ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE ET SIAM

Convention relative à l'article 296 du Traité de Versailles du 28 juin 1919 (Dettes ennemies), signée à Londres le 20 décembre 1921.

UNITED KINGDOM OF GREAT BRITAIN AND IRELAND AND SIAM

Convention relative to Article 296 of the Treaty of Versailles of June 28, 1919 (Enemy Debts), signed at London, December 20, 1921.

No. 282. — CONVENTION ² BE— TWEEN THE UNITED KING-DOM OF GREAT BRITAIN AND IRELAND AND SIAM RELATIVE TO ARTICLE 296 OF THE TREA-TY OF VERSAILLES OF JUNE

28, 1919 (ENEMY DEBTS), SIGN-ED AT LONDON, DECEMBER 20, 1921.

..,

Texte officiel anglais communiqué par le Ministère des Affaires étrangères de Sa Majesté Britannique. L'enregistrement de cette Convention a eu lieu le 10 juillet 1922.

HIS MAJESTY THE KING OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND and of the BRITISH DOMINIONS BEYOND THE SEAS, EMPEROR OF INDIA, and HIS MAJESTY THE KING OF SIAM, with a view to the settlement of certain matters arising under Article 296 of the Treaty of Peace between the Allied and Associated Powers and Germany, signed at Versailles on June 28, 1919, have named as eir Plenipotentiaries:

HIS MAJESTY THE KING OF THE UNITED KING-DOM OF GREAT BRITAIN AND IRELAND and of the British Dominions beyond the Seas, EMPEROR OF INDIA:

The Most Honourable the Marquess Curzon of Kedleston, K. G., His Majesty's Principal Secretary of State for Foreign Affairs; and

¹ Traduction. — Translation.

No. 282. — CONVENTION² ENTRE LE SIAM ET LE ROYAUME-UNI DE GRANDE - BRETAGNE ET D'IRLANDE RELATIVE A L'AR-TICLE 296 DU TRAITÉ DE VER-SAILLES DU 28 JUIN 1919 (DET-TES ENNEMIES), SIGNÉE A LONDRES, LE 20 DÉCEMBRE 1921.

English official text communicated by His Britannic Majesty's Foreign Office. The registration of this Convention took place on July 10, 1922.

SA MAJESTÉ LE ROI DE SIAM et SA MAJESTÉ LE ROI DU ROYAUME-UNI DE GRANDE-BRE-TAGNE et d'IRLANDE et des TERRITOIRES BRITANNIQUES AU DELA DES MERS, EMPEREUR DES INDES, désirant régler certaines questions que soulève l'application de l'Article 296 du Traité de Paix signé à Versailles le 28 juin 1919 entre les Puissances alliées et associées et l'Allemagne, ont nommé pour leurs Plénipotentiaires, savoir :

SA MAJESTÉ LE ROI DU ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE et des TERRITOIRES BRITANNIQUES AU DELA DES MERS, EMPEREUR DES INDES :

Le Très Honorable Marquis Curzon of Ked-Leston, K. G., Principal Secrétaire d'Etat de Sa Majesté pour les Affaires étrangères ; et

¹ Traduit par le Secrétariat de la Société des Nations.

^a L'échange de ratifications a eu lieu à Londres. 20 avril 1922.

¹ Translated by the Secretariat of the League of Nations.

² The exchange of ratifications took place at London. April 20, 1922.

HIS MAJESTY THE KING OF SIAM:

PHYA BURI NAVARASTH, His Majesty's Envoy Extraordinary and Minister Plenipotentiary at the Court of St. James;

Who, having communicated to each other their respective full powers, found to be in good and due form, have agreed as follows:

Article 1.

The provisions of Section III of Part X of the Treaty of Versailles of the 28th June, 1919, so far as they relate to enemy debts, shall apply, subject to the provisions of the present Convention, to Siamese nationals resident within the United Kingdom and India, British Colonies not possessing responsible Government, and British Protectorates (with the exception of Egypt), in the same way and under the same conditions as to British nationals residing within these territories.

Article 2.

Similarly, the provisions of Section III of Part X of the Treaty of Versailles of the 28th June, 1919, so far as they relate to enemy debts, shall apply, subject to the provisions of the present Convention, to British nationals resident in Siam in the same way and under the same conditions as to Siamese nationals residing within these territories.

Article 3.

Each of the High Contracting Parties is authorised to collect the debts of the nationals of the other High Contracting Party resident within its territory to German nationals admitted or found due in accordance with the provisions of Article 296 and the annex thereto, and shall be responsible for accounting to Germany for such debts in accordance with § (b) of Article 296.

