

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

IN THE MATTER OF THE CLAIM OF

NITA MAE AUBEL

Under the International Claims Settlement
Act of 1949, as amended

Claim No. HUNG-2-021

Decision No. HUNG-2-014

PROPOSED DECISION

This claim, in an unstated amount, is based upon the asserted loss sustained in connection with the ownership of five bonds of the issue known as State Loan of the Kingdom of Hungary 1924, 7 1/2 % Sinking Fund Gold Bonds, due February 1, 1944, in the total amount of \$5,000.00. The claimant, NITA MAE AUBEL, has been a national of the United States since her birth on January 22, 1912.

On March 6, 1973, the Government of the United States and the Government of the People's Republic of Hungary concluded an agreement regarding the settlement of claims and agreed as follows:

The claims . . . which are being settled and discharged by this Agreement, are claims of nationals and the Government of the United States for

(1) property, rights and interests affected by Hungarian measures of nationalization, compulsory liquidation, expropriation, or other taking on or before the date of this Agreement, excepting real property owned by the Government of the United States;

(2) 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, and which became payable prior to September 15, 1947;

(3) obligations of the Hungarian People's Republic under Articles 26 and 27 of the Treaty of Peace between the United States and Hungary dated February 10, 1947, and

(4) losses referred to in the note of December 10, 1952, of the Government of the United States to the Government of the Hungarian People's Republic.

(Agreement Between the Government of the United States of America and the Government of the Hungarian People's Republic Regarding the Settlement of Claims, March 6, 1973, TIAS 7569).

The jurisdiction, granted to the Commission under Section 303, Title III of the International Claims Settlement Act of 1949 (69 Stat. 570 (1955), 22 U.S.C. §§1641-1641q (1971), as further amended by Subsection (3) of Public Law 93-460, approved October 20, 1974 (88 Stat. 1386 (1974))), however, does not extend to all claims included within the terms of the Agreement, supra. Section 303(5) of the Act, supra, limited the Commission's jurisdiction to certain claims, namely, to receive and determine claims against the Government of Hungary arising out of the failure to pay effective compensation for the nationalization, compulsory liquidation, or other taking of property of nationals of the United States in Hungary between August 9, 1955, and March 6, 1973, the effective date of the Agreement. Accordingly, the Commission holds that it has no jurisdiction to receive and determine claims for other losses such as the failure of the Government of Hungary to pay its bond obligation, a contractual right expressed in currency of the United States.

It is noted that claims based upon bonds issued by the Government of Hungary and expressed in currency of the United States, which are the subject of this claim, were provided for in a previous claims program administered by the Commission under Subsection (3) of Section 303, Title III of the Act, supra. Claims covered by this section were those based upon the failure of the Government of Hungary to meet its obligations expressed in currency of the United States acquired by nationals of the United States prior to September 1, 1939, and which became payable prior to September 15, 1947. That claims program, however, was completed on August 9, 1959, pursuant to a statutory mandate and the Commission does not have any present authority to receive and determine such claims under Subsection 303(5) of the Act.

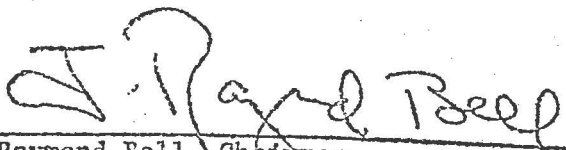
It is further noted that in a letter, dated March 6, 1973, and attached to the Agreement, supra, as Annex E, the Deputy Prime Minister of Hungary confirmed his government's intention to settle the problem of bonded indebtedness, now in question, by direct talks with American bondholders or their representatives.

It is clear from the foregoing that claims based upon dollar bonds issued by the Government of Hungary were not provided for under Subsection 303(5) of the International Claims Settlement Act of 1949, as amended by Public Law 93-460, supra. Therefore, this claim based upon such bonds must be and it is hereby denied.

The Commission finds it unnecessary to make determinations with respect to other elements of this claim.


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

23 APR 1975


J. Raymond Bell, Chairman


Wilfred J. Smith, Commissioner

This decision was entered as the Commission's
Final Decision on 8 AUG 1975


Kenneth T. Mortenson
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.)