

No. 1122

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**UNITED STATES OF AMERICA**  
**and**  
**FRANCE**

**Memorandum (with a letter) constituting an agreement relating to shipping claims arising out of the acquisition, operation and disposition of French vessels under the control of the United States of America during the period from 7 December 1941 to 1 May 1946. Signed at Washington, on 28 May 1946**

*Official texts: English and French.*

*Registered by the United States of America on 2 April 1951.*

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**ÉTATS-UNIS D'AMÉRIQUE**  
**et**  
**FRANCE**

**Mémorandum (avec une lettre) constituant un accord sur les créances maritimes nées du fait de l'acquisition, de l'usage et de la cession de navires français placés sous le contrôle des États-Unis d'Amérique pendant la période du 7 décembre 1941 au 1er mai 1946. Signé à Washington, le 28 mai 1946**

*Textes officiels anglais et français.*

*Enregistré par les États-Unis d'Amérique le 2 avril 1951.*

No. 1122. MEMORANDUM CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND FRANCE RELATING TO SHIPPING CLAIMS ARISING OUT OF THE ACQUISITION, OPERATION AND DISPOSITION OF FRENCH VESSELS UNDER THE CONTROL OF THE UNITED STATES OF AMERICA DURING THE PERIOD FROM 7 DECEMBER 1941 TO 1 MAY 1946. SIGNED AT WASHINGTON, ON 28 MAY 1946

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The Government of the United States of America and the Provisional Government of the French Republic during the course of their negotiations on a lend-lease settlement have discussed all mutual shipping problems and shipping claims arising out of the acquisition, operation and disposition of French vessels under the control of the United States of America during the period from December 7, 1941 to May 1, 1946, and have agreed as follows :

1. In full and complete satisfaction of any and all claims and financial obligations of one government against the other arising out of the requisition, use, repair, damage, loss, operation and redelivery of French vessels, the Government of the United States of America will deposit a sum of 17.5 million dollars with the United States Maritime Commission on behalf of the Provisional Government of the French Republic, which sum shall be applied against the purchase by the Provisional Government of the French Republic of up to 75 Liberty ships from the United States Maritime Commission under the terms of the Ship Sales Act, 1946.<sup>2</sup>

*a.* This sum will be applied by the United States Maritime Commission first to the down payment of the statutory sales price of the vessels at the time of their delivery as required by the Maritime Commission under its regulations; and secondly, any excess of funds remaining after the said down payment will be applied as payments on interest and annual installments as they become payable towards the amortization of the unpaid balance to the extent that such excess of funds are available.

*b.* The price and other terms of sale shall be mutually determined by the United States Maritime Commission and the Provisional Government of the French Republic in accordance with the Ship Sales Act of 1946.

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<sup>1</sup> Came into force on 28 May 1946, by signature.

<sup>2</sup> United States of America : Public Law 321; 60 Stat. 41.

c. The Provisional Government of the French Republic may make application for the purchase of additional ships from the United States Maritime Commission.

2. All financial claims of one government against the other arising out of the loss of French vessels or their cargoes while said vessels were under the control of the Government of the United States of America are hereby waived.

The Provisional Government of the French Republic hereby assumes responsibility for the processing and payment of any claims now or hereafter made by any person, body or corporation who is or was or claims that he is or was at any time the owner of or who has or had or claims to have or to have had any rights in the rem against, or any beneficial interest in any of the French vessels under the control of the Government of the United States of America during the period referred to above or of any of the cargo on said vessels.

The Provisional Government of the French Republic agrees to indemnify and hold harmless the Government of the United States of America, its agents, servants or employees in respect of any such claim.

3. The arrangements set forth herein will be contingent upon mutually satisfactory settlement of all lend-lease and other war accounts; upon the availability, within the terms of such settlement, of 17.5 million dollars for deposit by the Government of the United States of America with the United States Maritime Commission; and upon the conclusion of an agreement for the purchase and sale of up to 75 Liberty ships referred to above between the United States Maritime Commission and the Provisional Government of the French Republic.

For the Government of the United States of America :  
W. L. CLAYTON

For the Provisional Government of the French Republic :  
H. BONNET

Washington, May 28, 1946

*The Assistant Secretary of State to the French Commissioner-General  
of the Plan for Modernization and Re-equipment*

DEPARTMENT OF STATE  
WASHINGTON

May 28, 1946

Dear M. Monnet :

This will confirm my understanding with you as to the method by which, subject to the provisions of the special agreement relating to shipping claims dated May 28, 1946<sup>1</sup>, the United States will establish with the United States Maritime Commission the credit of \$17,500,000 in favor of the French Government. A sum of \$17,500,000 will be drawn for this purpose from funds heretofore paid by the French Government to the Foreign Economic Administration but not taken into account in arriving at the net amount due the United States set forth in paragraph 2 of the Memorandum of Understanding<sup>1</sup> signed today by our two Governments.

Sincerely yours,

W. L. CLAYTON  
Assistant Secretary

The Honorable Jean Monnet  
Care of French Supply Council  
1800 Massachusetts Avenue  
Washington, D. C.

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<sup>1</sup> See p. 59 of this volume.