Each of the High Contracting Parties shall effect payment to the nationals of the other High Contracting Party resident within its

SA MAJESTÉ LE ROI DE SIAM:

Phya Buri Navarasth, Son Envoyé Extraordinaire et Ministre Plénipotentiaire à la Cour de Saint-James.

Lesquels, ayant échangé leurs pleins pouvoirs, trouvés en bonne et due forme, sont convenus de ce qui suit :

Article T.

Les dispositions de la Section III de la Partie X du Traité de Versailles en date du 28 juin 1919, en tant qu'elles se rapportent aux dettes ennemies, seront applicables, sous réserve des dispositions de la présente Convention, aux ressortissants siamois résidant dans le Royaume-Uni, les Indes, les Colonies britanniques ne possédant pas un Gouvernement autonome ainsi que dans les Protectorats britanniques (excepté l'Egypte), de la même façon et aux mêmes conditions qu'aux ressortissants britanniques résidant dans lesdits territoires.

Article 2.

De même, les dispositions de la Section III de la Partie X du Traité de Versailles en date du 28 juin 1919, pour autant qu'elles se rapportent aux dettes ennemies, seront applicables sous réserve des dispositions de la présente Convention, aux ressortissants britanniques résidant au Siam, de la même façon et aux mêmes conditions qu'aux ressortissants siamois résidant dans ces territoires.

Article 3.

Chacune des Hautes Parties contractantes est autorisée à recouvrer les créances à charge des ressortissants de l'autre Haute Partie contractante résidant sur son territoire, dues à des ressortissants allemands et reconnues ou jugées dues conformément aux dispositions de l'Article 296 et de l'annexe audit article, et en sera responsable vis-à-vis de l'Allemagne, sous réserve de la disposition du littera (b), in fine, de l'Article 296.

Chacune des Hautes Parties contractantes paiera aux ressortissants de l'autre Haute Partie contractante résidant sur son territoire territory of the debts admitted or found due to them in accordance with the provisions of Article 296 and the annex thereto. Payment in full shall be effected upon admission subject to deduction of $2^{-1/2} \, ^{0}/_{0}$ or, in the case of Colonies and Protectorates, such other percentage as may under local regulations be chargeable to nationals of the High Contracting Party effecting payment.

Article 4.

This Convention is only applicable to the payment of enemy debts coming within §§ 1 and 2 of Article 296.

Article 5.

Difficulties arising in the application of the present Convention shall be settled by direct agreement between the Controllers of the two Clearing Offices. In case of disagreement, the difficulty will be submitted to arbitration.

Article 6.

This Convention, when duly ratified, shall be notified to Germany, and the period of six months referred to in § 5 of the annex to Section III of the Treaty shall begin to run as from the date of such notification.

In witness whereof the Undersigned have signed the present Convention and have affixed thereto their seals.

Done in duplicate at London the 20th day of December 1921.

- (L. S.) CURZON OF KEDLESTON.
- (L. S.) BURI NAVARASTH.

les dettes reconnues ou jugées dues à ces ressortissants, conformément aux dispositions de l'Article 296 et de l'annexe audit article. Les paiements seront effectués dès que la dette aura été reconnue et sous déduction d'une somme de 2 ½ 0/0 ou bien, dans le cas de Colonies et Protectorats, sous telle autre déduction qui, d'après les règlements locaux, pourrait être mise à la charge des ressortissants de la Haute Partie Contractante qui effectue le paiement.

Article 4.

La présente Convention n'est applicable qu'au règlement des dettes tombant sous l'application des §§ 1 et 2 de l'Article 296.

Article 5.

Tous différends qui surgiraient dans l'application de la présente Convention seront réglés directement par l'accord entre les Directeurs des deux Offices de Vérification et de Compensation. A défaut d'accord, les différends seront soumis à l'arbitrage.

Article 6.

La présente Convention, dès qu'elle aura été ratifiée, sera notifiée au Gouvernement Allemand, et le délai de six mois prévu au § 5 de l'annexe à la Section III du Traité de Versailles, commencera à courir à partir de la date de cette notification.

En foi de quoi les soussignés ont signé la présente Convention et y ont apposé leurs cachets.

Fait en double exemplaire à Londres, le 20 décembre 1921.

- (L. S.) CURZON OF KEDLESTON.
- (L. S.) BURI NAVARASTH.

PROTOCOL.

