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Annual Report

OFFICE OF

ALIEN PROPERTY

DEPARTMENT OF JUSTICE

FISCAL YEAR ENDED JUNE 30, 1958

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LETTER OF TRANSMITTAL TO THE PRESIDENT

Office of the Attorney General,
Washington, D. C.

The President,
The White House, Washington, D. C.

My Dear Mr. President: I have the honor to transmit to you the Annual Report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1958. This report is made pursuant to section 6, of the Trading With the Enemy Act, as amended.

Respectfully,

William P. Rogers,
Attorney General.

324620

LETTER OF TRANSMITTAL TO THE ATTORNEY GENERAL

Office of Alien Property,
Department of Justice,
Washington 25, D. C.

The Honorable
The Attorney General.

Dear Mr. Attorney General: I herewith present the Annual Report of the Office of Alien Property for the fiscal year ended June 30, 1958. This is the sixteenth annual report of proceedings under the Trading With the Enemy Act, as amended, submitted by the Office of Alien Property and its predecessor agency, the Office of Alien Property Custodian, in accordance with section 6 of the Act.

Respectfully,

Dallas S. Townsend,
Assistant Attorney General,
Director, Office of Alien Property.

324621

The Annual Report of the Office of Alien Property is prepared by the Reports & Statistics Unit, Administrative Section. All inquiries concerning the report should be addressed to:

Reports & Statistics Unit
Administrative Section
Office of Alien Property
Department of Justice
Washington 25, D. C.

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POLICIES AND PROGRAMS

The major responsibility of the Office of Alien Property at the present time continues to be the administration and disposition of vested interests in property in the United States formerly owned or controlled directly or indirectly by the Governments and nationals of Germany and Japan. Such property is administered and disposed of in accordance with the provisions of the Trading With the Enemy Act, as amended.

The vesting program involving German-owned property stopped on April 16, 1953, although the vesting of Japanese-owned property in this country had ended when the Treaty of Peace with Japan came into effect on April 28, 1952. 1/ All vested property, with the exception of a few specified categories (patents, copyrights, trade-marks, etc.) is reduced to cash by sale or liquidation at the earliest practicable time after vesting. The disposition of the proceeds received by the Office is carried out in a manner prescribed by the Congress. Legislation has provided for the payment of debt claims to American creditors of enemy nationals whose property has been vested, for the return of vested property to nonhostile persons, for the receipt from and transfer to foreign governments of vested property involved in intercustodial conflicts, and for the transfer of the net proceeds of German and Japanese vested property after the payment of all valid claims and deductions therefrom for administrative expenses to the War Claims Fund. 2/

In addition to the above responsibilities under the Trading With the Enemy Act, as amended, the Office also is responsible for the vesting of all blocked property in the United States owned directly or indirectly by the Governments of Hungary, Bulgaria and Rumania, or their nationals, except blocked property owned directly by natural persons. Public Law 285, 84th Congress, First Session, approved August 9, 1955, 3/ provides the basis for this power, and also stipulates that this vested property, after the satisfaction of all valid claims and the settlement of litigation, and after the deduction for administrative expenses, be transferred to the Treasury Department. 4/ The Office, in addition, maintains jurisdiction over certain assets in the United States of "Iron Curtain" countries and their nationals which are still subject to the blocking and licensing controls of World War II.

Value of Vested Property

As of June 30, 1958, the Office had vested property under the provisions of the Trading With the Enemy Act, as amended, with an estimated value at dates of vesting of \$391,120,000. 5/ Together with appreciation of vested property while under the administration of the Office of approximately \$190,845,000, net income from vested property of \$72,747,000, and cash and other property received from foreign governments through intercustodial agreements, the total estimated value of all property vested has reached \$659,749,000. After deductions both administrative and required by law, 6/ the estimated net value of the Attorney General's interest in vested property still under his control at June 30, 1958, amounts to approximately \$273,439,000.

1/ Executive A. 82d Cong., 2d sess.

2/ For details, see pp. 3-4.

3/ 69 Stat. 562.

4/ For details of this program, see pp. 6-8.

5/ The value of vested property in the Philippines and the value of vested property under Public Law 285 has not been included in this total, as both categories of property are being administered separately by the Office pursuant to the provisions of the Philippine Property Act of 1946 (60 Stat. 418) and the provisions of P. L. 285. See pp. 4 - 5 for details of the former.

6/ For the deductions, see Ch. II, table 3, p. 12.

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ADMINISTRATION AND DISPOSITION OF VESTED PROPERTY

Administration of Vested Property

As soon as practicable after vesting, the Office tries to liquidate or sell to nationals of the United States most of the property coming under its administration. Pending its liquidation or sale, vested property is administered in the national interest in a manner designed to conserve and increase its value.

The many valuable German and Japanese patents vested by the Office, with the exception of those in which nonenemies have or claim interests, are licensed to American industry on a nonexclusive, royalty-free basis. Vested nonenemy and Italian patents are subject to return to their former owners under section 32 of the Trading With the Enemy Act, as amended. ^{7/} Pending such return, these patents are licensed on a nonexclusive, royalty-bearing basis if satisfactory terms can be agreed upon by the former owner and the applicant for a license.

The Office collected a total of \$34,390,000 during the fiscal year 1958 as the proceeds of the sale and liquidation of vested property. Of this amount, \$28,731,000 was received from the sale and liquidation of vested interests in business enterprises. As of June 30, 1958 the Office had received a grand total of \$405,817,000 as the net proceeds from the sale and liquidation of all vested property.

The general policy of the Office is not to sell or liquidate the following classes of vested property: (1) patents, copyrights, and trade-marks; and (2) property of nationals of countries other than Germany and Japan. Under the injunctive provisions of section 9(a) of the Trading With the Enemy Act, as amended, ^{8/} the Office may not sell or liquidate vested property against which a suit for return is pending. However, where the Office can arrive at a stipulation with the plaintiff in a suit for return of vested property to substitute the cash proceeds of a sale for the claimed unsold property, the Office will do so, as part of its program of converting all unliquidated vested property to cash as expeditiously as possible.

Net income received by the Office from vested property still under its administration at June 30, 1958 amounted to \$1,650,000 during the fiscal year. The overall total so received through June 30, 1958 has now amounted to \$72,747,000. Income is received from various types of property, in the form of dividends from securities, interest from bonds, rents from real estate, royalties from licenses and mineral leases, and payments from annuities and trusts.

Disposition of Vested Property

The disposition of vested property has been determined by the Congress through enactment of various amendments to the Trading With the Enemy Act.

CREDITORS OF FORMER OWNERS OF VESTED PROPERTY.---Section 34 of the Trading With the Enemy Act, as amended, permits the payment of certain debt claims to creditors of the former enemy owners of vested property. Such creditors must be citizens of the United States or Philippine Islands or residents of this country since December 7, 1941. The last date for filing timely debt claims in respect of World War II vested property was January 4, 1954.

^{7/} 50 U. S. C. App. sec. 32.
^{8/} 50 U. S. C. App. sec. 9(a).

During the fiscal year the Office disposed of 9,072 debt claims with 1,421 claims being allowed in the aggregate amount of \$1,059,396 ^{9/} and 7,651 disallowed, withdrawn or disposed of through consolidation.

NONHOSTILE PERSONS WHOSE PROPERTY HAS BEEN VESTED.---The administrative return of vested property to nonhostile persons from whom the property was seized is authorized by section 32 of the Trading With the Enemy Act, as amended. ^{10/} Generally, returns can be made to the following groups: nonenemy governments; citizens of allied and neutral countries not voluntarily resident in enemy countries during the war period; corporations of nonhostile countries not enemy controlled; certain American citizens regardless of their residence during the war; enemy citizens who continuously resided outside enemy or enemy-occupied territory since December 7, 1941, and who were not engaged in business in such territory; victims of enemy persecution who would otherwise have been ineligible because of enemy citizenship or residence in an enemy country; and the Government, nationals, and residents of Italy who were previously ineligible because of their earlier enemy status.

The bar date for the filing of timely claims for the return of vested property was February 9, 1955, or two years after the date of vesting, whichever is later. As the last vesting order seizing property under the Act became effective April 16, 1953 (V.O. 19312, 18 F.R. 1007), the final date for filing title claims against vested World War II property was April 15, 1955.

The Office processed a total of 1,640 title claims during the fiscal year 1958. Returned to former owners were \$2,815,000 of cash and appraisable property, and various interests in property of an unappraisable nature such as patents, copyrights, interests in patent contracts and copyright contracts, etc. The total amount of cash and appraisable property returned to nonhostile persons under the title claims program has now reached \$77,390,000.

PROPERTY OF NATIONALS OF BULGARIA, HUNGARY, AND RUMANIA.---Property vested from the Governments and nationals of Bulgaria, Hungary and Rumania after December 17, 1941, pursuant to the Trading With the Enemy Act, as amended, is administered under the provisions of that Act but disposed of under the provisions of Public Law 285, 84th Congress, First Session, approved August 8, 1955. ^{11/} The net proceeds of this property are to be covered into the Treasury, after the completion of the administration and adjudication of claims and suits with respect thereto under the Trading With the Enemy Act, except that the net proceeds of any such property found to be directly owned by natural persons at dates of vesting are to be divested by the Office and carried in blocked accounts with the Treasury Department in the name of the owner thereof subject to release when and upon such terms as the President may prescribe.

PROPERTY OF NATIONALS OF GERMANY AND JAPAN.---The War Claims Act of 1948, ^{12/} provides for the manner of disposal of the net proceeds of vested property formerly owned by the Governments and nationals of Germany and Japan. ^{13/} Under the provisions of the War Claims Act of 1948 a War Claims Commission (now the Foreign Claims Settlement Commission) was established, which in conjunction with the Federal Security Administrator, was authorized to make adjudications and awards on certain classes of claims arising out of World War II, primarily those of American internees and prisoners of war maltreated by the enemy during their imprisonment. The War Claims Act added section 39 to the Trading With the

^{9/} Because of the insolvency of 11 of the debtors' accounts, payments totaling \$181,248 were made on these allowed claims during the fiscal year 1958.

^{10/} 60 Stat. 50, 60 Stat. 784; 64 Stat. 1080; 66 Stat. 129; 50 U. S. C. App. sec. 32.

^{11/} 69 Stat. 562. For further details of this law, see p.55.

^{12/} 62 Stat. 1240.

^{13/} Excluding "Satellite Assets" vestings and Philippine property vestings.

Enemy Act, 14/ by specifically providing that property of the Governments and nationals of Germany and Japan shall not be returned except as authorized in section 32, and no compensation shall be paid with respect to such property. The net proceeds available after the completion of the administration of German and Japanese vested property are to be covered into the Treasury for deposit in the War Claims Fund. The awards which the War Claims Act of 1948 authorized in respect of war claims arising out of World War II and certain of the administrative expenses of the Foreign Claims Settlement Commission are paid out of this fund.

As of June 30, 1958 the Office had transferred on the books of the Treasury Department to the account of the War Claims Fund the sum of \$225,000,000, which the Congress had authorized.

PHILIPPINE VESTED PROPERTY

Executive Order 10254 of June 15, 1951, effecting the transfer of the administration of vested property located in the Philippine Islands from the Philippine Alien Property Administration to the Office of Alien Property, stipulated that all necessary expenses incurred in the administration of this property be paid from funds or property or interests so transferred, to prevent diminution of funds otherwise available for future transfer to the War Claims Fund. This provision was necessary because the Philippine Property Act of 1946 15/ provided that the proceeds of Philippine vested property after liquidation and provision for the disposition of claims and suits, be turned over to the Government of the Philippines. All statistics in this Report, therefore, are exclusive of Philippine vested property.

Table 1.---CONDENSED BALANCE SHEET, PHILIPPINE VESTED PROPERTY FUND, AS OF JUNE 30, 1958

<u>ASSETS</u>		
Cash in U. S. Treasury.....	\$3,282,131.10	
Cash in First National City Bank, Manila.....	<u>1,410,711.26</u>	\$4,692,842.36
Vested assets (unliquidated).....		<u>157,528.53</u>
Total assets.....		<u><u>\$4,850,370.89</u></u>
<u>LIABILITIES AND EQUITY</u>		
Unliquidated obligations.....		\$11,167.22
Undistributed credits.....		810.00
Equity of the U. S. Government:		
Vested property.....	\$157,528.53	
Realization account.....	3,307,277.24	
Income account.....	1,234,125.40	
Free account balances available for transfer to		
Philippine Government.....	146,069.25	
Reserve for expenses provided by 20% charge against		
principal and income collections.....	\$2,086,854.86	
Less: Unallocated expenses charged		
thereto.....	<u>2,093,461.61</u>	<u>(6,606.75)</u>
Total Liabilities and Equity.....		<u><u>\$4,850,370.89</u></u>

A condensed balance sheet as of June 30, 1958 of the Philippine Vested Property Fund is presented in table 1. The physical vested property in the Philippines which has not as yet been transferred to the Philippines Government in accordance with section 3 of the Philippine Property Act of 1946, has been placed in the protective custody of the Board of Liquidators, Office of the President, Philippines, which is responsible to this Office for the administration of such property. The Office authorized and made no transfers of cash or property under this section of the Property Act to the Philippines Government during the fiscal year.

LITIGATION

The Office of Alien Property is involved in a variety of litigation arising out of the administration of vested property under the Trading With the Enemy Act, as amended. This litigation concerns mainly the possession of vested property, its protection while under the administration of the Office, and defense against improper claims.

At the close of the fiscal year 1958 approximately 58 cases involving section 9(a) suits (includes seven Philippine suits) seeking the return of vested property valued at about \$115,801,000 were pending in the Office. The Office was active in 88 cases involving section 9(a) and section 34 suits during the fiscal year, in 806 matters involving estates and trusts, in 64 cases involving insurance collections, in 118 cases of a miscellaneous nature, and in 226 claims proceedings under section 9(a). Pending at June 30, 1958 were 270 cases involving estates and trusts matters, 3 cases involving insurance collections, 85 cases of a diversified nature, and 109 claims proceedings under section 9(a). Of the 85 diversified cases, five involved suits in the Philippines.

INTERCUSTODIAL PROBLEMS

Previous Annual Reports have discussed the various types of intercustodial problems that arise between the United States and foreign governments. 16/ In general, during World War II the principal allied governments established programs seizing enemy assets within their jurisdictions. As a result of such seizures, many jurisdictional problems involving conflicting claims to the same assets have arisen among enemy property custodians of the allied governments. In order to settle such intercustodial conflicts amicably and without litigation the Attorney General and the Secretary of State have been jointly authorized to conclude and implement agreements between the United States and foreign governments with which we have not been at war. 17/

The Brussels Intercustodial Agreement, effective January 24, 1951, to which the Governments of Belgium, Canada, Cuba, Denmark, Haiti, Honduras, Luxembourg, Nicaragua, The Netherlands, and the United States are parties was the first agreement designed to resolve intercustodial conflicts. A separate agreement was entered into between the United States and the Government of Norway in 1954. The same year a supplemental agreement was entered into with the Government of Denmark applying the principles of the Brussels Agreement and applying that agreement to all important cases in conflict with Denmark.

Pursuant to the agreements in effect with The Netherlands Government, during fiscal year 1958 the Office released \$1,351,033.23 of vested assets to a Netherlands corporation as well as the claims of the Office to an additional \$2,397,566.27 of assets which had not been vested and which were owned by the same Netherlands corporation. Against this amount of \$3,748,593.50, the Office is to receive from the Netherlands Government in reimbursement the sum of \$1,668,470.73, which represents the percentage of enemy interest in the

16/ For a full discussion, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1954, pp. 6-8.

17/ 50 U. S. C. App. sec. 40; Executive Order 10244 (16 F.R. 4639).

Dutch corporation. In addition the Netherlands Government released assets to the Office amounting to \$30,700, representing the percentage of enemy interest in four other Dutch corporations. Finally, during the fiscal year the Office released to the Netherlands Government, Netherlands issued securities and other assets amounting to \$36,000.

In the implementation of our intercustodial agreement with Canada, the Office released Canadian issued securities and income thereon amounting to approximately \$37,000, and in turn received from Canada, United States issued securities and income thereon amounting to approximately \$2,700, as well as \$1,500 owed to a vested business enterprise.

During the fiscal year, the Office received from Denmark in implementation of the intercustodial agreement with that country, United States issued securities and income therefrom amounting to approximately \$53,720, as well as other assets in the amount of \$3,900. Finally the Office released to the Government of Norway vested Norwegian issued securities and income therefrom having a total value of approximately \$23,250.

FOREIGN FUNDS CONTROL

The World War II blocking controls under Executive Order 8389, as amended, were continued over the war-time assets of Iron Curtain countries and their nationals. The controls were maintained over the World War II blocked property of (1) Bulgaria, Hungary and Rumania and persons in any of these countries on January 1, 1945; (2) Czechoslovakia, Poland, Estonia, Latvia and Lithuania and persons in any of these countries on December 7, 1945; and (3) Eastern Germany and the Eastern Sector of Berlin and persons in those areas on December 31, 1946. In general, property acquired by these countries and their nationals after these dates is not blocked.

During the fiscal year the Office continued its policy of unblocking by license the blocked assets of persons who have fled from the foregoing countries and have established permanent residence outside the Iron Curtain areas. The Office also continued its policy of issuing specific licenses permitting the withdrawal of \$50 per month from blocked assets of residents of blocked countries for the purpose of purchasing in the United States and exporting food, clothing and medicines, provided an export license is obtained from the Department of Commerce under the Export Control Law.

The Scheduled Securities Program designed to aid and restore to their original owners securities which were looted from occupied countries by Nazi Germany during World War II has proceeded to near completion during the fiscal year. Domestic scheduled securities which were seized by the Office have been returned to their prewar owners. However, securities whose original certificates are still lost are retained on the list of domestic scheduled securities subject to General Ruling No. 5B in order to prevent the transfer of such certificates.

Blocking restrictions were maintained on foreign issued scheduled securities subject to General Ruling No. 5 in order to assist the efforts of foreign governments in recovering the securities for their original owners.

PUBLIC LAW 285 PROGRAM

Under Title II of the International Claims Settlement Act of 1949, as amended by Public Law 285, 84th Congress, First Session, approved August 9, 1955, 18/ the President, or his designee, is authorized, in accordance with the Peace Treaties with Bulgaria, Hungary and Rumania, to vest all blocked property owned directly or indirectly by the Governments of Bulgaria, Hungary and Rumania or their nationals, except blocked property owned directly

by natural persons. The vested property is to be liquidated as expeditiously as possible and the proceeds thereof covered into the Treasury after completion of the administration and adjudication of claims and suits with respect thereto, as provided for in Title II.

Section 202(b) of Title II provides that the net proceeds of any property vested after December 17, 1941, pursuant to the Trading With the Enemy Act, as amended, and which was owned directly or indirectly by Bulgaria, Hungary, or Rumania, or any national thereof, be covered into the Treasury, after completion of the administration and adjudication of claims and suits with respect thereto under the provisions of the Trading With the Enemy Act, as amended, except that the net proceeds of any such property found to be directly owned by natural persons at the date of vesting is to be divested by the Office and carried in blocked accounts with the Treasury, bearing no interest, subject to release upon such terms as the President, or his designee may prescribe.

The President has designated the Attorney General, or any Assistant Attorney General designated by the Attorney General, to perform the duties under Title II of the International Claims Settlement Act of 1949, as amended. 19/ The Attorney General's Order No. 106-55 dated November 23, 1955, 20/ designated the Assistant Attorney General, Director, Office of Alien Property to carry out the administration of Title II.

Under Title III of the International Claims Settlement Act of 1949, as amended, the Secretary of the Treasury is authorized to deposit in funds known as the Bulgarian Claims Fund, the Hungarian Claims Fund, and the Rumanian Claims Fund, the funds attributable to the respective country or its nationals theretofore covered into the Treasury by the Attorney General pursuant to Title II of the International Claims Settlement Act of 1949, as amended. Those claims funds are to be the source of payment in respect of adjudications made by the Foreign Settlement Claims Commission in favor of eligible American nationals against Bulgaria, Hungary and Rumania as provided for in Title III of the International Claims Settlement Act of 1949.

During the fiscal year 1958, pursuant to section 202(a) of Title II of the International Claims Settlement Act of 1949, the Office issued 75 vesting orders for a total value of \$834,993. 21/ To date under this program the Office has issued the following number of vesting orders with the values designated:

	<u>Number of vesting orders</u>	<u>Value of assets</u>
Bulgaria.....	30	\$2,486,380
Hungary.....	108	1,690,901
Rumania.....	100	21,054,310
Unknown nationals of Bulgaria, Hungary and Rumania.....	<u>9</u>	<u>50,711</u>
Totals.....	247	25,282,302

Pursuant to sections 202(a) and (b) of the International Claims Settlement Act of 1949, as amended, as of June 30, 1958, the following funds have been covered into the Treasury representing the net proceeds of vested Bulgarian, Hungarian and Rumanian assets to be used to pay eligible American claimants as provided for under Title III:

19/ Executive Order 10644 (20 F.R. 8363).

20/ 20 F.R. 8993.

21/ See Appendix, Exhibit E, pp. 95-96.

Bulgarian Claims Fund.....	\$2,245,198.18
Hungarian Claims Fund.....	359,301.40
Rumanian Claims Fund.....	<u>18,980,111.35</u>
Total.....	\$21,584,610.93

Additional funds will be covered into the Treasury as they become available.

During the fiscal year, the Office continued the program covered by section 202 (b) of the Claims Act providing for the divesting of the net proceeds of property which was vested after December 17, 1941 pursuant to the Trading With the Enemy Act, as amended, and which at the date of vesting was owned directly or indirectly by a natural person who was a national of Bulgaria, Hungary or Rumania. During the fiscal year the Office issued 204 divesting orders with a total value of \$284,922.70. To date under this program the Office has issued a total of 272 divesting orders with a total value of \$363,883.33. Pursuant to the Act, the amounts divested were transferred to the Treasury Department and are carried by the Treasury Department in blocked accounts, bearing no interest, in the names of the owners at the time of vesting. 22/

II

GENERAL DESCRIPTION OF CONTROLLED PROPERTY

This chapter is concerned mainly with the financial results presented in summary form of the administration of vested property by the Office of Alien Property. Excluding blocked foreign owned assets 1/, the Office has under its control two types of property, (1) vested property and (2) property held in safekeeping accounts and assets held for others. The latter, of relatively minor importance, is described briefly on page 13. Property vested pursuant to Title II of the International Claims Settlement Act of 1949, as amended 2/, is described in Chapter I, and all statistics relating thereto are excluded specifically from those presented in this Annual Report, which relate to property vested under the provisions of the Trading With the Enemy Act, as amended.

VALUE OF CONTROLLED PROPERTY

There are two methods of evaluating property administered by the Office, the first by means of the concept of total controlled property and the second by the net equity concept. Total controlled property means the value of all property controlled by the Attorney General through (1) safekeeping; (2) vesting the entire property; and (3) vesting majority control of property. Net equity vested means the estimated value of the Attorney General's vested interest only on an indicated date. Other than what is shown in the succeeding paragraph, all statistics in this Report relate to the net equity vested concept used in evaluating property vested.

As of June 30, 1958 total controlled property amounted to \$347,314,000. Of this amount, \$273,439,000 represents net equity vested. 3/ The \$73,875,000 difference represents (1) \$904,000 of estimated value of property held in safekeeping accounts and assets held for others, and (2) \$72,971,000 representing the difference between total assets of business enterprises in which majority or controlling interests have been vested and the estimated net value of the Attorney General's vested interests in these companies, both valued at June 30, 1958.

Property Not Included in Valuation

The Office has under its administration and control various types of vested property (intangible) which have not been included in the valuation of total controlled property or net equity vested. Were it practicable to value these properties, the amount shown for net equity vested would be considerably higher. The following summary indicates the approximate number of these properties still under the Office's administration at June 30, 1958:

<u>Type of Property</u>	<u>Number of items</u>
Patents.....	4,551
Interests in patent contracts.....	153
Copyrights.....	300,000
Interests in copyright contracts.....	401
Trade-marks.....	293
Interests in trade-mark contracts.....	12
Motion picture film (000's of feet).....	33,407

1/ For details of the blocked foreign-owned assets program, see Ch. I, p. 6.

2/ 69 Stat. 562. See pp. 6-8.

3/ All property remaining from World War I has been transferred to Treasury Department.

Also excluded from the valuation of property are assets, either directly vested or owned by business enterprises in which the Office holds substantial or controlling interests, which are located in what was formerly enemy or enemy-occupied countries, and which are known by the Office to be worthless (particularly true for companies which have been in a state of liquidation), but which have not been written off the books of the enterprises pending final liquidation.

NET EQUITY VESTED

Table 2 shows the breakdown of net equity vested by types of property valued as of dates of vesting and as of June 30, 1958. Reflected in the second column are changes in value since dates of vesting including appreciation, write-offs of worthless property, sales and liquidations, and dispositions. Net cash after dispositions and including income received is reflected in the first figure of the second column called "cash".

Types of Property Vested

The Office continues its emphasis upon the liquidation of vested property wherever possible. Vested interests in business enterprises has declined from \$131,825,000 at June 30, 1957 to \$117,106,000 at June 30, 1958, due to sale of stock in Hugo Stinnes Corp., Karl Lieberknecht, Inc., and Spur Distributing Company ^{4/} together with continuing liquidation of other companies in which vested interests are held. It should be pointed out that the vested interests in General Aniline & Film Corporation accounts for 93.4% of the remaining net equity the Attorney General retains in business enterprises.

Changes in Net Equity Vested

Total net equity has declined from \$391,120,000 at dates of vesting to \$273,439,000 at June 30, 1958. The factors responsible for the \$117,681,000 reduction are shown in table 3. Most important among these factors are (1) the transfer of funds to the War Claims Fund pursuant to the War Claims Act of 1948, as amended, amounting to \$225,000,000; (2) the return of vested property to successful title claimants and the payment of debt claims in the total amount of \$80,303,000; and (3) the use of funds to defray the administrative expenses of the Office of Alien Property in the amount of \$53,189,000. ^{5/} The decline in net equity vested occasioned by the above factors between dates of vesting and June 30, 1958 was offset substantially by the appreciation of interests in vested property while under the administration of the Office of approximately \$190,845,000 and by income received from vested property of \$72,747,000.

Table 4 indicates the value of the major groups of property returned by the Office to their former nonhostile owners by administrative or judicial action, classified by nationality of former ownership. Values of returned property are computed at dates of return. The table does not include payments made to successful debt claimants.

^{4/} For details covering the sale of these companies, see Ch. III, pp. 21-23.

^{5/} The Office has actually expended \$57,704,132 in administrative expenses through June 30, 1958. However, since vested property funds of World War II were used in the amount of \$53,189,000 only, due to the fact that approximately \$4,000,000 was authorized to be expended from World War I Administrative Expense Fund and approximately \$515,132 was used from miscellaneous revenues and recoveries without diminution of World War II vested property, for purposes of determining net equity vested as of June 30, 1958, the \$53,189,000 is used. See footnote 2, table 3, p. 12, and table 22, p. 71.

e 2 .---NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1958, CLASSIFIED BY TYPES OF PROPERTY, VALUED AS OF DATES OF VESTING AND AS OF JUNE 30, 1958
 [In thousands of dollars]

Types of property	As of dates of vesting	As of June 30, 1958
.....	.....	1/ 130,522
rests in business enterprises:		
Stock.....	110,791	112,771
Equity in enterprises whose assets or excess assets have been vested.....	49,057	2,892
Partnership interests.....	167	.....
Other proprietary interests.....	50	.....
Bonds.....	531	.....
Notes and accounts receivable.....	11,020	1,443
Total.....	171,616	117,106
ilities on patents, copyrights, and trade-marks (accrued prior to dates of vesting):		
Patents, patent applications, and patent contracts.....	10,425	.....
Copyrights and copyright contracts.....	1,105	.....
Trade-marks and trade-mark contracts.....	763	.....
Total.....	12,293	.....
l property:		
Real estate.....	7,499	353
Mortgages.....	1,174	20
Ground rents, leaseholds, and other interests.....	162	754
Total.....	8,835	1,127
sonal property:		
Tangible personal property.....	1,389	170
Stocks (miscellaneous).....	23,150	2,108
Bonds (miscellaneous).....	9,447	2,661
Other securities (coupons, etc.).....	152	50
Mortgage participation certificates.....	488	.....
Bank balances.....	34,891	.....
Currency and coin.....	10,128	.....
Notes, claims and credits.....	26,829	30
Life insurance policies and annuities.....	3,946	26
Total.....	110,420	5,045
erests in estates and trusts:		
Decedents' estates.....	37,110	1,578
Trusts under wills.....	33,089	11,253
Trusts inter vivos.....	16,046	6,647
Guardianship estates.....	1,711	161
Total.....	87,956	19,639
Grand total.....	391,120	273,439

These figures are net of direct expenses immediately borne by the vested property. Cash assets of vested business enterprises are excluded inasmuch as they are reflected in the valuation of "interests in business enterprises."

Table 3 .---CHANGES IN NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1958, FROM DATES OF VESTING TO JUNE 30, 1958
 [In thousands of dollars]

Net equity as of dates of vesting.....		\$391,120
ADD:		
Net appreciation of interests in business enterprises.....	\$119,262	
Net appreciation of interests in real and personal property.....	40,004	
Net appreciation of interests in estates and trusts.....	1,579	
Net income from interests in vested property.	72,747	
Cash and other property received from foreign governments per intercustodial agreements..	<u>5,037</u>	
		\$268,629
LESS:		
Property returned to nonhostile persons.....	-77,390	
Debt claims paid.....	-2,913	
Funds transferred to War Claims Fund.....	-225,000	
Funds transferred to the Treasury Department pursuant to Lombardo and Reverse Lease agreements.....	-1,459	
Funds transferred into Treasury under sec. 202(b) of Public Law 285.....	-40	
Funds divested and covered into Treasury under sec. 202(b) of Public Law 285.....	-351	
Cash and other property transferred to foreign governments per intercustodial agreements.....	-8,357	
Direct expenses not allocated to specific types of property 1/.....	-17,611	
Conservatory and administrative expenses: 2/.		
Allocated to specific alien accounts.....	-46,521	
Not yet allocated.....	<u>-6,668</u>	
		<u>-386,310</u>
		-117,681
Net equity vested as of June 30, 1958.....		273,439

1/ Wherever possible, figures in this report are shown net of direct expenses. These expenses arise from the vested property itself, and are not shown as administrative expenses of the Office. The total of \$17,611,000 shown here as not allocated to specific types of property arises primarily from the payment of income and other taxes by the Office to the Federal and state governments in behalf of enemy nationals whose vested property consisted of more than one type. It is impractical to allocate these taxes to the income or capital gains earned by a specific type of property within the same alien account.

2/ The Office has actually expended \$57,704,132 for conservatory and administrative expenses in administering World War II vested property (see table 22, p.71). However, since funds used for conservatory and administrative expenses included approximately \$4,000,000 from World War I Administrative Expense Fund, and, in addition, miscellaneous revenues and recoveries not arising directly from vested property, these two categories of funds are not included in the net equity statistics employed in this Report on World War II vested property. The amount of money used for conservatory and administrative expenses which reduced the available vested property funds derived from World War II vestings is derived as follows:

Total conservatory and administrative expenses.....	\$57,704,132
LESS: miscellaneous revenues, recoveries, and World War I Administrative Expense Fund.....	<u>4,515,132</u>
Total conservatory and administrative expenses derived from World War II vested property.....	53,189,000

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Table 4.---PROPERTY RETURNED TO NONHOSTILE PERSONS BY ADMINISTRATIVE AND JUDICIAL ACTION, MAR. 11, 1942, TO JUNE 30, 1958, CLASSIFIED BY NATIONALITY OF FORMER OWNERSHIP 1/
[In thousands of dollars]

Type of property	Total	Nationality of former ownership						
		Ger- man	Jap- anese	Ital- ian	Hun- gar- ian	Ruma- nian	Bul- gar- ian	Enemy occu- pied 2/
Total.....	77,390	41,394	5,716	16,358	2,229	322	108	11,263
Cash.....	44,129	25,616	4,417	7,710	638	259	108	5,381
Interests in vested business enterprises.....	7,601	3,395	605	3,593	.....	8	...	.....
Royalties on patents 3/.....	5,084	185	.....	.....	.....	...	...	4,899
Real property.....	1,746	515	412	801	8	10	...	.....
Personal property.....	12,418	9,705	278	1,453	.....	...	...	982
Interests in estates and trusts	6,412	1,978	4	2,801	1,583	45	...	1

1/ Does not include debt claims paid to creditors of former owners of vested property.

2/ The category enemy-occupied includes interests as follows: French \$8,000,000; Danish \$1,238,000; Norwegian \$284,000; Polish \$8,000; Dutch \$1,178,000; Belgian \$116,000; Luxembourg \$179,000; and Czechoslovakian \$260,000.

3/ Represents certain accrued royalties in the hands of third parties which were assigned to claimants upon return of certain vested patent properties.

Nationality of Former Owners

Table 5 classifies net equity vested by nationality of former owners as of dates of vesting and as of June 30, 1958. Table 6 presents the changes in values, including accretions and deductions, of vested property since dates of vesting, classified by nationality of former ownership.

Cash Income From Vested Property

The Office received a total of \$1,650,000 as income from all vested property still under its administration during the fiscal year 1958, making a grand total of \$72,747,000 so received through June 30, 1958. The allocation of cash income is shown in table 7 classified according to type of property from which the income was derived.

Cash Proceeds of Liquidation and Sale

The Office received \$34,390,000 from the sale and liquidation of vested property during the fiscal year 1958, making a grand total of \$405,817,000 so received. Data on the cash received from proceeds of sale and liquidation of vested property are shown in table 8 classified by type of property liquidated. All proceeds figures are net of allocable direct expenses, but before additions and deductions for intercustodial transfers and administrative and conservatory expenses and direct expenses which cannot be allocated.

PROPERTY HELD IN SAFEKEEPING

The Office has acquired some properties without the issuance of vesting orders, other than property received through intercustodial agreements. As of June 30, 1958, the estimated value of property held in safekeeping accounts and assets held for others amounted to \$903,761. Of this amount, \$361,025 consisted of cash, \$537,289 of stocks and bonds, and the balance of \$5,447 in miscellaneous assets.

