

**GOVERNMENT DECREE 104/1991 (AUGUST 3) KORM.
IN THE INTEREST OF SETTLING OWNERSHIP RELATIONSHIPS, AND ON THE
EXECUTION ACT XXV OF 1991
ON PARTIAL COMPENSATION FOR DAMAGES UNLAWFULLY CAUSED BY
THE STATE**

INTRODUCTION: In the interest of settling ownership relations, and on the basis of authorisation comprised in article 29 of Act XXV. of 1991 (hereinafter referred to as Act) on the partial compensation for damages unlawfully caused by the State, the Government decrees the following:

ACT-TEXT:

(To article 2 of the Act)

Article 1

(1) In the application of the Act, the adopted person shall be regarded as the descendant of the adopter.

(2) If an application - for compensation is submitted by a descendant or spouse, the death of the former owner and ascendant, and the fact of descendancy, or of a marital relationship must be verified.

(3) If the claimant for compensation is not in possession of personal documents issued by the Hungarian authorities, he/she shall make a statement on data pertaining to citizenship (article 17), in accordance with what is indicated in the data sheet.

(To article 3 of the Act)

Article 2

(1) In the case of a farm, in determining the extent of the damage caused, the provisions of supplement 3 clause a) of the Act shall be applied to a farmbuilding - if its basic area can be determined - and in the case of farmland attached to the farmbuilding, the provisions of article 13 of the Act shall be applied, provided that the extent of the damage is the sum total of values thus calculated.

(2) If the basic area of the farmbuilding in question cannot be determined, the extent of damage relating to the farmbuilding shall be calculated by taking 100 sq. metres as the basis for assessment.

(3) In the application of the Act and this decree, a farm is a complex of a farmbuilding (dwelling and outhouse, or group of buildings) and attached farmland, located on the outskirts of a settlement, originally established for small-scale agricultural production (plant cultivation and animal husbandry), and for the related processing of produce and the storage of crops.

Article 3

If the ownership covered securities embodying a membership right or to property rights expressing interest in company, the extent of the damage shall be established on the basis of a lump sum as comprised in supplement 3 clause b) of the Act in a proportionate amount [article 4, paragraph (4) of the Act] of the interest held by the claimant, as compared to the registered capital (original capital) of the company.

Article 4

In calculating the basic area of the real estate in question, the cubic measure according to real estate records at the time of the deprivation of property shall be taken as a basis. From the point of view of applying supplement 3 of the Act, holiday homes shall also be regarded as dwellings.

Article 5

(1) In the application of article 3, paragraph (4) of the Act, all assets serving the management of a factory (company, enterprise) transferred to state ownership, such as real estate (part of real estate), production facilities and other fixed assets needed for pursuing business activity - if the person of the owner is constant - shall be regarded as one asset.

(2) In the case of an asset comprised of several elements, as mentioned in paragraph (1), above, the extent of the compensation may be established on the basis of a lump sum [supplement 3, clause a) or b)] related to that element of the asset on which the claimant decides.

Article 6

(1) In applying supplement 3 clause b) of the Act, the number of permanent employees shall be defined by taking as a basis the highest number of employees in the year preceding the forced nationalisation.

(2) Those assisting family members qualifying as next of kin under article 685, clause b) of the Civil Code, shall be taken into consideration as employees.

(To article 4 of the Act)

Article 7

(1) In rounding of the forint amount of compensation, a remainder of 500 forints or less shall be ignored, and a remainder higher than 500 forints shall be rounded off to 1,000 forints.

(2) In the application of the Act, assets used as a basis for compensation (article 5), and all property rights pertaining to an asset (article 3), shall respectively be understood as objects of property.

(to articles 5-6 of the Act)

Article 8

(1) The National Office for Restitution and Compensation shall make arrangements for issuing the individual series of compensation coupons.

(2) The schedule for the issuing of the coupons shall be determined depending on the number of claims judged.

(3) The National Office for Restitution and Compensation may entrust with the handling and issuing of compensation coupons other organisations authorised to release securities.

Article 9

Section IV of Act VI of 1990 governing the release and putting into circulation of some securities and the securities exchange, (henceforth referred to as the Act of the securities exchange) shall be applied to the circulation of compensation coupons, and section VI, article 84 of the Act on the securities exchange shall be applied to restricting inside trading.

