

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

IN THE MATTER OF THE CLAIM OF

FRANK DVORAK
228-24 Mentone Avenue
Laurelton, New York

Claim No. CZ-1791

Decision No. CZ- 423

Under the International Claims Settlement
Act of 1949, as amended

GPO 942329

Counsel for Claimant:

Jan A. Obst, Esquire
202 Azar Building
Glen Burnie, Maryland

PROPOSED DECISION

This is a claim in the amount of \$2,313.43 against the Government of Czechoslovakia under Section 404 of the International Claims Settlement Act of 1949, as amended, by FRANK DVORAK, a national of the United States since his naturalization on September 17, 1931.

The claim is based on the nationalization or other taking of the proceeds arising from a life insurance policy No. 229834/IIa in the amount of 10,000 Czech crowns placed by claimant with "Slavia", Mutual Life Insurance Company of Prague, 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 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.

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 proceeds arising from life insurance policies in Czechoslovakia reveals that under Law 41/53 Sb., effective June 1, 1953, such proceeds placed in blocked accounts pursuant to Section 7, subd. I (1) of the Law No. 141/47 Sb. were annulled by the Government of Czechoslovakia. Section 7, subd. I (1) of Law No. 141/47 Sb. authorizes and directs insurance companies to place into blocked accounts among other things, proceeds arising from life insurance policies at the cash value ascertained as of December 31, 1945 pursuant to registration proceedings provided for by Decree No. 95/45 Sb.

The Commission finds that claimant's right to payment of the proceeds arising from his life insurance policy on which this claim is based was property within the meaning of Section 401(1) of the aforesaid Act which defines property as "any property, right or interest" and the Commission further finds that this right to payment was taken by the Government of Czechoslovakia on June 1, 1953 by virtue of Section 7 of Law No. 41/53 Sb. which cancelled such right.

Accordingly, the Commission concludes, that the amount of 10,000 Czech crowns, the cash value on December 31, 1945 of claimant's life insurance policy with "Slavia", Mutual Life Insurance Company, of Prague, Czechoslovakia, which was subsequently deposited in a blocked account, was taken without compensation by the Government of Czechoslovakia on June 1, 1953, pursuant to Law No. 41/53 Sb. and that claimant is entitled to compensation at the rate of \$1.00 for 50 crowns for such taking under Section 404 of the Act.

No evidence has been submitted to establish that claimant was entitled to any interest in addition to the cash value of the

insurance policy for the period from December 31, 1945 to June 1, 1953, and that any such interest was confiscated by the Government of Czechoslovakia. The portion of this claim based on interest for that period of time is, therefore, denied. On the other hand, interest from June 1, 1953, the date of annulment, to August 8, 1958, the date of enactment of Title IV of the Act, is being allowed at the rate of 6% per annum.

A W A R D

Pursuant to the provisions of the International Claims Settlement Act of 1949, as amended, an award is hereby made to FRANK DVORAK, claimant herein in the principal amount of Two Hundred Dollars (\$200.00), plus interest thereon at the rate of 6% per annum from June 1, 1953 to August 8, 1958, the effective date of the Act, in the amount of Sixty-two Dollars and Twenty-three Cents (\$62.23), for a total award in the amount of Two Hundred Sixty-two Dollars and Twenty-three Cents (\$262.23).

Dated at Washington, D. C.

APR 4 1960

BY DIRECTION OF THE COMMISSION:

Francis T. Masterson

Francis T. Masterson
Clerk of the Commission

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THIS DECISION WAS ENTERED AS THE COMMISSION'S
FINAL DECISION ON MAY 2 1960

Francis T. Masterson
Clerk of the Commission