

N° 1754.

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## BRÉSIL ET FRANCE

Compromis pour soumettre à l'arbitrage le différend relatif au paiement, en or, des emprunts fédéraux brésiliens contractés en France. Signé à Rio-de-Janeiro, le 27 août 1927.

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## BRAZIL AND FRANCE

Special Agreement submitting to Arbitration the Dispute relating to the payment, in gold, of the Brazilian Federal Loans contracted in France. Signed at Rio-de-Janeiro, August 27, 1927.

<sup>1</sup> TRADUCTION. — TRANSLATION.

No. 1754. — SPECIAL AGREEMENT BETWEEN FRANCE AND BRAZIL SUBMITTING TO ARBITRATION THE DISPUTE RELATING TO THE PAYMENT IN GOLD OF THE BRAZILIAN FEDERAL LOANS CONTRACTED IN FRANCE. SIGNED AT RIO-DE-JANEIRO, AUGUST 27, 1927.

THE PRESIDENT OF THE FRENCH REPUBLIC and THE PRESIDENT OF THE REPUBLIC OF THE UNITED STATES OF BRAZIL, in view of the fact that a dispute has arisen between the Brazilian Federal Government and French holders of various Brazilian Federal loans concerning the question whether the service of these loans should be on a gold or paper franc basis, and actuated by the terms of the Franco-Brazilian Arbitration Convention of April 7th, 1909, have agreed to submit this dispute to the Permanent Court of International Justice and to this end have appointed as their Plenipotentiaries :

THE PRESIDENT OF THE FRENCH REPUBLIC :

H. E. M. Alexandre Robert CONTY, French Ambassador to Brazil ; and

THE PRESIDENT OF THE REPUBLIC OF THE UNITED STATES OF BRAZIL :

H. E. M. Octavio MANGABEIRA, Brazilian Minister for Foreign Affairs,

Who, having exchanged their full powers and found them to be in good and due form, have drawn up the following special Agreement :

*Article i.*

The Permanent Court of International Justice, shall be requested to give judgment on the following question :

With regard to the Brazilian Federal Government's 5 % loan of 1909 (Port of Pernambuco), 4 % loan of 1910, and 4 % loan of 1911, is payment of coupons which have matured and are not barred by prescription at this date, and coupons which shall mature, as also repayment of bonds drawn for redemption but not actually paid which are not barred by prescription on the date of the Court's decision, or of bonds subsequently to be redeemed, to be effected by delivery to the French holders, in respect of each franc, of the value corresponding, in the currency of the place of payment at the rate of exchange of the day, to one-twentieth of a gold piece weighing 6. 45 161 grammes of 900/1000 fineness, or is such payment or repayment to be effected as hitherto in paper francs, that is to say, in the French currency which is compulsory legal tender ?

*Article II.*

As soon as the present special Agreement shall have come into effect, the question defined in Article I shall be referred to the Permanent Court of International Justice by notification of the special Agreement to the Registry of the said Court by either Party.

<sup>1</sup> Traduit par le Greffe de la Cour permanente de Justice internationale.

<sup>1</sup> Translated by the Registry of the Permanent Court of International Justice.

*Article III.*

The Parties agree to propose that the Permanent Court of International Justice, in accordance with Article 48 of its Statute and Article 33 of its Rules of Court, shall fix as follows, as from the date laid down in the Order to be made by the Court for this purpose, the times within which the Government of the French Republic and the Government of the Republic of the United States of Brazil shall file their respective Cases setting out their views on the question stated and formulating their submissions: for France, two months, and for Brazil, three months; the same times to be allowed for the presentation of the respective Counter-Cases.

The Parties also agree to hold themselves at the disposal of the Court one month after the filing of their respective Counter-Cases.

*Article IV.*

The whole of the proceedings shall be conducted in French and the judgment shall be delivered in that language in accordance with the provisions of the Statute of the Permanent Court of International Justice.

*Article V.*

This special Agreement shall be ratified, after the fulfilment of the necessary legal formalities in the respective contracting States, and ratifications shall be exchanged at Rio de Janeiro as soon as possible. It shall come into effect from the date of the exchange of ratifications.

*Article VI.*

In estimating the weight to be attached to any municipal law of either country which may be applicable to the dispute, the Permanent Court of International Justice shall not be bound by the decisions of the respective courts.

*Article VII.*

In so far as concerns any matter not provided for by the present special Agreement, the provisions of the Statute of the Permanent Court of International Justice shall be applied.

Done at Rio de Janeiro this twenty-seventh day of August, one thousand nine hundred and twenty-seven.

A. R. CONTY.

Octavio MANGABEIRA.