(to article 7 of the Act)

Article 10

Property value (nominal value of compensation coupon, its interest, life annuity obtained in exchange for such, and assistance as defined in article 24 of the Act) obtained by claimant in the form of compensation coupons is - as compensation - exempt from private persons income tax by virtue of article 7, clause 28 of Law XLV of 1989 on the personal income tax of private citizens (henceforth referred to as personal income tax law).

Article 11

With regard to the exemption of compensation coupons from tax (article 10), the investment benefits defined in article 35 of the personal income tax law may not be used for obtaining property in exchange for compensation coupons.

Article 12

In the event of putting in a claim for Existence Loan or other privatisation loans, compensation coupons can only be taken into consideration as one's own resource in such a measure (in such a proportion) where the verification of own resource is required by the relevant legal regulations, and in the absence of these by business regulations, as a precondition to obtaining such loan.

Article 13

(1) No prior finance ministry permit, as defined in Act I of 1987 on Land, and no foreign exchange control permit is required for acquisition of property pursuant to article 7 of the Act by non-residents in exchange for compensation coupons due them.

(2) Persons mentioned in paragraph (1) above may take to foreign countries, and bring from abroad, the compensation coupons issued to them, without the permission of the foreign exchange control authorities.

(to article 8 of the Act)

Article 14

(1) On the basis of an assessment of data provided by the National Office for Restitution and Compensation, the State Property Agency shall submit a proposal to the government to for the suspension of the use of a specified series of compensation coupons or all compensation coupons for purposes of purchase. The record, authenticated by a public notary, of a public drawing by lot, deciding the suspension of the individual series of compensation coupons shall be attached to the proposal prepared for the government. The government's decision shall be made public in two national dailies.

(2) The provisions comprised in paragraphs (3)-(5) of article 8 of the Act

a) shall apply to state companies which are being restructured and, operate under company councils, and under the general management of the general assembly- (meeting of delegates) of company workers, if they have not submitted their plans for restructuring to the State Property Agency before the promulgation of the Act.

b) shall apply state companies under state administration control, if the founding body decides on restructuring after the Act has taken effect.

(3) The State Property Agency - over and above that comprised in paragraph (2) above - may sell in exchange for compensation coupons shares which (quotas) embody the assets of state companies that have already been transformed in to business organisations and which are due to the State Property Agency.

(to article 9 of the Act)

Article 15

(1) The claimant shall be notified in writing (Civil Code, article 373) of the exercising of the pre-emptive right.

(2) If the identity of the former owner of the asset sold by the State Property Agency or local government is unknown, the claimant shall be notified, 30 days before the sale of the asset, in two national dailies, or in an announcement published on the noticeboard of the competent local government, and in any other ways as customary on the premises, about the possibility of the practising of the right of pre-emption, by saying that he/she may practise the right of pre-emption only until the selling (auctioning) of the asset.

(To article II of the Act)

Article 16

(1) The competent office for restitution shall also make its contribution in proceedings launched at the Budapest restitution office following an application for compensation of a claimant residing abroad.

(2) The office for restitution may directly correspond abroad in the course of judging an application for compensation by a claimant living abroad.

(to article 12 of the Act)

Article 17

(1) Application for compensation shall be submitted on printed matter ("Data Sheet") in accordance with the supplement n1 to this decree.

-----Footnotes-----

n1 The text of the supplement is not included in this Decree. The Data Sheets are available at

-----End Footnotes-----

(2) The state administration body, the public notary of the local government, and the management organisation [Civil Code article 685, clause c)] - unless legal regulations decree differently - is obliged to place the data, document or copy thereof necessary for judging an application for compensation - upon request - at the disposal of the claimant.

(3) The Data Sheet, together with the documentary evidence designated therein, shall be submitted to the competent office of restitution. Costs of obtaining the Data Sheet and other documents suitable for evidence shall be borne by the applicant.

Article 18

(1) Entitlement to compensation in the case of farmland and other real estate - beyond the court ruling on deprivation of property and other official documents with such content - may be verified with the official certificate (henceforth referred to as certificate) issued by the land registry for this purpose.

(2) The certificate includes data required for the establishment of entitlement for compensation and for determining the extent of compensation the original documents or their copies need not be attached to the certificate.

