

AUTRICHE ET ROUMANIE

Convention concernant le règlement des dettes et créances libellées en anciennes couronnes austro-hongroises entre ressortissants des Hautes Parties contractantes, avec annexes, signée à Vienne, le 26 juillet 1924, et Accord additionnel à cette convention, signé à Bucarest, le 17 janvier 1928.

AUSTRIA AND ROUMANIA

Convention regarding the Settlement of Debts and Claims expressed in former Austro-Hungarian Crowns between the Nationals of the High Contracting Parties, with Annexes, signed at Vienna, July 26, 1924, and Additional Agreement to this Convention, signed at Bucharest, January 17, 1928.

¹ TRADUCTION. — TRANSLATION.

No. 1933. — CONVENTION ² BETWEEN AUSTRIA AND ROUMANIA REGARDING THE SETTLEMENT OF DEBTS AND CLAIMS EXPRESSED IN FORMER AUSTRO-HUNGARIAN CROWNS BETWEEN NATIONALS OF THE HIGH CONTRACTING PARTIES. SIGNED AT VIENNA, JULY 26, 1924.

French official text communicated by the Federal Chancellor of the Austrian Republic. The registration of this Convention took place January 24, 1929.

THE FEDERAL PRESIDENT OF THE AUSTRIAN REPUBLIC and HIS MAJESTY THE KING OF ROUMANIA, being desirous of arriving at an agreement for the settlement of debts and claims in former Austro-Hungaria crowns, have resolved to conclude a Convention for this purpose, and have appointed as their Plenipotentiaries :

THE FEDERAL PRESIDENT OF THE AUSTRIAN REPUBLIC :

His Excellency Dr. A. GRÜNBERGER, Federal Minister for Foreign Affairs ;

HIS MAJESTY THE KING OF ROUMANIA :

His Excellency M. I. NISTOR, Minister of State,

Who, having communicated their full powers, found in good and due form, have agreed upon the following provisions :

SECTION I.

GENERAL PROVISIONS.

Article I.

Irrespective of the date on which they fall due, debts and claims in private law between nationals of the High Contracting Parties, expressed in former Austro-Hungarian crowns and contracted up to March 25, 1919, shall be subject to the provisions of the present Convention, if they existed on the above-mentioned date and still exist on the date on which the present Convention comes into force, or if they were based on transactions or contracts prior to March 25, 1919, and have not yet been settled.

The placing by the debtor in a Government deposit and consignment office of the amount due, without the consent of the creditor and prior to the entry into force of this Convention but

¹ Traduit par le Secrétariat de la Société des Nations, à titre d'information.

¹ Translated by the Secretariat of the League of Nations, for information.

² The exchange of ratifications took place at Vienna, October 16, 1925.

subsequent to March 25, 1919, shall not release the debtor from his obligation. The amount so deposited shall be restored to the depositor at his request.

Article II.

All natural and juridical persons and corporate bodies, including autonomous organisations such as provinces, districts and communes, which on the date mentioned above had their domicile, habitual residence or registered offices in the territory of the Austrian Republic or in the territory transferred to Roumania under the Treaties of St. Germain and Trianon, shall be regarded as nationals of one of the High Contracting Parties.

As regards branches, the seat of such branches and not that of the head office shall be decisive.

Article III.

Subject to the exceptions provided for in the following Articles, the debts and claims to which the present Convention applies shall be paid in lei at the rate of 50 (fifty) lei to 100 (one hundred) former Austro-Hungarian crowns.

Article IV.

Payments in respect of bearer securities, such as partial bonds, communal bonds, mortgage bonds, shares, profit-sharing rights in co-operative Societies, Treasury or municipal bonds, savings-bank passbooks, etc., issued in the territory of one of the High Contracting Parties, shall be effected, subject to the exceptions provided for in this Convention, at the rate of 50 (fifty) lei or 100 (one hundred) Austrian crowns, respectively, to 100 (one hundred) Austro-Hungarian crowns, according to whether the debtor has his registered offices in Roumanian or Austrian territory, irrespective of the place at which the actual payment is made. Payment shall be effected without the holder's being required to furnish proof of nationality, domicile, date of acquisition, etc.

