not in any manner be transferred abroad or used for investment in Spain without the special agreement of the Spanish Government.

ARTICLE XII

The Allied Powers signatory to this Accord, in the name of the Government of Germany, hereby cede to the Spanish Government all rights, titles and interests possessed or exercisable by or in the name of the German Government or its agencies over the properties in Spain belonging to the institutions referred to in the Notes addressed on this date to the Spanish Government, as provided in Article One of the Decree Law of April 23, 1948.

The Spanish Government undertakes that said properties shall in no way revert to their previous owners nor be employed for their former purposes.

The Spanish Government hereby declares that the sums arising from the liquidation of the properties, rights, titles and interests hereby ceded to it are

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destined as cover for the expenses which it shall have incurred in the execution of the legal dispositions referred to in this Accord or related thereto.

It is mutually agreed that as from the date of this Accord, the Spanish Government takes the place of the Government of Germany in all rights and liabilities related to the properties referred to in the present article.

ARTICLE XIII

The fulfillment of this Accord is accepted by both Parties as the total liquidation of all classes of claims and trade or payments balances between Spain and Germany respectively.

The foregoing provision does not affect either the right of any natural or juridical person of Spanish nationality to property in Germany or to indemnities or sums to which he may be entitled under German law, or claims or rights of the Spanish State in relation to its official property in Germany.

On the other hand, future trade and payments balances between Spain and Germany shall be adjusted to such agreements or dispositions as may become applicable.

ARTICLE XIV

As of the date of this Accord, the special measures adopted by the Spanish Government for the blocking of the property of certain foreigners shall cease to be applied insofar as they do not refer to the assets which are the object of this Accord, and in accordance with the dispositions which may be issued for that purpose by the Spanish Administration.

ARTICLE XV

In the name of the Government of Germany and in exercise of the authority and rights conferred by the Act of Surrender of Germany of May 7, 1945, and by the Declaration of Berlin of June 5, 1945, the Allied Powers signatory to this Accord confirm the waiver of the claims referred to in Article XIII and guarantee the Government of Spain against any eventual or subsequent claim in relation to the settlement made as provided in Article VIII. They likewise undertake that Germany or whatever German Government succeeds the Allied Control Council for Germany in the government of Germany shall confirm the provisions of this Accord.

ARTICLE XVI

The Allied Powers signatory to this Accord acknowledge that it expresses satisfactorily the solidarity of the Government of Spain with the principles referred to in Paragraph One of the Preamble.

Done in Madrid on the 10th day of May 1948 in three texts, in Spanish, French and English, and in four originals of each, all equally authentic, one

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original of each text remaining in the possession of each one of the four signatory governments.

E. DE NAVASQUÉS
President of Delegation of Spain
[SEAL]

HAROLD M. RANDALL
*Chief of Delegation of the
United States of America*

F. DE PANAFIEU
*Chief of Delegation of
France*

FRANCIS W. McCOMBE
*Chief of Delegation of the
United Kingdom of Great
Britain and Northern Ireland*

EXECUTIVE PROTOCOL SUPPLEMENTARY TO THE ACCORD REGARDING THE
ELIMINATION OF THE ECONOMIC POTENTIAL SITUATED IN SPAIN CAPABLE
OF CONSTITUTING A DANGER TO PEACE, AND THE LIQUIDATION OF BAL-
ANCES AND PAYMENTS CLAIMS BETWEEN THE GOVERNMENTS OF SPAIN
AND GERMANY

For the purposes foreseen in the Accord signed on this date (hereinafter called the "Accord"), the Contracting Parties agree to the following Protocol which shall be considered an integral part thereof.

ARTICLE I

The application of the legislative measures which may be promulgated by the Spanish Government for the purposes set out in Article I of the Accord is the exclusive concern of the Spanish Administration. It is agreed, on the other hand, that the Representatives in Spain of the Allied Control Council for Germany (hereinafter called the "Representatives") may intervene as provided in Articles IV, V and VII of the Accord, and that they shall permanently maintain relations with the competent bodies of the Spanish Administration for the purpose of exchanging information relative to the execution of those Articles, and proofs leading to the identification of the true owner of the assets defined as expropriable for reasons of national security, particularly where grounds exist to presume that persons have been interposed in title or that any deception has occurred contrary to the Accord or to the legislation in force in Spain. Both Parties shall communicate to each other the names of the persons designated for this purpose.

