

*Blue*

*James P. ...*  
Alien Property  
Custodian

March 23, 1955

Letter #1860

Mr. Irving B. Stewart, Esq.  
61 Broadway  
New York City

Re: Claims Against the Alien Property Custodian  
#2391 - Adolph & Gerta Goldschmidt  
#2399 - Felicia Unger & Daughter  
#2400 - Mr. & Mrs. Richard Schlesinger

Dear Mr. Stewart:

In these instances claims for refund of value of unused steamship tickets were submitted by us to the Office of the Alien Property Custodian in Washington, D. C. in April 1947. The above-named migrants, formerly from Germany, had arrived in Yokohama, Japan in the latter part of 1940, scheduled to continue their voyage to the West Coast. However, for reasons unknown to us, it so happened that upon their arrival in Yokohama the local steamship agency refused to recognize the passage orders or had no knowledge of any reservations. These people consequently appealed to our cooperating committee in Yokohama for assistance, and in each instance our funds were advanced to purchase passages to the United States.

In view of the fact that transportation was provided by JDC, the funds deposited with NAPAG to cover the original passages should have remained unused, and on this basis we submitted claims for refund to the Alien Property Custodian. Further details are indicated on Page 2 on the copies of the claim forms.

We are also mailing you Department of Justice letters of February 4th and March 17th, 1955, as well as copy of our letter #1626 directed to them under date of February 8th, 1955, which refer to these claims. Please notice that the office of Alien Property requests that we withdraw our claim within 30 days.

Please be good enough to return our files upon completion of this matter.

Sincerely yours,  
*MW*  
Margaret Feiler  
Chief Accountant

FK:ss  
Enc.

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P  
Y

Law Offices

LANDIS, COHEN, RUBIN AND SCHWARTZ

1832 Jefferson Place, N.W.

Washington 6, D.C.

*WTR*  
*7-10-55*

March 10, 1955

Mr. Saul Kagan  
Jewish Restitution Successor Organization  
270 Madison Avenue  
New York 16, New York

*Admiral*  
*Alien Property*  
*Custodian*

Re: Public Law 626

Dear Saul:

I had a long conversation over the telephone with Tom Creighton today, who called me to state that:

(a) He had not as yet had a chance to talk the matter over with Colonel Townsend, but had instead discussed it with Mr. Myron, the Deputy Director of the Office.

(b) The Office of Alien Property will accept the form prepared by me. They will not print said forms, however, so that we will have to do the printing ourselves. They will want each form filed in duplicate.

(c) They are very hopeful that we will decide not to file in the patent cases. Creighton proposes to get out a letter on all of the above to me early next week, and will include a reference to this hope in that letter. I told him that I thought it was very likely that we would not file in the patent cases.

(d) He has discussed the question of going through the records with Mr. Myron, and Mr. Myron has apparently decided that the OAP ought to do the job and that it ought not bill the JRSO or ask for reimbursement. They have decided to put a person to work on the files, and they will let us know shortly who that person is to be. Creighton said that this person will be kept on the job, will be available to give us progress reports, etc.

I also discussed, as I have previously written you, at the meeting on March 9 in the OAP the question of the effect of the State Department proposal to return properties up to \$10,000 to German individuals. Creighton brought this same subject up in today's conversation, suggesting that these latter return proposals might make necessary an extension of the filing dates with respect to our legislation.

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I gather that he feels that a lot of new claims may come in which conceivably might apply to property which we might claim under the present provisions of P. L. 626. In discussing this matter, I pointed out to Creighton that if there are returns to German individuals, it might be presumed that the residual amounts are very largely made up of heirless property, and this might facilitate our work, particularly if we could arrive at some kind of bulk settlement. The discussion was inconclusive, and we agreed that we would get together sometime in the next few weeks to talk it over again. Creighton was, however, more cooperative and friendly than he has seemed to be on previous occasions.

