

N° 1979.

**HONGRIE
ET ROYAUME DES SERBES,
CROATES ET SLOVÈNES**

Convention concernant l'abolition
des restrictions relatives à l'expor-
tation des dépôts avec protocole
de signature. Signés à Belgrade,
le 22 février 1928.

**HUNGARY AND
KINGDOM OF THE SERBS,
CROATS AND SLOVENES**

Convention concerning the Abolition
of Restrictions relative to the
Export of Deposits, with Protocol
of Signature. Signed at Belgrade,
February 22, 1928.

¹ TRADUCTION. — TRANSLATION.

No. 1979. — CONVENTION ² BETWEEN THE KINGDOM OF HUNGARY AND THE KINGDOM OF THE SERBS, CROATS AND SLOVENES CONCERNING THE ABOLITION OF RESTRICTIONS RELATIVE TO THE EXPORT OF DEPOSITS. SIGNED AT BELGRADE, FEBRUARY 22, 1928.

French official text communicated by the Chargé d'Affaires a. i. of the Hungarian Delegation accredited to the League of Nations. The registration of this Convention took place March 27, 1929.

HIS MOST SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY AND HIS MAJESTY THE KING OF THE SERBS, CROATS AND SLOVENES, being desirous of arriving at an agreement for the abolition of restrictions regarding the export of deposits, have resolved to conclude a Convention for that purpose, and have appointed as their Plenipotentiaries :

HIS MOST SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY :

Baron Paul FORSTER, Envoy Extraordinary and Minister Plenipotentiary at Belgrade ;

M. Alfred DE NICKL, Councillor of Legation, Director of the Economic Section of the Royal Hungarian Ministry of Foreign Affairs ;

HIS MAJESTY THE KING OF THE SERBS, CROATS AND SLOVENES :

Dr. Voïslaw MARINKOVITCH, Minister for Foreign Affairs ;

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

Article I.

Nationals of the Contracting Parties and persons domiciled in the territory of either Party shall have the right to dispose freely of their deposits situated in the territory of the other Party, provided such deposits fulfil the conditions laid down in the following Articles.

The term " dispose freely " shall be understood to mean the right to take all steps necessary for the withdrawal and export of deposits or for the realisation of the securities deposited and in such case, for the withdrawal and export of the proceeds.

Restrictions or prohibitions enacted before the present Convention comes into force or which may be enacted during the twelve months following the promulgation of this Convention shall not in any way affect the right of free disposal.

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 Budapest, October 20, 1928.

In the event of such restrictions or prohibitions being imposed, the Contracting Parties shall immediately appoint — and notify the other Party of such appointment — the authority empowered to issue the documents and permits which the person entitled thereto may require to enable him to recover free disposal of his deposit. Such documents and permits shall be drawn up and issued on the application of the person entitled thereto, without delay and without any further formality.

The application shall be accompanied by evidence showing that the conditions laid down in the following Articles of the present Convention have been fulfilled.

The authority empowered to deal with applications shall give its decision within sixty days from the date on which application is made. Refusals of applications must be accompanied by a statement of reasons. To secure free disposal of their deposits, applicants shall be entitled to appeal to the Court of Arbitration provided for in Article 18 of the Convention concerning the settlement of debts and claims in former crowns. The decisions of the said Court of Arbitration shall have the force of *res judicata*.

Article II.

In accordance with the principles laid down in Article I, the Contracting Parties undertake to release open or closed deposits and safe-deposits, provided :

That the right to dispose of such deposits belongs to persons or corporate bodies who are nationals of the other Party, or to persons or corporate bodies domiciled in the territory of such Party.

That the deposits in question have been made prior to July 26, 1921, with any authority, in State banks or with notaries public, credit institutions or bankers, and

That such deposits contain paper securities, bonds, shareholders' books, savings-bank pass-books, founders' shares, insurance policies or other documents, foreign currency, metals, whether minted or unminted (whether worked or unworked), pearls or precious stones.

As evidence of domicile it shall be sufficient to produce a statement to the necessary effect certified by the local authority. Nationality must be proved in accordance with the domestic regulations of the Contracting Parties regarding the procedure in respect to evidence of nationality.

As regards the other conditions (status of depositor, place and contents of deposit) a deposit certificate (or other similar document, receipt, extract of account, etc.) submitted by the depositary shall be considered sufficient evidence.

