2. The ship is regularly engaged in smuggling, illicit or clandestine traffic, or piracy; or

3. The ship acquires the nationality of another country.

Any person having knowledge of the existence of any of such grounds may make a report thereof, supported by adequate evidence, to the Department of War, Marine and Aviation. The Department shall inform the owner, agent or master of the ship of the charges, in order to permit him to refute them within a period of sixty days. If he is unable or unwilling to refute them, the Executive shall declare that the ship has lost its Honduran nationality and shall cause its registration and registry certificate to be cancelled. The Department shall send one copy of the declaration to the owner, agent or master of the ship and another to the port officer of the port of register for entry in the shipping register.

Article 15. Any owner of a national merchant ship may at any time sellit to any other person, whether of Honduran or alien nationality, or transfer it to the flag and registration of another country; provided that if Honduras is at war it shall be necessary to obtain the prior consent of the Executive.

Article 16. The owner of a national merchant ship desiring to cancel its Honduran registration shall present to the port officer of the port of register the registry certificate, a certificate attesting that no money is owing to the National Treasury in respect of the ship, a written application for cancellation, and the cancellation fees prescribed in article 19 (b) of the present Act.

On presentation of these documents the port officer shall cancel the certificate and place it in the archives of the port office, and shall enter the cancellation of registration in the shipping register, and shall provide the owner of the ship with a certified copy of the cancellation entry; he shall report his action to the Departments of the Treasury, of Public Credit and Commerce, and of War, Marine and Aviation with a view to the extinction of the ship's liabilities.

Article 17. If a national merchant ship is permanently withdrawn from service, sold for scrap, or lost by foundering or otherwise, its owner, agent or master shall record the fact in a notarized deed and shall request the port officer to cancel the registration and certificate with a view to the extinction of the ship's liabilities at law.

27. Hungary

(a) MERCHANT SHIPS REGISTRATION DECREE, 1922.

Article 1. A ship shall be recognized as a Hungarian merchant ship, that is to say as a ship entitled and obliged to wear the flag prescribed for Hungarian merchant ships, if it is registered in accordance with the provisions of this Order or provided with a temporary pass in the circumstances referred to in article 16.

The said flag is that defined in Order No. 8397 M.E. of 13 October 1921 of this Ministry.

¹ Text of Decree provided by the Ministry of Foreign Affairs of Hungary. Translation by the Secretariat of the United Nations.

Article 2. A ship shall be registered only if owned as to at least one-half by Hungarian nationals.

A joint stock corporation domiciled in Hungary shall be deemed to be a Hungarian national.

Article 3. The register of Hungarian merchant ships shall be kept by the Shipping Office of the Ministry of Commerce.

Article 12. The master of the ship and at least one-half of the deck- and engine-room officers shall be Hungarian nationals. In engaging the crew preference shall be given to Hungarian nationals over aliens.

The Minister of Commerce may, if he sees fit in a particular case, dispense with the provisions of the preceding paragraph. In a suitable case, as for instance where a ship fitted out abroad makes its first voyage, the consulate in whose jurisdiction the ship is lying may permit the voyage by way of exception even if the composition of the ship's crew does not comply with the foregoing provisions.

Article 16. Where a Hungarian national acquires title to a foreign ship or to not less than a half-share therein, as mentioned in article 2, and a certificate of registration cannot be issued to the ship before it first sails after being so acquired, a provisional pass shall be issued instead of a certificate of registration.

A provisional pass shall likewise be issued where a certificate of registration has been lost and it has not been possible to issue a new copy thereof.

Article 17. No ship shall wear the flag prescribed for Hungarian merchant ships until it has a certificate of registration, or a provisional pass issued in the first case provided for in article 16.

Article 19. A ship shall be erased from the register if it is permanently withdrawn from seaborne trade, or is lost without trace, or ceases to comply with the requirements of article 2.

Article 21. Every ship shall at all times be furnished with a certificate of registration or a provisional pass.

(b) Order of the Minister of Commerce, No. 53,081 of 1922, to give effect to the Merchant Ships Registration Decree, 1922.¹

To Article 1. The Decree shall apply to sea-going fishing vessels, tugs, pilot vessels and salvage vessels in private ownership and navigating for gain.

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¹ Text of Order provided by the Ministry of Foreign Affairs of Hungary. Translation by the Secretariat of the United Nations.