I am sending a copy of this letter to Ben Ferencz and Jerry Jacobson also, and intend it to be in at least partial comment on Ben's letter no. 2105, March 7, 1955, addressed to you and suggesting that we "sound out the Attorney General . . . on an over-all settlement". I am afraid that Benny's experience in working out large general deals with the Germans has led him to forget the rigidities of the American administrative system. The present attitude of the OAP, as you know, is that the legislation probably does not authorize a bulk settlement and that it would, in any case, be impossible to work one out without a very clear estimate of the amounts involved and a knowledge of where the funds were coming from. As to the amounts involved, this might conceivably require pretty much the same kind of work as the filing of individual claims requires, although possibly we could extrapolate a sample of the individual claims. As for the source of the funds, I think that there will undoubtedly be a sufficient amount left over and held by the OAP, but it is a little difficult to tell without knowing exactly how much will be paid out on the German return proposal. The difficulty here is that a large amount of the proceeds of vested property has already been turned over to the War Claims Commission on the basis of Section 39 of the Trading with the Enemy Act, which provided that returns would not be made and that the proceeds should so be used. It is therefore in effect necessary to find in the hands of the OAP amounts equal to those which will be required on the \$10,000 individual return proposal.

This leads to certain complications, but it also raises the possibility that we may be able to attach a rider to the \$10,000 return proposal which would accomplish our purpose. This, as I think Benny recognizes, is not a simple job, but it might be possible. That the State Department favored bulk settlements in Germany is, however, not likely to be of any relevance whatsoever to this problem here in the United States.

Best regards.

Sincerely yours,

Seymour J. Rubin

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C O P Y

JEWISH RESTITUTION SUCCESSOR ORGANIZATION

7 March 1955  
Letter #2105. File:7080

Mr. SAUL KAGAN  
JRSO - New York

Dear Saul:

Thank you for your letter of February 24 containing the proposed short form claims to be filed with the Alien Property Custodian in connection with heirless property vested in the United States.

Please re-read my letter #2021 of August 1954 which, aside from a few pointed barbs, contained my serious thinking on this whole subject.

The Executive Order designating the JRSO is very generally worded. There is nothing in it for example to restrict our interest to Jewish claimants, although our application made it clear that we were only interested in that group. Authority has been delegated to the Attorney General who may subdelegate to the Department of Justice. I would like to know who actually drew up the Executive Order and whether we made any attempt to influence the wording of the Order. I am convinced that our only hope to put any meaning into this designation is for us to make a bulk settlement. We now have the added argument that the German Government has agreed to paying the JRSO a lump sum based upon an estimate of the presumably heirless portion of Jewish claims against the Reich. This agreement has won the support and approval of the State Department here, and it should make a useful precedent in raising the same argument in the United States.

The simple and more general the claims form, the easier will it be for us. The form which you sent contains a provision in Par. 4 which states that "on the basis of such information as is available to it, the JRSO..." etc. I fear that in most cases we will have no information at all and would have no basis for an allegation that we are the appropriate successor.

I think that now is the correct time for sounding out the Attorney General, or whoever in the Justice Department may be dealing with it, on an overall settlement. We should argue that the Congress did not intend to pass a meaningless law and the technical difficulties encountered would have that effect unless a bulk settlement is reached. Even if should be necessary to amend the law, this would be the appropriate time to start lobbying in that direction, when we could argue that the return of German assets with a value of up to \$10,000 is less justified than what we would be proposing. We could argue for the return of vested assets having a value of up to \$10,000 if it may reasonably be assumed that we are the eligible successor, or if the total amount would not exceed a reasonable estimate of the heirless Jewish portion. I would like to see a copy of the proposed law in connection with the return of German assets if a draft is already available, and perhaps it may be possible for us to come in on a rider.

Contd.

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Mr. Kagan

- 2 -

7 March 1955

All this means there has got to be a lot of talking done in Washington and a lot of running around if we are to salvage something for our poor dear beneficiaries.

