of Section 14 of the Act founded upon an application for protection deposited not earlier than the 1st January, 1946, nor later than the 1st April, 1950, with an authority in the Federal Republic of Germany or the British, French or United States sectors of Berlin who by the law of Germany was then competent to receive such applications."

Dated this 5th day of September, 1951.

Arthur G. Bottomley,
Parliamentary Secretary to the Board of Trade.

EXPLANATORY NOTE

(This Note is not part of the Rules, but is intended to indicate their general purport.)

These Rules extend until 31st October, 1951, the time allowed under the Registered Designs (Extension of Time) (Federal Republic of Germany) Rules, 1951, for filing in the United Kingdom certain belated Convention applications for the registration of designs founded upon applications for protection made to competent authorities in the Federal Republic of Germany.

DISTRIBUTION OF GERMAN ENEMY PROPERTY

The Distribution of German Enemy Property (No. 2) Order, 1951

1951 No. 1899

Made - - - -	*1st November,* 1951
Laid before Parliament	*2nd November,* 1951
Coming into Operation	*1st February,* 1952

At the Court at Buckingham Palace, the 1st day of November, 1951

Present,

The King's Most Excellent Majesty in Council

His Majesty, in pursuance of Section 1 of the Distribution of German Enemy Property Act, 1949(a), and of all other powers enabling Him in that behalf, is pleased, by and with the advice of His Privy Council, to order, and it is hereby ordered, as follows:—

PART I

TITLE, COMMENCEMENT AND INTERPRETATION

1.—(1) This Order may be cited as the Distribution of German Enemy Property (No. 2) Order, 1951.

(2) This Order shall come into operation on the 1st day of February, 1952.

2.—(1) In this Order, unless the context otherwise requires, the following expressions have the meanings hereinafter respectively assigned to them—

(*a*) "the Act" means the Distribution of German Enemy Property Act, 1949(a);

(*b*) "the Administrator" means the Administrator of German Enemy Property appointed under the Distribution of German Enemy Property (No. 1) Order, 1950(b);

(a) 12, 13 & 14 Geo. 6. c. 85. (b) S.I. 1950 (No. 1642) I, p. 543.

(*c*) " British person " means, in relation to any date,

(i) His Majesty's Government in the United Kingdom ;

(ii) any British subject, citizen of the Republic of Ireland or British protected person resident or carrying on business on that date in the United Kingdom ;

(iii) any body of persons (whether corporate or unincorporate) which on that date was a body incorporated or constituted under the laws in force in the United Kingdom ;

(*d*) " Claimant " in relation to any German enemy debt means the person who under Article 4 (1) of this Order makes a claim in respect of that debt ;

(*e*) " German person " means, in relation to any date,

(i) the German State ;

(ii) any individual who on that date was a German national resident in Germany ;

(iii) any body of persons (whether corporate or unincorporate) which on that date was a body incorporated or constituted in or under the laws of Germany ;

(*f*) " relevant time " means on the 30th day of September, 1951, or, if the debt in respect of which the claim is made has been discharged between the passing of the Act and the said date, immediately before its discharge ;

(*g*) " trade debt " means any sum due in respect of—

(i) goods supplied in the course of trade ;

(ii) services incidental to goods so supplied ; or

(iii) shipping freight, rebates or fares ;

(*h*) " United Kingdom " includes the Channel Islands and the Isle of Man.

(2) The Interpretation Act, 1889(**a**), applies to the interpretation of this Order, as it applies to the interpretation of an Act of Parliament.