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Table 5.---NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1958, CLASSIFIED BY NATIONALITY OF FORMER OWNERSHIP, AS OF DATES OF VESTING AND AS OF JUNE 30, 1958
[In thousands of dollars]

Date of valuation and type of property	Total	Nationality of former ownership						
		German	Jap- anese	Italian	Hunga- rian	Ruma- nian	Bulga- rian	Enemy occu- pied
Valued as of dates of vesting:								
Interests in vested business enterprises..	171,616	110,203	53,245	7,614	52	5	497	.....
Royalties on patents, copyrights, and trademarks (accrued prior to dates of vesting)..	12,293	3,946	3	1,153	200	1	1	6,989
Real property.....	8,835	5,978	1,927	780	57	89	4	.....
Personal property.....	110,420	98,172	9,801	1,309	239	429	25	445
Interests in estates and trusts.....	87,956	78,851	993	5,026	2,372	595	118	1
Grand total.....	391,120	297,150	65,969	15,882	2,920	1,119	645	7,435
Percent of total.....	100.0	76.0	16.8	4.1	.7	.3	.2	1.9
Valued as of June 30, 1958:								
Cash.....	130,522 ^{1/}	204,036	31,311	(44)	1,011	527	423	1,028
Interests in vested business enterprises..	117,106	113,707	3,399	.....	.....	.....	.....	.....
Royalties on patents, copyrights and trademarks (accrued prior to dates of vesting)..	.....	.....	.....	.....	.....	.....	.....	.....
Real property.....	1,127	1,104	23	.....	.....	.....	.....	.....
Personal property.....	5,045	4,120	925	.....	.....	.....	.....	.....
Interests in estates and trusts.....	19,639	18,509	63	880	68	87	32	.....
Grand total.....	273,439 ^{1/}	341,476	35,721	836	1,079	614	455	1,028

^{1/} Funds for unallocated administrative expenses and unallocated War Claims Fund transfers (\$107,770,000) have been deducted from this figure. These funds have not been allocated (recovered) to specific alien accounts yet and as a consequence have not been deducted from the totals of the nationality columns. The totals of all nationality columns, therefore, exceed the \$273,439,000 net equity vested as of June 30, 1958 by \$107,770,000. This amount consists of unallocated War Claims Fund transfers of \$101,102,000 and unallocated administrative expenses of \$6,668,000.

Table 6.---CHANGES IN NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1958, FROM DATES OF VESTING TO JUNE 30, 1958, BY NATIONALITY OF FORMER OWNERSHIP
[In thousands of dollars]

Type of property	Total	Nationality of former ownership						
		German	Jap- anese	Italian	Hunga- rian	Ruma- nian	Bulga- rian	Enemy occu- pied
Net equity as of dates of vesting:	391,120	297,150	65,969	15,882	2,920	1,119	645	7,435
ADD:								
Net appreciation of interests in business enterprises.....	149,262	148,340	(91)	1,004	6	3	.....	.....
Net appreciation of interests in real and personal property.....	40,004	53,371	(13,760)	(364)	(41)	(49)	(3)	850
Net appreciation of interests in estates and trusts.....	1,579	1,509	68	.....	.....	2	.....	.....
Net income from interests in vested property	72,747	60,254	2,914	3,098	1,088	21	1	5,371
Cash and other property received from foreign governments per inter-custodial agreements...	5,037	5,035	2	.....	.....	.....	.....	.....
Sub-total.....	659,749	565,659	55,102	19,620	3,973	1,096	643	13,656
LESS:								
Property returned to nonhostile persons.....	(77,390)	(41,394)	(5,716)	(16,358)	(2,229)	(322)	(108)	(11,263)
Debt claims paid.....	(2,913)	(2,023)	(825)	(11)	(45)	(1)	.....	(8)
Funds transferred to War Claims Fund 1/.....	(225,000)	(117,223)	(6,675)	.....	.....	.....	.....	.....
Funds transferred to the Treasury Department pursuant to Lombardo and Reverse Lend-Lease agreements.....	(1,459)	.....	.....	(860)	.....	.....	.....	(599)
Funds transferred into Treasury under sec. 202(b) of P. L. 285.....	(40)	.....	.....	.....	(32)	(8)	.....	.....
Funds divested and covered into Treasury under sec. 202(b) of P. L. 285.....	(351)	.....	.....	.....	(180)	(113)	(58)	.....
Cash and other property transferred to foreign governments per inter-custodial agreements...	(8,357)	(8,357)	.....	.....	.....	.....	.....	.....
Direct expenses not allocated to specific types of property 2/...	(17,611)	(14,604)	(1,013)	(1,184)	(233)	(4)	(5)	(568)
Conservatory and administrative expenses allocated.....	3/ (46,521)	(40,582)	(5,152)	(371)	(175)	(34)	(17)	(190)
Conservatory and administrative expenses not yet allocated 1/.....	(6,668)	.....	.....	.....	.....	.....	.....	.....
Total deductions.....	(386,310)	(224,183)	(19,381)	(18,784)	(2,894)	(482)	(188)	(12,628)
Net equity vested as of June 30, 1958.....	273,439	341,476	35,721	836	1,079	614	455	1,028

1/ See footnote 1, table 5, p. 14.
2/ See footnote 1, table 3, p. 12.
3/ See footnote 2, table 3, p. 12.

Table 7.--CASH INCOME FROM VESTED PROPERTY, CLASSIFIED BY TYPE OF PROPERTY, MAR. 11, 1942 TO JUNE 30, 1958

NOTE.--These figures are net of direct expenses paid in connection with the operation of the vested property during the period of the Office's ownership. The classification according to type of property is based on the form in which the property was held at the time the income was produced. For example, income from real estate distributed to the Attorney General as a result of vesting an interest in a trust is classified as income from real estate.

Type of property	Total	July 1, 1957 to June 30, 1958	Mar. 11, 1942 to June 30, 1957
Interests in vested business enterprises:			
Stock.....	\$20,523,486.60	\$91,137.75	\$20,432,348.85
Equity in enterprises whose assets or excess assets have been vested.....	4,244.24	.....	4,244.24
Partnership interests.....	373,265.67	.....	373,265.67
Other proprietary interests.....	7,231.36	.....	7,231.36
Bonds.....	1,086,366.24	.....	1,086,366.24
Notes and accounts receivable.....	147,071.10	7,066.83	140,004.27
Total.....	22,141,665.21	98,204.58	22,043,460.63
Royalties on patents, copyrights, and trade-marks (accrued subsequent to dates of vesting):			
Patents, applications, and contracts.....	21,298,431.53	283,029.56	21,015,401.97
Copyrights and contracts.....	3,794,923.76	129,930.91	3,664,992.85
Trade-marks and contracts.....	1,276,556.57	20,030.51	1,256,526.06
Total.....	26,369,911.86	432,990.98	25,936,920.88
Real property:			
Real estate.....	2,168,528.05	35,796.57	2,132,731.48
Mortgages.....	141,732.30	852.15	140,880.15
Ground rents, leaseholds, and other interests.....	329,141.74	17,996.19	311,145.55
Total.....	2,639,402.09	54,644.91	2,584,757.18
Personal property:			
Tangible personal property.....	217,954.15	1/ (12.18)	217,966.33
Stocks (miscellaneous).....	7,880,550.06	143,668.06	7,736,882.00
Bonds.....	3,106,141.07	133,481.60	2,972,659.47
Other securities.....	493,654.14	69,684.01	423,970.13
Mortgage participations.....	59,241.00	698.15	58,542.85
Bank balances.....	208,761.09	1/ (40.61)	208,801.70
Notes, claims, and credits.....	288,821.13	3,378.27	285,442.86
Life insurance and annuities.....	302,020.41	37,278.71	264,741.70
Total.....	12,557,143.05	388,136.01	12,169,007.04
Interests in estates and trusts:			
Decedents' estates.....	321,421.79	18,035.85	303,385.94
Trusts under wills.....	6,174,710.89	453,211.80	5,721,499.09
Trusts inter vivos.....	2,506,084.82	204,793.21	2,301,291.61
Guardianship estates.....	37,280.32	.....	37,280.32
Total.....	9,039,497.82	676,040.86	8,363,456.96
Sub-total.....	72,747,620.03	1,650,017.34	71,097,602.69
Cash received per intercustodial agree- ments (net).....	(239,674.11)	(180,281.05)	(59,393.06)
Reverse Lend-Lease and Lombardo Agreements..	(1,286,720.18)	.....	(1,286,720.18)
Conservatory and administrative expenses 2/.	(5,397,121.18)	(719,416.79)	(4,677,704.39)
Direct expenses not allocated 3/.....	(13,599,772.67)	(3,776,558.56)	(9,823,214.11)
Grand Net Total.....	52,224,331.89	(3,026,239.06)	55,250,570.95

1/ Excess of expense over income during the fiscal year.

2/ Expenses allocated to specific alien property accounts upon return of the vested property or the payment of debt claims or the closing-out of the accounts to the War Claims Fund.

3/ The allocation of a direct expense to the type of property has proved impractical in certain cases in which several types of property may be involved (i. e., payment of income taxes).

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Table 8 .---CASH RECEIVED FROM SALE AND LIQUIDATION OF VESTED PROPERTY, CLASSIFIED BY TYPE OF PROPERTY, MAR. 11, 1942 TO JUNE 30, 1958

NOTE.--These figures are net of direct expenses paid in connection with the sale or liquidation of the vested property or to discharge liabilities incurred prior to vesting. The classification by type of property is based upon the form in which the property was held at the time of liquidation or sale. For example, cash received from the sale of real estate distributed to the Attorney General from a trust is classified as proceeds of real estate.

Type of property	Total	July 1, 1957 to June 30, 1958	Mar. 11, 1942 to June 30, 1957
Interests in vested business enterprises:			
Stock.....	\$136,774,756.69	\$27,509,957.41	\$109,264,799.28
Equity in enterprises whose assets or excess assets have been vested.....	26,188,003.54	984,196.72	25,203,806.82
Partnership interests.....	189,089.58	.....	189,089.58
Other proprietary interests.....	81,567.05	.....	81,567.05
Bonds.....	1,092,880.49	.....	1,092,880.49
Notes and accounts receivable.....	7,782,681.24	236,694.86	7,545,986.38
Total.....	172,108,978.59	28,730,848.99	143,378,129.60
Royalties on patents, copyrights and trade-marks (accrued prior to vesting):^{1/}			
Patents, applications and contracts....	5,327,728.18	2/ (755.73)	5,328,483.91
Copyrights and contracts.....	1,118,180.34	871.99	1,117,308.35
Trade-marks and contracts.....	763,149.42	.....	763,149.42
Total.....	7,209,057.94	116.26	7,208,941.68
Real property:			
Real estate.....	8,220,240.55	233,155.34	7,987,085.21
Mortgages.....	1,441,713.61	65,144.06	1,376,569.55
Ground rents, leaseholds, and other interests.....	154,007.86	667.37	153,340.49
Total.....	9,815,962.02	298,766.77	9,516,995.25
Personal property:			
Tangible personal property.....	1,019,877.88	16,476.66	1,003,401.22
Stocks (miscellaneous).....	77,952,842.90	2,466,838.78	75,486,004.12
Bonds.....	24,877,928.44	1,520,755.91	23,357,172.53
Other securities.....	232,862.00	3,431.15	229,430.85
Mortgage participations.....	598,636.04	13,390.49	585,245.55
Bank balances.....	30,755,113.00	9,136.53	30,745,976.47
Notes, claims, and credits.....	24,630,473.93	105,136.94	24,525,336.99
Currency and coin.....	10,054,881.16	.50	10,054,883.66
Life insurance and annuities.....	3,558,473.50	6,691.51	3,551,781.99
Total.....	173,681,091.85	4,141,858.47	169,539,233.38
Interests in estates and trusts:			
Decedents' estates.....	27,436,494.70	460,962.87	26,975,531.83
Trusts under wills.....	11,115,320.64	561,484.61	10,553,836.03
Trusts inter vivos.....	3,767,148.89	195,260.61	3,571,888.28
Guardianship estates.....	682,689.43	369.60	682,319.83
Total.....	43,001,653.66	1,218,077.69	41,783,575.97
Sub-total.....	405,816,744.06	34,389,868.18	371,426,875.88
Cash received per intercustodial agree- ments (net).....	(3,071,477.91)	659,488.04	(3,730,965.95)
Reverse Lend-Lease and Lombardo Agreements	(172,158.17)	.....	(172,158.17)
Conservatory and administrative expenses..	(41,124,235.71)	(6,499,943.61)	(34,624,292.10)
Direct expenses not allocated.....	(4,011,181.03)	(1,700,575.48)	(2,310,605.55)
Grand Net Total....	357,437,691.24	26,848,837.13	330,588,854.11

^{1/} Royalties on interests in patents, copyrights, and trade-marks that accrued prior to vesting are treated as principal. Royalties that accrued subsequent to vesting are treated as income.
^{2/} Excess of expense over income during the fiscal year.

III

INTERESTS IN BUSINESS ENTERPRISES

The Office had vested controlling or substantial interests in 434 business enterprises having total assets at dates of assumption of control of \$376,279,000. As of June 30, 1958 the Office had under its administration 43 enterprises, including 3 active going companies and 40 in a state of liquidation or dormancy. The 43 companies had total assets of \$188,634,000, of which \$115,664,000 represented the value of the Attorney General's interest in net worth.

In the case of a corporation, the Office vested the enemy-owned capital stock. Where partnerships and other types of unincorporated businesses were involved, the Office vested the enemy proprietary interests where the enterprise was partially enemy-owned and all of the assets where the enterprise was fully enemy-owned. In the case of banks and insurance companies incorporated in an enemy country, with a branch or office located in the United States, this Office vested the remaining excess assets after payment of claims and liabilities in accordance with the laws of the state or territory in which the institution was located. The Office, in addition to vesting ownership interests, also vested the interests of enemy creditors in these enterprises.

GENERAL DESCRIPTION OF VESTED ENTERPRISES

Status of Vested Enterprises

Of the 434 companies in which controlling or substantial interests were vested, 98 continued as going concerns while the remaining 336 were either in liquidation at dates of vesting, placed in liquidation by the Office after vesting or remain inactive and dormant for certain reasons. Of the 98 continued in operation as active, going concerns, 69 have been sold, 25 returned to their former nonhostile owners, and 1 merged with another vested enterprise prior to sale. The Office has completely liquidated the vested interests in 269 of the 336 enterprises in liquidation, and in addition, has sold the vested interests in 5 companies and returned the vested interests in 22 companies which were in liquidation to their former nonhostile owners. The Office continues to hold controlling or substantial interests in 3 active going enterprises 1/, and in 40 inactive companies in liquidation as of June 30, 1958.

During the fiscal year 1958, the Office placed one formerly active company in liquidation 2/, completed the liquidation of 5, sold the interests in three active companies, 3/ and returned the majority of its holdings in another active enterprise. 4/

The following summary, arranged according to the nationality of the former owners of the 434 companies in which controlling or substantial interests were vested, indicates the distribution of the companies and their total assets at dates of assumption of control and as of June 30, 1958:

1/ The three active companies still under the Office's control are: General Aniline & Film Corp., Carl Zeiss, Inc., and American Hyalsol Corp.

2/ Amerlagene, Inc.

3/ Spur Distributing Co., Hugo Stinnes Corp., and Karl Lieberknecht, Inc. See pp. 21-23.

4/ Arabol Mfg. Co.

Nationality of former ownership	Dates of vesting		June 30, 1958	
	Number of companies	Total assets	Number of companies	Total assets
German.....	220	\$259,462,000	24	\$171,434,000
Japanese.....	175	100,715,000	19	17,200,000
Italian.....	33	13,564,000	.....	.....
Other.....	6	2,538,000	.....	.....
Total.....	434	\$376,279,000	43	\$188,634,000

ATTORNEY GENERAL'S INTERESTS IN VESTED ENTERPRISES

The interests of the Attorney General in both net worth and vested obligations of enterprises in which substantial or controlling interests have been vested are shown in table 9. The value of the vested interests is based on the net equity concept. Book values, although constituting the best available basis for valuation, do not accurately portray the value of the Attorney General's interest in certain of the companies. Accordingly, two general types of adjustments have been made, as follows: (1) in determining net equity vested, assets located in former enemy countries and former enemy-occupied countries (and this situation prevails primarily of companies in liquidation), have been analysed and where these assets are considered to be worthless awaiting write-offs on the books of the companies, have been treated as having no value; and (2) the book value of vested creditor interests has been adjusted to reflect the amounts that the Attorney General can be expected to receive upon final liquidation of the enterprises. For example, in the case of an insolvent company in liquidation, since the vested obligations receive no more priority than other liabilities of the company, the face amount of these vested debts have been written down to the amount the Attorney General would expect to collect after a pro-rata apportionment of the remaining assets.

After the above adjustments have been made, the value of the Attorney General's vested interests in business enterprises still under his control at June 30, 1958 is estimated at \$117,106,000. At dates of assumption of control of business enterprises, the value of the vested interests amounted to \$171,616,000.

An analysis of the \$54,510,000 decline in net equity vested between dates of assumption of control and June 30, 1958 is presented in table 10. The major portion of the decline was caused by the sale of vested interests in business enterprises for which the Office received a total of \$120,882,000 in cash and the payment of liquidating dividends amounting to \$67,992,000 in cash and other property. Offsetting this decline to a great extent was the value of appreciation of vested interests while under the administration of the Office amounting to \$149,262,000.

OPERATION OF VESTED ENTERPRISES AS GOING CONCERNS

Of the 434 enterprises in which substantial or controlling interests had been vested by the Office, 98 were continued in operation on an active going basis. The sale of 69 companies, the return of the vested interests in 25 companies, and the merging of 1 concern with another vested company prior to sale, leaves 3 companies continuing in operation under the control of the Office at June 30, 1958.

Of the three active companies left, one, American Hyalsol Corp., a patent holding company, will be liquidated upon expiration of existing patents. The other two are General Aniline & Film Corp. and Carl Zeiss, Inc. Details on the operation of the former will be found on pp. 28-31.

Table 9 .---NET EQUITY IN ALL VESTED ENTERPRISES, CLASSIFIED BY CHARACTER OF INTERESTS,
AS OF DATES OF VESTING AND AS OF JUNE 30, 1958
[In thousands of dollars]

Character of interests	As of dates of vesting	As of June 30, 1958
Total.....	\$171,616	\$117,106
Interests in net worth.....	160,065	115,663
Stock.....	110,791	112,771
Equity in enterprises whose assets or excess assets have been vested.....	49,057	2,892
Partnership interests.....	167	.....
Other proprietary interests.....	50	.....
Interests as creditor.....	11,551	1,443
Bonds.....	531	.....
Notes and accounts receivable.....	11,020	1,443

Table 10.---CHANGES IN NET EQUITY IN ALL VESTED ENTERPRISES, DATES OF ASSUMPTION OF CONTROL TO JUNE 30, 1958
[In thousands of dollars]

Net equity as of dates of assumption of control.....		\$171,616
Add:		
Net appreciation of vested interests.....	\$149,262	
Distribution of interests formerly owned by vested estates and trusts.....	2,369	\$151,631
Less:		
Liquidating dividends paid in cash and kind to the Office.....	-67,992	
Interests sold by the Office.....	-120,882	
Interests returned by the Office.....	-7,601	
Debts paid to the Office in cash and kind..	-9,560	
Transfer of minority interests in business enterprises to miscellaneous stock 1/.....	-3,665	
	-209,700	
Deduct - direct expenses incurred in management and sale of vested interests..	3,559	
		-206,141
		-54,510
Net equity in vested business enterprises still held by the Office of Alien Property on June 30, 1958.....		117,106

1/ Shares of stock remaining after the sale or return of the substantial interests.

SALE OF VESTED ENTERPRISES AS GOING CONCERNS

The Office consummated the sale of vested interests in three active business enterprises during the fiscal year 1958. Included in the three was the sale of the vested interests in Hugo Stinnes Corp., the details of which were reported in the Annual Report for the fiscal year ended June 30, 1957, due to the fact that the sale was held on June 25, 1957, although final closing and receipt of proceeds did not take place until July 2, 1957.

Karl Lieberknecht, Inc.

Karl Lieberknecht, Inc. was incorporated under the laws of the Commonwealth of Pennsylvania on November 14, 1927. Its main office is located in Laureldale, Berks County, (adjoining Reading, Pa.). The company was organized to design, manufacture, sell, lease, install and repair all kinds of textile and knitting machines, principally full-fashioned hose knitting machines, which, prior to its incorporation, were manufactured by Karl Lieberknecht, G.m.b.H., Oberlungwitz, Saxony, Germany, and imported and sold in the United States by a distributor.

By Vesting Order No. 4249, executed October 25, 1944, and No. 6080, executed March 26, 1946, the Alien Property Custodian vested 5 shares of common stock, and 1,269 shares of common and 1,000 shares of preferred stock respectively, of Karl Lieberknecht, Inc., which were found to be owned beneficially by a national of a designated enemy country. The 1,269 shares of common and 1,000 shares of preferred stock were registered in the name of Kalio, Inc., a New York corporation, all of whose capital stock had been vested by the Custodian during 1943 and 1946. The vested holdings represented 50.96% of the outstanding common stock and 40% of the outstanding preferred stock of the company.

On June 25, 1948, Kalio, Inc. purchased 306½ shares of common stock of Karl Lieberknecht, Inc., from the Estate of Louis Hirsch for \$70,000 pursuant to a preemptive right of Kalio to purchase these shares. On November 1, 1949, Karl Lieberknecht redeemed the entire issue of its preferred stock at the called price of \$102.00 per share and the 1,000 vested shares were thereby retired. Subsequently, there was a stock split at the rate of 100 to 1 on all the issued and outstanding common stock, which increased the authorized common stock to 250,000 shares without par value. The 1,274 shares of common stock vested were increased to 127,400 shares pursuant to the change in capital structure. On July 11, 1956, the Attorney General, as sole stockholder of Kalio, Inc., received as a liquidating distribution in kind, 30,625 shares of capital stock of Karl Lieberknecht, Inc. which Kalio had acquired in 1948, thus increasing his holdings to 158,025 shares of capital stock (63.2%), no par value.

The vested shares could not be offered at public sale during the years following vesting because of a pending Section 9(a) suit for return filed by Bank Waedenswill. In the summer of 1956 by the payment of \$650,000 from funds received by the Office and carried in accounts of Karl Lieberknecht, Inc., of which \$52,000 was paid to the Internal Revenue Service and \$598,000 paid to the claimant and its attorneys, settlement was effected of the suit. Simultaneously with the settlement of the Bank Waedenswill matter a settlement was effected with Theodore H. Thiesing (Thiesing v. Brownell), who claimed ownership of two shares of Kalio stock, and therefore, an interest in the Karl Lieberknecht vested shares.

Following the above settlements of legal suits and the distribution of the Lieberknecht shares held by Kalio to the Attorney General, preparation was made to offer the vested shares at public sale on a sealed basis, with bid opening scheduled for October 10, 1956. At the bid opening, four bids were received, the highest in the amount of \$3,005,100. All bids were rejected by the Attorney General as inadequate and inconsistent with what was believed to be the market value of the vested shares.

During the succeeding several months efforts were made to obtain higher offers, but without success. Plans were perfected for the making of a second public offering, with bid

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opening scheduled for November 20, 1957. Two bids were received, the higher in the amount of \$2,309,000. The Attorney General rejected the two bids received at the second offering as being inadequate. It was decided that in view of the unsuccessful efforts to effect a sale of the Lieberknecht shares through public offerings, the Office should proceed to undertake negotiations with all persons who since the rejection of bids received at the second offering had shown an interest in purchasing the vested shares of stock with the view of obtaining a satisfactory offer. Thirty persons were contacted who had indicated an interest in purchasing the stock and Questionnaires were requested in the event they were interested in submitting offers to purchase.

Following receipt of Questionnaires from sixteen of the parties contacted, they were requested to submit their best offers by January 21, 1958, at which time three bids were received. The highest in the amount of \$2,766,000 was submitted by Haile Mines, Inc. 500 Fifth Avenue, New York, and on January 27, 1958 the Attorney General authorized acceptance of the offer. The sale was consummated on February 4, 1958.

Spur Distributing Company, Inc.

By Vesting Order No. 14, executed June 4, 1942, the Alien Property Custodian vested 73,039 shares of common stock, no par value, of Spur Distributing Co., Inc., a Delaware corporation, representing 52.55% of the total of 139,000 shares of capital stock of that company then issued and outstanding. The shares were registered in the name of Houvis & Co., as nominee for The American National Bank, Nashville, Tenn., and were held by that bank as collateral on a loan it had made on August 2, 1940, in the original amount of \$200,000 to Fritz von Opel for the benefit of Uebersee Finanz Korporation, A.G., Liestal Switzerland. The amount of this loan had been reduced by payments made previous to the date of vesting, leaving an unpaid balance of \$34,621.32 due as of June 4, 1942, the date of vesting. Supervisory Order No. 251, dated December 8, 1944, also gave the Custodian the direction, management, supervision and control of the company.

On July 28, 1944 the Custodian paid off the balance due on the loan which the American National Bank had made to von Opel in the amount of \$36,992.88 and secured the release of the 73,039 vested shares of common stock which had been pledged as collateral to that loan.

Spur Distributing Company was incorporated under the laws of the State of Delaware on April 19, 1928, becoming actively engaged in the sale of gasoline and oil through retail filling stations in July 1928. Its executive office is located in Nashville, Tennessee. The company, with its wholly-owned subsidiaries, operates a chain of 306 retail filling stations, some owned, some leased, located in 20 states east of or bordering on the Mississippi River and in the District of Columbia.

In 1944 arrangements were made for a public offering of the 73,039 vested shares of Spur Distributing stock; however, at the meeting held for the formal opening of bids, the Custodian announced that due to a Section 9(a) suit for return having been filed, it would not be possible to consummate the sale at that time. One of the conditions of that sale, had it been completed, was that J. M. Houghland, the company's president, was to have the right of "first purchase" of the stock formerly held by Uebersee Finanz Korporation, A.G. This right of "first purchase" was in accordance with an agreement entered into in 1933 between Mr. Houghland and Uebersee Finanz Korporation.

The suit by Uebersee Finanz Korporation A.G., against the Attorney General under Section 9(a) of the Trading With the Enemy Act, as amended, to obtain return of the vested shares of the company, among other property, was terminated by a judgment in favor of the Attorney General, affirmed by the United States Supreme Court, Uebersee Finanz Korporation A.G. v. McGrath (343 U.S. 205 (1952)). Subsequently, judgment was entered in the District Court for the District of Columbia in favor of the Attorney General denying any recovery to Fritz von Opel, Intervenor-Plaintiff in the above suit. The latter judgment was affirmed

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by the United States Court of Appeals (von Opel v. Brownell, 244 F. 2d 789, C.A.D.C. 1957). Petition for certiorari was denied by the United States Supreme Court on November 18, 1957 (355 U. S. 878).

Following termination of the aforesaid litigation, and in order to facilitate an early sale of the vested shares, negotiations were entered into with Mr. J. M. Houghland, president of the corporation, relative to the terms of sale. This was advisable in view of the fact that the aforesaid shares were the subject of an agreement between Mr. Houghland and Uebersee Finanz Korporation, the prevesting owner. As a result of these negotiations, and prior to the issuance of the public invitation for bids, the Attorney General entered into an agreement with Mr. Houghland pursuant to which the latter made a "guaranteed minimum offer" of \$5,038,000 for the 73,039 vested shares, which the Attorney General agreed to accept in the event no higher bid was received in response to the public invitation.

Since the date of vesting the corporation acquired through purchase in the open market 7,400 shares of its common stock. This served to reduce the total outstanding shares from 139,000 as of date of vesting to 131,600 shares at the date of the aforesaid negotiations. In like manner this served to increase the percentage of the vested stock interest from 52.55% as of date of vesting to 55.5% as of date of the negotiations. The 55.5% vested stock interest represented a book value of \$4,838,103 or \$67.05 per share as of October 31, 1957. The guaranteed minimum bid of \$5,038,103 representing \$200,000 in excess of book value of the vested shares as of October 31, 1957, was considered a satisfactory offer if no higher bids were received at the public sale, opinion being that the relationship of the guaranteed bid to the book value represented the most reasonable basis for evaluating the vested shares.

On January 22, 1958 a Public Invitation for Sealed Bids was issued, with opening of the bids scheduled for February 19, 1958. No sealed bids were received at that date; therefore, the sole offer to purchase the vested shares was the "guaranteed minimum offer" of \$5,038,103, made by Mr. Houghland. The Attorney General approved the sale to Mr. Houghland in accordance with the terms of the aforesaid agreement and closing took place on March 4, 1958.

LIQUIDATION OF VESTED ENTERPRISES

Of the 434 business enterprises in which substantial or controlling interests were vested by the Office, 336 were either in a state of liquidation when the Office assumed control, placed in liquidation by the Office subsequent to vesting, or remain inactive or dormant for certain reasons. Those companies that were placed in liquidation were either unable to operate profitably or their continued operation would not serve the national interest or, as in the case of some patent holding companies, their sole assets ceased to exist by expiration. Of the 336, 29 are banks and insurance companies which are discussed separately in the succeeding section of this chapter.

Of the remaining 307 (excluding the 29 banks and insurance companies) companies, 252 have been completely liquidated either by the Office directly or under its supervision as of June 30, 1958. Four companies were liquidated during the fiscal year 1958. In addition, a total of five companies were sold while in liquidation and the interests in 14 companies were returned to their former nonhostile owners while in liquidation. At June 30, 1958, the Office continues its administration of the liquidation of 36 companies (excluding four banks).

Progress of Liquidation

Table 11 indicates the progress of liquidation of vested enterprises. The table shows a comparison of consolidated balance sheets of the 252 companies completely liquidated (exclusive of banks and insurance companies) and the 36 companies still in the state of liquidation as of June 30, 1958. For comparison purposes, companies in which the vested

Table 11.---CONSOLIDATED COMPARATIVE BALANCE SHEET OF VESTED ENTERPRISES (EXCEPT BANKS AND INSURANCE COMPANIES) COMPLETELY LIQUIDATED AND STILL IN LIQUIDATION AS OF JUNE 30, 1958, DATA SHOWN AS OF DATES OF ASSUMPTION OF CONTROL AND AS OF JUNE 30, 1958
 [In thousands of dollars]

Balance sheet items	As of dates of assumption of control		Changes reflected on books of companies	As of June 30, 1958
	Liquidated on June 30, 1958	In liquidation June 30, 1958		
ASSETS ^{1/}				
Located in the United States:				
Cash.....	7,751	6,150	(5,508)	8,393
Receivables.....	2,329	1,098	(3,185)	242
Inventory.....	3,919	1,602	(5,517)	4
Investments.....	3,691	3,869	(4,646)	2,914
Fixed assets.....	6,102	478	(6,564)	16
Intangibles.....	1,321	27	(1,347)	1
Deferred charges.....	153	14	(166)	1
Claims and deposits.....	971	3,532	(3,310)	1,193
Total assets in United States..	26,237	16,770	(30,243)	12,764
Located in former allied and neutral countries.....	5,423	1,682	(5,708)	1,397
Located in former enemy and enemy-occupied countries.....	4,314	5,404	(4,949)	4,769
Total assets.....	35,974	23,856	(40,900)	18,930
LIABILITIES AND NET WORTH				
Liabilities:				
Owing to residents of the United States.....	6,884	17,136	(5,475)	18,545
Owing to residents of former allied, neutral, and enemy-occupied countries.....	2,589	936	(2,749)	776
Owing to residents of former enemy countries.....	3,736	2,417	(6,066)	87
Owing to Attorney General (vested)	6,167	171	(4,569)	1,769
Total liabilities.....	19,376	20,660	(18,859)	21,177
Net worth:				
Net worth of solvent companies....	20,303	7,621	(21,612)	6,312
Net worth of insolvent companies..	(3,705)	(4,425)	(429)	(8,559)
Total net worth.....	16,598	3,196	2/ (22,041)	(2,247)
Total liabilities and net worth.....	35,974	23,856	(40,900)	18,930
Net worth of solvent enterprises distributed according to ownership shares:				
Vested in Attorney General.....	14,804	7,377	(16,018)	6,163
Owned by estates and trusts in which Attorney General is sole beneficiary.....	280	.....	(280)	.....
Owned by others.....	5,219	244	(5,314)	149

^{1/} Receivables and claims are classified according to location of debtors; deposits according to location of depositaries; and securities according to location of issuers.

^{2/} For a breakdown of this figure, see table 12.

Interests were either returned or sold to their former nonhostile owners are omitted at dates of vesting and at June 30, 1958. The first column of the table shows the balance sheet items at dates of assumption of control of those companies which are liquidated at June 30, 1958. The second column shows the same items for those companies which are still being liquidated at the close of the fiscal year. The third column indicates the net change since dates of vesting (as shown on the books of the companies), while the fourth column indicates the values of the balance sheet items as they are reflected at June 30, 1958 on the books of the remaining 36 companies still unliquidated.

Table 12.---FACTORS RESPONSIBLE FOR CHANGES IN NET WORTH OF LIQUIDATED AND IN LIQUIDATION ENTERPRISES, DATES OF ASSUMPTION OF CONTROL TO JUNE 30, 1958
[In thousands of dollars]

Net worth at dates of assumption of control.....		\$19,794
Operating profits and losses: 1/		
Profits of 89 companies.....	\$5,393	
Losses of 173 companies.....	<u>-5,695</u>	
Net change.....		-\$302
Capital gains and losses:		
Capital gains.....	11,259	
Capital losses.....	<u>-8,937</u>	
Net change.....		2,322
Distributions to stockholders (including Attorney General):		
Regular dividends.....	-3,780	
Liquidating dividends in cash and kind.....	<u>-20,281</u>	
Net change.....		<u>-24,061</u>
Total net change (see footnote 2, table 11).....		<u>-22,041</u>
Net worth as of June 30, 1958.....		-2,247

1/ 26 companies had neither profits nor losses.

Of the total of \$20,281,000 in liquidating dividends distributed by the companies in liquidation, the Office received \$18,805,000, of which \$13,783,000 was in cash and the remaining \$5,022,000 was in property in kind, principally securities.

LIQUIDATION OF BANKS AND INSURANCE COMPANIES

During the fiscal year 1958, the liquidation of one of the remaining five banks in liquidation was completed. The institution was being liquidated by a trustee appointed by the State Court supervising the liquidation. 5/ This Office had vested 97.75% of the capital stock of this Washington corporation. During the fiscal year the liquidation of another bank was substantially completed. In this latter case the Office had vested the "excess proceeds" of the New York Office of the Mitsui Bank, Ltd., which was placed in liquidation by the Superintendent of Banks of the State of New York. There had been maintained in this liquidation a reserve for actions in litigation. A Turnover Directive was issued directed to this reserve and during the fiscal year the New York Superintendent of Banks complied with this directive and turned over to this Office the sum of \$550,900. Also during the fiscal year the New York Superintendent of Banks turned over pursuant to a Turnover Direc-

5/ Sumitomo Bank of Seattle. Superior Court of the State of Washington for King County.

tive a reserve maintained in the liquidation of the Yokohama Specie Bank, New York, for Rejected Accounts Payable. The sum turned over to this Office amounted to \$433,286.72. Collections continued to be made during the fiscal year on unliquidated assets assigned to the Attorney General pursuant to Turnover Directives issued in prior years in bank liquidations.

Supervision by this Office continues in the liquidation of four banks. These institutions are being liquidated by appropriate state officials 6/ or by liquidating trustees 7/ under the supervision of this Office.

Progress of Liquidation

Table 13 shows the financial condition of the four banks still in liquidation as of June 30, 1958, compared to their condition at dates of vesting, and the condition of the banks and insurance companies completely liquidated at June 30, 1958, compared to when they were vested. Omitted from this table are the 6 banks and 2 insurance companies returned to their former nonhostile owners while in liquidation. The first column shows the balance sheet items of the 17 companies which have been completely liquidated, as of their dates of vesting. The second column shows the same items of the four banks still in liquidation, also at their dates of vesting. The third column indicates the net changes in the balance sheets of all banks and insurance companies liquidated or still in liquidation and the last column shows the consolidated balance sheet totals of the 4 banks still in liquidation at June 30, 1958.