Cordially yours,

/s/ Ben

BENJAMIN B. FERENCZ

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FOR IMMEDIATE RELEASE

DEPARTMENT OF JUSTICE

June 27, 1953

Attorney General Herbert Brownell, Jr., today announced the removal of all remaining World War II freezing controls applicable to property in the United States of Austria, Belgium, Denmark, France, Greece, Italy, Luxembourg, The Netherlands, Norway, Sweden, Switzerland and Liechtenstein, and Japan and Western Germany. The Attorney General said that as a result the only countries which will continue to be subject to the blocking controls under Executive Order No. 8389, as amended, are Bulgaria, Hungary, Rumania, Czechoslovakia, Poland, Estonia, Latvia and Lithuania as well as Eastern Germany.

In addition, the Attorney General stated, all other blocked accounts worth \$100 or less on June 1, 1953 are unblocked.

Dallas S. Townsend, Assistant Attorney General and Director of the Office of Alien Property, explained that the unblocking of Western Europe and Japan was effected by issuance of a new General License No. 101 and the revocation of General Ruling Nos. 6 and 17. By this action, said Mr. Townsend, the government has terminated, so far as Western Europe and Japan are concerned, the World War II freezing controls which were instituted in April 1940 when Germany invaded Norway and Denmark. The Assistant Attorney General emphasized, however, that blocking controls continue to apply to all remaining blocked property in which any of the following had any interest: (1) Bulgaria, Hungary or Rumania or persons in any of those countries on January 1, 1945, (2) Czechoslovakia, Poland, Estonia, Latvia or Lithuania or persons in any of those countries on December 7, 1945, and (3) Eastern Germany or any persons in that area on December 31, 1946. Property of nationals of these countries which is free as a result of General License No. 94 continues to be unblocked. With the issuance of General License No. 101, said Mr. Townsend, General License Nos. 32, 53, 53A and 97 have become either unnecessary or inconsistent with the blocking controls that are being continued, and accordingly, these General Licenses have been revoked.

Mr. Townsend declared that the unblocking of all accounts not exceeding \$100 in value on June 1, 1953 was accomplished by the issuance of a new General License No. 102.

Mr. Townsend stressed that the new unblocking general licenses did not have any effect whatsoever on the status of the following property or the prohibitions with respect to dealings in such property:

- (1) Foreign and domestic scheduled securities, the so-called "looted securities", listed in General Ruling Nos. 5 and 5B.
- (2) Property or interests vested in, or under the supervision of, the Attorney General; business enterprises or property thereof under the supervision of, or vested in, the Attorney General, or business enterprises with respect to which any assets thereof or interests therein have been vested. Property which has been vested, Mr. Townsend pointed out, is now owned by the United States Government and must be surrendered to the Attorney General pursuant to the terms of the appropriate vesting order. He said that neither the treaty of peace with Japan nor the decision of April 17, 1953 to terminate the vesting of German owned property relieves the holder of any vested property of the obligation to turn it over to the Attorney General.

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- (3) Property to the extent that it is subject to the regulations administered by Foreign Assets Control, Department of the Treasury. These regulations, which first became effective on December 17, 1950, relate to property involving interests of Communist China and North Korea or nationals thereof. Such regulations are contained in Chapter V of Title 31 of the Code of Federal Regulations.

TITLE 8--ALIENS AND NATIONALITY

CHAPTER II--OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE

PART 511--BLOCKED ASSETS

§511.101 (General License No. 101)--(1) Notwithstanding §511.211a (General Ruling No. 11A) a general license is hereby granted licensing all property now blocked under the order to be regarded as property in which no blocked country or national thereof has, or has had, any interest; Provided, however, that the license granted by this paragraph shall not apply to any property blocked by reason of the interest on or since the effective date of the order of any of the following:

- (a) Bulgaria, Hungary, Rumania, Czechoslovakia, Poland, Estonia, Latvia, Lithuania and Germany (except for any interest of Germany now owned by the Federal Republic of Germany, the City of Berlin (Western Sectors) or the Saar);
- (b) any individual, partnership, association, corporation or other organization which on January 1, 1945 was in Bulgaria, Hungary or Rumania;
- (c) any individual, partnership, association, corporation or other organization which on December 7, 1945 was in Czechoslovakia, Poland, Estonia, Latvia or Lithuania;
- (d) any individual, partnership, association, corporation or other organization which on December 31, 1946 was in any of the areas of Germany under control or administration of the Union of Soviet Socialist Republics or Poland; or
- (e) any other partnership, association, corporation or other organization which was a national of any country designated in subparagraph (a) of this paragraph by reason of the interest therein of any such country or by reason of the interest therein of any individual, partnership, association, corporation or other organization specified in subparagraph (b), (c) or (d) of this paragraph.

