

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
WASHINGTON, D.C. 20579

IN THE MATTER OF THE CLAIM OF

MARY R. KNUDSEN

Under the International Claims Settlement
Act of 1949, as amended

Claim No. G-2225

Decision No. G-2881

PROPOSED DECISION

This claim in an unstated dollar amount against the Government of the German Democratic Republic, under Title VI of the International Claims Settlement Act of 1949, as amended by Public Law 94-542 (90 Stat. 2509), is based upon the loss of a capital investment in Emil Merz & Co. in Erfurt and interest on that investment.

The record indicates that claimant became a United States citizen on November 17, 1944.

Under section 602, Title VI of the Act the Commission is given jurisdiction as follows:

"The Commission shall receive and determine in accordance with applicable substantive law, including international law, the validity and amounts of claims by nationals of the United States against the German Democratic Republic, for losses arising as a result of the nationalization, expropriation, or other taking of (or special measures directed against) property, including any rights or interests therein, owned wholly or partially, directly or indirectly at the time by nationals of the United States whether such losses occurred in the German Democratic Republic or in East Berlin. . ."

Based on all the evidence, including the statements of claimant and the report of an independent investigation conducted by the Commission's field office, the Commission finds that claimant MARY R. KNUDSEN became in 1940 a creditor of the Emil Merz and Co. in Erfurt to the extent of RM 30,000.

The evidence of record establishes that Emil Merz and Co. in Erfurt was expropriated by the German Democratic Republic on June 1, 1948. Claimant simultaneously suffered the loss of her interest as a creditor to the extent of RM 30,000 in the company. The Commission has found that in determining an award, 4.2 reichsmarks equalled one dollar 1948. Therefore, claimant is entitled to an award in the amount of \$7,142.86.

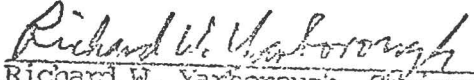
Claimant asserts the loss of interest in addition to the loss of the capital investment. The evidence of record, however, does not reveal the amount or rate of interest which might have been owned on the debt. Therefore, any award for accumulated interest would be too speculative and that portion of the claim must be and hereby is denied.

The Commission has concluded that in granting awards on claims under section 602 of Title VI of the Act, for the nationalization or other taking of property or interests therein, interest shall be allowed at the rate of 6% per annum from the date of loss to the date of settlement. (Claim of GEORGE L. ROSENBLATT, Claim No. G-0030, Decision No. G-0100 (1978)).

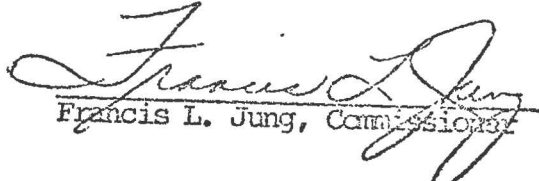
A W A R D

Claimant, MARY R. KNUDSEN, is therefore entitled to an award in the amount of Seven Thousand One Hundred Forty-Two Dollars and Eighty-Six Cents (\$7,142.86) plus interest at the rate of 6% simple interest per annum from June 1, 1946 until the date of the conclusion of an agreement for payment of such claims by the German Democratic Republic.

Dated at Washington, D.C.
and entered as the Proposed
Decision of the Commission.


Richard W. Yarborough, Chairman

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Francis L. Jung, Commissioner

This is a true and correct copy of the decision
of the Commission which was entered as the final
decision on FEB 11 1981


Executive Director

NOTICE: Pursuant to the the Regulations of the Commission, if no objections are filed within 15 days after service or receipt of notice of this Proposed Decision, the decision will be entered as the Final Decision of the Commission upon the expiration of 30 days after such service or receipt of notice, unless the Commission otherwise orders. (FCSC Reg., 45 C.F.R. 531.5 (e) and (g), as amended.)

At any time after Final Decision has been issued on a claim, or a Proposed Decision has become the Final Decision on a claim, but not later than 60 days before the completion date of the Commission's affairs in connection with this program, a petition to reopen on the ground of newly discovered evidence may be filed. (FCSC Reg., 45 C.F.R. 531.5 (1), as amended).