

ALLEMAGNE
ET UNION DES RÉPUBLIQUES
SOVIÉTISTES SOCIALISTES

Traité comportant :

- I. Un arrangement concernant l'établissement et la protection légale ; II. Un arrangement économique ; III. Un arrangement ferroviaire ; IV. Un arrangement concernant la navigation ; V. Un arrangement fiscal ; VI. Un arrangement concernant les tribunaux d'arbitrage commercial ; VII. Un arrangement concernant la protection légale de la propriété industrielle, et protocole final. Signé à Moscou, le 12 octobre 1925.
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GERMANY
AND UNION OF SOCIALIST
SOVIET REPUBLICS

Treaty comprising :

- I. An Agreement concerning Conditions of Residence and Business and Legal Protection ; II. An Economic Agreement ; III. A Railway Agreement ; IV. An Agreement concerning Navigation ; V. A Fiscal Agreement ; VI. An Agreement concerning Commercial Courts of Arbitration ; VII. An Agreement concerning the Legal Protection of Industrial Property, and Final Protocol. Signed at Moscow, October 12, 1925.

¹ TRANSLATION.

No. 1257. — TREATY BETWEEN GERMANY AND THE UNION OF SOCIALIST SOVIET REPUBLICS, SIGNED AT MOSCOW, OCTOBER 12, 1925.

THE PRESIDENT OF THE GERMAN REICH, of the one part, and THE CENTRAL EXECUTIVE COMMITTEE OF THE UNION OF SOCIALIST SOVIET REPUBLICS, of the other part, desirous of strengthening their friendly relations and of establishing for that purpose a basis for practical co-operation in the economic sphere and in the sphere of international legal relations, have appointed as their Plenipotentiaries :

THE PRESIDENT OF THE GERMAN REICH :

COUNT BROCKDORFF-RANTZAU, German Ambassador at Moscow ; and
Dr. Paul VON KOERNER, Wirklicher Geheimrat ;

THE CENTRAL EXECUTIVE COMMITTEE OF THE UNION OF SOCIALIST SOVIET REPUBLICS :

M. Maxime LITVINOFF, Acting People's Commissary for Foreign Affairs, Member of the Central Executive Committee of the Union of Socialist Soviet Republics, and
M. Jacob HANETZKY, Member of the Board of the People's Commissariat for Foreign Trade ;

Who, having communicated their full powers, found in good and due form, have agreed to the following Treaty :

GENERAL CLAUSES.

Article 1.

The Treaty includes, in addition to the present general clauses, the following Agreements :

- I. Agreement concerning Conditions of Residence and Business and Legal Protection ;
- II. Economic Agreement ;
- III. Railway Agreement ;
- IV. Agreement concerning Navigation ;
- V. Fiscal Agreement ;
- VI. Agreement concerning Commercial Courts of Arbitration ;
- VII. Agreement concerning the Legal Protection of Industrial Property.

These Agreements, with the general clauses, constitute a single whole, so that the expression "Treaty" includes the various Agreements.

Article 2.

The Union of Socialist Soviet Republics shall be designated in the present Treaty by the letters U. S. S. R.

¹ Translated by the Secretariat of the League of Nations.

Article 3.

On the coming into force of the present Treaty, which shall be valid for the whole territory of each of the two Contracting Parties, the clauses of the provisional Agreement of May 6, 1921, between the German Reich and the Russian Socialist Federative Soviet Republic in regard to the extension of the sphere of activities of the delegations of the two Parties for assistance to prisoners of war, and Articles 2 to 9 of the Treaty of November 5, 1922, between the German Reich and the Soviet Republics of the Ukraine, White Russia, Georgia, Azerbaijan and Armenia, and the Far Eastern Republic shall lapse.

The Treaty of Rapallo of April 16, 1922, shall remain in force.

Article 4.

Having regard to Article 2 of the Treaty of Rapallo and Article 1 of the Treaty of November 5, 1922, any infringement of the private rights of German nationals through the application of laws and of administrative measures in the territory of the U. S. S. R. shall be dealt with under the provisions of the Final Protocol referring to Article 8 of the Agreement concerning Conditions of Residence and Business.

Article 5.

The provisions of Article 4 of the Treaty of Rapallo under which the general legal position of nationals of one of the Parties in the territory of the other Party and the regulation of commercial and economic relations between the two countries shall be based in general on the principle of the most favoured nation shall in no way be affected by clauses in the various Agreements referring to most-favoured-nation treatment. Moreover, the clauses in the various Agreements providing for advantages greater than those accorded by the most-favoured-nation principle shall in no way be restricted by the fact that the above stipulation establishes most-favoured-nation treatment in general.

Article 6.

Notwithstanding the provisions of Article 5, the granting of most-favoured-nation treatment shall not, as regards the stipulations contained in the various Agreements, and during the period of validity of these Agreements, extend to :

(1) Favours granted by one of the Contracting Parties to a neighbouring country to facilitate traffic for the frontier districts, as a rule not extending beyond fifteen kilometres on each side of the frontier, and for residents in certain of such districts ;

(2) Favours granted by one of the Contracting Parties to a third State in virtue of a Customs Union which has already been or may hereafter be concluded ;

(3) Favours granted by the U. S. S. R. to Persia, Afghanistan and Mongolia ;

(4) Favours granted by the U. S. S. R. to Turkey and China, in respect of frontier traffic.

The exceptions provided for in the second sentence of Article 4 of the Treaty of Rapallo in favour of the U. S. S. R. shall, however, remain in force.

Article 7.

The collective Treaties specified in the Annex shall in future be regarded as in force between the two Contracting Parties.

The list contained in the Annex may be added to by an exchange of Notes.

Article 8.

The present Treaty has been concluded in German and Russian. Both texts shall be authentic.

The Treaty shall be ratified as soon as possible. The exchange of the instruments of ratification shall take place at Berlin.

The Treaty shall come into force one month after the exchange of the instruments of ratification.

The duration of validity of Agreements I, II, III, IV and V mentioned in Article 1 of the General Clauses shall be two years, and that of Agreements VI and VII shall be four years.

The various Agreements may be denounced six months before the expiry of the period of two or four years respectively. Should no denunciation have been made, the duration of the validity of the various Agreements shall be extended for successive periods of six months until such time as they are denounced, six months' notice being given.

ANNEX TO ARTICLE 7 OF THE GENERAL CLAUSES.

1. Convention concluded at Copenhagen, March 14, 1857, for the redemption of Sound and Belts dues ;

2. Convention concluded at Paris, May 20, 1875, regarding the Unification and Improvement of the Metric System.

3. Telegraphic Convention concluded at St. Petersburg on July 10/22, 1875, and Regulations for its execution. Revised at Lisbon, June 11, 1908.

4. Convention regarding the Protection of Submarine Cables. Concluded at Paris, March 14, 1884, with additional Article of the same date and relating thereto, of December 1, 1886, and March 23, 1887, and Final Protocol of July 7, 1887.

5. Convention regarding the exemption of Hospital Ships from Dues and Charges in Ports. Concluded at The Hague, December 21, 1904.

6. Convention regarding the International Circulation of Motor-cars. Concluded in Paris, October 11, 1909.

7. Convention respecting the Unification of Certain Regulations regarding Collisions and Salvage at sea. Concluded at Brussels, September 23, 1910.

8. International Radio-Telegraphic Convention. Concluded in London, July 5, 1912.

9. International Sanitary Convention. Concluded in Paris, January 17, 1912.

I.

AGREEMENT CONCERNING CONDITIONS OF RESIDENCE AND BUSINESS AND LEGAL PROTECTION IN GENERAL.

Article 1.

The nationals of each of the Contracting Parties shall be permitted to enter, leave, travel in, and reside or settle in the territory of the other Party, on condition that they comply with the

laws and administrative regulations in force in the said territory. In respect of such matters, the nationals of each Contracting Party shall not receive less favourable treatment than the nationals of the most favoured nation.

In order to be able to claim these rights, the nationals of each Contracting Party must be provided with the papers necessary to establish their identity and nationality.

The Contracting Parties shall agree, by an exchange of Notes, as to what identity papers shall be regarded as sufficient for this purpose.

Article 2.

The nationals of each Contracting Party shall be permitted, in the territory of the other Party, to carry on any activities not forbidden by the legislation of the country to nationals of the country or to nationals of the most favoured nation, whether or not such activities are exercised for purposes of financial profit.

In so far as the legislation of the country makes the exercise of a profession or industry by nationals of the country dependent on their fulfilling certain given professional and industrial conditions, permission to nationals of the other Contracting Party to carry on the same profession or industry shall be subject to the conditions in force in the State in which they reside.

In the exercise of their professional or industrial activities, the nationals of each Contracting Party in the territory of the other Contracting Party shall be entitled to the same privileges, exemptions and facilities as the nationals of the country and the nationals of the most favoured nation.

The exercise of an itinerant trade shall be subject to the regulations applicable to foreigners in general.

Article 3.

The nationals of each Contracting Party shall have full liberty in the territory of the other Party to dispose freely of their labour and to belong or not to belong to trade unions or similar trade organisations, under the conditions laid down in the statutes of these unions and organisations.

Article 4.

The nationals of each Contracting Party shall be entitled on the territory of the other Party to acquire or to make use, in the same manner and under the same conditions as nationals of the most favoured nation, of all kinds of property, to acquire or to confer real rights over the said property, to dispose of property and real rights by sale, exchange, gift, testament or in any other manner, and to take possession of legacies under a will or in accordance with the law.

Article 5.

The nationals of each Contracting Party entering the territory of the other Party in accordance with Article 1 for the purpose of carrying on their trade or profession, and residing or settling there, shall be entitled to import and export the instruments, tools, utensils, etc., necessary to them for the exercise of the said trade or profession, and objects solely intended for household or personal use or consumption, without having previously to obtain an import or export licence.

The nationals of each of the Contracting Parties shall not as foreigners be obliged to pay, on the exportation of their property (including property derived from inheritance), taxes, duties or charges other or higher than those which would be payable under the same circumstances by nationals of the country or nationals of the most favoured nation.

Money, instruments of payment, precious metal and precious stones shall remain subject to the restrictions imposed by the legislation of the country in respect of the possession or export of certain categories of money, instruments of payment, precious metals and precious stones.

Article 6.

The provisions of the present Agreement shall not affect the rights of each Contracting Party to forbid certain nationals of the other Party to reside or settle in its territory, either on account of a sentence given by a Court or for reasons connected with the internal or external security of the State.

Any person expelled shall, on expulsion, receive written notice of the measure taken against him.

Article 7.