(2) Nothing in this section shall be deemed to apply to any property subject to §511.205 and §511.205b (General Ruling Nos. 5 and 5B), relating to foreign and domestic scheduled securities.

(3) Nothing in this section shall be deemed to apply (a) to any property or interest that has been vested, or as to which an outstanding supervisory order has been issued, by the Attorney General or the Alien Property Custodian or the Office of Alien Property Custodian, or (b) to any business enterprise and/or its property as to which the Attorney General or the Alien Property Custodian or the Office of Alien Property Custodian has issued an outstanding supervisory order, or which has been vested, or assets of or interests in which have been vested.

(4) Nothing in this section shall be deemed to authorize any transaction prohibited by the Foreign Assets Control regulations, 31 CFR, Chapter V, issued by the Treasury Department.

(Sec. 5, 40 Stat. 415, as amended, 50 U.S.C. App. 5; Executive Order 8389, Apr. 10, 1940, 5 F.R. 1400, as amended by Executive Order 8785, June 14, 1941, 6 F.R. 2897, Executive Order 8832, July 26, 1941, 6 F.R. 3715, Executive Order 8963, December 9, 1941, 6 F.R. 6348, Executive Order 8998, December 26, 1941, 6 F.R. 6785, and Executive Order 9193, July 6, 1942, 7 F.R. 5205, 3 CFR, 1943 Cum. Supp.; Executive Order 9989, August 20, 1948, 13 F.R. 4891, 3 CFR, 1948 Supp.; Executive Order 10348, Apr. 26, 1952, 17 F.R. 3769, 3 CFR, 1952 Supp.)

Executed at Washington, D. C. on June 24, 1953

For the Attorney General:

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

(Official Seal)

TITLE 8--ALIENS AND NATIONALITY

CHAPTER II--OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE

PART 511--BLOCKED ASSETS

§511.102, General License No. 102--(1) Notwithstanding §511.211a (General Ruling No. 11A), a general license is hereby granted licensing any property in any account where the total value of the property in the account on June 1, 1953 was not more than \$100 to be regarded as property in which no blocked country or national thereof has, or has had, any interest.

(2) Nothing in this section shall be deemed to apply to any property subject to §511.205 and §511.205b (General Ruling Nos. 5 and 5B), relating to foreign and domestic scheduled securities.

(3) Nothing in this section shall be deemed to apply (a) to any property or interest that has been vested, or as to which an outstanding supervisory order has been issued, by the Attorney General or the Alien Property Custodian or the Office of Alien Property Custodian or (b) to any business enterprise and/or its property as to which the Attorney General or the Alien Property Custodian or the Office of Alien Property Custodian has issued an outstanding supervisory order, or which has been vested, or assets of or interests in which have been vested.

(4) Nothing in this section shall be deemed to authorize any transaction prohibited by the Foreign Assets Control regulations, 31 CFR, Chapter V, issued by the Treasury Department.

(Sec. 5, 40 Stat. 415, as amended, 50 U.S.C. App. 5; Executive Order 8389, Apr. 10, 1940, 5 F.R. 1400, as amended by Executive Order 8785, June 14, 1941, 6 F.R. 2897, Executive Order 8832, July 26, 1941, 6 F.R. 3715, Executive Order 8963, December 9, 1941, 6 F.R. 6348, Executive Order 8998, December 26, 1941, 6 F.R. 6785, and Executive Order 9193, July 6, 1942, 7 F.R. 5205, 3 CFR, 1943 Cum. Supp.; Executive Order 9989, August 20, 1948, 13 F.R. 4891, 3 CFR, 1948 Supp.; Executive Order 10348, Apr. 26, 1952, 17 F.R. 3769, 3 CFR, 1952 Supp.)

