
STATUTORY INSTRUMENTS

1982 No. 1073

The Foreign Compensation (Czechoslovakia) Order 1982

PART IV

**CLAIMS IN RESPECT OF DEBTS, BANK BALANCES,
SHARES, BONDS AND OTHER PROPERTY**

Applications Excluded from this Part of the Order

13. No application may be made under this Part of the Order in respect of a pension or contributions towards a pension.

Qualifications to Make Application

14.—(1) The following persons shall be qualified to make application to the Commission for the purpose of establishing claims under this Part of the Order:—

- (a) Her Majesty's Government in the United Kingdom and the Government of any territory for the international relations of which Her Majesty's Government in the United Kingdom were, on 2nd February 1982, responsible;
- (b) any person who was a United Kingdom national on 2nd February 1982;
- (c) any person who on or after 2nd February 1982 has succeeded to the claim of any person qualified under sub-paragraph (b) above; and
- (d) a trustee for any person qualified under sub-paragraph (b) or (c) above.

(2) An application under this Part of the Order may be made by a trustee qualified under paragraph (1) of this Article or by a beneficiary so qualified.

An application by a trustee shall, however, be entertained by the Commission only in so far as the beneficial interest in the property or in the claim to which the application relates was, at the material times, owned by a United Kingdom national.

(3) If application under this Part of the Order is made by a trustee and by a beneficiary in relation to the same claim, and both the trustee and the beneficiary are qualified under paragraph (1) of this Article, the Commission may entertain the application made by the trustee in preference to that made by the beneficiary, or entertain the application made by the beneficiary in preference to that made by the trustee. The Commission shall dismiss the application by the trustee or by the beneficiary, as the case may be, which it has decided not to entertain.

Property

15.—(1) To establish a claim under this Part of the Order in respect of any property (other than a debt, a balance in a bank, a share, an internal bond or a bond of the issue mentioned in Article 19 of this Order), any person making application to the Commission shall be required to establish to the satisfaction of the Commission:—

- (a) that he is a person qualified under Article 14 of this Order to make such application;

- (b) that the property to which his application relates was British at the relevant date; and
- (c) that by or under any Czechoslovak measure he or his predecessor in title (or, if he is a trustee, the person for whom he is a trustee or the predecessor in title of such person) has before 2nd February 1982 been deprived of title to or enjoyment of the property, and has suffered loss thereby.

(2) Property shall be deemed to be British property to the extent that it was beneficially owned by a United Kingdom national.

Debts and Bank Balances

16.—(1) To establish a claim under this Part of the Order in respect of a debt or a balance in a bank, any person making application to the Commission shall be required to establish to the satisfaction of the Commission:—

- (a) that he is a person qualified under Article 14 of this Order to make such application;
- (b) that his application relates, either
 - (i) to a debt which is unpaid and which on 1st November 1945 was outstanding from the Czechoslovak Government, a public authority in Czechoslovakia or a person, corporation, firm or association (other than a United Kingdom national) resident in Czechoslovakia to:—
 - (A) a United Kingdom national, or
 - (B) a person, corporation, firm or association (other than a United Kingdom national) who or which at any time between 3rd September 1939 and 1st November 1945 was resident or carrying on business in the United Kingdom; or
 - (ii) to a debt which is unpaid, where he or his predecessor in title (or, if he is a trustee, the person for whom he is a trustee or the predecessor in title of such person) has been deprived of the legal right to recover the debt by or under a Czechoslovak measure and was a United Kingdom national at the relevant date; or
 - (iii) to a balance in a bank in Czechoslovakia which is still outstanding and which was held on 1st November 1945 by:—
 - (A) a United Kingdom national, or
 - (B) a person, corporation, firm or association (other than a United Kingdom national) who or which at any time between 3rd September 1939 and 1st November 1945 was resident or carrying on business in the United Kingdom; or
 - (iv) to a balance at a bank in Czechoslovakia which is still outstanding and which was held on 1st June 1953 by a United Kingdom national and was affected by the Czechoslovak Monetary Reform Law, No. 41, of that date; and
- (c) that he or his trustee is the person to whom the debt or the outstanding balance is owing.

(2) For the purposes of Article 10 of this Order, the Commission shall assume that debts falling within paragraph (1)(b)(i) above and balances falling within paragraph (1)(b)(iii) above were irrecoverable on and after 1st November 1945.