ARTICLE II

The fair appraisal value (justiprecio) shall be in accordance with a true valuation of the assets to be expropriated, as of the date of such estimate.

The interested Parties shall employ all means necessary to ascertain the true situation and the true value of the assets liable to expropriation and,

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for this purpose, the respective Interventors shall give them access to all archives, accounting records and other pertinent documents.

The interested Parties shall likewise exchange between themselves all information conducive to the determination of the true valuation of the assets to be expropriated. Once the fair appraisal value of the assets to be expropriated has been established and accepted by both parties, as provided in the Accord, the procedure laid down in Article VIII of the Accord shall be followed. Once this condition has been fulfilled, the Spanish Administration shall proceed freely to determine to whom the assets shall be allotted, without prejudice to the provisions of Article VII of the Accord, and of this Protocol, and also to settle the method or procedure to be followed in regard to the allotment.

ARTICLE III

It is understood that the official intervention to which the assets which are subject to expropriation for reasons of national security have been submitted, has for its object the conservation of such assets, and their true and better identification and evaluation, pending their allotment.

As witness our hands this 10th day of May, 1948, in Madrid.

E. DE NAVASQUÉS
President of Delegation of Spain

HAROLD M. RANDALL
*Chief of Delegation of the
United States of America*

F. DE PANAFIEU
*Chief of Delegation of
France*

FRANCIS W. MCCOMBE
*Chief of Delegation of the
United Kingdom of Great
Britain and Northern Ireland*

FINANCIAL PROTOCOL SUPPLEMENTARY TO THE ACCORD REGARDING THE ELIMINATION OF THE ECONOMIC POTENTIAL SITUATED IN SPAIN CAPABLE OF CONSTITUTING A DANGER TO PEACE, AND THE LIQUIDATION OF BALANCES AND PAYMENTS CLAIMS BETWEEN THE GOVERNMENTS OF SPAIN AND GERMANY

For the purposes foreseen in the Accord signed on this date (hereinafter referred to as the "Accord") the Contracting Parties agree to the following Protocol which shall be considered an integral part thereof.

ARTICLE I

In the execution of Articles IX and XI of the Accord, the balances in the account opened in the Spanish Foreign Exchange Institute in the name of the Representatives in Spain of the Allied Control Council for Germany (herein-

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after called the "Representatives"), after deduction of the sums payable to the Spanish Government, shall, in principle, be distributed proportionately in the following percentages:

Albania	0. 05	Greece	2. 70
U.S.A.	28. 00	India and Pakistan	2. 00
Australia	0. 70	Luxembourg	0. 15
Belgium	2. 70	Norway	1. 30
Canada	3. 50	New Zealand	0. 40
Denmark	0. 25	Netherlands	3. 90
Egypt	0. 05	Czechoslovakia	3. 00
France	16. 00	Union of South Africa	0. 70
United Kingdom	28. 00	Yugoslavia	6. 60

Subject to notification by them to the Spanish Administration, the Representatives may modify the allocations set forth by the above schedule of percentages, provided always that the sum total of the increases made does not exceed 25% of the total to be distributed.

It is understood that the percentages greater than 15% of the total may not be increased by more than 25% of their respective quotas, and that those of less than 15% of the total may not be increased by more than 50% of their quotas.

ARTICLE II

Deposits in individual accounts in the names of the beneficiary Powers, referred to in the previous Article, shall be made at any time at the request of the Representatives after deduction of the amounts payable to the Spanish Government as specified in Article XI of the Accord for payment of Spanish claims.

For this purpose, separate accounts in the names of each of the Governments concerned, in a Spanish bank of its choice, will be credited with the sums corresponding to their respective percentages, calculated on the balances in the account in the name of the Representatives.

Said accounts may be opened at sight or as time deposits upon prior agreement with the Spanish Foreign Exchange Institute, and the investment or transfer of the normal interest earned thereon shall be subject to the same rules as are established by the Accord and by this Protocol with regard to the principal.

ARTICLE III

The amounts credited in favor of the Governments referred to in Article I of this Protocol may be transferred abroad or used for investment in Spain or ceded to third parties, subject to agreement with the Spanish Government and always within general regulations applicable to trade and foreign exchange transactions between Spain and the country concerned in each case.

