

N° 902.

HONGRIE
ET TCHÉCOSLOVAQUIE

Protocole au sujet du recensement supplémentaire des mises de fonds (créances), conformément aux ordonnances de la République Tchécoslovaque, avec Annexes A et B, et Protocole additionnel, signé à Prague, le 13 juillet 1923.

HUNGARY
AND CZECHOSLOVAKIA

Protocol regarding the Supplementary Registration of Investments (Claims), in accordance with the Decrees of the Czechoslovak Republic, with Annexes A et B, and Additional Protocol, signed at Prague, July 13, 1923.

¹ TRADUCTION. — TRANSLATION.

No. 902. — PROTOCOL ² BETWEEN HUNGARY AND CZECHOSLOVAKIA REGARDING THE SUPPLEMENTARY REGISTRATION OF INVESTMENTS (CLAIMS), IN ACCORDANCE WITH THE DECREES OF THE CZECHOSLOVAK REPUBLIC, SIGNED AT PRAGUE, JULY 13, 1923.

French official text communicated by the Director of the Royal Hungarian Secretariat accredited to the League of Nations. The registration of this Protocol took place June 15, 1925.

The following Plenipotentiary Delegates were present :

For the KINGDOM OF HUNGARY :

H. E. IVÁN DE OTTLIK, Privy Councillor, Chamberlain, Secretary of State ;

For the CZECHOSLOVAK REPUBLIC :

Dr. Bohumil VLASÁK, First Head of Section, Ministry of Finance.

(1) The Government of the Czechoslovak Republic undertakes to address to the Government of the Kingdom of Hungary a note, the draft of which is given in Annex A, granting to Hungarian creditors a further period until December 31, 1923, for the supplementary registration of their investments (claims) against persons having their domicile (headquarters) in the territory of the Czechoslovak Republic.

(2) Consequently, in order that this registration may be carried out, the Government of the Kingdom of Hungary undertakes to publish a notice, the draft of which is given in Annex B.

(3) In this connection, the Delegates of the High Contracting Parties have declared that in point 1 (a) of the notice to be published by the Ministry of the Kingdom of Hungary (Annex B of the present Protocol), mention of the Czechoslovak Law No. 369 and of Decree No. 370/19 (Legal Gazette) has been omitted solely with a view to obviating complications and difficulties, and because the reference in question would be of little practical importance.

(4) The Delegate of the Government of the Kingdom of Hungary makes the following declaration :

The Government of the Kingdom of Hungary is prepared to draw the attention of Hungarian creditors to the provisions of the Czechoslovak Decrees dated March 4 and April 10, 1919, Nos. 110 and 185 of the Legal Gazette, by means of the notice agreed upon and attached to the present Protocol. The Government of the Kingdom of Hungary, however, declares that it only does so with a view to expediting as far as possible an amicable settlement of outstanding questions, but that it is unable, in view of the provisions of Article 250 of the Treaty of Trianon and of the generally recognised principles of international law, to recognise in principle that the Czechoslovak

¹ Traduit par le Secrétariat de la Société des Nations.

¹ Translated by the Secretariat of the League of Nations.

² The exchange of ratifications took place at Budapest, October 30, 1924. See Vol. XXXV, page 248 of this Series.

Government has a right to decree the confiscation of Hungarian property because of failure to make the declaration required under the aforesaid decrees, or to attach any other legal consequences to failure to make this declaration.

(5) The Czechoslovak Delegation notes that declarations made in conformity with the notice to be published by the Government of the Kingdom of Hungary are not in any way connected with the registration to be made bilaterally with a view to settling mutual claims and obligations, and that consequently failure to make the declaration referred to in the present Protocol shall not be detrimental to Hungarian creditors when the time comes for the settlement of their claims, provided they remedy their failure to make the declaration.

Done in duplicate original French texts, one of which has been forwarded to each of the two Governments.

PRAGUE, July 13, 1923.

For the Kingdom of Hungary :
IVÁN DE OTTLIK.

For the Czechoslovak Republic :
Dr. BOHUMIL VLASÁK.

ANNEX A.

AGREED TEXT

of a Note to be addressed by the Government of the Czechoslovak Republic to the Government of the Kingdom of Hungary concerning the supplementary registration of claims.

