

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

IN THE MATTER OF THE CLAIM OF

ALBERT J. TREUTLER

Under the International Claims Settlement
Act of 1949, as amended

Claim No. HUNG-2-532

Decision No. HUNG-2-0562

Counsel for claimant:

Wilbur Smith, Esquire

PROPOSED DECISION

This claim in an unstated amount against the Government of Hungary, under subsection 303(5), Title III of the International Claims Settlement Act of 1949, as amended, is based upon the loss sustained in connection with the ownership of shares of stock in corporations as follows:

- (1) 40 shares of Magyar Alltalanos Hitelbank, a Hungarian corporation, identified by the claimant as "Hungarian General Bank";
- (2) 81 shares of Mercurbank in Vienna; and
- (3) 104 shares of A.E.G. Union, the two latter corporations being organized under the laws of Austria.

It is stated by the claimant, ALBERT J. TREUTLER, that he acquired nationality of the United States through the naturalization of his parents on March 20, 1930.

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 amended by section (3) of Public Law 93-460, approved 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 ---

in question owned assets within the borders of Hungary and it appears that the claimant is basing his claim upon losses which the two corporations may have sustained within Hungary in consequence of actions by the government of that country.

Section 311(b) of the Act, supra, applicable to this situation, provides as follows:

"A claim based upon an interest, direct or indirect, in a corporation or other legal entity which directly suffered the loss with respect to which the claim is asserted, but which was not a national of the United States at the time of the loss, shall be acted upon without regard to the nationality of such legal entity if at the time of the loss at least 25 per centum of the outstanding capital stock or other beneficial interest in such entity was owned, directly or indirectly, by natural persons who were nationals of the United States. This subsection shall not be construed so as to exclude from eligibility a claim based upon a direct ownership interest in a corporation, association, or other entity, or the property thereof, for loss by reason of the nationalization, compulsory liquidation, or other taking of such corporation, association, or other entity by the Governments of... Hungary . . . Any such claim may be allowed without regard to the per centum of ownership vested in the claimant."

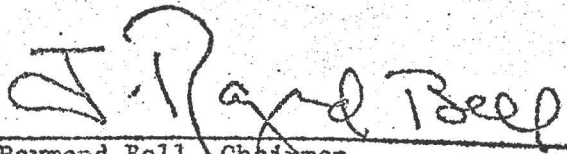
Since the corporations Mercurbank in Vienna and A.E.G. Union were not nationalized by the Government of Hungary, a claim based upon the ownership of stock in the corporations could be favorably acted upon only if it is established that 25 per centum of the outstanding capital stock or other beneficial interest in such entities was owned by natural persons who were nationals of the United States and that the loss occurred between August 9, 1955, and March 6, 1973. Inasmuch as neither of these conditions have been established, the Commission concludes it has no authority to act favorably upon the portion of this claim which is based upon the ownership of stock in the two Austrian corporations.

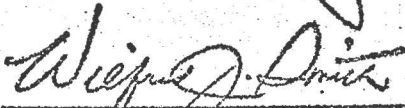
In view of the foregoing, this claim must be and it is hereby denied.

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

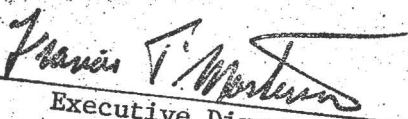
Dated at Washington, D.C.
and entered as the Proposed
Decision of the Commission.

4 FEB 1976


J. Raymond Bell, 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 5 MAY 1976


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.)

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