

FOREIGN CLAIMS SETTLEMENT COMMISSION  
OF THE UNITED STATES  
Washington 25, D. C.

statements in the Proposed Decision be restated accordingly, and it is

ORDERED that the Proposed Decision is in all other respects

**In the Matter of the Claim of**

CHRISTINA GOTTSTEIN PROSS  
220 East 115th Street  
New York, New York

Claim No. CZ-3863

FRED GRAHAM  
73 North Highland Avenue  
Ossining, New York

Claim No. CZ-3886

WILLIAM GRAHAM  
Box 65, Glen Head  
Long Island, New York

Claim No. CZ-3892

Decision No. CZ-2616

**Under the International Claims Settlement  
Act of 1949, as amended**

and an award is made to the claimants in the principal amount of Two Thousand Seven Hundred  
Eighty-Six Dollars and Eighty-One Cents (\$2,786.81) as follows: \$117.54  
for a bank account and \$2,669.27 for improved realty plus interest thereon

**Counsel for Claimants:**

Stanley M. Estrow, Esq.  
60 East 42nd Street  
New York 17, New York

and an award is made to the claimants in the principal amount of Three Thousand Seven Hundred  
Sixteen Dollars and Seventy-One Cents (\$3,716.71);

**FINAL DECISION**

The Commission issued its Proposed Decision on these claims on  
August 16, 1961. Full consideration having been given to objections filed  
by claimants, and to brief and additional evidence submitted, and to testi-  
mony at a hearing held on October 17, 1961, the Commission finds (1) that  
the balance in the subject blocked bank account at the time of annulment  
thereof on June 1, 1953, was 35,142.20 crowns; and (2) that the claimants'  
one-half interest in the inn known as "Slovenska Lipa" with related realty  
in Hora Kutna, Czechoslovakia, which was constructively taken without com-  
pensation by the Government of Czechoslovakia on January 1, 1953, by virtue  
of Law 80/52 Sb., had a value of \$16,000; and that claimants are entitled to  
awards therefor, commensurate with their respective interests in such property.  
It is therefore

ORDERED that the Proposed Decision be and the same is hereby amended  
in conformance with the foregoing findings and the awards granted to the

claimants in the Proposed Decision be restated accordingly, and it is ~~is~~  
~~is~~ **FURTHER ORDERED** that the Proposed Decision is in all other respects  
**affirmed** and the Proposed Decision as hereby amended be and the same is  
hereby entered as the Final Decision on these claims and the awards granted  
at Washington, D. C.  
to the claimants be certified to the Secretary of the Treasury.

NOV 1 1961

A W A R D S

Pursuant to the provisions of Title IV of the International Claims Settlement Act of 1949, as amended, an award is hereby made to **CHRISTINA GOTTSTEIN PROSS** in the principal amount of Two Thousand Seven Hundred Eighty-Three Dollars and Eighty-One Cents (\$2,783.81) as follows: \$117.14 for a bank account and \$2,666.67 for improved realty plus interest thereon at the rate of 6% per annum from the respective dates of taking to August 8, 1958, the effective date of Section 404 of the Act, in the sums of \$36.45 and \$896.45 respectively, for a total award of Three Thousand Seven Hundred Sixteen Dollars and Seventy-One Cents (\$3,716.71);

and an award is made to **FRED GRAHAM** in the principal amount of Eleven Thousand One Hundred Thirty-Five Dollars and Twenty-Two Cents (\$11,135.22) as follows: \$468.56 for a bank account and \$10,666.66 for improved realty plus interest thereon at the rate of 6% per annum from the respective dates of taking to August 8, 1958, the effective date of Section 404 of the Act,

THIS DECISION WAS ENTERED AS THE COMMISSION'S  
FINAL DECISION ON NOV 1 1961  
in the sums of \$145.80 and \$3,565.81 respectively, for a total award of Fourteen Thousand Eight Hundred Sixty-Six Dollars and Eighty-Three Cents (\$14,866.83);

Clerk of the Commission

and an award is made to **WILLIAM GRAHAM** in the principal amount of Two Thousand Seven Hundred Eighty-Three Dollars and Eighty-One Cents (\$2,783.81) as follows: \$117.14 for a bank account and \$2,666.67 for improved realty plus interest thereon at the rate of 6% per annum from the respective dates of taking to August 8, 1958, the effective date of

Section 404 of the Act, in the sum of \$36.45 and \$896.45 respectively, for a total award of Three Thousand Seven Hundred Sixteen Dollars and Seventy-One Cents (\$3,716.71).

Dated at Washington, D. C.

