in the bill of lading, and that there was accordingly no sufficient link of casualty between the act of the captain and the damage claimed. The Tribunal proceeded further to point out that the signature of a decision by all three members of a Division did not imply that the decision was not finally due to a vote of the majority.

The further cases of Dalgety & Co. Ltd. *v.* Nord-Deutsche Lloyd (Nos. 1838 and 1839), (*Recueil*, iv, p. 637), involving the same question in regard to the same voyage of the "Pommern," subsequently came before the Second Division for consideration, and this Division held, contrary to the finding of the First Division, that there was no ground for presuming that on the 3rd August, 1914, the master of the vessel acted in pursuance of any definite decision, already formed on his part, to abandon the proposed voyage to Europe. On the contrary, the Tribunal found that the evidence available led to a different conclusion. Accordingly the Tribunal held that the claimants were not entitled to recover anything in respect of their claims except as to a small sum representing the value of the copra consumed on the voyage to Honolulu.

These two decisions are illustrative of the difficulty in which the Legal Branch of the Clearing Office finds itself in advising claimants as to their prospects of success. Upon similar evidence each of the two Divisions of the Tribunal in the case of this particular ship came to diametrically opposite conclusions.

(10.) *Right of Conversion of Proceeds of Argentine Bonds belonging to a British National converted into Francs and then credited in a German Bank Account in Marks.*

In my last report I referred to the conflicting decisions in Coit *v.* German Government (No. 959), (*Recueil*, iv p. 282), and Jaffe *v.* German Government (No. 1710), as to the basis of valorization of moneys paid in marks to the Treuhander representing interest and dividends derived from dollar securities.

A similar question under Article 296 of the Treaty of Versailles came before the Second Division in the case of Coleman *v.* Pfalzische Bank (No. 2121), where the proceeds of an Argentine Bond which had been drawn for repayment were first converted into Belgian francs and subsequently credited in account to the creditor by the respondent bank in marks in October, 1919. It was contended on behalf of the bank that the creditor was, under these circumstances, obtaining a double benefit by the application of the ordinary principles of valorization. The Tribunal, however, refused to draw any distinction between the position which arises under Article 297, where the moneys have been paid to the Treuhander, and the question of a debt under Article 296, and decided that the creditor was entitled to have the actual marks with which he was credited in the books of the respondent bank in respect of the proceeds of the security in question valorized at the pre-war rate of exchange.

(11.) *Claims under Article 297 of the Treaty of Versailles.—Liquidation of Property of German Nationals who subsequently became British Nationals prior to 10th January, 1920.*

Turning to cases under Article 297, the claim of Grossmann *v.* German Government (No. 821) is interesting as showing the view taken by the Tribunal (First Division) in a case where the German authorities carried out an exceptional war measure during the war, purporting to be against the property of a person who was at that time a German national, which property, owing to the owner's death, had devolved upon his widow, who subsequently to the measure but prior to the 10th January, 1920, obtained British nationality.

The claimant, who was British born, married in 1902 the late Karl Grossmann, a German national, domiciled and residing in England. The latter died in August, 1916, leaving as sole executrix and beneficiary under his will his widow, who, on the 1st January, 1920, became naturalized and resumed her British nationality. On various dates between March, 1917, and June, 1919, the Treuhander had required Grossmann's bank in Germany to pay to him moneys received by them on behalf of their customer, who was apparently treated in Germany as an enemy. Some of these payments were made on dates after the 11th November, 1918. The claimant, subsequently to the 10th January, 1920, had notified her claim through the British Clearing Office against the German bank, and the balance standing to the credit of the account on that date had been credited and paid.

The German Government resisted the claim in respect of the moneys paid to the Treuhander on the ground that they were at the time of collection the property of a German national, and that therefore such collections did not amount to exceptional war measures within the meaning of Article 297. They further contended that any liability under which they might be to the present claimant could be in respect only of what occurred on or after the 1st January, 1920, the date of her naturalization.

The Tribunal held that the claimant was entitled to recover under Article 297 (*h*) as cash assets all money collected by the Treuhander prior to the 11th November, 1918, and that such collection amounted to an exceptional war measure, though at the time not directed against an enemy national. On the 1st January, 1920, all the necessary conditions were fulfilled, and on the 10th January, 1920, the moneys in the hands of the Treuhander were the cash assets of an enemy, and were therefore to be credited under the above-mentioned article.

As to the sums collected after the 11th November, 1918, as a result of the second part of paragraph 1 of the Annex to Section IV, Part X, the measures were void and could not found a claim under Article 297 (*h*); nevertheless the Treuhander's action was an exceptional war measure in respect of which the claimant was entitled to be compensated. In view of the Tribunal's decision in Rehder *v.* Landgesellschaft Wannsee (No. 1543), (*Recueil*, iv, p. 201), and of the former German nationality of the claimant, the sum involved, assuming that exceptional war measure not to have taken place, would not have come under Article 296. The claimant was therefore, as to these sums, only entitled to compensation representing the difference between the sterling value of the sums on the 10th January, 1920, when but for the action of the Treuhander she might have received the moneys and their value on the 25th March, 1922, when the money was in fact offered.

(12.) *Claims under Article 297 of the Treaty of Versailles.—Seizure of Property upon High Seas; upon German Vessel in Belgian Port.*

In John Slater Ltd. *v.* German Government (No. 271), the rights of British subjects who have suffered loss through the seizure by the German Government of a ship on the high seas were considered. The claimants were a British company, the successors in title to a firm of Adam Bromley & Son, who during the war had chartered a Norwegian steamship for a voyage from Sweden to London. The vessel was stopped outside territorial waters on the high seas by a German patrol boat and ordered to Swinemunde, where the cargo was asserted to be contraband, the master and crew being paid off under the direction of the German authorities and repatriated to Norway. Subsequently, however, the vessel and cargo were released and no condemnation in prize took place.

The action of the German Government, however, caused considerable delay, and the British charterers put forward a claim under Article 297 (*e*) based on the alleged seizure and detention of the steamship, whereby they had lost her use for considerable periods. They contended that such seizure and detention amounted to exceptional war measures within the meaning of Article 297 (*e*).

In so far as the stoppage on the high seas was concerned, the Tribunal held that this would not in itself afford a ground for compensation under the said article, it being an act which took place outside German territory. The Prize Court proceedings and detention of the ship for the purposes thereof could not be disconnected from the seizure and considered in themselves as exceptional war measures. As to the delay resulting from the repatriation of the neutral crew, the Tribunal, following their decision in Kamna Rubber Company *v.* German Government (*Recueil*, iii, p. 29), held that the measure was one taken with regard to persons, and was therefore not an exceptional war measure within the meaning of the said article. They differentiated the case from that of Dutfoy *v.* German Government (*Recueil*, iii, p. 395), on the ground that the latter decision was based on a condemnation in prize of French goods which the Franco-German Tribunal held to be a measure of transfer within the meaning of Article 297 (*e*). The Anglo-German Tribunal had not to decide this point in the present case, there having been no condemnation, and their opinion thereon was reserved.