

Party, the appropriate authorities of such other Contracting Party shall notify the occurrence to the nearest consular officer of the country to which the vessel belongs or, in his absence, to the diplomatic mission of that country.

ARTICLE 12

1. The Contracting Parties shall encourage by every possible means the use of arbitration boards in both countries for the settlement of disputes which may arise from or in relation to commercial contracts concluded between nationals or legal persons referred to in Article 9 of the present Treaty of either Contracting Party and nationals or such legal persons of the other Contracting Party.

2. Each Contracting Party shall recognize as binding and enforce, in accordance with the rules of procedure of the territory where the award is relied upon, arbitral awards on disputes which may arise from or in relation to commercial contracts concluded between nationals or legal persons referred to in Article 9 of the present Treaty of either Contracting Party and nationals or such legal persons of the other Contracting Party, provided that the settlement of such disputes by arbitration has been stipulated in the contracts themselves or in separate agreements executed in due form.

3. Recognition and enforcement of the award may be refused:

(1) At the request of the party against whom it is invoked, only if that party furnishes to the competent authority in the Contracting Party where the recognition and enforcement is sought, proof that

(a) the parties to the contract or agreement referred to in the preceding paragraph were, under the laws and regulations applicable to them, under some incapacity, or the said contract or agreement is not valid under the laws and regulations to which the parties have subjected it, or, failing any indication thereon, under the laws and regulations of the country where the award was made; or

(b) the party against whom the award is invoked was not given proper notice of the appointment of the arbitrator or of the arbitration proceedings or was otherwise unable to present his case; or

(c) the award deals with a difference not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award which contains decisions on matters submitted to arbitration may be recognized and enforced; or

(d) the composition of the arbitral authority or the arbitral procedure was not in accordance with the agreement of the parties, or, failing such agreement, was not in accordance with the laws and regulations of the country where the arbitration took place; or

(e) the award has not yet become binding on the parties, or has been set aside or suspended by a competent authority in the country in which, or under the laws and regulations of which, that award was made; or

(2) If the competent authority in the Contracting Party where the recognition and enforcement is sought finds that

(a) the subject matter of the difference is not capable of settlement by arbitration under the laws and regulations of that Contracting Party; or

(b) the recognition and enforcement of the award would be contrary to the public order of that Contracting Party.

ARTICLE 13

All payments between the Contracting Parties shall be effected in convertible currencies in accordance with the laws and regulations of the respective countries.

ARTICLE 14

Each Contracting Party shall accord sympathetic consideration to such proposals as the other Contracting Party may make with respect to any matter affecting the operation of the present Treaty and shall accord adequate opportunity for consultation.

ARTICLE 15

1. The present Treaty shall be ratified, and the instruments of ratification shall be exchanged at Berlin as soon as possible.

2. The present Treaty shall enter into force on the thirtieth day after the date of the exchange of the instruments of ratification, and shall remain in force for a period of five years and shall continue in force thereafter until terminated as provided for in paragraph 3 of the present Article.

3. Either Contracting Party may, by giving six months' written notice to the other Contracting Party, terminate the present Treaty at the end of the initial five year period or at any time thereafter.

IN WITNESS WHEREOF the respective Plenipotentiaries have signed the present Treaty and have affixed thereto their seals.

DONE at Tokyo, on May 28, 1981,
in duplicate, in the English language.

For the Government of the
German Democratic Republic:
Oskar Fischer

For the Government
of Japan:
Sunao Sonoda

PROTOCOL

At the time of signing the Treaty on Commerce and Navigation between the German Democratic Republic and Japan (hereinafter referred to as "the Treaty"), the undersigned Plenipotentiaries, duly authorized by their respective Governments, have further agreed on the following provisions, which shall be considered integral parts of the Treaty:

1. No provision of the Treaty shall be construed so as to grant any right or impose any obligation in respect of copyright and industrial property right.

2. No provision of Article 12 of the Treaty shall be construed so as to derogate from the rights and obligations which either Contracting Party has or may have as a party to the Convention on the Recognition and Enforcement of