Executed at Washington, D. C. on June 24, 1953

For the Attorney General:

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

(Official Seal)

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TITLE 8--ALIENS AND NATIONALITY

CHAPTER II--OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE

PART 511--BLOCKED ASSETS

1. §511.32 (General License No. 32) is hereby revoked.
2. §511.53 (General License No. 53) is hereby revoked.
3. §511.53a (General License No. 53A) is hereby revoked: Provided, that such revocation shall in no way affect the status of property previously unblocked thereunder.
4. §511.97 (General License No. 97) is hereby revoked: Provided, that such revocation shall in no way affect the status of property previously unblocked thereunder.

\* \* \* \* \*

7. §511.206 (General Ruling No. 6) is hereby revoked.
8. §511.217 (General Ruling No. 17) is hereby revoked.

(Sec. 5, 40 Stat. 415, as amended, 50 U.S.C. App. 5; Executive Order 8389, Apr. 10, 1940, 5 F.R. 1400, as amended by Executive Order 8785, June 14, 1941, 6 F.R. 2897, Executive Order 8832, July 26, 1941, 6 F.R. 3715, Executive Order 8963, December 9, 1941, 6 F.R. 6348, Executive Order 8998, December 26, 1941, 6 F.R. 6785, and Executive Order 9193, July 6, 1942, 7 F.R. 5205; 3 CFR, 1943 Cum. Supp.; Executive Order 9989, August 20, 1948, 13 F.R. 4891, 3 CFR, 1948 Supp.; Executive Order 10348, Apr. 26, 1952, 17 F.R. 3769, 3 CFR, 1952 Supp.)

Executed at Washington, D. C. on June 24, 1953

For the Attorney General:

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

(Official Seal)

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**TITLE 8--ALIENS AND NATIONALITY**

**Chapter II--Office of Alien Property, Department of Justice**

**Part 511--Blocked Assets**

In Part 511, §§ 511.1 to 511.4 are redesignated §§ 511.01 to 511.04 Sections 511.101 to 511.199 are redesignated §§ 511.1 to 511.99 and a new § 511.100 General License No. 100 is added. In Subparts C, D, and E of Part 511, references to §§ 511.1 to 511.4 are to be read as references to §§ 511.01 to 511.04, and references to §§ 511.101 to 511.199 are to be read as references to §§ 511.1 to 511.99.\*\*\*\*\*

§ 511.100 General License No. 100. Notwithstanding the provisions of § 511.211a of this chapter (General Ruling No. 11A), a general license is hereby granted licensing the following property to be regarded as property in which no blocked country or national thereof has, or has had, any interest: Any debt expressed in German currency owed by a person in the United States to a person in Germany which is secured by a mortgage or mortgages on real property located in Germany.

Executed at Washington, D. C., on January 23, 1952.

For the Attorney General:

Harold I. Baynton  
Assistant Attorney General  
Director, Office of Alien Property

**SEAL**

(Sec. 5, 40 Stat. 415, as amended; 50 U.S.C., App. 5, E.O. 8389, Apr. 10, 1940, 5 F.R. 1400, as amended by E.O. 8785, June 14, 1941, 6 F. R. 2897, E.O. 8832, July 26, 1941, 6 F.R. 3715, E.O. 8963, Dec. 9, 1941, 6 F.R. 6348, E.O. 8998, Dec. 26, 1941, 6 F.R. 6785, E.O. 9193, July 6, 1942, 7 F.R. 5205; 3 CFR 1943 Cum Supp.; E.O. 9989, Aug. 20, 1948, 13 F.R. 4891; 3 CFR 1948 Supp.)

For Immediate Release:  
THURSDAY, OCTOBER 4, 1951

DEPARTMENT OF JUSTICE

Attorney General J. Howard McGrath announced today that in accordance with the program made public on January 19, 1951 the Department of Justice has vested approximately \$3,000,000 of securities of United States issue reported to have been looted by the Germans during the occupation of the Netherlands. These securities are included in the list of "domestic scheduled securities" appended to General Ruling No. 5B and have not been deposited with the Federal Reserve Bank of New York in accordance with the provisions of that Ruling. As a result of this action, the United States Government has taken title to the vested securities and the rights of the holders of such securities have been nullified.

