

N° 1102.

---

## HONGRIE ET ITALIE

Convention pour la liquidation des biens des ressortissants hongrois en Italie, avec Annexe et Avenant y relatif, signée à Budapest, le 27 mars 1924.

---

## HUNGARY AND ITALY

Agreement for the Liquidation of Property of Hungarian Nationals in Italy, with Annex and Supplementary Agreement relating thereto, signed at Budapest, March 27, 1924.

<sup>1</sup> TRADUCTION. — TRANSLATION.No. 1102. — AGREEMENT<sup>2</sup> BETWEEN HUNGARY AND ITALY FOR THE LIQUIDATION OF PROPERTY OF HUNGARIAN NATIONALS IN ITALY, SIGNED AT BUDAPEST, MARCH 27, 1924.

---

*French official text communicated by the "Chargé des Affaires" of the Royal Hungarian Delegation accredited to the League of Nations and by the Italian Minister for Foreign Affairs. The registration of this Agreement took place February 24, 1926.*

---

*Article 1.*

A special compensation account shall be drawn up as between Hungary and Italy in which there shall be placed to the credit :

*(a) Of Hungary,*

The yield of the liquidation of the property, rights and interests of Hungarian nationals in Italy effected by the State Domain of the Kingdom of Italy in accordance with the laws and regulations promulgated in pursuance of Article 232 of the Treaty of Trianon ;

*(b) Of Italy,*

The sums due to Italian nationals in consequence of the seizure of property, rights and interests belonging to them which were liquidated in Hungary, or which were otherwise affected by exceptional war measures, or due by way of indemnity for the damage caused by such measures, or in general for the redemption of their assets in cash in the cases provided for in Article 232 of the Treaty of Trianon.

*Article 2.*

The yield of the liquidation provided for in paragraph *(a)* of Article 1 shall be applied in the second place to the payment of the debts of Hungary arising out of the issue of bonds in accordance with the terms of Article 11 of the Agreement relating to debts and claims.<sup>3</sup>

*Article 3.*

The account provided for in Article 1 shall be drawn up for each of the High Contracting Parties by the offices established by the respective Governments. Each of these offices shall transmit a copy of the accounts to the other at the end of each period of four months.

---

<sup>1</sup> Traduit par le Secrétariat de la Société des Nations.

<sup>1</sup> Translated by the Secretariat of the League of Nations.

<sup>2</sup> The exchange of ratifications took place at Budapest, December 5, 1924.

<sup>3</sup> Page 67 of this Volume.

*Article 4.*

(1) The High Contracting Parties shall take the necessary steps to establish the final balance of this account before December 31, 1925.

(2) For this purpose the Royal Government of Italy shall take the necessary steps to facilitate the liquidation of the property, rights and interests of Hungarian nationals situated in the former territory of the Kingdom of Italy, subject to the provisions of Articles 6 and 7 of the present Agreement, and the Royal Hungarian Government shall examine with the least possible delay any claims which may be presented to it by Italian nationals in pursuance of Article 232 of the Treaty of Trianon and shall so far as possible conclude friendly agreements in relation thereto.

(3) Any sum which may be owed by the Hungarian Government after December 31, 1925, shall be covered in accordance with the provisions of the Treaty of Trianon, in case the negotiations entered into in this connection do not result in the conclusion of a special agreement within a period of three months from the coming into force of the present Agreement.

*Article 5.*

(1) The claims of Italian nationals for damage of the kind mentioned in Article 232 of the Treaty of Trianon may form the subject of friendly agreements between the above-mentioned offices, if the persons concerned so request.

(2) In these agreements it may be stipulated that settlement shall be effected by payments in kind or the delivery of other assets, or equivalent securities.

*Article 6.*

(1) Property, rights and interests, not exceeding 50,000 lire in value, situated in Italy and belonging to individuals who are Hungarian nationals, shall be restored in the manner and according to the regulations prescribed in the case of small estates belonging to Germans and Austrians, as soon as the owners have furnished evidence that they have discharged all their liabilities in Italy.

(2) Personal effects and goods possessing no commercial value but only value for personal use shall also be restored to the said individuals who are Hungarian nationals.

(3) Subject to the supervision of the Italian Government, a Hungarian debtor may use the whole or part of his assets in the former territory of Italy for the purpose of discharging his pre-war liabilities to Italian nationals.

(4) Hungarian owners of such assets in the said territory of Italy may use them for the purpose of enabling friendly settlements to be made of the claims of Italian nationals arising before the war in regard to Hungarian nationals, subject to the previous settlement of their obligations.

*Article 7.*

The former Hungarian owners shall, as a general rule, be permitted to compete as purchasers at the sales for the liquidation of their property; the Government of Italy reserves the right, however, to exclude such offers if it considers such action to be in the public interest.

*Article 8.*

Property, rights and interests which have been acquired in, or introduced into, Italy by Hungarian nationals since the resumption of commercial relations between Italy and Hungary

(September 19, 1919) shall not be subject to the provisions of Article 232 of the Treaty of Trianon, or to the provisions of the present Agreement.

*Article 9.*

In accordance with the provisions of Article 250 of the Treaty of Trianon, property, rights and interests situated in the territory of the former Austro-Hungarian Monarchy annexed to the Kingdom of Italy belonging to Hungarian nationals shall not be liable to seizure or liquidation in accordance with the provisions of Article 232 of the Treaty of Trianon.

*Article 10.*

Any dispute which may arise with regard to the interpretation and application of the clauses of the present Agreement shall be settled by the Italo-Hungarian Mixed Arbitral Tribunal.