Article V.

As an exception to the provisions of Article IV, payments on savings-bank passbooks issued by Austrian financial establishments prior to March 25, 1919, shall be made at the rate of 50 (fifty) lei to 100 (one hundred) former Austro-Hungarian crowns, if the said passbooks were issued :

(a) In the name of public bodies, such as provinces, districts, communes, foundations, etc., of Roumanian nationality, or

(b) In the name of a Roumanian national who, on March 25, 1919, had not the right to dispose of the amount represented by such a passbook without the consent of the competent authority (*behördliche Vinkulierung*); or

(c) In the name of an officer, a public official (of the Government, provinces, districts, communes) or a peasant, provided that the holder proves beyond doubt that the said passbooks were owned on March 25, 1919, and have been owned since that date, by Roumanian nationals fulfilling the conditions laid down in this Convention.

Subject to these conditions, the amounts represented by savings-bank passbooks belonging to the officers, public officials and peasants mentioned above, shall be repaid at the rate stipulated in this Article, even if the said passbooks were made out to a fictitious name, an emblem or a number.

The passbooks referred to in the previous paragraph must be presented for payment to the issuing establishment within six months of the entry into force of the present Convention.

The provisions of this Article shall not apply to savings-banks passbooks belonging to Austrian nationals and issued in former Austro-Hungarian crowns by financial establishments having their registered offices in the territory transferred to Roumania under the Treaties of St. Germain and Trianon. Repayments in respect of these passbooks shall accordingly be made at the rate specified in Article IV of the present Convention.

Article VI.

Loans contracted up to August 1, 1918, secured on Austrian public debt bonds issued during the war (advances on war bonds), shall be repaid in Austrian crowns at the rate of one Austrian crown to one old Austro-Hungarian crown.

In the case of loans guaranteed by other securities in addition to war bonds, the conditions of payment laid down in the foregoing paragraph shall only apply to the amount represented by the war bonds, and the amount represented by the other securities shall be payable at the rate stipulated in Article IV. This provision shall not, however, apply to loans accorded to debtors on collateral security in addition to war bonds at this time and for the purpose of subscribing to a war loan, if the debtor has expressly notified the creditor of his intention to subscribe to such a loan and if the subscription has been effected through that creditor. Such loans shall be repaid in full in the manner provided in paragraph 1 of this Article.

The amounts respectively represented by the war bonds and other securities pledged shall be calculated, in respect of the war bonds, on the basis of the price at which they were issued, and in respect of the other securities, on the basis of the average of the buying and selling prices on the Vienna Stock Exchange during the week previous to the date on which the loan was contracted, or, if no such quotations are available, on the basis of the average market prices during that period.

The creditor (lender) shall be entitled to retain the pledged war bonds in settlement of his claim or the amount represented by the said war bonds. Loans contracted by the Bukovina Greek Orthodox Ecclesiastical Foundation (*Bukowinaer griechisch-orientalischer Religionsfonds*) and by State-administered foundations with any credit establishment for the purpose of subscribing to war loans shall be extinguished by the delivery of the war bonds in question to the creditors who supplied the funds. If, however, the said creditors hold pledges other than war loan bonds, they shall be obliged to return such pledges or the mortgage deed, as the case may be, accompanied by the legal declaration required by the debtor for the cancellation of this mortgage.

Article VII.

