

satisfactory and equitable settlement of Germany's pre-war external debts was achieved;

Considering that such a settlement of German external debts could be achieved only by a single overall plan which would take into account the relative positions of the various creditor interests, the nature of various categories of claims and the general situation of the Federal Republic of Germany;

Considering that, in order to achieve this purpose, an International Conference on German External Debts, which was attended by representatives of interested Governments and of creditor and debtor interests, was held in London from 28th February, 1952, to 8th August, 1952;

Considering that these representatives made agreed recommendations as to the terms and procedures of settlement (the texts of which are reproduced as Annexes I to VI, inclusive, to the present Agreement); that these recommendations were appended to the Report of the Conference on German External Debts (the text of which is reproduced as Appendix B to the present Agreement); and that the present Agreement has been inspired by the principles and objectives set forth in the above-mentioned Report;

Considering that the Governments of the French Republic, the United Kingdom of Great Britain and Northern Ireland and the United States of America, having found that these recommendations provide a satisfactory and equitable plan for the settlement of German external debts, have this day signed with the Government of the Federal Republic of Germany bilateral agreements for the settlement of debts arising from the post-war economic assistance furnished by these three Governments which set forth their modified rights and priorities in respect thereto;

Have agreed as follows:—

ARTICLE 1

Approval of Settlement Terms and Procedures

The Parties to the present Agreement regard the provisions thereof and of the Annexes thereto as reasonable in the light of the general situation of the Federal Republic of Germany and as satisfactory and equitable to the interests concerned. They approve the settlement terms and procedures contained in the said Annexes.

ARTICLE 2

Implementation by the Federal Republic of Germany

The Federal Republic of Germany will enact such legislation and take such administrative action as may be necessary to give effect to the present Agreement and the Annexes thereto and will modify or repeal such legislation and administrative measures as are inconsistent therewith.

ARTICLE 3

Definitions

For the purposes of the present Agreement and of Annexes IX and X thereto only, unless the context requires otherwise—

- (a) "creditor" means a person, other than the Government of the Federal Republic of Germany, to whom a debt is owing;