On proceeding to the signature of the above Convention, the undersigned Plenipotentiaries agree that the formalities relating to the application of the Convention shall be left to the respective Clearing Offices, and that such application shall be in conformity with the conditions agreed upon in the notes exchanged between the Directors of those Offices dated the 8th November and the 24th December, 1920, and the 1st January and the 6th January, 1921, which are annexed hereto.

The present Protocol, which shall be ratified at the same time as the Convention, shall be considered as forming an integral part of, and shall have the same force, validity and duration

as the said Convention.

Done in duplicate at London the twentieth day of December 1921.

(L. S.) CURZON OF KEDLESTON.

(L. S.) BURI NAVARASTH

PROTOCOLE

En procédant à la signature de la Convention qui précède, les Plénipotentiaires soussignés déclarent que les formalités concernant l'application de ladite Convention seront fixées d'accord entre les Offices de Vérification et de Compensation des pays respectifs, et que cette application sera conforme aux modalités convenues dans les notes qui ont été échangées entre les Directeurs des Offices le 8 novembre et le 24 décembre 1920, et les 1^{er} et 6 janvier 1921, notes qui sont ci-annexées.

Le présent Protocole, qui sera ratifié en même temps que la Convention, sera considéré comme faisant partie intégrante de celle-ci et aura la même force, valeur et durée que ladite

Convention.

Fait en double à Londres, le 20 décembre 1921.

(L. S.) CURZON OF KEDLESTON.

(L. S.) BURI NAVARASTH.

ANNEX 1.

CLEARING OFFICE (ENEMY DEBTS).

CORNWALL HOUSE, Stamford Street, S.E.I.

November 8, 1920.

SIR.

With reference to the proposed reciprocal Agreement to be entered into between Siam and Great Britain, under Article 296 (f) of the Treaty of Peace with Germany, I desire to set out the arrangements which have been agreed upon between us as those to be observed by each of the two countries in its dealings with the other regarding the operation of that Agreement.

The basic principle of the Agreement is to be that neither country is to make any profit or incur any loss by reason of its adopting for the purpose of Article 296 the nationals of the other, and that, accordingly, as between the two countries, each accepts full responsibility for its nationals in the country of the other, and merely acts as agent for the other in the collection and payment of debts, and will

look to the other for a complete indemnity.

For this purpose it will be necessary that three accounts should be kept between the two countries; these accounts will be rendered monthly, and will consist of:

- (1) A monthly account showing all payments made by each country to the nationals of the other country (whom I will hereinafter refer to as "adopted nationals") and all debts collected by each country from adopted nationals. To this account will be carried monthly any balance paid by or credited to Germany in respect of account No. 2 next mentioned.
- A monthly account showing all the transactions between each of the two countries on the one hand, and Germany on the other hand, on behalf of adopted nationals. This account will thus set out the debts admitted or found due from or to adopted nationals, as the case may be, under Article 296 and the Annex to Section III (hereinafter referred to as "admitted debts") between the country rendering the account, on the one hand, and Germany on the other hand. So long as Germany pays the monthly balance of this No. 2 account, such balance will be carried to account No. 1.
- A monthly account called "uncollected debts", to which shall be transferred the difference between the admitted debts to German nationals and the sum collected in respect thereof as set out below.

It follows that, so long as Germany continues duly to pay the balances as they become due from her under paragraph II of the Annex to Section III, and except in so far as bad debts referred to later are concerned, the settlement of the accounts between the two countries will not involve any cash payment by either of the two countries to the other.

In the event of Germany making complete default on any account in the fulfilment of her obligations under paragraph 11 of the Annex to Section III, each country will have to pay to the other the amount of admitted claims paid to adopted nationals and shown on No. 1 account, less the amounts

collected from adopted nationals in respect of admitted debts.

If Germany should make only a partial payment of the amount due from her under paragraph 11 of the Annex to Section III on any account, then the amount that would have become payable between the two countries if nothing had been paid by Germany will be reduced in a pro rata proportion.

If Germany, having made default in her obligations under paragraph 11 of the said Annex, commences later on to make further payments, such payments shall be considered as attributable to the earliest unsatisfied balance or balances in respect of which she shall have made default, and the necessary refunds will have to be made in cash between the two countries entering into the said Agreement.

To meet a request that until a debt is recognised as irrecoverable it shall be treated as good, the difference between the admitted debts and the sum collected in respect thereof will be credited or debited to No. 1 account and transferred to No. 3 account. All sums collected in respect of debts so transferred will be credited to this account, and when any debt is ascertained to be irrecoverable, as mentioned below, it will be redebited to No. 1 account.