NOV 1 1961

*Edward J. Al*  
*Theodore Joffe*  
*Lavern R. Dilweg*

COMMISSIONERS

THIS DECISION WAS ENTERED AS THE COMMISSION'S  
FINAL DECISION ON

NOV 1 1961

*Francis J. MacFarson*

Clerk of the Commission

**FOREIGN CLAIMS SETTLEMENT COMMISSION  
OF THE UNITED STATES  
Washington 25, D. C.**

Reporting from the Settlements of Claims against the Government of Czechoslovakia

<b>In the Matter of the Claim of</b>	
<b>CHRISTINA GOTTSTEIN PROSS</b>	<b>Claim No. CE-3883</b>
<b>220 East 115th Street</b>	
<b>New York, New York</b>	
<b>FRED GRAHAM</b>	<b>Claim No. CE-3884</b>
<b>73 North Highland Avenue</b>	
<b>Ossining, New York</b>	
<b>WILLIAM GRAHAM</b>	<b>Claim No. CE-3892</b>
<b>Box 85, Glen Head</b>	
<b>Long Island, New York</b>	
<b>Under the International Claims Settlement</b>	<b>Decision No. CE-</b>
<b>Act of 1949, as amended</b>	<b>2616</b>

**Counsel for Claimants:**

**Stanley H. Estrow, Esq.**  
**60 East 42nd Street**  
**New York 17, New York**

**PROPOSED DECISION**

These are claims against the Government of Czechoslovakia under Section 404, Title IV, of the International Claims Settlement Act of 1949, as amended, in a total amount of \$192,863.33 by CHRISTINA GOTTSTEIN PROSS, a national of the United States since naturalization on November 26, 1943, and by FRED GRAHAM and WILLIAM GRAHAM, native-born citizens of the United States.

The claims are based on blocked and free bank accounts and realty in Czechoslovakia, and for damages assertedly sustained as the result of "rent reduction." It is asserted that the losses were sustained between 1945 and 1948, and claimants have converted their estimated crown values into dollars at the rate of 17 cents per crown rather than two cents per crown, which was the rate of exchange for that period.

Section 404 of the Act provides, inter alia, that the Commission shall determine the validity and amount of claims by nationals of the United States against the Government of Czechoslovakia for losses

resulting from the nationalization or other taking on and after January 1, 1945, of property, including any rights or interests therein, owned at the time by nationals of the United States.

One item upon which the claims are based is a blocked bank account with an asserted balance of 35,142.20 crowns. Evidence submitted after filing the claims discloses that deductions were made from this account for property levy, taxes and for the benefit of an individual in Czechoslovakia, leaving a balance of 7,567.20 crowns.

It follows from the congressional mandate to the Commission that there must be a showing, among other things, that the Government of Czechoslovakia nationalized or otherwise took property of a claimant in order for the Commission to act favorably on his claim. A study of the history of events with respect to bank accounts and savings accounts in Czechoslovakia reveals that pursuant to Law 41/53 zh., effective June 1, 1953, those deposits which were made on or prior to November 15, 1945 in old currency were annulled by the Government of Czechoslovakia.

The Commission finds that the amount of 7,567.20 crowns was on deposit in the Státní spořitelna in Koston Hora, Czechoslovakia, in which CHRISTINA GOTTSTEIN PROSS and WILLIAM SHARAN each had a one-sixth interest and in which FRED SHARAN had a two-thirds interest. That claimants' right to payment of this account was property within the meaning of Section 401(1) of the Act which defines property as "any property, right, or interest" and that this right to payment was taken by the Government of Czechoslovakia on June 1, 1953 by virtue of Section 7 of Law 41/53 zh., which cancelled such right.

Accordingly, the Commission concludes, with respect to the above described bank account of 7,567.20 crowns, that claimants are entitled to compensation at the rate of \$1.00 for 50 crowns for such taking under Section 404 of the Act, commensurate with their respective interests therein.

Another item upon which the claims are based is an asserted bank

balance in 1949 for 21,021 crowns. Subsequent to 1949 there was an account balance of 65,530.90 crowns. This is a free account No. 5719 at the savings bank. The ownership of the property is established by the fact which had a balance of 20,110.90 crowns in 1949 and 15,403 crowns in 1950. To the figure of 20,110.90 crowns, claimants have added an estimated 24 years' worth of rents and interest on the balance as valued in a letter of estimate for rents which they feel should have been deposited in an amount deposited in 1949. On the basis of the evidence and data of value of 45,420 crowns. However, there is no evidence that such additional deposits were made. Moreover, evidence submitted after the claims were prepared for 21,021.90 was produced which showed that the account was filed recites that the balance of account No. 5719 was entirely withdrawn by payments of taxes and amounts remitted to an individual in the Czech Republic.