In agreement with the Spanish Government such amounts may be freely used for investments such as the acquisition of official buildings, payment of the personnel on official business or other similar purposes.

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Such sums may also be utilized by the country concerned for the purchase of foreign exchange for investment in foreign participations in property expropriated for reasons of national security, subject to prior agreement with the Spanish Government, it being fully understood that such transactions shall follow the regulations applicable in each case.

ARTICLE IV

The Spanish Government declares that transfers, cessions or investments charged to the accounts referred to in the present Protocol will be authorized within the limits and possibilities of the Spanish economy. The Representatives accept this principle.

As witness our hands this 10th day of May, 1948, in Madrid.

E. DE NAVASQUÉS
President of Delegation of Spain

HAROLD M. RANDALL
Chief of Delegation of the United States of America

F. DE PANAFIEU
Chief of Delegation of France

FRANCIS W. MCCOMBE
Chief of Delegation of the United Kingdom of Great Britain and Northern Ireland

EXCHANGES OF LETTERS

CERTAIN GERMAN ASSETS IN POSSESSION OF ALLIED CONTROL COUNCIL

The Chiefs of the Allied Delegations to the President of the Spanish Delegation

MADRID, May 10, 1948

Letter No. 1

SIR:

In connection with paragraph three of the Notes exchanged this day, placing in effect the Accord signed this date, the undersigned have the honor to record the understanding reached during the course of the negotiations to the effect that the proceeds of the official and quasi-official German assets now in the possession of the Representatives in Spain of the Allied Control Council for Germany, or which subsequently may be realized by them, will be at the disposal of the Representatives upon request to the Spanish Administration for distribution within the limits prescribed in Article One of the Financial Protocol to the Accord, it being understood that their employment will be subject to the same limitations as are set forth in the succeeding Articles of that Protocol.

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Accept, Sir, the renewed assurances of our distinguished consideration.

HAROLD M. RANDALL
*Chief of Delegation of the
United States of America*

F. DE PANAFIEU
*Chief of Delegation of
France*

FRANCIS W. MCCOMBE
*Chief of Delegation of the
United Kingdom of Great
Britain and Northern Ireland*

EXCMO. SR. D. EMILIO DE NAVASQUÉS Y RUIZ DE VELASCO
*President of the Spanish Delegation
Madrid*

*The President of the Spanish Delegation to the Chiefs of the Allied
Delegations*

[TRANSLATION]

MADRID, May 10, 1948

Letter No. 1

SIRS:

I have the honor to acknowledge the receipt of your letter dated this day, the text of which, having been duly translated into Spanish, reads as follows:

"In connection with paragraph three of the Notes exchanged this day, placing in effect the Accord signed this date, the undersigned have the honor to record the understanding reached during the course of the negotiations to the effect that the proceeds of the official and quasi-official German assets now in the possession of the Representatives in Spain of the Allied Control Council for Germany, or which subsequently may be realized by them, will be at the disposal of the Representatives upon request to the Spanish Administration for distribution within the limits prescribed in Article One of the Financial Protocol to the Accord, it being understood that their employment will be subject to the same limitations as are set forth in the succeeding Articles of that Protocol."

I have the honor to inform you of my agreement with the foregoing.

I avail myself of this opportunity to renew to you the assurances of my distinguished consideration.

E. DE NAVASQUÉS [SEAL]

MR. HAROLD M. RANDALL,
Chief of Delegation of the United States of America;

MR. FRANÇOIS DE PANAFIEU,
Chief of Delegation of France; and

MR. FRANCIS MCCOMBE,
*Chief of Delegation of the United Kingdom of
Great Britain and Northern Ireland.*

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GERMAN PROPERTY IN SPAIN—MAY 10, 1948

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RESUMPTION OF COMMUNICATIONS AND TRADE

The Chiefs of the Allied Delegations to the President of the Spanish Delegation

MADRID, May 10, 1948

Letter No. 2

In connection with the understanding now reached in the Accord signed today on the liquidation of German assets in Spain, the undersigned are authorized by their respective Governments to state that, so far as concerns the German areas within their control, they are agreeable to the earliest practicable resumption of communications of every kind and of trade between Spain and Germany, and the restoration of Spanish consular representation. They therefore agree that the necessary detailed arrangements be undertaken forthwith through normal channels.

