

adjudicate on all claims by the subjects or citizens of either country on the other, arising out of the late civil war in the United States." "The two Governments, in addition, to agree on an Arbitrator or Arbitrators, to whose final decision shall be referred any question connected with such claims on which the Commissioners shall be unable to come to an agreement among themselves." "In the event of this plan being adopted, it would appear expedient further to provide that neither Government should make out a case in support of its position with regard to any class of claims, but that any question on which difficulties may arise between the Commissioners should go from them to the Arbitrator as it stands."

On the 3rd of November Mr. Johnson again called on me at the Foreign Office, by appointment, for a Conference, at which the Attorney-General, at my instance and with Mr. Johnson's consent, was also invited to be present, and at this meeting a Memorandum was drawn up, of which a copy is also inclosed, embodying the result arrived at, and to which Mr. Johnson was understood to assent on behalf of his Government.

It is on the bases laid down in this Memorandum that the Convention of the 10th of November is founded.

The Memorandum was submitted by me to the Lord Chancellor and the Prime Minister, and upon their suggesting some verbal alterations for the sake of greater clearness, I sent a copy on the 4th of November, with the revisions marked, to Mr. Johnson, to ask whether he saw any objection to them.

Mr. Johnson replied the next day that he had no objection to the alterations, with one exception, in which he suggested the substitution of an English version for the Latin words "*pro hac vice*," which it was proposed to introduce. Mr. Johnson said that he did not see that these words affected the sense of the Article at all, but that others might suppose that they did, and he might be asked for an explanation, which would lead to delay. He added, "It is important, I think, that the Convention be signed at the earliest moment, and I will thank your Lordship to let me know when you can see me on the subject, as there are some matters of detail yet to be agreed upon."

I accepted at once the single modification proposed by Mr. Johnson in the Memorandum, and a Protocol was drawn up in the terms specified, and submitted to the Law Officers of the Crown for their opinion. But as Mr. Johnson had used the word "Convention" in his note of the 5th of November, I wrote to him to ask "whether he would be ready to sign an actual Convention on the subject, or whether he would still prefer to adhere to the form of a Protocol, similar to those in which the results of the former negotiations on the Naturalization and San Juan questions had been recorded."

To this Mr. Johnson replied, on the same day, in the following terms: "I will sign a Convention instead of a Protocol on the matters now unsettled, as I consider that I am authorized to do so by the cable despatch from Washington, which I showed you, taken in connection with my original instructions. But will you consider them equivalent to a formal full power? If you do, have an agreement drawn up in that form."

Upon the receipt of this note, a Draft Convention was drawn up, and I forwarded it to Mr. Johnson on the 7th of November, stating that I was ready to sign such a Convention, to be signed by Mr. Johnson *sub spe rati*, in the absence of formal powers.

Mr. Johnson called on the 9th of November, and discussed the provisions of the Convention at length, proposing various alterations. He particularly insisted on the necessity of the Commission sitting at Washington and not at London; but on being shown the inconvenience of such an arrangement, and the delay which would arise in the reference of disputed points and production of further evidence as regards the "Alabama" claims, he finally waived the point.

The Convention, with such alterations as had been adopted, was then drawn out and signed on the 10th of November.

On the 12th of November Mr. Johnson called at the Foreign Office, and, as I was then absent at Lynn, he wrote me a private note to the effect that he had "just received a telegraphic message from Mr. Seward, saying, Claims Convention entirely acceptable, except as to the place of meeting, and that it is essential to its approval by the Senate that the place be Washington and not London." After some delay, in consequence of my absence from town, a telegram was received from you in the same sense.

I then agreed to the alteration, though I still considered that it would be