

HONGRIE ET ITALIE

Accord additionnel à la Convention conclue le 27 mars 1924 entre le Royaume de Hongrie et le Royaume d'Italie au sujet de la consolidation des coupons échus et des titres amortis de la dette publique hongroise d'avant-guerre placée en Italie. Signé à Budapest, le 15 mars 1927.

HUNGARY AND ITALY

Additional Agreement to the Convention concluded March 27, 1924, between the Kingdom of Hungary and the Kingdom of Italy regarding the Consolidation of the Coupons due for Payment and the Bonds due for Redemption of the Pre-War Hungarian Public Debt issued in Italy. Signed at Budapest, March 15, 1927.

¹ TRADUCTION. — TRANSLATION.

No. 1585. — ADDITIONAL AGREEMENT² TO THE CONVENTION³ CONCLUDED MARCH 27, 1924, BETWEEN THE KINGDOM OF HUNGARY AND THE KINGDOM OF ITALY REGARDING THE CONSOLIDATION OF THE COUPONS DUE FOR PAYMENT AND THE BONDS DUE FOR REDEMPTION OF THE PRE-WAR HUNGARIAN PUBLIC DEBT ISSUED IN ITALY. SIGNED AT BUDAPEST, MARCH 15, 1927.

French official text communicated by the Italian Minister for Foreign Affairs. The registration of this Agreement took place November 29, 1927.

Article 1.

THE ROYAL ITALIAN GOVERNMENT and THE ROYAL HUNGARIAN GOVERNMENT agree to extend, under the conditions indicated below, the application of the provisions of the Convention of March 27, 1924, regarding the consolidation of the coupons due for payment and the bonds due for redemption of the pre-war Hungarian public debt issued in Italy, to the settlement of arrears due to Italian holders of bonds of the former Hungarian secured public debt for the period January 1, 1919 — June 30, 1919, and to the settlement of arrears due to Italian holders of bonds of the former Hungarian unsecured public debt for the period January 1, 1919 - July 26, 1921.

Article 2.

The present settlement shall apply to the following loans respectively :

Secured Loans.

- 3 % Gold loan, 1895 (Iron Gates Loan) ;
- 3 ½ % Loan in crowns, 1897 ;
- Prize bond loan, 1870 ;
- Prize bond loan, 1880. (Loan for the regularisation of the Tisza and of Szeged) ;
- 4 % Privileged loan for the Budapest-Pécs Railway ;
- 4 % Loan 1910 (expressed in crowns, marks, francs and sterling) ;

Unsecured Loans.

- 4 % Gold loan (all issues) ;
- 4 % Loan in crowns (all issues) ;
- 4 ½ % Loan 1913 (expressed in crowns, marks, francs and sterling) ;
- 4 ½ % Redeemable loan 1914 (expressed in crowns, marks, francs and sterling) ;
- 4 % Loan 1889 (land liberation loan, expressed in florins).

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 Rome, November 14, 1927.

³ Vol. XLV, page 83, of this Series.

Article 3.

The consolidation of arrears (interest due and bonds drawn) referred to in Article 1 shall be effected on the following basis :

(a) Arrears due on bonds expressed in currencies other than the crown and the mark shall be consolidated in respect of their full nominal amount expressed or calculated in francs at par and converted into lire at par ;

(b) Arrears due on bonds expressed in crowns or marks shall be consolidated on the basis of 0 lire 30 centesimi to one crown and 0 lire 36 centesimi to one mark in the case of bonds held by Italian nationals qualified as such since May 24, 1915 ; in the case of holders who have become Italian nationals by virtue of the Treaties of Peace, the valorisation rate shall be 0 lire 14 centesimi to one crown and 0 lire 17 centesimi to one mark, respectively.

Article 4.

To the amount payable in respect of coupons which have fallen due and which are included in the funding operation shall be added interest on the said amount at 5 % reckoned from July 26, 1921, to June 30, 1925.

To the amount of the capital due for redemption and included in the funding operation shall be added interest at 3 % for the period between the date on which the capital should have been called in for repayment and January 31, 1921, and 5 % for the period February 1, 1921 — June 30, 1925.

Article 5.

The interest on the funding Treasury bonds shall be paid annually in advance by the Royal Hungarian Government and shall begin as from January 1, 1927.

The rate of interest shall be 6 % clear of any taxes or deductions in Hungary.

As regards bonds, the coupon-sheets of which were exhausted before July 26, 1921, and in respect of which coupons could not be presented for payment, the consolidation provided for in the preceding Articles shall none the less be effected on presentation of the last coupon of the exhausted sheet.

Article 6.

The funding Treasury bonds shall be redeemable in ten equal annual payments falling due on January 1, of each year, beginning on January 1, 1935.

Article 7.

No proof shall be required of holders if they produce an uninterrupted series of coupons due for the period January 1, 1919 - June 30, 1919, (both dates inclusive) in the case of secured loans, or January 1, 1919 - July 25, 1921, (both dates inclusive) in the case of unsecured loans, and if the establishment in charge of the application of the Agreement finds, on examining the deposit notes then in its possession, that the holders in question are entitled to the benefits of the Convention of March 27, 1924.

Should neither, or only one, of the conditions laid down in the previous paragraph be fulfilled, the Arbitral Commission referred to in Article 11 of the Convention of March 27, 1924, whose powers shall be maintained under Article 10 of the present Agreement, shall determine the dispute. Holders

who have become Italian nationals under the Treaties of Peace may, however, obtain payment of the sums due to them without having to apply to the Arbitral Commission if they produce :

- (1) A certificate of nationality issued by the competent authority showing that they have acquired Italian nationality under the Peace Treaties
 - (2) An uninterrupted series of the coupons which have fallen due since October 31, 1918 ;
 - (3) Proof that they acquired ownership of the bonds before October 31, 1918.
- Such proof may consist in an inventory of succession, a broker's contract note, a bank deposit certificate, a bank certificate for encashment of coupons, etc.

Article 8.

The funds necessary for the cash payments due in pursuance of the present Agreement shall be deposited with the establishment making the payments fifteen days before the actual date of payment of the sums in question.

The funds necessary for the service of the interest and amortisation charges on the Treasury bonds, provided for by the present Agreement, shall similarly be deposited with the establishment making the payment fifteen days before the date of maturity to which the funds apply.

Article 9.

The general provisions of Articles 7, 9, 10 and 11 of the Convention of March 27, 1924, shall be extended to the present Agreement.

Article 10.

The present Agreement shall be ratified and shall come into force as soon as the ratifications thereof are exchanged.

Done at Budapest, March 15, 1927, in two copies, one of which has been transmitted to each of the High Contracting Parties.

For Italy :

(L. S.) Conte Ercole DURINI DI MONZA.

For Hungary :

(L. S.) Comte KHUEN-HÉDERVÁRY.