It is, of course, understood that these services and facilities will enjoy the same general treatment and be subject to the same regulations as apply in the cases of other countries.

Accept, Sir, the renewed assurances of our distinguished consideration.

HAROLD M. RANDALL
Chief of Delegation of the
United States of America

F. DE PANAFIEU
Chief of Delegation of
France

FRANCIS W. McCOMBE
Chief of Delegation of the
United Kingdom of Great
Britain and Northern Ireland

EXCMO. SR. D. EMILIO DE NAVASQUÉS Y RUIZ DE VELASCO
President of the Spanish Delegation
Madrid

The President of the Spanish Delegation to the Chiefs of the Allied Delegations

[TRANSLATION]

MADRID, May 10, 1948

Letter No. 2

SIRS:

I have the honor to acknowledge the receipt of your letter dated this day, the text of which, having been duly translated into Spanish, reads as follows:

"In connection with the Accord signed today on the elimination of the economic potential situated in Spain, capable of constituting a danger to peace, and related subjects, the undersigned are authorized by their respective Governments to state that, so far as concerns the German areas within their control, they are agreeable to the earliest practicable resumption of communications of every kind and of trade between Spain and Germany,

[SEAL]

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and the restoration of Spanish consular representation. They therefore agree that the necessary detailed arrangements be undertaken forthwith through normal channels.

It is, of course, understood that these services and facilities will enjoy the same general treatment and be subject to the same regulations as apply in the cases of other countries."

I have the honor to inform you of my agreement with the foregoing.

I avail myself of this opportunity to renew to you the assurances of my distinguished consideration.

E. DE NAVASQUÉS [SEAL]

Mr. HAROLD M. RANDALL,
Chief of Delegation of the United States of America;

Mr. FRANÇOIS DE PANAFIEU,
Chief of Delegation of France; and

Mr. FRANCIS MCCOMBE,
*Chief of Delegation of the United Kingdom of
Great Britain and Northern Ireland.*

TRADEMARKS, COPYRIGHTS, OR PATENTS

*The Chiefs of the Allied Delegations to the President of the
Spanish Delegation*

Letter No. 3

MADRID, May 10, 1948

SIR:

In connection with the Accord signed today, it is our understanding that, pending the decision of the Spanish Government regarding participation in any international arrangements to which it may be invited to adhere, on the subjects of trademarks, copyrights or patents, no such industrial or artistic property falling within the provisions of the Accord will be expropriated or transferred during the period of one year from this date, except where special circumstances do not permit the delay of expropriation or transfer for one year, or in cases where that property is expropriated or transferred as part of the assets of an enterprise in which there exists a German participation liable to be expropriated.

Accept, Sir, the renewed assurances of our distinguished consideration.

HAROLD M. RANDALL
*Chief of Delegation of the
United States of America*

F. DE PANAFIEU
*Chief of Delegation of
France*

FRANCIS W. MCCOMBE
*Chief of Delegation of the
United Kingdom of Great
Britain and Northern Ireland*

EXCMO. Sr. D. EMILIO DE NAVASQUÉS Y RUIZ DE VELASCO
*President of the Spanish Delegation
Madrid*

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The President of the Spanish Delegation to the Chiefs of the Allied Delegations

[TRANSLATION]

Letter No. 3

MADRID, May 10, 1948

SIRS:

I have the honor to acknowledge the receipt of your letter dated this day the text of which, having been duly translated into Spanish, reads as follows:

"In connection with the Accord signed today, it is our understanding that, pending the decision of the Spanish Government regarding participation in any international arrangements to which it may be invited to adhere, on the subjects of trademarks, copyrights or patents, no industrial or artistic property falling within the provisions of the Accord will be expropriated or transferred during the period of one year from this date, except where special circumstances do not permit the delay of expropriation or transfer for one year, or in cases where that property is expropriated or transferred as part of the assets of an enterprise in which there exists a German participation liable to be expropriated."

I have the honor to inform you of my agreement with the foregoing.

I avail myself of this opportunity to renew to you the assurances of my distinguished consideration.