Czechoslovakia, so that this account was closed. Further, although Law 41/53 Sb., effective June 1, 1953, annulled the right to payment of bank deposits in old currency made on or prior to November 15, 1945, it did not annul the right to payment of bank deposits in new currency made after November 15, 1945 and after June 1, 1953. The evidence of record further discloses two additional free accounts with apparent balances of 2,207.78 crowns and 4,134.40 crowns in which the claimants may have a two-thirds interest, but for the reason last stated above, these were not annulled by Law 41/53 Sb., nor is there any evidence before the Commission to show that these free accounts were otherwise taken by the Government of Czechoslovakia after June 1, 1953. Accordingly, this part of the claims is denied.

The Commission finds that CHRISTINA GOTTSTEIN PROSS and WILLIAM GRAMER each owned a one-twelfth interest and FRED GRAMER owned a four-twelfths interest in an inn known as "Slovenska Lipsa" with related realty in Hora Kuzna, Czechoslovakia, which was constructively taken without compensation by the Government of Czechoslovakia on January 1, 1953, by virtue of Law 10/52 Sb.

Claimants have asserted the value of their one-half interest in the property as 1,000,000 crowns based on an offer assertedly made in 1941. In arriving at the value of this improved real property, the Commission has considered all the evidence submitted by the claimant, including a sale of a 1/4 interest in 1936 for 75,000 crowns; a sale of a 1/4

interest in 1945 for 33,623 crowns. photographs taken in 1934 which show a two-story building, the condition of the property as described by the claimants' representative in Czechoslovakia, the rental income over a period of years, and the value of the building as related in a letter of December 10, 1939. On the basis of all evidence and data of record the Commission finds that the value of the claimants' one-half interest in the property was \$3,400.00 and concludes that claimants are entitled to compensation under Section 404 of the Act, for their respective interests in said property.

Claim is also made for "damage by reason of decreased rental" in an amount of 16,500 crowns. This is based upon a reduction of annual rent from 20,000 crowns to 3,000 crowns which purportedly occurred in the period between May 12, 1949 and March 20, 1950, during which time the restaurant was rented to a national enterprise. This enterprise according to claimants' representative in Czechoslovakia, had its rent officially set at 3,000 crowns, whereas the rent formerly received from a private individual was 20,000 crowns. Claimants assert that one-half of the reduction, or 8,000 crowns, would have been their property and that over a minimum period of nine years and five months they would have been entitled to receive 88,500 crowns. Rent control is an exercise of sovereignty authority, and has existed in Czechoslovakia since 1918. The authority to determine rates of permitted rents is vested in the Price Office, the National Committee being responsible for the administration of rent control legislation. In the absence of discrimination in a particular case, any loss suffered by reason of adjustment in rents does not give rise to a claim under international law. The evidence of record indicates that the property needed repairs, but does not indicate that the adjustment of rents was a discriminatory act directed to the claimants. Accordingly, this part of the claim is denied.

#### AWARDS

Pursuant to the provisions of Title IV of the International Claims

Settlement Act of 1949, as amended, an award is hereby made to CHRISTINA GOTTSTEIN PROSS in the principal amount of Six Hundred Twenty-Five Dollars and Twenty-Three Cents as follows: \$25.23 for a bank account and \$600.00 for improved realty plus interest thereon at the rate of 6% per annum from the respective dates of taking to August 3, 1958, the effective date of Section 404 of the Act, in the sum of \$7.35 and \$201.70 respectively, for a total award of Eight Hundred Thirty-Four Dollars and Seventy-Eight Cents (\$834.78).

and an award is made to WILLIAM GRAMM in the principal amount of Six Hundred Twenty-Five Dollars and Twenty-Three Cents (\$625.23) as follows: \$25.23 for a bank account and \$600.00 for improved realty plus interest thereon at the rate of 6% per annum from the respective dates of taking to August 3, 1958, the effective date of Section 404 of the Act, in the sum of \$7.35 and \$201.70 respectively, for a total award of Eight Hundred Thirty-Four Dollars and Seventy-Eight Cents (\$834.78).

and an award is made to FRED GRAMM in the principal amount of Two Thousand Five Hundred Dollars and Eighty-Eight Cents (\$2,500.88) as follows: \$100.88 for a bank account and \$2,400.00 for improved realty plus interest thereon at the rate of 6% per annum from the respective dates of taking to August 3, 1958, the effective date of Section 404 of the Act, in the sum of \$31.39 and \$806.61 respectively, for a total award of Three Thousand Three Hundred Thirty-Nine Dollars and Eight Cents (\$3,339.01).

Dated at Washington, D. C.

AUG 16 1961

BY DIRECTION OF THE COMMISSION



Francis T. Masterson  
Clerk of the Commission