

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

IN THE MATTER OF THE CLAIM OF

FRANK PAUL
STEFANIE RUSKIN

Under the International Claims Settlement
Act of 1949, as amended

Claim No. G-3640
G-3641

Decision No. G-1213

PROPOSED DECISION

These claims in the amount of \$340,000.00 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), are based upon the loss of a house, a business and bank accounts all located in Ilmenau, East Germany.

The record indicates that claimants, FRANK PAUL and STEFANIE RUSKIN became United States citizens in August 1953 and on March 15, 1955, respectively.

Section 603 of Title VI of the Act limits the Commission's jurisdiction as follows:

"A claim shall not be favorably considered under section 602 of this title unless the property right on which it is based was owned, wholly or partially, directly or indirectly, by a national of the United States on the date of loss, and if favorably considered, the claim shall be considered only if it has been held by one or more nationals of the United States continuously from the date that the loss occurred until the date of filing with the Commission."

The record in these claims indicate that legal title to the subject property was originally lost during the Nazi regime as a result of racial and religious persecution. The Commission has held in the Claim of MARTHA TACHAU, Claim No. G-0177, Decision No. G-1071, that such persecutory losses will not be considered by the Commission to have cut off all rights of the original owners or their heirs, and that the persecuted owners retained a beneficial interest in the property.

The Commission has also held in the Claim of MARK PRICEMAN, Claim No. G-2116, Decision No. G-1073, that decrees of September 6, 1951, effective in the German Democratic Republic, and December 18, 1951, effective in Berlin, which provided for taking over the administration of foreign owned property, and the decree of July 17, 1952, confiscating or taking under administration property of former residents of the GDR, constituted a governmental program which terminated all rights of restitution of former persecutees or their heirs. The Commission found such a termination of rights to be a taking of the property interests of such persons; and, where the property interests were owned by United States nationals at the time of loss, the termination of rights would form the basis of a compensable claim.

The beneficial ownership interest involved herein, however, was not owned by a United States national at the time of the termination of the right of restitution on September 6, 1951 by the German Democratic Republic and the Commission concludes, therefore, that the loss of this property occurred on a date when claimants interest therein was not owned by a national of the United States as required by section 603 of the Act. See Claim of ARTHUR SIMON, Claim No. G-0479, Decision No. G-1072.

Therefore, based upon the foregoing, the Commission finds that the claimants have failed to establish that property was nationalized or otherwise taken by the German Democratic Republic at a time when it was owned by a United States citizen, as required for a claim to be found compensable under the Act.

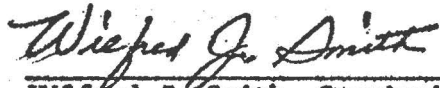
For the above cited reasons, the claims must be and hereby are denied.

The Commission finds it unnecessary to make determinations with respect to other elements of these claims.


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

SEP 5 1979


Richard W. Yarborough, Chairman


Wilfred J. Smith, Commissioner

This is a true and correct copy of the decision
of the Commission which was entered as the final
decision on OCT 10 1979


Executive Director

NOTICE: Pursuant to 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).