E. DE NAVASQUÉS [SEAL]

Mr. HAROLD M. RANDALL,
Chief of Delegation of the United States of America;

Mr. FRANÇOIS DE PANAFIEU,
Chief of Delegation of France; and

Mr. FRANCIS McCOMBE,
Chief of Delegation of the United Kingdom of Great Britain and Northern Ireland.

CERTAIN EXPROPRIABLE PROPERTY

The Chiefs of the Allied Delegations to the President of the Spanish Delegation

Letter No. 4

MADRID, May 10, 1948

SIR:

In the course of the negotiations concluded in the Accord signed today, the signatory Allied Governments drew attention to the work of the juridical experts of their own and associated governments, having as its purpose to provide solutions for cases of expropriable property which appears to have more than one location or to involve conflicts of jurisdiction, which solutions

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commonly accepted it is their intention to invite Spain, among other countries, to follow. It is our understanding that the Government of Spain will examine the possibility of adopting such solutions, and that, should cases arise in the course of the process of expropriation pursuant to the Accord in which conflicts of jurisdiction are involved, it will consider following, so far as it deems possible, the solutions recommended by the Allied Governments who are applying such solutions in cases in which they, themselves, are involved.

Accept, Sir, the renewed assurances of our distinguished consideration.

HAROLD M. RANDALL
*Chief of Delegation of the
United States of America*

F. DE PANAFIEU
*Chief of Delegation of
France*

FRANCIS W. MCCOMBE
*Chief of Delegation of the
United Kingdom of Great
Britain and Northern Ireland*

EXCMO. SR. D. EMILIO DE NAVASQUÉS Y RUIZ DE VELASCO
*President of the Spanish Delegation
Madrid*

*The President of the Spanish Delegation to the Chiefs of the Allied
Delegations*

[TRANSLATION]

Letter No. 4

MADRID, May 10, 1948

SIRS:

I have the honor to acknowledge to you the receipt of your letter dated this day, the text of which, having been duly translated into Spanish, reads as follows:

"In the course of the negotiations concluded in the Accord signed today, the signatory Allied Governments drew attention to the work of the juridical experts of their own and associated governments, having as its purpose to provide solutions for cases of expropriable property which appears to have more than one location or to involve conflicts of jurisdiction, which solutions, when duly accepted, it is their intention to invite Spain, among other countries, to follow. It is our understanding that the Government of Spain will examine the possibility of adopting such solutions, and that, should cases arise in the course of the process of expropriation pursuant to the Accord in which conflicts of jurisdiction are involved, it will consider following, so far as it deems possible, the solutions recommended by the Allied Governments who are applying such solutions in cases in which they, themselves, are involved."

I have the honor to inform you that note has been taken of the text transcribed above for the pertinent informative purposes.

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I avail myself of this opportunity to renew to you the assurances of my distinguished consideration.

E. DE NAVASQUÉS [SEAL]

- Mr. HAROLD M. RANDALL,
Chief of Delegation of the United States of America;
- Mr. FRANÇOIS DE PANAFIEU,
Chief of Delegation of France; and
- Mr. FRANCIS McCOMBE,
Chief of Delegation of the United Kingdom of Great Britain and Northern Ireland.

PROPERTY OF VICTIMS OF BRUTALITY

The Chiefs of the Allied Delegations to the President of the Spanish Delegation

Letter No. 5

MADRID, May 10, 1948

SIR:

In the course of the negotiations which have terminated in the Accord signed today, the signatory Allied Governments have represented that in parallel with arrangements concluded with other States in the matter, provision should be made, in accordance with their desire, for the treatment of any property found in Spain, the previous owners of which died during the war, victims of acts of brutality, leaving no known heirs. We understand that if such cases in relation to property in Spain are brought to its notice, the Spanish Government will use its best efforts with a view to handling the proceeds of such property to the Allied Governments in aid of the work of rehabilitation and resettlement to which, as we confirm our Governments would devote any such receipts.

We shall be grateful for your confirmation that such cases may be brought to notice accordingly.

Accept, Sir, the renewed assurances of our distinguished consideration.