The provisions of the present Convention shall not apply to the following categories of debts and claims :

(a) Debts and claims contracted between nationals of the former Kingdom of Roumania and nationals of the Austrian Republic ;

(b) Debts to and claims against the Post Office Savings Bank (*Postsparkassenamt*), which shall be settled in accordance with the provisions of the special Convention ;

(c) Debts to and claims against the Austro-Hungarian Bank, and those transferred, in the course of the liquidation of the said Bank, to the Succession States, such debts and claims to be dealt with as provided in the special conventions concluded or to be concluded for that purpose with the liquidators of the Austro-Hungarian Bank or with the Austrian Government ;

(d) Debts to and claims against committees for minors and persons under legal disability, which shall be dealt with by a special convention ;

(e) Life annuities, maintenance allowances and similar periodical payments, provided, however, that arrears due up to March 25, 1919, shall be settled in accordance

with the provisions of the present Section, if their application would not be unduly onerous for the debtor, it being also understood that this clause shall not invalidate the legal regulations established by the internal legislation of each of the High Contracting Parties with reference to the increase or reduction of the amounts due in respect of debts and claims of this category ;

(f) Debts and claims including life annuities, arising out of insurance policies, social insurance and re-insurance policies in general which shall be dealt with in special conventions.

Article VIII.

The provisions of this Section shall apply only failing amicable agreements between creditors and debtors.

Article IX.

The High Contracting Parties undertake to place no obstacle in the way of the payment of debts and claims to which the present Convention applies, and to permit the transfer and export of the proceeds of the liquidation of such debts and claims, converted into the currency of the creditor country.

Article X.

Within the territory of the High Contracting Parties, all periods counting for prescription or limitation shall cease to run as between October 31, 1918, and the date on which the present Convention comes into force, so far as such periods relate to the debts and claims referred to therein. These periods shall again begin to run as from the entry into force of the present Convention and may not attain completion within less than one year following that date.

This provision shall not apply in cases in which prescription or limitation had taken effect before October 31, 1918.

Article XI.

Any disputes which may arise between nationals of the High Contracting Parties or between the Royal Roumanian Government and Austrian land banks in reference to debts and claims covered by Sections I and II of the present Convention shall be submitted to a Court of Arbitration.

This Court shall consist of two arbitrators, one appointed by each of the Contracting Parties.

Should the two arbitrators be unable to arrive at an agreement regarding the dispute, they shall select by common consent, and with the approval of their respective Governments, an umpire who shall be a national of a State not concerned in the question ; the umpire's decision shall be final.

The Court of Arbitration shall sit alternately at Bucharest and at Vienna.

It shall establish its own rules of procedure.

The High Contracting Parties undertake to afford the Court of Arbitration all necessary legal assistance and other facilities for the conduct of its enquiries.

The awards of the Court of Arbitration shall be final. The High Contracting Parties undertake to render them binding upon their respective nationals and to provide for their execution without a municipal order of enforcement and without summoning the parties to appear, on the same conditions as judgments rendered by the judicial authorities of the country.

With the exception indicated below, all disputes mentioned in paragraph 1 of this article must be submitted to this Court.

Questions concerning personal status shall remain within the exclusive jurisdiction of the respective national Courts.

The provisions of this Article shall in no way affect the stipulations contained in Article 256 of the Treaty of St. Germain.

SECTION II.

SPECIAL PROVISIONS CONCERNING THE SETTLEMENT OF CERTAIN CATEGORIES OF MORTGAGE AND COMMUNAL DEBTS.

Article XII.

The provisions of this Section shall apply to mortgage and communal debts, if such debts are expressed in former Austro-Hungarian crowns and could, under Austrian law, be used as security for the issue of mortgage bonds, communal bonds, or similar securities, provided the said debts were contracted before October 31, 1918, and are not extinguished when the present Convention comes into force.

Article XIII.

