

- iv) The seven candidates receiving the highest number of votes shall be elected to the Panel; provided that no candidate shall be elected who has not received the vote of at least two-thirds of the Parties voting, and provided that not more than two nationals of the same country shall be elected.
- v) From the seven members of the Panel so elected, the Parties entitled to vote, exercising one vote each, shall elect by secret ballot a President of the Panel by a majority of at least two-thirds of the votes cast.
- vi) In case of the death or retirement of the President or any other member of the Panel, the vacancy shall be filled by vote of the then Parties. Each Party may nominate one candidate, and election shall be by a majority of at least two-thirds of the votes cast.

ARTICLE 36

Immediate upon its election the Panel shall formulate, for its internal organisation and its work, such basic rules as it deems necessary. A fee therefor shall be paid to the members of the Panel by the Parties specified in sub-paragraph (ii) of Article 35 at a rate fixed by the Secretary General of the Inter Allied Reparation Agency.

ARTICLE 37

A. — If a dispute is not resolved within a reasonable time by negotiation as provided in Article 4 of the Agreement to which this is the Annex, a Party may request the President of the Panel of Conciliators referred to in Article 35 of this Annex to appoint from the Panel an impartial Conciliator who shall hear the Parties and may call for additional evidence. The Conciliator shall formulate a solution which is in his opinion the best possible solution in the spirit of the Agreement, and the solution so formulated shall be binding upon the Parties concerned and final.

B. — The President shall, upon application of any of the parties in dispute, determine whether a reasonable time has elapsed before submission of the case to conciliation under this Paragraph; (1) provided that a period of less than one year from the commencement of negotiations between the Parties in dispute shall not be considered a reasonable time for the purposes of this Paragraph.

ARTICLE 38

The question whether in the opinion of the secondary country, its national security requires the retention of property under sub-paragraph (iii) of Paragraph A of Article 13 of this Annex and sub-paragraph (iii) of Paragraph A of Article 24 of this Annex shall not be subject to the procedure of conciliation.

ARTICLE 39

The Conciliator shall not be entitled to grant any modification of the obligation to make full payment in the currency of the secondary country

(1) A of this Article.