

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

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In the Matter of the Claim of

ALVIN C. STRADER  
1702 W. Kiowa Street  
Colorado Springs, Colorado

Claim No. HUNG-21,665

Decision No. HUNG-549

Against the Government of Hungary  
Under Section 303 of the International  
Claims Settlement Act of 1949, as amended

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FINAL DECISION

The Commission issued its Proposed Decision on this claim on August 7, 1957, a certified copy of which was duly served upon the claimant(s). Full consideration having been given to the objections of the claimant(s), filed within the twenty-day period after such service which has now expired, and general notice of the Proposed Decision having been given by posting for thirty days, it is

ORDERED that such Proposed Decision be and the same is hereby entered as the Final Decision on this claim.

Dated at Washington, D. C.

OCT 30 1957

*Whitney Gilliland*  
*Pearl Carter Pace*  
*Henry S. Clay* MJD  
COMMISSIONERS  
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DJB  
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Act of 1949, as amended

GPO 16-72128-1

PROPOSED DECISION

This is a claim against the Government of Hungary under Section 303 of the International Claims Settlement Act of 1949, as amended, for the failure of that government to meet its obligations with respect to five (5) one thousand (1,000) Korona bonds of the Capital City of Budapest known as  $4\frac{1}{2}\%$  150,000,000 Korona loan of 1918, with 12 coupons; and for loss in connection with ownership of four (4) four hundred (400) Korona shares of the Lloyd Bank stock, with 24 coupons numbered 2 through 25; six (6) two hundred Korona shares of Mercur Valtouzleti, R.T. with coupon No. 20 and Certificate of Entitlement; three (3) two hundred (200) Korona shares of Liberty Banking and Trading Company, Ltd.

Section 303(3) of the Act authorizes the Commission to receive and determine claims of nationals of the United States against the Government of Bulgaria, Hungary and Rumania, or any of them, arising out of the failure to--

meet obligations expressed in currency of the United States arising out of contractual or other rights acquired by nationals of the United States prior to April 24, 1941, in the case of Bulgaria, and prior to September 1, 1939, in the case of Hungary and Rumania, and which became payable prior to September 15, 1947.

The Commission has concluded that Section 303(3) provides



relief solely with respect to claims against the Government of Bulgaria, the Government of Hungary, or the Government of Rumania.

Inasmuch as no governmental obligation has been alleged or established in connection with the bonds of the Capital City of Budapest, known as 4 1/2% one hundred fifty million Korona loan of 1918, forming a basis for this claim, the claim is not within the scope of Section 303(3). Thus, that portion of this claim which is for loss sustained as a result of failure to meet payment obligations with respect to the bonds of the Capital City of Budapest is not compensable for the reasons specified in the attached copy of Proposed Decision No. HUNG-50, In the Matter of the Claim of Walter W. Winget, HUNG-20,122 and for the further reason that it has not been established that the obligations on which it is based are "expressed in currency of the United States".

With respect to that part of this claim which is based on claimant's alleged ownership of stock in the Lloyd Bank, Mercur Valuzleti, R. T. and the Liberty Banking and Trading Company, Ltd., all Hungarian corporations which the claimant has alleged were nationalized, it is clear that one of the conditions which must be met before claimant can establish his entitlement to an award under Section 303 of the Act is that imposed by Section 311(b) of the Act which provides as follows:

A claim based upon an interest, direct or indirect, in a corporation or other legal entity which directly suffered the loss with respect to which the claim is asserted, but which was not a national of the United States at the time of the loss, shall be acted upon without regard to the nationality of such legal entity if at the time of the loss at least 25 per centum of the outstanding capital stock or other beneficial interest in such entity was owned, directly or indirectly, by natural persons who were nationals of the United States."

Claimant has not offered any evidence to establish the percentage of the beneficial interest in the respective companies represented by his alleged holdings. Moreover, he has not offered evidence of any ownership interests other than his own in order to establish that at the time of loss at least 25% of the corporations



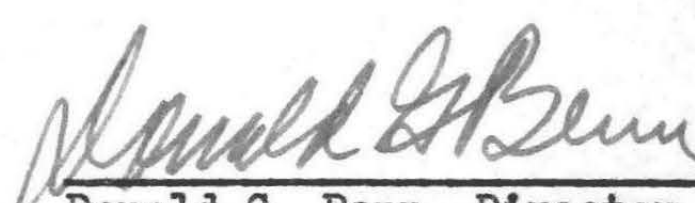
was owned by natural persons who were nationals of the United States. Therefore, the part of this claim which is based on ownership interests in Lloyd Bank, Mercur Valtouzleti, R. T. is found to be not compensable since it has not been established that at least 25% of the companies in question was owned at the time of loss by natural persons who were nationals of the United States.

Accordingly, for the foregoing reasons, this claim is denied.

Dated at Washington, D.C.

**AUG 7 1957**

FOR THE COMMISSION:

  
Donald G. Benn, Director  
Balkan Claims Division

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*WB*  
*mjs*