The nationals of each Contracting Party shall, both in time of peace and time of war, be exempt in the territory of the other Party from any public labour obligation, including cartage, and from all personal military service.

The same shall apply to all other military exactions or requisitions, and to all contributions and forced loans. Subject to the granting of national treatment, an exception shall be made in the case of the requisitioning of automobiles and other motor vehicles, carriages, horses, and other means of transport by land in case of war, any charges connected with the possession by any legal title of landed property, and, further, compulsory billeting and other special military exactions or requisitions to which all inhabitants of the country are liable as owners or occupiers of buildings or land.

The nationals of each Contracting Party shall be exempt on the territory of the other Party from all exactions in money or in kind for military or other purposes, in so far as such charges are not imposed by law on all the inhabitants of the country under the same conditions.

In no case shall the nationals of the other Party be treated less favourably than the nationals of the most favoured nation.

Article 8.

Capital, goods, shipping and other property of all kinds belonging to nationals of, or companies in, one of the countries and legally imported into or acquired in the other country shall not be subjected by the Government or any local authority in that country to any confiscation or withdrawal of any kind or to requisition, unless compensation is given, and then only as provided for by the laws of the country.

Article 9.

Nationals of each of the Contracting Parties shall be entitled on the territory of the other Party to freedom of conscience and to the free exercise of their religion so long as their doctrines and practice are not contrary to the laws of the country.

They shall be entitled to hold religious services in churches, houses or other buildings, ownership of which must be based according to the laws of the country, in their national language or in any other language which is customary in their religion. They shall be entitled to bury their dead in accordance with their religious practice in burial-grounds established and maintained by them with the approval of the competent authorities, so long as they comply with the police regulations of the other Party in respect of buildings and public health.

Article 10.

The nationals of each Contracting Party shall, in accordance with international law, be entitled in the territory of the other Party to the same protection from the courts and authorities in respect of their persons and property as is given to nationals of the country or to nationals of the most favoured nation.

They shall have, in the territory of the other Party, free access to the courts and the other authorities responsible for ensuring legal protection, for the purpose of establishing and defending their rights, and in such matters shall be entitled to all rights and immunities which are recognised in the case of nationals of the country. They shall, like nationals of the country, be free to choose their lawyers and other legal advisers from among the persons admitted to exercise the legal profession under the laws of the country.

In the exercise of the rights referred to in the second paragraph, nationals of each Contracting Party shall not receive less favourable treatment than nationals of the most favoured nation.

Article 11.

Each of the Contracting Parties undertakes to adopt the necessary measures to inform the consul of the other Party as soon as possible whenever a national of the country which he represents is arrested in his district.

The same procedure shall apply if a prisoner is transferred from one authority to another.

Article 12.

The nationals of one Contracting Party appearing before the Courts of the other Party as plaintiffs or interveners shall not be forced to give any security or to make any deposit under any name whatsoever on the ground of their being foreigners or not having a domicile or residence in the country, provided that they have a domicile in the territory of one or other of the Parties.

The same rule shall apply to payments as security for legal expenses.

Article 13.

When a plaintiff or intervener has been ordered in the territory of one of the Contracting Parties to pay the costs of an action and is exempt from security, deposit or previous payment in accordance with Article 12 or under the law of the country in which the action was brought, the said judgment shall, on requisition transmitted through the diplomatic channel, be made executory by the competent authority of the other Party without any charge being made.

The same shall apply to legal decisions which may later fix the amount of the costs.

Article 14.

The judgments in respect of costs referred to in Article 13 shall be declared to be executory, without the parties being heard, in accordance with the law of the country in which they are to be executed, but this shall not prevent an appeal being afterwards lodged by the parties against whom judgment has been given.

The authorities competent to decide on a requisition asking that a judgment should be made executory shall confine themselves to determining :

(1) Whether, under the law of the country in which the judgment was given, the judgment has been drawn in a form which fulfils the conditions necessary for it to be valid :

(2) Whether under the same law the judgment has become final ;

(3) Whether the executive provisions of the judgment are accompanied by a translation which shall, in the absence of an agreement to the contrary, be made out in the language of the said authorities and authenticated by the diplomatic representative or a consul of the Party making the application and by a sworn translator of the Party applied to.

The conditions laid down in paragraph 2, Nos. (1) and (2), shall be regarded as being fulfilled if the competent authority of the Party making the application furnishes a declaration to the effect that the judgment has acquired force of law. The competence of the authority shall be attested by the supreme judicial authorities. The declaration and attestation shall be translated in accordance with paragraph 2, No. (3). Until an agreement to the contrary be concluded between the two Governments, applications shall always be accompanied by the declaration referred to in the first sentence of the present paragraph.

Article 15.

As regards legal aid to the poor, the nationals of one Contracting Party shall, in the territory of the other Party, receive the same treatment as nationals of that Party.

Article 16.

Joint stock companies and commercial companies of every kind, including industrial, financial, insurance, transport and forwarding companies, whose headquarters are situated in the territory of one Contracting Party and which are legally constituted there in accordance with the laws of that Party shall also be recognised in the territory of the other Party as having a legal existence. Their capacity to contract and their right to appear before the Courts shall be determined in accordance with the legislation of their country of origin.

The companies in question shall only be authorised to carry on their business in the territory of the other Party in accordance with the laws and regulations in force in that territory.

In every case they shall, in so far as concerns the conditions of authorisation, the exercise of their activities and all other matters, enjoy the same rights, privileges and immunities as similar undertakings of a third country.

Article 17.

Companies of one of the Contracting Parties, authorised to carry on business in the other country, shall receive all necessary assistance from the authorities and economic organs of that country. This shall be understood to mean that they shall not be subject as private foreign undertakings to any special restriction limiting their business activities. More particularly, no law, decree or other official measures of a restrictive nature shall be promulgated or enforced which would prevent the said undertakings from regularly carrying on the activities for which authorisation has been given them or which are otherwise open to them.

Article 18.

The nationals of each Contracting Party shall in the territory of the other Party be entitled to the same rights and privileges as are granted to nationals of a third State in respect of the founding of, or participation in, limited liability companies or other commercial companies of the kind mentioned in Article 17.

ADDITIONAL TO ARTICLES 16 TO 18 (PROVISIONS CONCERNING INSURANCE).

Article 1.

Insurance companies of the one Party must obtain special authorisation to carry on business in the territory of the other Party. On receiving such authorisation, the said companies shall in all cases be entitled in the territory of the other Party to the same rights, privileges and immunities as are or may hereafter be granted to similar companies belonging to the most favoured nation and recognised by law.

Article 2.

Goods which are imported into, exported from, or pass in transit through, the territory of one Contracting Party and are the property of nationals or economic organs of the other Party having no domicile or establishment in the territory of the first Party, may, if and so long as the said goods are carried at the risk of the said nationals or economic organs, be freely insured by the latter without any further insurance, special premium or special charge being required for insurance in the territory of the said Party.

Article 3.

Average-adjusters sent by insurance companies of the one Party to ascertain damage caused in the territory of the other Party may freely exercise their duties in so far as these are connected with the determination and settlement of damage covered by insurance (including re-insurance) within the meaning of Article 2.

II.

ECONOMIC AGREEMENT.

Article 1.

The Contracting Parties shall endeavour to develop the commercial relations between the two countries in every way, to stabilise trade as far as possible and, as economic reconstruction progresses, to restore the reciprocal importation and exportation of the two countries to the pre-war level, being guided therein solely by economic considerations.

Article 2.

To assure the operation of the foreign trade monopoly, a Trade Delegation, having its seat at Berlin, shall be attached to the Embassy of the U. S. S. R. in the German Reich.

Article 3.

The functions of the Trade Delegation shall be :

- (a) To develop commercial and economic relations between Germany and the U. S. S. R., and to represent the interests of the U. S. S. R. in the matter of foreign trade ;

(b) To take steps on behalf of the U. S. S. R. to regulate foreign trade with Germany ;

(c) To engage, on behalf of the U. S. S. R., in foreign trade with Germany.

The Trade Delegation need not be registered in the Commercial Register. The names of the persons authorised to represent it shall be published regularly in the *Reichsanzeiger* (Official Gazette of the Reich), and shall be brought to the knowledge of the public in any other suitable manner. In respect of third parties, these persons shall be regarded as duly authorised representatives until notice of the withdrawal of their powers is given in the *Reichsanzeiger*.

Article 4.

The head of the Trade Delegation (Commercial Delegate), his two assistants, and the members of the Council of the Trade Delegation domiciled in Berlin shall enjoy all the privileges and benefits of extritoriality.

Article 5.

The premises at Nos. 20-25 Lindenstrasse, Berlin, utilised by the Trade Delegation for the purposes of its mission, as specified in Article 3 of the present Agreement, shall be accorded extritoriality.

Article 6.

The U. S. S. R. shall consider itself bound by all the legal acts consummated in the name of the Trade Delegation by the head of the latter (Commercial Delegate), by the other persons entitled to represent this Delegation (Article 3, paragraph 2), or by their accredited agents.

Article 7.

Legal acts of the Trade Delegation consummated in Germany which are binding on the U. S. S. R., and the economic effects of these acts, shall be subject to German law and German jurisdiction. Measures of compulsory execution may also be applied to the property of the U. S. S. R. in Germany, except in so far as regards objects which, according to the general rules of international law, are required for the exercise of sovereign rights or are intended for the use of diplomatic or consular representatives in their official capacity.

Article 8.

Should the German Government decide to establish a Trade Delegation in the territory of the U. S. S. R., the Government of the U. S. S. R. will grant this Delegation and its staff the same rights, privileges and immunities as are enjoyed by the U. S. S. R. Trade Delegation in Germany.

Article 9.

So long as more extensive rights are not accorded by the U. S. S. R. to third Powers, the U. S. S. R. may not be rendered responsible for the legal acts of State undertakings which, independently of the Trade Delegation, transact business in Germany or with Germany, unless such responsibility has been expressly assumed, for instance, in the form of a guarantee or joint liability assumed by the Trade Delegation. State undertakings in concluding business shall point out in writing to the other parties to the contract that the mere approval of the transaction by the Trade Delegation, when such approval is necessary, does not imply any guarantee.

Legal acts consummated in Germany by the above-mentioned undertakings, and the economic effects of these acts, shall be subject to German law and to German jurisdiction and procedure for compulsory execution. The property of these undertakings situated in Germany may be constituted into a guarantee without any restriction.

The statutes and balance-sheets of these undertakings and the names of the persons entitled to represent them shall be regularly published by them in Germany, even if the undertakings in question have not been entered in the Commercial Register.

Article 10.

