

N° 2786.

GRANDE-BRETAGNE
ET IRLANDE DU NORD,
NOUVELLE-ZÉLANDE
ET INDE, ET HONGRIE

Accord relatif à la liquidation des
biens hongrois, signé à Londres,
le 1^{er} juillet 1930, et échange de
notes y relatif, de la même date.

GREAT BRITAIN
AND NORTHERN IRELAND,
NEW ZEALAND
AND INDIA, AND HUNGARY

Agreement in regard to the Liqui-
dation of Hungarian Property,
signed at London, July 1, 1930,
with Exchange of Notes relating
thereto of the same date.

No. 2786. — AGREEMENT¹ BETWEEN HIS MAJESTY'S GOVERNMENTS IN THE UNITED KINGDOM AND NEW ZEALAND AND THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF HUNGARY IN REGARD TO THE LIQUIDATION OF HUNGARIAN PROPERTY. SIGNED AT LONDON, JULY 1, 1930.

Texte officiel anglais communiqué par le Secrétaire d'Etat aux Affaires étrangères de Sa Majesté en Grande-Bretagne et le ministre résident, chef de la Délégation hongroise auprès de la Société des Nations. L'enregistrement de cet accord a eu lieu le 20 août 1931.

Whereas under Article 9 of the Agreement No. 1² with Hungary signed at Paris on the twenty-eighth day of April, one thousand nine hundred and thirty, the Creditor Powers signatories thereto undertook as from the date of its application to cease to exercise their right of retention and liquidation of property, rights and interests which at the date of entry into force of the Treaty of Trianon belonged to nationals of the former Kingdom of Hungary or to organisations controlled by them, in so far as the said property, rights and interests were not already liquid or liquidated, or in so far as they had not already been finally disposed of. Now the undersigned, being duly authorised by the respective Governments, namely, the Government of the United Kingdom of Great Britain and Northern Ireland, the Government of New Zealand and the Government of India (hereinafter collectively referred to as "the British Governments") and the Government of the Kingdom of Hungary (hereinafter referred to as "the Royal Hungarian Government") have with a view to defining and regulating the mode of application of the said Article agreed upon the following Articles :

Article 1.

The British Governments will, subject to the provisions and stipulations contained in the following Articles, release and where necessary re-transfer to the original Hungarian owners, or to the persons deriving title through them, the property, rights and interests originally belonging to them and now subject to the charge created in pursuance of the Treaty of Trianon in so far as such property, rights and interests shall not be already liquid or liquidated or finally disposed of by retention or otherwise on the date on which this Agreement comes into force.

¹ L'échange des ratifications a eu lieu à Budapest, le 26 mars 1931.

² Voir page 78, de ce volume.

¹ TRADUCTION. — TRANSLATION.

N^o 2786. — ACCORD ² ENTRE LES GOUVERNEMENTS DE SA MAJESTÉ DANS LE ROYAUME-UNI ET EN NOUVELLE-ZÉLANDE, ET LE GOUVERNEMENT DE L'INDE, ET LE GOUVERNEMENT HONGROIS, RELATIF A LA LIQUIDATION DES BIENS HONGROIS. SIGNÉ A LONDRES, LE 1^{er} JUILLET 1930.

English official text communicated by His Majesty's Secretary of State for Foreign Affairs in Great Britain and the Resident Minister, Head of the Hungarian Delegation accredited to the League of Nations. The registration of this Agreement took place August 20, 1931.

Les Puissances créditrices signataires de l'article 9 de l'Accord N^o 1 ³ avec la Hongrie, signé à Paris le 28 avril 1930, ont décidé de cesser, à partir de la date de l'application de cet accord, d'exercer leur droit de rétention et de liquidation des biens, droits et intérêts qui, à la date de l'entrée en vigueur du traité de Trianon, appartenaient à des ressortissants de l'ancien royaume de Hongrie ou à des organisations dont ces ressortissants assuraient la direction, dans la mesure où lesdits biens, droits et intérêts n'étaient pas liquidés ou n'avaient pas été encore liquidés, ou dans la mesure où il n'en avait pas encore été disposé d'une manière définitive. Les soussignés, dûment autorisés par leurs gouvernements respectifs, à savoir le Gouvernement du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord, le Gouvernement de Nouvelle-Zélande et le Gouvernement de l'Inde (qui seront ci-dessous désignés sous le titre collectif de « les gouvernements britanniques »), et le Gouvernement du Royaume de Hongrie (désigné ci-dessous comme « le Gouvernement royal hongrois »), se sont mis d'accord sur le texte des articles suivants en vue de définir et de régler les modalités d'application dudit article :

Article premier.