Each country shall use its best endeavours to recover all debts due from adopted nationals, and a certificate by the Controller of either of the two Clearing Offices that he considers any such debt irre-

coverable shall be accepted by the other country as sufficient evidence thereof.

To illustrate the practical working-out of the above proposals, I attach hereto certain examples of the accounts to be kept between our two Offices, and a memorandum explaining their operations. Settlement of account No. I between the two countries shall be made within one month after such

account shall have been rendered.

The expression "national" for the purposes of Article 296 shall be deemed to include any company or corporation incorporated within the territories of either of the two countries in accordance with the law of the State, and in the case of a Protectorate the natives thereof. The foreign branch of any such company or corporation shall be considered as of the same nationality and residence as that of the company or corporation itself, and any debts owing to German nationals by such branch shall not be treated as subject to the charge conferred by paragraph 4 of the Annex to Section IV of the Treaty in favour of the country in which the branch is established. Where, however, under the laws of either country a debt due from such a branch is collected and retained by the liquidator of a German business wound up under war legislation, nothing contained in this Agreement shall interfere with such collection or retention.

Each country shall pay to adopted nationals the amount of their admitted debts, together with interest as provided by the Treaty, in the month following the date on which such debts shall have been notified by Germany as admitted or shall have been found due, and each country shall be entitled to deduct a sum equal to 2 ½ per cent. from all payments made to adopted nationals to cover office

and other expenses.

I shall be glad to hear from you that the above correctly sets out the arrangements to be carried out between the two offices.

I have, etc.

E. S. GREY, Controller.

The Controller of the Siamese Clearing House.

ANNEX 2.

Specimens of Accounts between the Siamese and British Clearing Offices in respect of Siamese Nationals resident in British Territory.

No. 1	Account.	December 1920.	
To cash paid to Siamese claimants	£ 500	By cash collected of Siamese debtors ,, No. 3 Account: Transfer of balance of admitted debts not yet collected ,, No. 2 Account: Cash paid by Germany	£ 200
	500		500
No. 2 Account (A	ccount of	Admissions). December 1920.	· · · · ·
To debts admitted against Siamese debtors	£ 300	By claims admitted in favour of Siamese claimants	£ 500
	500		500
No. 3 Account	(Uncollect	ed Debts). <i>December</i> 1920.	
To No. r Account: Balance of debts uncollected	£	By∑ balance carried to the next account	£
	100		100
	100		100

· No. 1	Account.	January 1921.	
To cash paid to Siamese claimants ,, No 3 Account: Difference between the debts admitted and the cash collected in respect of them ,, No. 3 Account: Transfer of irrecoverable debts	£ 800 90 10 900 10	By cash collected of Siamese debtors ,, No. 2 Account: Transfer of cash paid by Germany ,, balance payable by Siam, being the amount of debt irrecoverable	£ 490 400 10 900
No. 2 Account (A	account of	Admissions). January 1921.	
To debts admitted against Siamese debtors	£ 400 400 800	By claims admitted in favour of Siamese claimants	£ 800
No. 3 Account	(Uncollect	ed Debts). January 1921.	
To balance forward from last account .	£	By No. 1 Account: Transfer of the amount by which collections exceed the debts admitted for the month ,, No. 1 Account: Transfer of debts irrecoverable	£ 90
	100		100

ANNEX 3.

ILLUSTRATIONS OF HOW TRANSACTIONS WOULD WORK OUT IN THE ACCOUNTS TO BE KEPT UNDER THE AGREEMENT.

The transactions assumed for the sake of illustration are as follows:

In December 1920.

Germany admits claims by Siamese nationals resident in Great Britain to the amount of £500. Great Britain admits in favour of Germany debts due by Siamese nationals for the amount of 300. Great Britain collects from debtors of Siamese nationality resident within its territory £200 out of the £300 admitted, leaving £100 to be collected.

Germany pays to Great Britain for its balance of indebtedness in respect of Siamese nationals

resident in Great Britain £200.

In January 1921.

Germany admits claims by Siamese nationals resident in Great Britain to the amount of £800.

Great Britain admits in favour of Germany debts due by Siamese nationals for the amount of 4400. Great Britain collects from debtors of Siamese nationality resident within its territory £490, being £90 more than the debt admitted for the month. This £90 represents the collection of some of the December debts which were not collected in that month.

Germany pays to Great Britain for its balance of indebtedness in respect of Siamese nationals

resident in Great Britain £400.