(3) The land registry shall issue the certificate, upon request by the claimant, on the basis of documents it has kept (file of the land registry, land registry deed, map, documents on estate re-allocation, allotment re-allocation, consolidation of land-strips, paying off of land, offering up of land, land assessment, land surveying, etc).

Article 19

(1) Those persons who, prior to the deprivation of property, had obtained ownership, or a legal title to the property aside from real estate registration, and verifies this with a valid deed pertaining to the acquisition of ownership, may request the issue of a certificate from the land office. The certificate shall comprise the data of the registered beneficiary, and shall also refer to the claim announced. The office of restitution shall decide on the question of legal entitlement, on the basis of the certificate and other documents verifying the acquisition of property.

(2) Inasmuch as there is dispute between the registered owner, and the applicant over the issue of entitlement, the procedure shall be suspended if the applicant verifies that he/she has started the procedure for establishing his legal entitlement.

Article 20

(1) A summarised notification on compensation claims based on farmland shall be prepared for each cooperative, or state farm concerned (henceforth collectively referred to as agricultural body), grouped according to villages (towns).

(2) The notification shall contain aggregated gold crown values according to compensation claims affecting the farmland of the agricultural body, in which measure the issue of compensation coupons is expected in terms of the affected farmland.

(to paragraph (3) of article 13 of the Act)

Article 21

(1) The land registry shall verify the data pertaining to the cultivation branch, area and gold crown value of the farmland, according to their condition at the time when these plots of land were transferred to the use (management) of the agricultural body - on the basis of a data sheet prepared during the land allocation, deeds in force at the time of the transfer of use (management) and other land registration documents.

(2) The gold crown value shall be established and verified under paragraph (3) of article 13 of the Act, if its establishment is not possible in the absence of appropriate maps (which, for instance indicate the quality of land), or if the identification of farmland - due to a multiple change in the topographical lot number of the site or in the gold crown value - is not possible in the absence of the appropriate documents.

(3) Paragraph (3) of article 13 of the Act shall also apply if the available documents themselves comprise the calculated gold crown value, or if a change in ownership and usage and live of cultivation related to the farmland which also affects the gold crown value cannot be traced.

(to article 14 of the Act)

Article 22

The applicant is obliged to indicate in the data sheet the sum of the purchase (land purchase) paid for the farmland.

(to article 18 of the Act)

Article 23

(1) The list of protected nature conservancy areas, and those planned as such, shall be placed by the Ministry of Environmental Protection and Area Development at the disposal of the

National Office for Restitution and Compensation, and by the authorized nature conservancy authority of the first order at the disposal of the county (metropolitan) restitution offices.

(2) On the issue of whether a protected nature conservancy area, or national park falls under the effect of an international convention, or is to be classified as an increasingly protected area, the position to be taken by the Ministry of Environmental Protection and Area Development shall be standard procedure.

(to article 19 of the Act)

Article 24

The Minister of Agriculture, in conjunction with the Minister of Finance, shall determine which state farms, and in what gold crown value, are obliged to put up for auction the state owned farmland in their management. He shall notify the National Office for Restitution and Compensation, and all the interested restitution offices, to that effect.

(to article 20 of the Act)

Article 25

(1) The office for restitution shall set the earliest possible date for auctioning off the farmlands designated by the agricultural body, within 60 days following its valid judgement of a compensation claim corresponding to 30% of the gold crown value designated in the summarised notice dispatched to the body.

(2) The office may put the farmland designated by the agricultural body up for auction at varying times, by fields.

(3) The field in which there is a farm, or the part of plot qualifying as farmland around the farm, may only be put up for auction if the farmowner intending to use his/her right to pre-emption, under article 22 paragraph (2) of the Act, already possesses the compensation coupons due him/her.

(4) The auction regulated in the Act - with the exception of an auction comprised in article 27 paragraph (2) of the Act - may not take place after March 31, 1993.

Article 26

(1) The office for restitution shall make public the setting of the date for the auction in the official Hungarian Gazette, and in at least one national and one county daily, at least 30 days prior to the auction.

(2) The announcement on the naming of the auction shall include the place and date of the auction, the topographical lot, area and gold crown value of the large-scale patches of land up for auction, the restrictions pertaining to the utilisation of the area (nature conservancy area, etc) and the owner (manager) of the real estate registered in the real estate registry. The sphere of those with a legal title to participation at the auction [article 21, paragraph (1) of the Act and article 27 paragraph (2)] shall also be designated in the announcement.