Les Gouvernements britanniques, sous réserve des dispositions et des stipulations contenues dans les articles suivants, remettront aux anciens propriétaires hongrois ou à leurs ayants droit (et, s'il est nécessaire, en effectueront à nouveau le transfert aux dits), les biens, droits et intérêts qui leur appartenaient à l'origine et qui sont actuellement soumis aux charges résultant de l'application du Traité de Trianon, dans la mesure où ces biens, droits et intérêts ne seront pas liquidés ou n'auront pas été déjà liquidés, ou dans la mesure où il n'en aura pas encore été disposé d'une manière définitive par voie de rétention ou autrement, à la date où le présent accord entre en vigueur.

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, March 26, 1931.

³ See page 79, of this Volume.

Article 2.

There shall be no abrogation or modification of the right to seize, retain and liquidate or charge Hungarian property, rights and interests, but the release of the property, rights and interests affected by this Agreement shall be effected by the British Governments handing over or transferring to the original owner (which expression shall, wherever used in this Agreement, include the person or persons deriving title through him) the particular property, right or interests concerned in each case. In any case of doubt or difficulty as to who is entitled, the British Government concerned may demand a warranty of title by the Royal Hungarian Government and withhold release of the property until the Royal Hungarian Government have undertaken fully to indemnify such Government against any claim in respect thereof.

Article 3.

There shall be excluded from the provisions of this Agreement all property, rights and interests which on the date on which this Agreement comes into force are the subject matter of any suit, action or legal proceedings in which it is disputed that such property, rights or interests are subject to the charge, or to seizure, retention or liquidation. There shall also be excluded from the provisions as to release contained in this Agreement all property, rights and interests in the Mandated Territory of Western Samoa which have been vested in His Britannic Majesty in right of the Government of New Zealand under the provisions of the New Zealand Reparation Estates Order, 1920, or have been vested in or retained by the Samoan Public Trustee in pursuance of the Ex-Enemy Absentee Property (Samoa) Order, 1923, all of which property, rights and interests are to be regarded as finally disposed of.

Article 4.

Any particular property, right or interest may be excluded if the original owner shall, in writing, address a request to this effect to the Administrator of Hungarian Property. Such request must be made prior to the release of the said property, right or interest. In such case, if the said property right or interest would, but for such request, have been released under the terms of this Agreement, the net proceeds thereof, if subsequently realised by the Administrator, shall be paid over to the original owner or his representatives.

Article 5.

Property, rights and interests which at the date on which this Agreement comes into force have been sold or realised, or are subject matter of an agreement for sale or realisation entered into by the Administrator of Hungarian Property (which expression shall, wherever used in this Agreement, include the Custodian of Enemy Property or other official charged with the administration of ex-enemy property) or of a judgment in legal proceedings given in favour of the Administrator of Hungarian Property, are included in the above-mentioned expression "liquid or liquidated or finally disposed of by retention or otherwise."

Article 6.

Property, rights and interests in respect of which the Administrator of Hungarian Property shall, prior to the 1st February, 1930, have issued a certificate under the Treaty of Peace (Hungary) Order, 1921, that such property is subject to the charge created by the Order in Council, and have required the person or corporation in possession or control thereof, or from whom the same is due,

to hand over or transfer the same to him, are included in the above-mentioned expression "liquid or liquidated or finally disposed of by retention or otherwise."

Article 7.

The arrangements now in force between the Administrator of Hungarian Property, the Royal Hungarian Clearing Office and certain Banks with regard to the clearing and allocation of the depots in the United Kingdom formerly held by or on behalf of such Banks, shall continue in force except that in lieu of credits being given on account of the persons to whom the securities are allocated by the said Banks for the value of the securities comprised in such depots and not realised at the date on which this Agreement comes into force, the securities themselves shall be handed over to the Banks concerned against an indemnity approved by the Administrator.

Article 8.

