

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

In the Matter of the Claim of

ANGELINE ANTONOVICH DAVIS
166 Cottage Grove
Highland Park, Michigan

Docket No. Y-849

Decision No. 304-A

Under the Yugoslav Claims Agreement
of 1948 and the International Claims
Settlement Act of 1949

Counsel for Claimant:

DAINES and DAINES
13732 Woodward Avenue
Highland Park 3, Michigan

PROPOSED DECISION OF THE COMMISSION

This is a claim for \$500 by Angeline Antonovich Davis, a citizen of the United States by derivation from the naturalization of her late husband, Dimitry Antonovich, on September 7, 1922, and is for the taking by the Government of Yugoslavia of a bank deposit and 20 shares of the Serbo-American Bank of Belgrade.

That portion of the claim which was for a bank deposit was denied by Proposed Decision of the Commission No. 304, dated August 5, 1952, which became final on September 11, 1952. Claimant brings this claim as heir of her late husband, Dimitry Antonovich and has submitted a certified copy of an Order of the Probate Court of Wayne County, Michigan, dated June 4, 1951, which declared that all the personal property of the estate of Dimitry Antonovich should be turned over to the claimant.

Claimant has submitted no corroborating evidence as to the value of the stock or the asserted nationalization or other taking of her claimed property or property rights. The Government of Yugoslavia reports that Dimitry Antonovich was the owner of 20 shares of stock of the Serbo-American Bank of Belgrade and that

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each share should be valued at 2,335 dinars or 46.70 dinars for claimant's 20 shares. That valuation is based upon a bank surplus of 583,657.69 dinars at liquidation, divided by the 250,000 shares which comprised the total capital stock issuance of the bank.

The Government of Yugoslavia has admitted that the bank was placed into compulsory liquidation proceedings which were completed on October 8, 1948, its license to do business having been annulled on the basis of the Decree for License Revising and Liquidating Private Crediting Enterprise (Official Gazette of the FPRY No. 51 of June 25, 1946).

The Government of Yugoslavia reports that the Bank suffered reverses commencing with the economic crisis in 1931, including a run of depositors who sought to withdraw their deposits. The Bank was forced to seek a moratorium on obligations and the moratorium was approved by the Ministry for Trade and Industry on January 9, 1935. This moratorium on obligations lasted until April 24, 1942. The Bank has paid no dividends since 1931.

On December 31, 1934, the Bank decreased its capital stock by one-half, to 12,500,000 dinars, and par value per share was reduced to 50 dinars per share. However, the Bank continued to do business and according to balance sheets submitted by the Yugoslav Government, made profits in 1940, 1941 and 1942 and suffered a loss in 1944.

In a prior decision, In the Matter of the Claim of Adelaide V. Duncan, Docket No. Y-310,* we set forth at some length matters of background relating to the Yugoslav bank there involved. That recital insofar as it bears upon the depressive economic factors which were extant in Yugoslavia both before and during the war, also is applicable in the present situation and need not be repeated here. The Commission also pointed out in that decision that it was not feasible for it to undertake an evaluation of the Yugoslav banking

system in order to supply a valuation base for claimant's fractional stock interests. In recognition of the difficulties which attend a claim of this kind, we have concluded that in fairness both to other claimants and the fund of \$17,000,000 provided by the Government of Yugoslavia, as well as to the interests of this claimant, a valuation best calculated to serve the ends of justice and equity should be determined.

Although the history and financial status of the Serbo-American Bank, Inc., of Belgrade suggests that its stock had little value at the time of taking, nevertheless, we are of the view that since the bank was not insolvent, voting rights, at the very least, entail a value which should be recognized. Upon consideration of all the evidence and data immediately available to the Commission, it is concluded that the fair and reasonable value of each share of stock was 25 cents per share and that the 20 shares involved here should be valued at \$5.

According to the Government of Yugoslavia, the bank was placed in liquidation by decision of the Yugoslav Ministry of Finance dated September 27, 1946, which will be assumed to be the date of taking.

AWARD

On the above evidence and grounds, this claim is allowed and an award is hereby made to Angeline Antonovich Davis, claimant, in the amount of \$5 with interest thereon at 6% per annum from September 27, 1946, the date of taking, to August 21, 1948, the date of payment by the Government of Yugoslavia, in the amount of 57 cents.

Dated at Washington, D. C.

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DEPARTMENT OF STATE
INTERNATIONAL CLAIMS COMMISSION
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PROPOSED DECISION

MARVEL, CHAIRMAN. This claim is before this Commission upon the proceeding of the Solicitor of the Commission pursuant to Section 300.16 of the Rules of Practice and Procedure of the Commission, and seeks the recovery of the dollar value of a bank account in Yugoslavia.

This claim is denied in whole for the reasons stated by a majority of the Commission in its Proposed Decision No. 55, entitled In the Matter of the Claim of Anton and Frances Tabar (Y-580).

This Proposed Decision relates solely to that part of this claim which is based upon a bank deposit account in Yugoslavia.

Commissioner McKeough concurs in the above.

Commissioner Baker's views are stated in his opinion filed in the said proceeding entitled In the Matter of the Claim of Anton and Frances Tabar.

August 5, 1952