

5. Despatch dated 18th February, 1920, advised that the technical delegates at the Peace Conference had considered the question of the settlement of French and English interests in the liquidation of enemy property in the two countries, and had reached an agreement, which has been translated as follows :—

“In the liquidation in England of enemy businesses or of companies controlled by enemies, French nationals will have the same rights as English nationals in regard to (1) property detained on their account and for their benefit, (2) the payment of debts due to them by the business or company which is being liquidated, (3) and also dividends on shares in the distribution of the proceeds of liquidation as between shareholders, provided that the debts due to the business or company by French nationals or the property detained on account of such businesses or companies are paid or restored to the person empowered to carry out the liquidation. Reciprocally, in the liquidation in France of enemy businesses or companies controlled by enemies, British nationals shall have in similar circumstances the same rights as French nationals as set out above.”

PROPERTY OF BRITISH, ALLIED, OR NEUTRAL SUBJECTS RESIDENT IN ENEMY TERRITORY.

6. Despatch dated 12th April, 1920, advised that the practice in the United Kingdom in the case of property of British, Allied, or neutral subjects or citizens who were treated as enemies during the war by reason of residence in enemy territory was to release the property on production of satisfactory evidence of nationality.

INSURANCE POLICIES OF GERMANS.

7. Despatch dated 19th June, 1920, intimated that His Majesty's Government were advised that the sums payable in respect of insurance policies issued to German nationals by British companies before the war, which matured during the war and did not lapse owing to the non-payment of premiums or otherwise, are enemy debts within the meaning of Article 296 of the Treaty of Peace, and should accordingly be dealt with through the Clearing Offices if the claimant was a German national residing within German territory. This position obtains whether the debt is claimed as due from the head office of the company or from a branch office in a foreign country.

TRANSFER OF GERMAN-OWNED STOCK.

8. Despatch dated 5th July, 1920, enclosed copies of extract from the *London Gazette* of the 8th June, 1920, No. 31933, containing the following notice by the Board of Trade relative to the transfer of German-owned stocks, &c., under the provisions of the Treaty of Peace Order in Council in 1919 (British):—

NOTICE TO COMPANIES, MUNICIPAL AUTHORITIES, AND BANKERS AS TO TRANSFER OF STOCKS, ETC.

With reference to the notice in the *London Gazette* of 23rd June, 1916, as to the provisions of the Trading with the Enemy Acts, and Proclamations in connection with the transfer of securities, the attention of all companies, municipal authorities, and bankers who keep registers or branch or local registers of any annuities, debenture stocks, debentures, stocks, shares, or securities, is called to the fact that as from the coming into force of the Treaty of Peace with Germany on the 10th January, 1920, the provisions of the Treaty of Peace Order, 1919, made in pursuance thereof, now apply to the property, rights, and interests of German nationals, wherever resident.

Therefore, while the position as regards persons or body of persons resident or carrying on business in Austria, Bulgaria, Hungary, and Turkey has not at present altered, and they remain “enemies” subject to the trading-with-the-enemy legislation until a Treaty of Peace with each of those Powers comes into force, as regards Germany the position has been altered as from the date on which the Treaty came into force—viz., 10th January, 1920—by the Treaty of Peace Order, 1919, made in pursuance of the Treaty of Peace with Germany, and the following provisions, *inter alia*, came into force :—

(a.) By Article 297 (b) of the Treaty, and Section 1 (XVI) of the Treaty of Peace Order, 1919, all property, rights, and interests within His Majesty's dominions or protectorates belonging to German nationals, wherever resident, at the date when the Treaty came into force (not being property, rights, or interests acquired under general license issued by or on behalf of His Majesty), are charged to meet, *inter alia*, certain claims by or debts due to British nationals. Section 1 (XVII) (e) of the Treaty of Peace Order requires that if any person called upon to pay any money or to transfer any property, rights, or interests has any reason to suspect that the same are subject to such charge he shall, before paying, transferring, or dealing with the same, report the matter to the Custodian.

It follows from this that all securities (British, Allied, neutral, enemy, or ex-enemy) held in the United Kingdom at 10th January, 1920, by or on behalf of a German national, wherever resident, cannot be transferred without the consent of the Custodian.

(b.) Under paragraph (10) of the annex to Articles 297 and 298 of the Treaty, Germany will, within six months from the coming into force of the Treaty, deliver to each Allied or Associated Power all securities, certificates, deeds, &c., held by its nationals and relating to property, rights, and interests situated in the territory of that Allied or Associated Power, including any shares, stocks, debentures, debenture stock, or other obligations of any company incorporated in accordance with the laws of that Power, and will furnish, on the demand of any Allied or Associated Power, information with regard thereto.

In order to make these provisions effective it is necessary to restrict the transfer in the United Kingdom of securities issued by or in British, Allied, or Associated countries belonging to or held by or on behalf of German nationals, wherever resident, at the coming into force of the Treaty, in whatever part of the world they were held. Accordingly the “Form of Declaration by Transferors” prescribed by the notice in the *London Gazette* of 23rd June, 1916, has been revised, and in future all companies, municipal authorities, and bankers are required, before registering or allowing any transfer of any annuities, debenture stock, debentures, stocks, shares, or other securities, to obtain from the transferor a declaration in the form or to the effect of the declaration following :—

“[Name, and amount of security.]

“I [We] declare that the within-written security has not been in enemy ownership at or since the outbreak of war, or alternatively since it was transferred in accordance with the Stock Exchange Temporary Regulations, and was not held by or on behalf of a national of an ex-enemy Power on the date on which the Treaty of Peace with the ex-enemy Power concerned came into force.

“[Date.]

“[Signature.]
“[Description.]”

NOTE.—The expression “enemy” means any person or body of persons, of whatever nationality, resident or carrying on business in an enemy country with which a Treaty of Peace has not yet come into force—viz., at present,