

so named shall be the Arbitrator or Umpire in that particular case; the person first so "drawn" by lot being regarded as the choice of the Commissioners. The person or persons so to be chosen as Arbitrator or Umpire, if not the head of a Sovereign State or nation, shall, before proceeding to act as such in any case, make and subscribe a solemn declaration in a form similar to that made and subscribed by the Commissioners, which shall be entered on the record of their proceedings. In the event of the death, absence, or incapacity of such person or persons, or of (all) or their omitting or declining, or ceasing to act as such Arbitrator or Umpire, another person shall be named in the same manner as the person originally named to act as Arbitrator or Umpire in his place and stead, and shall make and subscribe such declaration as aforesaid.

Article II, omit last paragraph.

Strike out Article IV, V, and VI.

Article IX, eighteen months instead of twelve.

Article XI, amend as before proposed.

No. 24.

*The Earl of Clarendon to Mr. Thornton.*

Sir,

*Foreign Office, December 24, 1868.*

HER Majesty's Government, since their accession to office, have had before them your telegrams of the 27th and 30th of November, your despatch of the 30th of November, and your final telegram of the 21st of December, respecting the Convention for the settlement of outstanding claims, signed by my predecessor and Mr. Johnson on the 10th of November. Mr. Johnson has also placed in my hands a telegram which he received on the same day, and which, with the exception of a passage in which it is said, "in the case of any and every claim the Arbitrator or Umpire may be the head of a friendly foreign State or nation," is identical with yours of the 21st instant.

It is, therefore, with this last telegram that Her Majesty's Government are especially called upon to deal; but, before adverting to it, I must observe that Her Majesty's Government understand that Mr. Seward's objection to the Convention signed by my predecessor and Mr. Johnson turns chiefly on the distinction made in that Convention between general claims and the so-called "Alabama" claims.

Mr. Seward desires to expunge from the Convention the passages that relate to those claims, and to leave them to be dealt with on the same footing as other claims. The passages thus proposed to be expunged are the last paragraph of Article II and Articles IV, V, and VI of the Convention.

Mr. Seward, anticipating a difficulty that might be raised by Her Majesty's Government to submitting to the arbitration of any private individual who might be selected as Arbitrator or Umpire by the Commissioners, questions of principle such as would arise in the consideration of the "Alabama" claims, now proposes to insert in Article I of the Convention, passages which should admit generally of reference to a foreign Sovereign or State of any such questions arising out of any claims whatever. By such a process provision would be made, though in a more comprehensive form, for the reference of the "Alabama" claims, in case of need, to the arbitration of a foreign Sovereign or State, which was contemplated in Articles IV and VI of the signed Convention.

Mr. Seward further desires that the Convention should be made to resemble as closely as possible the Convention of 1853, as being more likely in that shape to be acceptable to the Senate of the United States.

Her Majesty's Government after full consideration of the matter, and being no less desirous than their predecessors and Mr. Seward himself to come to a settlement on the difficult and complicated question of mutual claims, are prepared to meet the wishes of the Government of the United States in the manner which I will now explain to you.

They agree with Mr. Seward that it is desirable to adopt as closely as possible the terms of the Convention of 1853.

They also agree to expunge the last paragraph of Article II, and also Articles IV and VI of the signed Convention which relate specifically to the "Alabama" claims; but they think that with a slight alteration, to be presently