The State undertakings of the U. S. S. R. referred to in Article 9, and companies and legal entities of every kind having their headquarters in the territory of the U. S. S. R. may, by reason of legal acts consummated by them in Germany, if there is no other German jurisdiction or if no other jurisdiction has been decided upon, be summoned to appear in the Berlin First Provincial Court, or, if the matter is one for a lower court, to appear at the Central Berlin Lower Court.

Article 11.

The economic organs of either of the Contracting Parties shall not, in the territory of the other Party, be subjected as regards their foreign trade transactions, in any respect, to treatment less favourable than the economic organs of the most favoured nation.

The provisions of the Agreement concerning Conditions of Residence and Business shall not be affected by this provision.

Article 12.

Should one of the Contracting Parties have instituted, or institute, a foreign trade monopoly, or if it has adopted, or adopts, provisions restricting importation and exportation, these provisions shall only be applied to the other Party to the same extent as they are applied to all other countries.

Exceptions to this rule shall be allowed for the following reasons only :

(a) Sanitary grounds, or for the protection of animals, subject to the provisions set out in the Annex concerning the importation of animals or portions of animals, or for the protection of useful plants against diseases and pests ;

(b) Public safety, provided the same exception applies to like products from all countries in which similar conditions prevail.

Article 13.

Should one or other of the Contracting Parties, in conformity with Article 12, institute control over foreign trade, either on the basis of a foreign trade monopoly or in some other form, the operations connected with this control shall be rendered as expeditious as possible, and shall be carried out in such a manner as to impede the course of business as little as possible.

As regards the formalities involved by such control, the economic organs of one of the Contracting Parties shall not be subject in the territory of the other to treatment other than that accorded to national or foreign economic organs.

Article 14.

Import and export prohibitions or restrictions shall not be applied to goods previously exempt and already despatched on the date of the publication of such prohibitions or restrictions.

The two Contracting Parties are prepared to give full effect to the import and export licences, for the period of their validity, issued in conformity with the regulations in force, even should these import and export licences be subsequently modified.

Any licence granted may be withdrawn on discovery of the fact that it has been obtained on the strength of inaccurate information or by illicit means. The provisions of Article 12, second paragraph, shall not be affected by the present stipulation.

Article 15.

Requests for the prolongation of expired import and export licences shall be favourably received if they are made before the expiration of the licence, and if the conditions under which the first licence was granted remain unchanged.

Article 16.

No import or export licence shall be required for barrels, sacks and other packings imported with their contents from the territory of one Contracting Party into the territory of the other to be refilled or to be emptied and then re-exported, provided that they are actually re-exported. Subject to the same condition they shall be exempt from Customs duties and all other entry and exit charges. On the importation and re-exportation of these articles, the necessary steps shall be taken to identify them in conformity with the Customs regulations of the country of importation.

Article 17.

Together with the export licence for articles (machinery, tools, etc.) consigned from the territory of the U. S. S. R. to Germany for repair, a re-importation permit shall be issued, provided the identity of the articles is duly established, indicating whether these articles will be liable to Customs duty on re-importation and, if so, the amount of the duty.

Articles (machinery, tools, etc.) which, without losing their identity, have been exported from German Customs territory to the territory of the U. S. S. R., and have been repaired there, shall not be liable to duty on re-importation.

Article 18.

Each of the Contracting Parties shall accord the other Party transit of postal packets destined for all countries with which it itself exchanges postal packets.

Article 19.

Goods in transit across the territory of one of the Contracting Parties, coming from or consigned to the territory of the other Party, shall not be subject to any transit duty.

Article 20.

Articles 18 and 19 shall apply equally to direct and to interrupted transit; in particular, it is immaterial whether or not the goods, in the course of transit, are unloaded, warehoused, and re-packed and re-consigned under Customs supervision, provided all necessary steps are taken to make sure that the goods do not remain in the country.

Article 21.

With a view to facilitating goods traffic between the two countries, goods may, in places where public bonded warehouses exist or may be created in the future, be warehoused until they are re-consigned, without first being cleared through the Customs.

Should a licence system exist, the public bonded warehouses referred to in the preceding paragraph may only receive goods for which an import licence has been obtained. The period for which they may remain in bond shall only be limited by the periods prescribed by law (fifth paragraph). Goods placed in bond under an import licence may, without further import licence, pass from the warehouse on to the open market or into other warehouses, and be exported without export licence.

Warehouses of this kind shall be established in ports and trading centres where the need for such is experienced. In maritime areas wherever a special necessity for such arrangements is felt, sites shall be prepared, as near as possible to the port, where goods may, generally speaking, be warehoused and manipulated without any Customs restriction.

The owners of goods placed in bond and persons entitled to dispose of these goods, shall be entirely free, under Customs supervision, to unpack and repack these goods for the purpose of division, sorting, cleaning, preservation and all other operations in keeping with the purpose for which the goods were warehoused.

The period during which goods may remain in bond shall be determined by the laws and decrees in force in each country.

As regards the application of the provisions of the present Article, the nationals and economic organs of each of the Contracting Parties shall not be subjected by the other Party to treatment less favourable than that accorded to the nationals and economic organs of the most favoured nation.

Article 22.

Dutiable goods belonging to nationals of the Contracting Parties may, without first being cleared through the Customs, be deposited in private bonded warehouses authorised by the competent authorities, and placed under Customs supervision.

The provisions of the second, fourth and fifth paragraphs and of Article 21 shall apply in this case.

Article 23.

The two Contracting Parties undertake, as regards trade between them, not to subject imports and exports passing over the land frontiers to duties and taxes other than those applicable to imports and exports passing over the maritime frontiers.

An exception to the present provisions shall be allowed in the case of the special Customs tariffs applied by the U. S. S. R. to goods imported through the Murmansk ports and the Pacific ports, or over the Manchurian land frontiers.

Article 24.

German products of the soil and German industrial products imported into the U. S. S. R. through the territory of one or more third countries, and U. S. S. R. products of the soil and U. S. S. R. industrial products, imported into Germany through the territory of one or more third countries, shall not be subjected on importation to duties or taxes other or higher than those to which they would have been liable if they had been imported direct from the country of origin.

Similarly, products of the soil and industrial products of third countries imported into the territory of one of the Contracting Parties through the territory of the other Party, shall not be

subjected on importation to duties or taxes other or higher than those to which they would have been liable if they had been imported direct from the country of origin.

The present provisions shall apply both to goods in direct transit and goods passing in transit after having been transhipped, unpacked and repacked, or placed in bond.

Article 25.

Internal taxes, levied in the territory of one of the Contracting Parties, either for the benefit of the State, or of communes or corporations, which are or may in future be imposed on the production, preparation and consumption of, or trade in, a commodity, shall not, under any pretext, constitute a heavier or more vexatious charge on articles produced in the territory of the other Party, than on similar national products.

Article 26.

With regard to the amount of the Customs duties and other import and export taxes, the amount of internal taxes levied for the benefit of the State, communes and corporations, and the amount of dues, including all supplements, coefficients and increases, each of the Contracting Parties undertakes to apply, in favour of the products of the soil and the industrial products of the other Party, any advantage, privilege, reduction or exemption which it accords or may accord to the products of a third country. The nationality of the importer shall not be taken into consideration.

Without prejudice to the Convention provided for in Article 32, the most-favoured-nation principle shall therefore be applied throughout the Customs territory of the two Contracting Parties. For this purpose, each of the Parties shall at all times grant the other the benefit of the minimum rates actually charged.

Article 27.

As regards guarantees, the method of collecting import and export duties, dues, Customs formalities and the clearing of goods through the Customs, and further, as regards internal taxes for the benefit of the State, communes, or corporations (see Article 25), each of the Contracting Parties undertakes to grant to the nationals or products of the other Party all advantages and privileges which it accords or may accord to the nationals or products of a third Power.

Article 28.

Each of the Contracting Parties shall designate the authorities who will, on request, provide official information regarding the amount of Customs duties leviable on clearly specified goods, and the category in which these goods are classed.

Article 29.

In addition to the articles which, under Article 9 of the Consular Convention, enjoy freedom from Customs dues, the following shall be exempt from import and export duties :

(1) Furniture and other used articles belonging to immigrants or emigrants, intended for their personal use ;

(2) Articles of every kind, whether new or not, carried by travellers for their use or personal consumption during the journey, or for the exercise of their profession during

the journey, as well as articles addressed to them in advance, or forwarded to them subsequently for the same purpose ;

(3) Sample cards and models in the form of patterns or samples which cannot be employed for any other purpose ;

(4) Advertisements, price-lists, catalogues, notices, etc., imported as single copies.

Article 30.

Goods belonging to the economic organs of one country sent to exhibitions or fairs in the other country which are open to foreign products, or sent on consignment, shall be admitted temporarily free of duty, subject to their being identified and, if necessary, to the depositing of caution-money, provided they are re-exported or placed in bonded warehouse (cf. Articles 21 and 22) within a given period. If these goods are re-exported, the amount of the caution-money deposited shall be repaid on their re-exportation.

Article 31.

In all cases in which, under Article 5 of the Agreement concerning Conditions of Residence and Business, instruments, tools, utensils, etc., may be freely imported, these articles shall enjoy freedom from Customs dues, provided they can be identified and are re-exported within a period corresponding to the duration of the work, as determined by the Customs authorities. The present provision shall not affect any more extensive Customs exemptions which may have been granted.

Article 32.

The Contracting Parties undertake, as soon as possible after the signature of the present Treaty, to enter into negotiations with a view to the conclusion of a convention on Customs tariffs.

Article 33.

No special authorisation shall be required for the importation and re-exportation of samples and models.

The stipulation in the second paragraph of Article 12 shall not be affected by the present provision.

Article 34.

Samples and models which are liable, by reason of their nature, to Customs duties, and which have been imported by economic organs having their headquarters in the territory of one of the Contracting Parties or by representatives of these organs shall enjoy, in the territory of the other Party, temporary freedom from Customs duties, provided the entry duties are deposited or a deposit is made guaranteeing the payment of these duties if necessary.

Article 35.

Samples of precious metals, officially hall-marked by one of the Contracting Parties, shall not be subject to hall-marking in the territory of the other Party if they are re-exported within a period of six months as from the date of their importation. The caution-money to be provided as a guarantee for the fulfilment of this obligation shall not be more than double the amount of

the Customs dues in the case of silver articles, and five times this amount in the case of gold articles. Forfeiture of the caution money shall not exempt the persons concerned from criminal prosecution for infringing the regulations in force with regard to the trade in articles made of precious metals.

Article 36.

Detailed rules concerning the Customs formalities to which samples and models shall be subject are set out in the Annex.

