ALLOCATION OF DAWES ANNUITIES

Agreement done at Paris January 13, 1927; signed for the United States February 1, 1927
Entered into force January 13, 1927; for the United States February 1, 1927


The Governments of Belgium, the United States of America, France, Great Britain, Italy, Japan, Brazil, Greece, Poland, Portugal, Roumania, the Serb-Croat-Slovene State and Czechoslovakia, respectively represented by the under-signed have agreed as follows.

AGREEMENT

regulating the amounts to be allocated out of the Annuities of the Experts' Plan for the Armies of Occupation, the Rhineland High Commission and the Military Commission of Control for the period 1st April 1926 to 10th January 1930.

ARTICLE 1

Armies of Occupation

I. For the period 1st April 1926 to 10th January 1930 or until a modification in the zones of military occupation, the amounts to be admitted as a prior charge on the Annuities of the Experts' Plan in respect of the total costs of the Armies of Occupation inclusive of the costs of supplies and services of all kinds under the Rhineland Agreement 1 shall be calculated on a yearly basis of 141,000,000 gold marks divided as follows:

French Army __________________________ 100,000,000 gold marks
British Army __________________________ 25,000,000 " "
Belgian Army __________________________ 16,000,000 " "

These figures correspond to the following effective strengths:

French Army __________________________ 60,000
British Army __________________________ 7,900
Belgian Army __________________________ 8,900

and constitute maximum amounts.

II. For the period from the 1st April to the 31st August 1926 and thereafter at six-monthly intervals the allocation to each occupying Power shall be fixed within the limits of its maximum allocation and at the choice of the Power concerned.

a) either in accordance with the proportion between the actual effective strength during the period in question and the basic strength above, or

b) as regards costs other than those of supplies and services under Articles 8–12 of the Rhineland Agreement by application of the provisions of paragraphs I and IV of Article I of the Financial Agreement of the 11th March 1922, and as regards costs of supplies and services under Articles 8–12 of the Rhineland Agreement on the basis of the final debits in respect of such supplies and services.

III. For the application of formula a) the Power concerned will furnish certified statements of average monthly strengths.

For the application of formula b) the Power concerned will furnish in accordance with the rules now in force for the application of the Agreement of the 11th March 1922, certified statements of effective strengths and of average monthly costs.

IV. Supplies and services furnished under Articles 8–12 of the Rhineland Agreement before the 1st April 1926 will continue to be brought to account as provided for in the Agreement of the 21st September 1925.

V. Provisional allocations shall be fixed on the basis of the maximum figures in paragraph I for the period 1st April to 31st August 1926 and for the first six months of the third Annuity year.

Thereafter the provisional allocations shall be fixed by unanimous decision of the Reparation Commission. The Commission will in principle determine the allocations by the application of formula a) . Nevertheless in the event of an increase in the retail prices in one of the countries interested between the period 1st April–31st August 1926 and the period under consideration, the Commission will apply a coefficient of increase to the figure obtained by the application of formula a) which shall take as exact account as possible of the effects of the increase in retail prices.

The necessary adjustments between the provisional allocations and the amounts actually due shall be made as soon as they are known.

**Article 2**

*Interallied Rhineland High Commission*

The maximum annual charge for the Interallied Rhineland High Commission, inclusive of the costs of supplies and services of all kinds under the

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Rhineland Agreement, shall not exceed 3,335,000 gold marks (to be taken in foreign currency or in German currency as required) as from the 1st April, 1926, this sum being allocated between the French, British and Belgian High Commissariats as follows:

- French High Commissariat: 1,535,000 g.m.
- British High Commissariat: 900,000 g.m.
- Belgian High Commissariat: 900,000 g.m.

Not more than \( \frac{5}{12} \)ths of the annual amounts above mentioned shall be allowed in respect of the period April to August 1926 inclusive.

This provision is only to be drawn upon as and to the extent required, and at the end of every six months the Interallied Rhineland High Commission will transmit to the Reparation Commission a certified statement of the expenditure actually incurred by each High Commissariat in the execution of its duties under the Rhineland Agreement.

Any savings at the end of each year will be paid into the Common Reparation fund for distribution in accordance with the provisions of the Financial Agreement of the 14th January 1925 to the Powers having the right under that Agreement to participate in the receipts from Germany on account of the Annuities of the Experts' Plan available for distribution as reparation.

In addition to the above amounts the Allied and Associated Governments interested will at the request of the High Commission, place at its disposal out of the Annuity an amount not exceeding the savings made by it during the first year of the Experts' Plan (in round figures 550,000 gold marks) to meet, in so far as they may be justified, any outstanding claims presented by the German Government in respect of Article 6 of the Rhineland Agreement for the period 1st September 1924–31st August 1925.

The provisions of the present Article will remain in force until the 10th January 1930, or until a modification in the present zones of occupation.

**Article 3**

*Interallied Military Commission of Control*

The provisions of Article 3 of the Agreement of the 21st September 1925 are extended until the end of the third year of the Experts' Plan. Nevertheless, for this third year the maximum fixed by the first paragraph of the above Article is reduced to 350,000 gold marks a month.

The present agreement, done in English and French in a Single Copy will be deposited in the Archives of the Government of the French Republic which will supply certified copies thereof to each of the Signatory Powers.

*Ante, p. 504.*
In the interpretation of this Agreement, the English and French texts shall be both authentic.

PARIS, January 13th, 1927.

[For Belgium:] MAUCLÈRE
[For France:] GUTT
[For the United States of America:] R. W. S. HILL
[For Great Britain:] W. A. GOODCHILD
[For Italy:] CORSI
[For Japan:] YAMAJI

[For Brazil:] MONIZ DE ARAGAO
[For Greece:] CARAPANOS
[For Portugal:] FERNANDES
[For Romania:] CONDURAKI
[For the Serb-Croat-Slovene State:] DR. PLOJ
[For Czechoslovakia:] STEFAN OSUSKY