HAROLD M. RANDALL
Chief of Delegation of the United States of America

F. DE PANAFIEU
Chief of Delegation of France

FRANCIS W. McCOMBE
Chief of Delegation of the United Kingdom of Great Britain and Northern Ireland

EXCMO. SR. D. EMILIO DE NAVASQUÉS Y RUIZ DE VELASCO,
President of the Spanish Delegation
Madrid

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The President of the Spanish Delegation to the Chiefs of the Allied Delegations

[TRANSLATION]

Letter No. 5

MADRID, May 10, 1948

SIRS:

I have the honor to acknowledge the receipt of your letter dated this day, the text of which, having been duly translated into Spanish, reads as follows:

"In the course of the negotiations which have terminated in the Accord signed today, the signatory Allied Governments have represented that in parallel with arrangements concluded with other States in the matter, provision should be made, in accordance with their desire, for the treatment of any property found in Spain, the previous owners of which died during the war, victims of acts of brutality, leaving no known heirs. We understand that the Spanish Government will use its best efforts with a view to placing the proceeds of such property at the disposal of the Allied Governments in aid of the work of rehabilitation and resettlement to which we confirm that our Governments will devote any such receipts."

I have the honor to signify to you that note has been taken of the text transcribed above for the pertinent informative purposes.

I avail myself of this opportunity to renew to you the assurances of my distinguished consideration.

E. DE NAVASQUÉS [SEAL]

- MR. HAROLD M. RANDALL,
Chief of Delegation of the United States of America;
- MR. FRANÇOIS DE PANAFIEU,
Chief of Delegation of France; and
- MR. FRANCIS MCCOMBE,
*Chief of Delegation of the United Kingdom of
Great Britain and Northern Ireland.*

INTERESTS OF NON-GERMAN FOREIGN NATIONALS

The Chiefs of the Allied Delegations to the President of the Spanish Delegation

Letter No. 6

MADRID, May 10, 1948

SIR:

In connection with the Accord signed today, it is our understanding that in the expropriation or the allotment of assets subject to expropriation, the interests, whether direct or indirect, of non-German foreign nationals will be protected to the same extent as those of Spanish nationals, on condition of reciprocal treatment in the country of those foreign nationals.

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GERMAN PROPERTY IN SPAIN—MAY 10, 1948

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We shall be grateful if you will confirm this understanding.
Accept, Sir, the renewed assurances of our distinguished consideration.

HAROLD M. RANDALL
*Chief of Delegation of the
United States of America*

F. DE PANAFIEU
*Chief of Delegation of
France*

FRANCIS W. MCCOMBE
*Chief of Delegation of the
United Kingdom of Great
Britain and Northern Ireland*

EXCMO. SR. D. EMILIO DE NAVASQUÉS Y RUIZ DE VELASCO,
*President of the Spanish Delegation
Madrid*

*The President of the Spanish Delegation to the Chiefs of the Allied
Delegations*

[TRANSLATION]

Letter No. 6

MADRID, May 10, 1948

SIRS:

I have the honor to acknowledge the receipt of your letter dated this day,
the text of which, having been duly translated into Spanish, reads as follows:

"In connection with the Accord signed today, it is our understanding that
in the expropriation or allotment of assets subject to expropriation, the inter-
ests, whether direct or indirect, of non-German foreign nationals will be
protected to the same extent as those of Spanish nationals, on condition of
reciprocal treatment in the country of those foreign nationals."

I have the honor to inform you of my agreement with the foregoing.
I avail myself of this opportunity to renew to you the assurances of my
distinguished consideration.

E. DE NAVASQUÉS [SEAL]

- MR. HAROLD M. RANDALL,
Chief of Delegation of the United States of America;
- MR. FRANÇOIS DE PANAFIEU,
Chief of Delegation of France; and
- MR. FRANCIS MCCOMBE,
*Chief of Delegation of the United Kingdom of
Great Britain and Northern Ireland.*

VII C-4/18

EXCHANGES OF NOTES

UNBLOCKING OF SPANISH ASSETS IN UNITED STATES

The Chief of the American Delegation to the President of the Spanish Delegation

MADRID, May 10, 1948

SIR:

In confirmation of the understanding reached during the course of the negotiations of the Accord signed this day, I am pleased to state that arrangements will be made in the near future for the unblocking of Spanish assets in the United States.

Accept, Sir, the renewed assurances of my distinguished consideration.

