

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

IN THE MATTER OF THE CLAIM OF

ARANKA GUTTMAN

Under the International Claims Settlement
Act of 1949, as amended

Claim No. HUNG-2-332

Decision No. HUNG-2-1215

PROPOSED DECISION

This claim in the asserted amount of \$3,500.00 against the Government of Hungary, under subsection 303(5), Title III of the International Claims Settlement Act of 1949, as amended, is based upon Hungarian currency in a blocked account in Hungary.

Claimant, ARANKA GUTTMAN, states that she acquired United States nationality on January 8, 1963, by naturalization.

Under section 303, Title III of the International Claims Settlement Act of 1949, (69 Stat. 570 (1955)); 22 U.S.C. subsections 1641-1641q (1971), as amended by section (3) of Public Law 93-460, approved on October 20, 1974 (88 Stat. 1386 (1974)), and which implements certain provisions of the Hungarian Claims Agreement of March 6, 1973, (TIAS 7569), 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 of nationals of the United States against the . . . [Government of Hungary] . . . arising out of the failure to ---

(5) 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 the date the United States-Hungarian Claims Agreement of March 6, 1973, enters into force.

Therefore, this new section of the Act confers jurisdiction upon the Commission only to consider claims which arose between August 9, 1955, and March 6, 1973, as a result of the nationalization, compulsory liquidation or other taking of property.

The evidence of record in this claim establishes that the subject claim is based upon the Government of Hungary's refusal to allow the transfer to the United States of Hungarian currency deposited in a blocked forint account after the sale of property in Hungary prior to 1956, and therefore prior to the date claimant acquired United States nationality. There is no evidence of record to indicate that the account was ever canceled or otherwise taken by the Government of Hungary.

The Commission has held in previous claims programs, including the First Hungarian Claims Program under Public Law 84-285, that

"the blocking of all bank accounts is an exercise of sovereign authority which does not give rise to a compensable claim under Section 303 of the International Claims Settlement Act of 1949, as amended, against the nation in question, even though it precludes reinvestment and may result in a decline in the value of the accounts." (Claim of IBM World Trade Corporation, Claim No. HUNG-21107, Decision No. HUNG-2030, FCSC Dec. & Ann. 237 (1968)).


Based upon the foregoing, the Commission finds that the loss complained of, namely, the refusal of the Government of Hungary to allow the transfer of funds in the blocked forint account to the United States, is not a claim for the nationalization or other taking of property during the statutory period, August 9, 1955, to March 6, 1973, as required for compensation under subsection 303(5) of the Act. Accordingly, this claim must be and it is hereby denied.


HUNG-2-332

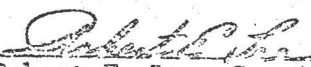
The Commission finds it unnecessary to make determinations with respect to other elements of this claim.

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

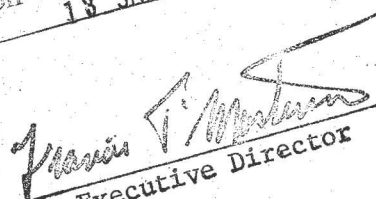
8 DEC 1976


J. Raymond Bell, Chairman


Wilfred J. Smith, Commissioner


Robert E. Lee, Commissioner

This is a true and correct copy of the decision
of the Commission which was entered as the final
decision on 18 JAN 1977


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.)

The regulations also provide that after a Final Decision is entered denying a claim in whole or in part, the claimant may petition to have his claim reopened for further consideration if new and compelling evidence becomes available. Such petition must be filed at least 60 days prior to May 15, 1977, the statutory deadline for the completion of the Hungarian Claims Program. (FCSC Reg., 45 C.F.R. 531.5(1), as amended.)