ROUMANIE
ET TCHÉCOSLOVAQUIE

Convention concernant le règlement des dettes et créances libellées en anciennes couronnes austro-hongroises entre les créanciers ou débiteurs tchécoslovaques et débiteurs ou créanciers roumains, et protocole final. Signés à Bucarest, le 5 décembre 1930.

ROUMANIA
AND CZECHOSLOVAKIA

Convention regarding the Settlement of Debts and Claims in Former Austro-Hungarian Crowns between Czechoslovak Creditors or Debtors and Roumanian Debtors or Creditors, and Final Protocol. Signed at Bucharest, December 5th, 1930.

French official text communicated by the Roumanian Envoy Extraordinary and Minister Plenipotentiary to the League of Nations and by the Permanent Delegate of the Czechoslovak Republic to the League of Nations. The registration of this Convention took place April 6th, 1936.

His Majesty the King of Roumania and the President of the Czechoslovak Republic, desirous of reaching an agreement for the settlement of debts and claims in former Austro-Hungarian crowns, have to that end resolved to conclude a Convention and have appointed as their respective Plenipotentiaries:

His Majesty the King of Roumania:
Monsieur Georges G. Mironesco, Prime Minister, Minister for Foreign Affairs;

The President of the Czechoslovak Republic:
Dr. Bohumil Vlasák, Minister Plenipotentiary;

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

Article I.

1. Payment in respect of obligations in former Austro-Hungarian crowns based upon private claims originating prior to February 26th, 1919, between individuals or corporations under private or public law, or upon contracts or other legal documents prior to that date, shall be made at the rate of 2 former Austro-Hungarian crowns for 1 leu (2 Kr. = 1 leu), provided the domicile (head office) of the parties concerned on February 26th, 1919, was situated (in the case of Czechoslovak creditors or debtors) within the territory of the Czechoslovak Republic, and (in the case of Roumanian creditors or debtors) within the territory of the Kingdom of Roumania.

1 Traduction. — Translation.

2 The exchange of ratifications took place at Prague, February 26th, 1936.

Came into force February 26th, 1936.
Payment in respect of mortgages on immovable property situated within the territory of the Czechoslovak Republic shall be made at the rate of 1 former Austro-Hungarian crown for 1 Czechoslovak crown (1 Kr. = 1 čkr.).

2. The provisions of the present Convention shall apply only to debts and claims already in existence on the date of the entry into force of this Convention. Deposits paid into court after February 26th, 1919, without the creditor's consent shall not rank as discharge of a debt.

3. Save in so far as hereinafter otherwise provided, payments in respect of interest due shall be made in accordance with the provisions of the contract concerned. Interest shall not be capitalised, unless the contract so provides.

Article 2.

1. Payment in respect of debts or claims of persons who on February 26th, 1919, had two domiciles, the one in the Czechoslovak Republic and the other in the Kingdom of Roumania, shall not be made in accordance with the provisions of Article 1. The said debts and claims shall be treated (in the case of Czechoslovak creditors or debtors) as debts between Czechoslovak creditors and debtors, and (in the case of Roumanian creditors or debtors) as debts between Roumanian creditors and debtors.

2. The provisions of Article 1 shall further not apply to debts and claims of such persons (debtors or creditors) as may within the period between February 26th, 1919, and the date of entry into force of the present Convention have become domiciled within the territory of a third State, and have not subsequently transferred such domicile to the territory of either of the High Contracting Parties before the date of the entry into force of the present Convention.

Article 3.

The provisions of the present Convention shall not apply to payments in respect of claims and debts made under conventions concluded by the Contracting States with other States concerning the settlement of claims and debts in former Austro-Hungarian crowns.

Article 4.

In the event of debtors or creditors having died before February 26th, 1919, and the transfer of their estate to their successors not having been effected (completed) by that date, the domicile of the deceased shall be regarded as the domicile of the debtors or creditors.

Article 5.

In the case of private companies, limited partnerships and corporate associations, the head office shall be deemed to be the domicile. Where the said bodies are registered in trade registers, the head office of the principal establishment so registered shall be deemed to be the domicile.

Article 6.

1. In the case of debts and claims of branches of credit institutions or insurance undertakings, the head office of the branch concerned, and not the head office of the principal establishment, shall be deemed to be the domicile.

2. Debts and claims based upon transactions concluded by the principal establishment of an insurance undertaking may not be treated as debts or claims of the branches thereof, unless clearly shown to be such in virtue of the said transactions or other valid agreements between the interested parties.
3. The provisions of the present Convention shall not apply to legal relations between an establishment and its branches.