PART II

EXCLUDED CLAIMS

3. This Order shall not apply—

(*a*) to any claim in respect of a German enemy debt unless (in addition to the conditions prescribed in Section 8 (1) of the Act) at the relevant time that debt was due to a British person ;

(*b*) to any claim in respect of a German enemy debt falling within Section 8 (1) (*a*) of the Act due at the relevant time to a company incorporated in the United Kingdom whose activities in the United Kingdom on the 3rd day of September, 1939, were confined to complying with the requirements of the Companies Act, 1929(**b**) (or of the corresponding enactments then in force in Northern Ireland, the Channel Islands or the Isle of Man, as the case may be), and to distributing profits earned abroad ;

(*c*) to any claim in respect of a balance at a bank expressed in a unit of German currency ;

(*d*) to any claim in respect of a bank note expressed in a unit of German currency or any other note so expressed which has at any time been legal tender in Germany ;

(a) 52 & 53 Vict, c, 63, (b) 19 & 20 Geo, 5, c, 23,

(*e*) to any other claim in respect of a German enemy debt expressed in a unit of German currency except—

(i) claims in respect of trade debts;

(ii) claims in respect of loans made to German persons by persons who at the date of the loan were British persons;

(iii) claims in respect of rent due on the 3rd day of September, 1939;

(iv) claims in respect of dividends on shares or stock declared before the 3rd day of September, 1939; and

(v) claims in respect of the use of inventions, designs, trade marks or industrial processes, or specifications, drawings or documents relating thereto or in respect of the exercise of copyright (as defined in the Copyright Act, 1911(**a**)) in literary, dramatic, musical or artistic works;

(*f*) to any claim by an insurer or an insurance broker in respect of a contract of insurance or re-insurance with a German person;

(*g*) to any claim in respect of any bond of the Austrian Government International Guaranteed Loan 1933-1953 or the Austrian Government Guaranteed Conversion Loan 1934-1959:

(*h*) to any claim in respect of a sum which fell due on or before the 3rd day of September, 1933, not being a claim arising out of credits, advances or other indebtedness which fell under the German Credit Agreements of 1931, 1932 or 1933 (Standstill Agreements);

(*i*) to any claim by the trustees of any loan in respect of sinking fund or amortisation payments.

PART III

MAKING OF CLAIMS

4.—(1) Claims for payment under this Order may be made only by the person to whom the sum claimed was due at the relevant time or by an insurer who at the relevant time was entitled by subrogation to enforce payment of the sum claimed:

Provided that in the event of the death, bankruptcy, winding-up, mental incapacity, or absence from the United Kingdom of any such person or insurer as aforesaid the claim may be made by any person authorised by him in that behalf or by any person entitled to deal with his property.

(2) Claims for payment under this Order shall be made to the Administrator within three months from the date on which this Order comes into operation or such further time as the Board of Trade may by order made either generally or in relation to any specified class of claim direct.

(3) Claims shall be made on the appropriate form prescribed by order of the Board of Trade made under Section 1 (5) of the Act and shall contain the information required on the form and shall be accompanied by such documents as may be so required.

(4) The Administrator may by notice in writing require the claimant to furnish within such time as may be specified in the notice such further information and documents in the claimant's possession or control as the Administrator may require for the verification of the claim.

(a) 1 & 2 Geo. 5. c. 46.

PART IV

AMOUNT FOR WHICH CLAIMS PERMITTED TO RANK

5.—(1) The amount for which claims which are not excluded under Part II of this Order may be admitted for payment shall be ascertained by the Administrator in accordance with the following provisions of this Article.

(2) In respect of claims arising out of bonds of the descriptions specified in column 1 of the Schedule hereto, the amount shall be ascertained by multiplying the capital outstanding on the 3rd day of September, 1939, in respect of the bond by the figure specified in relation to that bond in the second column of the Schedule hereto.

(3) In respect of claims arising out of credits, advances or other indebtedness which fell under the German Credit Agreement of 1939 (Standstill Agreement) and similar credits and advances made for the purpose of financing current trade by persons carrying on the business of banking in the United Kingdom, the amount shall be ascertained by multiplying the amount due in respect of capital by 1·5.

(4) In respect of claims arising out of other loans, the amount shall be the aggregate of—

(*a*) the amount due in respect of interest at the passing of the Act;

(*b*) the amount (if any) attributable to the loan in respect of sinking fund payments due at the passing of the Act; and

(*c*) the amount (if any) due in respect of capital repayment in accordance with the terms of the loan at the passing of the Act;

Provided that the amount admitted for payment under this paragraph in respect of any loan shall not exceed 125 per cent. of the capital outstanding on the 3rd day of September, 1939.