Article III.

1. The deposits referred to in this Convention shall not be subject to a capital levy or to any other tax provided they are exported before the expiry of one year from the entry into force of the present Convention.

2. Should the deposit at present be outside the territory of the Contracting Parties, the Party in whose territory the deposit was originally situated shall permit or take all the steps necessary to draw up and hand over to the person entitled thereto the necessary documents determining the disposal. In case such deposits should re-enter the territory in which they were formerly situated, they shall enjoy the same treatment as the other deposits referred to in the present Convention.

The Contracting Parties agree to take — so far as their law permits —, and to notify to one another, the steps necessary to ensure that the interested parties are able to secure information regarding their deposits under the present Convention, including securities or valuables situated outside their territories.

3. So far as their laws and other legal regulations permit, the Contracting Parties shall be responsible for delivering the deposits referred to in the present Convention and deposited with their authorities.

It is understood that the Contracting Parties shall not be in any way responsible for deposits which have been removed from their territory as a result of intervention by the authorities or organs of a third Power.

4. In order to ensure to the interested parties full possession of security deposits coming under the present Convention — securities which were assigned as pledges (including military pledges) — each of the Contracting Parties undertakes for its part to simplify and expedite, as far as possible, such preliminary proceedings as may be necessary.

5. For the purposes of the present Convention, the securities and valuables mentioned in Article II shall be considered as deposits, even if they have not been deposited with the present depositary under a contract of deposit, but have been transferred, for any reason whatsoever, to the territory where they are at present situated.

Article IV.

A separate Convention shall be concluded concerning deposits belonging to or administered by Funds for minors or persons deprived of their civil rights.

The provisions of the present Convention shall apply *mutatis mutandis* to the deposits of municipalities and communes whose entire territory is situated in Hungary, or which have been transferred with all their territory to the Kingdom of the Serbs, Croats and Slovenes.

Article V.

(a) Subject to the provisions of the present Convention, Hungary undertakes to release and to authorise the export of pre-war bonds of the unsecured Hungarian National Debt if such bonds are without the Hungarian stamp and are the property of Serb-Croat-Slovene nationals, and if the said bonds could not be stamped owing to their having been kept in a closed deposit or safe-deposit.

In regard to pre-war bonds of the unsecured Hungarian National Debt bearing the Hungarian stamp and belonging to Serb-Croat-Slovene nationals who have not protested against such stamping, Hungary undertakes, in accordance with Article 186 of the Treaty of Trianon, to recognise such bonds as part of its national debt and to accord them treatment equally favourable with that accorded to bonds belonging to its own nationals, provided, however, that such securities have been deposited, in accordance with Decree 960/1925. M. E., and within the time-limits and at the places therein provided, for the purpose of being verified by the Reparation Commission. Subject to the provisions of the present Convention, but irrespective of the term of twelve months laid down in Article 1, paragraph 3, such bonds, together with those issued to replace them, shall be similarly released and their export permitted as soon as Hungarian nationals recover the free disposal of their bonds of a similar kind.

The above provisions shall not in any way affect the question whether the pre-war bonds of the unsecured Hungarian National Debt, which may be surrendered to the Kingdom of the Serbs, Croats and Slovenes under conventions concluded or to be concluded in execution of the Treaty of Trianon, shall be included in the Hungarian stamping or the Serb-Croat-Slovene stamping. This question shall be settled by the aforesaid Conventions, whether concluded or to be concluded in the future.

As regards pre-war secured Hungarian National Debt bonds, Hungary undertakes, subject to the conditions laid down in the present Convention, to release such bonds and to authorise their export without stamping, and — where the Hungarian stamp has already been affixed — after cancellation of the latter. This provision, however, shall not apply in the case of the “ 1910 4 % ” and the “ 3 ½ % ” loan bonds if such bonds have been deposited in conformity with Decree 960/1925 M. E.

Subject similarly to the provisions of the present Convention, Hungary undertakes to release and to authorise the export of Hungarian National Debt bonds issued after July 28, 1914, under paragraph 17 of Law LXIII of 1912, (war debt bonds, Treasury notes) if such bonds have not been

stamped in Hungary and provided a declaration is made beforehand to the Royal Hungarian Ministry of Finance giving the nominal value of the bonds and their distinguishing letters and numbers.