The provisions of this Section shall apply to the debts defined in Article XII between, of the one part :

(a) Natural persons who, at the date when the present Convention comes into force, have become Roumanian nationals in virtue of the Treaty of St. Germain or of the Treaty of Trianon, either automatically or by the exercise of their right of option, or

(b) Juridical persons or corporate bodies, including autonomous organisations such as provinces, districts and communes, whose registered offices were, on October 31, 1918, situate in the territory ceded to Roumania under the Treaties of St. Germain and Trianon, or were transferred to that territory prior to the entry into force of the present Convention, (juridical persons or corporate bodies whose registered offices were transferred between October 31, 1918, and the date on which the present Convention comes into force, to a place outside the Kingdom of Roumania, do not come under this Section) ; and, of the other part :

Bodies entitled to issue mortgage bonds, communal bonds and other securities of a like nature on the basis of the debts defined in Article XII of the present Section, provided their registered offices were, on October 31, 1918, and at the date when the present Convention comes into force, situate in Austrian territory as defined in the Treaty of St. Germain.

In the case of debts secured on immovable property, the provisions of this Section shall not apply unless the immovable property so mortgaged is situate in the territory ceded to Roumania under the Treaties of St. Germain and Trianon.

Article XIV.

If a mortgaged property has been divided by the frontier as fixed in accordance with the Treaties of St. Germain and Trianon, the mortgage debt shall be divided between the two portions of the property, and only that part of the debt which is allocated to the portion situated in the territory ceded to Roumania shall be governed by the provisions of this Section.

The allocation shall be made in proportion to the net profits as shown in the Land Register.

This Article shall also apply to joint mortgages on several properties, some of which are situated in the territory ceded to the Kingdom of Roumania and the others elsewhere in the territory of the former Austro-Hungarian Monarchy.

The allocation of the debt between the portions of the property or between the properties under joint mortgage shall be entered in the Land Register at the request of one of the parties concerned, if the debt is settled by direct agreement (Article XVII). Should the debt be transferred to the Royal Roumanian Government, the entry shall be made, together with the entry recording the transfer, by the courts which keep the Land Register (Article XVIII).

Article XV.

Debts subject to the provisions of this Section shall be paid at the rate of 50 (fifty) lei to 100 (one hundred) former Austro-Hungarian crowns.

Article XVI.

Debts to which the provisions of this Section apply shall be settled where possible by direct agreement between debtor and creditor (Article XVII).

Should the debtor and creditor be unable to reach an amicable agreement, the creditor establishment shall transfer its claim, in consideration of payment in cash (except as otherwise provided in Article XIX of this Section), to the Royal Roumanian Government (Article XVIII) or to the establishment designated by that Government (Article XX).

Article XVII.

Debts may be settled by amicable agreement within one year following the ratification of the present Convention. If, however, the registration of mortgage bonds, communal bonds and other securities of a like nature issued on the basis of the debts referred to in Article XII of this Section (see Article XIX) has not been completed at the time of ratification, the time-limit, still starting from the date of ratification, shall be extended to the expiration of one year from the completion of this registration.

The High Contracting Parties undertake not to impede direct negotiations between the parties concerned or the execution of amicable agreements. In order to further the conclusion of amicable agreements, the High Contracting Parties also undertake to withdraw and annul all measures which might prevent a direct settlement between the parties concerned.

The creditor establishments shall be bound to accept, without previous notice or warning, payment offered by the debtor with a view to settlement. Similarly, no compensation may be claimed for cancellation.

Article XVIII.

Debts, including arrears of annual payments, in respect of which the parties concerned cannot arrive at a settlement within the time-limit specified in Article XVII, shall be registered within three months following the expiry of that time-limit.

Registration shall be effected in the manner laid down in Annex I to the present Convention. All claims registered shall be transferred to the Royal Roumanian Government or to the establishment designated by it.

The transfer shall take place direct between the creditor establishment transferring the claim and the Royal Roumanian Government, on payment of the equivalent of the claims transferred. Such equivalent shall be equal to the amount which the debtor would have had to pay up to the

actual date of payment if he had given notice of the debt due by him to the creditor establishment. The establishment transferring the claim may not, however, demand compensation for cancellation.