For the purposes of this paragraph no account shall be taken of any reduction in the rate of interest or other alteration of the terms of the loan accepted for the purposes of the Anglo-German Transfer Agreement of July, 1938.

(5) In respect of claims arising out of trade debts, the amount shall be calculated by multiplying the amount due at the passing of the Act (excluding any sum due in respect of interest) by 1·5.

(6) In respect of any claims arising out of any obligation not mentioned in any of the preceding paragraphs of this article, the amount shall be the sum due at the passing of the Act:

Provided that, in calculating the amount for the purpose of claims for payments arising out of the use in Germany on or after the 3rd day of September, 1939, of inventions, designs, trade marks or industrial processes or information relating thereto under agreements made before the said date, there shall not be included in relation to any year or part of a year falling within the period beginning on the 1st day of September, 1939, and ending with the date of the passing of the Act a sum exceeding the highest amount falling due under the agreement during any one of the years 1936, 1937, 1938 or 1939, or, as the case may be, a proportionate part of such highest amount.

For the purposes of the proviso to this paragraph the amount falling due in the year 1939 shall be calculated proportionately by reference to the amount earned up to the end of August of that year.

6.—(1) Where a claim is made in respect of a debt expressed in a foreign currency the amount calculated in accordance with Article 5 hereof shall be converted into sterling at a rate to be determined by the Treasury; and the resulting sterling sum shall be the amount for which the claim may be admitted for payment under this Order.

(2) The rate determined by the Treasury for any foreign currency under paragraph (1) of this Article shall, where possible, be based upon the middle rate or rates for telegraphic transfers ruling in the London market for that currency on the 31st day of August, 1939, or, if there were no such rates for that foreign currency on the said date, at the middle rate or rates for telegraphic transfers last ruling in the London market for that foreign currency before the said date, and shall, for the purpose of converting into sterling any unit of German currency, be the rate for free marks.

PART V

DETERMINATION AND PAYMENT OF CLAIMS

7.—(1) The Administrator shall determine whether any claim is established for the purposes of this Order and the amount for which it may be admitted for payment, and shall serve written notice of the determination on the claimant.

(2) The determination of the Administrator in relation to any claim shall be final:

Provided that the claimant, if dissatisfied with the determination as being erroneous in point of law, may by notice in writing given within six weeks after being served with notice of determination as aforesaid and setting out the question or questions of law in respect of which it is alleged that the determination of the Administrator was erroneous, require the Administrator to state and sign a case for the opinion thereon of the High Court and the decision of the High Court shall be final.

(3) The Administrator shall be entitled to appear at the hearing of any case stated by him under this Article.

(4) If the question at issue between a claimant and the Administrator falls to be decided according to the law of Scotland, the reference to the High Court shall be construed as a reference to the Court of Session.

(5) If the question at issue between a claimant and the Administrator falls to be decided according to the law of Northern Ireland the reference to the High Court shall be construed as a reference to the High Court of Justice in Northern Ireland.

(6) If the question at issue between a claimant and the Administrator falls to be decided according to the law of Jersey, the reference to the High Court shall be construed as a reference to the Superior Number of the Royal Court of Jersey.

(7) If the question at issue between a claimant and the Administrator falls to be decided according to the law of the Bailiwick of Guernsey, the reference to the High Court shall be construed as a reference to the Royal Court of Guernsey.

(8) If the question at issue between a claimant and the Administrator falls to be decided according to the law of the Isle of Man, the reference to the High Court shall be construed as a reference to His Majesty's High Court of Justice of the Isle of Man, Chancery Division.

8. The proceeds of German enemy property collected by the Administrator shall, in so far as they are not distributed in accordance with the provisions of the next following Article, form a general fund and shall, from time to time, be distributed in paying dividends to persons whose claims have been duly established for the purposes of this Order, calculated in each case by reference to the amount for which the claim has been admitted for payment.