*Article 11.*

The High Contracting Parties undertake to adopt the necessary administrative and legislative measures to ensure that the present Agreement shall be applied in its entirety.

The present Agreement shall come into force on the day of the exchange of ratifications between the High Contracting Parties.

Done at Budapest on March 27, 1924, in two copies, one of which has been transmitted to each of the High Contracting Parties.

*For Hungary :*

(Signed) ALADÁR DE STEIGER.

*For Italy :*

(Signed) LUIGI ORAZIO VINCI.

ANNEX.

In connection with the stipulations adopted by the Government of Italy with regard to the devolution to the State Domain of property, rights and interests belonging to Hungarian nationals in the former territory of the Kingdom of Italy, the Hungarian Government declares that it is understood that these stipulations apply *inter alia* to pre-war claims of Hungarian nationals against physical or juridical persons resident on July 26, 1921, in the former territory of the Kingdom of Italy.

With regard to the friendly agreements provided for in Article 5 of the present Agreement, the Hungarian Government undertakes to do everything in its power to facilitate the conclusion of such agreements, and although it cannot admit the claims submitted in connection with the investment in Hungary, during the war, of sums belonging to Italian nationals of the former territory of Italy, or the claims of the commercial firms forming the syndicate of undertakings engaged in the timber trade and industry in the former Austro-Hungarian Monarchy to be well founded, since it is not fully acquainted with the facts, it undertakes to facilitate the conclusion of agreements or arrangements with such of the above-mentioned persons as may be concerned.

In view of the friendly action of the Government of Italy with regard to the restitution of small estates formerly belonging to Hungarian nationals, together with personal effects and articles of personal use, the Hungarian Government declares its willingness to compensate by agreement, in accordance with Article 4 of the Agreement, Italian nationals, who fled from Hungary, for the

damage suffered in consequence of the loss of personal effects, tools and other objects or articles of personal use.

The procedure with regard to the discussion and conclusion of the friendly agreements referred to in Article 5 of the Agreement including the agreements mentioned in the present Annex, shall be determined direct between the offices to be established by the two Governments.

Done at Budapest on March 27, 1924, in two copies, one of which has been transmitted to each of the High Contracting Parties.

*For Hungary :*

(Signed) ALADÁR DE STEIGER.

*For Italy :*

(Signed) LUIGI ORAZIO VINCI.

### SUPPLEMENTARY AGREEMENT TO THE AGREEMENT FOR THE LIQUIDATION OF PROPERTY OF HUNGARIAN NATIONALS IN ITALY.

In pursuance of the provisions referred to in paragraph (3) of Article 4 of the Agreement for the liquidation of Hungarian property in Italy,

HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY and HIS MAJESTY THE KING OF ITALY have appointed :

HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY :

M. Aladár STEIGER DE DANÓCZ, Consul-General, Head of Department under the Royal Hungarian Ministry for Foreign Affairs ;

HIS MAJESTY THE KING OF ITALY :

Count Luigi Orazio VINCI, Italian Chargé d'Affaires at Budapest,

As their Plenipotentiaries, who, after exchanging their full powers found in good and due form, have agreed as follows :

#### *Article 1.*

(1) Any sum which may be left owing by the Hungarian Government after December 31, 1925, as a result of the application of Articles 1 and 4 of the Agreement for the liquidation of Hungarian property in Italy, shall be covered by bonds of the Hungarian Treasury.

(2) These bonds shall be furnished with 34 annual coupons for an amount equal to 6 ½ % of the nominal value of the bonds. Each coupon shall represent an annuity for the redemption of the principal in 34 years and for the payment of interest. The cost of administration shall be included in the redemption portion. The amount corresponding to the portion allocated for redemption shall be employed by the Italian office to establish a fund for the redemption of the bonds which are drawn annually. The first drawing will take place one year after the date of the issue of the bonds. All the bonds shall be redeemed within a period of 34 years reckoned from the date of the first issue.

#### *Article 2.*

(1) The balance of the account shall be settled, after June 30, 1926, at the end of each period of six months, regard being paid, on the one hand, to the sums credited to Hungary in respect of the yield of the liquidation operations encashed by the Public Domain of the Kingdom of Italy during the six months in question, and, on the other hand, to the liabilities of the Royal Hungarian Govern-

ment arising out of the friendly agreements referred to in paragraph (2) of Article 4 of the Agreement or the Liquidation of Hungarian Property in Italy or, in the absence of such agreements, arising out of awards rendered by the Italo-Hungarian Mixed Arbitration Tribunal during the same period of six months.

(2) The sum arrived at, when the balance to the debit of the Royal Hungarian Government has been increased in the manner referred to in the preceding paragraph, shall be covered by Treasury Bonds of the kind mentioned in Article 1. In the event of the balance to the debit of the Royal Hungarian Government at the end of the previous period of six months being reduced by sums placed to its credit in respect of the yield of liquidation operations, an amount of the Treasury Bonds in possession of the Italian Office corresponding in nominal value to this difference shall be restored to the Hungarian Office.

(3) Any credit balance arising from time to time in favour of the Royal Hungarian Government may be utilised by the Italian Office at the request of the Hungarian Office for the purpose of purchasing the bonds or Treasury Bonds issued either under the terms of the present Agreement or by virtue of the Agreement concerning debts and claims.

*Article 3.*

The present Supplementary Agreement shall be ratified and shall come into force on the day of the exchange of ratifications.

Done at Budapest on March 27, 1924, in two copies, one of which has been transmitted to each of the High Contracting Parties.

*For Hungary :*

(Signed) ALADÁR DE STEIGER.

*For Italy :*

(Signed) Count LUIGI ORAZIO VINCI.