Article 37.

The provisions of Articles 33 to 36 and of the Annex to Article 36, and in addition, those regarding the identity card, shall also apply to unaccompanied dutiable samples and models, if they are imported by economic organs having their headquarters in the territory of one of the Contracting Parties, or by the representatives of these organs.

Article 38.

Samples or models shall be taken to mean all articles representing a particular commodity, subject to the twofold reservation that the identity of these objects can be satisfactorily established on re-exportation and that the total number of the articles imported shall not, in quantity or value, be such as to render it impossible, according to commercial usage, to describe them as samples.

Article 39.

With a view to promoting trade between the two Contracting Parties and to developing credit transactions between the countries, measures shall be taken to encourage the system of sending goods on consignment, between German economic organs on the one hand and the U. S. S. R. economic organs on the other.

Article 40.

The Government of the U. S. S. R. will take into favourable consideration requests for concessions made by German nationals or legal entities, in so far as these requests refer to objects for which the U. S. S. R. Government grants concessions. In any case, German applicants shall not, as regards the securing and working of such concessions, be subject to terms less favourable than the nationals of the most favoured nation.

Article 41.

The nationals of each of the Contracting Parties shall enjoy, on the territory of the other Party, as regards the working of mineral products in the State lands of this Party, all rights accorded, under its laws, to the nationals of the most favoured nation.

Article 42.

Goods coming from the territory of one of the Contracting Parties or having passed in transit from that territory, or goods which are consigned to or have to pass in transit through that

territory, as well as the nationals of that Party travelling or accompanying the goods, shall not, over the same route and in the same direction, be subject on the navigable waterways of the other Party, as regards despatch, transport and charges for transport, or imposts connected with transport, or public taxes and dues of every kind, to treatment less favourable than that accorded to similar goods or persons belonging to the country or to the most favoured nation.

Article 43.

The nationals and economic organs of either of the Contracting Parties admitted to the territory of the other Party may, without any restriction, utilise the postal, telegraph, telephone and wireless telegraph services, as well as telegraphic codes the key of which they have previously communicated, provided they observe the regulations laid down in the International Telegraphic Convention concluded at St. Petersburg in 1875, as revised at Lisbon in 1908.

The Contracting Parties undertake to open negotiations as soon as possible for the resumption of postal relations (including the exchange of postal packets), and telegraphic and telephonic communications, in accordance with the provisions of the Universal Postal Convention and the conventions referred to in the preceding paragraph.

ADDITIONAL TO ARTICLE 12, SECOND PARAGRAPH (*a*).

(Provisions concerning the importation of animals and portions of animals.)

A. — Henceforth there may be imported into Germany from the territory of the U. S. S. R. :

(1) Geldings examined by the veterinary authorities on the frontier and found to be free of all suspicion of disease, particularly glanders ;

(2) Live pigs, up to 800 head per week, subject to the conditions laid down in Annex I ;

(3) Prepared pork, treated so that it is deprived throughout of the characteristics of fresh meat and so that these characteristics cannot be restored by any form of treatment. By prepared pork is meant, in particular, meat entirely pickled in brine, bacon and ham which have been salted, as well as roast, boiled or stewed pork, and pork dripping, subject to the conditions laid down in Annex II ;

(4) Poultry, living or dead, subject to the conditions laid down in Annex III ;

(5) Bowels and skins, and also hoofs, large and small, bones and horns, cleaned of all soft substance, provided all these articles have been thoroughly dried in the air ;

(6) Bowels and skins which have been entirely salted under the conditions laid down in Annex IV ;

(7) Wool, hair, bristles, and feathers entirely dried, solidly packed in sacks and imported direct by the undertakings using these articles.

B. — The animals and parts of animals referred to above may be admitted without restriction under the conditions herein set forth, unless exceptional veterinary or sanitary considerations make it necessary to adopt another system as a temporary measure.

The term " exceptional considerations " and the rules which may be applied on account of these considerations, shall not be interpreted more strictly in the case of goods imported from the U. S. S. R., than in the case of goods imported from a third country.

ANNEX I.

A. — In the case of pigs, a certificate of origin and health must be produced; should this certificate not be drawn up in two languages, it must be accompanied by an officially certified German translation.

Certificates of origin must be issued by the police authorities of the locality of the animals' origin, and must give particulars of the number of the animals, their approximate age and distinctive marks, if any (ear marks, brand marks, etc.).

The route followed up to the station of entry into Germany must be clearly indicated in the certificate or other form of way-bill.

The competent veterinary official must attest on the certificate of origin that immediately before their despatch the pigs were free from contagious disease and showed no suspicious symptom of such disease.

These certificates of health shall be valid for eight days. Should this period expire during transport, the pigs must, in order that the validity of the certificate may be prolonged for a further period of eight days, be re-examined by a Government veterinary official, who shall enter on the certificate the result of his examination.

An affidavit by an official veterinary surgeon must also be presented to the effect :

(1) That during the previous six months there has been no cattle plague in the Government of origin or in the wider administrative district by which that Government has been replaced ;

(2) That during the previous six weeks there has been no case of :

(a) Foot and mouth disease, either in the locality of origin or within a radius of fifty kilometres ;

(b) Other swine diseases — apart from tuberculosis — particularly pneumo-enteritis, swine fever and, except in isolated cases, red murrain, either in the locality of origin or within a radius of ten kilometres.

Affidavits shall be issued : in the cases mentioned in paragraphs 1 and 2 (a), by the proper veterinary surgeon of the Government or by the official in charge of the veterinary service of the larger administrative district which will replace that Government ; in the cases mentioned in paragraph 2 (b), by the official acting as head veterinary surgeon in the second-class administrative district.

If the despatching station is not situated in the place of origin, a similar affidavit must also be produced, issued by the competent veterinary official of the despatching station.

B. — Pigs may only be imported through maritime quarantine stations specially designated for this purpose. No quarantine shall be required.

C. — Pork may only be imported into the country for factories engaged in manufacturing pork products. The German Government reserves the right to forbid the importation or purchase of pigs from the territory of the U. S. S. R. in the case of pork-product factories which also sell fresh meat in addition to prepared meat and sausages, or which do not, on account of the character of their manager, supply the necessary guarantees for the execution of the official regulations.

ANNEX II.

A certificate issued by the competent U. S. S. R. official veterinary surgeon must be produced, attesting that the imported pork is the product of animals slaughtered in large public slaughter-houses or export slaughter-houses placed under the permanent supervision of a veterinary surgeon and designated in conformity with the second paragraph of the present Annex, and that the animals were inspected by the veterinary surgeon before and after slaughter and were found to be healthy.

The slaughter-houses mentioned in the preceding paragraph shall be designated by agreement between the two Governments.

The German Government reserves the right to decide that meat intended for importation must be marked in the slaughter-houses of origin with a mark proving that it has been examined by the veterinary surgeon, particularly with a view to establishing the existence of trichina.

The provisions of the German Law of June 3, 1900, concerning the inspection of meat (*Reich Legal Gazette*, page 547) and of the Regulations for the application of this Law, shall not be affected by the present provisions.

ANNEX III.

1. By poultry are meant geese, ducks, hens and chickens, guinea-fowl, turkeys and wild fowl.
2. In conformity with the regulations in force in Germany a special licence is required for the importation of poultry from abroad. This licence shall be granted subject to the provisions of paragraph B of the Additional Provisions to Article 12, and to compliance with the stipulations hereinafter laid down. Licences issued shall cease to be valid if not utilised within a period of three months.
3. Poultry may be imported through all the frontier stations designated for the purpose. The request for a licence must state the frontier station through which it has been decided that the poultry shall pass.
Poultry may not be imported by being driven over the frontier.
4. The poultry shall on importation undergo official veterinary inspection. Consignments, including diseased animals or animals suspected of being diseased, may not be imported.
5. The poultry shall be transported from the frontier station of entry to the place of destination in sealed wagons, marked "isolated animals".
6. Poultry may only be imported by establishments for the fattening of poultry or slaughter-houses not receiving native poultry.
7. The poultry may only be transported from the station of destination up to the farm of destination in wheeled vehicles.
8. Poultry must be kept in closed compartments in fattening establishments and slaughter-houses. They must not be allowed access to running or stagnant water.
9. Poultry in one and the same consignment must be slaughtered in the fattening establishments within four weeks at latest after arrival at these establishments.
10. Poultry droppings may only be taken away after they have been loaded according to the regulations.
11. Dead poultry, except wild fowl, may only be imported if plucked. In the case of geese and ducks the gizzard must have been removed; other poultry must be cleaned.

ANNEX IV.

1. In conformity with the regulations in force in Germany a special licence is required for the importation of salted bowels and skins from abroad. The licence shall be granted subject to paragraph B of the Additional Provisions to Article 12 and to compliance with the stipulations hereinafter laid down. The licence shall cease to be valid if not utilised within a period of three months.
2. A certificate must be issued by the competent U. S. S. R. veterinary official, testifying that the consignments of bowels or skins imported are from animals slaughtered in public slaughter-houses placed under the permanent supervision of a veterinary surgeon and designated by agreement

between the two Governments ; the certificate should also state that the animals were inspected by the veterinary surgeon before and after slaughter and that they were found to be healthy.

Export slaughter-houses, approved for the importation of pork, shall also be approved for the importation of salted bowels.

3. These articles may be imported through all stations of entry which possess a foreign meat inspection office.

4. Salted bowels may only be imported if consigned to large receiving centres properly equipped for salting and manufacture, and they may only be delivered, after manufacture, to wholesale establishments (sausage factories). The central authorities of the country shall designate the localities and establishments to which this definition applies.

5. Cattle bowels may only be imported if they are dry-salted.

ANNEX TO ARTICLE 36.

Economic organs and their representatives must comply with the Customs laws, regulations and formalities of the country of importation, as applicable in each case.

For the subsequent identification of samples or models, the Customs authorities of each of the Contracting Parties shall regard as adequate the marks placed on these samples or models by the Customs authorities of the other Contracting Party, provided the samples or models are accompanied by a samples permit authenticated by the Customs authorities of the latter country. The Customs authorities of the country of importation may, however, place additional marks on the samples or models whenever they consider this precaution absolutely necessary to ensure their identification on re-exportation. Except in the latter case, the Customs authorities shall simply verify the fact that the samples correspond to those described in the permit, and determine the amount of any duties to be levied.

The period allowed for re-exportation shall be at least six months. The Customs administration of the country of importation shall be authorised to prolong this period. On the expiration of this period, samples which have not been re-exported must pay Customs duties and other charges which may, if necessary, be paid out of the amount of caution-money deposited.

