STATUTORY INSTRUMENTS

1987 No. 663

FOREIGN COMPENSATION

The Foreign Compensation (Union of Soviet Socialist Republics) (Distribution) Order 1987

Made - - - -	*7th April 1987*
Laid before Parliament	*15th April 1987*
Coming into force	*1st June 1987*

At the Court at Windsor Castle, the 7th day of April 1987

Present,

The Queen's Most Excellent Majesty in Council

Whereas Her Majesty is authorised to make provision by Order in Council under section 3 of the Foreign Compensation Act 1950**(a)** for the registration and determination by the Foreign Compensation Commission (hereinafter referred to as "the Commission") of claims to participate in compensation received under an agreement with the government of any other country and the making of reports by the Commission with respect to such claims and for the distribution by the Commission of any sums paid to them by Her Majesty's Government in the United Kingdom, being sums received under such an agreement:

And Whereas provision was made by the Foreign Compensation (Union of Soviet Socialist Republics) (Registration and Determination of Claims) Order 1986**(b)** (hereinafter referred to as "the 1986 Order") for the registration and determination by the Commission of certain claims as specified therein and for reports to be made with respect thereto:

And Whereas it is now expedient to provide for the distribution by the Commission of sums received by Her Majesty's Government in the United Kingdom under an agreement of 15th July 1986 between them and the Government of the Union of Soviet Socialist Republics**(c)** (hereinafter referred to as "the Agreement") and for the amendment of the 1986 Order.

Now, therefore, Her Majesty, by virtue and in exercise of the powers in that behalf by the Act of 1950 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:

(a) 1950 c.12; section 3 was amended by the Foreign Compensation Act 1969 (c.20), section 2.
(b) S.I. 1986/2222.
(c) Cm. 30.

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 registered or established under that Order: provided that no such payment in respect of any claim shall exceed the amount of the loss with respect to that claim as assessed by the Commission under that Order.

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Fund in accordance with any Order in Council made under section 7(2) of the Foreign Compensation Act 1950 as originally enacted and as applied by section 3(3) of the Foreign Compensation Act 1962**(a)**.

6.—(1) Whether or not all claims under the 1986 Order have been registered or, as the case may be, finally determined by the Commission, the Commission shall make from the Fund interim payments in accordance with paragraph (3) of this Article and may make from the Fund interim payments under paragraph (4) of this Article.

(2) Interim payments made under the provisions of this Article shall be made on account of payments to be made in accordance with Article 5 of this Order.

(3) At such time after 30th June 1987 as the Secretary of State shall specify the Commission shall make to all persons whose claim in respect of a bond has been registered by the Commission under Part II of the 1986 Order an interim payment representing such percentage of the value assigned to the bond as the Secretary of State may direct. For this purpose the Commission shall, when so requested by the Secretary of State, estimate the total liability likely to fall upon the Fund, and report thereon to the Secretary of State.

(4) Subject to the prior approval of the Secretary of State, the Commission may, at such time or times as they may decide, make interim payments to any of the persons who have established claims under Part IV or V of the 1986 Order.

(5) Interim payments made under the provisions of paragraph 4 of this Article shall be made at a uniform rate upon the assessed amount of the claim. The uniform rate of payment shall be determined by the Commission having regard to the total liability likely to fall upon the Fund.

(6) For the purposes of this Article a claim shall be deemed to be established under this Order even though the determination thereof may be subject to review and the phrase "assessed amount of the claim" shall be construed accordingly.

7.—(1) Subject to the provisions of paragraph (2) of this Article, the Commission shall, as a condition of the making of any payment to any person under this Order, require him to surrender to the Commission all available documents of title, if any, relating exclusively to the claim to which the payment relates and shall require him to sign and deliver to the Commission a document in such form as the Commission may determine declaring that he renounces all those claims to which the payment relates.

(2) If the person for whose benefit a payment is to be made is a minor, the Commission shall, as a condition of the making of any payment into Court or placing the same on deposit under paragraph (3) of Article 4 of this Order, require the person who, in accordance with the Rules of the Commission, has made an application for payment on the minor's behalf to surrender to the Commission the documents of title, if any, under his control relating exclusively to the claim and to sign and deliver to the Commission a document in such form as the Commission may determine declaring that the minor renounces all claims to which the payment relates; and the document so signed shall operate as a valid surrender by the minor of all such claims.

(3) All documents which are delivered to the Commission under paragraphs (1) and (2) of this Article shall remain in their custody until the Fund is wound up and the Commission shall then deliver them to the Secretary of State.

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

PART III

AMENDMENT OF THE 1986 ORDER

8.—(1) Article 4 of the 1986 Order shall be amended by the insertion at the end of that Article of the following words:

"Provided that no such application shall be entertained by the Commission if it is made by the Crown, the Duchy of Lancaster or the Duke of Cornwall or by any person acting in their name or on their behalf".

(2) In paragraph (b) of Article 6 of the 1986 Order the words "to be assigned to" shall be inserted between the words "the value" and "a bond" and the words "taken to be" shall be omitted.

(3) In paragraph (c) of Article 6 of the 1986 Order the words "to be assigned to" shall be inserted between the words "the value" and "any other bond".

(4) Article 9 of the 1986 Order shall be amended by the insertion at the end of that Article of the following words:

"Provided that no such application shall be entertained by the Commission if it is made by the Crown, the Duchy of Lancaster or the Duke of Cornwall or by any person acting in their name or on their behalf".

(5) After Article 19 of the 1986 Order there shall be inserted the following Article:

"Article 19A. For the purposes of paragraphs (a) and (b) of Article 19:–

(a) the Commission shall disregard any conversion by the Authority of roubles into sterling;

(b) the Commission shall take as the rate of exchange ruling on 7th November 1917 35 roubles to one pound sterling."

PART IV

FINAL PROVISIONS

9.—(1) This Order may be cited as the Foreign Compensation (Union of Soviet Socialist Republics) (Distribution) Order 1987.

(2) This Order shall be construed as one with the 1986 Order and this Order and the 1986 Order may be cited together as the Foreign Compensation (Union of Soviet Socialist Republics) Orders 1986 to 1987.

(3) This Order shall come into force on 1st June 1987.

G. I. de Deney
Clerk of the Privy Council

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides:

(i) for the distribution by the Foreign Compensation Commission of sums received by Her Majesty's Government under the Agreement between them and the Government of the Union of Soviet Socialist Republics signed in London on 15th July 1986 concerning the settlement of Mutual Financial and Property Claims arising before 1939 and

(ii) for the amendment of the Foreign Compensation (Union of Soviet Socialist Republics) (Registration and Determination of Claims) Order 1986.