

## FREE CITY OF DANZIG

## I.

AGREEMENTS CONCLUDED BETWEEN THE DANZIG  
AND POLISH GOVERNMENTS ON JUNE 7th, 1924.

Geneva, June 30th, 1924.

*Note by the Secretary-General.*

The High Commissioner of the League of Nations in Danzig has forwarded to the Secretariat of the League the texts of two agreements which were concluded in Danzig on June 7th, 1924, between M. Heinrich SAHM, on behalf of the Free City of Danzig, and M. Henryk STRASBURGER, on behalf of the Polish Republic.

These two questions appeared on the provisional agenda of the June session of the Council, but in view of these agreements it was not necessary for the Council to consider them.

## A. DANZIG-POLISH AGREEMENT, DATED JUNE 7th, 1924, CONCERNING RAILWAY QUESTIONS

[*Translation from the German.*]

1. POLAND and DANZIG agree that negotiations shall be opened immediately for the settlement, by agreement with the Free City, of the question of a Polish Railway Direction in Danzig for railways situated in the territory adjacent to the Free City

2. It is also deemed desirable that, in addition to the above question, all differences still pending in regard to railway matters should be considered in the course of these negotiations with a view to their final settlement.

3. Both Parties agree to request the Secretary-General of the League of Nations to appoint two experts, who should be chosen for their technical and legal experience of the State administration of railways, to attend the negotiations. One of the experts shall be Chairman of the Polish and Danzig Delegation, and the other shall act as technical adviser.

4. Both Parties agree that in the discussion of the Agreement mentioned in paragraph 1, the two Governments shall be guided more especially by the provisional Agreement of June 23rd, 1923<sup>2</sup>

5. All differences concerning the Agreement to be concluded or the questions in dispute mentioned in paragraph 2, which cannot be settled during the negotiations, may be submitted by either Party to the High Commissioner in accordance with Article 39 of the Paris Treaty

6. This Agreement shall only remain in force provided that agreement has been reached concerning all questions in dispute or provided that questions still in dispute are submitted for decision to the High Commissioner in each case before August 15th, 1924.

7. The Council of the League of Nations shall be requested to postpone taking a decision on the appeal against the High Commissioner's decision of December 12th, 1922<sup>3</sup>

Danzig, June 7th, 1924.

(Signed) SAHM,

*President of the Senate of the Free City of Danzig.*

(Signed) Henryk STRASBURGER,

*Polish Commissioner-General in Danzig.*B. DANZIG-POLISH AGREEMENT OF JUNE 7th, 1924, CONCERNING THE QUESTION  
OF THE PROTECTION OF THE INTERESTS IN POLAND OF DANZIG NATIONALS AND  
ORGANISATIONS<sup>4</sup>[*Translation from the German.*]

1. Negotiations shall be opened between the two Governments with a view to the settlement of the four cases in dispute (the Schauer case, the Life Insurance Company the Bauernbank and the Rützen-Kositzkau case), which are still pending, and also of all other differences which have arisen in connection with these individuals or legal entities. The negotiations shall be conducted under the Chairmanship of an expert, whom the Secretary-General of the League of Nations shall be requested to appoint, and the persons concerned shall be invited to attend.

2. If no agreement is reached on the whole or on part of these questions before August 1st, 1924, any points which are still in dispute shall be submitted to the Council of the League of Nations for decision at its next session, both in regard to the question of

See *Official Journal*, April 1924, page 728.See *Official Journal*, October 1923, page 1230.

C. 228. 1923. I C. 292. 1923. I C. 61. 1924. I C. 163. 1924. I.

See *Official Journal*, April 1924, pages 512 and 595.

competence and — if this should be decided in the affirmative — in regard to the material issues involved.

3. As regards disputes arising out of the application of the laws for liquidation, in conformity with Article 297 of the Treaty of Versailles, in the cases of the Life Insurance Company Schauer and the Bauernbank, nothing shall be done before October 1st, 1924, which could render the situation of these persons or bodies more unfavourable.

4. The Council of the League of Nations shall be requested to postpone action in the four cases entitled "Protection of Danzig Interests in Poland" until it is requested by either or both parties to proceed further with them.

Danzig, June 7th, 1924.

(Signed) SAHM,  
President of the Senate of the  
Free City of Danzig.  
(Signed) Henryk STRASBURGER,  
Polish Commissioner-General in  
Danzig.