The taxes deposited on importation shall be repaid, or the caution-money furnished for the payment of these taxes released, immediately at all Customs offices authorised for this purpose on the frontier or in the interior of the country, after deduction, if necessary, of the taxes due on samples or models not submitted for re-exportation. The Contracting Parties shall publish a list of the Customs offices authorised for this purpose.

The persons concerned must carry an identity card drawn in accordance with the attached specimen and issued by the competent authorities of the country of origin. The two Contracting Parties shall communicate to each other the names of the authorities entitled to issue these identity cards.

(SPECIMEN.)

(In two languages.)

NAME OF COUNTRY.

(Authority issuing the card.)

BUSINESS IDENTITY CARD.

(Valid for twelve months as from the date of issue.)

Valid for No. of Identity Card

We hereby certify that the holder of this card :

M. (Mme.) born at

residing at No. Street

is proprietor at *

of the business known as

or

is employed by the firm(s) *

owning a known as

at

Whereas the holder of this card intends to solicit orders and make purchases in the above-mentioned countries on behalf of the firm(s) in question, it is hereby certified that the said firm(s) is (are) authorised to carry on its (their) trade and industry in and pay(s) in that country the taxes imposed by law on this account.

..... the 102.....

Signature of the head of the firm(s)

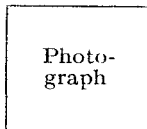
Description of holder :

Age

Height

Hair

Special marks



Date and place

.....

Signature of holder :

.....

Signature of authority :

.....



Seal or stamp of authority issuing the card.

* Name of the factory or firm.

Observations :

(a) Part I of this form should only be filled up in the case of the head of a commercial or industrial undertaking.

(b) The holder of this card is authorised, in the course of his business, to carry with him only such objects as are described in the samples permit.

III.

RAILWAY AGREEMENT.

Article 1.

Through goods traffic between the two Contracting States shall be subject to the provisions of the Berne International Convention in such form and with such modifications and additions as are specially agreed upon by the railway administrations concerned.

Article 2.

In the case of the conveyance of passengers and baggage no distinction shall be made as between the inhabitants of the territories of the Contracting Parties as regards conditions of forwarding, transport charges or public taxes in connection with transport.

Goods consigned from Germany to the U. S. S. R. or through the U. S. S. R. to another country shall not receive less favourable treatment on the railways of the U. S. S. R. as regards forwarding and transport, transport charges and public taxes in connection with transport than similar goods consigned from the U. S. S. R. or from another State, in the same direction and over the same route. This principle shall also be applied on the German railways in regard to goods consigned from the U. S. S. R. to Germany, or through Germany in transit to another country. It shall further be applied by both Parties to goods carried by water to sea-ports or river ports and subsequently forwarded by rail. Exceptions to the above provisions shall only be allowed in the case of goods carried at reduced rates for the purpose of meeting exceptional temporary crises and disasters, or for public or charitable purposes.

Both Contracting Parties further reserve the right to fix their railway tariffs in the manner they consider desirable, but they will nevertheless assist each other as far as possible in questions connected with railway tariffs, particularly as regards the establishment of through tariffs.

Article 3.

(a) Goods arriving at ports by rail and subsequently despatched on German vessels, and goods arriving in German vessels and subsequently despatched by rail shall not, in the same direction and over the same route, receive less favourable treatment on the railways of the U. S. S. R. as regards forwarding or transport, transport charges and public taxes in connection with transport than goods arriving in the same ports on vessels of the U. S. S. R. or of another country, or despatched therefrom on U. S. S. R. vessels or vessels of other countries. The same shall apply on German railways to goods arriving at ports by rail and subsequently despatched from there on U. S. S. R. vessels and to goods arriving at ports on U. S. S. R. vessels and despatched from there by rail.

(b) Tariffs, reduced transport charges or other advantages the application of which is conditional upon the previous or subsequent carriage of goods on vessels of a particular State or private shipping undertaking or on the use of a particular sea or river connection shall also under similar conditions be granted in respect of transport in the same direction and over the same route to goods arriving at or despatched from a port on German vessels and also to goods arriving at or despatched from a port on vessels of the U. S. S. R.

Article 4.

(a) Goods tariffs on the U. S. S. R. railway lines from and to Koenigsberg (Pillau) shall, under similar conditions, be on at least as favourable a basis as regards importation, exportation and transit as those on the U. S. S. R. railway lines to any other Baltic port not belonging to the U. S. S. R.

(b) The U. S. S. R. on the one side, and Germany on the other side, shall establish through goods tariffs to meet the requirements of trade between Koenigsberg (Pillau) and stations of the U. S. S. R. as soon as the co-operation of the other States concerned (Esthonia, Latvia, Lithuania and Poland) is assured. In the case of these through tariffs, the U. S. S. R. shall not fix transport rates for traffic over its lines higher than those of the internal tariffs in force should such rates not be already lower than those of the internal tariffs as a result of the provisions of paragraph (a).

Such through tariffs shall more particularly be provided in the case of U. S. S. R. products of the soil, articles manufactured out of these products and animal products which are consigned in the direction of Koenigsberg (Pillau), and in the case of herrings, manure, and agricultural machinery, which are consigned in the direction of the U. S. S. R.

IV.

AGREEMENT CONCERNING NAVIGATION.

Article 1.

The vessels of each of the Contracting Parties and their cargoes shall be treated in the ports of the other Party, both on their arrival and departure and during their stay in the said ports, in exactly the same manner as national vessels and their cargoes, from whatsoever place the vessels may arrive and whatever may be their destination, and whatsoever the place of origin or destination of their cargoes. These provisions shall in particular apply to all taxes and charges of every kind levied in the name or for the profit of fiscal authorities, public authorities or officials, communes, concessionaires, or corporations or establishments of any kind, to the stationing, loading and unloading of vessels in ports, roadsteads, bays, mooring-places, basins and docks and to all police, Customs, quarantine and other formalities to which the vessels and the cargoes are subject, and which are connected with the conditions of the stay of the said vessels in the ports of the other Party.

All privileges, exemptions or other advantages which have been or may in future be granted by one of the Contracting Parties to a third Power in respect of treatment of vessels, crews and cargoes shall also be granted immediately and unconditionally to the other Party.

Article 2.

The provisions of Article 1, first paragraph, shall not extend to :

- (1) The application of special laws concerning the maintenance, renewal and development of the national fleet ;
- (2) Favours granted to the national fisheries ;
- (3) Favours granted to athletic associations for purposes of sport ;
- (4) Navigation between the ports of the other Party situated on the same sea (minor coasting trade, minor cabotage) ;

(5) Harbour services, including towage, rescue work and salvage in the port, it being understood that duties and charges and other conditions applicable to vessels of the same type belonging to the other Party shall not be less favourable than in the case of merchant vessels in general ;

(6) Pilotage services.

Article 3.

The Contracting Parties agree that the use of vessels of the one Party by individuals or legal entities of the other Party for the carriage of goods shall not be subject to legislative or administrative restrictions.

Article 4.

The nationality of vessels shall be recognised by both Parties as being established, in accordance with the laws and regulations in force in each country, by the documents and certificates on board issued by the competent authorities.

A special agreement shall be concluded as soon as possible between the Contracting Parties for the mutual recognition of tonnage measurement certificates and other ship's papers. Pending such an agreement the tonnage certificates and other ship's papers on board the vessel shall be recognised provided that they are made out in a regular manner.

Article 5.

German vessels entering a port of the U. S. S. R. and U. S. S. R. vessels entering a German port solely for the purpose of completing their cargo or unloading a part thereof in the said port may, provided they comply with the laws and regulations of the State concerned, retain on board that part of their cargo which is consigned to another port of the same or of another country, and re-export it without being liable to pay any duty in respect of that part of the cargo, other than supervision charges ; the latter may only be levied at the rate laid down for national shipping.

Article 6.

The following shall be altogether exempt from all tonnage and forwarding dues in the ports of each of the two countries :

(1) Vessels coming from any place whatsoever which enter and leave the port in ballast ;

(2) Vessels carrying cargo which enter a port either voluntarily or compelled by stress of weather or by accident, and which leave the port without having carried on any trade there.

In other cases the principles laid down in Article 1 shall apply to tonnage and forwarding dues.

These exemptions shall not apply to buoyage, pilotage, towage, quarantine and other charges and dues imposed in respect of the vessel itself, provided these charges and dues are levied at the same rate on national shipping and on that of the most favoured nation for services rendered and measures taken in the interests of navigation.

The following operations shall not be regarded as the carrying-on of trade :

Repairs to vessels, unloading and reloading of cargo necessitated by repairs, transshipment to another vessel should the first be unseaworthy, purchase of provisions for the crew to the amount required for the remainder of the voyage, and also the sale of damaged goods should the authorities give permission.

Article 7.

Should a vessel of one of the Contracting Parties run aground or be wrecked on the coast of the other Party, the vessel and its cargo shall be entitled to the facilities and exemptions granted by the laws of the country to national shipping under similar conditions. Assistance and support shall at all times be given to the master of the vessel, the crew and the passengers, both as regards their persons and their vessel and its cargo.

Merchandise saved shall not be subjected to the payment of any special tax unless cleared for internal consumption.

Article 8.

The nationals of each of the Contracting Parties shall be entitled under the same conditions and on payment of the same charges and taxes as the nationals of the other State to make use of ports and landing places, roadsteads, bays and estuaries of rivers, signals and lights, navigable channels, pilotage and towage services, cranes and weighing-machines, bonded warehouses, installations for life-saving and salvage of cargo and the like, in so far as the said installations or services are designed for public navigation and trade in general and whether they are administered by the State or by private persons with the authorisation of the State.

Article 9.

The scale of the charges and taxes referred to in Articles 1, 6 and 8 must be duly published before their coming into force.

The same shall apply to police and trade and traffic regulations. The harbour board in each port shall place at the disposal of those concerned a list of the charges and taxes in force and of the police and traffic regulations.

Article 10.

National regulations in respect of the equipment and fitting out of vessels of one of the Contracting Parties shall also be recognised in the ports of the other Party as valid in the case of the transport of emigrants, passengers and goods.

Article 11.

Masters of vessels of either of the Contracting Parties shall not, when engaging their crews, be obliged in the ports of the other Party to apply to the maritime recruiting offices or to labour bureaux existing in the said port, unless the persons to be engaged are nationals of the other Contracting Party and their engagement through the maritime recruiting offices or labour bureaux is necessary under the law of that Party.

Article 12.

Average-adjusters representing insurance companies of one of the Contracting Parties may freely exercise their activities in the territory of the other Party in regard to the determination and settlement of damages covered by insurance (including reinsurance) policies issued by these companies.