(3) Where an application could fall within more than one of the sub-paragraphs of paragraph (1)(b) above, the person making application to the Commission shall be required to choose under which sub-paragraph his application shall be treated as falling.

Shares

17. To establish a claim under this Part of the Order in respect of a share, any person making application to the Commission shall be required to establish to the satisfaction of the Commission:—

- (a) that he is a person qualified under Article 14 of this Order to make such application;
- (b) that he, or if he is a trustee the person for whom he is a trustee, is, or would have been but for any Czechoslovak measure, the beneficial owner of the share;
- (c) that the share was, or would but for a Czechoslovak measure have been, beneficially owned on the relevant date by a United Kingdom national;
- (d) that the corporation to which the share related was incorporated or constituted under the laws in force in Czechoslovakia; and
- (e) that he or his predecessor in title (or, if he is a trustee, the person for whom he is trustee or the predecessor in title of such person) has suffered loss in respect of the share as a result of the application of a Czechoslovak measure to the share or to the corporation or any of its assets.

Internal Bonds

18. To establish a claim under this Part of the Order in respect of an internal bond, any person making application to the Commission shall be required to establish to the satisfaction of the Commission:—

- (a) that he is a person qualified under Article 14 of the Order to make such application;
- (b) that he, or if he is a trustee, the person for whom he is a trustee is, or would but for any Czechoslovak measure have been, the beneficial owner of the bond;
- (c) that the bond was, or would but for a Czechoslovak measure have been, beneficially owned by a United Kingdom national on 2nd February 1982;
- (d) that the whole or part of the loan or obligation to which the bond relates has not been repaid or discharged.

Austrian Government Guaranteed Conversion Loan 1934/59, 4½% Guaranteed Sterling Bonds

19. To establish a claim under this Part of the Order in respect of the unredeemed portion of any bond of the issue known as the “Austrian Government Guaranteed Conversion Loan 1934/59, 4½% Guaranteed Sterling Bonds” (also known as the “Austrian Government 4½% Guaranteed Sterling Bonds 1934/59”), any person making application to the Commission shall be required to establish to the satisfaction of the Commission:—

- (a) that he is a person qualified under Article 14 of the Order to make such application;
- (b) that he, or if he is a trustee, the person for whom he is a trustee, is, or would but for a Czechoslovak measure have been, the beneficial owner of the bond;
- (c) that the bond was, or would but for a Czechoslovak measure have been, beneficially owned by a United Kingdom national on 2nd February 1982.

Assessment of Loss

20. The Commission shall assess the amount of loss with respect to each claim established under this Part of the Order and, for this purpose,

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- (a) the value of a debt of the kind mentioned in Article 16(1)(b)(i) shall be taken to be the principal amount outstanding on 1st November 1945;
- (b) the value of a debt of the kind mentioned in Article 16(1)(b)(ii) shall be taken to be the principal amount outstanding on the relevant date;
- (c) the value of a balance in a bank of the kind mentioned in Article 16(1)(b)(iii) shall be taken to be the amount outstanding on 1st November 1945, but account shall be taken of any withdrawals by or on the order of the holder from the bank account after that date;
- (d) the amount of the loss with respect to a balance in a bank of the kind mentioned in Article 16(1)(b)(iv) shall be taken to be the amount by which the value in terms of the pound sterling of the balance was reduced by virtue of the Czechoslovak Monetary Reform Law, No. 41, of 1st June 1953:
provided that the Commission shall take into account as reducing the loss any amount by which the value in terms of the pound sterling of any other balance held by the person making application to the Commission, or if he is a trustee the person for whom he is a trustee, or the predecessor in title of any such person, was increased by virtue of the said Monetary Reform Law;
- (e) if, in the case of a claim falling within Article 16 or Article 17 of this Order, the contract expressly provided for the payment of interest, the amount of loss with respect to that claim shall be deemed to be the principal amount outstanding on the relevant date or on the date specified in one of the preceding subparagraphs of this Article, as the case may be, multiplied by such factor as the Secretary of State may, after consultation with the Treasury, determine;
- (f) the value of an internal bond (in respect of both capital and interest) shall be deemed to be the nominal capital value of the bond multiplied by the factor of 2;
- (g) the amount of loss with respect to a claim established under Article 19 of this Order shall be the value of that part of the capital of or interest on the bond, which has not been discharged or repaid, and whose discharge or repayment was guaranteed by the Czechoslovak Government.