The equivalent of the transferred claims shall be paid, without deduction, in cash (except as otherwise provided in Article XIX of this Section), at the rate specified in Article XV of this Section, to and at the registered office of the establishment transferring the claim, and within three months following the notification of the declaration of transfer, as provided in Annex I to the present Convention, by the transferring establishment to the Royal Roumanian Government. Should an appeal be made against the transfer (see Annex I to the present Convention), the said period of three months shall begin to run from the date of the dismissal of such appeal.

The transferring establishment shall be required to deliver to the Royal Roumanian Government in consideration of payment in cash or, in certain cases, in securities (see Article XIX), the deed of transfer, the deed of transcript and the contract in respect of the claim transferred.

By the act of transfer, the Royal Roumanian Government shall become a party to the contract and may exercise, under the conditions laid down therein, the same rights as the transferring establishment, which shall not be held responsible in respect of the possibility of recovering the debt transferred.

Until the equivalent of the transferred claim has actually been paid, the rights of the transferring establishment under the contract shall remain unimpaired, and the transfer shall not be regarded as valid until then.

Proceedings taken and instruments drawn up in virtue of this Section shall be exempt from all duties and fees in the territories of the High Contracting Parties.

Article XIX.

In accordance with the provisions of this Section, settlement by amicable agreement and payment of the equivalent of transferred claims shall, as a general rule, be effected in cash.

Nevertheless, within the limits laid down in the sixth paragraph of this Article, Roumanian debtors and the Royal Roumanian Government may, after registration, employ securities issued on the basis of the claims referred to in Article XII of this Section and the matured coupons of such securities in payment of the debts in question, either by agreement or by transfer, up to 25 % of the capital amount of the debt outstanding at the time of payment.

Registered securities of any category may be employed in payment of any debt covered by Articles XII, XIII and XIV of this Section, even if such securities were issued by an establishment other than the creditor establishment.

The nominal value of the securities, accompanied by their matured coupons or even by those which have not matured, shall be deducted from the amount of the debt, crown for crown. The nominal value of coupons which have not matured and are missing shall be deducted from the nominal value of the respective securities.

In execution of the foregoing provisions, the Royal Roumanian Government shall proceed to register (Annex II) the securities issued on the basis of the claims referred to in Article XII of this Section by Austrian creditor establishment (Article XIII), which have, without interruption since October 31, 1918, been held by Roumanian nationals fulfilling the conditions laid down in this Convention.

Mortgage debts on immovable property which has been or is to be expropriated under Roumanian law shall, provided expropriation is actually effected, be settled under the conditions and in the manner specified in that law.

Article XX.

The Royal Roumanian Government shall have the right to designate a land bank to which the claims referred to in Article XVIII shall be transferred ; such right shall not, however, affect the obligations assumed by the Royal Roumanian Government under this Section.

Article XXI.

The present Convention shall be ratified and the ratifications shall be exchanged at Vienna as soon as possible.

Article XXII.

The present Convention shall come into force on the date of the exchange of ratifications. In faith whereof the Plenipotentiaries have affixed their signatures and their seals.

Done in duplicate at Vienna on July 26, 1924.

(Signed) A. GRÜNBERGER.

(Signed) I. NISTOR.

ANNEX I.

The registration of the claims referred to in Article XVIII of Section II of the present Convention shall be effected as follows :

The creditor establishments shall declare their claims to the *Abrechnungsamt* in Vienna within the period specified in Article XX, paragraph 1, of Section II. The declarations shall be listed by each establishment and accompanied by a statement showing arrears of payment outstanding at the opening day of the period fixed for registration, and also the outstanding amount of the debt.

The creditor establishments must notify the debtor of the declaration by registered letter.

Within four weeks following the expiration of the period fixed for the declaration of claims, the *Abrechnungsamt* shall communicate the declarations to the Royal Roumanian Ministry of Finance.

Debtors and the Royal Roumanian Government, shall have the right to appeal, within three months of the notification, against the declaration and against the transfer of the claims declared, if such claims are not covered by the provisions of Section II.

Appeals must be lodged with the creditor establishment and the *Abrechnungsamt* within the time stipulated.