Article 13.

After the coming into force of the present Agreement, the two Contracting Parties shall, if possible, jointly undertake a scientific enquiry into the biology of useful fish found in the northern coastal waters of the U. S. S. R., within an area to be defined in a special agreement.

They shall further, as soon as possible, draw up and put into force joint regulations for the purpose of preserving fishing banks in that area in so far as such measures appear to be necessary and useful.

V.

FISCAL AGREEMENT.

Article 1.

The nationals of each of the Contracting Parties shall receive in all respects in the territory of the other Party, both as regards their person and their property, rights and interests, and particularly as regards trade, industry, business, professions, occupations and all other matters connected with taxation, duties which are substantially taxes and other similar charges, the same treatment and the same protection on the part of the authorities as nationals of the country or nationals of the most favoured nation. In this respect no distinction shall be made if these charges are imposed in the German Reich by the Reich, the various States, the communes or other public corporations and in the U. S. S. R. by the Union, the various Soviet Republics, the communes or other public corporations. Legal entities, including shareholders' companies and trading companies of every kind, industrial, financial and insurance companies, and companies for the transportation and forwarding of goods, shall also be regarded as nationals provided they have their headquarters in the territory of the other Contracting Party and are constituted in conformity with the laws of that Party. Undertakings in which the State participates, that is to say, all undertakings which the State administers solely or jointly with private economic organs, whatever form these undertakings may assume, shall be treated as companies.

Article 2.

With a view to avoiding double taxation, the following special provisions shall be applied in the fiscal treatment accorded to nationals of the two Contracting Parties (Article 1), including taxable persons placed on the same footing as nationals, who engage in the territory of the other Party, in agriculture, including viticulture and fruit-growing, the exploitation of forests, fishing, stockbreeding, trade and industry, mining or commerce :

(a) Land, buildings, rights equivalent to the possession of land, mortgage debts and income (yield) derived therefrom, shall only be subject to direct taxation in the State in which the immovable property in question is situated ;

(b) The exercise of a trade or industry, the capital employed therein and the income (yield) from such trade or industry, shall only be subject to direct taxation in the State in which an establishment is maintained for the carrying-on of a permanent business or industry. In addition to the head offices, " establishments " shall be taken to mean trading establishments, workshops, premises for purchase and sale, warehouses, counting-houses, and all other installations used in carrying on the business or industry, which are under the management of the head of the undertaking or his partners, persons entitled to act on his behalf or other permanent representatives. Should one and the same

enterprise possess establishments in the two countries, these establishments shall only be subject to direct taxation, in each country, on the business transacted by the establishments situated in that country.

Participation in undertakings in the nature of companies shall, for the purposes of the present Agreement, also be regarded as carrying on trade or industry.

Article 3.

The central revenue authorities of the two countries may decide to fix a lump sum :

(a) In the German Reich, to cover all or some of the charges specified in Article 1 and levied by the Reich, the various States, the communes or other public corporations on U. S. S. R. undertakings in which the State participates, as described in Article 1, sentence 4 ;

(b) In the U. S. S. R., to cover all or some of the taxes specified in Article 1, which have to be paid by the owners of the undertakings mentioned in Article 2.

The tax-payer shall be entitled to demand that his taxes be calculated according to the general rules.

VI.

AGREEMENT CONCERNING COMMERCIAL COURTS OF ARBITRATION.

Article 1.

Written agreements to arbitrate in commercial and all other civil matters, entered into between parties of German nationality and parties belonging to the U. S. S. R. for the settlement of disputes of a legal character in respect of the clauses of a contract or other definite legal situation, when provision for this has been made in the contract or in a special agreement, shall, if the conditions laid down in Article 2 are fulfilled, be recognised as valid without any other formality. They shall be so recognised, it being understood that the arbitration agreement withdraws the dispute from the jurisdiction of the ordinary courts or other authorities, provided the parties have not agreed in writing to some other arrangement.

The provisions of the present Article shall not apply to matters connected with legal status or family rights, or to disputes between employers and employed persons. They shall, moreover, not apply to disputes regarding the utilisation of the soil, which are dealt with under the agrarian legislation of the Contracting Parties.

Article 2.

The agreement to arbitrate must contain :

- (1) Statement of a definite legal situation ;
- (2) Particulars regarding the composition of the court of arbitration, which must include at least two arbitrators and an umpire ;
- (3) Particulars concerning the seat of the court of arbitration. If the arbitration agreement merely indicates the State in which the court of arbitration is to sit, the capital of this State shall in the absence of any subsequent agreement between the Parties, be the seat of the court of arbitration.

Article 3.

In the absence of any special agreement between the parties, the court of arbitration shall be constituted as follows :

(1) The pursuing party shall, by registered letter for which a receipt is given, communicate to the other party the name of the person designated by it as arbitrator and his address, and shall request the other party to name an arbitrator in the same manner. The latter party shall furnish this information within two weeks after receiving the above request.

If, on the expiration of this period, the opposing party has not communicated the name of its arbitrator, the latter shall be appointed, at the request of the pursuing party, within two weeks as from the date of the receipt of this request :

(a) If the court of arbitration has its seat in the German Reich, by the President of the Court of Appeal within whose jurisdictional area the headquarters of the U. S. S. R. Trade Delegation are situated ;

(b) If the court of arbitration has its seat in the territory of the U. S. S. R., by the President of the Supreme Court of the Soviet Republic in the territory of which arbitration is to take place.

The two Parties shall immediately be informed of this appointment.

(c) If the court of arbitration is to have its seat in another State, the pursuing Party shall request the President of the Supreme Court of the capital of that State to appoint an arbitrator and communicate his name immediately to the two Parties. Should the above magistrate refuse to comply with this request, the pursuing Party shall be entitled to apply to a University or Chamber of Commerce in that State and request it to appoint the arbitrator.

(2) The arbitrators shall select the umpire by common agreement. Should they be unable to agree within two weeks as from the date of receipt by each of notice regarding their appointment, a list of five suitable persons shall, at the request of one of the arbitrators, be drawn up by the competent authority in virtue of No. 1, second paragraph (President of the Court of Appeal, President of the Supreme Court, University or Chamber of Commerce), and shall be sent to the two arbitrators within two weeks in the cases defined in paragraphs (a) and (b). If within two weeks from the receipt of this list, the umpire has not been chosen by the two arbitrators, he shall, at the request of one of the arbitrators, be selected, within two weeks as from the date of the receipt of this request, by the competent authority referred to above from the persons mentioned in the list ; the name of the umpire shall be immediately communicated to the two arbitrators.

No taxes, costs or stamp duties shall be charged for the services rendered by the courts mentioned in the preceding provisions.

Article 4.

Should an arbitrator, who has not been designated in the arbitration agreement, die or be unable to act in this capacity for any other reason, or should he refuse to accept or fulfill the duties of arbitration, the Party who has appointed him, or on whose behalf he has been appointed in virtue of Article 3 (1), second paragraph, must at the request of the opposing party, within two weeks after the receipt of this request, appoint another arbitrator in the manner laid down in Article 3 (1), first paragraph. If on the expiration of this period the arbitrator has not been appointed, he shall be designated in conformity with Article 3 (1), second paragraph.

Should an umpire, who has not been designated in the arbitration agreement, die or be unable to act in this capacity for any other reason or should he refuse to accept or fulfill the duties of

arbitration, the arbitrators must immediately by common agreement choose another umpire. Should the arbitrators be unable to agree on this point, the procedure laid down in Article 3 (2) shall apply by analogy.

The provisions of the present Article shall only apply in the absence of other agreements.

Article 5.

Should one of the arbitrators or the umpire designated in the arbitration agreement die or be unable to act in this capacity for any other reason, or should he refuse to accept or fulfil the duties of arbitration, the provisions of Article 4 shall apply by analogy, unless the Parties have agreed that in this case the arbitration agreement shall cease to have effect.

Article 6.

Should objection be made to an arbitrator, the law applicable on this point shall be the law of the country in which the court of arbitration has its headquarters.

The competent authorities referred to in Article 3 (President of the Court of Appeal or of the Supreme Court, University or Chamber of Commerce) shall decide regarding such objection.

The provision in the last paragraph of Article 3 shall be applicable by analogy.

Article 7.

The arbitration award must mention the date and place in which it was given, the composition of the court of arbitration and a statement that the Parties have been heard; it shall be signed by the arbitrators and a signed copy shall be communicated by the arbitrators to each of the Parties.

It shall not be necessary to state the grounds on which the decision was reached.

Article 8.

In the absence of any of the reasons for refusal to execute mentioned in Article 10, arbitration awards shall, with regard to the Parties, have the effect of a judicial decision with final effect, and shall be recognised as executory in the territory of the other Contracting Party.

Article 9.

Each of the Contracting Parties shall guarantee the execution of arbitral awards under the conditions laid down in Article 10.

In the absence of any special provisions in the arbitration agreement, any court which would have been competent to hear the case in accordance with the ordinary law of the country shall be competent to order the execution of an arbitral award. The defendant Party must be heard before the decision is given.

Article 10.

An order for the execution of an arbitral award may only be refused in the following cases :

- (1) If, in virtue of Article 1, second paragraph, the case cannot be admitted ;
- (2) If the said award has been given by a court of arbitration not constituted in conformity with the agreements entered into between the Parties or the provisions of

Articles 2 to 6, or finally, if one of the Parties was not represented in conformity with the laws of his country when the arbitration agreement was drawn up or the arbitration procedure decided upon, unless the Party in question has expressly agreed that the case should be judged in conformity with such procedure ;

(3) If, in the course of the proceedings, the Party has not been granted the necessary hearing ;

(4) If the Party produces an award which has been given on the same question and has already acquired final effect ;

(5) If there exist any conditions which would warrant,

(a) In Germany, an action for restitution in the cases provided for in Nos. 1 to 6 of paragraph 580 of the German Code of Civil Procedure,

(b) In the U. S. S. R., the reopening of proceedings in the cases provided for in paragraph 251 (b) and (c) of the R. F. S. S. R. Code of Civil Procedure and in the corresponding articles of the Codes of Civil Procedure of the other Soviet Republics in the U. S. S. R.

(6) If the execution to which the arbitration award has sentenced the party is not admitted under the laws of the country in which execution should take place.

There shall be no re-examination of the material points at issue.

The arbitral award shall be ordered and carried out in conformity with the laws of the country.

Article 11.

