

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

IN THE MATTER OF THE CLAIM OF

MARIE GOLDCHAIN
Salt Point
Dutchess County, New York

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CZ-3476

Decision No. CZ- 820

GPO 942329

PROPOSED DECISION

This is a claim against the Government of Czechoslovakia under Section 404, Title IV of the International Claims Settlement Act of 1949, as amended by MARIE GOLDCHAIN, a national of the United States by naturalization on September 19, 1929. The claim is based upon a deposit in the Statna Banka, Bratislava, Czechoslovakia.

Claimant states that she and her sister sold certain real property in Czechoslovakia in December 1950 for 407,171 crowns which was deposited in early 1951 in the Statna Banka, Bratislava, Czechoslovakia. She further asserts that the deposit was reduced by the currency reform of June 1953 to 15,977.33 crowns, that some of the funds were withdrawn for the use of relatives in Czechoslovakia and that she would like to have the balance of about 8,077.33 crowns transmitted to the United States as the bank would not effect such transfer.

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

CZ-14

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.

Deposits made on or before November 15, 1945, in pre-World War koruna, and blocked as of November 1, 1945, pursuant to Decree 91/45 Sb., were annulled by Section 7 of Law 41/53 Sb. The Commission has determined that such annulment constituted a "taking" of property within the meaning of Section 404 of the Act.

The instant claim, however, is based upon a deposit made in 1951, in new koruna which was established by Decree 91/45 Sb., as of November 1, 1945. While Law 41/53 Sb., effective June 1, 1953, annulled the right to payment of bank deposits in old currency made on or prior to November 15, 1945, it did not annul the right to payment of bank deposits in new currency made after this date. There is no evidence before the Commission to show that the bank deposit upon which this claim is based was taken by the Government of Czechoslovakia after June 1, 1953. Moreover, a currency reform resulting in devaluation of a nation's currency, and a prohibition against the transfer of funds outside of a country, are exercises of sovereign authority which, though causing hardship to nonresidents having currency on deposit within the country, may not be deemed a "taking" of their property within the meaning of Section 404 of the Act.

Accordingly, claimant having failed to establish any action on the part of the Government of Czechoslovakia which amounts to a "nationalization or other taking" of her property within the meaning of the Act, the claim is denied. The Commission finds it unnecessary to made determinations with respect to other elements of the claim.

Dated at Washington, D. C.

JUN 13 1960

BY DIRECTION OF THE COMMISSION:

Francis T. Masterson
Clerk of the Commission

THIS DECISION WAS ENTERED AS THE COMMISSION'S
FINAL DECISION ON JUL 11 1960

Francis T. Masterson

Clerk of the Commission

W. L. ...

Francis T. Masterson