

ANNEX TO THE FOREGOING NOTE OF FEBRUARY 12, 1946

**THE CUSTODIAN PROPOSED POLICY
FOR THE RELEASE OF FRENCH PROPERTY**

The following is a summary of discussions which have taken place between representatives of the French Government, the Department of External Affairs and the Custodian. The Custodian is prepared to put into effect the policy outlined on being advised that the French Government agrees with the contents of this memorandum.

For the purpose of these proposals the following expressions shall be construed so that—

(a) "France" shall mean all French territory in Europe, Algeria, Tunisia and the French Zone of Morocco, and such other French territories and contiguous territories to which these proposals may be extended from time to time by the Custodian.

(b) "Persons" shall mean individuals or corporations who resided in or had their principal place of business in France on the 5th day of June, 1944.

(c) "Property" shall mean all real and personal property and all rights and interest therein, whether legal or equitable.

1. The custodian has negotiated an agreement with the United Kingdom Custodian agencies, and has reached an understanding with the United States Custodian and the United States Treasury officials on questions of conflicting jurisdiction and these proposals shall only apply to French property which will ultimately remain at the disposal of the Custodian.

2. These proposals do not apply to British subjects or Canadian citizens; the disposal of the property of such persons will be dealt with as between such persons and the Custodian.

3. Nothing in these proposals shall be deemed to override applicable local law (including Exchange Control Regulations and fiscal legislation and/or regulations) now in effect or hereafter put into effect in Canada.

4. These proposals shall only affect property vested in and/or controlled by the Custodian because of the occupation of France by the enemy and/or the issuing of an Order-in-Council proscribing the said country.

5. The Custodian will not, for the present, release any property to residents of France, nor to persons who have left France after the 5th day of June, 1944, until arrangements for release are completed with the French Government or until the views of the French Government are ascertained in any particular case with the following exceptions—

(a) The Custodian will permit the payment of pensions, arrears of pensions, Workmen's Compensation payments and current annuities including annuities under insurance policies and endowment contracts.

(b) Interim payments on compassionate grounds from accumulated revenues up to such amount as may be permitted by the Foreign Exchange Control Board for payment to British subjects or other persons residing in France, and

(c) Will release to residents of France, on production of evidence satisfactory to the Custodian, all accounts where the total value of assets is \$3,000.00 or less.

6. The Custodian will release French property only on the basis of an individual application supported by a certificate issued by L'Office des Changes.