On the basis of the negotiations which have taken place between the Delegates of the Governments of the Czechoslovak Republic and of the Kingdom of Hungary, the essential purport of which is set forth in the Protocol of July 13, 1923, the Czechoslovak Ministry of Finance has the honour to make the following declaration :

In conformity with paragraph 5 of the Law dated February 25, 1919, Legal Gazette, No. 84, and the decrees promulgated by the Government of the Czechoslovak Republic under this law, particularly in conformity with the Decree of March 4, 1919, Series of Laws and Decrees, No. 110, concerning the registration of investments and of capital invested in companies and interest derived therefrom, and the Decree of April 10, 1919, Legal Gazette, No. 185, concerning the registration of claims not entered on the land registers, the following property had to be declared :

(1) Investments in the form of deposits or bills, cash vouchers, current accounts, deposits not bearing interest, transfer accounts, etc. in financial and other establishments and in banks, together with interest and capital invested in companies, co-operative societies, unions, minors' co-operative societies, etc.

(2) Claims not entered on the land registers, payable in cash.

The aforesaid declarations were to be made, on or before the specified dates (*viz.*, items referred to in (1), June 10, 1919; items referred to in (2), July 31, 1919), to the Czechoslovak offices responsible for the carrying out of the registration.

Under the provisions of these laws all investments referred to in (1) and (2) not declared by the aforesaid dates become the property of the State (paragraph 15 of Government Decree

No. 110, Legal Gazette for 1919, and Article 7 of the Government Decree No. 185, Legal Gazette for 1919).

Nevertheless, the Czechoslovak Ministry of Finance declares its willingness to extend, until December 31, 1923, the time-limit for the supplementary and legal registration of the above-mentioned securities :

- (a) to all Hungarian nationals domiciled outside the territory of the Czechoslovak Republic and to all other natural persons domiciled in the territory of the Kingdom of Hungary ;
- (b) to legal entities and other similar economic bodies having their headquarters in the territory of the Kingdom of Hungary, and to the subsidiary establishments (branches, agencies, etc.) in Hungary of other entities of the same kind — in so far as such entities, described under (a) and (b), were bound to effect registration in the Czechoslovak Republic in conformity with the above-mentioned decrees.

Should this further period not be sufficient, the Czechoslovak Ministry agrees that it may be prolonged by the Hungarian Minister of Finance according to the exigencies of the situation.

Declarations made after the expiration of the latter period shall also be accepted if there is good and sufficient reason for the delay and, in particular, if a declaration has been submitted in connection with the registration for the settlement of mutual claims and obligations.

No administrative charge on investments (claims) declared in Hungary shall be levied in the Czechoslovak Republic.

PRAGUE,

ANNEX B.

AGREED TEXT

of a notice to be published by the Government of the Kingdom of Hungary concerning the declaration of claims on debtors having their domicile (headquarters) in the territory of the Czechoslovak Republic.

(1) In the Decrees of March 4, 1919, and April 10, 1919, Nos. 110 and 185 of the Legal Gazette, the Government of the Czechoslovak Republic ordered the compulsory declaration of investments in the form of deposits, current accounts, vouchers, transfer accounts, deposits not bearing interest, etc., and all claims resulting from interest and from capital invested in co-operative societies, public and partnership firms, limited liability companies, and unions, claims based on mining shares (Kuxe) and other claims not secured by a mortgage, including the claims of sleeping partners, in so far as the above categories of claims existed on March 1, 1919. The aforesaid decrees also contained the stipulation that the creditor was not entitled to claims which had not been declared within the prescribed time-limit and that such claims would be forfeited to the Czechoslovak State.

In virtue of the aforesaid decrees, the following were exempted from declaration :

- (a) claims secured on a mortgage ;
- (b) short-term loans contracted in the course of ordinary business relations.

(2) During the financial negotiations which have recently taken place, the Government of the Czechoslovak Republic informed the Government of the Kingdom of Hungary that

it granted an extension, until December 31, 1923, of the time-limit for making the aforesaid declaration :

- (a) to all Hungarian nationals domiciled outside the territory of the Czechoslovak Republic and to all other natural persons domiciled in the territory of the Kingdom of Hungary ;
- (b) to legal entities and other similar economic bodies having their headquarters in the territory of the Kingdom of Hungary, and to the subsidiary establishments (branches, agencies, etc.) situated in Hungary of other entities of the same kind — in so far as such entities, described under (a) and (b) were bound to effect registration in the Czechoslovak Republic in conformity with the above-mentioned decrees.

