STATUTORY INSTRUMENTS

1971 No. 1738

FOREIGN COMPENSATION

The Foreign Compensation (Union of Soviet Socialist Republics) (Amendment) Order 1971

Made - - - -	*27th October* 1971
Laid before Parliament	*2nd November* 1971
Coming into Operation	*5th November* 1971

At the Court at Buckingham Palace, the 27th day of October 1971

Present,

The Queen's Most Excellent Majesty in Council

Her Majesty, by virtue and in exercise of the powers in that behalf by sections 3 and 8(1) of the Foreign Compensation Act 1950(**a**) and by section 2(1) and (2) of the Foreign Compensation Act 1969(**b**) or otherwise in Her Majesty vested, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:

1. This Order may be cited as the Foreign Compensation (Union of Soviet Socialist Republics) (Amendment) Order 1971 and shall come into operation on 5th November 1971.

2. The Interpretation Act 1889(**c**) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

3. There shall be added at the end of Article 15 of the Foreign Compensation (Union of Soviet Socialist Republics) Order 1969(**d**) (hereinafter referred to as " the principal Order ") the following:

" For the purposes of this Article a company shall be deemed to have been incorporated or constituted in a Baltic State or ceded territory if it was incorporated or constituted before the relevant date under the laws in force in a State of which a part subsequently became a Baltic State or ceded territory."

4. There shall be substituted for paragraph (*d*) of Article 23 of the principal Order the following:

" (*d*) either that the beneficial owner of the bond on 23rd November 1959 was a British national or that a claim in respect of the bond was registered by the Commission under the Foreign Compensation (Union of Soviet Socialist Republics) (Registration) Order 1959(**e**)."

5. In Article 26(3) of the principal Order, for the figures " £500 " there shall be substituted the figures " £5,000 ".

6. There shall be substituted for Article 27 of the principal Order the following:

" 27.—(1) The payment in respect of each claim established under Part IV or Part VI of this Order shall be a fraction of the distributable amount

(**a**) 1950 c. 12. (**b**) 1969 c. 20. (**c**) 1889 c. 63. (**d**) S.I. 1969/735 (1969 II, p. 1978). (**e**) S.I. 1959/1968 (1959 I, p. 1407).

of the Fund equal to the proportion which the assessed amount of the claim bears to the total of the amounts assessed with respect to all claims established under the Order.

(2) The payment in respect of any claim established under Part V of this Order shall be a fraction of the distributable amount of the Fund equal to the proportion which the assessed amount of the claim bears to the total of the amounts assessed with respect to all claims established under the Order, less any amount notified in writing to the Commission by Her Majesty's Government in the United Kingdom as held or received by them otherwise than out of the Fund and applied to the reduction of the amount of their loss with respect to the said claim. Any amount so notified shall be disregarded for the purposes of Article 10 of this Order.

(3) The distributable amount shall be the total of all sums paid into the Fund and of any amounts notified to the Commission under paragraph (2) of this Article, after the deduction of any payments made or directed to be made therefrom into the Consolidated Fund in accordance with any Order in Council made under section 7(2) of the Act of 1950 as originally enacted and as applied by section 3(3) of the Foreign Compensation Act 1962(a) ".

7. There shall be substituted for paragraph (2)(*b*) of Article 28 of the principal Order the following:

" (*b*) at a uniform rate upon the assessed amount of the claim, except that any deduction in accordance with paragraph (2) of Article 27 of this Order may be made at such time as the Commission shall decide. The uniform rate of payment shall be determined by the Commission ; for this purpose the Commission shall estimate the total liability likely to fall upon the Fund."

W. G. Agnew

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order amends the Foreign Compensation (Union of Soviet Socialist Republics) Order 1969

(i) so as to admit claims in respect of shares in companies incorporated or constituted under the laws in force in a State of which a part subsequently became a Baltic State or ceded territory ;

(ii) so as to exempt claimants in respect of external bonds which were registered under the Foreign Compensation (Union of Soviet Socialist Republics) (Registration) Order 1959 as being held by a British national from the requirement of proving that the bonds were beneficially owned by a British national on 23rd November 1959 ;

(iii) so as to increase from £500 to £5,000 the amount of payments due to an infant which may be made into a County Court ;

(iv) so as to permit any payment in respect of a claim by Her Majesty's Government under Part V of the 1969 Order to be reduced by an amount representing the proceeds of sale by Her Majesty's Government of certain ships owned before 1940 by Baltic States and municipalities and seized in Germany after the war.

(a) 1962 c. 4 (11 & 12 Eliz. 2).