## II.

### THE BANK OF DANZIG.

#### TEXT OF AN AGREEMENT BETWEEN THE POLISH GOVERNMENT AND THE FREE CITY OF DANZIG.

[Translation from the German.]

Danzig, January 23rd, 1924.

In pursuance of Article 4 of the Geneva Arrangement of September 22nd, 1923, the two Parties make the following declaration

I. The Polish Government submits to the Senate of the Free City of Danzig the composition of the Polish group participating in the foundation of the Bank of Danzig. This group consists of

- (a) The Bank of Commerce and Industry Warsaw
- (b) The Bank of Commerce, Warsaw
- (c) Kwilecki, Potocki & Co. Bank, Posen
- (d) The Premyslowcow Bank, Posen
- (e) The Związku Spolek Zarobkowych Bank, Posen.
- (f) The Polski Przemyslowy Bank, Lemberg.

This group of banks is taking up shares in the Bank of Danzig to the amount of 1,950,000 gulden (nominal) on the same terms as other subscribers. The Board of the Bank of Danzig will inscribe these shares in the Bank's register according to the particulars furnished by the group of banks in question. The Senate further notes that two other banks which have no branch at Danzig are subscribing for shares in the Bank of Danzig to a nominal amount of 150,000 gulden. The Senate does not, however, object to these shares being included with those taken up by the Polish group.

The total amount subscribed, therefore, is 2,100,000 gulden (nominal), that is to say 28 per cent. total capital. The question has been raised whether the subscription for these shares is in conformity with the Geneva Arrangement this issue, however, is not affected by the present Protocol.

II. In reply to the Polish Government's question whether the Danzig silver currency held by the Bank of Danzig will be taken over by the Senate of the Free City at its nominal or at its intrinsic value, the representative of the Senate declares that under the present laws and regulations the Senate cannot possibly either now or at a later date, take over silver currency from the Bank of Danzig at its intrinsic value.

III. The Senate states that it intends to propose the deletion of the second sentence of paragraph 25, sub-paragraph 1, at the general meeting which will be held to consider the foundation of the Bank of Danzig, and that it proposes to take the necessary steps to obtain the approval of the Financial Committee of the League of Nations.

The representative of the Polish Government takes note of this statement and declares that these steps fully meet his wishes.

Should the sentence not be omitted, an arrangement will be reached on the lines indicated in the previous correspondence between the two Parties.

In reply to a question put by the representative of the Polish Government, the Senate of the Free City of Danzig declares that the founders of the Danzig Bank will not need to provide any guarantee to the Bank of England for the sterling credits advanced by the latter to the Bank of Danzig.

The transfer of the shares of the Bank of Danzig will be carried out in accordance with paragraph 9 of the Statutes. The group of Polish banks states that it intends shortly to offer in the open market the shares which it has taken up and asks whether the Board of Management and Board of Directors of the Bank will grant it authorisation to do so. Although the Senate is not in a position to speak for the Board of Management or the Board of Directors of the Bank, it has no doubt, in view of the statements made by the future Managing Director of the Bank

and by the Shareholders' Committee formed with a view to the foundation of the Bank, that this authorisation will in all cases be granted if the shares in question are held by Polish or Danzig nationals, and the Senate will, moreover, exert its influence to obtain this. Authorisation could only be refused if the transfer of shares were contrary to the interests of the Bank, — if, for example, it transpired that shares were being bought up by individuals as part of an undesirable attempt to enable certain persons or groups to acquire influence over the Bank. Although there is no reason to suppose that such a contingency is at all likely to arise, it would nevertheless be wise to take the possibility into account. In any case the representative of the Polish Government and the representative of the Senate agree that the granting of authorisation should be carried out in the spirit of the Geneva Arrangement and that the interest of the Polish group of banks requires that it should dispose of the block of shares which it has taken up.

The Senate's representative declared that it was proposed to introduce into Article 5 of the Bank Law an amendment by which persons referred to in that Article must acquire Danzig nationality even though they do not acquire the legal status of an official of the Free City or become subject to disciplinary procedure. He was most anxious that, in the interests of the persons concerned, the Polish Government should recognise that this amendment did not contravene the Convention of October 14th, 1921, or else that the scope of the Convention should be extended to cover this point.

The representative of the Polish Government stated that he would forward this question to the proper quarters and would duly communicate the decision reached.

(Signed) SAHM,  
MORAWSKI.

*Certified true copy*  
(Signed) DUBOIS, Secretary.