The table indicates that a very substantial reduction has been made in total assets of the 21 banks and insurance companies which have been liquidated or are in the process of liquidation. The decline in total assets has amounted to \$68,402,000 between dates of assumption of control and June 30, 1958.

All the banks and insurance companies liquidated or in the process of liquidation by state authorities and by liquidating trustees under the supervision of this Office have paid dividends of 100% on approved claims of creditors. The claims of creditors of those banks which were in liquidation directly by this Office 8/ must be settled in accordance with Section 32 and 34 of the Trading With the Enemy Act, as amended. 9/

Decline in Net Worth

The reduction in net worth of banks and insurance companies (except those returned or sold) from \$61,926,000 to \$2,490,000 between dates of assumption of control to June 30, 1958, was caused by the following factors:

6/ Some of the vested institutions were being liquidated by state authorities prior to the establishment of the Office of the Custodian. In order not to interfere with the liquidation proceedings of the state authorities, vestings were addressed to "excess proceeds" of such institutions remaining after the payment of creditors preferred under state law.

7/ In the Territory of Hawaii liquidation of the enemy-owned or controlled banks was not undertaken by the Territorial Authorities. Liquidation of the Sumitomo Bank of Hawaii, a domestic corporation, in which substantial stock was vested, is being conducted by a liquidating trustee.

8/ Yokohama Specie Bank, Ltd., Honolulu Branch. Yokohama Specie Bank, Ltd., Seattle Branch.

9/ 60 Stat. 50, as amended 60 Stat. 930, 61 Stat. 784, 64 Stat. 1080, 66 Stat. 129, 68 Stat. 767, 50 U.S.C. App. sec. 32; 60 Stat. 925, 50 U.S.C. App. sec. 34.

Table 13.---CONSOLIDATED COMPARATIVE BALANCE SHEET OF BANKS AND INSURANCE COMPANIES IN LIQUIDATION AND COMPLETELY LIQUIDATED AS OF JUNE 30, 1958, DATA SHOWN AS OF DATES OF ASSUMPTION OF CONTROL AND AS OF JUNE 30, 1958
 [In thousands of dollars]

Balance sheet items	As of dates of assumption of control		Changes reflected on books of companies	As of June 30, 1958
	Liquidated on June 30, 1958	In liquidation June 30, 1958		
ASSETS 1/				
Located in the United States:				
Cash.....	12,080	16,844	(26,927)	1,997
Receivables.....	782	12,108	(11,697)	1,193
Investments.....	8,424	.....	(8,422)	2
Fixed assets.....	110	7	(117)	.....
Deferred charges.....	52	37	(89)	.....
Claims and deposits.....	234	1,496	(1,730)	.....
Total assets in United States....	21,682	30,492	(48,982)	3,192
Located in former allied and neutral countries.....	447	4,775	(4,665)	557
Located in former enemy and enemy-occupied countries.....	434	14,321	(14,755)	.....
Total assets.....	22,563	49,588	(68,402)	3,749
LIABILITIES AND NET WORTH				
Liabilities:				
Owing to residents of the United States.....	5,143	3,210	(7,134)	1,219
Owing to residents of former allied, neutral, and enemy-occupied countries.....	782	208	(950)	40
Owing to residents of former enemy countries.....	425	457	(882)	.....
Owing to Attorney General (vested).....	.....	.....	.....	.....
Total liabilities.....	6,350	3,875	(8,966)	1,259
Net worth:				
Net worth of solvent companies.....	16,213	45,713	(59,436)	2,490
Net worth of insolvent companies.....	.....	.....	.....	.....
Total net worth.....	16,213	45,713	2/(59,436)	2,490
Total liabilities and net worth..	22,563	49,588	(68,402)	3,749
Net worth of solvent companies distributed according to ownership shares:				
Vested in Attorney General.....	15,896	45,702	(59,110)	2,488
Vested in others.....	317	11	(326)	2

1/ Receivables and claims are classified according to location of debtors; deposits according to location of depositaries; and securities according to location of issuers.

2/ See textual table, p. 28 for breakdown of the reduction in net worth between dates of assumption of control and June 30, 1958.

Net worth at dates of assumption of control.....		\$61,926,000
Liquidating gains and losses:		
Add: Gains of 9 companies.....	\$5,831,000	
Less: Losses of 12 companies.....	<u>-8,702,000</u>	
Net change.....		<u>-\$2,871,000</u>
Distributions to stockholders (including the Attorney General):		
Liquidating payments in cash.....	-30,094,000	
Liquidating payments in kind.....	<u>-26,471,000</u>	
Net change.....		<u>-56,565,000</u>
Total net changes in net worth (footnote 2, table).....		<u>-59,436,000</u>
Net worth of banks in liquidation at June 30, 1958.....		2,490,000

GENERAL ANILINE & FILM CORPORATION

Interest of the Office

The Office of Alien Property continues to hold in the name of the Attorney General 540,894 (91.2%) of the 592,742 outstanding shares of common "A" capital stock and all of the 2,050,000 outstanding shares of the common "B" capital stock of the Corporation as of June 30, 1958.

Management

There was one change in the officers of the Corporation during the fiscal year 1958 when Mr. James Forrestal resigned as Vice-President on December 18, 1957. He also resigned his post as director on April 8, 1958 and was replaced on the board on the same date by Mr. L. F. Eckler, Vice-President and General Manager of the Ansco Division.

Business Operations

DYESTUFF & CHEMICAL DIVISION.---The product line in this division was held at a relatively constant level and a total of 1,600 dyestuffs, pigments, detergents and other chemicals are currently being offered for sale. Construction of the new plant for the manufacture of ethylene oxide and ethylene glycol has been completed. The new facility, which has a planned production rate of 60 million pounds a year, has been in operation for several months. While much of the ethylene oxide produced by the plant is for use as a key raw material in the Corporation's own surfactant manufacture, it also represents a new sales item. This plant also produces industrial grade ethylene glycol, anti-freeze grade ethylene glycol, and diethylene glycol.

Organic chlorination facilities have been placed in operation at the Linden, New Jersey plant and are being used to produce previously purchased chemicals required in current plant manufacture. These facilities also permit the sale organization to add a variety of chlorinated chemicals to the sale line. The Linde Air Products Company has completed construction of a plant at Linden, on GAF land. They are purchasing the previously discarded hydrogen from the chlorine-caustic operation for use in their plant.

Design work has been completed and construction has begun on facilities for the production of purified nickel powder from nickel carbonyl. This project is being undertaken for the United States Army Signal Corps for use in sintered nickel battery plates. Study is continuing on the joint program announced in September 1957 by GAF and Curtis-Wright Corporation on the possibility of the manufacture of intermediates for plastics.

ANSCO DIVISION.---GAF's line of reversal color films was expanded during the year by the successful introduction of the new Super Anscochrome Tungsten roll, 16mm and 35mm films. This film, intended for use with artificial illumination, has an exposure index of 100 which corresponds in speed to its daylight balanced companion announced last year. Super Hypan, a new high speed black-and-white roll and sheet film, was introduced to the trade during the year. This film under normal conditions has an exposure index of 500 and may be forced for special purposes to speeds two to three times higher. This film is distinguished for its fine grain.

Two important developments were completed for the Air Force with the completion of a Radar Mapping Camera with rapid process facilities and an Airborne Radar Camera. Completed during the year were construction facilities of the \$1,380,000 expansion of film finishing facilities. Bids were requested to cover the erection of a new \$2,000,000 administration building on land acquired last year in Vestal, New York for this purpose. This building is urgently required to take care of the critical shortage of adequate office space.

Products were taken off Fair Trade in January, 1958, following the pattern established by the other major photographic companies.

OZALID DIVISION.---A new low cost pattern marking machine, the Pattern Printer, was developed for the garment industry and introduced in October 1957. This equipment was well received, and although the market is highly specialized and consequently limited in volume, a sizable business in sensitized marker material for use in these machines has resulted. Limited quantities of a viewer-enlarger machine known as the Micromatic, the first of its kind in the microfilm field, were produced and sold in the first six months of calendar year 1958. A companion piece of equipment for producing additional copies of a microfilm master, the Actifilm Printer, has been similarly produced and sold during the same period. Manufacturing arrangements for quantity production of these machines are now being established.

The new integrated warehouse and machine manufacturing building in Vestal, New York, was completed in December, 1957, and machine production was transferred to this new location in the first quarter of calendar 1958. Substantial operating economies will result when this new plant is working at full capacity. Construction of the new West Coast coating plant which began at La Habra, California in June 1957, was completed and manufacturing operations were transferred from leased factory space in Oakland. All stock and shipping operations which were performed at the Los Angeles Sales Branch have been transferred to La Habra, and the Branch Sales activities have been moved into new and smaller quarters. This move was in line with a program involving the realignment of operations in several Ozalid sales centers to improve customer service and reduce distribution costs.

During the first half of calendar year 1958, the entire business of Reproduction Products Company, a small coater of both dry and semi-moist diazo sensitized materials in Detroit, Michigan, was purchased. In addition to the manufacturing and distribution facilities acquired in this strategic Mid-west area, the new company provides Ozalid with an opportunity to develop both production and sales "know-how" in the field of moist developing materials.

RESEARCH AND PATENTS.---During the fiscal year 1958 the Corporation expended \$2,229,926 on basic research and \$3,450,508 on process development. Of the 3,656 patents owned, 1,601 were issued in the United States, while of the 2,077 pending patent applications, 530 were domestic.

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Financial Information

Net sales of the Corporation showed a large increase during the fiscal year 1958, rising to \$136,348,000 from the total of \$126,597,000 during fiscal year 1957. After allowance of \$4,969,949 for Federal income taxes, the Corporation earned \$4,811,381 during the fiscal year compared to \$4,657,162 during the fiscal year 1957. As a result of these operations, the Corporation increased the book value of its net worth from \$112,720,818 at June 30, 1957 to \$117,494,387 at June 30, 1958. No dividends were declared or paid on the outstanding shares of capital stock during the fiscal year, which has been the normal practice of the Corporation for several years.

The book value of the Attorney General's interest in net worth of the Corporation was \$109,858,012 at June 30, 1958 compared to \$105,394,605 at June 30, 1957.

GENERAL ANILINE & FILM CORPORATION AND DOMESTIC SUBSIDIARIES, CONSOLIDATED COMPARATIVE
BALANCE SHEETS, 1/ MAR. 31, 1942, 2/ JUNE 30, 1957, AND JUNE 30, 1958
[ϕ omitted]

Balance sheet items	Mar. 31, 1942 <u>2/</u>	June 30, 1957	June 30, 1958
ASSETS <u>3/</u>			
Located in the United States:			
Cash.....	\$9,292,036	\$8,044,124	\$8,042,215
Receivables.....	4,647,030	12,457,790	13,469,905
Inventory.....	16,393,039	50,116,300	50,751,304
Investments.....	8,251,488	17,814,407	14,120,879
Fixed assets.....	20,561,635	67,165,024	71,196,594
Intangibles.....	1	1	1
Deferred charges.....	1,031,612	2,967,533	3,283,114
Claims and deposits.....	542,639	637,793	784,139
Total assets in the United States...	60,719,480	159,202,972	161,648,151
Located in former allied and neutral countries.....	433,846	2,164,009	2,153,505
Located in former enemy and enemy-occupied countries <u>4/</u>	7,597,289	.....	.....
Total assets.....	68,750,615	161,366,981	163,801,656
LIABILITIES AND NET WORTH			
Liabilities:			
Owing to residents of United States.....	28,040,882	48,317,918	46,062,004
Owing to residents of former allied, neutral and enemy-occupied countries...	460,400	328,245	245,265
Owing to residents of former enemy countries.....	57,600	.....	.....
Owing to Attorney General (vested).....	.....	.....	.....
Total liabilities.....	28,558,882	48,646,163	46,307,269
Net worth.....	40,191,733	112,720,818	117,494,387
Total liabilities and net worth....	68,750,615	161,366,981	163,801,656
Book value of shares vested in Attorney General <u>5/</u>	36,369,890	105,394,695	109,858,012
Book value of shares owned by others.....	3,821,843	7,326,123	7,642,375

1/ These balance sheets were prepared from financial data supplied by the Corporation. They are not the official balance sheets of the Corporation.

2/ 24 days before vesting.

3/ Receivables and claims are classified according to location of debtors; deposits according to location of depositaries; and securities according to location of issuers.

4/ An investment in common stock of I.G. Chemie is included in this item and is carried at a value of \$7,595,300 as of Mar. 31, 1942. The stated value of this investment was later reduced substantially as a result of a distribution of these shares in lieu of cash dividends. Investment in this Swiss company is listed among assets located in former enemy and enemy-occupied countries because the Alien Property Custodian vested the I.G. Chemie holdings of GAF, having found that I.G. Chemie was a cloak for I.G. Farbenindustrie, A.G.

5/ The participation of the common "A" and "B" shares in the book value of the equity may be calculated on either of two proportions. The alternative proportions to be used are stipulated in the Corporation's certificate of incorporation, as amended. The part of the book value of the equity that is here ascribed to the vested "A" and "B" shares is proportionate to their participation in dividends rights. If the part of the book value of the equity ascribed to the vested shares is made proportional to their participation in liquidation rights, the book value of the vested shares becomes \$112,172,832 and the book value of the unvested shares becomes \$5,321,555.

IV

PATENTS, COPYRIGHTS, AND TRADE-MARKS

The Office of Alien Property continues to administer a large number of industrial and intellectual properties consisting of patents, copyrights, and trade-marks, together with contracts and license agreements pertaining thereto.

The copyright program includes the administration of several hundred thousand copyrighted scientific, literary and artistic works, motion pictures and musical compositions.

Responsibility for regulating the transactions of trade-marks of nationals of East Germany is retained by the Office.

VESTED PATENTS AND PATENT APPLICATIONS

Property Vested

The Office had vested a total of 41,176 patents, 362 part interests in patents, 4,706 patent applications, 529 abandoned patent applications, and 868 inventions on which patent applications had been prepared but had not been filed.

Changes in Character of Property Since Vesting

Many of the patent properties controlled by the Office have undergone changes since dates of vesting. These changes have been due principally to the following: (1) the prosecution of patent applications before the United States Patent Office, which has reduced the number of patent applications under administration and has increased the number of patents; (2) the expiration of patents; and (3) the return of patents and applications to American citizens and nonhostile foreign nationals.

PATENT PROSECUTION.---The Office prosecuted only those patent applications which related to new products or processes which appeared to have been of value to American industry. A total of 3,053 patents had been granted the Office on vested patent applications. This program has been completed.

EXPIRATIONS.---Patents granted by the United States Patent Office expire 17 years from date of issue. As a result, a number of patents under the administration of the Office expire each year. Approximately 2,309 patents expired during the fiscal year 1958, making a total of 37,562 expirations since dates of vesting. After deducting expired patents and returns of vested patents, the Office held approximately 4,551 patents at the close of the fiscal year.

RETURNS OF PATENT PROPERTY.---Returned to their former owners during the fiscal year were 16 patents, 7 part interests in patents, 2 patent applications, and interests in 6 patent contracts. These returns were made under the authority of Section 32 of the Trading With the Enemy Act, as amended. As of June 30, 1958, the Office had returned a total of 2,371 patents, 114 part interests in patents, 139 patent applications, 121 interests in patent contracts, and 117 inventions.

LICENSING OF VESTED PATENTS

Licensing Policy

FORMER ENEMY PATENTS.---Patents formerly owned by nationals of Germany and Japan under which there were no conflicting bona fide nonenemy rights outstanding at the time of vesting, are licensed on a revocable, nonexclusive, royalty-free basis. Patents vested

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from Italian nationals are licensed by the Office on a nonexclusive, nondiscriminatory, royalty-bearing basis. Where claims for return have been filed, royalty and other terms are to be agreed upon in advance by the applicant and former Italian owner. These terms must be acceptable to the Office. The Office collects the royalties until such time as the patents and accumulated royalties may be returned to their former owners. When vested Italian patents are returned to their former owners, they remain subject to all outstanding licenses granted by the Office.

Licenses for the use of patents vested from nationals of Bulgaria, Hungary and Rumania generally are issued on a nonexclusive, royalty-bearing basis on terms acceptable to this Office.

NONENEMY PATENTS.---Section 32 of the Trading With the Enemy Act, as amended, authorizes the return of patents vested from friendly foreign nationals. Where claims have been filed with respect to any patent not yet returned, a nonexclusive royalty-bearing license will be issued providing the applicant and the former owner can agree upon royalty and other terms acceptable to this Office. Where no eligible claims have been filed, formerly nonenemy-owned patents are licensed on a nonexclusive, royalty-bearing basis, the royalty terms to be agreed upon by the license applicant and this Office.

Extent of Licensing

The Office has issued the following number of licenses on vested patents:

	Cumulative total to June 30, 1958	Licensed during period July 1, 1957 to June 30, 1958	Cumulative total to June 30, 1957
Number of licenses granted.....	1/ 3,497	8	3,489
Number of patents and applications licensed (counting each patent as many times as it was licensed).	16,141	8	16,133

1/ More than 99% related to patents formerly owned by nationals of enemy countries.

PATENT CONTRACTS

The Office has acquired interests in a large number of patents, in addition to those directly vested, through the vesting of foreign interests in patent contracts. Contracts, in which the rights and interests of foreign nationals have been vested, are of two principal types: (1) contracts whereby the patents have only been licensed to the American party; and (2) contracts pursuant to which patents have been assigned outright and thus title to the patents is held by the American party.

A total of 1,218 interests in 894 patent contracts were vested by the Office at the close of the vesting program in 1953. Of the 1,218 interests vested, 965 had been owned by nationals of enemy countries and 253 had been owned by nationals of former enemy-occupied countries; of the 894 patent contracts involved, 724 had been vested from enemy nationals, 153 from nationals of former enemy-occupied countries, and 17 had joint interests vested.

Administration and Disposition

The legality of patent contracts under the antitrust laws of the United States was one of the principal problems encountered by the Office in the administration and disposition of this type of property.

ILLEGAL CONTRACTS.---The policy of the Office with respect to illegal contracts was to cancel those under which the rights and interests in patents had been granted to Americans by their former owners who were nationals of Germany and Japan. 1/ Any licensee who voluntarily relinquished all claims relative to a patent involved and payed accrued royalties up to the date of the renegotiation, was granted an irrevocable, nonexclusive, royalty-free license for the remaining life of the patent. All qualified applicants then received standard licenses. This procedure was also followed in cases in which patents were assigned. The Office cooperated with the Antitrust Division of the Department of Justice in the prosecution of any case in which a patent was involved in an antitrust civil action.

LEGAL CONTRACTS.---The policy of the Office regarding legal contracts is to permit Americans who have exclusive rights either by license or assignments under contracts with German and Japanese nationals to give up those rights in exchange for irrevocable, non-exclusive, royalty-free licenses. All other qualified applicants are then granted standard licenses.

The Office attempts in all cases to respect the legally acquired rights of the American party to the contract. However, where the right to terminate the contract is held by the Office, it may do so if there appears to be significant demand on the part of other American nationals for licenses under the patent. When a patent contract is terminated, the American party is relieved of all future obligations under the contract.

COLLECTION OF ROYALTIES.---As of June 30, 1958 the Office had collected a net total of \$26,626,159.71 in royalties due under vested patents and patent contracts. Of this amount, \$282,273.83 was collected during the fiscal year. Table 14 classifies royalty collections by nationality of former owners of the rights to the royalties and whether the monies collected were accrued prior to vesting or subsequent to vesting of the interests.

Table 14.---ROYALTIES COLLECTED FROM VESTED PATENTS AND PATENT CONTRACTS, MAR. 11, 1942, TO JUNE 30, 1958, CLASSIFIED BY NATIONALITY OF FORMER OWNERSHIP

Nationality of former owners of patents and interests in patent contracts	Total	Accrued prior to dates of vesting	Accrued subsequent to dates of vesting
Total.....	\$26,626,159.71	\$5,327,728.18	\$21,298,431.53
German.....	19,291,044.04	3,254,835.92	16,036,208.12
Japanese.....	841.79	.....	841.79
Italian.....	1,260,208.07	540,247.13	719,960.94
Hungarian.....	438,249.03	79,989.60	358,259.43
Rumanian.....	1,597.18	.....	1,597.18
Belgian.....	232,325.35	70,938.63	161,386.72
Czechoslovakian.....	425,104.32	145,451.80	279,652.52
Danish.....	76,905.09	46,541.45	30,363.64
Dutch.....	343,809.47	117,372.35	226,437.12
French.....	3,104,409.48	791,068.06	2,313,341.42
Luxembourg.....	322,709.89	203,472.93	119,236.96
Norwegian.....	1,129,180.18	78,085.31	1,051,094.87
Polish.....	<u>1/</u> (275.00)	<u>1/</u> (275.00)	.....
Swiss.....	50.82	.....	50.82

1/ Excess of expenses over cash income.

1/ Antitrust questions have also arisen with respect to property returned to eligible persons. In some cases, agreements which contained provisions restraining competition or which tended to create monopolies in violation of the antitrust laws were modified as a condition of return, and the claimant had to furnish appropriate assurance that the objectionable provisions would not be reinstated.

COPYRIGHTS

The Office controls and administers vested interests in copyrights and related rights in scientific works, periodicals, motion pictures, music, plays, paintings, photographs and other types of literary and artistic works of foreign origin. The Office grants licenses for the exploitation of these vested works. The various types of exploitation include, among others, the republication of books, periodicals and sheet music and the publication of translations and revisions thereof; the production, distribution and exhibition of motion pictures; the theatrical performance of plays and operas; performances on radio and television; and the recording of musical compositions. The Office also administers contracts entered into before World War II between foreign copyright owners and American exploiters and collects the royalties as they accrue.

The Office has vested thousands of copyrights, claims and rights to copyrights, and the interests in 634 prewar contracts covering thousands of works.

ROYALTIES.---As a result of the licensing program and the administration of prewar contracts, the Office has collected a total of \$4,913,104.10 in royalties through June 30, 1958. During the fiscal year 1958 the Office received \$130,802.90 from this source. Table 15 shows the net receipts received from royalties on copyrighted works and the nationalities of the former owners of these vested works, broken down between royalties which had accumulated in the hands of third parties prior to vesting and that received by the Office subsequent to vesting of the works.

Table 15.---ROYALTIES COLLECTED FROM VESTED INTERESTS IN COPYRIGHTS, MAR. 11, 1942 TO JUNE 30, 1958, CLASSIFIED BY NATIONALITY OF FORMER OWNERSHIP 1/

Nationality of former owners of copyright interests	Total	Accrued prior to dates of vesting	Accrued subsequent to dates of vesting
Total.....	\$4,913,104.10	\$1,118,180.34	\$3,794,923.76
German.....	2,591,753.11	342,753.11	2,249,000.00
Japanese.....	29,607.49	2,981.82	26,625.67
Italian.....	425,948.48	127,506.43	298,442.05
Hungarian.....	46,492.36	6,027.28	40,465.08
Rumanian.....	2,036.13	1,211.13	825.00
Bulgarian.....	1,392.52	713.37	679.15
Belgian.....	28,949.28	4,773.03	24,176.25
Czechoslovakian.....	40,163.92	10,314.93	29,848.99
Danish.....	73,207.82	44,021.40	29,186.42
Dutch.....	1,290.69	447.65	843.04
French.....	1,623,211.30	557,842.58	1,065,368.72
Norwegian.....	15,937.17	6,696.53	9,240.64
Polish.....	32,245.08	12,697.33	19,547.75
Yugoslavian.....	868.75	193.75	675.00

1/ Totals shown as collected are net of agents' fees, etc.

ADMINISTRATION OF PREWAR COPYRIGHT CONTRACTS

In administering prewar copyright contracts on literary works and music, the Office is responsible for protecting and managing the Government's interest in the vested property. However, in addition to collecting the royalties provided for in the contracts, the Office cooperates with the American copyright exploiters to enable them to continue exercising the rights secured to them by the provisions of the contract and, at the same time, protects the interests of the authors and composers. A variety of problems must be dealt with in

the administration of these contracts---for example, making arrangements for taking up options, tax adjustments, disputes with respect to royalty payments, the extension and interpretation of rights under contracts, the allowance of expense deductions from royalties, and the determination of conflicting claims to the property and of respective interests of various claimants.

As of June 30, 1958 the Office had collected \$4,206,872.74 from the exploitation of literary works and musical compositions under prewar contracts in which foreign interests have been vested. Of this amount approximately \$3,672,716.53 was received from music and \$534,156.21 from books and periodicals.

Music and Books

The administration of prewar contracts for the exploitation of music has been complicated by the variety of uses to which musical compositions are applied. Such uses include television and radio broadcasting, concert and other performances, publication of sheet music and orchestrations, mechanical recording and motion picture synchronization. The prewar contracts between European licensing societies and large American groups granted different rights to different groups for the exploitation of extensive catalogs of musical compositions by various European authors. Over \$1,357,676.61 has been collected from the use of music on radio and television. One music publisher alone has paid approximately \$984,781.10 under prewar contracts which it had with German publishers. The Office continues to receive royalties from many works covered by prewar contracts.

ADMINISTRATION OF VESTED WORKS

As a result of the licensing program for the exploitation of vested copyright works there were licenses outstanding at the end of the fiscal year 1958 covering approximately 400 scientific books and periodicals. In addition, there were 120 licenses covering the exploitation of vested motion pictures and a number of other licenses covering musical compositions. During the fiscal year 1958 seventeen new licenses were issued and many outstanding licenses were amended to include additional vested works or to extend the life of licenses. An additional 193 individual works were licensed during the fiscal year ended June 30, 1958.

Books and Periodicals

Licenses granted by the Office for the exploitation of vested books and periodicals include the following uses: republication in the foreign language; publication of English translations; use in new works of articles, tables, text excerpts, charts, diagrams, and photographs; and reproduction on microcards of technical and scientific works and journals.

Commercial licenses for the publication of vested books provide for a royalty of 10 percent of the retail price of reproductions in the foreign language and 7 percent on English translations. In the case of post-1946 revision of the enlargement of an earlier vested edition, the Office licenses the use of the material in the earlier edition at a royalty rate of 3 percent of the retail price of the new edition in the foreign language or at a royalty rate of 2 percent in the case of English translations. Permission to use the new material in the post-1946 edition must be obtained by the American publisher from the foreign owner. The royalty for the use of excerpts, drawings, tables, etc., usually is a flat fee which varies with the value of the material used.

In order to help defray the expenses of examining the records and preparing the license, an administrative fee of \$15 is charged for each license except those issued to another Government agency. An advance royalty payment of \$50 for each book and \$5 for each periodical is required under commercial licenses. Commercial licenses provide for a 6-month's period of exclusivity to the first licensee in order to give him time to prepare

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the work for publication. The administrative fee and advance royalty payments are not returnable.

Music

Licenses granted for the use of music are royalty-bearing with rates charged in accordance with general trade practices. The royalty rate for sheet music and orchestration is 10 percent of the retail price and for recordings the rate is 2¢ for each record, except where the licensee publishes a new English version the rates are generally lower. Royalties are collected also from radio and television performances and for the use of songs in motion pictures. The compositions licensed by the Office include both classical and popular music.

Motion Pictures

The Office has vested in excess of 6,000 motion pictures. Most of the motion pictures are German productions, and include features, documentaries, newsreels, military training films, travelogs, and other short subjects. At the close of the fiscal year, the Office retained the exploitation rights in vested film identified and inventoried amounting to approximately 25,000,000 feet.

Films are licensed for governmental use on a royalty-free basis. Licenses for commercial exploitation are royalty-bearing with the rates conforming as closely as possible to established trade practices. Terms of licenses, such as the amount of advance and guaranteed royalties, vary with the value of the individual picture and the type of exploitation licensed but generally an advance royalty is required and the Office receives 50 percent of the distribution receipts in excess of the cost of making additional prints, dubbing, subtitling or synchronizing. The customary rate for stock-shot footage is \$2.50 per foot.

TRADE-MARKS

The trade-mark interests held by the Office include trade-marks and trade-names, and the goodwill of the business in the United States with which the marks and names have been used, registrations of trade-marks in the United States Patent Office, prewar contracts relating to trade-marks, commercial prints and labels, and residual and reversionary rights acquired by enemy nationals through contract or otherwise in trade-marks and trade-names of American enterprises.

Vesting Policy

The basic trade-mark vesting program and the objectives of the policy relating to trade-marks adopted during World War II are discussed in an earlier Annual Report. ^{2/} Even during the period of the war a policy of selective vesting was followed, trade-mark properties being recognized as essentially individual in character, licensable and transferable only under restricted conditions. As a result of this policy of selective vesting, only about 600 registered trade-marks, interests in trade-mark contracts, and residual trade-mark rights were vested. Most of these trade-marks and trade-mark rights were owned prior to vesting by nationals of Germany. At the close of the fiscal year 1958, the Office still held the interests in 293 trade-marks and in 12 trade-mark contracts.

^{2/} Annual Report, Office of Alien Property Custodian, fiscal year ended June 30, 1944, pp. 114-115.

ROYALTIES COLLECTED.---The Office has collected \$2,039,705.99 after deduction for direct expenses as royalties from trade-mark agreements outstanding at the time of vesting. Table 16 indicates the nationality of the former owners of vested trade-mark interests and the amounts collected by the Office.

Table 16.---ROYALTIES COLLECTED FROM VESTED TRADE-MARK CONTRACTS, MAR. 11, 1942 TO JUNE 30, 1958 1/

Nationality of former owners	Total	Accrued prior to dates of vesting	Accrued subsequent to dates of vesting
Total.....	\$2,039,705.99	\$763,149.42	\$1,276,556.57
German.....	444,916.23	162,729.67	282,186.56
Japanese.....	7,283.36	180.65	7,102.71
Italian.....	1,266,897.36	485,774.67	781,122.69
Hungarian.....	320,559.04	114,414.43	206,144.61
French.....	50.00	50.00	.....

1/ Royalty figures are net of direct expenses such as taxes and agents' fees.

Prewar Trade-Marks of Enemy and Former Enemy Nationals

The Office has issued a number of authorizations to American attorneys representing German nationals under the provisions of Title 8 CFR, Section 507.1(b) of the regulations of the Office of Alien Property, permitting them to renew and re-register in the United States the trade-marks of German nationals in the Western Zone of Germany where trade between this country and the United States is active, and the marks of the German nationals are in use.

New Trade-Marks

Under existing regulations of the Office (8 CFR 507.41), a general license has been issued permitting the application for and registration by nationals of Germany and Japan of trade-marks which were adopted subsequent to January 1, 1947, and by nationals of Bulgaria, Hungary, and Rumania of trade-marks adopted subsequent to May 15, 1946. Transactions affecting title to such marks were also licensed.

Disposition of Enemy Trade-Mark Interests

A primary objective in the disposition of vested trade-mark interests has been to prevent consumer deception through mis-use of trade-marks. Consequently, those vested marks never used in the United States or used only on imported goods will not be sold where such sale may result in deceptive use of the trade-mark. Trade-marks used by American firms on goods manufactured in the United States, however, may be sold to the users since the assignments in these cases represent a transfer of ownership or control without any effect on the products or their origin. In the case of trade-marks used as descriptive designations of patented products, the patents for which have been vested, these marks may be made available to American licensees under the vested patents. Certain restrictions are imposed, however, on the length of time for which these trade-marks may be used and the manner of use.

REAL AND PERSONAL PROPERTY
AND INTERESTS IN ESTATES AND TRUSTS

Continued progress was made by the Office in liquidating its holdings of real and personal property during the fiscal year 1958. Several categories of property, such as ground rents and leaseholds and mortgage participation certificates, were completely liquidated although additional property of this nature may come into the Office's possession by virtue of distributions from vested estates and trusts.

REAL ESTATE

Description of Real Estate Holdings

The Office has vested or otherwise acquired real estate valued at \$8,992,000 during the period Mar. 11, 1942 to June 30, 1958. Together with appreciation of real estate while held by the Office of approximately \$1,254,000, total value of vestings amounted to \$10,246,000. Table 17 shows the classification of real estate according to the nationality of former ownership and the method of its acquisition and disposition by the Office.

Table 17.---VALUE OF REAL ESTATE VESTED, MAR. 11, 1942, TO JUNE 30, 1958, CLASSIFIED ACCORDING TO NATIONALITY OF FORMER OWNERSHIP, METHOD OF ACQUISITION, AND DISPOSITION THEREOF TO JUNE 30, 1958
[In thousands of dollars]

	Total	German	Japanese	Italian	Other
Real estate vested and acquired:					
Directly vested.....	\$7,499	\$4,924	\$1,757	\$668	\$150
Acquired in lieu of payment of vested mortgages.....	35	23	.....	12	.....
Acquired from distribution of assets of estates and trusts in which the Attorney General had vested interests.....	1,438	1,223	151	62	2
Acquired from distribution of assets of vested business enterprises.....	20	20	.....	.....	.....
Total vested and acquired.....	8,992	6,190	1,908	742	152
Appreciation since dates of vesting.....	1,254	499	333	434	(12) 1/
Total value of real estate.....	10,246	6,689	2,241	1,176	140
Disposition:					
Liquidation and sales.....	8,220	5,898	1,813	387	122
Property returned to nonhostile persons.....	1,673	461	405	789	18
Total dispositions.....	9,893	6,359	2,218	1,176	140
Value of holdings at June 30, 1958.....	353	330	23	.....	.....

1/ Excess of estimated value at date of vesting over sales proceeds.

In addition to the above real estate, the Office has also acquired such items as mineral and oil rights, and ground rents and leaseholds. The value of mineral and oil rights still held by the Office at June 30, 1958 amounted to \$754,111, while its holdings of ground rents and leaseholds were completely liquidated.

Administration and Sale of Real Estate

The Office received the sum of \$35,800 during the fiscal year as net income from vested real estate after the payment of taxes, insurance and other direct expenses. The total so received through June 30, 1958 amounts to \$2,169,000. In addition, some \$18,000 was received as income from mineral and oil rights, and ground rents and leaseholds, and the total received from these types of property has reached \$329,000.

Of the total of \$8,220,000 received by the Office as the net proceeds from the sale and liquidation of real estate, \$233,000 was received during the fiscal year. Proceeds from the sale and liquidation of mineral and oil rights, and ground rents and leaseholds, totals \$154,000 through June 30, 1958.

Status of Real Estate Holdings

The Office had under its control at June 30, 1958 a total of 44 parcels of real estate valued at approximately \$353,000, compared to 90 parcels valued at \$575,000 as of June 30, 1957. Of the total of 44 parcels still in its possession, 22 are improved, 20 unimproved and 2 are farm properties. Table 18 classifies all parcels of real estate held according to their sales status at June 30, 1958.

