

- (a.) The Allies will prohibit their own subjects and citizens and all persons residing in their territories from carrying on any trade with (1) inhabitants of enemy countries whatever their nationality; (2) enemy subjects wherever resident; (3) persons, firms, and companies whose business is controlled wholly or partially by enemy subjects, or is subject to enemy influence, and whose names are included in a special list.
- (b.) They will prohibit the importation into their territories of all goods originating in or coming from enemy countries.
- (c.) They will devise means of establishing a system enabling contracts entered into with enemy subjects and injurious to nations' interests to be cancelled unconditionally.

2. Business undertakings owned or operated by enemy subjects in territories of the Allies will all be sequestered or placed under control; measures will be taken for the purpose of winding up some of these undertakings and of realizing their assets; the proceeds of such realization remaining sequestered or under control.

3. In addition to export prohibitions necessitated by the internal situation of each of the Allies' countries, the Allies will complete measures already taken for the restriction of enemy supplies both in Mother-countries and in Dominions, colonies, and protectorates—(1) by unifying lists of contraband and export prohibitions, and particularly by prohibiting the export of all commodities declared absolute or conditionally contraband; (2) by making the grant of licenses for export to neutral countries from which export to enemy territories could take place conditional upon existence in such countries of control organizations approved by Allies or, in the absence of such organizations, upon special guarantees, such as limitation of quantities exported, supervision by Allied Consular officers, &c.

*B. Transitory Measures for the Period of Commercial, Industrial, Agricultural, and Maritime Reconstruction of the Allies.*

1. The Allies declare their common determination to ensure the re-establishment of countries suffering from acts of destruction, spoliation, and unjust requisition, and decide to join in devising means to secure the restoration to those countries, as a prior claim, of their raw materials, industrial and agricultural plant, stock, and mercantile fleet, or to assist them to re-equip themselves in those respects.

2. Whereas the war has put an end to all treaties of commerce between the Allies and enemy Powers; and whereas it is of essential importance that during the period of economic reconstruction which will follow the cessation of hostilities the liberty of none of the Allies should be hampered by any claim put forward by enemy Powers to most-favoured-nation treatment; the Allies agree that the benefit of this treatment shall not be granted to those Powers during a number of years to be fixed by mutual agreement among themselves. During this number of years the Allies undertake to assure to each other, so far as possible, compensatory outlets for trade in case consequences detrimental to their commerce result from the application of the undertaking referred to in the preceding paragraph.

3. Allies declare themselves agreed to conserve for the Allied countries before all others their natural resources during the whole period of commercial, industrial, agricultural, and maritime reconstruction, and for this purpose they undertake to establish special arrangements to facilitate the interchange of these resources.

4. In order to defend their commerce, industrial, agricultural, and navigation against economic aggression resulting from dumping or any other mode of unfair competition, the Allies decide to fix by agreement the period of time during which commerce of enemy Powers shall be submitted to special treatment, and goods originating in their country shall be subjected either to prohibition or to special regime of effective character. The Allies will determine by agreement through diplomatic channels special conditions to be imposed