HAROLD M. RANDALL

Chief of Delegation of the United States of America

EXCMO. SR. D. EMILIO DE NAVASQUÉS Y RUIZ DE VELASCO,
*President of the Spanish Delegation,
Madrid.*

The President of the Spanish Delegation to the Chief of the American Delegation

[TRANSLATION]

MADRID, May 10, 1948

SIR:

I have the honor to acknowledge the receipt of your letter dated this day, the content of which, having been duly translated into Spanish, reads as follows:

“In confirmation of the understanding reached during the course of the negotiations of the Accord signed this day, I am pleased to state that arrangements will be made in the near future for the unblocking of Spanish assets in the United States.”

I have the honor to inform you that due note has been taken of the text transcribed above.

I avail myself of this opportunity to renew to you the assurances of my distinguished consideration.

E. DE NAVASQUÉS [SEAL]

Mr. HAROLD M. RANDALL,
Chief of Delegation of the United States of America.

VII C-4/19

CERTAIN GERMAN SCHOOLS IN SPAIN

The American Chargé d'Affaires ad interim to the Spanish Minister of Foreign Affairs

MADRID, May 10, 1948

EXCELLENCY:

Under instructions of my Government, I have the honor to refer to Article XII of the Accord signed this day by the duly appointed Chiefs of Delegations of the Spanish Government and of the Governments of the United States of America, of France and of the United Kingdom of Great Britain and Northern Ireland, as the Representatives in Spain of the Allied Control Council for Germany, regarding the elimination of the economic potential situated in Spain capable of constituting a danger to peace, and the liquidation of balances and payments claims between the Governments of Spain and Germany.

Pursuant to those instructions I have the honor to inform Your Excellency, in conjunction with identical Notes today addressed to you by the Chiefs of Missions in Spain of France and of the United Kingdom of Great Britain and Northern Ireland, that as a consequence of Law No. 2 promulgated by the Allied Control Council for Germany on October 10th, 1945, the National Socialist German Labor Party, its formations, affiliated associations and supervised agencies, as well as all other institutions established as instruments of the domination of that Party, were abolished and made illegal.

As a consequence, so far therefore as the three Governments are concerned as such Representatives and with reference to Article XII of the Accord and Article I of the Decree Law of April 23, 1948 of the Spanish Government, my Government confirms that it regards the German schools at Madrid, Bilbao, Cádiz, Cartagena, Las Palmas, Málaga, San Sebastian, Santa Cruz de Tenerife, Sevilla, Valencia and Viga as entities affiliated to or supervised by the said illegal National Socialist German Labor Party.

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

PAUL T. CULBERTSON
Chargé d'Affaires ad interim

His Excellency
DON ALBERTO MARTÍN ARTAJO,
*Minister for Foreign Affairs,
Madrid*

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VII C-4/20

The Spanish Minister of Foreign Affairs to the American Chargé d'Affaires ad interim

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
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MADRID, May 10, 1948

SIR:

I have the honor to acknowledge the receipt of your courteous Note dated this day, in which you were so good as to communicate to me the following, which, having been duly translated into Spanish, reads as follows:

"Under instructions of my Government, I have the honor to refer to article XII of the accord regarding the elimination of the economic potential situated in Spain capable of constituting a danger to peace, and the liquidation of balances and payments claims between the Governments of Spain and Germany, signed this day by the duly appointed Chiefs of Delegations of the Spanish Government and of the Governments of the United States of America, of France and of the United Kingdom of Great Britain and Northern Ireland, as the Representatives in Spain of the Allied Control Council of Germany.

Pursuant to those instructions I have the honor to inform Your Excellency, in conjunction with identical Notes today addressed to you by the Chiefs of the diplomatic Missions in Spain of France and of the United Kingdom of Great Britain and Northern Ireland, that as a consequence of Law No. 2 promulgated by the Allied Control Council for Germany on October 10th, 1945, the National Socialist German Labor Party, its formations, affiliated associations and supervised agencies, as well as all other institutions established as instruments of the domination of that Party, were abolished and made illegal.

As a consequence, so far as the three Governments are concerned as such Representatives, and with reference to Article XII of the Accord and Article I of the Decree Law of April 23, 1948 of the Spanish Government, my Government confirms that it regards the German schools at Madrid, Bilbao, Cádiz, Cartagena, Las Palmas, Málaga, San Sebastian, Santa Cruz de Tenerife, Sevilla, Valencia and Vigo as entities affiliated to or supervised by the said illegal National Socialist German Labor Party."

