

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

IN THE MATTER OF THE CLAIM OF

ERNEST S. ZWEIG ✓
3544 Broadway ✓
New York 31, New York ✓

Claim No. CZ-1,183 ✓

Decision No. CZ-539 ✓

Under the International Claims Settlement
Act of 1949, as amended

GPO 942329

FINAL DECISION

The Commission issued its Proposed Decision on this claim on April 18, 1960, a copy of which was duly served upon the claimant. Full consideration having been given to the objections of claimant and to evidence submitted in support thereof, and notice of the Proposed Decision having been given by posting for twenty days, it is

ORDERED that the Proposed Decision be amended to read as follows:

This is a claim under Section 404, Title IV of the International Claims Settlement Act of 1949, as amended, by ERNEST S. ZWEIG, a national of the United States since his naturalization on September 10, 1944. The claim is based on the nationalization or other taking of property in Czechoslovakia.

Section 404 of the Act provides, inter alia, for the determination by the Commission in accordance with applicable substantive law, including international law, of the validity and amount of claims by nationals of the United States against the Government of Czechoslovakia for losses resulting from 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.

CZ-16, 11, 5

Clearly then, 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 bonds of the Government of Czechoslovakia, known as Statni Umoritelna Unifikacni Pujcka, reveals that pursuant to Law 41/53 Sb., effective June 1, 1953, such bonds were annulled by the Government of Czechoslovakia.

The Commission finds that claimant owned bonds of the Government of Czechoslovakia of the issue known as Statni Umoritelna Unifikacni Pujcka, in the face amount of 90,500 koruna; that claimant's right to payment of this amount 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 Sb., which cancelled such right.

Accordingly, the Commission concludes with respect to the portion of the claim which is based upon bonds of the Government of Czechoslovakia that claimant is entitled to compensation at the rate of \$1.00 for 50 koruna for such taking under Section 404 of the Act.

The Commission further finds that claimant owned three (3) shares of common stock, issue of 1942 in the corporation known as Severni draha Ferdinandova, the assets of which were nationalized without compensation by the Government of Czechoslovakia on October 27, 1945 by virtue of Section 1 of Decree 100/45 Sb.

In computing the value of the stock of Czechoslovakian corporations at the time of their nationalization, it being impossible to make on-the-spot appraisals, the Commission has considered quotations on various European stock exchanges, financial data from Compass Financial Yearbooks

for Czechoslovakia and other publications, balance sheets and operating statements, book values, and advice obtained from governmental and financial sources in foreign countries, as well as information provided by various claimants with respect to prices paid for the stock and its value. On the basis of all the evidence and information available, the Commission finds that the value of the common stock, issue of 1942, of Severni draha Ferdinandova, Czechoslovakia, on October 27, 1945, was \$59.40 per share.

The Commission finds, therefore, that the value of claimant's stock interest in such corporation was One Hundred Seventy-Eight Dollars and Twenty Cents (\$178.20), which also includes declared but unpaid dividends, and concludes that claimant is entitled to compensation for such loss under Section 404 of the Act.

The remaining portion of the claim is based upon twelve (12) deferred shares (Genusscheine) and fifteen (15) liquidation participation certificates (Rentenscheine) of the corporation Severni draha Ferdinandova. The record shows that the securities in question were sold on December 11, 1943 for 152,054 koruna and such proceeds were remitted to the Treasury of the Property Office in Prague, also known as Vermoegensamt, a German agency.

However, claimant failed to establish that the Government of Czechoslovakia took possession of the 152,054 koruna, representing the proceeds of these deferred shares (Genusscheine) and liquidation participation certificates (Rentenscheine). Accordingly, the portion of the claim based thereon must be and hereby is denied.

The Commission deems it unnecessary to make determinations with respect to other elements of the claim.

A W A R D

Pursuant to the provisions of Title IV of the International Claims Settlement Act of 1949, as amended, the claim is allowed in part and an award is hereby made to ERNEST S. ZWEIG in the amount of One Thousand Nine Hundred Eighty-Eight Dollars and Twenty Cents (\$1,988.20), plus interest thereon at the rate of 6% per annum from the respective dates of takings to August 8, 1958, the effective date of Section 404 of the Act, in the amount of Six Hundred Ninety-Nine Dollars and Eighty-Seven Cents (\$699.87), for a total award of Two Thousand Six Hundred Eighty-Eight Dollars and Seven Cents (\$2,688.07); and it is further

ORDERED that the Proposed Decision as amended herein be and it is hereby entered as the Final Decision on this claim; and it is further

ORDERED that the award granted herein be certified to the Secretary of the Treasury.

Dated at Washington, D. C.

FEB 27 1961

Paul Lester Pace

Thos. L. Davis

COMMISSIONERS

A. K. B.
[Handwritten initials]

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

IN THE MATTER OF THE CLAIM OF

ERNEST S. ZWEIG
3544 Broadway
New York 31, New York

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CZ-1183

Decision No. CZ-539

GPO 942329

PROPOSED DECISION

This is a claim against the Government of Czechoslovakia under Section 404 of the International Claims Settlement Act of 1949, as amended, by ERNEST S. ZWEIG, for the nationalization or other taking of certain securities.

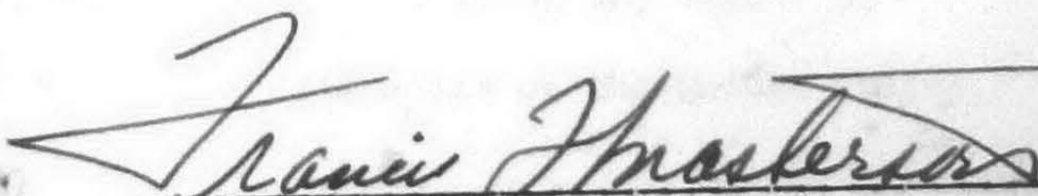
The claimant states that the securities upon which the claim is based were taken by German authorities (Ge stapo) on March 3, 1941.

The claim is hereby denied for the reasons specified in the attached copy of Proposed Decision No. CZ-64, In the Matter of the Claim of MARGARET HODERMARSKY, Claim No. CZ-3, 792.

Dated at Washington, D. C.

APR 18 1960

BY DIRECTION OF THE COMMISSION:



Francis T. Masterson
Clerk of the Commission

A. K. B.


CZ-9