

Box 1016

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AIDE MEMOIRE

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transmitted by the Allied Delegations to the
 Swiss Delegation on the subject of Compensation.

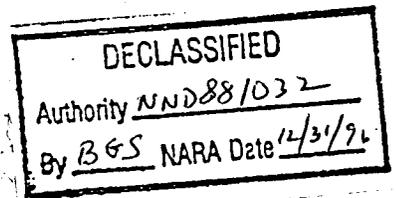
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Under paragraph 2 of Article 1 of the Washington Accord it is provided that the Germans whose assets in Switzerland are to be liquidated "shall be indemnified in German money, at a fixed rate of exchange applicable in all cases, with the countervalue of their property liquidated in Switzerland", and in paragraph 3 that "Switzerland will, out of funds available to it in Germany, furnish one half of the German money necessary for this purpose".

The Swiss Delegation has expressed a wish for more precise information on the manner in which the Allied Delegations anticipate that compensation will be made to German owners of liquidated assets. To this end the Allied Delegations propose the following:

- A/ Full compensation to the value of 100% of the assets will be accorded to each German owner of assets in Switzerland.
- B/ This compensation could not for practical reasons consist of a cash payment of the full amount due. It will be provided in one or two parts according to the value of the asset.
1. One part which would not exceed a value to be determined by common agreement will be the subject of a cash payment.
 2. The balance, namely the amounts in excess of the value determined for the cash payment, will consist of an entitlement issued by the German Federal

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Government in the name of each owner, wherever his place of residence may be.

This entitlement will contain the following characteristics:

- (a) Notification of liquidation, with a short description of the asset liquidated, and of the full name and address of the owner.
- (b) Notification of value realised in Swiss Francs, and countervalue in DM at the rate laid down.
- (c) Certificate that a corresponding compensation claim has been admitted by the German Federal Ministry of Finance.
- (d) Recognition by the German Federal Ministry of Finance of an obligation to pay the amount due at such time and in accordance with such provisions as may be determined by the German Federal Parliament.

This entitlement will be held by the German Federal Authorities at the disposal of each beneficiary.

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