Table 18.---SALE STATUS OF REAL ESTATE HELD BY THE OFFICE OF ALIEN PROPERTY, BY NUMBER OF PARCELS, JUNE 30, 1958

Sales status	Number of parcels			
	Total	Improved	Unimproved	Farm
Salable properties:				
Sold, but closing pending.....	3	3	.....	.....
Accelerated private sales program.....	<u>1/</u> 21	5	14	2
Properties withheld from sale: <u>2/</u>				
Not to be sold for policy reasons.....	4	4	.....	.....
Section 9(a) suits.....	8	4	4	.....
Legal difficulties, title defects, etc.....	7	5	2	.....
Title claims whose eligibility or validity are in doubt.....	1	1	.....	.....
Total parcels on hand, June 30, 1958.....	44	22	20	2

1/ Advertisements released to agents, insufficient offers received; listing for sale with brokers; For Sale signs inviting offers directly or through prospective purchaser's own broker; also presently in direct negotiation with co-owners and/or other prospective purchasers.

2/ These properties withheld from sale pending return under Section 32 of the Act, require proper management until claims and/or Section 9(a) suits are adjudicated. Those properties which cannot be offered for sale because of legal difficulties are gradually being cleared of these defects and disposed of.

Accelerated Private Sales Program

As indicated by the reduction in the number of parcels of real estate held between June 30, 1957 and June 30, 1958, the results of the accelerated private sales program for the fiscal year 1958 have been satisfactory. In this connection, a constant effort was made to attract favorable attention of prospective purchasers to all vacant non-income-producing land, including the placement of For Sale signs on each parcel of land by a local representative, inviting offers directly or through the prospective purchaser's own broker.

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In addition, owners of adjoining land and residents of the immediate neighborhood were contacted in an effort to liquidate these slow-moving holdings. Sales listings were also distributed by this Office to members of local real estate boards. In those instances where no offers were received, after a reasonable period of time, new listings were distributed to the cooperating brokers carrying the following:

SPECIAL NOTICE: Any firm offer below listing price shown herein should be submitted for consideration as to its acceptability.

Under this procedure all offers must be submitted on standard Offer to Purchase forms and are processed strictly in accordance with approved sale procedure.

MORTGAGES

The Office has vested or otherwise acquired mortgages on real estate valued at \$1,737,000 during the period March 11, 1942 to June 30, 1958. Together with a revaluation of approximately -\$219,000 during this period, net value of vested mortgages amounted to \$1,518,000. Net income from mortgages under the administration of the Office has amounted to \$141,700, of which \$800 was received during the fiscal year 1958.

Status of Mortgage Holdings

The Office still had in its possession at the close of the fiscal year mortgages valued at \$20,000. Proceeds of the sale and liquidation of mortgages during the fiscal year amounted to \$65,100. The following summary shows the net value of mortgages vested or otherwise acquired and the value of those disposed of during the period March 11, 1942 to June 30, 1958:

Mortgages vested and acquired:

Directly vested.....	\$1,174,000
Received from distribution of assets of estates and trusts in which the Attorney General had vested interests.....	563,000
Total mortgages vested and acquired.....	1,737,000
Net revaluation.....	-219,000
Total value of mortgages to be disposed of.....	\$1,518,000

Dispositions:

Real estate received in satisfaction of delinquent mortgages.....	-\$35,000
Mortgages sold and proceeds collected.....	-1,442,000
Returned in kind to nonhostile persons.....	-61,000
Total value of mortgages disposed of.....	-1,538,000
Total value of mortgages held as of June 30, 1958.....	20,000

It is to be noted that only four mortgages, all of which were problem cases, remained unliquidated at June 30, 1958. A concerted effort is presently underway to liquidate these holdings at the best price obtainable under all pertinent circumstances.

MORTGAGE PARTICIPATIONS

Mortgage participation certificates, or fractional interests in real estate mortgages, valued at \$679,000 have been vested or otherwise acquired by the Office. The following summary indicates the net value of mortgage participation certificates vested and otherwise acquired and the value of dispositions during the period March 11, 1942 to June 30, 1958:

Mortgage participations vested and acquired:

Directly vested.....	\$488,000
Received from distribution of assets of estates and trusts in which the Attorney General had vested interests.....	<u>191,000</u>
Total value of mortgage participations vested and acquired.....	679,000
Net revaluation.....	<u>-47,000</u>
Total value of mortgage participations to be disposed of.....	\$632,000
Dispositions:	
Participations sold and proceeds collected.....	-\$598,000
Returned in kind to nonhostile persons.....	<u>-34,000</u>
Total value of participations disposed of.....	<u>-632,000</u>
Total value of participations held as of June 30, 1958.....	-0-

All mortgage participation certificates having a current par value were sold at the highest quotation on an over-the-counter basis through the cooperation of members of the New York Stock Exchange. In addition, all claims under the supervision of the State of New York against mortgage participation certificates were collected during the fiscal year 1958. Those claims remaining were written off as worthless, for the reason that the amounts involved in each case were inconsequential. These claims reflect unpaid balances arising chiefly from expenses paid by the various trustees from the liquidation fund.

STOCKS, BONDS, AND OTHER SECURITIES

Total Vestings and Acquisitions

The Office has vested or otherwise acquired stocks, bonds and other securities valued at \$58,717,000 at dates of vesting or acquisition during the period March 11, 1942 to June 30, 1958. This total consisted of \$34,287,000 of stocks, \$24,263,000 of bonds, and \$167,000 of other securities (coupons, etc.). Appreciation, both realized upon the sale of the securities and estimated for those still in the possession of the Office, has amounted to approximately \$61,437,000 since dates of vesting or acquisition, consisting of \$55,355,000 for stocks, \$5,966,000 for bonds, and \$116,000 for other securities. The value of these securities and the methods of their acquisition and disposition since dates of vesting are shown in table 19.

Sale and Liquidation of Securities

During the fiscal year 1958, the Office collected \$3,991,431 as net proceeds of the sale and liquidation of miscellaneous securities. Of this amount, \$2,467,000 was received from stocks, \$1,521,000 from bonds, and \$3,431 from other securities. Total net proceeds collected from the sale of securities amounts to \$103,064,000, of which \$77,953,000 came from stocks, \$24,878,000 from bonds, and \$233,000 from other securities.

Net Income

The Office received as net income during the fiscal year from securities still in its possession \$347,000, divided as follows: \$144,000 from stocks, \$133,000 from bonds, and \$70,000 from other securities. Since dates of vesting, total net income has amounted to \$11,481,000, derived as follows: \$7,881,000 from stocks, \$3,106,000 from bonds, and \$494,000 from other securities.

Status of Security Holdings

Still in the possession of the Office at June 30, 1958 were stocks valued at \$2,108,000, bonds in the amount of \$2,661,000 and other securities of \$50,000. A number

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of blocks of securities with substantial value are still being withheld from sale because of foreign policy considerations, international agreements and internal restrictions.

Table 19.---STOCKS, BONDS, AND OTHER SECURITIES VESTED AND ACQUIRED, MAR. 11, 1942 TO JUNE 30, 1958, AND DISPOSITION THEREOF TO JUNE 30, 1958
[In thousands of dollars]

	Stocks	Bonds	Other securities
Property vested and acquired:			
Directly vested.....	\$23,150	\$9,447	\$152
Acquired from distributions of assets of estates and trusts in which the Attorney General had vested interests.....	5,743	9,779	15
Acquired from distribution of assets of vested business enterprises.....	1,729	4,996	.....
Transfer of minority interests in vested business enterprises to miscellaneous securities after the sale or return of the vested majority interests.....	3,665	.....	.....
Transfers from foreign governments per intercustodial agreements (in kind).....	.....	41	.....
Total value of securities vested and acquired.....	34,287	24,263	167
Net appreciation since dates of vesting or acquisition.....	55,355	5,966	116
Total value of securities.....	89,642	30,229	283
Dispositions:			
Proceeds from sale and liquidation.....	77,953	24,878	233
Returned to nonhostile persons in kind.....	9,556	2,664	.....
Transfers to foreign governments per intercustodial agreements (in kind).....	25	26	.....
Total value of dispositions.....	87,534	27,568	233
Total value of securities still in the possession of the Office as of June 30, 1958.....	2,108	2,661	50

OTHER PERSONAL PROPERTY

The Office has also vested and otherwise acquired certain other types of personal property, such as notes, claims, ^{1/} and credits, bank balances, currency and coin, and interests in life insurance policies and annuity contracts.

Notes, Claims, and Credits

The following summary indicates the value of notes, claims, and credits vested and otherwise acquired and their disposition between March 11, 1942 and June 30, 1958:

^{1/} The discussion of claims in this section relates to those vested in the Attorney General. Claims asserted against the Attorney General are discussed in Ch. VI, "Claims."

Notes, claims, and credits vested and acquired:

Directly vested.....	\$26,536,000	
Received from distribution of assets of vested business enterprises.....	16,021,000	
Received from distribution of assets of estates and trusts in which the Attorney General had vested interests.....	38,000	
Total vested and acquired.....	42,595,000	
Revaluation (worthless assets written off).....	-18,073,000	
Total net value of notes, claims, and credits.....		\$24,522,000
Dispositions:		
Proceeds collected.....	-\$24,428,000	
Returned to nonhostile persons (in kind).....	-64,000	
Total value disposed of.....		-24,492,000
Value of notes, claims, and credits still in possession of Office as of June 30, 1958.....		30,000

Bank Balances

The following summary indicates the value of bank balances vested and acquired and their disposition to June 30, 1958:

Bank balances vested and acquired:

Directly vested.....	\$34,891,000	
Received from distribution of assets of estates and trusts in which the Attorney General had vested interests.....	202,000	
Total value of bank balances vested and acquired.....	35,093,000	
Revaluation (due to inaccurate reporting, etc.).....	-4,335,000	
Total net value of bank balances.....		\$30,758,000
Dispositions:		
Bank balances collected.....	-\$30,755,000	
Returned to nonhostile persons (in kind).....	-3,000	
Total value of bank balances disposed of.....		-30,758,000
Value of bank balances still in possession of Office as of June 30, 1958.....		-0-

Currency and Coin

All currency and coin vested by the Office has been collected and the proceeds amounted to \$10,055,000.

Insurance Policies and Annuity Contracts

The Office has vested interests in insurance policies and annuities valued at \$3,956,000 at dates of vesting and has also acquired interests valued at \$10,000 as distributions from estates and trusts. A total of \$3,558,000 has been collected by the Office to June 30, 1958 as the principal proceeds of these vestings. Net income collected by the Office from annuity contracts totaled \$302,000 since dates of vesting, of which \$37,000 was received during the fiscal year. On June 30, 1958, the Office still had open on its books 50 cases involving annuity contracts and 6 cases involving insurance policies.

INTERESTS IN ESTATES AND TRUSTS

Administration

The Office, in vesting interests in estates and trusts, succeeds to the rights of the former owners of these interests. It is the responsibility of the Office, therefore, to insure that distribution of the assets comprising the estate or trust by the administrator, executor, trustee or other fiduciary is correct and in conformity with the terms of the decedent's will, agreement, trust, instrument or court decree. During the fiscal year 1958 the Office completed its administration of the vested interests in 86 cases involving estates and trusts in which interests had been vested. Pending at June 30, 1958 are 180 cases representing interests in estates which have not been fully administered or with respect to which the Office has not yet received the distributive shares of the vested interests. In addition, there are pending 436 open cases representing trusts in which the Office has a life or remainder interest.

Distribution of Principal

The Office received \$1,218,000 during the fiscal year 1958 as distributions of vested interests in estates and trusts, in addition to other types of property consisting mainly of securities. For the entire period of March 11, 1942 to June 30, 1958, principal distributions from estates and trusts has amounted to \$43,002,000 in cash and \$20,482,000 in other types of property. Table 20 indicates the value of vested interests in estates and trusts at dates of vesting and as of June 30, 1958, together with value of property received as a result of distribution of assets of vested interests and value of vested interests returned before distribution to the Attorney General.

Table 20.---INTERESTS IN ESTATES AND TRUSTS, AS OF DATES OF VESTING AND AS OF JUNE 30, 1958
[In thousands of dollars]

Type of interest vested	Property vested	Received in distribution of vested interests---		Interests returned to nonhostile persons	Net appreciation ^{1/}	Interests still held as of June 30, 1958
		Cash	Other property			
Total.....	87,956	43,002	20,482	6,412	1,579	19,639
Decedents' estates.....	37,110	27,437	8,160	1,449	1,514	1,578
Trusts under wills.....	33,089	11,115	6,845	3,878	2	11,253
Trusts inter vivos.....	16,046	3,767	4,614	1,081	63	6,647
Guardianship estates.....	1,711	683	863	4	.....	161

^{1/} Net appreciation of vested interests between dates of vesting and dates of distribution of assets to Attorney General.

Distribution of Income

The Office received \$676,000 as net income from its vested interests in estates and trusts during the fiscal year, making a total of \$9,039,000 received through June 30, 1958. The funds came from direct distributions of estates and trusts still in administration, and not from property distributed to the Attorney General in satisfaction of his vested interests.

CLAIMS

During the 1958 fiscal year, the claims program of the Office of Alien Property continued at an accelerated pace. Thus, dispositions of debt claims in the fiscal year 1958 more than trebled the dispositions in fiscal year 1957, due in large part to the overtime program undertaken in connection with the yen certificate claims (see infra p. 58). However, the dispositions of title claims decreased over the previous year due to the "hard core" of title claims which has now been reached.

The present claims program of the Office with respect to World War II vestings of property is based upon Sections 9(a), 32 and 34 of the Trading With the Enemy Act, as amended, and Sections 207 and 208 of the International Claims Settlement Act of 1949, as amended (22 U.S.C. 1631 (f), 1631 (g)). Sections 32 and 34 were added to the Trading With the Enemy Act in 1946 by Public Law 322 and 671, Seventy-ninth Congress, Second Session. 1/ Under the provisions of Section 32, the Office is authorized to make administrative returns of property to persons who, although technically enemies or allies of enemies, were not hostile to the United States and who fulfilled certain other stated conditions. 2/ Section 34 authorizes the payment of debt claims to certain creditors of former owners of vested property. Sections 207 and 208 of the International Claims Settlement Act provide for a title and debt claims program modeled after that of Sections 32 and 34 of the Trading With the Enemy Act. Thus, two types of claims are processed by the Office: title claims by which the claimants assert ownership interests in the vested property, and debt claims by which creditors seek payment of obligations owed prior to vesting by the former owners of vested property. A claim based on a debt secured by a mortgage or other lien may be treated as a title claim if the lien constitutes a proprietary or title interest in the property.

As of June 30, 1958 there had been filed with the Office on approved forms a total of 67,474 claims relative to World War II vestings of property, of which 19,803 were title claims and 47,671 were debt claims. At the start of the fiscal year 1958, there were pending 22,954 claims, of which 5,597 were title claims, and 17,357 were debt claims. During the fiscal year there were filed 38 title and 47 debt claims, including 11 title and 26 debt claims filed in respect to the program pertaining to Hungarian, Bulgarian and Rumanian assets vested pursuant to the amendment to the International Claims Settlement Act, Public Law 285, 84th Congress, 1st Session, approved August 9, 1955 (69 Stat. 562), otherwise known as the "Satellite Assets" program (infra p. 55). 3/ For the fiscal year 1959, it is estimated that no regular title or debt claims will be filed because the bar dates have expired for filing such claims. However, a few title and debt claims may be filed in respect of the "Satellite Assets" program.

1/ 60 Stat. 50, 50 U.S.C. App. sec. 32; 60 Stat. 925, U.S.C. App. sec. 34. For the complete text of Public Law 322, see Annual Report, Office of Alien Property Custodian, fiscal year ended June 30, 1946, pp. 216-219. For the complete text of Public Law 671, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1947, pp. 153-157.

2/ Under section 2 of the Trading With the Enemy Act, as amended (50 U.S.C. App. sec. 2) persons resident within enemy or enemy-occupied territory during the war were classified as enemies independently of their citizenship.

3/ In addition, there were filed 125 looted security certificates. See infra p. 48 and Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1957, p. 57.

TITLE CLAIMS

Section 32

Originally eligible for administrative return under the Trading With the Enemy Act, as amended, were the following principal groups: nonenemy governments, corporations of nonhostile countries that are not enemy-controlled, certain American citizens regardless of their residence during the war, citizens of allied and neutral countries not voluntarily resident in enemy countries during the war period, and enemy citizens who continuously resided outside enemy or enemy-occupied territory since December 7, 1941, and who were not engaged in business in such territory.

Section 32, as amended by Public Law 671, Seventy-ninth Congress, Second Session, approved August 8, 1946 4/ also makes eligible for return certain victims of racial, political or religious persecution who would otherwise have been ineligible because of enemy citizenship or voluntary residence in an enemy territory.

Public Law 370, Eightieth Congress, First Session, approved August 5, 1947 5/ which also amended Section 32, names as ineligible for a return the Governments of Germany, Japan, Hungary, Bulgaria, and Rumania. Despite its earlier enemy status, the Government of Italy is not ineligible; also most nationals and residents of Italy are not now ineligible.

Section 32 was further amended by the so-called "dual national" proviso which was added by Public Law 859, Eighty-first Congress, Second Session, approved September 29, 1950 6/ in order to enable the Office to return vested property to (1) those persons who possessed American citizenship at all times since December 7, 1941 despite concurrent enemy citizenship and presence in enemy territory, and (2) those American women who lost their citizenship solely because of marriage to enemy aliens (thereby acquiring enemy citizenship) and who reacquired their American citizenship prior to September 29, 1950.

The "dual national" proviso of Section 32 was amended by Public Law 378, Eighty-second Congress, Second Session, approved June 6, 1952 7/ by increasing the aggregate value of returns permitted to "dual nationals" from \$5,000,000 to \$9,000,000 and by defining the value of the property in terms of its book value at dates of vesting.

The next amendment affecting title claims was an amendment to Section 33 of Public Law 292, Eighty-third Congress, Second Session, approved February 9, 1954, 8/ which extended the date for filing title claims for the return of vested property to February 9, 1955, or two years after the date of vesting, whichever is later.

4/ 60 Stat. 925, 50 U.S.C. App. sec. 32. For the complete text of Public Law 671, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1947, pp. 153, 157.

5/ 61 Stat. 784, 50 U.S.C. App. sec. 32. For the complete text of Public Law 370, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1948, pp. 155-156.

6/ 64 Stat. 1080, 50 U.S.C. App. sec. 32. For the complete text of Public Law 859, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended 30, 1951, pp. 161-162. For a listing of the names and nationalities of claimants and value of claims filed and allowed under this law, see Appendix G, pp. 102-103.

7/ 66 Stat. 129, 50 U.S.C. App. sec. 32. For the complete text of Public Law 378, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1952, Appendix, Exhibit F.

8/ 68 Stat. 7, 50 U.S.C. App. sec. 33. For the complete text of Public Law 292, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1954, Appendix, Exhibit E.

Another amendment to Section 32 is the "heirless asset" amendment, Public Law 626, Eighty-third Congress, Second Session, approved August 23, 1954. ^{9/} This amendment authorizes the President to designate one or more organizations as successors in interest to deceased persons who if alive would be eligible under the persecutee provisos of Section 32(a)(2)(C) or (D) of the Act. The provisions of Public Law 626 are discussed in the preceding Annual Report. ^{10/}

Pursuant to the "heirless asset" amendment, the President on January 13, 1955 issued Executive Order 10587 (20 F.R. 361) designating the Jewish Restitution Successor Organization (JRSO), a charitable membership organization under the laws of the State of New York, as successor in interest to deceased persons for the purposes of Section 32(h) of the Act. This order delegated to the Attorney General the power of the President to determine claims under Section 32(h). The Attorney General has directed the Office of Alien Property to administer the program. On August 24, 1955 when the time for filing claims under Section 32(h) expired, approximately 11,000 JRSO claims had been filed. During the fiscal years 1956, 1957 and 1958 more than 9,000 claims were withdrawn or closed. During the past fiscal year a considerable amount of preliminary investigation and analysis continued to be conducted with respect to these claims and this work will be carried forward through the 1959 fiscal year.

During the 1957 and 1958 fiscal years the Office has been processing claims under the so-called "looted securities" program. A detailed discussion of this program appears in the preceding Annual Report. ^{11/} A total of 1,031 looted securities claims certifications were filed, including 125 in the fiscal year 1958. At the end of the current fiscal year 49 of these claims certifications were pending and these will be processed during the fiscal year 1959, thus terminating the "looted securities" aspect of the claims program.

Prior to the making of a return, Section 32 required a claimant to establish (1) that he was the owner of the vested property immediately prior to vesting; (2) that he did not use the property under any cloaking arrangement; and (3) that he has no actual or potential liability under either the Renegotiation Act or the Royalty Adjustment Act. It must also be determined that the return is "in the interest of the United States." In determining that a return is in the national interest, the Office of Alien Property, as a matter of policy, consults with other interested Government agencies so that it may "be advised of the public interest in such matters as national security, foreign relations, financial and fiscal policy, and commercial and anti-trust policy, as they relate to the return of vested property." ^{12/} The procedures for making this investigation have been developed and are followed relative to all returns made under Section 32.

Section 9(a) provides for administrative return of vested property to persons who are not enemies as defined in Section 2 of the Act. As pointed out above (footnote 2, p.46) the latter section defined as enemies persons resident within enemy or enemy-occupied territory during the war, independently of their citizenship. A number of claims have been asserted by nationals of Germany and Japan, who, although ineligible for return under the provisions of Section 32, allege that they are not enemies as defined in Section 2. The

^{9/} 68 Stat. 767, 50 U.S.C. App. sec. 32(h). For the complete text of Public Law 626, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1955, Appendix, Exhibit E.

^{10/} See Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1957, pp. 55-56.

^{11/} See Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1957, p.57.

^{12/} Letter of May 16, 1946 from the President of the United States to James E. Markham, Alien Property Custodian.

Supreme Court in 1952 in Guessefeldt v. McGrath ^{13/} held that the provisions of Section 39 of the Act ^{14/} that no returns of vested property shall be made to nationals of Germany and Japan did not bar Section 9(a) relief to such nationals who are not enemies as defined in Section 2. Accordingly, the claims of such persons, if they are not eligible under Section 32, receive administrative consideration under Section 9(a). However, Section 502.2(e) of the Rules of Procedure for Claims of the Office was amended, effective April 16, 1957 (22 F.R. 2656) to redefine Section 9(a) title claims as those which were filed with the Office more than two years after the date of vesting in the Attorney General of the property in respect of which the claim is made, or those which had been docketed with the Chief Hearing Examiner for hearing in accordance with the Rules on or before March 11, 1957. All Section 9(a) title claims outside the Rules are processed by the Litigation Section of this Office.

Time Limitation for Filing Title Claims

Notice of claim for the return of vested property pursuant to Sections 9(a) or 32(a) must have been filed by February 9, 1955, or within two years of the date of vesting, whichever is later, as provided by Section 33 of the Trading With the Enemy Act, as amended. ^{15/} As the last vesting order became effective on April 16, 1953 (V.O. 19312, 18 F.R. 2207), the final date for filing title claims against World War II vested property was two years thereafter, or April 15, 1955.

Administration of Sections 32 and 9(a)

The Office of Alien Property is responsible for the administration of Section 32 and 9(a), except that Section 9(a) claimants are entitled to have their claims heard in the federal courts. ^{16/} Title claims under the Rules of Procedure are processed by the Claims Section of the Office, the Chief of which has the sole authority to recommend to the Director the allowance of such claims without a hearing. In all cases in which there is a genuine issue, the claimant is entitled to a hearing. The decision whether a return is in the interest of the United States under Section 32 rests with the Director. The procedures necessary for the processing of claims filed by foreign residents were instituted after extensive negotiations between certain foreign governments and the Attorney General, with the cooperation of the Department of State. ^{17/}

All procedures involved in the disposition of claims are governed by the Rules of Procedure for Claims, as amended. ^{18/} A copy of these rules may be obtained upon application to the Chief, Administrative Section, Office of Alien Property, Department of Justice, Washington 25, D. C.

Disposition of Claims: Vested Property Returned

The Office processed a total of 1,640 title claims during the fiscal year 1958. Returned to former owners during the fiscal year were \$2,815,000 of cash and appraisable property and various interests in property of an unappraisable nature such as patents,

^{13/} 342 U.S. 308 (1952).

^{14/} 50 U.S.C. App. sec. 39.

^{15/} 60 Stat. 925, 68 Stat. 7, 50 U.S.C. App. sec. 33. For further details, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1950, pp. 68-69 and *supra*, p. 47.

^{16/} For a discussion of Section 9(a) suits, see Ch. VII, "Suits and Other Judicial Proceedings", pp. 61-65.

^{17/} For further details of these procedures, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1950, pp. 69-70.

^{18/} 8 C.F.R. Part 502; 21 F.R. 1579, 22 F.R. 2656.

patent contracts, copyrights, etc. The total amount of cash and appraisable property returned has now reached the grand total of \$77,390,000. 19/

Discussion of Particular Title Claims

CARLOS KOSTER (KOESTER), CLAIM NO. 57853.---This claim involved the issue whether a German citizen who was resident in Honduras until his involuntary expulsion therefrom to the United States and his subsequent repatriation to Germany pursuant to a wartime hemispheric program of repatriation, was "resident within Germany" within the meaning of Section 2 of the Trading With the Enemy Act, as amended. Claimant was born in Germany, immigrated to Honduras in 1913 and, except for a brief trip to Germany in 1936, resided in Honduras until 1942. In 1942 he was arrested by Honduran police, placed aboard a United States military transport and brought under armed guard to Camp Kenedy, Texas, where an exchange program with Germany was in active operation. Claimant was given the choice of being sent to Germany or remaining in the Camp under restraint. Under these conditions he requested repatriation because, according to him, "the only way back to Honduras led via Germany." In February 1944 claimant was repatriated to Germany along with the great majority of Honduran Germans at Camp Kenedy. From March 1944 until his return to Honduras in 1950, claimant lived in Germany. In recommending allowance of the claim, the Hearing Examiner found that the claimant had no choice as to his remaining either in the country of his residence, Honduras, or in the United States where he was subject to deportation at any time; and that his choice "lay between present repatriation under the exchange program or ultimate deportation to Germany as an enemy alien not legally entered into the United States." The Hearing Examiner concluded that claimant's presence in Germany merely for the purpose of facilitating his ultimate return to Honduras did not constitute residence within the meaning of Section 2 of the Act. The Director adopted the Hearing Examiner's recommendation that the claim be allowed.

ULRICH GRAF VON BEROLDINGEN and GERTRUD GRAEFIN VON BEROLDINGEN, CLAIMS NOS. 39879, 60636.---These are Section 9(a) claims asserted by German citizens, husband and wife, who seek return of property worth approximately \$140,000 which Mr. von Beroldingen inherited in 1935 and 1940. Claimants were married in Germany in 1922, left there in 1924 and thereafter resided in Spain and during the war in Portugal. From 1927 on Mr. von Beroldingen served in Spain and later in Portugal as the representative of the Deutsche Lufthansa (DLH), the German airlines monopoly supervised and controlled by the Ministry of Air Transport. After 1940 DLH was integrated into the German Air Force and its facilities used in the German war effort. Mr. von Beroldingen, an active member of the Nazi Party, made repeated business trips to Germany during the war. The Claims Section maintained that the sole prevesting owner was Mr. von Beroldingen and that his wife had no interest in the vested property; also, the Mr. von Beroldingen in his position during the war as a native citizen of Germany, a member of the Nazi Party, a principal official of an air transport installation utilized in the war effort and a responsive consultant of the military, intelligence and political offices of Germany, was an officer, official or agent of an enemy nation within the meaning of Section 2(b) of the Act and was therefore an enemy ineligible for a return of vested property under Section 9(a). The Hearing Examiner recommended the disallowance of both claims. He found that as the husband was a German citizen and resident at the time of marriage, German law controlled the marriage relationship including the property rights of the spouses, and that under the German Civil Code the wife did not acquire any interest in the property the husband owned or inherited. Absent an agreement between the spouses dealing with the property, he held that Mr. von Beroldingen alone was the prevesting owner of the vested property. The Hearing Examiner also held that Mr. von Beroldingen was an officer, official or agent of Germany and an enemy within the meaning of Section 2(b) and ineligible for a return under Section 9(a). Claimants have filed exceptions to the Hearing Examiner's recommended decision and the

19/ Not included in this amount are certain accrued patent royalties in the hands of third parties which were reassigned to claimants upon return of the patents.

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claims are pending before the Director at the close of the fiscal year 1958.

KONRAD VON ILBERG, CLAIM NO. 40391.---The issue in this claim was claimant's eligibility under the first proviso of Section 32(a)(2)(D) of the Act which authorizes return to an individual who "as a consequence of any law, decree or regulation of the nation of which he was then a citizen or subject, discriminating against political, racial, or religious groups, has at no time between December 7, 1941 and the date when such law, decree or regulation was abrogated, enjoyed full rights of citizenship under the law of such nation." The claimant was a one-quarter Jew and a member of a prominent and distinguished German family. His father had served as personal physician to the Kaiser, was knighted by the Emperor in 1908, and the Jewish background of the family was well known. Claimant served in the German army during World War I, attaining the rank of lieutenant; entered the banking business in 1920 as a clerk and rose rapidly to the position of Deputy Director of the Commerz Bank in 1933. In 1936 claimant was appointed a Captain in the German Army Reserve Corps and shortly thereafter was issued an Order by the Adjutant of his Division indentifying him as an Aryan for his protection and convenience. In August 1939 claimant was called to active duty as a Captain, was promoted to the rank of Major in 1941, was awarded several decorations and was honorably discharged from the service in 1943, under a program replacing older officers who had served in both World Wars. From 1943 until the end of the war he again served in the position of Deputy Director of the Commerz Bank. The Hearing Examiner in his recommended decision disallowing the claim found that the claimant throughout the critical period was undisturbed in his business, social, and military activities, and that the repressive actions directed against Jews in Germany were not invoked against him. The Hearing Examiner concluded that the "excepted or preferential position of the claimant before and after December 7, 1941, places this claim outside the doctrine enunciated by this Office in the cases of In Re Ellen Dorendorf, Claim No. 39465, and In Re Von Oppenheim, Claim No. 41661." The Director adopted the Hearing Examiner's recommendation and disallowed the claim.

FERDINAND MOELLER (Mrs. Maria Moeller, Successor), CLAIM NO. 59641.---This is a claim under Section 32 of the Act for the return of nineteen oil paintings originally owned by Mr. Moeller and loaned by him to the Detroit Institute of Art for exhibition and which were vested by this Office. Mr. Moeller alleged that, as a German citizen who lived in Germany during the war, he was eligible for a return as a "persecutee" under the first proviso of Section 32(a)(2)(D). After the death of Mr. Moeller, the claim was prosecuted by his widow and former partner. The Hearing Examiner found that Mr. Moeller's art publishing house was closed by the Nazis in 1936 or 1937 because his catalog included works of "degenerate art" which had been proscribed by Nazi decree and works of Jewish artists. Although the Hearing Examiner held that the closing of the publishing house was a consequence of laws, decrees and regulations discriminating against Jews, he held that this deprivation was not substantial within the meaning of the "persecutee" proviso because it did not result in any financial loss to Mr. Moeller and he probably would have closed his publishing house voluntarily at that time had he not been ordered to do so, inasmuch as he closed his art gallery shortly thereafter to forestall confiscation of the "degenerate art" and persecution of the artists. The Hearing Examiner further held that collectors, exhibitors, owners and/or sellers of "degenerate art" did not constitute a political, racial or religious group within the meaning of the proviso. He recommended the disallowance of the claim and the Director adopted this recommendation.

MARY ANNE VON PHILIPSBORN, CLAIM NO. 45548.---This claim involved claimant's eligibility as a political "persecutee" under the first proviso of Section 32(a)(2)(D) of the Act. Claimant was a German citizen who was present in Germany prior to and during the war. From 1927 to 1935 she was deputy to a district leader of the Bund Koenigin Luise (BLK), an association which promoted the purposes of the Deutsch/Nationale Volkspartei, a political party, the best known exponent of which was President Paul von Hindenberg. Membership in the Deutsch/Nationale Volkspartei was not a prerequisite for joining the BKL, but the latter sought to promote the interests of the former. In 1934 the BKL dis-

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district leader told claimant that the Munich Headquarters of the Nazi Party had requested her to join the NS Frauenschaft (women's subsidiary of the Nazi Party) but she refused. Until 1935 claimant worked for the BKL and traveled to other cities addressing political gatherings of women. In 1935 she resigned from the BKL and later in the same year BKL was dissolved by the Nazis. In 1936 claimant was summoned before the local Nazi Party leader and the castle owned by claimant and her husband was occupied by the Gestapo. The Nazi district leader accused her of receiving from one of her daughters a book containing political jokes. She and her husband were arrested and imprisoned for ten days. Her husband never engaged in political activities. Prior to claimant's arrest in 1936, her home was searched twice. While other owners of large estates were permitted to keep some of the meat and grain which they raised, late in the war the Nazi authorities refused to permit the claimant to do so. In recommending disallowance of the claim, the Hearing Examiner found that except for the refusal to permit claimant to keep some of the grain they produced late in the war, there were no acts of persecution directed against them after the beginning of the war. Claimant was permitted to travel freely, was treated no differently from the great mass of Germans and received the regular ration cards. The operation of their large estate was normal during the war. Upon these facts, the Hearing Examiner concluded that claimant had failed to prove her eligibility under the "persecutee" proviso. The claimant filed exceptions to the Hearing Examiner's recommended decision with the Director, before whom the matter is now pending.

EDWARD GARFIELD, successor in interest to Matilda August Bucking, deceased, CLAIM NO. 42842.---This is a claim under Section 32 of the Act for the return of \$72,000 which Mr. Garfield is seeking as the alleged successor in interest to the original claimant, Mrs. Matilda August Bucking. The original claimant was an American citizen by birth, acquired German citizenship by marriage in 1892 thereby losing American citizenship, and reacquired American citizenship in 1950 shortly before her decease. She resided in Germany until her death in 1950. In 1937 Mr. and Mrs. Bucking executed a joint will under which the surviving spouse would become "sole heir of the one dying first," and their three children were designated as the sole heirs of the surviving spouse. When Mr. Bucking died in 1937, the joint will became irrevocable under German law. Although Mrs. Bucking was admittedly eligible for a return of vested property as a dual national under Section 32(a)(2)(D) of the Act, her three children were not eligible for a return. Shortly before her decease, Mrs. Bucking instructed her attorney at law, the present claimant, to prepare the 1950 will which purported to devise to him the subject claim. Claimant had the 1950 will probated in the Surrogate's Court, New York County, New York, and secured letters testamentary; however, the Surrogate's Court was unaware of the 1937 will or that it had been probated in Germany after Mrs. Bucking's decease. The Claims Section maintained that the 1937 will was irrevocable, that under it the three children of Mrs. Bucking succeeded to the ownership of this claim, that the 1950 will was a nullity, and that the findings of the Surrogate's Court thereunder were not binding on this Office. The Hearing Examiner recommended the allowance of the claim, holding that the 1950 will was validly probated under New York law, that the children of decedent were the only persons who could contest the executor's final accounting and they had waived their rights to such a contest by ratifying their mother's legacy to the present claimant. The Claims Section filed exceptions to the Hearing Examiner's recommended decision with the Director before whom the matter is now pending.