(3) Accordingly, the Royal Hungarian Ministry calls the attention of all whom it may concern to the fact that, in their own interest, and in view of the consequences stated in (1), they must declare, not later than December 31, 1923, such of their claims as are subject, in virtue of (1), to compulsory declaration in respect of debtors having their domicile (headquarters) in the territory of the Czechoslovak Republic. This declaration must be made to the financial establishment (incorporated company or credit association) nearest to their domicile which is a member of the Central Institute of Financial Associations or of the Central Society of Mutual Credit instituted by Law XXIII of 1898.

(4) The claim must be declared on the basis of its value as at March 1, 1919. Should it be impossible to determine the above value, the declarant may declare the value known to him, giving the date at which it had such value.

All claims should be declared, even when there is any doubt as to whether they are subject to declaration or not within the meaning of the decrees mentioned in (1).

(5) The declaration, clearly filled in on the forms which may be obtained from the financial establishments mentioned above at the price of crowns per copy, must be submitted in duplicate. In submitting the declaration, the declarant must pay $\frac{1}{2}$ % to the financial establishment, of the amount of the claim or claims declared, calculated in Hungarian crowns. The financial establishment shall give him an acknowledgment free of stamp duty for the sum in question and for the declaration.

(6) The declaration must be accompanied by the original document relating to the claim declared (deposit book, voucher, etc.) and by a document proving the creditor's identity (*e. g.* certificate of baptism, extract from birth certificate, papers of origin, official appointment decree, etc.). The financial establishment shall enter the following note after the last entry in the deposit book, on the first leaf of the voucher and in a suitable place in all other documents :

" In pursuance of Notice No. 1923, M. E. declared for the registration of investments (claims). "

This entry must bear the stamp of the establishment, the date of the declaration and the signature of the firm.

Should it be impossible, for any reason, to produce the original document, the declarant shall state in his declaration the place where the document is kept (name, full address, etc.).

(7) The financial establishment shall keep a register in three copies of the declarations accepted, and of the payments made to it. The financial establishment shall, within eight days as from the expiration of the time limit for declaration, send all three copies of this register, duly signed by the firm, together with both copies of the accepted declarations — which are to be numbered in conformity with the numbers of the register — to the central institutes mentioned in (3).

(8) The declarations shall be free from ambiguities and strictly accurate. In the interests of accuracy, the financial establishment shall be obliged to give all necessary explanations to the declarants, and also, as far as the information at its disposal allows, to check conscientiously the accuracy of the dates and refuse declarations containing wrong information.

(9) The central institutes mentioned in (3) shall acknowledge receipt on one copy of the register (7), and shall return this copy to the financial establishment.

A copy of the register and a copy of the declarations shall be kept by the aforesaid central institutes, and the other copies shall be sent to the Czechoslovak Clearing Office (Československý zúčtovací ústav. Zemská banka) at Prague.

BUDAPEST,

ADDITIONAL PROTOCOL

to the Protocol done at Prague on July 13, 1923, in regard to the supplementary registration of investments (claims), in conformity with the decrees of the Czechoslovak Government dated March 4, 1919, and April 10, 1919 (Nos. 110 and 185 of the Legal Gazette).

The following Plenipotentiary Delegates were present :

For the KINGDOM OF HUNGARY :

H. E. IVÁN DE OTTLIK, Privy Counsellor, Chamberlain, Secretary of State ;

For the CZECHOSLOVAK REPUBLIC :

Dr. Bohumil VLASÁK, First Head of Section, Ministry of Finance.

I. It is agreed that if the notice to be issued by the Hungarian Government is published within too short a period before the contemplated time-limit of December 31, 1923, the period provided for in the text of the agreed note (Annex A of the above-mentioned Protocol) may be extended by the Hungarian Government in proportion to the delay which has occurred.

II. The provisions of the above-mentioned Protocol, and those of the Additional Protocol, shall come into force on the day on which the instruments of ratifications are exchanged between the two Governments at Budapest.

Done in duplicate French original texts, one of which has been forwarded to each of the two Governments.

PRAGUE, *July 13, 1923.*

For the Kingdom of Hungary :
IVÁN DE OTTLIK.

For the Czechoslovak Republic :
Dr. BOHUMIL VLASÁK.