9.—(1) Where, in the case of a claim established for the purposes of this Order, the Administrator holds the proceeds of any German enemy property which belonged to or was held or managed on behalf of any German person from whom the debt was due, such proceeds may, if it would be more favourable to the claimant to do so, be distributed to the claimant to an extent not exceeding the amount for which the claim is admitted for payment:

Provided that the amount so distributed to any claimant of the proceeds of property which belonged to or was held or managed on behalf of any particular German person shall not exceed the amount of the German enemy debt due from him to that claimant.

(2) If more than one claim is established for the purposes of this Order in respect of debts due from the same German person and the proceeds of any German enemy property which belonged to him or was held or managed on his behalf are insufficient to make payment to the extent authorised by paragraph (1) hereof to all the claimants, any distribution under the said paragraph (1) shall be made proportionately to the amount for which each claim is admitted for payment under this Order.

(3) Any payment under this Article in respect of any claim shall be in substitution for, and not in addition to, any payment under Article 8 in respect of that claim.

(4) For the purposes of this Article German enemy property does not include property or the proceeds of property transferred to the Administrator pursuant to Sections 3 or 4 of the Act.

10. If a person establishes separate claims for the purposes of this Order in respect of a principal debt and of any one or more other debts entered into by way of collateral security for or guarantee of the principal debt or any part thereof, he shall only be entitled to receive payment under this Order in respect of the principal debt and not in respect of any of the other debts:

Provided that, if there are proceeds available for distribution under Article 9 in the case of any of the other debts, the Administrator may make payments under this Order separately in respect of those debts and also in respect of the balance of the principal debt, so however that the total amount paid shall not exceed the amount of the German enemy debt due from the principal debtor.

11.—(1) Fees shall be charged to persons whose claims in respect of German enemy debts have been established for the purposes of this Order.

(2) The amount of such fees shall be 1s., or such percentage (not exceeding 3 per cent.) as the Board of Trade, with the consent of the Treasury, may from time to time determine, of the sum which may be payable to the claimant under this Order, whichever is the greater.

(3) The Administrator shall be entitled to deduct the amount of any fee from any payment which he is authorised to make to a claimant under this Order.

F. J. Fernau.

SCHEDULE

Nature of obligation	Weighting Factor
Bonds of German External Loan 1924	1·7
Bonds of German Government International 5½ per cent. Loan 1930	1·5
Konversionskasse 4 per cent. Sterling Bonds	1·4
Bonds of Potash Syndicate of Germany 25-year Sinking Fund Gold Loan	1·25
Bonds of City of Saarbruecken 6 per cent. Sterling Loan of 1928	0·7
Bonds of Austrian Government International Loan 1930 ...	0·7
Austrian Government Credit Anstalt Bonds 1936	0·3
Bonds of City of Berlin 6 per cent. Sterling Loan 1927 ...	1·14
Bonds of City of Cologne 6 per cent. Sterling Loan 1928 ...	1·04
Bonds of City of Dresden 5½ per cent. Sterling Loan of 1927	1·25
City of Munich 6 per cent. Sterling Bonds	1·25
Bonds of State of Hamburg 6 per cent. Sterling Loan of 1926	0·86
Bonds of Hamburg Waterworks 6 per cent. Sterling Loan ...	1·04
The Free State of Saxony 6 per cent. 25-year Sterling Bonds of 1927	1·12
Bonds of Province of Westphalia 7 per cent. Sterling Loan of 1926	1·25
Prussian Electric Company 6 per cent. 25-year Sterling Bonds	1·1

EXPLANATORY NOTE

(This Note is not part of the Order, but is intended to indicate its general purport.)

This Order in Council provides for the distribution of the proceeds of German enemy property to persons who establish claims in respect of German enemy debts. It contains provisions as to the manner and time in which such claims are to be put forward and the furnishing and verification of information in connection with them (Article 4), the determination of the question whether a claim is established and of the amount of the claim (Article 7) and the charging and recovery of fees (Article 11). The Order prescribes certain classes of claims which are to be excluded from its application (Article 3), differentiates between different classes of claims (Article 5) and enables proceeds of German enemy property which belonged to or was held or managed on behalf of a particular German person to be distributed to persons establishing claims in respect of debts due from that German person (Article 9).