ARTHUR WORMSER, CLAIM NO. 11974.---This was a Section 9(a) claim for the return of patents to certain printing presses and royalties accrued thereunder totaling over \$600,000. The sole issue was whether claimant was the owner of the patents immediately prior to vesting. Claimant maintained that he had originally been the owner of these patents and transferred them in 1937 to his employer in order to cloak them against Nazi seizure. Claimant, a full Jew within the meaning of Nazi racial legislation, was ousted from his position in Germany in 1938. Before emigrating from Germany to the United States, he concluded an agreement in 1938 with his German employer to serve as a technical advisor to a United States licensee of the German employer with whom the latter had concluded a license agreement in 1937. In return claimant was granted and he accepted, with the consent of the licensee, a 20 per cent interest in the patents in question. Claimant immi-

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grated to the United States in 1939 and thereafter served as technical advisor to the licensee. He collected his patent royalties (20% interest) until the license agreement expired in 1955. Then he filed a claim with this Office for all the patent royalties maintaining that he had retained 100% ownership of the patents in spite of intervening events. The Hearing Examiner, in recommending allowance of the claim, found that claimant had originally been the owner of the patents; that, in spite of his transfer of the patents to the German firm in 1937, he had retained "dormant" property rights which, upon his ouster in 1938, automatically matured into ownership of the patents; and that claimant's ownership thereof was not extinguished by any intervening events nor was claimant estopped from asserting such ownership. The Hearing Examiner also held that the 1938 agreement under which the parties had operated for 16 years was void under German law. The Director affirmed and the Attorney General denied review.

METAL GAS CO., LTD., CLAIM NO. 6616.---This claim is for the return of eight United States patents which at the time of vesting were registered in the names of German inventors. The patents involved a process for infusing chrome into iron and steel objects, thus giving the qualities of stainless steel. The sole issue was whether claimant company was the prevesting owner of the equitable title to the United States patents within the meaning of Section 9(a) of the Act. In 1936 Charles Bolton, an Englishman, and Gottfried Becker, a German inventor, entered into a contract by which Becker, upon the payment of an agreed consideration extended over a period of time, would convey to Bolton a certain British patent involving the inchromizing process in England and related patents, both present and future, throughout the world, except Germany. Becker was to continue to develop the process. In 1937 Becker accepted employment with a large German steel combine to engage in research on the process. The following year Bolton assigned his rights in the contract to the present claimant, Metal Gas Co., Ltd., a subsidiary of one of the largest steel companies in the United Kingdom. The claimant admitted that the payments provided in the contract had not been made, but insisted that they had been suspended by mutual consent, and that all eight United States patents which had been subsequently acquired were within the scope of the contract. In effect, the claimant sought specific performance of the 1936 contract. The Claims Section opposed the claim mainly on the following grounds: (1) that the contract was abrogated by mutual consent before the war or by the outbreak of war between England and Germany in 1939; (2) that seven of the eight United States patents were not within the scope of the 1936 contract; and (3) that postwar negotiations between the original parties and their successors had been conducted for the purpose of reinstating the abrogated contract and thus making the claimant the prevesting owner of the vested property. The Hearing Examiner recommended the allowance of the claim provided that the claimant pay to this Office certain of its unsatisfied obligations under the 1936 agreement. He found that the postwar negotiations of the parties were bona fide and sustained the claimant's other contentions. The matter is pending before the Director on exceptions to the Hearing Examiner's recommended decision.

UNION INVESTMENT CORPORATION, INC., CLAIM NO. 61641.---This claim was filed by the Union Investment Corporation, Inc., a Panamanian corporation, for the return of cash and securities valued at approximately \$67,000. The sole issue was eligibility of the claimant for the return of vested property under Section 9 or 32 of the Trading With the Enemy Act. The claimant was clearly ineligible under Section 32(a)(2)(E) of the Act since 66-2/3 per cent of its stock was owned by individuals who had been citizens and residents of Germany between December 7, 1941 and March 8, 1946 and who were not affected by the provisions of the Act relating to enemy oppression. Although Section 9 of the Act prohibits a return to an enemy within the meaning of Section 2 of the Act, a corporation organized under the laws of a neutral country and not doing business within an enemy or enemy-occupied country was not an enemy within the meaning of Section 2 of the Act as enacted in 1917 even though wholly-owned and controlled by enemies. However, by the First War Powers Act of 1941, Congress amended Section 5(b) of the Act to authorize the vesting of property of any foreign country or national thereof. An awareness that Axis countries and their nationals by

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various means had acquired indirect ownership or control of nominally neutral property resulted, under the provisions of implementing Executive Orders 8389 and 9193, in the designation of any corporation controlled by or a substantial part of its stock owned by one or more nationals of an enemy country, as a national of a designated enemy country and its assets being subject to seizure under the provisions of Section 5(b) of the Act, as amended. In addition, the Supreme Court in Clark v. Uebersee Finanz-Korp., 332 U.S. 480 (1947) recognized that the First War Powers Act of 1941 had been adopted to enable the effective dealing with property interests which had either an open or concealed enemy taint and stated that the definitions of the term enemy as set forth in Section 2 must be regarded as merely illustrative so that all persons or corporations affected with "enemy taint" are comprehended within the term enemy. In view of the enemy control of the claimant corporation by reason of the ownership of 66-2/3 per cent of its stock by German nationals, the Chief of the Claims Section concluded that the claimant suffered from enemy taint and was therefore an enemy within the meaning of Section 2 of the Act and recommended that the claim be dismissed on the ground of claimant's ineligibility for a return of vested property under both Sections 9 and 32 of the Act. The recommendation for dismissal was approved by both the Director of the Office and the Attorney General.

SUSANNE RICHTER, CLAIM NO. 42131.---This claim involved the eligibility of the claimant under the second proviso of Section 32(a)(2)(D), which was enacted on September 29, 1950 (64 Stat. 1080), and which authorizes a return "to an individual who at all times since December 7, 1941, was a citizen of the United States...." The claimant was born in P6(b)(6) on P6(b)(6) and has resided in Germany continuously since birth. Her father, Edward Otto Weingartner, was born in New York City in 1890, acquiring United States citizenship at birth. In 1915 claimant's father, while in Bavaria, Germany, applied for and obtained special permission as an American citizen to enter the Bavarian army in which he served as a volunteer until September 16, 1916 when he was killed in action. His death occurred approximately two months prior to claimant's birth. The claimant married a German national in 1942. Her husband having been reported as missing in action on the Russian front and not having been heard from since the end of the war, the claimant remarried and her present husband is also a German citizen. In 1949 the claimant was informed by the American Consulate in Munich that she had no claim to United States citizenship because her father had expatriated himself by taking an oath of allegiance to the German State which was required upon his enlistment in the Bavarian army in 1915. In 1953 the Department of State approved a formal certificate of expatriation with respect to the claimant's father. The following year the claimant instituted an action against the Secretary of State in the United States District Court for the District of Columbia to have the issue of her citizenship judicially determined. The court found that she is, and at all times since her birth has been, a citizen of the United States. On appeal, the United States Court of Appeals affirmed, concluding that the evidence adduced left some doubt whether the claimant's father, as an enlistee in the Bavarian army under special circumstances, was required to and actually did take an oath of allegiance to the German State. On the basis of the foregoing, property valued in excess of \$600,000 was returned to the claimant.

DEBT CLAIMS

Section 34, which was added to the Trading With the Enemy Act, as amended, on August 8, 1946 by Public Law 671, Seventy-ninth Congress, Second Session, 20/ established the basis on which the Office is authorized to pay claims of certain creditors out of property vested from their debtors.

20/ 60 Stat. 925, 50 U.S.C. App. 24. For the complete text of Public Law 671, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1947, pp. 153-157.

A recent legislative enactment which affected the work of this Office is the amendment to the International Claims Settlement Act of 1949, Public Law 285, Eighty-fourth Congress, 1st sess. approved August 9, 1955 21/ which is referred to as the "Satellite Assets" program. This statute calls for the vesting by this Office of Bulgarian, Hungarian and Rumanian assets which were directly or indirectly owned by such governments or by any national thereof (except assets owned directly by a natural person) on September 15, 1947 and which remained blocked on the effective date of the Act. Provision is also made for the assertion of both title and debt claims 22/ against the vested assets. Suits and claims for return may be filed prior to expiration of one year from date of vesting of the property for which return is sought. Debt claims may be filed at any time before the bar dates fixed by this Office which shall not be later than one year from the date of the last vesting of the property of the debtor in respect of whom the claim is asserted.

Provisions of Section 34

ELIGIBILITY.---Section 34 permits payment to the following debt claimants:

- (a) citizens of the United States or the Philippine Islands, prior to December 7, 1941;
- (b) corporations organized under the laws of the United States or any state, territory or possession thereof, or the District of Columbia or the Philippine Islands; (c) other natural persons, who are and have been since the beginning of the war, residents of the United States and who have not during the war, been interned or paroled under the Alien Enemy Act; and (d) the Attorney General. Legal representatives and successors in interest by operation of law, if they are persons who would not themselves be disqualified, are eligible to receive payment to the same extent as their principals or predecessors would have been.

Certain conditions must be satisfied before a debt claim can be allowed. Thus, a debt (1) must have been due and owing at the time of vesting of the debtor's property, (2) must not have arisen from any action prohibited by the Trading With the Enemy Act, as amended, and (3) must not have been owing to any person convicted of violation of certain statutes.

BAR DATE.---The Attorney General is required by the Act to set a final date for filing of debt claims, with the provision that this date cannot extend beyond the expiration of two years after the date of the last vesting of property of a particular debtor, or August 8, 1948, whichever is later. A debt claim, if allowed, cannot be paid within 120 days from the date of publication of the first bar date, nor may it be paid out of property with respect to which a suit or proceeding for a return pursuant to the Trading With the Enemy Act, as amended, is pending, provided that such suit or proceeding was instituted prior to the expiration of the 120 day period. 23/

MONEY AVAILABLE FOR PAYMENT OF DEBT CLAIMS.---The payment of debt claims is to be made out of the net proceeds realized from the vested property of the debtor after deduction of (a) expenses of the Office in connection with the debtor's property, (b) taxes

21/ 69 Stat. 562, 22 U.S.C. 1621. For the complete text of Public Law 285, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1956, Appendix, Exhibit G, pp. 116-124.

22/ Only a small number of "satellite asset" title claims have been filed and it is anticipated that very few additional title claims will be filed before the expiration of the statutory bar date for this phase of the program. A total of 46 "satellite asset" debt claims have been filed of which 26 were filed during the current fiscal year. It is anticipated that some additional "satellite asset" debt claims will be filed in the fiscal year 1959.

23/ In this connection, however, it should be noted that Section 9(a) provides that during the pendency of a suit under that section the property shall be retained in the custody of the Office.

paid by the Office (as later defined), 24/ and (c) a cash reserve for the future payment of expenses and taxes.

PRIORITY OF PAYMENT OF DEBT CLAIMS.---Eligible creditors who have filed valid claims have the available money of a debtor distributed to them in an equitable manner according to the procedure provided for in Section 34. In the event the available money of a debtor does not permit the full payment of all allowed claims, the statute provides for a system of priorities. The order of payment established is as follows: (1) wage and salary claims, not in excess of \$600; (2) claims of the United States entitled to priority under Sections 191 and 193 of Title 31 of the United States Code; (3) all other claims for services rendered or expenses incurred in connection with such services, for rents, goods and material delivered to the debtor, and for payments made to the debtor for goods or services not received by the claimant; and (4) all other debt claims.

DEBTS VESTED BY UNITED STATES.---Debts transferred to the United States as a result of vesting are not entitled to the priority otherwise accorded claims of the United States.

JUDICIAL REVIEW.---The statute provides that the remedies set forth in Section 34 are exclusive. Although an initial administrative determination is required by law, the right of judicial review is preserved. If the aggregate of debt claims filed against a particular debtor does not exceed the money from which payment may be made, a claimant whose claim has been disallowed, in whole or in part, may file within 60 days after mailing of the determination a complaint for review of the disallowance of his claim in the District Court of the United States for the District of Columbia naming the Attorney General as defendant.

A claimant may also obtain judicial review of the schedule of payment of debt claims issued by this Office in insolvency cases, that is, cases in which the aggregate of debt claims filed exceeds the money from which payment thereof may be made.

Provisions of Section 208 of the International Claims Settlement Act of 1949, as Amended

The debt claims provisions of Section 208 of the International Claims Settlement Act of 1949, as amended, were modeled, in general on those of Section 34 of the Trading With the Enemy Act. However, Section 208 debt claims are limited to obligations expressed or payable in currency of the United States which were due and owing on the dates that United States Treasury "Freezing" regulations became applicable to Bulgaria, Hungary and Rumania, respectively. Furthermore, eligible claimants are restricted to natural persons who were citizens of the United States at the dates their debtors became obligated to them, natural persons who are and have been continuously since December 7, 1941, residents of the United States and corporations organized under the laws of the United States, or any state, territory or possession thereof, or the District of Columbia.

Administration of Section 34 of the Trading With the Enemy Act, as Amended, and Section 208 of the International Claims Settlement Act, as Amended

Procedures have been established by this Office, under Rules of Procedure for Claims, whereby the initial consideration of debt claims is delegated to the Claims Section of the Office. 25/ The Chief of the Claims Section may submit to the Director a

24/ See p. 60, *infra*.

25/ Form SA-1C is used by persons filing debt claims with the Office under the International Claims Settlement Act, as amended. It may be secured directly from the Office of Alien Property in Washington, D. C., or its offices abroad in Munich, Germany and Tokyo, Japan, or from the United States Attorneys' offices throughout the United States.

recommendation for allowance of any claim which he deems entitled to allowance without hearing. In all cases where summary allowance is not made and in which there is a genuine issue, claimants are entitled to a hearing.

Bar Dates for Filing Debt Claims

TRADING WITH THE ENEMY ACT, AS AMENDED.---By Bar Orders Nos. 1 to 15, inclusive, issued in previous fiscal years, final dates were fixed for filing debt claims in respect of all persons and corporations whose property was first vested between December 18, 1941 and April 16, 1953, inclusive, the termination date of the vesting program. January 4, 1954 was the last bar date for filing debt claims in respect to World War II vested property, and thereafter no new debt claims could be timely filed with this Office.

INTERNATIONAL CLAIMS SETTLEMENT ACT, AS AMENDED.---Section 208(b) thereof provides for the fixing of bar dates after which filing of debt claims in respect of any or all debtors shall be barred. By Bar Orders Nos. SA-1, SA-1A and SA-2, issued in the preceding fiscal year, final dates were fixed for filing debt claims in respect of Bulgarian, Hungarian and Rumanian debtors, any of whose property was first vested between March 12, 1956 and December 31, 1956. Bar Order No. SA-3 (22 F.R. 7802), executed on September 24, 1957 fixed January 2, 1958 as the final date for filing debt claims in respect of Bulgarian, Hungarian and Rumanian debtors, any of whose property was first vested between January 1, 1957 and June 30, 1957. Bar Order No. SA-4 (23 F.R. 489) fixed July 1, 1958 as the bar date for such debtors, any of whose property was first vested between July 1, 1957 and December 31, 1957. As the "satellite asset" vesting program has not terminated, it is expected that some additional bar orders will be issued in the next fiscal year.

Twenty-six "satellite asset" debt claims totaling approximately \$5,000,000 were filed with this Office during the 1958 fiscal year. Three "satellite asset" debt claims totaling \$72,690 were allowed and paid during the fiscal year.

Procedure in Processing Debt Claims

The procedures instituted under Section 34(a) of the Trading With the Enemy Act, as amended, and Section 208(a) of the International Claims Settlement Act of 1949, as amended, for determining eligibility of debt claimants and the validity of their claims may be summarized as follows: a routine check with the Internal Revenue Service is made by this Office after a debt claim has been filed to determine whether or not the alleged debtor is liable to the United States for unpaid taxes. The Office also makes similar inquiries of the General Accounting Office to determine whether the United States has any claims against each claimant. Within the Office itself certain inquiries are necessary to ascertain the value of the vested property against which each claim is asserted. Additional inquiries are also made within the Department of Justice to determine whether the claimant has been convicted of violation of any of the statutes listed in Section 34(a) of the Trading With the Enemy Act, as amended or Section 208 of the International Claims Settlement Act, as amended.

Discussion of Particular Debt Claims

SUMITOMO BANK LTD. SCHEDULE.---In excess of 16,000 debt claims were originally filed with this Office against the insolvent accounts of the Yokohama Specie Bank, Ltd. and the Sumitomo Bank, Ltd. based upon yen certificates of deposit. ^{26/} These certificates were issued by branches of Japanese banks located in the United States, were purchased by United States residents at the branch offices with United States dollars, and were expressly

^{26/} Approximately 9,000 of these claims were asserted against the Sumitomo Bank, Ltd.

made payable in yen at the home office in Japan. In a proceeding involving approximately 3,000 of these yen certificate holders, 27/ the Director on November 13, 1957 ruled that these claims constituted yen obligations payable in Japan, and not United States dollar obligations and that they should be converted into dollars at the rate of exchange in effect at the allowance of the claims. The Attorney General denied review in the matter.

Inasmuch as the accounts of the Sumitomo Bank, Ltd. and the Yokohama Specie Bank, Ltd. in this Office are insolvent, Section 34(f) of the Trading With the Enemy Act, as amended (50 U.S.C. App. sec. 34(f)) required that final action be taken by this Office on all outstanding claims filed against these debtors and that a schedule be issued showing the claims allowed and the proposed payments to be made. Within sixty days after the issuance of the schedule, any aggrieved claimant may file in the District Court of the United States for the District of Columbia a complaint for review of such schedule, naming the Attorney General as defendant.

With the assistance of an overtime program of the Claims Section, the Director took final action with respect to the great majority of Sumitomo Bank, Ltd. claims during the 1958 fiscal year and it is anticipated that he will issue a final schedule for the Sumitomo Bank, Ltd. in the early part of fiscal year 1959. As of June 30, 1958, the status of the Sumitomo Bank, Ltd. claims was as follows:

Recommended for allowance <u>28/</u>	1055 claims
Withdrawn	1836 "
Dismissed	5940 "
Outstanding	<u>147</u> "
Total	8978

The allowances are at the postwar yen rate of exchange in accordance with the Abe decision. 29/ Most of the dismissals were necessitated by the failure of the claimants to submit to this Office the original certificates of deposit, when requested to do so.

MRS. GEORGE E. WILLIAMS and PASSAIC NATIONAL BANK AND TRUST CO., CLAIMS NOS. 12443 and 18394, respectively.---These are debt claims under Section 34 asserted in the sum of \$110,000 against the Deutsche Reichsbank, a German banking corporation, and are based upon a 1932 contract between the bank and the late George E. Williams. Mrs. Williams asserted her claim as the sole heir of George E. Williams; Passaic National Bank asserted its claim as the prevesting assignee of George E. Williams as to a portion of the subject claim. In January 1918 the Alien Property Custodian seized funds of the Reichsbank amounting to approximately \$5,000,000. In 1926 the Reichsbank engaged Mr. Williams and his associates to protect its interests in the United States and, after the passage of the Settlement of War Claims Act of 1928 whereby Congress authorized the return to German nationals of 80% of their seized assets, suit was brought by the Reichsbank for the return of its property. A judgment was entered in its favor for 80% of the seized assets, less, however, the sum of \$200,000 to cover pending litigation brought by one Thompson and \$250,000 to cover pending income tax assessments. The 1932 agreement between Williams and the Reichsbank, upon which the present claim is based, provided for the payment of additional compensation in the sum

27/ Kunio Abe et al., Claimants, asserted in respect of Insolvent Estate of the Yokohama Specie Bank, Ltd. and Sumitomo Bank, Ltd., Claims Nos. 55507 et al. See Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1957, p. 64.

28/ Some of these claims were allowed in part and dismissed in part.

29/ A final schedule was issued on Oct. 24, 1958 and complaints for review are now pending in the District Court for the District of Columbia.

of \$110,000 to Williams by the Reichsbank for past services, the payment to be due "after settlement of the entire matter, including all demands made by the third parties, and after receipt of the last outstanding amounts, in so far as they are awarded to us by the courts or other competent authorities, with the exception of the 20% still retained by the American government..." Thereafter, Congress passed the Harrison Resolution of 1934 postponing all returns previously authorized. The Thompson litigation for \$200,000 was dismissed in 1935 and the income tax deficiency was compromised at \$130,000 and paid by the Reichsbank in 1939 from funds other than those held by the Alien Property Custodian. The Reichsbank never received any part of the \$450,000 withheld by court order to cover the Thompson litigation and the income tax deficiency. The basic issue was whether the obligation of the Reichsbank to pay \$110,000 to Williams was conditioned upon the actual receipt by the Bank of the amounts determined to be returnable from the Thompson litigation and the income tax deficiency. The claimants maintained that the obligation of the Reichsbank was absolute; the Claims Section asserted that it was conditional. The Director agreed with the position of the Claims Section, that the obligation was conditional and since the conditions never occurred, no debt was due and he disallowed the claim. The Attorney General denied review.

MAX REISSNER, CLAIM NO. 34710.---This was a debt claim under Section 34 asserted against the property of Schering-Kahlbaum, A. G. vested by this Office. The claim was based upon a debt which arose out of the transfer in March 1937 of certain assets of Anticomman, G.m.b.H., a German corporation of which claimant was the sole stockholder, to Dr. Neumann, G.m.b.H., also a German corporation and a wholly owned subsidiary of Schering-Kahlbaum, A. G. Claimant was a Jew who was forced to flee Germany in 1937 due to Nazi persecution. The claimant maintained that the transfer from Anticomman to Schering was contra bonos mores and void under German law, giving rise to a quasi-contractual obligation which was not subject to devaluation under the German Monetary Conversion Law of 1948 (converting reichsmarks into Deutsche marks at a rate of 10 reichsmarks to one Deutsche mark) and which constituted a debt under Section 34. The Claims Section asserted that the sale was not contra bonos mores, but was a valid transaction and did not give rise to a debt under Section 34; and that, if a debt was created, it was a reichsmark obligation subject to the German Monetary Conversion Law and should be converted from reichsmarks into Deutsche marks on a 10 to 1 basis and then from Deutsche marks into United States dollars at the current rate of exchange, following the "judgment day" rule of Deutsche Bank v. Humphrey, 217 U. S. 517. The Director found that the sale of Anticomman's assets gave rise to a claim for unjust enrichment under German law which constituted a debt claim under Section 34 and that the debt to claimant of RM 273,507 as of March 1, 1937, together with interest thereon at 4% from that date, should be converted at the rate of one Deutsche mark for each ten reichsmarks and then from Deutsche marks into United States dollars at the current rate of exchange. The Attorney General denied review of the matter.

Disposition of Claims: Payments Made

During the fiscal year 9,072 30/ debt claims were disposed of with 1,421 claims being allowed in the aggregate amount of \$1,059,396 31/ and 7,651 disallowed, withdrawn or disposed of through consolidation, totaling approximately \$10,000,000.

30/ Five of these claims involving insurance premium payments totaling \$4,924 were allowed as equitable lien and assignment claims under Section 32 of the Trading With the Enemy Act. (Title claims)

31/ Because of the insolvency of 11 of the debtor's accounts, payments totaling \$181,248 were made on these allowed claims during the fiscal year 1958.

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During the fiscal year, 18 final schedules of claims allowed and proposed pro rata payments were issued in insolvent estates pursuant to Section 34(f) of the Trading With the Enemy Act, as amended. These schedules involved 511 dismissed claims totaling \$22,728,120 and 29 allowed claims totaling \$43,711. The final schedules were served on all claimants in each particular estate. Pursuant to Section 34(f) of the Act, any claimant considering himself aggrieved by a final schedule might, within 60 days from the date of the mailing of the schedule file in the United States District Court for the District of Columbia a complaint for review of the schedule, naming the Attorney General as defendant. No such complaints for review were filed within the 60 day period and pro rata payments totaling \$9,966.12 were made to claimants.

The debt claims allowed and tentatively allowed during the fiscal year related to a wide range of transactions: 1,053 of the claims totaling \$21,013 were based upon yen certificates of deposit in Japanese banks and 168 of the claims totaling \$6,177 were based upon the refund of unused steamship tickets issued by the Hamburg-American Line and the North German Lloyd. One hundred and twelve of the claims totaling \$486,853 were based upon German investment bonds and coupons and 31 of the claims totaling \$21,011 were based upon cash and security deposits in German banks. The remaining claims allowed related to such diverse matters as bank transfers, bills of exchange, dividends, food and clothing packages sent to Germany, forced sales, general average contributions, insurance premium payments, insurance policies, loans, including bank loans under the German-American Standstill Agreements, the sale of merchandise, pensions and severance allowances, rent, legal services, and payments for goods and services not received.

PAYMENT OF TAXES INCIDENT TO VESTED PROPERTY

Section 36 of the Act, which was added by Public Law 671, Seventy-ninth Congress, Second Session, approved August 8, 1946, specifically authorized the Office to pay any tax assessed on vested property by the Federal Government or any state, territorial or local government for any period prior or subsequent to the date of vesting. 32/ The Office is obligated to pay tax liabilities on vested property notwithstanding any claim or suit filed or instituted against such property.

Procedures have been developed by both the Office of Alien Property and the Internal Revenue Service regarding the payment of taxes on vested property. In addition, the Director of Internal Revenue has promulgated rules relating to the application of the Internal Revenue aspects of Section 36 of the Act. These rules were published in the Federal Register on April 16, 1948. 33/

32/ 60 Stat. 925, 50 U.S.C. App. sec. 36. For a more detailed discussion of these provisions and the text of the law, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1947, pp. 87 and 156.

33/ 13 F.R. 2039.

VII

SUITS AND OTHER JUDICIAL PROCEEDINGS

The Office of Alien Property was involved in a total of 1,302 suits and other types of judicial proceedings during the fiscal year 1958. At the close of the fiscal year 1957, there were pending 1,156 cases; 146 cases were received during the fiscal year and 274 cases were disposed of through legal processing while an additional 498 matters involving estates and trusts, insurance collections and cost and expense vestings were transferred from the Litigation Section to the Collection and Custody Unit of the Liquidation Section. The latter represents cases on which legal work has been completed and their ultimate disposition awaits either auditing for compliance or collection of proceeds. The 530 cases pending at the close of the fiscal year 1958 and activity during the year are shown in table 21.

Table 21.--SUITS AND OTHER JUDICIAL PROCEEDINGS IN WHICH THE OFFICE OF ALIEN PROPERTY WAS INVOLVED, FISCAL YEARS 1957 AND 1958

Type of litigation	Cases pending as of July 1, 1957	Cases active during year	Cases pending as of June 30, 1958
Total.....	1,156	1,302	530
1. Actions for return of property or payment of debts, brought under sec. 9(a) and 34 of the Trading With the Enemy Act, as amended.....	66	88	1/ 63
2. Matters involving estates and trusts.....	759	806	2/ 270
3. Insurance collections.....	64	64	3/ 3
4. Miscellaneous.....	86	118	4/ 85
5. Claims proceedings under sec. 9(a).....	181	226	109

- 1/ Includes seven sec. 9(a) cases involving Philippine vested property.
- 2/ 439 matters involving estates and trusts were transferred out of a litigable status to the Liquidation Section.
- 3/ 59 cases involving insurance collections were transferred out of a litigable status to the Liquidation Section.
- 4/ Includes five cases involving Philippine vested property.

Section 9(a) and Section 34 Suits

Section 9(a) of the Trading With the Enemy Act, as amended, 1/ provides for suits by "any person not an enemy or ally of enemy claiming any interest, right or title in" vested property. As will be seen from this language and as has been indicated in prior Annual Reports, suits of this type raise two main issues, namely, whether the persons suing are enemies and whether they can show any recoverable interest in vested property.

An enemy under the Act within the meaning of statutory definitions and Supreme Court interpretations includes persons resident within enemy or enemy-occupied territory, corporations incorporated within such territory and persons resident outside the United

1/ 40 Stat. 419 (1917), 50 U.S.C. App. sec. 9.

States and corporations incorporated outside the United States and doing business within such territory. Enemy also includes the government of any nation with which the United States is at war, sub-division thereof, or any officer, official, agent or agency thereof.

Pursuant to a doctrine announced by the Supreme Court during the World War II period, the statutory terms are treated as "illustrative and not exclusionary" and a person or a corporation may be barred from recovery under Section 9(a) by reason of "enemy taint" flowing from enemy control, direct or indirect, or acting for or on behalf of an enemy.

Many Section 9(a) cases in the past, as well as several still active, involve so-called "cloaking" situations wherein enemy interests are hidden behind neutral or even apparently friendly fronts. Other Section 9(a) cases involve doing business with the enemy and several have involved issues of acting as agents of the enemy. In a substantial number of 9(a) cases, issues as to the residence of the plaintiffs have been presented. A number of such suits have been set forth in detail in previous Annual Reports. Typically, they involved individuals who lived in enemy territory during World War II. In such situations, residence becomes a difficult issue and the law is not yet entirely clear. The Supreme Court has interpreted residence for the purpose of this Act as meaning "something more than mere physical presence and something less than domicile." However, on this issue each case stands primarily upon its particular facts and the lower courts have divided to some extent as to what constitutes "something more than mere physical presence." Several cases involving this issue are still pending.

The filing of an administrative claim is a prerequisite to a Section 9(a) suit. But the suit may be filed at any time after the claim is made at the option of the claimant and without any prior determination of the claim. The statute of limitations with respect to Section 9(a) suits is in Section 33 of the Trading With the Enemy Act, as amended. It bars suits after two years from vesting unless a claim had been filed within the two years. A claim filed in time tolls the running of the two year period so long as it remains pending. Thus, time has not yet run out against a substantial number of potential Section 9(a) suits.

Section 34 suits involve efforts by United States citizens to recover debt claims against enemies out of vested property. Pursuant to the statute ^{2/} such suits may be brought only in the District of Columbia and after an adverse administrative decision. In situations where the debt claims exceed the amount of vested property, all claims must be passed upon administratively before any suits can be brought. Several Section 34 suits have been found to be premature under this provision and have either been dismissed or held in abeyance pending complete administrative action.

Other Section 34 actions have involved complicated rate of exchange issues. Particularly in the case of Japanese debtors, these issues may mean the difference between substantial and only nominal recovery. To a lesser degree the same is true with respect to debts expressed in Reichmarks. The rate of exchange issue becomes critical where, as is usually the case, the "judgment day" rule is followed and the current rate of exchange rather than the prewar rate is applied.

Other Section 34 cases involve special issues as to proof of debt.

The following individual cases exemplify the run of cases under Sections 9(a) and 34:

^{2/} 60 Stat. 925 (1946), 50 U.S.C. App. sec. 34.

SOCIETE INTERNATIONALE (I. G. CHEMIE) v. ROGERS, ERIC G. KAUFMAN, ERNEST ATTENHOFER AND ANNEMARIE RUTH KLINGLER, ET AL, PLAINTIFF-INTERVENORS (United States District Court, District of Columbia).---This is an action by a Swiss holding company to recover some 93% of the stock of General Aniline & Film Corporation, valued at approximately \$100,000,000. In December, 1953, the District Court dismissed the complaint for Chemie's failure to comply with an order to produce the records of its private Swiss banking affiliate, H. Sturzenegger & Cie. 3/ Chemie was unable to produce because the Swiss Federal Attorney had taken constructive custody of the records on the ground that their production would violate bank secrecy and economic espionage laws of Switzerland. The Court of Appeals affirmed the dismissal but granted Chemie an additional six months for compliance. 4/ Chemie's petition for a writ of certiorari was denied by the Supreme Court. 5/

During the ensuing period of grace, which expired in July 1956, Chemie produced large numbers---but not all---of the Sturzenegger papers, by means of waivers obtained from customers of the bank. But the District Court concluded that after more than seven years of litigation there was no assurance that Chemie could comply fully with the production order, and accordingly, in August, 1956, it affirmed its earlier order of dismissal. Again the Court of Appeals affirmed. 6/ However, in its decision of June 16, 1958, the Supreme Court reversed the orders of dismissal. 7/ The Court held that the dismissal was not justified in the circumstances of this case because the failure to comply with the pretrial production order was, on the basis of findings before it, not due to any wilfulness, bad faith, or any fault of I. G. Chemie. The action was accordingly remanded for further proceedings in the District Court.

Some 1,700 stockholders in I. G. Chemie are also parties to the action, having been permitted by the Supreme Court's decision in Kaufman v. Societe Internationale, 8/ to intervene in order to assert their claims to a proportionate share of the assets sued for by Chemie.

Also in October 1957, the Government of Switzerland filed an application in the International Court of Justice at The Hague seeking to have that Court adjudge and declare that the United States is under a duty imposed by its treaty obligations with Switzerland to restore the General Aniline stock to I. G. Chemie, or to submit the dispute to international arbitration or conciliation. 9/ The United States filed Preliminary Objections to the Swiss application. This matter will come up for hearing before the International Court in the Fall of 1958.

INTERNATIONAL SILK GUILD v. ROGERS (United States Court of Appeals, District of Columbia Circuit).---This is a Section 34 case involving court review of the administrative disallowance of a debt claim of \$68,362.08 against vested assets of Asahi Silk Company, Ltd. The details of the case as it was submitted to the District Court have been covered in previous Annual Reports (1957 Annual Report, p. 70). After a final hearing on cross motions for summary judgment, the District Court held that Asahi had received 80,323.09 Yen for plaintiff and that plaintiff should have judgment for the dollar equivalent of that amount. In converting Yen to dollars, the Court adopted an exchange rate of 36.55 Yen to the dollar. As a result, plaintiff's recovery was limited to only \$200. During the fiscal year 1958, cross appeals were briefed and argued, but by the end of the fiscal year no decision had been handed down.

- / 111 F. Supp. 435; 15 F.R.D. 83.
- / 225 F. 2d 532.
- / 350 U.S. 937.
- / 243 F. 2d 254, cert. granted, 355 U.S. 812.
- / 357 U.S. 197.
- / 343 U.S. 156.
- / I. C. J. Reports 1957, Series A/B, pp. 3, 105 and Series C, p

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LEYDEN COMPANY, LTD. v. ROGERS, N. V. HANDELSBUREAU LA MOLA v. ROGERS; DEAN B. LEWIS, ANCILLARY ADMINISTRATOR c.t.a. OF THE ESTATE OF JOSEPHINE GUTSCHOW v. ROGERS (United States District Court, District of Columbia).---These three separate but related actions were instituted toward the close of the fiscal year 1958. They represent an attempt by heirs of Ernst Gutschow, a German cigarette baron, to recover the proceeds of his property in the United States, which proceeds amount to \$1,800,000.

Substantially similar property was seized from Gutschow himself in World War I and 80% of that seizure returned to him under the Settlement of War Claims Act of 1928. Upon the return, Gutschow decided to discontinue the practice of holding in his own name. He organized a Canadian corporation under the name of Leyden Company, Ltd., to which the property in the United States was turned over. Leyden issued its common stock and gave a note for the purchase price of the United States property to a Dutch corporation, La Mola. Gutschow held all of the stock of La Mola and also acquired large debt claims against it.