(3) The auction shall also be announced in the manner customary on the premises.

Article 27

The claimant for compensation not attending the auction for any reason, may not assert any right by referring to the absence at a later date, and for this reason the result of the auction may not be changed.

(to article 21 of the Act)

Article 28

(1) Bidding may be made at an auction by a person who deposits with the man running the auction the compensation coupons due to him/her, and a completed warrant for the sum of agricultural entrepreneurial assistance. The compensation coupon deposited, and/or 20% of the value of the agricultural entrepreneurial voucher counts as an advance payment for the auction.

(2) The bidder must verify that he/she satisfies the preconditions specified in article 21 paragraph (1) of the Act.

(3) At the auction of state-owned farmlands designated out for auction, aside from farmland designated under article 15 paragraph (1) of the Act, the bidder must only verify that he/she takes part in the auction with compensation coupons due to him/her.

(4) The bidder must make a statement, not later than at the auction, that he/she assumes the obligation specified under article 23 paragraph (1) of the Act.

(5) The person who does not comply with the provisions comprised in the previous paragraphs may not take part in the auction. The fact of exclusion shall be put down in the auction records. A person excluded from the auction may raise objections against exclusion under the provisions comprised in article 40.

Article 29

A representative - on the grounds of authorisation - may proceed at the auction on behalf of the person entitled to compensation. The authorisation shall be comprised in an official document or a private deed with conclusive force.

Article 30

If each of several claimants for compensation satisfies, the conditions specified in the Act, they may together, through a representative named by them, engage in bidding. The land area obtained together shall be split up between them in proportion to the value of their compensation coupons used at the auction, and the comparative sums of the agricultural entrepreneurial assistance required.

(to articles 22-23 of the Act)

Article 31

(1) The person running the auction shall put the patch of land marked out for auction up for bidding as smaller sections on the basis of near identical land quality - separable by paths across the fields, roads, ditches, canals, lanes and other natural boundaries of a constant nature.

(2) The person running the auction shall inform the bidders of the essential characteristic data of the sections of field, and inform them about the costs to be borne but not payable with compensation coupons, in the event of obtaining ownership of the plot of land in question. Thereafter the auctioneer shall call on bidders to make their bids.

Articel 32

(1) The sections put up for auction within the patch of land shall be offered for purchase to participants proceeding in a direction determined beforehand.

(2) The participants shall make bids, with knowledge of the given section of land and direction of progress, by taking into consideration the prevailing reserve price and the sum of the value of the compensation coupon in their ownership and of the agricultural entrepreneurial assistance as defined in article 24 of the Act.

Articel 33

(1) The auction shall be continued by raising the reserve priced by 100 forints at a time - as long as bids are made. If there are no more bids, the person running the auction, after proclaiming the highest offered forint per gold crown value three times, shall establish the person making the highest bid and announce how the winner may use the right of pre-emption in the interest of obtaining how many gold crowns worth of land, on the basis of the compensation coupons deposited by this person. The winner shall announce subsequently to what quantity of gold crowns he/she, intends to use his/her right of pre-emption.

(2) In the event of several identical bids for purchase, if the gold crown quantity meant to be obtained by the bidders may be covered from the gold crown quantity of the land plot put up for auction - in the absence of a divergent agreement - the order of designation of the land shall be decided by lots between them. Inasmuch as the gold crown quantity intended to be obtained by bidders making identical bids for purchase cannot be covered from the gold crown quantity of the land plot put up for auction, the auction shall be re-launched at the original reserve price.

(3) The result of the auction shall be put down in the records by the person running the auction. They shall indicate in the records the personal data of the bidder, the forints per gold crown value offered by them, the identification data of the compensation coupons they have deposited, and the gold crown quantity obtained by the bidder on the basis of their declaration.

(4) As to the remaining gold crown quantity of the farmland put up for auction, the original reserve price must be announced again to the bidders.

(5) The person running the auction shall exclude from further bidding the bidder who, after the closure of bidding, will not use his/her right of pre-emption. The excluded individual will lose his/her auction deposit. This lost deposit belongs to the state.

Article 34

(1) If bidders do not make bids at or above the reserve price, the person running the auction shall reduce the gold crown reserve price continuously, but by no more than 100 forints at a time, until a bid is made, or until it reaches the minimum 500 forints per gold crown reserve price.

