in the Federal Republic. The third Schedule brings up to date the Finance Convention. The German Government will provide a monthly average contribution of 600m. marks for the support of the allied forces from the entry of the Convention into force until the arrangements for the German defence contribution are completed. These provisions apply only until June 30th, 1955. During the first year of the German defence contribution, the Federal Republic will make available a total amount of 3, 200m. marks for the support of the allied forces.

SCHEDULES IV & V

Schedule IV amends the Convention "on the Settlement of Matters arising out of the war and the occupation". It makes clear that existing programmes of de-centralisation will be completed. Legislation concerning the reorganization of the German coalmining, iron and steel industries being applied at the time of the entry into force of the present arrangements "shall be maintained in force insofar and so long as de-concentration measures ordered before that date are still to be carried out or claimants are still to be protected."

Article 10 sets up a mixed committee of experts whose task is defined as the consideration of "applications for extensions of the final time for the disposition of securities required by regulations or orders of the Allied High Commission or its subordinate bodies or by reason of the terms of a plan approved by any such order".

The eight-line Schedule V makes three alterations in the "Agreement on the Tax Treatment of the forces and their members", in the original Bonn Agreement.

3. Exchange of letters

The eleven letters reproduced below fall into three categories:

- 1. From the Chancellor to the three Foreign Ministers;
- 2. From the three High Commissioners to the Chancellor;
- 3. From the three Foreign Ministers to the Chancellor

The United Kingdom version of the correspondence is given in this Supplement: the similar letters were exchanged with the United States and French authorities. Her Britannic Majesty's Principal Secretary of State for Foreign Affairs.

Dear Mr. Minister,

I refer to paragraph 7 of Article 5 of the Convention on Relations between the Three Powers and the Federal Republic of Germany signed at Bonn on 26 May, 1952, which provides that, independently of a state of emergency, any military commander may, if his Forces are imminently menaced, take such immediate action appropriate for their protection (including the use of armed force) as is requisite to remove the danger. The Federal Government is of the opinion that this is the inherent right of any military commander according to international law and therefore German law.

I therefore wish to say that the right referred to in paragraph 7 of Article 5 of the Convention on Relations will not be affected by the deletion of that paragraph as provided by the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany.

I have the honour to be, etc.

The Chancellor of the Federal Republic of Germany

Paris, 23rd October 1954

His Excellency, The Chancellor of the Federal Republic of Germany

Mr. Chancellor,

I have the honour to acknowledge receipt of your letter of today's date stating that the Federal Government will oppose all efforts to repeal or modify the Allied decartelisation legislation (United States Military Government Law No. 56, British Military Government Ordinance No. 78, Ordinance No. 96 of the French Commander-in-Chief in Germany) before the coming into force of a German law containing general provisions against restraints of competition.

Accept, Mr. Chancellor, the renewed assurance of my highest consideration.

United Kingdom High Commissioner for Germany