se réserve le droit, en telle occurrence, de demander au Gouvernement britannique de discuter à nouveau la question à la lumière de toutes les circonstances alors présentes.

C'est sous cette réserve expresse que j'accepte de signer l'accord que nous avons rédigé.

J. CAILLAUX.

Londres,

le 12 juillet, 1926.

Translation.

12th July, 1926.

Dear Mr. Churchill,

In assuming the responsibility of signing the agreement for the settlement of the French war debt to Great Britain and thereby accepting the payment of the annuities fixed on the sole credit of France, I feel bound to explain that, in the opinion of the French Government, the future possibility of making payments and transfers across the exchange of the amounts required to assure the fulfilment of the debt settlements with the United States and Great Britain inevitably depends largely on the continued transfer of receipts from Germany under the Dawes Plan. If, therefore, for reasons outside the control of France, such receipts should cease completely or to an extent greater than one half, a new situation would be created and the French Government reserves the right in such an event of asking the British Government to reconsider the question in the light of all the circumstances then prevailing.

It is subject to this express reservation that I am ready to sign the agreement which we have drawn up.

J. CAILLAUX.

REPLY OF THE CHANCELLOR OF THE EXCHEQUER TO M. CAILLAUX.

TREASURY CHAMBERS,

12th July, 1926.

Dear Monsieur Caillaux,

I have received your letter of the 12th July. As I have explained His Majesty's Government must maintain the position that the settlement which we have arrived at of the French war debt to this country depends, like that debt itself, on the sole credit of France. You will realise that in the hypothetical circumstances that you mention, Great Britain would already have suffered a diminution of the receipts from the Dawes Scheme, which we have taken into account in arriving at the various debt settlements and this is one of the factors which would have