(2) If several bids are made at the reduced reserve price, the person running the auction shall add up the quantity of crowns intended to be obtained by the bidders. If the remaining gold crown quantity of the land covers the bids, the person running the auction shall accept the bids and set them down in the auction records. In this case the order in which bidders may make statements in the interest of practising their right of pre-emption shall be decided by lots. If the demands of bidders cannot be satisfied from the still remaining gold crown quantity, the person running the auction may call on bidders making identical bids to make additional bids.

(3) The result of the auction shall be recorded in line with the provisions of article 33.

Article 35

The auction will be concluded when bids for the full gold crown quantity of the large-scale patch of land put up for auction have been made, laid down in the records and covered by deposits, or if bidders make no more bids.

Article 36

The owner of a farm bidding for the farmland around his/her farmhouse is entitled to a right of pre-emption if his/her bid covered by compensation coupons (with agricultural entrepreneurial assistance) reaches the sum of the last bid made.

Article 37

The person running the auction shall conclude the auction record following the conclusion of the auction. The record shall be signed by the persons entitled to practise their right of pre-emption, and a statement made by them on their undertaking of obligations under article 23 paragraph (1) of the Act shall be attached to the record. Those entitled shall also make a statement in the record that they acknowledge the amount of forints falling to them of the cost not borne by compensation coupons, as specified in article 25 of the Act, in proportion to the gold crown quantity obtained by them, as debt for the benefit of the agricultural body, and acknowledge that paying that debt is a precondition to registration of their property right in the real estate registry.

Article 38

One copy each of the record, sealed and authenticated by the public notary, shall be sent by the person running the auction, within eight days following the closure, to the land registry,

the agricultural body, and to all persons entitled to compensation, who took part in the auction and made a statement on their right of pre-emption. The original copy of the authorisations shall be attached to the record sent to the land registry.

Article 39

If no bids are made to the full gold crown quantity of the large-scale patch of land put up for auction following the closure of the auction, the land corresponding to the gold crown quantity remaining in the ownership of the agricultural body may again be put up for auction following the division.

Article 40

(1) A bidder taking part in the auction, and a person excluded from bidding (articles 28 and 33) may lodge auction complaints, three days within the closure of the auction, to the National Office for Restitution and Compensation.

(2) The auction complaints must be judged within eight days of receipt. The result of the auction is final following judgment of the auction complaint.

(3) If the ruling on judgement of the auction complaint quashes the result of the auction, those entitled for bidding under the Act may take part in the repeated auction.

Article 41

(1) The new sections within the patches of land shall be marked out in a regular form, consideration for soil protection and farming requirements, and possibly by keeping the natural borders. To that end efforts shall be made to the effect that

- a) the direction of ploughing becomes possible perpendicularly to the direction of slope;
- b) the section of land remains accessible;
- c) the partitioning should not disrupt the operation of the existing irrigation and drainage systems;
- d) the claimant should receive his/her farmland in one piece;
- e) the undivided part of the patch should remain in a coherent unity.

(2) The woods marked out in one piece for the claimants for compensation, do not have to be divided in kind among the claimants with a right of pre-emption. This provision may be applied upon request for farmland belonging to other branches of cultivation. The property share due to the individual co-owners, of the wood remaining in joint ownership and of farmland belonging to other branches of cultivation, shall be defined according to the dimensions of the area that can be marked out, in the event of dividing the piece of land in kind.

Article 42

Provisions of the separate act are authoritative for the procedure of transferring land to state ownership.

Article 43

The owner shall meet his/her obligation undertaken to utilise the farmland for agriculture, if he/she continues production suitable to the branch of cultivation of the area. It shall not qualify as breach of the obligation to utilize the land if he/she suspends production, but constantly sees to the protection of the arable land, and its maintenance in an uncontaminated and weed-free condition.

Article 44

The competent district land registry shall notify the tax authority about the sale, within three years of the auction, of the farmland obtained by virtue of the right of pre-emption.

(to article 24 of the Act)

Article 45

(1) The agricultural entrepreneurial assistance serves to supplement the compensation claimant's compensation coupons, or may be claimed independently, without them.

(2) The fact of registration as an agricultural entrepreneur shall be verified at the competent office of restitution with the entrepreneurial certificate, and with an authentic copy of the registration sheet of APEH (the tax office).

