

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

IN THE MATTER OF THE CLAIM OF

WALTER FARYNIARZ  
15 Hamlet Street  
Fall River, Massachusetts

Against the Government of Rumania  
Under the International Claims Settlement  
Act of 1949, as amended

Claim No. RUM-30,468

Decision No. RUM-86

GPO 16-72126-1

FINAL DECISION

The Commission issued its Proposed Decision on this claim on February 26, 1957, a certified copy of which was duly served upon the claimant. No objections or request for a hearing having been filed within twenty days after such service 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, the award being restated as follows:

Fourteen thousand eighty-seven dollars and fifty cents (\$14,087.50), plus interest thereon at the rate of 6% per annum from the respective due dates of the obligations represented by the above award to August 9, 1955, the effective date of Section 303, in the amount of eleven thousand nine hundred six dollars and thirty-eight cents (\$11,906.38).

Dated at Washington, D. C.

APR 24 1957

*Whitney Gilliland*  
Whitney Gilliland, Chairman  
*Pearl Carter Pace*  
Pearl Carter Pace, Commissioner

I concur in the above decision but for the reasons set forth in the attached copy of my opinion in the Matter of the Claim of Arthur Zentler, RUM-30,044, I would also include in the award the principal amount of the obligations on which the claim is based.

*Henry J. Clay*  
Henry Clay, Commissioner

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In the Matter of the Claim of

WALTER FARYNIARZ  
15 Hamlet Street  
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Under the International Claims  
Settlement Act of 1949, as amended.

Claim No. RUM-30,468

Decision No. RUM- 86

PROPOSED DECISION

This is a claim for thirty-one thousand two hundred seven dollars and eighteen cents (\$31,207.18) under the provisions of Section 303(3) of the International Claims Settlement Act of 1949, as amended, against the Government of Rumania by WALTER FARYNIARZ, a citizen of the United States since his naturalization on September 18, 1912, for the failure of the said government to meet its contractual obligations.

The record shows that claimant purchased prior to September 1, 1939, and presently holds, 24 Kingdom of Roumania Monopolies Institute 7% Guaranteed External Sinking Fund Gold Bonds, Stabilization and Development Loan of 1929, eight being in the principal amount of \$1,000 each and bearing the numbers M12102, M12103, M12104, M17483, M19686, M19822, M23256, and M23614, and sixteen being in the principal amount of \$500 each and bearing the numbers D420, D421, D455, D456, D463, D464, D465, D466, D1092, D1093, D1404, D1406, D1407, D1408, D3782, and D19134. Under the terms of the bond contracts, the Government of Rumania as primary obligor guaranteed to holders payment of the sum of \$17.50 for each \$500 in principal amount held, and the sum of \$35.00 for each \$1,000 in principal amount held, semiannually on February 1 and on August 1 of each year until the maturity date of the bond issue on February 1, 1959.

It further appears that payment of only 50% of the amount due holders thereof on February 1, 1934 was made, and that commencing with the payment which fell due on August 1, 1935, no payments on account of interest have been made to date by the Government of Rumania with respect to claimant's bonds numbered M12102, M12103, M12104, D420, D421, D455, D456, D463, D464, D465, D466, D1092, D1093, D1404, D1406, D1407, D1408, and D3782, and that commencing with the payment which fell due on February 1, 1936, no payments on account of interest have been made to date by the Government of Rumania with respect to claimant's bonds numbered M17483, M19686, M19822, M23256, M23614, and D19134.

Section 303(3) of the Act authorizes the Commission to receive and determine, among other claims, those based on the failure of the Government of Rumania 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... September 1, 1939, in the case of...Rumania, and which became payable prior to September 15, 1947.

Accordingly, the Commission has concluded that any award under the above provisions of the Act may include only unpaid amounts which by the terms of the bond contracts were payable prior to September 15, 1947, and may not include any amounts which became payable thereafter.

In his computation of the amount claimed, the claimant has included the total principal amount of \$16,000, citing a provision of the bond contracts that, "In case of default as provided in the Loan Agreement, the principal of this bond and all other bonds of this issue may be declared and become due and payable in the manner and with the effect provided in the Loan Agreement." The Commission finds, however, that under the terms of the Loan Agreement, the principal amount does not become due and payable prior to February 1, 1959, notwithstanding default, unless the various Fiscal Agents deliver to the Kingdom of Roumania

Monopolies Institute notice in writing by the holders of at least 25% in principal amount of all bonds outstanding, declaring the entire principal amount to be due and payable. There being no showing or allegation of such action by the required proportion of the bondholders and by the Fiscal Agent, the Commission's finding above as to the amount by which the Government of Rumania has failed to meet its obligations under claimant's bond contracts is limited to instances of nonpayment of interest which became due and payable prior to September 15, 1947.

Thus, the Commission finds that from February 1, 1934, to September 15, 1947, the Government of Rumania failed to meet its obligations under claimant's bond contracts to make payments to him totalling fourteen thousand eighty-seven dollars and fifty cents (\$14,087.50).

A W A R D

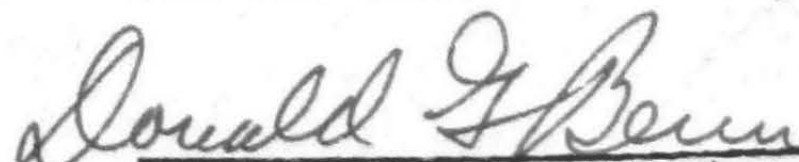
On the above evidence and grounds, this claim is allowed and an award is hereby made to WALTER FARYNIARZ, claimant herein, in the amount of fourteen thousand eighty-seven dollars and fifty cents (\$14,087.50), plus interest thereon at the rate of 6% per annum from the respective due dates of the obligations represented by the above award to August 9, 1955, the effective date of Section 303.

Payment of any portion of the award herein shall not be construed to have divested claimant herein or the Government of the United States, on his behalf, of any rights against the Government of Rumania, for the unpaid balance of the claim, if any.

Dated at Washington, D. C.

FEB 26 1957

FOR THE COMMISSION:

  
Donald G. Benn, Director  
Balkan Claims Division

*TC*  
*AM*