The Contracting Parties undertake to facilitate in every way all acts of procedure carried out in their respective territories by courts of arbitration. Should a court of arbitration hold to be necessary certain legal action which it is not itself competent to take, such action shall, at the request of the court of arbitration, be ordered in each of the two countries by the competent court referred to in the second paragraph of Article 9, provided the action in question be not contrary to the laws of the country. The court must ensure the execution of this order.

Article 12.

In the settlement of questions submitted to them, courts of arbitration shall adhere to the rules of international commercial usage, taking into account all the considerations brought to light by their discussions and enquiries.

Article 13.

To be valid, arbitration agreements concluded before the coming into force of the present Agreement need not necessarily comply with the conditions laid down in this Agreement.

Arbitral awards delivered under these agreements shall be executed in conformity with the present Agreement.

Article 14.

The provisions of the present Agreement shall apply even when one of the Contracting Parties is concerned in the arbitration proceedings as a party, either as principal or intervener.

Article 15.

The Contracting Parties shall make every effort to encourage the conclusion between their economic organs of arbitration agreements in conformity with the foregoing provisions, and shall facilitate the execution of these agreements in every way.

VII.

AGREEMENT CONCERNING THE LEGAL PROTECTION OF INDUSTRIAL PROPERTY.

Article 1.

Nationals of each of the Contracting Parties shall enjoy in the territory of the other Party as regards inventions, travelling-samples, trade marks and industrial designs and models, and all measures taken against unfair competition, the same rights as those which the laws of the country accord, or may in future accord, to its own nationals.

For the purpose of the present Agreement, commercial companies and legal entities placed on the same footing as nationals under the Agreement concerning Conditions of Residence and Business shall also be regarded as nationals.

Article 2.

Request for the registration of trade marks submitted by German undertakings (Article 1, paragraph 2) between November 10, 1922, and the date on which the present Agreement comes into force, shall be regarded as taking effect on the date on which they were filed.

Article 3.

Nationals of each of the Contracting Parties who may, previous to July 31, 1914, have registered a trade mark or applied for its registration in the territory of the other Party in conformity with the legal provisions in force at that time, may demand priority on the basis of the original declaration if, within six months as from the coming into force of the present Agreement, they submit a new declaration for the registration of this mark in conformity with the provisions at present in force.

Paragraph 9, sub-paragraph 1 (1) and paragraph 20 of the German law on trade marks, and Articles 4 (b), 6, 17 and 18 of the R. F. S. S. R. law on trade marks dated November 10, 1922, and Articles 4 and 5 of the U. S. S. R. law on trade marks dated July 18, 1923, or the corresponding provisions in any new law of the U. S. S. R. shall be applicable by analogy. Requests for cancellation submitted in accordance with these provisions must be brought to the notice of the competent authorities within nine months as from the new registration of the trade mark. If the trade mark has been utilised up to the time at which the demand for cancellation is first formulated, the fact that it has been so used may not constitute a ground for an action for damages.

Article 4.

Nationals of each of the Contracting Parties who, within six months as from the date of the coming into force of the present Agreement, apply for a patent in the territory of the other Party in conformity with the laws of that Party may, if they have already applied for a patent in their own country between August 1, 1914, and the date of the coming into force of the present Agreement, claim priority for the application made in their own country as against all applications which may have been submitted in the meantime, nor shall the application be declared of no effect by reason of anything which may have occurred in the meantime.

Rights urged in opposition to those which form the basis of a claim founded on priority (paragraph 1) possessed by third parties on the date of the coming into force of the present Agreement and acquired *bona fide*, shall not be affected by the preceding provisions. In such case, third parties shall continue to enjoy all their rights, either personally or through their representatives or the holders of licences to whom they have made over their rights before the coming into force of the present Agreement.

Article 5.

Each of the Contracting Parties undertakes to recognise rights acquired in its territory before July 31, 1914, by nationals of the other Party, and arising out of the fact that a patent has been obtained, or an application for a patent filed, provided the persons concerned submit, within twelve months as from the date of the coming into force of the present Agreement, a request to this effect, in conformity with the provisions in force. This shall imply recognition of the original priority and of the period of protection still outstanding in virtue of the original application.

Article 6.

Any person who in one of the contracting countries has, in conformity with the regulations, submitted a request for a patent of invention, travelling-sample, industrial design or model or trade mark, or his assign, shall, during the period mentioned below and subject to the rights of third parties, enjoy a right of priority to make the same application or obtain similar filing in the other country.

Consequently, the application or filing carried out in the other country before the expiration of this period shall not be rendered inoperative by reason of events which have occurred in the meantime, as, for instance, another application or further filing or the publication or exploitation of the invention, the offering for sale of copies of the design or model, or the use of the mark.

The above-mentioned periods of priority shall be fixed at twelve months for patents of invention and travelling-samples, and six months for industrial designs and models and trade marks.

Article 7.

The Contracting Parties shall, at the earliest possible moment, enter into negotiations with a view to concluding an agreement for the reciprocal protection of literary and artistic property.

In faith whereof the Plenipotentiaries have signed the present Treaty.

Done in duplicate original at Moscow, October 12, 1925.

(Signed) BROCKDORFF-RANTZAU.

(Signed) M. LITVINOFF.

(Signed) VON KOERNER.

(Signed) HANETZKY.

FINAL PROTOCOL.

At the moment of signing the above Treaty the two Contracting Parties have agreed on the following provisions, which shall form an integral part of the Treaty.

ADDITIONAL TO THE GENERAL CLAUSES.

Ad Articles 5 and 6.

Immediately after the signature of the present Treaty steps shall be taken to settle the transit question by the formation of companies.

Ad Article 6.

The exceptions provided for in the Treaty of Rapallo and mentioned in the last sentence of Article 6 shall not be subject to the duration of validity of the various agreements.

ADDITIONAL TO THE AGREEMENT CONCERNING CONDITIONS OF RESIDENCE AND BUSINESS AND
LEGAL PROTECTION IN GENERAL.

Ad Article 1.

1. So long as passports are compulsory in the territory of either of the Contracting Parties, passport regulations shall not be affected by the provisions of Article 1. The Contracting Parties agree, however, that the spirit of the provisions of Article 1 implies that requests for permission to enter and pass through the territory of one Party made by nationals of the other Party should be sympathetically considered and disposed of as promptly as possible. Entrance and transit visas shall when possible be granted by diplomatic and consular agents without previous reference to their Governments. In the case of journeys for the purpose of temporary residence, the exit visa shall be given at the same time as the entrance visa. In the same way nationals of one Party domiciled on the territory of the other shall obtain on request when leaving that territory, a visa for return should they intend to leave the country only temporarily, in so far as there are no special objections in individual cases to their return.

The Contracting Parties shall apply the provisions of the first sentence of Article 1, paragraph 1, in a spirit of sympathetic consideration and reciprocity.

2. The Contracting Parties undertake to initiate new negotiations without delay for the conclusion of the draft agreement already discussed in respect of the care of and assistance to the poor.

Ad Article 2.

1. Without prejudice to the provisions of Article 2, special restrictions on the participation of foreigners in industries which are of essential importance for national defence or in industries which constitute a State monopoly, shall remain in force. The same shall apply to local restrictions imposed in the interests of national defence on the exercise of business.

2. The activities of engineers or technical experts, nationals of one Party who proceed to the territory of the other Party or reside there for the purpose of co-operating as technical experts or advisers in the carrying out of commissions or orders from economic organs of that Party, or in supervising or executing repairs in respect of previous orders and deliveries, shall not be regarded as prohibited under Article 2.

3. In addition, participation in companies under the same conditions as those imposed on nationals of the country shall not be regarded as prohibited under Article 2 in the case of individuals nationals of the other Party, who are domiciled in the country. The nationals of one Party shall also be subject in the territory of the other Party to the same treatment as nationals in respect of the employment of foreign capital.

Ad Article 3.

The Contracting Parties shall conclude agreements for the purpose of ensuring to workers of the U. S. S. R. in Germany and to German workers in the U. S. S. R. treatment in respect of

social insurance which shall give them so far as possible the same advantages as are given to workers who are nationals of the country.

Ad Article 5.

1. The facilities provided for in Article 5, paragraph 1, shall not be granted in respect of articles which, on account of their nature or quantity, do not properly come under the terms of that paragraph.

2. The restrictions specified in Article 5, third paragraph, in respect of the circulation of money shall not prevent the export of the proved yield of the sale of property in the case of the departure of the owner. The same shall apply to the proceeds of inherited property should the persons entitled to it leave the country or be domiciled in another country.

Ad Article 7.

1. The exemption from obligation to public labour (Article 7, first paragraph) shall not apply in the case of sudden and unexpected natural catastrophes which involve public danger.

2. Article 7, first paragraph, shall also apply to any burdens in the nature of taxes.

Ad Article 8.

Expropriation or other withdrawal of or restrictions on property may only take place in the territory of either Party in the cases provided for in the laws of the Party in question, in the form of confiscation following on a sentence of the courts, or punishment for offences against the Customs regulations, or on adequate compensation being paid after expropriation (requisition) in accordance with a regular and legal procedure and as an exceptional measure.

The property of undertakings which have obtained concessions in the U. S. S. R. may only be requisitioned or confiscated in the cases and in the manner provided for in the contract granting the concession.

Ad Article 10.

The principles of Article 10 shall apply to restrictions of any nature on personal freedom, particularly to the issuing and execution of warrants for arrest of any kind, to seizure by the police, to the search of residential or business premises, and to the examination of books and private or business papers.

Ad Article 11.

1. The consul shall be notified either by a communication from the person arrested or by the authorities themselves direct. Such communications shall be made within a period not exceeding seven times twenty-four hours, and in large towns, including capitals of districts, within a period not exceeding three times twenty-four hours.

2. In cases of detention of all kinds, requests made by consular representatives to visit nationals of their country under arrest, or to have them visited by their representatives, shall be granted without delay. The consular representative shall not be entitled to require officials of the courts or prisons to withdraw during his interview with the person under arrest.

Ad Articles 16 and 18.

The provisions of the Annex (Insurance) shall apply to insurance companies.

Ad Article 17.

The Government of the U. S. S. R. hereby declares that it is not its intention to decree or to apply, in the case of normal economic traffic in general, such restrictive measures as would be liable to interfere with the activities of German firms allowed to carry on business in the country, as compared with those of undertakings in which the State participates.

ADDITIONAL TO THE ECONOMIC AGREEMENT.

Ad Article 2.

1. The attachment of the Trade Delegation to the Embassy of the U. S. S. R. shall be definitely effected by the granting of the regime of extraterritoriality to the persons and premises specified in Articles 4 and 5.