In 1939, according to the allegations of the plaintiffs, Gutschow transferred most of his interests in La Mola to his son-in-law and daughter, Mr. and Mrs. Henrik Heegard. Henrik Heegard claims Norwegian nationality, although he lived in Germany from 1933 until after the end of fighting in World War II. The issues in the case have to do mainly with whether a bona fide and completed gift was made in 1939 and, if so, whether the Heegards are eligible to recover vested property under the Trading With the Enemy Act as non-enemies despite the fact that they lived in Germany throughout World War II.

The cases are at issue and discovery and pretrial procedures have been begun in the Leyden case which will, in all probability, be the first case to be tried.

PHILIPPINE NATIONAL BANK AND BANK OF THE PHILIPPINE ISLANDS v. ROGERS (United States District Court, District of Columbia).---These are Section 9(a) suits to recover the sum of 951,000 pesos, which was found by the United States Army, in a cave or dugout in the Philippines, and was later vested. The Philippine National Bank sued for the money on the theory that it was what remained of a fund of over a million pesos the Bacolod Branch of that bank had been compelled to hand over to the Japanese when they were retreating. The Bank of the Philippine Islands claimed on the theory that included in the fund were 638,000 pesos the Japanese had ordered it to exchange for Japanese military notes in the same amount. There was evidence that the money taken from the Bacolod Branch was part of a fund of over 4 million pesos in prewar currency gathered by the Japanese to use in redeeming "emergency" currency issued during the invasion period by local authorities. The purpose was to try to conciliate the Filipinos.

After a 4 days' trial the Court found in favor of the Attorney General in both suits. It found that plaintiffs had not proved that the money found by the Army and vested was part of the money taken from the Bacolod Branch, and the Court held that, even if the identify of the money had been proved, the acts of the Japanese were valid under international law and the Hague Convention, and that the Japanese became the owners of the money.

ROYAL EXCHANGE ASSURANCE v. ROGERS (United States Circuit Court of Appeals for the Second Circuit).---This case involves deposits in United States banks totaling \$6,000,000 which were vested as belonging to the Continentale Handelsbank N.V. of Amsterdam. But the suit is brought by British trustees of a Sinking Fund Gold Loan of the potash syndicate. The District Court upheld the Government in all substantial respects relative to the beneficial interests of the German Potash Syndicate in the vested property and entered judgment for the defendant. During the fiscal year 1958 this decision and judgment was affirmed by the Second Circuit. As of the close of the fiscal year, a petition by plaintiff for a rehearing before the Second Circuit was pending.

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VON DER HEYDT, ET AL v. ROGERS (United States District Court, District of Columbia).---The central issue in this case is whether or not von der Heydt acted as an agent of the German government in transmitting German army intelligence funds to agents in the United States and various other countries, first through his private bank in Holland and later through his personal accounts in the Union Bank of Switzerland. There is also an issue as to whether plaintiffs were doing business in Germany during World War II. Plaintiffs seek to recover vested securities and art objects valued at approximately \$500,000. The principal plaintiff is Baron Edward von der Heydt, a former German citizen who claims Swiss citizenship and residence during World War II. Prior to 1939 von der Heydt resided in Holland. While there he established a private bank under his own name. This bank continued operations into the war period with von der Heydt exercising absolute direction and control through delegation of powers. There are two other plaintiffs in the case, both corporations owned by von der Heydt and through which he held vested property. On motion of the Attorney General, the trial court dismissed the action for failure of plaintiffs to produce documents pursuant to court order and failure to explain to the satisfaction of the court why the documents had not been produced. After appeal, the case was remanded to the trial court for detailed findings of fact and conclusions of law. The next step in the case will be the entry of such findings and conclusions.

WAGENKNECHT v. ROGERS; WAGENKNECHT ET AL v. ROGERS ET AL (United States District Court, District of Columbia).---In this situation there are, in all, four companion actions pending. The key plaintiff is a Mexican national and sole heir and executrix of the estate of her deceased husband, Don Edmundo Wagenknecht. In three of the actions certain Dutch, Swiss and Swedish corporations allegedly owned by plaintiff have also been joined. The cases involve approximately \$1,500,000 in proceeds received by the Attorney General from redemption of Hugo Stinnes Corporation bonds. In addition to the lawsuits, there are related administrative claims pending which involve approximately \$20,000,000, in addition to the sum involved in the litigation. Also, in one of the suits, the Attorney General has filed a counter-claim for \$3,000,000 based upon fraudulent return of seized property after World War I wherein affidavits of Don Edmundo Wagenknecht were used. The cases are basically cloaking cases involving concealment of the real ownership of the property over long periods of time. There are issues concerning the right of allegedly innocent neutral stockholders to recover proportionate shares of the assets of vested enemy corporations. Extensive pretrial proceedings were still being conducted at the close of the fiscal year 1958.

Miscellaneous Litigation

Under this heading are grouped such cases as those brought under Section 17 of the Act to enforce compliance with vesting orders, patent contract cases and patent royalty collection cases, trade-mark and copyright cases and suits of a general nature wherein the Attorney General has an interest either affirmatively or defensively on the basis of vested property which he holds. Another source of litigation under this heading has been with respect to enemy-owned or controlled banks which have been liquidated and in which the Attorney General has vested interests.

Estates and Trusts Litigation

The litigation which arose in the field of estates and trusts originated under the power granted to the Alien Property Custodian by Executive Order 9193 10/ to take necessary measures in connection with representing any person within any designated enemy country or enemy-occupied territory in any court or administrative action or proceeding within the United States. That power did not prescribe the vesting of such interests and in cases where vesting action was taken the representation by the Custodian, or by the

Attorney General as his successor, 11/ was on his behalf and not on behalf of the enemy nationals involved. Where, as in cases involving enemy "friends" the vesting power was exercised, the Custodian was authorized to and in practice did vest an amount equal to the costs and expenses incurred in his representation, since it has been the policy of the Office to recover such expenses in cases in which it was determined not to seize the enemy interests.

The representation and seizure of enemy interests in estates and trusts had the effect of placing the Custodian in virtually the identical posture in the litigation previously maintained by the enemy national prior to vesting, which thus made the Custodian subject to the local substantive law and rules of procedure and subjected him to all the rights and obligations which could have been asserted by or against the persons whose interests he had vested. Because testamentary administration is conducted under the supervision of state probate courts, the litigation in which this Office has participated has necessitated appearances by representatives of the Attorney General in the state and territorial courts of virtually every jurisdiction in the United States. The scope of legal problems dealt with have been those typical of estate and trust litigation, such as actions involving creditors' claims, interpretation and construction of wills, proof of heirship, the examination of accounts, the justification and allowance of commissions and fees, the effect to be given testamentary powers of disposition, the disposition of unliquidated estate assets, the assertion of claims against sureties, the effect to be given discretionary powers imposed upon fiduciaries, the determination of inheritance and transfer taxes, and other like problems which often involved foreign as well as domestic law. The administration of the inter vivos trusts in which the Custodian represented enemy nationals or in which he had taken vesting action raised substantially similar problems and generally such administration, also, has been in the state courts.

The Custodian and his successor the Attorney General have the authority under Section 17 of the Trading With the Enemy Act, as amended, which has been exercised from time to time, to resort to the federal courts for aid in connection with the administration of the vested property program and have brought suit in the federal courts for a determination of his rights. Most frequently the §17 power has been used to reduce vested property to possession. 12/ From time to time the Attorney General is called upon to present his view as amicus curiae where he no longer has an interest in the property involved. During the fiscal year he filed such a brief in Kammholz v. Allen, U.S. Court of Appeals, 2d Circuit, to assert the protection provided defendants by the exculpatory provisions of §§5(b), (2) and 7(e).

In addition to the issues which would have existed absent vesting, the presence of the Attorney General in this litigation has frequently created additional issues by virtue of the impact of federal laws, treaties and executive agreements on the property in dispute. An example of this during the fiscal year 1958 is the case of Brownell v. Holmes, et al. comprising Oregon State Land Board (Estate of Albert Reichel) involving the right of the Attorney General to recover escheated property under a vesting order acquiring the interests of the heirs of Albert Reichel. The Land Board defended on the ground that the statute providing for the recovery of escheated property empowered only the heirs personally to sue. That contention was upheld in the lower court 13/ and the matter is now before the Supreme Court of Oregon on appeal by the Attorney General.

11/ Executive Order 9788, 11 Fed. Reg. 11981, October 15, 1946.

12/ It has otherwise been used, however. In Clark v. Allen, 331 U.S. 503, for example, it was used to obtain a determination of the Custodian's interest vis a vis certain provisions of the 1923 Treaty with Germany and §259 of the Probate Code of California.

13/ Circuit Court, Deschutes County, June 11, 1957.

Occurring with greater frequency in the wills and trusts drafted during the immediately prewar period when war was imminent and after war broke out are dispositions which provide for distribution to enemy nationals upon termination of hostilities or when distribution can be effected to the German beneficiaries. The Office has been successful in having the courts determine that future interests based on conditions of this kind are enforceable where the condition upon which the future estate was based has been fulfilled but in Security-First National Bank v. Brownell (Trust u/w of John Brockman), 14/ and in Estate of Herbert M. Paszotta, 15/ the enemy nationals were, notwithstanding the issuance of orders vesting their interests, held entitled to present or eventual distribution. In the Brockman case which is now on appeal to the Supreme Court of California, the Attorney General was held not to have had any standing to complain because the interests of the German nationals were by virtue of a condition contained in the trust instrument transferred over for the period of the war to nonenemy beneficiaries who were not parties to the appeal and who did not object to the court's determination. In the Paszotta case an appellate court held for the first time a vesting order ineffective on the ground that the Attorney General had improperly exercised his discretionary vesting powers.

An example of cases involving treaty provisions is typified by Estate of Henry Peter Ronkendorf 16/ where the claimant unsuccessfully urged that the failure of the German beneficiaries to dispose of inherited real property within the three-year period provided by the Treaty of Friendship, Commerce and Consular Rights with Germany of 1923 left them without any right to such real property and hence without any seizable interests.

Cases involving reciprocal rights of inheritance in which by virtue of state law the right of an alien to inherit depends upon the existence reciprocally of a right of an American to inherit under the laws of the alien's country have involved the Office's participation in litigation affecting vested interests in California, Oregon and Montana. Among those pending on appeal or tried during the fiscal year 1958 were Estates of John Michialoff, Peter Mito Chernacoff and John Christoff 17/ involving Bulgarian law, and Closterman v. Schmidt and Estate of Theodore Vogler 18/ involving German law.

Of particular importance to the Office was the decision in Hermann v. Brownell, U. S. Court of Appeals, 9th Circuit, upholding the authority to vest contingent interests. 19/ In the Hermann case, the property in a trust for the lives of named beneficiaries could be paid to them "provided payment shall not be subject to confiscation by or create sinews of war for any government antagonistic to the United States." Suit brought by the Attorney General for compliance revealed unauthorized payments of income made by the trustee to the German beneficiaries in Germany between 1946 and 1951 in excess of \$15,000. The District Court held the trust to have terminated and ordered the trustee to turn over to the Attorney General all property in her possession comprising the corpus of the trust but approving the payment of income. On appeal by the trustee and cross-appeal by the Attorney General the Court of Appeals affirmed the District Court's decision as to corpus and reversed the District Court to the extent that it had approved payments of \$6,000 to the German beneficiaries after the vesting order had been issued.

Typical of the range of issues appearing in estates and trusts litigation is the case of Orme v. The Northern Trust Company in the Circuit Court of Cook County, Illinois.

14/ Court of Appeal, 2d District, California, May 2, 1958.

15/ Appellate Court of Indiana, April 3, 1958, rehearing denied May 1, 1958, petition to Supreme Court denied June 25, 1958.

16/ District Court of Appeal, 3d District, California, May 6, 1958.

17/ Circuit Court, Multnomah County, Oregon, January 4, 1957.

18/ Circuit Court, Multnomah County, December, 1955, and December 16, 1957.

19/ April 2, 1958.

After prolonged litigation the Master in Chancery filed a report on August 30, 1957, resolving issues of construction, the rule in Shelley's case, the status of property owned by decedent at the time of her death (i.e. whether it was realty or personalty), the effect of prior decrees, the inapplicability of the rule of practical construction, the validity of adoption proceedings in a sister state and the public policy affecting recognition of adoption in the light of the full faith and credit clause of the Constitution. This estate involves assets exceeding two million dollars in which the Attorney General claims a 4/9th interest, his right thereto having been previously established in litigation that terminated in the Supreme Court of the United States, sub. nom. Von Hardenberg v. McGrath, 343 U.S. 921. During the fiscal year 1958 continued litigation centered about the propriety and amount of fees and expenses to be allowed counsel for the numerous parties in interest requests in excess of \$380,000 having been presented by counsel and hearing having been held before the Master which resulted in his filing a report recommending the allowance of fees and expenses in the total sum of \$242,815. Exceptions to the recommendations were in the process of argument before the court at the close of the fiscal year 1958.

ORGANIZATION, FINANCES AND ACCOUNTING

Col. Dallas S. Townsend continued as Assistant Attorney General, Director, Office of Alien Property, through the fiscal year 1958, with Mr. Paul V. Myron, Deputy Director.

ORGANIZATION

Administrative Units

The various administrative units of the Office of Alien Property and the number of full-time employees assigned to each unit at the close of the fiscal year 1958, are listed below:

<u>Administrative Unit</u>	<u>Number of employees as of June 30, 1958</u>
Office of Assistant Attorney General.....	31
Liquidation Section.....	30
Legal and Legislative Section.....	22
Claims Section.....	85
Litigation Section.....	58
Administrative Section.....	44
Comptroller's Section.....	46
Overseas Office.....	5
San Francisco (U. S. Attorney's Office).....	1
Office of Manager, Tokyo.....	1
Total.....	323

The main office of the Office of Alien Property is in Washington, with an office located in Tokyo, Japan. The headquarters of the Overseas Office is in Munich, Germany. One employee is assigned to the United States Attorney's Office in San Francisco to clean up the remaining workload of the former San Francisco Office of the Office of Alien Property.

FINANCES AND ACCOUNTING

The administrative expenses of the Office of Alien Property are financed from funds acquired through the vesting and administration of property under the jurisdiction of the Office. A limit on the amount that may be expended for general administrative expenses each year is established by annual authorization by the Congress. Direct expenses arising from the administration of specific vested properties are not included in this general limitation.

Detailed accounting records on all vested properties and on controlled business enterprises that are in the process of liquidation are maintained by the Office. The Comptroller's Section of the Office keeps the accounting records on administrative expenses. An annual audit of the books and records of the Office is conducted by a firm of certified public accountants.

Expenses

The regular authorization by the Congress for general administrative expenses for fiscal year 1958 was in the amount of \$2,935,000 (Public Law 85-49, 85th Congress, 1st

Session, approved June 11, 1957, 1/).

Administrative expenses for the 1958 fiscal year totaled \$2,957,782.17. A statement of these expenses and the means by which the expenses were financed are shown in table 22. Comparative data for previous fiscal years are also shown in the table.

Accounting

A report of Peat, Marwick, Mitchell & Company, certified public accountants, on the audit of the books of the Office of Alien Property for the fiscal year ended June 30, 1958 is presented at the end of this chapter.

Table 22.--ADMINISTRATIVE EXPENSES AND MEANS OF FINANCING, FOR THE PERIOD 1942 THROUGH 1954, AND FOR THE FISCAL YEARS ENDED JUNE 30, 1955, 1956, 1957, AND 1958

NOTE.--The statements shown on this table are not identical with those shown in table 26 of the Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1957, owing to adjustments made subsequent to June 30, 1957.

	April 21, 1942 to June 30, 1954	July 1, 1954 to June 30, 1955	July 1, 1955 to June 30, 1956	July 1, 1956 to June 30, 1957	July 1, 1957 to June 30, 1958	Total
ADMINISTRATIVE EXPENSES						
Personal services.....	\$37,995,877.87	\$2,203,768.65	\$2,294,789.71	\$2,357,771.15	\$2,421,611.39	\$47,273,821.77
Travel.....	999,641.10	34,407.59	33,134.62	31,342.17	27,736.97	1,126,262.45
Transportation of things..	131,391.30	2,322.21	218.93	119.61	821.60	134,873.65
Communication services....	601,877.13	21,616.01	22,330.53	22,513.25	25,803.84	694,140.76
Rents and utilities.....	3,001,058.08	114,541.37	126,538.70	129,127.71	138,777.03	3,510,042.89
Printing and binding.....	605,907.51	13,174.31	6,204.41	10,068.04	10,416.35	645,770.62
Other contractual services	2,264,663.58	184,446.94	186,391.20	184,955.54	166,395.12	2,986,852.38
Supplies and materials....	541,209.29	17,115.64	14,933.86	8,621.50	20,187.88	602,068.17
Equipment.....	524,166.49	16,097.22	19,079.12	7,154.72	776.72	567,274.27
Refunds, awards and indemnities.....			2,000.00	1,640.00		3,640.00
F. I. C. A. contributions.	8,281.99	3,011.23	1,476.68	1,363.16	1,490.45	15,623.51
Grants, subsidies and contributions.....					143,761.82	143,761.82
Total.....	\$46,674,074.34	\$2,610,501.17	\$2,707,097.76	\$2,754,676.85	\$2,957,782.17	\$57,704,132.29
MEANS OF FINANCING						
1. World War I Administrative Expense Fund.....	4,063,088.71					4,063,088.71
2. World War II Vested Property Funds:						
(a) Recoveries of expenses from vested enterprises and other properties.....	347,685.91	52,085.21	15,061.97	33,274.53	7,576.58	455,684.20
(b) General transfer of cash from vested property funds 1/.....	28,037,872.24	(1,893,032.02)	2,013,747.10	(17,803,179.09)	(3,687,822.34)	6,667,585.89
3. Reimbursement received for expenses incurred in representing people residing behind enemy lines in court proceedings or administrative actions.....	345,201.36		638.00		(195.16)	345,644.20
4. Expenses charged to Vested Satellite Assets Fund.....			41,855.20	107,118.62	59,613.44	208,587.26
5. Conservatory and administrative expenses recovered upon payment of claims and transfers of free account balances to War Claims Fund and to the Bulgarian, Hungarian and Rumanian Claims Fund.....	12,768,797.47	4,435,927.73	624,188.62	20,411,124.58	6,572,249.70	44,812,288.10
6. Recoveries of expenses from Philippine Alien Property Administration to Oct. 13, 1946, and from Philippine vested property subsequent to June 29, 1951	185,816.12					185,816.12
7. Miscellaneous receipts:						
(a) License fees, receipts from sale of patent catalogs and other receipts.....	686,382.72	15,520.25	11,606.87	6,338.21	6,359.95	726,208.00
(b) Receipts from sale of republished periodicals.....	239,229.81					239,229.81
Total.....	\$46,674,074.34	\$2,610,501.17	\$2,707,097.76	\$2,754,676.85	\$2,957,782.17	\$57,704,132.29

1/ A considerable portion of the expenses financed by general transfers of vested property funds to the administrative expense fund will ultimately be recovered from specific vested properties for which expenses were incurred.
() Denotes recoveries in excess of expenses paid during a specified fiscal year.

ACCOUNTANTS' REPORT

PEAT, MARWICK, MITCHELL & CO.
American Security Building
Washington 5, D. C.

Colonel Dallas S. Townsend
Assistant Attorney General
Director, Office of Alien Property
Department of Justice
Washington 25, D. C.

We have examined the accounts maintained by the Comptroller's Section of the Office of Alien Property for the purpose of controlling vested assets and recording accountability therefor for the fiscal year ended June 30, 1958, but we did not review the financial and statistical information and statements which will be contained in the detailed annual report of the Office of Alien Property for such year. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Such examination included test-comparison of assets, recorded at principal balances or nominal amounts, with the vesting orders issued therefor; count of securities and personal property on hand in the Washington, D. C., office of the Office of Alien Property; test-confirmation of vested assets in the custody of others at June 30, 1958; test-check and confirmation of recorded cash receipts; test-examination of vouchers covering administrative expenses and other disbursements; confirmation of balances with the United States Treasury Department and other depositories; and review of procedures followed in the sale, return or other disposition of vested assets during the fiscal year as to compliance with the policies set forth in regulations governing such disposals.

The accounting records of substantially all of the vested enterprises in process of liquidation and of an operating vested enterprise of minor importance were maintained by the Office of Alien Property. We reviewed the available accounting records of enterprises so maintained. Our review included check of the reconciliations and confirmation of bank balances in the United States, count or confirmation of securities held in the United States, and review of disposals of assets (other than sales made in the regular course of business) during the fiscal year; but we did not audit the accounts of such enterprises. The accounts of the operating enterprises whose accounting records were not maintained by the Office of Alien Property have been examined by public accountants during the fiscal year. Reports of such public accountants have been submitted for our inspection.

In our opinion, the individual exceptions disclosed as a result of our examination for the year ended June 30, 1958 are not regarded as relatively significant.

/s/ Peat, Marwick, Mitchell & Co.

Washington, D. C.
December 10, 1958

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EXHIBIT A

SUPPLEMENT TO LISTS OF VESTING ORDERS ISSUED BY THE OFFICE OF ALIEN PROPERTY,
MARCH 11, 1942, TO JUNE 30, 1958

NOTE.--The lists to which these additions are made were published each year as Exhibit A in the Annual Reports of the Office of Alien Property. The additions consist of published amendments signed during the fiscal year ended June 30, 1958 but relating to vesting orders signed prior to July 1, 1957.

Vesting order No.	Description	Date published in Federal Register
1974	Amendment.....	Nov. 5, 1957
8727	...do.....	Dec. 12, 1957
9546	...do.....	Sept. 21, 1957
11208	...do.....	July 19, 1958
15107	Amendment, as amended.....	July 19, 1958

EXHIBIT B

RULES AND REGULATIONS OF THE OFFICE OF ALIEN PROPERTY IN EFFECT AS OF JUNE 30, 1958

NOTE.--The rules and regulations of the Office of Alien Property were formerly designated as General Orders Nos. 1-36. (See Annual Report, fiscal year ended June 30, 1948, Exhibit C, p. 147). On Dec. 31, 1948, the rules and regulations of the Office were amended and recodified and published in the Federal Register (13. F. R. 9497-9547) and are now designated as Parts 501-512 of Title 8, Chapter II, Code of Federal Regulations (1949 edition). The rules and regulations of the Office were further amended and published in the Federal Register (17 F. R. 11781-11843). Regulations pertaining to the control of foreign funds were adopted in their entirety from the Treasury Department on Oct. 1, 1948 and were incorporated in the rules and regulations of the Office.

Part No.	Subject matter	Federal Register citation
501	General rules of procedure..... Amended..... ...do..... ...do..... ...do..... ...do.....	13-9498 17-2483 17-11779 19-1211 21-963 22-8811
502	Rules of procedure for claims..... Amended..... ...do..... ...do..... ...do..... ...do..... ...do..... ...do.....	13-9503 16-5105 16-11137 17-5211 17-11836 18-6237 18-8476 22-2656
503	Availability of records..... Amended..... ...do..... ...do..... ...do.....	13-9507 17-11781 19-1211 19-6566 21-963 22-8811
504	Vesting orders..... Amended.....	13-9508 21-963
505	Specific prohibitions..... Amended..... ...do..... ...do..... ...do.....	13-9508 17-11781 20-4395 20-7911 21-963
506	Property in process of judicially supervised administration, or in court or administrative proceeding..... Amended..... ...do.....	13-9510 17-11782 19-1212
507	Patents, trade-marks and copyrights..... Amended..... ...do..... ...do.....	13-9511 14-4788 17-11782 17-11842
508	Administration of alien property seized during World War I..... Amended.....	13-9512 22-8811

Exhibit B - Concluded

Part No.	Subject matter	Federal Register citation
509	Foreign exchange rates.....	13-9513
510	Amended..... Reports.....	17-11784 13-9513
511	Amended..... ...do..... Blocked assets: regulations originally issued by the Treasury Department <u>1</u> /..... Amended..... ...do..... ...do..... ...do..... ...do..... ...do..... ...do.....	17-11784 19-1212 13-9518 15-1029 16-7310 16-10715 17-800 17-11785 18-3687 22-8811

1/ For the text of Executive Order No. 9989 of Aug. 20, 1948, which transferred jurisdiction over assets blocked as of Sept. 30, 1948 to the Attorney General, see Annual Report, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1949, pp. 135-136.

EXHIBIT C

LIST OF DISSOLUTION ORDERS ISSUED BY THE OFFICE OF ALIEN PROPERTY,
JULY 1, 1957 TO JUNE 30, 1958

Dissolu- tion order No.	Related vesting order No.	Name of corporation ordered dissolved	Date executed	Federal Register citation
118	2352	The Morland Company.....	10-25-57	22-8828
119	22	The Nirosta Corporation.....	11-19-57	22-9368

EXHIBIT D

LIST OF RETURN ORDERS ISSUED BY THE OFFICE OF ALIEN PROPERTY
JULY 1, 1957 TO JUNE 30, 1958.

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
2827	8567	Leo Robinsohn.....	Securities.....	June 29, 1956
2828	1/	Betty Pfeiferova, Vaclav Stran- sky, Josef Jisa and Marie Luke- sova.	\$326.48.....	.....do.....
3301	8399	Marie A. Heritage, Wallace and Nell P. Fisher and Alaska L. Blair.	\$5,185.84.....	July 3, 1957
3322	10961	Werner Galleski, Ancillary Adm. of the Est. of Ernst Neulaen- der, dec'd.	\$38,524.05; and securi- ties.....	July 22, 1957
3348	6215	Marie A. Oettinger and Elisa- beth Goldschmidt.	\$117.39.....	July 3, 1957
3358	1758	Maria Bertha (Annemarie) Schlee.	\$8,660.48; and inter- est in a copyright....	.....do.....
3360	94	Mrs. Maria Montagna Salva- neschi, individually and as Guardian of Paolo Salva- neschi, a minor.	Patents and patent contracts.....	.....do.....
3361	17041	Kaneko A. Murakawa.....	\$783.90.....	July 8, 1957
3366	17829, 17903	Heinrich Heusser Weber and Lucien Baud-Imdorf.	\$761.60; and stock....	July 3, 1957
3367	17903	Jakob Widmer.....	\$89.50.....	July 9, 1957
3368	12262	Hiroshi Myakoda.....	\$139.86.....	July 3, 1957
3369	18899	Frederico Vittorio Canestrelli and Herma Canestrelli.	Bonds.....	Oct. 30, 1957
3370	8711	Otto and Fanny Wolfskehl Char- lotte Kuehner, nee Wolfskehl, Dr. Marie-Luise Wolfskehl.	Bonds.....	July 8, 1957
3371	2597	Josef Stumpf.....	\$376.54.....	July 3, 1957
3372	12260	August Lierheimer.....	\$8,269.25.....	July 8, 1957
3373	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$9,983.70.....	July 19, 1957
3374	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$6,119.13; and bond....	.....do.....
3375	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	Bonds.....	.....do.....
3376	881	Mrs. Marie Schwarzhans.....	\$219.92.....	July 8, 1957
3377	5084	Carl Gustaf Carlsson Asker and Hugo Malmberg.	\$1,341.99.....	July 9, 1957
3378	666	Roger H. Mahel.....	Patent.....	July 16, 1957
3379	17829, 17903	Theodor Kobelt.....	\$1,566.76.....	.....do.....
3380	8096	Karl Zickel.....	\$608.26.....do.....
3381	17892	Franz Zech.....	\$819.54.....do.....

See footnote at end of exhibit.

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Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3382	17903	Hans Egli-Muff.....	\$89.50.....	July 16, 1957
3383	17865	Elisabeth Mester.....	\$1,269.70.....	.....do.....
3384	104	Enrique Franke.....	\$227.19.....	.....do.....
3385	8567	Stephen Arthur Wathen Thompson..	\$747.50; and bonds.....	.....do.....
3386	2067	Teresa and Carmela Ippolito.....	\$273.55.....	.....do.....
3387	1278	Cesarino and Franchino da Con- turbia.	Interest in a trust under will.....	.....do.....
3388	13919	Betty van Vugt.....	\$1,056.53.....	Aug. 15, 1957
3389	4369, 5237	Kiyoko Harada Yamashita.....	\$8,964.14.....	July 19, 1957
3390	8224	Harry Johannes Spies.....	\$237.11.....	July 24, 1957
3391	9068	Ferdinand Helmut Schrag.....	\$1,737.61.....	Sept. 16, 1957
3392	2668	Karolina, Christian and Teresa Prinoth, Marianne Vinatzer, Vincenz and Ferdinand Rung- galdier, Marianne Frener, Angelica Nogler and Josephine Prinoth.	\$4,525.70.....	July 18, 1957
3393	10950	Joseph Chaus and Susie Ohaus....	\$2,227.06.....	July 24, 1957
3394	643	Eva Frank (nee Neumark), Tsevi Neumark, Esther Bloch, Zvi Namir, Shalon Neumark, Rose Moeller, Dorothea Deborah Alon, Ernst Israel Neumark, Ruth Schaal and Dr. Yehoshua Amir.	\$2,345.33.....	July 30, 1957
3395	4617	Irene Carter and Robert Laz- arouvicz.	\$141.27.....	July 16, 1957
3396	17816	Lombard, Odier & Cie.....	\$2,824.25.....	July 31, 1957
3397	14392	Martha C. Harbich.....	\$1,006.00.....	July 18, 1957
3398	17837	Mrs. L.L. de Rooy-Vermeer.....	\$658.05.....	July 31, 1957
3399	17950	J. Spoel.....	\$125.00; and stock.....	July 19, 1957
3400	1501	Kaneko and Misao Iwasa.....	\$344.69.....	July 24, 1957
3401	12300	Nobuo Waki, a/k/a Nobuo Frank Waki.	\$600.00.....	.....do.....
3402	17836	Theodora Jacoba Frank.....	\$134.95.....	July 30, 1957
3403	17838	Joh. H. Jeltsema.....	\$126.78.....	July 19, 1957
3404	13338	Tatsuo Koyano.....	\$1,031.00.....	July 30, 1957
3405	5608, 10961	Richard Theodor Hass, Exec. of the Est. of Martha Meyer, dec'd.	\$6,163.26.....	.....do.....
3406	2516	Benjamin Dubossarsky and Lida Sauer, nee Dubossarsky.		
3407	18521	Albert Spanjer, Martijn Frank- enhuis, Evalina Groen, Ella Korijn, a/k/a Ella Koryn.	\$392.08; and bonds.....	Aug. 22, 1957
3408	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$3,136.64; and bonds...	.....do.....

Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3409	15324	Dora Grace Fischer, a/k/a Dr. Grace Fischer and as Frau Stabsaret, DR.	Trust inter vivos.....	Aug. 7, 1957
3410	2763	Robertina Penazzi-Ricci, a/k/a Roberta Penazzi-Ricci.	\$416.00.....	.....do.....
3411	2763	Robert, a/k/a Roberto Penazzi-Ricci.	\$416.00.....	.....do.....
3412	8868	Gerda C. van Klingeren and Henry R. Pfaff.	\$682.96.....	.....do.....
3413	17840	Hendrikse Mattheus.....	\$262.82.....	.....do.....
3414	6126	Eugene William Holzapfel.....	\$495.14.....	.....do.....
3415	18519	Charles Spruyt.....	Bonds.....	.....do.....
3416	1852	Otto, Hugo, Karl, Ella, Leo and Otto Klinke.	\$2,514.42.....	Aug. 15, 1957
3417	17950	Mrs. A.M. Becker-Sjerps.....	\$250.00; and stock.....	Aug. 7, 1957
3418	17838	Mrs. A.H. Grilk-van Anandel.....	\$126.78.....	.....do.....
3419	3349	Camden Trust Co., Trustee u/will of Charles Foulon.	\$414.08.....	.....do.....
3420	17662, 17889	Johannis van der Hoeven.....	\$719.66.....	Sept. 16, 1957
3421	552	Rosa and Lino Reppetti.....	\$106.42.....	Aug. 7, 1957
3422	17784	Oscar Christian Munch Ralder Bjerke and Ems Wilse.	\$878.06; and script certificates.....	Aug. 15, 1957
3423	367	Keijiro Takiguchi.....	\$288.03.....	Aug. 14, 1957
3424	1154	Pauline Schwinger, Admx. of the Est. of Poldi Stern, dec'd.	\$739.85.....	Sept. 24, 1957
3425	13346	Howard Masuji, Robert Koji and Mrs. Haru Tasaka.	\$1,000.00.....	Aug. 9, 1957
3426	10833, 17996	Elma Wickman.....	\$2,720.46.....	.....do.....
3427	17660	Margarethe Tatschl.....	\$4,836.99; and bonds...	.....do.....
3428	17831, 18118	Anne Marie Josephine (Mrs. Henri) Terfve-Lambrechts.	\$1,334.12.....	Aug. 15, 1957
3429	3602	Aloisia (Luise) Sinko, and Rosa Gollesch, a/k/a Roza Rajsek, a/k/a Rozalija Goles Rajsek.	Interest in an estate..	Aug. 19, 1957
3430	15872	Elizebeth Runte.....	\$964.85.....	.....do.....
3431	9538	Anneliese Neppel.....	\$342.14.....	Aug. 15, 1957
3432	17840, 17915	Miss F.T.H.M. and Miss T.Z.J.M. Meijer.	\$532.72.....	.....do.....
3433	201	Giacomo Bottaro.....	Patent.....	.....do.....
3434	17837, 17911, 17915	Mrs. H.W. Bossinga-Legger.....	\$1,307.72; and stock...	Aug. 22, 1957
3435	16692, 16693, 16738	Sue (Nishikawa) Fukuda and Tomiko Nishikawa.	\$2,390.00.....	.....do.....
3436	4316, 6421	Lena Wajsberg.....	\$2,711.37.....do.....
3437	291	Wilhelm Benjamin Repmann.....	Patent.....	Aug. 30, 1957

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Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3438	17837, 17915	Meine Albert Sijbesma.....	\$793.07.....	Aug. 22, 1957
3439	291	Van der Heem N.V.	Patent.....	Sept. 9, 1957
3440	4739	Mrs. Marianna Nagele.....	\$225.11.....	Aug. 22, 1957
3441	17901	C.H. van Langelaan, Exec. u/will of Suzanna Geertruida van Langelaan.	\$567.14.....	.....do.....
3442	1362	Salvatore and Filomena Lombardi.	\$102.73.....	Sept. 9, 1957
3443	17829, 17903	Friedrich Rhein.....	\$998.55.....	Aug. 22, 1957
3444	893	Elizabeth Foehr, as successor- in-interest to Alice Foehr, dec'd.	\$3,750.00.....	Aug. 28, 1957
3445	1/	Andreas Joachim Julius Schnau- bert.	\$806.25.....	Aug. 22, 1957
3446	17128	Harry Mercklinghaus.....	\$468.05.....	Oct. 25, 1957
3447	17838	Mevrouw E. van Kervel v.d. Held- van An del.	\$126.78.....	Aug. 28, 1957
3448	643	Selma Baruth.....	\$293.14.....	.....do.....
3449	9068	Marie Therese Countess Galen....	\$1,316.43; and securi- ties.....	Aug. 30, 1957
3450	1500	Mannosuke Komu.....	\$339.40.....	.....do.....
3451	14406	Carl A. Usinger.....	\$1,066.36.....	.....do.....
3452	2161	Johanna Dolling.....	\$460.89.....	.....do.....
3453	18234	Ninistiftung in Glarus c/o Rahel Frischman.	\$12,200.30.....	.....do.....
3454	17836, 17889, 17915, 17950	Mrs. B.A. v.d. Bovenkamp- Hillebrants.	\$1,072.73.....	Sept. 6, 1957
3455	4480	Elfriede, Jurgen Karl and Elsa Rosenthal; Gerd Steiner and Leo Rosenthal; Lilli Heymann, Recha Klein, Charlotte Herz- feld and Hildegard and Guen- ther Rosenthal, Mitzi Rosen- thal Roberts.	\$6,304.52.....	Sept. 24, 1957
3456	13239	Herrero Hermanos, S.A.	\$10,564.50.....	Sept. 6, 1957
3457	13988, 18816	Keiji Nikami.....	\$40,906.15; and stock..	Feb. 20, 1958
3458	3056	Alice, Helene Glauser, Henriette Glauser and Jacqueline Jacot- Perrenoud.	Patent.....	Sept. 5, 1957
3459	1/	Pijo Gasparovic.....	\$61.16.....	Sept. 9, 1957
3460	1758	Amalita Niccodemi Ved. Durbe and Tatiana Niccodemi.	\$54.42; and interest in a copyright.....	.....do.....
3461	500B-1	Edizioni Suvini Zerboni.....	\$262.88; and interest in copyrights.....	Oct. 10, 1957
3462	500A-54, 500A-75	Franz Halla.....	\$27.14; and interest in copyrights.....	Oct. 14, 1957
3463	17836	Mrs. Maria H.C. Timp.....	\$134.95.....	Sept. 9, 1957

See footnote at end of exhibit.

Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3464	17838, 17901, 17913	W.C.L., C.S. Barkema and F.P.H. Dijesterhuis.	\$3,736.59.....	Sept. 13, 1957
3465	6932	Friederike Herkner Goldschmied..	\$51.90.....	.....do.....
3466	1/	Marie Berner Bonna and Joseph Berner.	\$4,218.65.....	.....do.....
3467	13961	Saburo Imahori.....	\$137.00.....	.....do.....
3468	3137	Landwirtschaftskammer fuer Kaernten (Chamber of Agriculture for Carinthia).	Interest in a trust u/will.....	Sept. 24, 1957
3469	1185	Angelo Ricciuti.....	\$850.79.....	Sept. 27, 1957
3470	666	Albert Henri Lepinte.....	Patent.....	Sept. 19, 1957
3471	1418	Cementia Holding A. G.....	\$1,350.93; claim against Atlantic Trading Corp.....	.....do.....
3472	17912	Henri van Baren.....	\$655.08.....	Sept. 18, 1957
3473	2492	Hilda Fronczek.....	\$412.31.....	Sept. 24, 1957
3474	1417, 1759	Olga Marzi Manenti.....	\$503.37; interest in copyrights.....	.....do.....
3475	17829, 17903	Elisa Pfister-Fisch.....	\$142.50; and stock.....	Sept. 27, 1957
3476	18519	Mrs. E.A.F. Brevet-Meding.....	\$1,720.00; and claim to two U.S. Corp. bonds..	Sept. 24, 1957
3477	9068	Martha Klemm.....	\$4,719.22; and securities.....	Sept. 30, 1957
3478	13875	Yutaka Teramoto.....	\$150.00.....	Sept. 27, 1957
3479	17829	Ernest Bachmann.....	\$1,092.73.....	Sept. 30, 1957
3480	3305	Irene Stark and Piri Markovich..	\$472.49.....	Sept. 27, 1957
3481	17829	Fritz Wittwer.....	\$1,654.09.....	Oct. 10, 1957
3482	7892	Creditanstalt-Bankverein.....	\$234.72.....	Sept. 30, 1957
3483	1/	Mirko and Josip Augustincic.....	\$229.02.....	.....do.....
3484	248, 8471	Louise van der Willigen-Sauerbier, Louise, Jacques, Volkert and Johanna van der Willigen.	\$7,770.20.....	.....do.....
3485	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$5,360.00; and bonds...	Oct. 25, 1957
3486	10947	Andreas Brautigam, St. Paul Church, Lohman, Mo., American Lutheran Church, Lohman, Mo., Bertha Kappelman, Martha Neiderwimmer, Wiltrude Schmidt, Alma Schwenker, Esther Seidel and Oswald and Erwin Soell.	\$3,000.00.....	Oct. 10, 1957
3487	18117	Mrs. Th. Versnel-Braadbaart.....	\$120.58.....	.....do.....
3488	1370	Paolo Zanuso and Augusto and Alfonso Pretto; Agnese Pretto; Antonio Zanuso and Augusta Z. Pierguidi.	\$843.97.....	Feb. 10, 1958

See footnote at end of exhibit.

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Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed	Return order No.
3489	339	Giacomo and Domenico Guerrini...	\$1,475.77.....	Oct. 7, 1957	
3490	17829, 17903	Emil Baenninger.....	\$619.50; and stock.....	Oct. 16, 1957	3516
3491	17840, 17896, 17948, 18118	Reinold David van Essen.....	\$4,405.13.....	Oct. 10, 1957	3517 3518 3519
3492	17915	Adrianus Rosmolen.....	\$540.04.....	Oct. 9, 1957	3520
3493	2381	Edoardo and Ginestra Spinola....	Interest in a trust under will.....	Oct. 10, 1957	3521 3522
3494	552	Don Pietro Giuseppe Menassi as Pastor of the Roman Catholic Church in Lumezzane Pieve, Italy.	\$79.82.....	.....do.....	3523
3495	17903	Edward Septimus Heard.....	\$89.50.....	Oct. 16, 1957	3524
3496	10541	Tsumeo and Masao Imanishi.....	\$20,397.73.....	Oct. 18, 1957	3525
3497	18521	Abraham Vles, Paul van Geldere, Dr. Ralph Polak, Hetty Fried, Alfred W. Beffie, G. Elias Prins, Dr. Robert Michaelis.	\$1,424.51; and bonds...	Oct. 31, 1957	3526 3527 3528 3529
3498	17903	Karl Grütter.....	\$179.00	Oct. 10, 1957	
3499	1/	Helen and Louis Bartol.....	\$414.69.....	Oct. 16, 1957	3530
3500	17693	Marysia Dorothy Ulam.....	\$1,198.85.....	Oct. 14, 1957	
3501	290	A/S Haustrups Fabriker.....	Patent.....	Oct. 16, 1957	
3502	126	Adolf Donner.....	\$300.00.....	Nov. 29, 1957	3531
3503	104	Dr. Med. Jakob Rietmann.....	\$1,893.23.....	Oct. 18, 1957	
3504	104	Dr. Roda Wieser.....	\$151.64.....	.....do.....	3532
3505	8711, 9068	Mrs. Ida Marx, individually and as Exrx. u/will of Emanuel Hess, dec'd.	\$7,393.20.....	Oct. 23, 1957	3533 3534
3506	293	S.A. des Matieres Colorantes & Prodiuts Chimiques De Saint-Denis.	Interest in a patent...	Oct. 25, 1957	3535 3536
3507	15828	F. Bernhard Ampt.....	\$6.05; and stock.....	Oct. 30, 1957	
3508	18521	Dr. Otto Louis Abas, Bertha de Vries, Judith Gompen, Sophia van den Bergh, Hanni Ligtenstein and Hermann Plaut.	\$6,779.16; and bonds...	Nov. 25, 1957	3537 3538
3509	18521	Salomon Beffie, Hugo de Vries and Nicolaas de Vries.	\$6,773.24; and bonds...	.....do.....	3539
3510	5120	Albert Revai.....	\$128.27.....	Oct. 28, 1957	
3511	13541	Yoshitaro Nakata.....	\$1,097.22.....	.....do.....	3540
3512	3305	Marika Sternberg.....	\$472.49.....	Oct. 30, 1957	
3513	17829	Anna Kessler-Roth.....	\$2,515.21; and stock...	Nov. 7, 1957	3541
3514	19234	Annaliese Seippel Schmidt and Agnes Charlotte Seippel, a/k/a Lotti Seippel.	\$392.00.....	Oct. 30, 1957	3542 3543
3515	17829, 17903	Anton Gubser.....	\$730.36.....	Oct. 28, 1957	3544

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See footnote at end of exhibit.

Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3516	17829, 17903	Walter Gagg.....	\$1,645.25.....	Oct. 30, 1957
3517	12609, 13177	Charlotte von Wedel and Margarethe Klingler.	\$406.24.....	.....do.....
3518	1/	Rev. Don Giovanni Scapino.....	\$2,512.05.....	Oct. 31, 1957
3519	4968	Rosina Treml, et al.....	\$751.00.....	Nov. 7, 1957
3520	17705	Paulina Kowalewska.....	Bond.....	Oct. 31, 1957
3521	2429	Miss E.D. Sokoloff.....	Interest in a patent...	Nov. 6, 1957
3522	17950	Emilie Frenkel-Goldschmidt and Eduard Pieter Goldschmidt.	\$250.00; and stock.....	.....do.....
3523	17902, 17908, 17912	Jan and Maria Jacoba Muusses, Nine Muusses Yff and Annie Muusses Dene.	\$2,783.63.....	Nov. 25, 1957
3524	17610	Emma Ditting.....	\$1,383.61.....	Nov. 7, 1957
3525	17915	Marinus Cornelis van den Bout...	\$147.30.....	Nov. 13, 1957
3526	17836	Elisabeth Wilhelmina le Comte...	\$146.64.....	.....do.....
3527	3259	Friederike Koeroeszegi.....	\$442.82.....	Nov. 25, 1957
3528	9972	Hans Seligman.....	\$3,201.10.....	Nov. 7, 1957
3529	11851	Frederick H. and Richard O. Lehmann.	\$591.96.....	Nov. 12, 1957
3530	2137	Maria, Hubert Jr. and Maria Honisch as Guardian for Hannelore Monisch.	\$761.28.....	Nov. 29, 1957
3531	12626, 12627	Ernst Heller.....	\$40.10; and interest in an estate.....	Nov. 25, 1957
3532	17677	Merchants and Manufacturers Insurance Co., Ltd.	\$9,151.15; and bonds...	Nov. 13, 1957
3533	17663	Ada Janyta Cosulich.....	\$1,527.20.....	.....do.....
3534	17829, 17903	Arnold Munzinger.....	\$2,375.56.....	.....do.....
3535	16036	Hermann Brehm.....	\$737.82; and stock.....	Nov. 25, 1957
3536	2729	Catherine Savarese, Exrx. of the Est. of Liborio Nobile, dec'd.		
3537	8775, 10638	Takayo Dorothy Arimori.....	\$1,003.14.....	.....do.....
3538	18118	Charlotte Reich and Lucie Heilmann.	\$898.82.....	Dec. 11, 1957
3539	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	Bonds.....	Nov. 29, 1957
3540	17840, 17912	Friedrich N. Horn.....	\$1,180.92.....	Nov. 25, 1957
3541	10833	Dr. Ignatz Pfitzer.....	\$6,476.89; and stock...	.....do.....
3542	3078	Erna Sommer, nee Rosenstiel.....	\$67.94.....	.....do.....
3543	10801	Setsuko Hosonuma Sumada, Admx. of the Est. of Nobuko Hosonuma, dec'd.	\$2,214.78.....	Nov. 29, 1957
3544	16891, 17382	Kazuso Shibata.....	\$548.03.....	Nov. 25, 1957

See footnote at end of exhibit.

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Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3545	17838, 17889, 17909, 17950, 18118	Willemien Mulder-Scholten.....	\$6,821.54; and stock...	Jan. 27, 1958
3546	8430	Edith Gradmann.....	Interest in a trust under will.....	Dec. 31, 1957
3547	18521	Salomon Coltof, Mrs. Leonie Dentz, Mrs. Elisabeth Hartogs, Joseph Franken and Mrs. Anne Franken.	\$8,479.82; and bonds...	Dec. 19, 1957
3548	17836	Mrs. E. Wouthuysen.....	\$67.48.....	Nov. 29, 1957
3549	294	Birger Johnsen.....	Patent.....	.....do.....
3550	9853	Jeanette Kraemer and Ida Sternau.	\$377.79.....	.....do.....
3551	16325	Tamayo Nakahama.....	\$207.00.....	Dec. 3, 1957
3552	4203	Elisabeth (Erzsike) Kadar.....	\$2,704.58; and interests in a trust under will.....	Jan. 31, 1958
3553	39, 2642	"Chatillon S.p.A." S.A.I. per le Fibre Tessili Artificiali.	\$2,980.10; and account receivable.....	Dec. 10, 1957
3554	500A-56	R. Houwink.....	\$97.73; and interest in a copyright.....	Dec. 20, 1957
3555	10713	Takayuki Kawamoto.....	\$794.00.....	Dec. 11, 1957
3556	17903	Paul Rosenfeld.....	\$537.00.....	Jan. 13, 1958
3557	17903	Piero Caroni.....	\$89.50.....	Dec. 6, 1957
3558	5084	Paula Hetterich.....	\$249.70; and interest in a trust inter vivos	Dec. 11, 1957
3559	6163	Martin Lewin, Margarethe Lewin Scheinmann, Rudolf Sachs, Horst Erwin Kellermann, Ludwig Marcus, Elizabeth Marcus Gurovski and Julius Lewin.	Interest in an estate..	.....do.....
3560	17836	Madeleine, David, Lilian Theodora Louise and Ronald Prins van Westdorpe.	\$539.80.....	Dec. 12, 1957
3561	18520, 18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$9,053.52; and bonds..	Jan. 16, 1958
3562	7998	Hiroshi Fujii, a/k/a Fuji and H. Fuji a/b/a Fuji Transfer Co.	\$424.90.....	Dec. 20, 1957
3563	8212	Olga Frida Zeleny, Nicholas Kapi Zeleny and Margit Peltz.	\$4,782.46.....	Dec. 23, 1957
3564	17838, 17950	J. H. Klein.....	\$1,640.70; and stock...	Dec. 20, 1957
3565	17915	Lion Salomons.....	\$135.02.....	Dec. 30, 1957
3566	9853	Paula Arndt, Albert Fernheimer, a/k/a Shlomo Fernheimer, and Max Fernheimer, (a/k/a Moses).	\$755.58.....	Jan. 13, 1958

Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3567	201	Germana, Marcella, Maria and Valerie Liguori and Maria Sette Liguori.	Interests in a patent..	Dec. 30, 1957
3568	17837, 17840, 17912	Mrs. W.M. Osendarp-de Man.....	\$2,704.43.....	Jan. 16, 1958
3569	17903	Albin Wermelle-Boichat.....	\$89.50.....	Jan. 24, 1958
3570	13386	Max Alfred Meister.....	\$3,403.47.....	Jan. 6, 1958
3571	17764	Mrs. Marguerite Bottenheim, nee Hartog, Jack Bottenheim and Mrs. Monique van beek, nee Bottenheim.	\$1,010.00.....	Jan. 13, 1958
3572	18521	Rika deKadt.....	\$1,568.32.....	.....do.....
3573	201	Wilhelm Kraus.....	Patents.....	Jan. 20, 1958
3574	17906, 18005	Marguerite Lestard.....	\$2,694.94.....	Jan. 31, 1958
3575	12626, 12627	Georg Heller.....	\$13.37; and interest in an estate.....	.....do.....
3576	68	"Henry Radio" Heinrich & Co.....	Patent application.....	Jan. 13, 1958
3577	18521	Hendrik Thomas Horensma, Dr. Ernest Grafenberg, Ella Tetta van Helbergen, Marius Frans Polak, Meta Knottenbelt, Charles Boasson, Mrs. Bertha Kramer, and Ralph Leo, Marcel Eli and Alfredo Pinto.	\$5,677.43; and bonds...	Feb. 4, 1958
3578	17950	Ida Roneska Elza Adelaide Woudstra.	\$134.95.....	Jan. 13, 1958
3579	17840, 17915, 17947, 18010	Leopold Henri de Weerd.....	\$1,941.57.....	.....do.....
3580	956	Luisse Suesskind.....	\$750.17.....	.....do.....
3581	8179	Etela Kikic.....	\$25.00.....	Feb. 6, 1958
3582	2429	Karoline Proksch.....	Interest in a patent...	Jan. 13, 1958
3583	4646	Dora and Lili Eisenstein.....	\$171.62.....	Feb. 6, 1958
3584	17840	Miss M.P.G. Staubesand.....	\$262.82.....	Jan. 13, 1958
3585	17915	P.E. Boogmans.....	\$138.73.....	Jan. 16, 1958
3586	17906	Hans Fritz Stettler.....	\$581.41.....	.....do.....
3587	4551	Bruno Carl Reinicke.....	Interest in a trust inter vivos.....	June 2, 1958
3588	18311	Claude Aime Bercantal.....	\$6,613.98; and stock...	Jan. 16, 1958
3589	271	Entreprises Leon Ballot and Pouch Terminal, Inc.	\$3,223.88.....	Jan. 17, 1958
3590	3247	Janet S. Fleisher, John Schafer and The Trenton Banking Co. as Trustee u/will of Julius Schafer, dec'd.	\$9,444.38; and securities.....	Jan. 20, 1958
3591	9068	Lisbeth Baumann.....	\$463.64.....	Jan. 16, 1958
3592	17829	Martha Johanna Baumann.....	\$41.25; and stock.....	.....do.....

Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3593	1501	Hugh Yamashiro and Herbert J.F. Yuen, Successor Trustees for the creditors and stockholders of Pacific Fishing Co., Ltd., a Hawaiian Corp. in dissolution.	\$3,754.37.....	Jan. 17, 1958
3594	17835, 17837, 17912	Bernard Eugen Friedrich Wilhelm Goodman and Lili Vera Gutmann.	\$3,243.68.....	Mar. 7, 1958
3595	17903	Hans Meier-Sagesser.....	\$268.50.....	Feb. 6, 1958
3596	17660	Veronica Kazar.....	Bond.....	Jan. 20, 1958
3597	9352	Györgyi Hartman.....	\$2,576.17.....	.....do.....
3598	18356	Masahiko Miyakoda.....	\$4,261.53.....	Feb. 13, 1958
3599	3548	Susan W. Polachek and Bankers Trust Company as Exec. of the Est. of John Polachek, dec'd.	\$1,070.94.....	Jan. 28, 1958
3600	17910	Dirk Jacobus Duiker.....	\$153.10.....	Jan. 24, 1958
3601	2561, 3190, 3191, 4767	Rosa and Bruno Gutmann and Selma Philipp.	\$18,256.45.....	Feb. 6, 1958
3602	17836	Esther Duijnhower.....	\$539.81.....	Jan. 24, 1958
3604	238, 2817, 3188, 3696, 6431, 7133, 7816, 18282	Junso Fujii.....	\$132,835.26.....	Feb. 7, 1958
3605	671	Syndicate Jozijdhoff.....	Patents.....	Jan. 31, 1958
3606	7650	Clara Brunner-Gerung.....	\$5,574.22.....	.....do.....
3607	1999	Francesco and Alesandro del Drago, Countess Angela Spalletti, nee del Drago, Maria Melagros Coloma, nee del Drago and Anna Maria Torlonia, nee del Drago.	Interest in a trust under will.....	Feb. 6, 1958
3608	8711	Lilly Wasserman.....	\$9,328.88.....	Feb. 6, 1958
3610	11122	Edward Henry Summers.....	\$3,416.38.....	.....do.....
3611	17903	Alma Staub-Terlinden.....	\$179.00.....	.....do.....
3612	18118	Mrs. H.J. Sternberg-Turk.....	\$452.91.....	.....do.....
3613	17838	H. Savrij.....	\$633.89.....	.....do.....
3614	19190	Marie Irene Ewers.....	\$74.37.....	Feb. 28, 1958
3615	12626, 12627	Lieselotte Heller and Annemarie Muenzel.	\$135.58; and interest in an estate.....	Mar. 6, 1958
3616	643	David Hamoir.....	\$293.20.....	Feb. 13, 1958
3617	17836	Willem Hindrik Visser.....	\$134.95.....	.....do.....
3618	3715	Federico Pels.....	Interest in a trust under will.....	.....do.....

Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3619	7554, 7751	Ritsuko Okada.....	\$396.08.....	Feb. 21, 1958
3620	1925	Dr. Eric T. Hessle.....	\$299.19.....	Feb. 13, 1958
3621	17950	Willy Karel Emil, Alfons August Bernard, Eduard Adolph Maria, and Alfred Willy Ernst Schmitz and Alice Maria Johanna Douque-Schmitz.	\$134.95.....	.....do.....
3622	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$10,979.64; and bonds..	Feb. 28, 1958
3623	18520, 18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$4,522.59; and bonds...	.....do.....
3624	4203	George Schwartz, Annie Moss and Emma Lengyel.	\$2,704.59; and interest in a trust under will.....	Feb. 26, 1958
3625	17945	C.G.H. Burger.....	\$134.92.....	Feb. 19, 1958
3626	17829, 17903	Traugott Nefflen.....	\$440.50; and stock.....	Feb. 25, 1958
3627	13189	Helene and Dr. Karl M. Weigert and Dr. Marianne Hedwig Witt.	\$50.58.....	.....do.....
3628	17836	Mrs. J.M. Hartlooper-Koster.....	\$269.91.....	Feb. 28, 1958
3629	3715	Elsa Haas de Zollfrei.....	Interest in a trust under will.....	Feb. 26, 1958
3630	17889	Adrianus de Jong.....	\$262.82.....	.....do.....
3631	9582	Lisette Kahn.....	\$637.84.....	Feb. 28, 1958
3632	16671	Union Special Machine Co. and Union Special Machine Corp. of America.	\$192.00.....	.....do.....
3633	1/	Charles Raymond Paul Willers and Madame Lucienne Madeleine Paule Thurninger.	\$1,478.26.....	.....do.....
3634	174	Anne and Louis De Georgey, a/k/a Dr. & Mrs. Lajos Gyorgyey.	\$11,380.27.....	.....do.....
3635	17829	Helen Elsa Schoch Sutter, individually and as guardian of her two minor children, Gisela Helen and Susanna Madeleine Schoch; Brigitte Erika Schoch.	\$551.37.....	.....do.....
3636	16449, 16644	Hans Georg Thiermann and Louise Charlotte Preuss.	\$12,420.54.....	Mar. 12, 1958
3637	667, 1028	Mrs. Louise Suzanne Achard, nee Gangloff.	Patent.....	Mar. 6, 1958
3638	17892	George Pick and Rose Godsey.....	\$134.66.....	Mar. 12, 1958
3639	14523	Mrs. Marie Steiner.....	\$4,160.00; and interest in a life insurance policy.....	Feb. 28, 1958

See footnote at end of exhibit.

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Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3640	18041	Mrs. Tayo Nishii.....	\$801.66.....	Mar. 31, 1958
3641	17836	Mr. G. van de Boogaard.....	\$269.91.....	Mar. 14, 1958
3642	2429	Anna Tilles.....	Interest in a patent...	Mar. 7, 1958
3643	10746, 11416, 11778	Aramo-Stiftung.....	\$50,000.00.....	Mar. 24, 1958
3644	3937 3943	Itala Film, S.p.A.....	\$1,780.01; and motion picture films.....	Mar. 7, 1958
3645	17838, 17947	Arend van der Louw.....	\$1,228.45.....	.....do.....
3646	503	Rosa, Antonio, Anna, Angelo, Domenico, Maria and Alberto Punzi and Palma Teresa Soleti.	\$746.22.....	Mar. 31, 1958
3647	94	Dr. Laszlo Rosa.....	Interest in patents....	.....do.....
3648	16566	Anna Koob Tomlinson.....	\$290.96.....	Mar. 18, 1958
3649	17128	Alberto E.O. Lafontaine.....	\$1,404.14.....	Mar. 12, 1958
3650	16913, 16859	Tsuneo and Masao Imanishi.....	\$634.83.....	Mar. 17, 1958
3651	17077	Kaneko A. Murakawa.....	\$109.43.....	Mar. 14, 1958
3652	3715	Bella Ackerman (nee Bonne) and Felix Bonne; Alfred and Lilly Ackerman, (nee Bonne); Walter and Martin Bonne.	Interest in a trust under will.....	Mar. 19, 1958
3653	302	Slobodan (S.M.) Dobrosavljevitich.	Patent.....	.....do.....
3654	9258	Werner Reichenberger.....	\$1,345.55.....	Mar. 24, 195
3655	14476	Charlotte E. Kratz.....	\$518.85.....	.....do.....
3656	8711	Frederick and Hilde Stokes.....	\$1,453.81; and bonds...	Mar. 31, 195
3657	17828, 17903, 17905	Henriette Ruschil.....	\$934.91.....	.....do.....
3658	17742	Karl Loewenthal.....	\$3,548.00.....	.....do.....
3659	17915	Maria Helena Looman-Bijl.....	\$135.02.....	.....do.....
3660	2420	Nicolangelo Cassano, Adm. of the Est. of Angelo Massari, dec'd.	\$3,701.55; and interest in real estate....	.....do.....
3661	17837	Mrs. J.M. van Heck-Flacke.....	\$645.75.....	.....do.....
3662	8348	Johanna L. Quirin.....	\$117.45.....	.....do.....
3663	1816	Paula Sugar Lang.....	\$212.14.....	Apr. 14, 1
3664	17128	H.M. Konungens Hof-Förvaltning..	\$138.52.....	Mar. 31, 1
3665	1808, 1809	Fred Naccarato, a/k/a Ferdinando and Sara Naccarato fu Antonio, a/k/a Saveria Naccarato.	\$726.04.....	Apr. 4, 19
3666	9068	Ferdinand Helmut Schrag.....	\$350.59.....	Mar. 31, 1
3667	10782, 10825	Erich E. Franke.....	Interest in a trust inter vivos and a trust under will.....	May 21, 1
3668	12251	Carlos Otto Ruf.....	\$19,985.28.....	Apr. 14, 1
3669	8224	Arendina Clara Spies.....	\$237.11.....	Mar. 31,
3670	18520, 18521	Certain Dutch nationals.....	\$9,194.71; and bonds...	Apr. 25,

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Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3671	17915	J.W. Lippits.....	\$135.02.....	Apr. 14, 1958
3672	9693	Max Hippenmeyer.....	\$107.64.....	.....do.....
3673	18521	Nederlandsche Credietbank N.V....	\$18.00.....	.....do.....
3674	3715	Max, Manfred, Edgar Emanuel Stern and Mary Stern, Exec's. of will of Fred Stern.	Interest in a trust under will.....	.....do.....
3675	18520, 18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$5,396.56; and bonds...	May 12, 1958
3676	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$6,327.55; and bonds...	.....do..... amended June 10, 1958
3677	18011, 18012	Twenty-three French Nationals...	\$29,459.70.....	Apr. 14, 1958
3678	15542	Franziska Reinhold.....	\$789.17.....	.....do.....
3679	606	Luigi, Giovanni and Annunziata Arbucci.	\$69.64.....	.....do.....
3680	3113	Albert, Ernest, Siegfried and Victor Adler and Bernhardine Isenberg.	\$511.44.....	Apr. 30, 1958
3681	18190	Tribune Company.....	\$263.59.....	Apr. 28, 1958
3682	513	Angela, Stefano and Rafael Locatelli and Bianca Locatelli De-Grossi.	\$1,048.37.....	Apr. 21, 1958
3683	17909	Pieter J.A. Dootjes.....	\$262.82.....	.....do.....
3684	17889	Mrs. H.A.J. Benjamins-Van Schagen.	\$262.82.....	Apr. 30, 1958
3685	7780	Maj. Philip Julius Donner.....	\$1,668.97.....	Apr. 24, 1958
3686	17660	Marie Bertha Kuhn and Johanna H. Brock.	\$658.11; and securities.....	Apr. 21, 1958
3687	6215	Kux, Block & Co., in liquidation.	\$219.14.....	Apr. 28, 1958
3688	8711	Richard Otto Hertz and Gerta Olga Calmann, (nee Hertz).	\$1,175.00.....	Apr. 25, 1958
3689	7151	Yoshiaki Kawaoka.....	\$5,969.96.....	Apr. 24, 1958
3690	15362	Victor Ugarte Arrau.....	\$224.00; and stock.....	.....do.....
3691	18003	Nunzia Lo Bue Lo Vico.....	\$220.00.....	Apr. 25, 1958
3692	10833	Jewish Trust Corp. for Germany..	\$303.75; and bonds.....	Apr. 28, 1958
3693	168, 3874, 6264, 6265	Susanne Richter.....	\$107,200.87; and stock.	June 6, 1958
3694	17909	Joanna Odilla Maria Henrica Vrancken-Wauters, Maria Theresia Carolina Hubertina Peeters-Vrancken and Joseph Louis Jan Maria, Frans Louis Maria, Louis Albert Maria, Paul George Maria and Maria Jeanne Clementine Peeters.	\$262.82.....	Apr. 30, 1958
3695	17909	G.C. Vrolgh.....	\$262.82.....	.....do.....

Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3696	17840	Mrs. S.J.E. Fifie-Pinken and Miss Johanna Hendrika Finken.	\$525.64.....	Apr. 30, 1958
3697	8486	Ellsie Yoshiye Ogawa.....	\$1,463.12.....	.....do.....
3698	17947	G.H. Heringa.....	\$1,051.28.....	.....do.....
3699	16785	Rudolf Kratochvil.....	\$5,014.40.....	.....do.....
3701	18540	Antoinette Birckicht.....	\$520.41.....	.....do.....
3702	10306	August Havemann.....	\$928.80.....	May 7, 1958
3703	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	Bonds.....	May 22, 1958
3704	18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$4,080.00; and bonds...	May 21, 1958
3705	18520, 18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$4,800.00; and bonds...	May 16, 1958
3706	10369	Miss Gertrud Sophie Margarethe Schwerdtfeger.	\$646.56.....	May 12, 1958
3707	12314	Kenichi Hashimoto.....	\$572.35.....	.....do.....
3708	19160	Franz Hubert Joseph Wiese, a/k/a Franz Wiese and Francisco Wiese and Heinrich Carl Anton Joachim Wiese, a/k/a Heinrich and Enrique Wiese.	\$11,699.88.....	May 16, 1958
3709	18620	Walter M. Philippson and The Hanover Bank of New York, Ex. and Tr. u/will of Max L. Philippson, dec'd.	\$18,852.05.....	.....do.....
3710	3281	Emma Wallner, Carolina Zotter, Maria Wagner, Gabriele Kasper and Julianna Siegel.	\$1,126.44.....	May 22, 1958
3711	12234	Frank Beck.....	\$283.12.....	May 16, 1958
3712	11009, 13999	Yoichi Kiyohara.....	\$6,595.52; and bonds...	.....do.....
3713	12166	Nippon Club.....	\$3,017.17.....	.....do.....
3714	17996	Ernst Edward Hollingshed-Clarke and Anna Bridget Broman, Exec's of the will of Adolf Allen Verner Broman.	\$6,370.00.....	May 22, 1958 37
3715	17742	Augusta Pollak.....	\$1,098.46.....	May 21, 1958
3716	17906	Marie M.N., Marie E.L.H. and Genevieve M.C. Hoppenot and Pierre M.H., Francois M.M. and Jeanne M.L. Bourlon de Rouvre and Jeanne M.L. and Jean Leopold Bourlon de Rouvre, the latter as guardian for Jacques M.D. and Henri M.V. Bourlon de Rouvre.	\$1,672.24.....	June 13, 1958 37 374 374e 3743
3717	11301	Minnie Schumacher.....	\$920.43.....	May 22, 1958
3718	11625	Dr. Wilhelm Karl Winterhalder...	\$595.70.....	May 27, 1958

Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3719	18117	Mrs. H.A. Ariens-Snellenberg....	\$113.50.....	May 27, 1958
3721	8567	Mrs. Irma Rindsberg Stern.....	\$264.00.....	.....do.....
3722	13668	Margarete B. Berger.....	\$2,657.80.....	May 29, 1958
3723	17836	Elisabethfonds (Charitable Inst.)	\$116.64.....	June 26, 1958
3724	10869	Mrs. Elfrieda Groeger.....	\$246.35.....	May 29, 1958
3725	8402	Ichie Kuromi.....	\$514.24.....	June 26, 1958
3726	1920	Giacinto, Leopoldo and Dionigi Marasco and Filomena, Ermenlinda, Luigi, Francesca and Concettina Marasco and Gerardina Mancini, nee Marasco.	\$906.50.....	May 29, 1958
3727	17915	Augustinius I.M. Busch.....	\$135.02.....	.....do.....
3728	488	Celina and Salvatore Chiara, Flora Chiara Martinelli and Lucia Chiara Casoni.	\$401.78.....	June 17, 1958
3729	17838	Cornelius Groenemeyer.....	\$633.89.....	June 13, 1958
3730	5768	Louise Weberpals and Elizabeth Papistella.	Interest in an estate..	June 6, 1958
3731	1958	Heinz Jakob Klein.....	\$4,146.20.....	June 27, 1958
3732	17913, 17914, 17945, 17947, 17950, 17897	Annetje Cohen, nee Aleng.....	\$16,280.55.....	June 6, 1958
3733	17829	Frida Huth-Vogt.....	\$827.05.....	June 13, 1958
3734	17950	H. van Eenenaam.....	\$918.78.....	June 10, 1958
3735	8711	Paul Brinkmann.....	\$2,376.21.....	June 13, 1958
3736	17840	Otto and Evert Marinus Leendert Hemmings, Maria Magdalena Pauwels, nee Hemmings, Hajo Klaas Hemmings and Helena Geertruida Jacoba Vlaming, nee Hemmings.	\$262.82.....	.....do.....
3737	18520, 18521	The State of the Netherlands for the benefit of certain Dutch nationals.	\$9,615.00; and bonds...	June 30, 1958
3738	17983	Baronne Alice Marianna de Ziluca.	\$7,628.09; and securities.....	June 13, 1958
3739	17983	H.G. Meyer-Ball.....	\$5,708.84.....	.....do.....
3740	17800, 17975, 17977, 17918	Julia Weiss, Admx. of the Est. of Julius H. Weiss.	\$3,100.00; and interest in a bond.....	.....do.....
3741	3552	Serge Sandberg.....	\$506.03; and copy-right.....	June 20, 1958
3742	17705	Gertrud Armbruster-Blecher.....	\$6,467.01.....	June 13, 1958
3743	10869	Anna Kreihsl and Elfrieda Groeger, nee Kreihsl.	\$107.78.....	.....do.....

Exhibit D - Continued

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
3744	1/	Hildegarde and Juliane Berner, individually and as guardian for Gerhard Berner.	\$2,079.32.....	Jan. 17, 1958
3745	9904	Dr. Heinrich Werner Bosshard....	\$215.29.....	June 20, 1958
3748	17903	Gottfried Heinrich Morf.....	\$179.00.....	.....do.....
3749	17901	Johan van Leeuwen.....	\$567.14.....	June 30, 1958
3750	4844	Giovanni Enrico and Alfonso Barattini, a/k/a Barettoni.	\$1,991.86.....	June 26, 1958
3751	17903	Josef Blattler.....	\$286.50.....	June 27, 1958
3753	8535	Herta Heyman.....	\$560.95; and securities.....	June 26, 1958
3754	8834, 12687	Aline Elizabeth de Muralt.....	\$4,012.61.....	.....do.....
3755	14629	Mrs. Annemarie Kalau V. Hofe....	\$470.00.....	.....do.....
3756	17903	Eduard Meyrat.....	\$179.00.....	June 27, 1958
3757	17742	Hans Weinberg.....	\$1,400.00.....	.....do.....
3758	17829, 17903	Helen Naegeli.....	\$365.18.....	.....do.....