Before and as a condition of releasing or transferring any specific property, right or interest, the British Governments will be entitled to charge and be paid out of the property or the proceeds thereof the legal costs and other expenses incurred in connection with the said property, right and interest including the authorised fee of 2 per cent. on the value thereof to cover the services of the Custodian of Enemy Property and/or the Administrator of Hungarian Property.

Article 9.

The British Governments will, as from the date on which this Agreement comes into force, permit Hungarian nationals, the owners of rights of industrial, literary or artistic property in respect of which licences have been granted under the special measures taken during the war or in respect of which there have been licences or assignments subject to the conditions imposed in pursuance of Article 1 (XXVI) of the Treaty of Peace (Hungary) Order, 1921, or other similar legislative provisions to have the full benefit of those rights without prejudice, however, to the rights of any existing licencees or assignees under the said licences or assignments, and will take all necessary steps to give effect to the foregoing, and will not impose after the date on which this Agreement comes into force any further limitation, condition, or restriction in pursuance of the said Article 1 (XXVI) or Article 241 (5), (6) and (7) of the Treaty of Trianon subject only to the exercise of the right of the British Governments to impose such limitations, conditions or restrictions as may be considered necessary for national defence or in the public interest. Any indemnities or royalties that may arise under paragraph (6) of Article 241 in the event of the application of the provisions of the preceding paragraph shall be paid to the Hungarian nationals entitled thereto and no longer dealt with as provided in paragraph (6).

Article 10.

Debts falling within Article 231 of the Treaty of Trianon shall be excluded from the scope of this Agreement and continue to be dealt with under the Clearing procedure, except in the case of the Dominion of New Zealand, which did not adopt Section III of Part X of the said Treaty. Debts which should have been claimed under Article 231, but for which no claim has been put forward by the Royal Hungarian Clearing Office, if recovered by the Administrator of Hungarian Property, subsequently to the date on which this Agreement comes into force, shall subject to the provisions of Articles 3 and 5 hereof, and subject to deduction of the usual charges and fees for collection, be treated as if they were Hungarian property, rights and interests to be released under this Agreement.

Article 11.

The property, rights and interests covered by this Agreement shall be confined to such property, rights and interests as were on the 26th July, 1921, within the United Kingdom of Great Britain and Northern Ireland, or within the Dominion of New Zealand, or the territory of India, or within the territory of any British Colony or Protectorate, or any Mandated area administered by the Government of the United Kingdom or the Government of New Zealand.

Article 12.

The present Agreement shall be a final settlement of all questions and claims relating to the retention and liquidation of Hungarian property, rights and interests or the proceeds thereof, in the United Kingdom of Great Britain and Northern Ireland, or within the Dominion of New Zealand, or the territory of India, or within the territory of any British Colony or Protectorate or any Mandated area administered by the Government of the United Kingdom or the Government of New Zealand, which became subject to exceptional war measures and/or to the rights of retention, liquidation and charge pursuant to the provisions of the Treaty of Trianon. The proceeds of liquidation of Hungarian property, rights and interests not released under the present Agreement or otherwise and not already credited, shall be credited as heretofore by the Clearing Office in the United Kingdom to the Royal Hungarian Clearing Office.

Article 13.

Nothing contained in the Agreements between the Hungarian Government and the Creditor Governments signed at Paris on the 28th April, 1930, relating to Hungary's obligations under the Treaty of Trianon, shall be deemed to interfere with or prejudice the rights accorded to Hungarian and British nationals under Part X of the said Treaty of the liability of Hungary to account for and make payment on account of the balance against Hungary as provided in Part X of the said Treaty as modified by the Agreements between the British and Hungarian Governments dated the 20th December, 1921¹, the 11th December, 1923², and the 17th October, 1925³, all of which Agreements are to continue in full force.

Article 14.

The present Agreement shall be ratified and shall come into force after the exchange of ratifications on the same date as the said Agreements with Hungary signed at Paris on the 28th day of April, 1930. Any delay in ratification on the part of any of the three first named Governments shall not prevent or delay the coming into force of this Agreement as between the remaining Governments signatories thereto.

Done in duplicate at London this first day of July, 1930.

*For the Government
of the United Kingdom of Great Britain
and Northern Ireland :*

Danl. WILLIAMS.

For the Government of New Zealand :

Danl. WILLIAMS.

For the Government of India :

Danl. WILLIAMS.