2. Sections of the Trade Delegation in towns of the German Reich other than Berlin may only be set up by agreement with the Ministry of Foreign Affairs and the Government of the particular State. Sections of the Trade Delegation existing at the moment of the conclusion of the present Agreement shall be maintained.

Ad Article 3.

1. Should the Trade Delegation of the U. S. S. R. join or participate in commercial companies or other associations constituting legal entities, neither the said commercial companies and legal entities nor the Trade Delegation itself shall be entitled by such participation to claim any privileges, immunities or favours.

2. In the exercise of its activities as defined in Article 3, paragraph 1 (c), the Trade Delegation shall, like any other economic organ, be entitled, within the limits of its competence, to deal direct with all Government offices in the German Reich. It shall be entitled, in the exercise of its activities as defined in Article 3, paragraph 1 (a) and (b), to deal with the central authorities.

3. The business activities of the Trade Delegation shall as before be confined to the sphere of foreign trade and kindred matters.

Ad Articles 6 and 7.

“ Legal acts ” shall be held to mean all transactions having a legal effect. The privileges provided for in Articles 4 and 5 shall not be affected either in the domain of private or public law.

Ad Article 7.

The corresponding provisions of the German commercial code and of the other German laws on trade shall in particular apply to the business activities of the Trade Delegation. The Trade Delegation shall also fulfil its obligations as an employer, under public law, save in the case of employees who are nationals of the U. S. S. R. and who have been sent to the country by the U. S. S. R. Commissariat for Foreign Trade.

Ad Article 9.

1. By State undertakings within the meaning of Article 9 shall be understood all undertakings which are carried on by the State alone or in conjunction with private economic organs, whatever their form. This shall more particularly apply to U. S. S. R. undertakings coming under the Decree of April 10, 1923, concerning State undertakings.

2. State undertakings within the meaning of Article 9 shall fulfil in the German Reich their obligations as employers in respect of their employees under public law.

Ad Article 11.

The term "economic organ" shall include for the purposes of the present Treaty persons carrying on trade and industry, companies and legal entities of all kinds, including State undertakings and also public authorities in so far as they carry on trade or industry.

Ad Article 12.

The provisions of Article 12, first paragraph, shall not be understood to refer to concrete individual cases, but to imply that the treatment provided for in Article 12, first paragraph, shall in principle be based on most-favoured-nation treatment.

Ad Article 16.

The provisions of Article 12, second paragraph, of the present Agreement and of Article 5 of the Agreement concerning Conditions of Residence and Business, and the stipulations of the laws of the two countries granting facilities more extensive than those of Article 16 in respect of freedom from Customs duties and Customs facilities as regards empty packings shall not be affected.

Ad Article 17.

Dutiable material or parts which have been added in large quantities to articles when they were being repaired shall be taxed in both countries as separate articles according to the manner in which they have been combined with the articles in question. For this purpose an estimate may be made of the weight on which the Customs duties should be based.

Ad Article 29.

Ad (1) The provisions of the autonomous legislation under which freedom from Customs duties is only granted to immigrants carrying on a profession, their wives and their children under age, shall remain in force. The same shall apply to the provisions under which an inventory of the furniture and other articles taken with him by the immigrant, duly authenticated by the competent representative of the country of destination in the country of departure, must be produced in the country of destination.

Ad (2) The regulations under which each of the Contracting Parties fixes the amount or number of the articles admitted free of duty, under Article 29 (2), shall remain in force.

Ad (4) According to German Customs legislation the provision of Article 29 (4) shall only apply if the articles in question do not weigh more than 250 grammes. This provision and the

other autonomous Customs regulations of the two Contracting Parties which stipulate for the payment of Customs duties on such articles in virtue of their special character (works of art, etc.), shall remain in force.

Ad Article 33.

Offers in writing, even when accompanied by samples, may be forwarded to the territory of the U. S. S. R. without being registered.

Ad Article 38.

The Customs authorities of the country of import shall investigate individual cases to verify that the conditions laid down in Article 38 are complied with.

Ad Article 42.

As regards inland navigation, the provisions of Article 42 shall alone be valid so far as the application of most-favoured-nation treatment is concerned.

Additional Provisions to Article 12.

1. The German Reich shall immediately notify the U. S. S. R. of any exceptional measures (closing of frontiers) which may be taken, and will state the reasons.
2. The U. S. S. R. shall periodically and at least once a month communicate direct to the competent German central authorities (Ministry of Foreign Affairs, Reich Ministry of the Interior, Reich Ministry of Food and Agriculture and the Prussian Ministry of Agriculture, Domain Lands and Forests), bulletins with regard to the position in respect of epizooties in the territory of the U. S. S. R. The outbreak of cattle plague shall, moreover, be notified to the said central authorities by telegram.
3. So long as the total number of pigs imported in the year does not exceed 41,600, the number imported weekly may be increased to 1,600.
4. Dry salted hides shall come under A (5) of the Annex, provided they are completely air-dried.
5. The procedure concerning the granting of authorisation laid down in Annex III (2) to the Additional Provisions is solely intended to ensure measures of veterinary supervision.

Ad Annex to Article 36.

No alteration may be made in the identity card appended to this Annex without agreement between the competent authorities of the Contracting Parties.

ADDITIONAL TO THE RAILWAY AGREEMENT.

Ad Articles 2 and 3.

The equality of treatment provided for in Article 3 (b) and in Article 2, second paragraph, by the words "from the U. S. S. R. or ...", and in Article 3 (a) "vessels of the U. S. S. R. or ..."

shall only come into force after a special agreement has been concluded between the Governments of the Contracting Parties.

Ad Article 2.

1. Traffic of a commercial nature shall not be treated as traffic for public or charitable purposes.

2. The exceptional temporary crises and disasters referred to in Article 2 must be definitely limited in space and time and must be the result of a particularly unfavourable state of affairs independent of the general economic situation.

ADDITIONAL TO THE AGREEMENT CONCERNING NAVIGATION.

Ad Article 1.

As regards the rate of Customs dues, taxes and other import and export charges and the manner in which they shall be levied, including all formalities connected with the clearing of goods through the Customs, no distinction shall be made between goods imported and exported in national vessels and goods imported and exported in vessels of the other Contracting Party.

Ad Article 2.

Ad (1) In the matter of duties and taxes, the application of the special laws referred to in Article 2 (1) shall not affect the principle of the equality of treatment with national vessels and their cargoes.

Ad (5) It is agreed that the provisions of No. 5 shall not apply to isolated cases in which a vessel of one of the Parties is towed, on entering or leaving the ports of the other Party, by tugs flying the same flag as the vessel towed, or to isolated cases of the saving of life and property.

Ad Article 4.

The provisions of Article 4 shall in no way prejudice the settlement of the question of the private ownership of the vessels. Article 2 of the Treaty of Rapallo shall continue to apply.

ADDITIONAL TO THE FISCAL AGREEMENT.

Ad Article 1.

1. The most-favoured-nation treatment provided for in Article 1 shall not apply to the advantages which one of the Contracting Parties has granted or may hereafter grant to another State in treaties the object of which is to adjust domestic and foreign taxation, and in particular to prevent double taxation, or to grant legal protection and legal assistance in fiscal matters and in penal fiscal cases.

2. Article 17 of the Agreement concerning Conditions of Residence and Business shall be applicable to German undertakings operating in the territory of the U. S. S. R.

Ad Article 2.

1. The two Contracting Parties propose to enter into negotiations with a view to regulating by treaty the adjustment of domestic and foreign taxation and in particular to preventing double taxation, in the matter of direct taxes and duties *mortis causa*. They also propose to exchange draft treaties on the above subjects within three months after the ratification of the present Treaty.

2. The central finance administrations of the two Contracting Parties may conclude the necessary agreements :

(a) For the execution of the provisions of the present Agreement, particularly as regards an equitable apportionment of income in the cases mentioned in the last sentence of Article 2(b), paragraph 1.

(b) With a view to preventing double taxation in isolated cases or in groups of cases not provided for in Article 2.

ADDITIONAL TO THE AGREEMENT CONCERNING COMMERCIAL COURTS OF ARBITRATION.

Ad Article 1.

1. For the purposes of the present Agreement the term " parties " shall be taken to mean the nationals of each of the Contracting Parties, as well as companies and legal entities of every kind having their headquarters in the territory of one of the Contracting Parties.

2. An exchange of letters shall be sufficient evidence of the fact that there has been a connection in writing between the two Parties.

Ad Article 2.

1. Arbitration agreements shall cease to have effect if the seat of the Court of Arbitration designated in the Agreement is situated in a country with which one of the Contracting Parties maintains no diplomatic relations at the time when the matter is referred to the Court of Arbitration, or if such relations are broken off before the Court of Arbitration has given its award, or if a national of the country in question has been appointed as arbitrator or umpire, or is acting as such, unless, in view of this possibility, the parties have agreed, or subsequently agree to transfer the seat of the Court of Arbitration to another country, or to alter its composition.

2. In the cases referred to in Article 2 (3), sentence 2, the seat of the Court of Arbitration shall, in the German Reich, be Berlin, and, in the U. S. S. R., Moscow.

Ad Article 5.

1. In the absence of any arrangement to the contrary, the arbitration agreement shall be cancelled by the death of one of the parties.

2. If, as the result of reorganisation or dissolution, or for any other reason, one of the parties concerned in the arbitration agreement ceases to exist as such, the Contracting Party of which this party is a national shall, if its legislation does not include any special provisions applicable to the case, inform the other Party, if it so requests, as to the competent body before which arbitration proceedings can be continued.

Ad Article 14.

Article 14 shall also apply to the participation of States forming part of the two Contracting Parties or of the Federation of Soviet Republics.

ADDITIONAL TO THE AGREEMENT CONCERNING THE LEGAL PROTECTION OF INDUSTRIAL PROPERTY.

Ad Article 1.

Each of the Contracting Parties undertakes to ensure effective protection to the nationals of the other Party against unfair business dealings calculated more particularly to mislead purchasers as to the origin of the goods, or as to the name or style of the producer or manufacturer.

Ad Article 5.

The application of the right referred to in Article 5 shall be governed, particularly as regards patents deprived of their legal validity by laws promulgated during the war, in the U. S. S. R., by the decree promulgating the law on patents of September 12, 1924, and in the German Reich, by the Decree of January 11, 1920, abrogating the exceptional measures adopted during the war (*Reich Legal Gazette*, page 32) and by the law of June 6, 1921, for safeguarding the rights of German nationals abroad in the matter of industrial protection (*Reich Legal Gazette*, page 828).

(Signed) BROCKDORFF-RANTZAU.

(Signed) von KOERNER.

(Signed) M. LITVINOFF.

(Signed) HANETZKY.