(b) The Kingdom of the Serbs, Croats and Slovenes undertakes to include in its stamping the unsecured Hungarian and Austrian National Debt bonds, issued before July 28, 1914, if such bonds are in its territory, and even if they belong to Hungarian nationals. In accordance with Article 186 of the Treaty of Trianon and Article 203 of the Treaty of Saint-Germain, the Kingdom of the Serbs, Croats and Slovenes shall recognise the claims embodied in such bonds to be a part of its national debt and shall treat such bonds in the same way as bonds belonging to Serb-Croat-Slovene nationals. Subject to the provisions of the present Convention, the Kingdom of the Serbs, Croats and Slovenes undertakes to release and, irrespective of the term of twelve months laid down in Article I, paragraph 3, to authorise the export of any bonds it may issue in exchange for the above-mentioned pre-war bonds.

Subject to the provisions of the present Convention, the Kingdom of the Serbs, Croats and Slovenes undertakes to release and to authorise the export of pre-war bonds of the secured Hungarian National Debt.

Similarly, the Kingdom of the Serbs, Croats and Slovenes undertakes, subject again to the provisions of the present Convention, to release and to authorise the export of Hungarian National Debt bonds issued since July 28, 1914.

Article VI.

The clauses of the present Convention referring to the right of free disposal and the conditions in which this right may be exercised shall not in any way affect the right conferred by Articles 249 and 250 of the Treaty of Trianon on interested parties, nor the rights and obligations of the depositor or depository. Questions concerning such rights and obligations shall be settled in accordance with the legal regulations applicable in such cases, and the interested parties shall have the right to establish their claims, exceptions and objections before the competent courts of law or in any other legal manner.

Article VII.

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

Article VIII.

The present Convention shall come into force fifteen days after the exchange of ratifications.

In faith whereof the Plenipotentiaries have signed the present Convention and have thereto affixed their seals.

Done at Belgrade, in duplicate, on the twenty-second day of February, one thousand nine hundred and twenty-eight.

(L. S.) (Signed) FORSTER.

(L. S.) (Signed) NICKL.

(L. S.) (Signed) Dr. V. MARINKOVITCH.

PROTOCOL OF SIGNATURE.

At the moment of signing the Convention of this day's date concerning the abolition of restrictions regarding the export of deposits, the Contracting Parties have agreed as follows :

(1) In the case of deposits which do not come under the provisions of the present Convention, the Contracting Parties undertake to afford the interested parties all facilities which are equitable and which can be reconciled with their export regulations.

(2) In the case of currency deposits, the provisions of the Convention shall only apply in the case of regular deposits (*depositum regulare*).

(3) Irregular cash deposits shall be subject to the provisions of the Convention concerning the settlement of debts and claims in former Austrian and Hungarian crowns, provided they fulfil the conditions therein laid down.

(4) The terms fixed for presentation of savings-bank pass-books, and for the declaration and deposit of bonds, as provided in the Convention concerning the settlement of debts and claims in former Austrian or Hungarian crowns, shall only expire three months after the date on which the party interested is given the free disposal of his deposit within the meaning of the present Convention.

(5) In case special conventions provide for a deposit situated in the territory of one Contracting Party being handed over to the other Party or to its nationals, the period of twelve months laid down in Article I, paragraph 3 of the Convention shall be reckoned as from the date when the said special Conventions come into force.

(6) It is understood that the provisions of the Convention shall apply, in the case of the Kingdom of the Serbs, Croats and Slovenes, only to territories transferred to that Kingdom under the Treaties of Trianon or Saint-Germain or under Delimitation Treaties and Conventions concluded prior to the coming into force of the present Convention. On the other hand, deposits which have been transported from the said territories to the former territories of Serbia and Montenegro shall enjoy the benefits of the Convention.

The present Protocol shall be ratified at the same time as the Convention signed this day concerning the abolition of restrictions regarding the export of deposits, and shall have the same force as the said Convention.

In faith whereof the Plenipotentiaries have signed the present Protocol and have thereto affixed their seals.

Done at Belgrade, in duplicate, the twenty-second day of February, one thousand nine hundred and twenty-eight.

(L. S.) (Signed) FORSTER.

(L. S.) (Signed) NICKL.

(L. S.) (Signed) Dr. V. MARINKOVITCH.