*For the Government of the Kingdom
of Hungary :*

Rubido ZICHY.

¹ Vol. X, page 437, de ce recueil.

² Vol. XXIII, page 119, de ce recueil.

³ Vol. XLVII, page 373, de ce recueil.

EXCHANGE OF NOTES.

*Texte officiel anglais communiqué par le Secrétaire d'Etat aux Affaires étrangères
de Sa Majesté en Grande-Bretagne.*

No. 1.

MR. WILLIAMS TO BARON IVAN RUBIDO ZICHY.

LONDON, July 1, 1930.

YOUR EXCELLENCY,

With reference to the Agreement concluded this day between the Government of Great Britain and Northern Ireland, the Government of New Zealand and the Government of India and the Royal Hungarian Government relative to the release of Hungarian property consequent upon the Agreement (No. 1) with Hungary, signed at Paris on the 28th April, 1930, I have the honour, on the instructions of the first named three Governments, to inform you as follows :

As to Article 1 of the Agreement, as you are aware instructions were given that as from the 1st February, 1930, no further sales or liquidations of Hungarian property, rights or interests within territories covered by the Agreement should be initiated. Although the date referred to in Article 1 of the Agreement for the purpose of ascertaining the property, rights and interests to be released is the date of the Agreement taking effect, it is the intention of the Governments which I represent that all Hungarian property, rights or interests which on the 1st February, 1930, were not liquid or liquidated or finally disposed of by retention or otherwise, and which do not come within any of the reservations contained in the Agreement, shall be released, including the net proceeds of such property, rights or interests which may have been sold since the said date.

(2) With regard to the expression " liquid or liquidated or finally disposed of," I desire to place on record that it emerged in the course of the discussions leading up to the Agreement that the mere fact of a Vesting Order regarding any particular property having been made by the Governments which I represent, was not considered by those Governments as bringing such vested property within the above expression, and further, that those Governments did not consider that ordinary commercial debts not falling under Article 231 of the Treaty which had not been collected by the British Authorities came within the said expression.

(3) With reference to Article 3, I note that the Royal Hungarian Government desire to place on record that in becoming parties to this Agreement they are not committing themselves to any view as to the validity of the actions or proceedings referred to in the said Article.

(4) With reference to Article 7, I am instructed to state with regard to the securities agreed to be handed over under that Article, that in case it should be the fact that any securities which would have come within the Article have been sold subsequently to the 31st January, 1930, the net proceeds of sale of the securities shall be handed over in lieu of the securities themselves.

(5) Similarly, in regard to Article 9, although the provisions of that Article do not come into operation until the date on which this Agreement comes into force, I am instructed to state that it is the intention of the three first-named Governments that any royalties falling due after the 31st January, 1930, shall be released to the Hungarian nationals concerned, and in regard to Article 10, that it is their intention that the debts therein referred to as recovered by the Administrator subsequently to the date on which this Agreement comes into force, shall include such debts (if any) if recovered since the 31st January, 1930.

ÉCHANGE DE NOTES

*English official text éommunicated by His Majesty's Secretary of State
for Foreign Affairs in Great Britain.*

N^o 1.

M. WILLIAMS AU BARON IVAN RUBIDO ZICHY.

LONDRES, le 1^{er} juillet 1930.

MONSIEUR LE MINISTRE,

J'ai l'honneur, comme suite à l'accord conclu ce jour par le Gouvernement de Grande-Bretagne et d'Irlande du Nord, le Gouvernement de Nouvelle-Zélande et le Gouvernement de l'Inde, d'une part, et le Gouvernement royal hongrois, d'autre part, relativement à la libération des biens hongrois, en application de l'Accord (N^o 1) avec la Hongrie, signé à Paris le 28 avril 1930, et sur l'ordre de trois premiers gouvernements énumérés ci-dessus, de vous communiquer les informations suivantes :

1^o Des instructions ont été données, comme vous le savez, pour que, conformément à l'article 1 de l'accord, il ne soit plus procédé, à partir du 1^{er} février 1930, à aucunes ventes ou liquidations de biens, droits ou intérêts hongrois sur les territoires auxquels s'applique l'accord. Bien que la date indiquée à l'article 1 de l'accord pour la désignation des biens, droits et intérêts dont la libération doit être effectuée, soit celle où l'accord prend effet, l'intention des gouvernements que je représente est que tous les biens, droits ou intérêts hongrois, qui, à la date du 1^{er} février 1930, n'étaient pas liquides, ou liquidés, ou dont il n'avait pas été disposé d'une manière définitive par voie de rétention ou autrement, et auxquels ne s'applique aucune des réserves contenues dans l'accord, soient libérés ainsi que le produit net des ventes de ces biens, droits ou intérêts, qui peuvent avoir été effectuées depuis cette date.