Article 7.

1. Changes in the person of creditors or debtors occurring after February 26th, 1919, shall not affect the manner of payment in the case of debts or claims of the kind to which Article 1 relates.

2. The provisions of the present Convention shall not apply to claims assigned after November 1st, 1930, to individuals or corporations of the kinds to which Article 1 relates by creditors whose domicile (head office) on February 26th, 1919, was situate within territory other than that of the Czechoslovak Republic or of the Kingdom of Roumania.

Article 8.

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

(a) Debts and claims (capital redemption, interest, dividends) in respect of securities such as bonds, shares, shares in co-operative societies and other similar securities. Payment in respect of such debts and claims shall be regulated by the Convention 1 concluded between the High Contracting Parties of to-day's date concerning the Release of Deposits and Payments in respect of Bonds and Coupons of the same;

(b) Debts and claims in connection with social insurance;

(c) Debts and claims in connection with private insurance;

(d) Debts and claims of guardianship funds, which shall be regulated by a special convention;

(e) Debts and claims of towns, communes, municipalities, counties (comitats), associations for the improvement of waterways and other public services whose territory has been divided by the frontier established by the Peace Treaties of Saint Germain and Trianon, as also debts and claims of private railway companies whose railway systems have been divided, or whose head offices have been cut off, by the frontier aforesaid;

(f) Debts and claims of Post Office savings banks;

(g) Debts and claims of the former Austro-Hungarian Bank;

(h) Debts and claims in connection with loans on the security of Austrian or Hungarian war bonds.

Payment in respect of mortgage claims on immovable property expropriated under the Roumanian agrarian laws shall be made in accordance with the provisions laid down in the said laws.

Article 9.

The operation of prescriptions (Statute of Limitations) in regard to payments in respect of claims and debts regulated by the present Convention shall be suspended as from October 28th, 1918, until the date of the entry into force of this Convention.

The legal time-limit of prescriptions not yet operative on October 28th, 1918, shall begin to run as from the date of the entry into force of the present Convention.

Prescriptions due to become operative within two years of the date of the entry into force of the present Convention shall be extended until the completion of the said period.

Article 10.

Disputes between the two High Contracting Parties concerning the interpretation or application of the present Convention shall be submitted to an Arbitral Tribunal composed of two members, the one to be appointed by the Roumanian Government and the other by the Czechoslovak Government.

1 See page 205 of this volume.
In the event of disagreement, the two arbitrators shall appoint a third from among the nationals of a third State. If they are unable to agree on the choice of the same, the two Governments shall appoint him by common accord.

In the event of disagreement between the two Governments, the two Governments shall apply to the President of the Federal Council of the Swiss Confederation to appoint him.

Article II.

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

The present Convention shall come into force on the date of the exchange of ratifications.

In faith whereof the respective Plenipotentiaries have affixed their signatures and seals.

Done at Bucharest, in duplicate, this 5th day of December, 1930.

(L. S.) (Signed) G. G. Mironesco.
(L. S.) (Signed) Dr. Bohumil Vlasák.

FINAL PROTOCOL.

In proceeding to sign the Convention between the Kingdom of Roumania and the Czechoslovak Republic concerning payments in respect of claims and debts incurred prior to February 26th, 1919, in former Austro-Hungarian crowns between Czechoslovak creditors or debtors and Roumanian debtors or creditors, the High Contracting Parties are agreed as to the following provisions:

1. Domestic servants, industrial labourers, clerks or apprentices, students or scholars who, being resident on February 26th, 1919, within the territory of one of the two Contracting States, have thereafter settled in their country of origin prior to the date of the entry into force of the Convention aforesaid, shall be deemed to have been domiciled in their country of origin on February 26th, 1919.

2. Public officials, in office or retired, who prior to the date of the entry into force of the aforesaid Convention have transferred their domicile from the territory of one of the two States to that of the other, shall be deemed to have been domiciled in the latter on February 26th, 1919.

3. The two Governments undertake to place no obstacle in the way of the transfer of payments in respect of the debts to which the present Convention relates, even where such payments involve transfers outside the frontiers of the State.

The present Protocol shall be ratified at the same time as the Convention and shall come into force at the same time as the latter.

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

Done at Bucharest, in duplicate, this 5th day of December, 1930.

(L. S.) (Signed) G. G. Mironesco.
(L. S.) (Signed) Dr. Bohumil Vlasák.