EXHIBIT D - CONTINUED

LIST OF RETURN ORDERS ISSUED BY THE OFFICE OF ALIEN PROPERTY
PURSUANT TO SEC. 9(a) OF THE TRADING WITH THE ENEMY ACT
JULY 1, 1957 - JUNE 30, 1958

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
9(a)-107	15482, 15713, 15714, 15971	Gustav E., Erna and Heinz Girmann.	\$1,925.08.....	July 24, 1957
-108	9179 16574	Hatsumi Yokomizo.....	\$8,538.45.....	July 30, 1957
-109	175, 2167, 9657, 9829, 13006, 15046, 16222	Kingoro Kawashima.....	\$33,444.03.....	July 24, 1957
-110	8624, 13464	Saburo Yamada.....	\$6,501.70; and securities.....	Aug. 7, 1957
-111	716	Kakuo Tanaka.....	\$7,900.96.....	Aug. 9, 1957
-112	11854	Takeshi Katayama.....	\$695.21.....	Oct. 18, 1957
-113	2699, 18781	Mrs. Kimono Sugita.....	\$8,103.40.....	Sept. 27, 1957
-114	13342	Tamayo Otake.....	\$1,525.26.....	.....do.....
-115	13840	Mrs. Michi Hashimoto.....	\$30,559.06.....	Oct. 23, 1957
-116	12802	Charlotte J. Haye.....	\$1,500.00.....	Oct. 28, 1957
-117	17080	Elisabeth Maria Schiffert.....	\$9,272.64.....	Oct. 30, 1957
-118	9858	Takamasa Shibata.....	\$335.40.....	.....do.....
-119	3770	Sakuichi Sumida.....	\$8,167.40.....	Nov. 7, 1957
-120	15191	Mrs. Aki Koshi.....	\$1,981.10.....	Nov. 13, 1957
-121	15063	Yoshio Shiosaka.....	\$1,209.00.....	Nov. 25, 1957
-122	1758	Alma Maria Mahler Werfel.....	\$357.00; and interest in copyright.....	.....do.....
-123	1/ 12135,	Dietrich Von Hanneken.....	Interest in securities.	Jan. 31, 1958
-124	14092, 14819	Elizabeth Buck, now known as Elisabeth B. Davis and Jacqueline Buck Allen.	\$2,903.40; and real and personal property.	Dec. 30, 1957
-125	13261, 16147	Chiyoza Tajiri.....	\$2,334.08.....	Dec. 19, 1957
-126	10583	Lawrence Y. Fujiwara, Adm. of the Est. of Shuji Fujiwara, dec'd.	\$2,157.20.....	Dec. 17, 1957
-128	6420, 13820	Karoline Marie and Charles Frederick Rieker.	\$5,908.73.....	Feb. 10, 1958
-129	16438	Yoshio Shiosaka.....	\$335.00.....	Feb. 14, 1958
-130	12240, 14286	Max Kade.....	\$51,747.07; and interest in a trust inter vivos.....	June 12, 1958
-131	15655	Ella Miller.....	\$318.20.....	Feb. 21, 1958

See footnote at end of exhibit.

Exhibit D - Concluded

Return order No.	Related vesting order No.	Successful claimant	Summary description of property returned	Date executed
-132	7998, 8120	Keiko Teshirogi, a/k/a Mrs. K. Teshirogi.	\$1,485.14.....	Feb. 25, 1958
-133	2054, 14599	Iwao Cho.....	\$4,754.84.....	Mar. 12, 1958
-134	1501, 9271	Sakusuke Seiki.....	\$5,733.30.....	Mar. 18, 1958
-135	3063, 6284	Margaret Bieber.....	\$3,688.32.....	May 26, 1958
-136	6646, 15830	Alfred Fritz Ficker.....	\$1,035.94; and an account receivable.....	Mar. 24, 1958
-137	14489	Ren Asanoma.....	\$6,773.22.....	Mar. 31, 1958
-138	7189	Mary Feldman, Exec. u/will of Charles Bauman, dec'd.	Interest in an estate.....	.....do.....
-139	7927, 10187, 16557, 18308	Fred Takao Shiomi	\$6,219.14; and securities.....	Apr. 14, 1958
-140	7817, 11015	Saburo Uyehara.....	\$7,254.92.....	May 8, 1958
-141	7666	Mrs. Margaret Rother.....	\$1,702.25.....	Apr. 23, 1958
-142	9312	Minoru Taniguchi.....	\$5,555.10.....	May 29, 1958
-143	8373, 11248	Carlos Koster (Koester).....	\$12,997.45.....	June 6, 1958
-144	3118	Kita Pierre Tschenkeli.....	\$5,000.00.....	June 20, 1958
-145	15028	Potter Bank & Trust Co., Adm. of the Est. of Frank Meyer, dec'd.	\$8,734.02.....	June 30, 1958

1/ Property returned under this order was voluntarily turned over to the Office of Alien Property but no vesting order was executed.

EXHIBIT E

LIST OF SATELLITE ASSETS VESTING ORDERS AND AMENDMENTS
 ISSUED BY THE OFFICE OF ALIEN PROPERTY PURSUANT TO TITLE II
 OF THE INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949 1/
 JULY 1, 1957 TO JUNE 30, 1958

Vesting order No.	Summary description of property vested	Federal Register citation
SA-173	Debt owing to unknown national of Rumania.....	22-5990
-174	Debts owned by unknown nationals of Rumania.....	22-6034
-175	Debt owing to Budapest Hauptstadtische Gemeinde Sparkassa Akt....	22-5990
-176	Debt owing to Central Corporation of Banking Companies.....	22-6034
-177	Debt owing to Central Corporation of Banking Companies.....	22-6034
-178	Debt owing to Intercontinentale A. G.....	22-6072
-179	Property owned indirectly by Mrs. Elisa Vass.....	22-6073
-180	Debt owing to Banque Chrissoveloni S. A. R.....	22-6074
-181	Debt owing to Banque Chrissoveloni S. A. R.....	22-6074
-182	Property owned indirectly by unknown nationals of Rumania.....	22-6075
-183	Property owned indirectly by unknown nationals of Bulgaria, Hungary and Rumania.....	22-6075
-184	Property owned indirectly by unknown nationals of Bulgaria, Hungary and Rumania.....	22-6074
-185	Property owned indirectly by unknown nationals of Bulgaria, Hungary and Rumania.....	22-6073
-186	Property owned indirectly by unknown nationals of Rumania.....	22-6075
-187	Property owned indirectly by unknown nationals of Hungary.....	22-6076
-188	Property owned indirectly by unknown nationals of Bulgaria, Hungary and Rumania.....	22-6135
-189	Property owned indirectly by unknown nationals of Bulgaria, Hungary and Rumania.....	22-6135
-190	Property owned indirectly by unknown nationals of Bulgaria, Hungary and Rumania.....	22-6136
-191	Property owned indirectly by unknown nationals of Bulgaria, Hungary and Rumania.....	22-6136
-192	Debt owing to the Hungarian-Italian Bank, Ltd.....	22-6076
-193	Property owned indirectly by unknown nationals of Rumania.....	22-6136
-194	Debt owing to Dreher-Haggenmacher First Hungarian Breweries, Ltd...	22-6137
-195	Debt owing to Dreher-Haggenmacher First Hungarian Breweries, Ltd...	22-6137
-196	Debt owing to Dreher-Haggenmacher First Hungarian Breweries, Ltd...	22-6137
-197	Debts owing to the Government of Hungary.....	22-7542
-198	Property owned indirectly by Hungarian Discount and Exchange Bank..	22-7542
-199	Property owned indirectly by Hungarian Discount and Exchange Bank..	22-7543
-200	Debt owing to and securities owned by unknown Hungarian nationals..	22-7543
-201	Debt owing unknown Hungarian nationals.....	22-7544
-202	Debt owing to Hungarian Commercial Bank of Pest.....	22-7544
-203	Property owned indirectly by Vituscia S. A.....	22-9101
-204	Property owned indirectly by unknown national of Rumania.....	22-9102
-205	Debts owing to unknown Hungarian and Rumanian nationals.....	22-9910
-206	Debt owing to unknown national of Rumania.....	22-9910
-207	Debt owing to Hungarian General Creditbank.....	23-174
-208	Debt owing to Hungarian General Creditbank.....	23-175
-209	Debt owing to Hungarian General Creditbank.....	23-175
-210	Debt owing to Hungarian General Creditbank.....	23-176
-211	Debt owing to Hungarian General Creditbank.....	23-176

Exhibit E - Concluded

SA-212	Debt owing to Hungarian General Creditbank.....	23-204
-213	Debt owing to Hungarian General Creditbank.....	23-204
-214	Debt owing to Hungarian General Creditbank.....	23-204
-215	Debt owing to Hungarian General Creditbank.....	23-205
-216	Debt owing to British and Hungarian Bank Limited.....	23-237
-217	Debt owing to Dr. Miklos, dec'd., Wholesale trade in medicinal Herbs.....	23-316
-218	Debt owing to an unknown national of Rumania.....	23-353
-219	Debt owing to Organization Bueroausruestungs G.M.B.H.....	23-353
-220	Debt owing to an unknown Hungarian national.....	23-898
-221	Debt owing to an unknown Rumanian national.....	23-898
-222	Debt owing to Balkan Lloyd, A. G.....	23-899
-223	Kingdom of Rumania Monopolies Institute.....	23-1023
-224	Debts owing to "Hermes" General Hungarian Exchange Office Co., Ltd.	23-1024
-225	Debt owing to the National Savings Bank Company, Ltd.....	23-1105
-226	Debt owing to the National Savings Bank Company, Ltd.....	23-1105
-227	Debt owing to Ungarische Filiale der Creditanstalt-Bankverein.....	23-1209
-228	Debt owing to Ungarische Verkehrsbank A. G.....	23-1802
-229	Securities owned by Ungarische Verkehrsbank A. G.....	23-1821
-230	Debt owing to the First National Bank Corporation of Pest.....	23-2066
-231	Debt owing to Hungarian Discount and Exchange Bank.....	23-2085
-232	Debt owing to Hungarian General Creditbank.....	23-2086
-233	Debt owing to a national of Hungary.....	23-2116
-234	Debt owing to a national of Hungary.....	23-2116
-235	Debt owing to Government of Hungary.....	23-3361
-236	Debt owing to and stock owned by unknown Hungarian nationals.....	23-3361
-237	Debt owing to the City Savings Bank Company Ltd.....	23-3361
-238	Debts owing to Hungarian Commercial Bank of Pest.....	23-3361
-239	Debts owing to Hungarian Commercial Bank of Pest.....	23-3361
-240	Debts owing to Hungarian Commercial Bank of Pest.....	23-3361
-241	Debts owing to Hungarian Commercial Bank of Pest.....	23-3361
-242	Property owned indirectly by a national of Rumania.....	23-379
-243	Debts owing to the Hungarian Commercial Bank of Pest.....	23-505
-244	Debt owing to the Hungarian Commercial Bank of Pest.....	23-505
-245	Property owned indirectly by Bulgarian nationals.....	23-505
-246	Property owned indirectly by Hungarian nationals.....	23-505

1/ Public Law 285, 84th Congress, First Session, Approved August 9, 1955. (69 Stat.

EXHIBIT F

LIST OF DIVESTING ORDERS ISSUED BY THE OFFICE OF ALIEN PROPERTY
 UNDER THE AUTHORITY OF TITLE II, SECTION 202(b) OF THE
 INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949, AS AMENDED,
 JUNE 30, 1957 TO JULY 1, 1958

Divesting order No.	Related vesting order No.	Title of divested account	Amount divested	Date executed
SA -69	551	Gabriel Moricz.....	\$ 5,798.68	July 2, 1957
-70	1770	Alexander Fordor.....	1,799.53	.....do.....
-71	1770	Lidia Fordor Nagy.....	1,799.53	.....do.....
-72	1858	Petrana N. Russeva, and legal heirs of Michael Petroff, dec'd.	5.57	.....do.....
-73	1968	Anna Kohn.....	117.97	.....do.....
-74	1968	Henrik Kelleti.....	39.32	.....do.....
-75	2568	Joseph Moldovanyi.....	436.53	.....do.....
-76	2568	Edward Moldovanyi.....	436.53	.....do.....
-77	2568	Mary Moldovanyi.....	436.53	.....do.....
-78	2568	Katharina Moldovanyi.....	436.52	.....do.....
-79	2568	Ilona Moldovanyi.....	436.52	.....do.....
-80	3026	Gyula (Julius) Ladanyi.....	581.40	.....do.....
-81	3026	Mrs. Janos (John) Raczkovy.....	581.40	.....do.....
-82	3026	Jozsef (Joseph) Ladanyi.....	1,269.26	.....do.....
-83	3726	Franz Andres.....	530.37	.....do.....
-84	3726	George Andres.....	525.10	.....do.....
-85	3726	Elenore Syep.....	525.10	.....do.....
-86	3859	Julius Gorinscheck.....	2,207.12	.....do.....
-87	3859	Frederick Gorinscheck.....	2,207.12	.....do.....
-88	4419	Mrs. Minzie Heller Wunsch.....	706.98	.....do.....
-89	4419	Mrs. Feige Heller Schoener.....	706.98	.....do.....
-90	4419	Sure Seidner.....	706.98	.....do.....
-91	4470	Anny Kalmán nē, a/k/a Dr. Berdin Kalmán nē.	3,295.69	.....do.....
-92	4470	Irma Fond.....	3,295.69	.....do.....
-93	7609	Venda Ovcharoff.....	1,643.86	.....do.....
-94	8509	Visalon Cibu.....	1,201.26	.....do.....
-95	8509	Joseph Cibu.....	1,201.27	.....do.....
-96	8509	Simon (Simion) Cibu.....	1,201.27	.....do.....
-97	8509	John Cibu.....	1,201.27	.....do.....
-98	2415	Walter Macsay.....	17,148.93	July 5, 1957
-99	2415	William Macsay.....	19,012.90	.....do.....
-100	807	Anna Baksy Kocsy.....	2,409.02	July 9, 1957
-101	807	Paul Kocsy.....	2,409.02	.....do.....
-102	807	Lenke Kocsy.....	1,617.56	.....do.....
-103	807	Martha Kocsy.....	1,617.57	.....do.....
-104	4709	Elizabeth Both, a/k/a Mrs. Joseph Both and by Therezia Marton, a/k/a Terez Both, as Therese Both and as Theresa Both.	5,100.04	July 17, 1957
-105	7643	Hristu Staneff Placovschi.....	3,621.30	.....do.....
-106	7643	Tudora Tocariu, a/k/a Teodora Tacariuc, and as Thedora Aurel Tocariuc.	3,271.39	.....do.....

Exhibit F - Continued

Divesting order No.	Related vesting order No.	Title of divested account	Amount divested	Date executed
SA-107	7643	Neda I. Dinca.....	\$ 905.32	July 17, 1957
-108	7643	Vasilica Nicole Soare, a/k/a Vasilica N. Soare.	817.85	.....do.....
-109	7643	Marica D. Oprea, a/k/a Maria D. Oprea and as Opria D. Maria.	817.85	.....do.....
-110	7643	Atanasia Ion Vulpe, a/k/a Anastasia Vulpe and as Atanasia I. Vulpe.	817.86	.....do.....
-111	7643	Stefan Racio Placovschi.....	603.54	.....do.....
-112	7643	Gheorghe Racio Placovschi.....	603.54	.....do.....
-113	7643	Vasila Pavel Cutaru.....	603.54	.....do.....
-114	7643	Petre Racio Placovschi.....	603.54	.....do.....
-115	7643	Iordana Racio St. Placovschi.....	603.58	.....do.....
-116	7643	Ghita Nicolae Stoica.....	603.58	.....do.....
-117	9676, 9688	Joseph Holub.....	402.10	.....do.....
-118	9676, 9688	Rudolph Holub.....	402.09	.....do.....
-119	9676, 9688	Julia Holub Nagy.....	402.09	.....do.....
-120	9676, 9688	Kate Jancsik.....	134.04	.....do.....
-121	1424, 3061	Michael Sipula, a/k/a Sipula Mihaly..	3,864.11	July 29, 1957
-122	1424	Andrew Gyurovits.....	103.66	.....do.....
-123	1424	Simon Sipula.....	103.68	.....do.....
-124	1561	Mary Szmerekovski.....	224.19	.....do.....
-125	1561	Helen Sedlack.....	224.19	.....do.....
-126	1561	Anna Sedlack.....	224.19	.....do.....
-127	1561	John Sedlack.....	224.20	.....do.....
-128	4712	Istvan Bancso.....	926.46	.....do.....
-129	4712	Eszter Sipes, nee Bancso.....	926.46	.....do.....
-130	4712	Mihaly Bancso.....	926.46	.....do.....
-131	4712	Jozsef Bancso.....	926.46	.....do.....
-132	4712	Janos Bancso.....	926.46	.....do.....
-133	4712	Gyorgy Bancso.....	926.46	.....do.....
-134	7087	Elizabeth G. Gundert.....	1,411.34	.....do.....
-135	7087	Theresa Gigler.....	1,411.34	.....do.....
-136	7087	Joseph Gigler.....	1,411.34	.....do.....
-137	7087	Nancy G. Tafferner.....	1,411.34	.....do.....
-138	2832	Schatzi Reday.....	800.00	Sept. 13, 1957
-139	8349	Simion Belmustata.....	642.62	.....do.....
-140	8349	Iovan Belmustata.....	642.62	.....do.....
-141	8349	Anna Odrobot.....	642.62	.....do.....
-142	8349	Gavril Belmustata.....	642.63	.....do.....
-143	8349	Ioan Belmustata.....	642.63	.....do.....
-144	8349	Aurica Belmustata.....	630.55	.....do.....
-145	8349	Mosa Belmustata.....	630.55	.....do.....
-146	4541	Frank Andro Stejskal and sons and daughters, names unknown, of Frank Andro Stejskal.	11,596.32	Mar. 11, 1958

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Exhibit F - Continued

Divesting order No.	Related vesting order No.	Title of divested account	Amount divested	Date executed
SA-147	3821	Makruhe Koparamian.....	\$ 974.17	Apr. 11, 1958
-148	4564	Traian Milos.....	2,527.89	Apr. 14, 1958
-149	4564	Nicolae Milos.....	2,527.89	.....do.....
-150	4655	Mrs. Eftimia Nakoff.....	1,590.70	.....do.....
-151	4655	Theodor Nakoff.....	1,196.11	.....do.....
-152	3189	Josephine Fodor.....	270.38	.....do.....
-153	1131	Mihail Theodore.....	661.17	Apr. 22, 1958
-154	1131	Zoita Wrabie.....	661.17	.....do.....
-155	2525, 6075	Carol Florian Krmny.....	451.23	.....do.....
-156	4163	Julius Komjati.....	197.90	.....do.....
-157	3162	Elmer Soltesz.....	196.09	.....do.....
-158	3162	Miczsi Soltesz.....	196.10	.....do.....
-159	3162	Margot Soltesz.....	196.10	.....do.....
-160	3972	Istvan Gyalay, a/k/a Brother Gyalay..	58.97	.....do.....
-161	8184	Krum Chavdaroff.....	42,754.03	.....do.....
-162	9536	Lizi Pal Antalne.....	781.90	.....do.....
-163	9536	Lina Mihaly.....	78.19	.....do.....
-164	9536	Emre Mihaly.....	78.19	.....do.....
-165	9536	Erzsebet Mihaly.....	156.38	.....do.....
-166	1396	Anna Minialow.....	150.90	Apr. 23, 1958
-167	1396	Irma (Emma) Minialow.....	75.45	.....do.....
-168	1396	Erna Minialow.....	75.45	.....do.....
-169	1396	Otilia Galagutza (Otilia Galaqutzu).	75.45	.....do.....
-170	3458	Teres Szegedi Beres.....	52.06	.....do.....
-171	7798	Timmi (Timni) Theil, or her heirs....	3,040.23	.....do.....
-172	7798	Johanna Theil, or her heirs.....	3,040.23	.....do.....
-173	7798	Marie Theil Mudrunek, or her heirs...	3,040.22	.....do.....
-174	7962	George Bako.....	1,159.24	.....do.....
-175	9354	Ioan Popa.....	4,452.22	.....do.....
-176	486	Nick Berghian.....	1,992.11	May 7, 1958
-177	486	Mary Berghian.....	1,992.11	.....do.....
-178	486	John Berghian.....	1,992.11	.....do.....
-179	486	Wlac Berghian.....	1,992.09	.....do.....
-180	3336	Fanny Nagy (nee Ulrich).....	44.13	.....do.....
-181	3336	Margaret Helen Frei.....	44.13	.....do.....
-182	3336	Unknown heirs to the Est. of Maria Csetle, a/k/a Mrs. Julius Hajnal, a/k/a Maria Hajonal, dec'd.	44.12	.....do.....
-183	3675	Stephen Varro.....	411.15	.....do.....
-184	3675	Helen Varro.....	411.16	.....do.....
-185	3675	Elizabeth Bak Lajos.....	411.16	.....do.....
-186	3749	Herman Goldstein.....	114.70	.....do.....
-187	3749	Karoly Goldstein.....	114.70	.....do.....
-188	3749	Mrs. Samuel Roth.....	114.70	.....do.....
-189	3749	Mrs. Lazar Maltz.....	114.70	.....do.....
-190	4070	John Holics.....	226.30	.....do.....
-191	4152	Julia Bodi, a/k/a Mrs. Andras (Andrew) Bodi, nee Julia Szanto.	1,480.70	.....do.....
-192	4325	Fannie Pouch, a/k/a Fannie Povh.....	40.00	.....do.....

Exhibit F - Continued

Divesting order No.	Related vesting order No.	Title of divested account	Amount divested	Date executed
SA-193	4872	Joseph Teringer.....	\$ 2,152.89	May 7, 1958
-194	5865	Charlotte Ries.....	747.44	.....do.....
-195	5865	Rudolph Gedeon.....	747.44	.....do.....
-196	7962	Joseph Bako.....	1,159.24	.....do.....
-197	7962	Rosa Magashazi.....	1,159.23	.....do.....
-198	9501	Rose Farkas Nevery.....	631.24	.....do.....
-199	9501	Emile Farkas Varga.....	631.24	.....do.....
-200	9542, 11584	Jakob (Jacob) Schimmer.....	4,983.02	.....do.....
-201	9542, 11584	Mrs. Nikolaus (Nickolas) Hummel.....	4,983.01	.....do.....
-202	9542, 11584	Peter Schimmer.....	4,983.01	.....do.....
-203	4745	Blanka Nagy.....	250.89	May 8, 1958
-204	4745	Elizabeth Nagy.....	250.90	.....do.....
-205	2410	Mrs. George A. Hegedus.....	27.96	May 19, 1958
-206	2410	Mrs. Julius Torok.....	27.96	.....do.....
-207	2410	Mary Treszko.....	27.95	.....do.....
-208	2845	Clara Gottlieb.....	240.00	.....do.....
-209	4209	Despena G. Tsigaros.....	3,922.54	.....do.....
-210	4209	Panages G. Tsigaros.....	4,168.32	.....do.....
-211	4209	Metaxas (Metaxis) G. Tsigaros.....	4,168.29	.....do.....
-212	4232	Ozv (Durosinszky) Dezsofi Jozsefne...	19.49	.....do.....
-213	4232	Munnich Emelia.....	77.10	.....do.....
-214	4705	Mrs. Charles Wursner, nee Suzanne Roslosnick.	2,539.04	.....do.....
-215	4802	Irma Haberland.....	1,176.75	.....do.....
-216	5021	Anna Engresits.....	254.50	.....do.....
-217	5021	Theresa Engresich.....	254.49	.....do.....
-218	5021	Anna Engresits.....	254.49	.....do.....
-219	5021	John Engresich.....	254.49	.....do.....
-220	5021	Vincent Engresich.....	254.49	.....do.....
-221	5021	Alexander Engresich.....	254.49	.....do.....
-222	5707	Steve (Peregovitz) Berger.....	273.18	.....do.....
-223	5707	Maria Peregovitz.....	273.18	.....do.....
-224	5707	Paul (Peregovitz) Berger.....	273.18	.....do.....
-225	5707	Mary Baumgartner.....	273.18	.....do.....
-226	5707	Frank Baumgartner.....	273.18	.....do.....
-227	7768	Rose Palkoff.....	160.00	.....do.....
-228	4473	Elizabeth Mihalynne Mellen.....	1,200.00	May 23, 1958
-229	8551	George Estvan.....	1,676.96	.....do.....
-230	9604	Marika Zarka, a/k/a Marika Szarka....	326.22	.....do.....
-231	13783	Anna Boldizar Takacs.....	967.51	.....do.....
-232	9473	Paul Milan.....	120.55	May 28, 1958
-233	9514	Joan Zagrieian.....	94.23	.....do.....
-234	9514	Aurel Zagrieian.....	94.23	.....do.....
-235	12055	Neta Bichis, nee Popa.....	2,058.31	.....do.....
-236	1831	Axenia Chortiuuc.....	1,591.85	June 5, 1958
-237	2143	Johanna Kurtz.....	160.77	.....do.....
-238	2143	Rose Kurtz.....	80.39	.....do.....
-239	2143	Paula Kurtz.....	80.39	.....do.....

324725

Exhibit F - Concluded

Divesting order No.	Related vesting order No.	Title of divested account	Amount divested	Date executed
SA-240	2143	Frank Kurtz.....	\$ 80.39	June 5, 1958
-241	3217	Unknown heirs, devisees, legatees or personal representatives of Mike Georgeff, dec'd.	15.86	.....do.....
-242	3225	Emilia Puscas, nee Roman.....	1,365.30	.....do.....
-243	4397	Kata Patay.....	627.49	.....do.....
-244	4397	Imre Patay.....	627.49	.....do.....
-245	4397	Imra Patay.....	627.49	.....do.....
-246	4668	Rosa Kutolan, a/k/a Mrs. Rosa Csizmadia Kutolan.	123.79	.....do.....
-247	5322	Harry Katz.....	360.00	.....do.....
-248	5323	John Kuruc.....	228.89	.....do.....
-249	1113	Sam Rosca and Eva Rosca.....	1,715.15	June 9, 1958
-250	4119	Anna Stang, a/k/a Anna Streng.....	20.00	.....do.....
-251	4119	Eva Flores Holovat.....	846.95	.....do.....
-252	7525	Maria Schneider Schmidt, a/k/a Marie Schnider Schmidt.	3,160.61	June 18, 1958
-253	7525	Eugen Vass.....	451.51	.....do.....
-254	7525	Franz Vass.....	451.51	.....do.....
-255	7630	Barbara Kurutz.....	36.66	.....do.....
-256	9344	Hermina Goldstein.....	1,640.28	.....do.....
-257	9344	Rezsi Goldstein.....	1,640.28	.....do.....
-258	4379	Joseph Novak.....	252.94	June 26, 1958
-259	4379	Frank Novak.....	126.46	.....do.....
-260	4686	Mrs. Meszaros Ferenczne.....	190.80	.....do.....
-261	6122	Margaret Szinessy.....	372.38	.....do.....
-262	7416	Ida Kabina.....	2,236.14	.....do.....
-263	8157	Shirolta Neumann Roth.....	80.00	.....do.....
-264	8157	Margaret Neumann.....	16.00	.....do.....
-265	8157	Elizabeth Neumann.....	16.00	.....do.....
-266	8157	Olga Neumann.....	16.00	.....do.....
-267	8157	Goldie Neumann.....	16.00	.....do.....
-268	8157	Zoltan Neumann.....	16.00	.....do.....
-269	8157	Molvina (Malvena) Waldman.....	16.00	.....do.....
-270	8733	Miklosne Hanyics.....	111.30	.....do.....
-271	8699	Mary Madarasi Kish.....	869.63	June 27, 1958
-272	8699	Barbara (Barbola) Madarasi Alpek.....	869.64	.....do.....

EXHIBIT G

INFORMATION REQUIRED BY PUBLIC LAW 859 ^{1/}

Claims Filed as of June 30, 1958 ^{2/}

Claim No.	Date of filing	Claimant's name	Enemy nationality	Book valuation
32404	12-26-47	Bruno Carl Reinicke.....	German.....	\$ 260,370.00
40509	8-9-48	Kaneko Iwasa.....	Japanese.....	169.19
44945	5-27-49	Ranko Ishikawa.....	...do.....	0.00
45919	8-31-49	Yoshiaki Kawaoka.....	...do.....	5,794.00
56677	12-27-49	Tom T. Matsumoto.....	...do.....	12,343.08
57637*	4-25-50	Tamayo Nakahama.....	...do.....	207.00
57816	5-29-50	Yoichi Kiyohara.....	...do.....	755.00
60112	2-6-52	Saburo Imahori.....	...do.....	137.00
60596	4-25-52	Katsumi Yoshida.....	...do.....	190.00
61391	12-29-52	Takeshi Yokizane.....	...do.....	287.84
61838	5-4-53	Fumiko (Ruby) Ono Kuwano.....	...do.....	6,875.00
61840	5-7-53	Louise Charlotte (Liselotte) Preuss..	German.....	6,434.83
62373	10-2-53	Toshiwa Ide.....	Japanese.....	4,095.00
62793	7-6-54	Hiroshi Fujii, a/k/a Hiroshi Fuji and H. Fuji, d/b/a Fuji Transfer Company.	...do.....	365.00
62799*	7-12-54	Ellsie Yoshiye Ogawa.....	...do.....	1,448.50
63332	1-3-55	Takayuki Kawamoto.....	...do.....	500.00
63910*	2-4-55	Junso Fujii.....	...do.....	41,628.74
		Subtotal.....		341,600.18
		Total as of June 30, 1957.....		7,999,110.92
		Total as of June 30, 1958.....		8,340,711.10

1/ 81st Cong., 2d sess., approved Sept. 29, 1950; 64 Stat. 1080, 50 U. S. C. App. sec. 32. Public Law 378, 82d Cong., 2d sess., approved June 6, 1952 (66 Stat. 129, 50 U. S. C. App. sec. 32), amended Public Law 859 by raising the value of returnable property in total under Public Law 859 from \$5,000,000 to \$9,000,000 and by defining the term "value" as the value, at the time of vesting, of the property entered on the books of the Office of Alien Property.

2/ Claims filed as of June 30, 1958 as listed above, are in addition to those listed in the Annual Reports, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1951, Appendix, Exhibit G, pp. 164-166, fiscal year ended June 30, 1952, Appendix, Exhibit G, p. 119, fiscal year ended June 30, 1953, Appendix, Exhibit F, p. 148, fiscal year ended June 30, 1954, Appendix, Exhibit F, p. 107, fiscal year ended June 30, 1955, Appendix, Exhibit F, p. 118, fiscal year ended June 30, 1956, Appendix, Exhibit F, p. 113 and fiscal year ended June 30, 1957, Appendix, Exhibit G, p. 125.

Exhibit G - Concluded

Claims Allowed as of June 30, 1958 3/

Claim No.	Return order	Date executed	Claimant's name	Enemy nationality	Book valuation
32404	3587	6-2-58	Bruno Carl Reinicke.....	German.....	\$ 260,370.00
39538	3496	10-18-57	Masao Imanishi and Tsuneo Imanishi.	Japanese.....	10,606.00
(**	3650	3-17-58			595.00
40428	3606	1-31-58	Clara Brunner-Gerung.....	German.....	8,125.00
40509	3400	7-24-57	Kaneko Iwasa.....	Japanese.....	169.19
42131	3693	6-6-58	Susanne Richter.....	German.....	245,089.07
44945	L-17	11-29-57	Ranko Ishikawa.....	Japanese.....	0.00
45439	3544	11-25-57	Kazuso Shibata.....	...do.....	547.00
45919	3689	4-24-58	Yoshiaki Kawaoka.....	...do.....	5,794.00
57637*	3551	12-3-57	Tamayo Nakahama.....	...do.....	207.00
57816	3712	5-16-58	Yoichi Kiyohara.....	...do.....	755.00
57884	3619	2-21-58	Ritsuko Okada.....	...do.....	232.13
58465	3368	7-3-57	Hiroshi Miyakoda.....	...do.....	140.00
59302	3409	8-7-57	Dora Grace Fischer, a/k/a Dr. Grace Fischer and as Frau Stabsarzt Dr. Grace Fischer.	German.....	12,800.00
60112	3467	9-13-57	Saburo Imahori.....	Japanese.....	137.00
61837**	L-22	5-16-58	Toshihiko (Henry) Ono.....	...do.....	7,519.00
61838	L-22	5-16-58	Fumiko (Ruby) Ono Kuwano.....	...do.....	6,875.00
61840	3636	3-12-58	Louise Charlotte (Liselotte) Preuss.	German.....	6,434.83
62251	3478	9-27-57	Yutaka Teramoto.....	Japanese.....	150.00
62689	3401	7-24-57	Nobuo Waki, a/k/a Nobuo Frank Waki.	...do.....	600.00
62793	3562	12-20-57	Hiroshi Fujii, a/k/a Hiroshi Fuji and H. Fuji, d/b/a Fuji Transfer Company.	...do.....	365.00
62799*	3697	4-30-58	Ellsie Yoshiye Ogawa.....	...do.....	1,448.50
63332	3555	12-11-57	Takayuki Kawamoto.....	...do.....	500.00
63910	3604	2-7-58	Junso Fujii.....	...do.....	41,628.74
64053	3389	7-19-57	Kiyoko Harada Yamashita.....	...do.....	3,880.00
			Subtotal.....		614,967.46
			Total as of June 30, 1957.....		4,094,125.93
			Total as of June 30, 1958.....		4,709,093.39

* Partial allowance

** Supplemental

3/ The claims allowed listed above are those in which return orders were executed on or prior to June 30, 1958, although in some instances the property was not actually returned to the claimant until after that date. They are in addition to those listed in the Annual Reports, Office of Alien Property, Department of Justice, fiscal year ended June 30, 1951, Appendix, Exhibit G, p. 107, fiscal year ended June 30, 1952, Appendix, Exhibit G, pp. 119-120, fiscal year ended June 30, 1953, Appendix, Exhibit F, pp. 149-150, fiscal year ended June 30, 1954, Appendix, Exhibit F, pp. 107-108, fiscal year ended June 30, 1955, Appendix, Exhibit F, p. 119, fiscal year ended June 30, 1956, Appendix, Exhibit F, pp. 114-115 and fiscal year ended June 30, 1957, Appendix, Exhibit G, p. 126.

NOTE ON LIST OF EMPLOYEES

In the interest of economy, approved by the Joint Committee on Printing of the Congress, the list of employees of the Office of Alien Property is omitted from this printed report. The list has been prepared and forwarded to the President of the United States, the President of the Senate and the Speaker of the House of Representatives. It may be inspected at the Administrative Section of the Office of Alien Property, Department of Justice, Washington, D. C.