2^o Je désire faire enregistrer le fait que, relativement à l'expression « liquides, ou liquidés, ou dont il a été disposé d'une manière définitive », il ressort des discussions qui ont abouti à la conclusion de l'accord que, de l'avis des gouvernements que je représente, le seul fait que ces gouvernements aient rendu une ordonnance d'attribution s'appliquant à un bien particulier, ne range pas ce bien dans la catégorie ci-dessus ; en outre, les mêmes gouvernements ne considèrent pas que cette désignation s'applique aux dettes commerciales ordinaires non visées par les dispositions de l'article 231 du Traité et qui n'ont pas été recouvrées par les autorités britanniques.

3^o Au sujet de l'article 3, je note que le Gouvernement royal hongrois a tenu à faire enregistrer que le fait de devenir partie à l'accord en question ne l'engage aucunement quant à la validité des actions ou procédures judiciaires dont il est question dans cet article.

4^o Je suis chargé de déclarer, au sujet des titres qui doivent être remis en vertu des dispositions de l'article 7, que, dans le cas où certains titres, auxquels auraient dû s'appliquer les dispositions de cet article, auraient été vendus après le 31 janvier 1930 le prix net de la vente en sera remis, à défaut des titres eux-mêmes.

5^o De même, bien que les dispositions de l'article 9 ne prennent pas effet avant la date de mise en vigueur du présent accord, j'ai ordre de déclarer que l'intention des trois premiers Gouvernements désignés ci-dessus est que toutes les redevances (*royalties*) dues après le 31 janvier 1930 soient libérées en faveur des ressortissants hongrois intéressés et, en ce qui concerne l'article 10, que l'intention de ces mêmes gouvernements est de considérer que les dettes recouvrées par l'administrateur après la date d'entrée en vigueur de l'accord dont il est question dans cet article, comprennent, le cas échéant, celles qui ont été recouvrées depuis le 31 janvier 1930.

(6) With reference to Article 8, I am instructed to state that the three first-named Governments will refrain from realising any property, right or interests for the purpose of satisfying the costs, expenses or fees referred to in the said Article until a request for payment of the sum due shall have been made to the owner concerned, and such owner shall have failed or neglected for a period of three calendar months to comply with the said request.

(7) In regard to Egypt and the Sudan, I am instructed to refer to the Divesting Notices of the 13th February, 1926, and the 21st October, 1926, published in the "*Official Journal*" of the Egyptian Government for the 22nd February, 1926, and in the "*Sudan Government Gazette*" for the 15th November, 1926, respectively, which notices were mentioned in the course of the recent discussions, and to state that there remain no further property, rights or interests of Hungarian nationals in these countries available for release.

(8) With reference to the Hungarian-owned securities, until recently the subject matter of the legal proceedings in the United States of America between the Public Trustee in the United Kingdom and the Alien Property Custodian in the United States and certain German nationals, I am instructed to refer to my letter of the 21st March last addressed to Dr. Andrew de Ikloody-Szabo, the President of the Royal Hungarian Clearing Office, and to confirm that these legal proceedings having now been withdrawn and all claims of the British Government against the shares the subject matter of the Action released there is now no obstacle so far as the British Government is concerned in the way of a complete release in America to Hungarian nationals of any shares which were comprised in the said Action to which they may establish their title.

I have, etc.

Danl. WILLIAMS.

No. 2.

BARON IVAN RUBIDO ZICHY TO MR. WILLIAMS.

ROYAL HUNGARIAN LEGATION.

LONDON, *July 1*, 1930.

SIR,

I beg to acknowledge receipt of a letter of even date addressed by you to me and reading as follows :

[*As No. 1.*]

Having taken notice of the above letter, I beg to inform you on behalf of my Government that I fully agree with its contents.

I have, &c.

Rubido ZICHY.