ANNEX II.

The registration of the securities referred to in Article XIX of Section II of the present Convention shall be effected as follows :

The Royal Roumanian Government shall proceed, as soon as the present Convention comes into force, to register the securities fulfilling the conditions of Article XIX, paragraph 6, of Section II.

For the purpose of registration, the Royal Roumanian Government shall fix a time-limit of three months within which holders of securities must declare them to the establishment or authority designated for that purpose by the Royal Roumanian Government.

The securities shall be placed on a separate list for each establishment concerned. The list must show the name and address of the declarant, the category, serial numbers and individual numbers of the securities declared, and, lastly, particulars of the evidence.

The list must be accompanied by all necessary evidence of the fulfilment of the conditions laid down in Article XIX, paragraph 6, of Section II.

Deeds of purchase made out in the name of the claimant, deposit receipts, and all other evidence in writing shall be accepted as primary evidence of ownership. Should the establishment concerned refuse to recognise the validity of the evidence produced, the declarant may present any other evidence admissible under the civil procedure of the High Contracting Parties.

The declaration lists shall be forwarded immediately to the *Abrechnungsamt* in Vienna, which shall communicate them without delay to the establishments concerned.

The establishments concerned must give a decision within three weeks on the declarations communicated to them.

The acceptance of the declarations, or, in case of refusal, the observations of the establishment concerned, shall be immediately notified by the *Abrechnungsamt* to the Roumanian institution or authority responsible for registration, which shall in turn inform the declarants without delay.

The declarant shall have the right, within four weeks of the day on which notification was given by the *Abrechnungsamt* to the Roumanian institution or authority responsible for registration, to submit a rejected declaration to arbitration, as provided in Article XI of this Convention.

The arbitrators must decide within two weeks.

When the declaration of securities has been accepted, they shall be stamped "registered in Roumania".

ADDITIONAL AGREEMENT

TO THE CONVENTION BETWEEN AUSTRIA AND ROUMANIA REGARDING THE SETTLEMENT OF DEBTS AND CLAIMS EXPRESSED IN FORMER AUSTRO-HUNGARIAN CROWNS BETWEEN NATIONALS OF THE HIGH CONTRACTING PARTIES.

THE FEDERAL PRESIDENT OF THE AUSTRIAN REPUBLIC and HIS MAJESTY THE KING OF ROUMANIA, having recognised the necessity of making certain amendments to the text of Article X of the Convention between Austria and Roumania of July 26, 1924, regarding the settlement of debts and claims expressed in former Austro-Hungarian crowns between nationals of the High Contracting Parties, have resolved to conclude an additional agreement for this purpose, and have appointed as their Plenipotentiaries :

THE FEDERAL PRESIDENT OF THE AUSTRIAN REPUBLIC :

His Excellency M. Robert LUKES, Envoy Extraordinary and Minister Plenipotentiary of the Austrian Republic at Bucharest ;

HIS MAJESTY THE KING OF ROUMANIA :

His Excellency M. Jean DUCA, Acting Minister for Foreign Affairs ;

Who, having communicated their full powers, found in good and due form, have agreed to replace Article X of the said Convention by the following text :

Article X.

" Within the territory of the High Contracting Parties, all periods counting for prescription or limitation shall cease to run as between October 31, 1918, and the date on which the present Convention comes into force, so far as such periods relate to the debts and claims referred to therein. These periods shall again begin to run as from the entry into force of the present Convention and may not attain completion until six months after the constitution of the Court of Arbitration provided for in Article XI of the Convention.

" The date of the constitution of the Court shall be publicly announced by the Governments of the two countries.

" The provisions of the first paragraph of the present Article shall not apply in cases in which prescription or limitation had taken effect before October 31, 1918. "

In faith whereof the Plenipotentiaries have affixed their signatures.

Done in duplicate at Bucharest on January 17, 1928.

(L. S.) R. LUKES.

(L. S.) J. G. DUCA.