A certificate is issued by the Controller, under the terms of the paragraph (p. 5) of the proposed letter, that £10 of the indebtedness of Siamese nationals is irrecoverable.

The attached accounts show how these transactions would work out in the accounts.

In December it will be seen that Nos. 1 and 2 accounts are balanced, the net result of the whole month's transactions being that froo of Siamese indebtedness is carried forward to the next month for collection.

Since in January the collections of Siamese debts exceed the admissions, the difference of £90 between the collections and admissions is debited to No. 1 account under the terms of the paragraph (p. 5) of the proposed letter, and, since, as shown above, this 490 represents the collection in respect of previously admitted debts, it is necessarily carried to the credit of No. 3 (Uncollected Debts) account.

ANNEX 4.

LÉGATION ROYALE DE SIAM.

PARIS, December 24, 1920.

SIR.

Referring to the letter dated July 12, 1920, by which His Highness Prince Charoon, Plenipotentiary Minister of His Siamese Majesty in Paris and Chief Siamese delegate to the Peace Conference, othered to you my appointment as representative in Europe of the Controller of the Siamese Clearing Office, I have the honour, on behalf of the Siamese Controller, to acknowledge the receipt of your letters dated the 8th and 12th November, 1920, and to declare that, subject to the observations submitted herein below, the said letters correctly set out the arrangements to be carried out between the British and Siamese Offices in pursuance of the Agreement concluded between Great Britain and Siam under paragraph (f) of Article 296 of the Peace Treaty of June 28, 1919.

Referring to your letter dated the 18th October, 1920, to his Excellency Phya Buri Navarasth, Ple-

nipotentiary Minister of His Siamese Majesty in London, I have the honour to submit the following

observations:

As regards the resolutions taken by the Allied Controllers or their representatives in their meetings of Brussels and London and in any other meetings to be held in the future, in accordance with your statement on the matter, the Siamese Controller will also consider as quite understood between the British and Siamese Offices that, subject to the reserves specified in your letter of the 18th, October these Offices will refer to the aforesaid resolutions in dealing with the claims of their adopted nationals. It may be added, I assume, that, in the opinion of the Siamese Controller, that understanding cannot entail any limitation of the respective powers and prerogatives of either Office, and means simply that, whenever a claim is filed with the Office of one Power by the adopted national of the other Power, in accordance with a resolution taken by the Allied Controllers upon the request of the Office of that other Power, and such claim is disputed by the German debtor or the German Office, the former Office is requested to support the views of the latter and eventually to permit the officials of the latter to submit their opinion regarding the conduct of the case.

If you have, as I hope, no objection to raise to these observations, I beg to propose that, without further correspondence, your putting the Agreement forward for ratification through the British Foreign Office be taken as an approval of the same.

I have, &c.

CH. L'EVESQUE. Representative of Siamese Controller. ANNEX 5.

CLEARING OFFICE (ENEMY DEBTS).

CORNWALL HOUSE, Stamford Street, S.E.I.

January 1, 1921.

DEAR M. L'EVESQUE,

I have received your letter of the 24th ultimo relating to the proposed reciprocal Agreement under paragraph (f) of Article 296, for which I am obliged.

In one respect I desire an alteration in the Agreement as submitted to you. It appears that, in the case of some of our Colonies, the charge for commission is somewhat in excess of $2^1/2$ per cent. It is pointed out by our Colonial Office that to draw a distinction between our own nationals and those adopted by us under the Agreement would be unfortunate and might lead to criticism. I propose, therefore, at the end of Article 3 to add appropriate words to give effect to his trifling amendment. The matter, except for the above reasons, is of little or no importance, but I shall be glad to hear that you are prepared to agree to this amendment.

Yours, etc.

E. S. GREY.

M. Ch. L'Evesque,
 Légation Royale de Siam,
 8, Rue Greuze, Paris.

ANNEX 6.

LÉGATION ROYALE DE SIAM.

PARIS, January 6, 1921.

DEAR MR. GREY,

I beg to acknowledge the receipt of your letter dated the 1st January, 1921, and to make the following reply to the observations contained therein:

As regards the amendment proposed to make it possible for the local Clearing Offices of the British Colonies to charge upon the Siamese nationals a commission somewhat in excess of $2^1/2$ per cent., the Siamese Office will certainly make no objection to that amendment, considering that the charge is the same for the British nationals in the country concerned.

Yours, etc.

Le Représentant de l'Office siamois de Vérification et de Compensation, CH. L'EVESQUE.