

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

IN THE MATTER OF THE CLAIM OF

ALEXANDROS K. PASHALIS
827 Madison Avenue
Paterson, New Jersey

Under the International Claims Settlement
Act of 1949, as amended

[Handwritten signature]
Claim No. IT-10,567

Decision No. IT-180-2

GPO 942329

FINAL DECISION

The Commission issued its Proposed Decision on this claim on May 11, 1959, 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.

Washington 25, D. C.

JUN 19 1959

Whitney Hilliland

Paul Pace

Robert L. Kunzig

COMMISSIONERS

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PROPOSED DECISION

This timely filed claim for \$1,845.00 is before the Commission by virtue of an amendment to Section 304 of the International Claims Settlement Act of 1949, as amended, pursuant to Section 2, Public Law 85-604.

This claim was previously denied for the reason that it did not meet the necessary nationality requirements under Section 304 of the Act in that said claim was not continuously owned by a national of the United States from the date of loss to the date of filing. Since the claim was denied for the foregoing reason, other factors with respect to claimant's eligibility were not considered, nor was the Commission required to do so.

On August 8, 1958, the following amendment to Section 304 (Sec. 2, Public Law 85-604, 72 Stat. 531) was approved:

Section 304 of the International Claims Settlement Act of 1949, as amended, is amended by adding at the end thereof the following: "Upon payment of the principal amounts (without interest) of all awards from the Italian Claims Fund created pursuant to Section 302 of this Act, the Commission shall determine the validity and amount of any claim under this section by any natural person who was a citizen of the United States on the date of enactment of this title

and shall, in the event an award is issued pursuant to such claim, certify the same to the Secretary of the Treasury for payment out of remaining balances in the Italian Claims Fund -----."

The Commission has construed the language in the amendment as requiring it to "determine the validity and amount of any claim" of persons who were citizens of the United States on August 9, 1955, notwithstanding the fact that the claim may have been denied under Section 304 of the Act prior to the amendment for reasons other than claimant's failure to meet the test of nationality.

In the light of the foregoing, the claim has been re-examined and it has been determined that the claimant herein, Alexandros K. Pashalis, is a citizen of the United States since the date of his naturalization on January 10, 1951. The records further disclose that claimant is seeking compensation for the loss of alleged bank deposits in drachmas, with the National Bank of Greece, Andros, Greece, which it is asserted were not returned to him, as a result of the war in which Italy was engaged from June 10, 1940 to September 15, 1947.

It is well established in international law that a currency reform resulting in the devaluation of a nation's currency is an exercise of sovereign authority which does not give rise to a claim against that nation. Similarly, a prohibition against transfer of funds outside of a country is an exercise of sovereign authority. Moreover, the regulation of currency is an internal matter, the effects of which may not be attributable to the government of another nation, absent a showing that the latter is liable for all the direct and indirect, immediate and ultimate consequence of war.

The Commission is, therefore, of the opinion that any other construction would be unwarranted and contrary to the evident

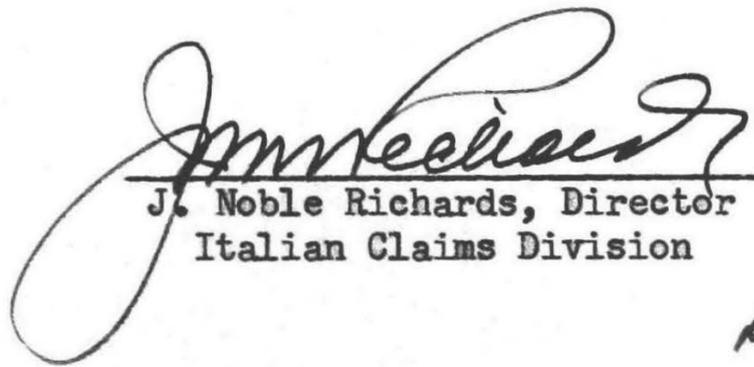
import of the statute which provides for claims against the Government of Italy. While the claimant may have sustained a loss, it is concluded that the loss is not compensable under the Act.

For the foregoing reasons, the claim must be, and is hereby, denied.

Dated at Washington, D. C.

MAY 11 1959

FOR THE COMMISSION:



J. Noble Richards, Director
Italian Claims Division

HRM