(3) In the event of taking advantage of agricultural entrepreneurial assistance, that person shall qualify as an agricultural entrepreneur who engages in activity defined in the Act on personal income tax, articles 15-16.

(4) An annual 20% default interest must be paid from the day of maturity, after the sum of assistance is transformed into a credit.

(to article 25, paragraph (1) of the Act)

Article 46

(1) In the event of investments serving the utilisation and protection of the farmland, and amelioration, irrigation and road construction increasing its value, the value, reduced with the state subsidy and amortisation rate, of the investment cost, shall be the person leasing the land. The accuracy of the calculation performed by the agricultural body shall be supervised by the office of restitution.

(2) The new owner of the farmland, obtaining ownership by practising the right of pre-emption shall reimburse to the agricultural body transferring the land the equivalent value calculated for the principal economic works (ploughing, soil conservation) necessary for preparing a new economic year and the values of the green directory (e.g. sowing of fodder not older than three years) calculated according the register of land-plots of the agricultural

body. The extent and mode of reimbursement shall be agreed on by the new owner and the agricultural body.

(to article 25 paragraph (2) of the Act)

Article 47

(1) The marking out of farmland transferred to ownership by means of practising the right of pre-emption, as independent real estate, may be done by a land surveyor. The tasks of the land surveyor are to mark out in kind the patches of land to be divided, designating them on the land survey basic map (cadastral map), to distribute the farmland according to the gold crown quantity and sequence defined in the auction record measuring them for the claimants, and presenting the measured land section to the claimants - verified with their signature - and to draw up the specified sketches of change relating to compensation, the land register of distribution of compensation also comprising property, and other technical works.

(2) Land survey shall be done in accordance with the relevant separate legal rules and professional instructions (rules, directions).

(3) The road network necessary for approaching the divided land - in the absence of any divergent agreement - shall be developed as an area belonging to the owner's land, and removed from cultivation.

Article 48

The dimensions and gold crown value of the farmland transferred to ownership by means of practising the right of pre-emption shall be defined in accordance with the natural state, in the course of marking it out as an independent real estate.

Article 49

(1) The distribution sketches drawn up in the course of implementing the Act, are exempt from approval by the construction authority.

(2) No land protection contribution is payable after the withdrawal from agricultural cultivation of the new roads serving to approach areas for lease, and of the area of connected ditch networks.

Article 50

(1) The district land office, authorized according to the location of the land, shall record into the real estate register the property right of the farmland obtained by virtue of the right of pre-emption, furthermore for the benefit of the state, the mortgage right and ban on sale [article 24 paragraph (3) of the Act] receipt on the basis of the auction record - following the receipt of the sketch drawn up on the distribution of the patch of land, and the land report.

(2) If the claimant made a statement of recognizing debt by virtue of the provisions comprised in article 37, the verification of the paying off of the debt calculated under article 46 paragraph (1), or agreement with the agricultural body on paying in installments, shall be preconditions to registering his/her property right in the real estate registry.

Article 51

The farmland (section of land) granted as compensation by virtue of this act shall be registered separately on an ownership sheet. The designation "compensation" shall be displayed on section I of the ownership sheet as its legal character. The designation "auction" shall be indicated as the legal title to obtaining the property right in section II of the ownership sheet.

Article 52

(1) The lands transferred into ownership by practising the rights of pre-emption shall be transferred into ownership by the district land registry authorized according to the location of these lands.

(2) Preconditions for transfer of land to ownership include the prevalence of conditions for registration of the property right in the real estate registry [article 37 and article 50 paragraph (2)] and a statement by the agricultural body that the crop on the land has been harvested. Even in the absence of such a statement, the farmland of which the agricultural body harvested or could have harvested the crop in the specific year shall be transferred into ownership by December 31 of that year at the latest.

(3) The land registry, with the assent of the agricultural body, shall give into possession the farmland even if other conditions for the transfer to ownership prevail, but the claimant has not paid his/her acknowledged debt, or reached an agreement on payment in installments.

Article 53

(1) This decree shall take effect on August 10, 1991.

(2) The Minister of Finance and the Minister of Foreign Affairs are authorised to make public the international property right agreements mentioned in article 2 paragraph (5) of the Act.

(3) The contract of lease concluded for a definite length of time following the publication of this act shall be abrogated by the new owner of the farmland obtained by virtue of the right of pre-emption, with immediate effect.