I have the honor to inform you that the Spanish Government has taken careful note of the foregoing for the purposes agreed upon.

I avail myself of the opportunity, Sir, to renew to you the assurances of my distinguished consideration.

A. MARTÍN A.

Mr. PAUL T. CULBERTSON
Chargé d'Affaires ad interim
of the United States of America.

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GERMAN PROPERTY IN SPAIN—MAY 10, 1948

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ENTRY INTO FORCE OF ACCORD

The American Chargé d'Affaires ad interim to the Spanish Minister of Foreign Affairs

MADRID, May 10, 1948

EXCELLENCY:

Under instructions of my Government, I have the honor to refer to the Accord signed this day by the duly appointed Chiefs of Delegations of the Spanish Government and of the Governments of the United States of America, of France, and of the United Kingdom of Great Britain and Northern Ireland, as the Representatives in Spain of the Allied Control Council for Germany, regarding the elimination of the economic potential situated in Spain capable of constituting a danger to peace, and the liquidation of balances and payments claims between the Governments of Spain and Germany.

Pursuant to those instructions, I have the honor to inform Your Excellency that, in fulfillment of the understanding reached during the course of the negotiations terminating in that Accord, my Government, by this exchange of Notes and the identical Notes exchanged today between Your Excellency's Government and the Chiefs of Missions in Spain of the Governments of France and of the United Kingdom of Great Britain and Northern Ireland, considers that Accord mutually confirmed and in full effect as of this date.

Likewise, I take this occasion to confirm to Your Excellency that, in keeping with the Accord reached in these general negotiations, the official assets registered in the name of the German Government, as also those others constituted with German official funds, both actually in possession of the Representatives in Spain of the Allied Control Council for Germany and those which, for the same reasons, may be delivered to them subsequently, are subject to the conditions established by the Notes exchanged between Your Excellency and the Chiefs of the diplomatic missions of the United States of America, of France, and of the United Kingdom of Great Britain and Northern Ireland on October 28th, 1946.

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

PAUL T. CULBERTSON
Chargé d'Affaires ad interim.

His Excellency
DON ALBERTO MARTÍN ARTAJO,
*Minister for Foreign Affairs
Madrid*

A. MARTÍN A.

VII C-4/22

*The Spanish Minister of Foreign Affairs to the American Chargé d'Affaires
ad interim*

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS

397

MADRID, May 10, 1948

SIR:

I have the honor to acknowledge the receipt of your courteous Note dated this day, in which you were so good as to communicate to me the following, which, having been duly translated into Spanish, reads thus:

"Under instructions of my Government, I have the honor to refer to the Accord signed this day by the duly appointed Chiefs of Delegations of the Spanish Government and of the Governments of the United States of America, of France, and of the United Kingdom of Great Britain and Northern Ireland, as the Representatives in Spain of the Allied Control Council for Germany, regarding the elimination of the economic potential situated in Spain capable of constituting a danger to peace, and the liquidation of balances and payments claims between the Governments of Spain and Germany.

Pursuant to those instructions, I have the honor to inform Your Excellency that, in fulfillment of the understanding reached during the course of the negotiations terminating in that Accord, my Government, by this exchange of Notes and the identical Notes exchanged today between Your Excellency's Government and the Chiefs of Missions in Spain of the Governments of France and of the United Kingdom of Great Britain and Northern Ireland, considers that Accord mutually confirmed and in full effect as of this date.

Likewise, I take this occasion to confirm to Your Excellency that, in keeping with the Accord reached in these general negotiations, the official assets registered in the name of the German Government, as also those others constituted with German official funds, both actually in possession of the Representatives in Spain of the Allied Control Council for Germany and those which, for the same reasons, may be delivered to them subsequently, are subject to the conditions established by the Notes exchanged between Your Excellency and the Chiefs of the diplomatic missions of the United States of America, of France, and of the United Kingdom of Great Britain and Northern Ireland on October 28, 1946."

I have the honor to inform you of the agreement of the Spanish Government with the foregoing.

I avail myself of the opportunity, Sir, to renew to you the assurances of my distinguished consideration.

A. MARTÍN A.

MR. PAUL CULBERTSON,
*Chargé d'Affaires ad interim
of the United States of America.*