Harold I. Baynton, Assistant Attorney General, Director, Office of Alien Property, Department of Justice, stated that the program made public on January 19, 1951 was designed to enable the completion of this Government's efforts to assist in the recovery of securities looted by the Germans during the war. The policy of restoring enemy looted securities was expressed in the Inter-Allied Declaration Regarding Forced Transfers in Enemy-Controlled Territory, of January 5, 1943, and in Resolution No. VI of the United Nations Monetary and Financial Conference held at Bretton Woods July 1 to 22, 1944, in both of which the United States joined.

Mr. Baynton pointed out that the vesting action, which applies to the securities looted from The Netherlands, covers most of the securities on the list of domestic scheduled securities and that the remaining domestic scheduled securities which have not been deposited with the Federal Reserve Bank of New York and which were reported by other foreign nationals as having been looted by the Germans will soon be vested.

According to Mr. Baynton, it is expected that The Netherlands Government, acting on behalf of its nationals who were victims of the German looting, will file claims for the return of the vested securities in accordance with the provisions of Section 32 of the Trading with the Enemy Act, as amended. Any other person who claims to have any in the vested securities may also file a claim for the return of his interest. Under Section 33 of the Trading with the Enemy Act, as amended, Mr. Baynton said, claims for such return must be filed within two years of the vesting. Forms for filing claims for return may be obtained by writing the Department of Justice, Office of Alien Property, Washington 25, D. C.

The Vesting Orders covering the securities looted in The Netherlands are numbered 18520 and 18521. They were effective on October 2, 1951 and published in the Federal Register of October 3, 1951. Copies may be obtained upon request at the Office of Alien Property, Department of Justice, Washington 25, D. C.

GPO 85-50072

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**TITLE 8—ALIENS AND NATIONALITY**

**Chapter II—Office of Alien Property, Department of Justice**

**PART 511—BLOCKED ASSETS: REGULATIONS ORIGINALLY ISSUED BY THE TREASURY DEPARTMENT**

**PROHIBITIONS WITH RESPECT TO FOREIGN AND DOMESTIC SCHEDULED SECURITIES**

Part 511 is hereby amended by the amendment of paragraph (g), § 511.205 (General Ruling No. 5) and paragraph (g) of § 511.205b (General Ruling No. 5B) in the manner set forth below:

(a) *Deletions from Appendix, paragraph (g), § 511.205 (General Ruling No. 5)—Foreign Scheduled Securities Bonds.* The following securities are deleted from Appendix, paragraph (g), § 511.205 (General Ruling No. 5)—Foreign Scheduled Securities Bonds.

Antwerp, City of—External Sinking Fund Gold 5% Loan of 1928—due 1958:

\$1,000			
749	1935	5543	7058
750	2222	5544	7882
751	2223	5558	8366
752	2495	5652	8740
808	2730	5668	9001
1190	3233	6914	9002
1328	3512	7020	9245
1933	4576	7021	
1934	5298	7038	

\$500				
489	491	492	517	518

Argentina, Republic of—Sinking Fund 4% Conversion Loan due February 15, 1972:

\$1,000				
20230	20254	25356	28576	35381

Australia, Commonwealth of—5% bonds 1925 due 1955:

\$1,000			
524	12111	12115	12119
526	12112	12116	12120
527	12113	12117	
528	12114	12118	

Brazil, United States of—External Sinking Fund Gold 6½% loan of 1926 due October 57:

\$1,000				
3508	7102	10788	20168	40232

Brisbane, City of—External Sinking Fund Gold 5% loan of 1928 due 1958:

\$1,000				
5714				

Canada, Dominion of—3% Bonds 1936:

\$1,000			
8583	13840	E-39767	43695
8584	13841	43445	63693
13837	13842	43691	
13838	13843	43692	
13839	13844	43694	

Canada, Dominion of—4½% Bonds 1931 due 1956:

\$1,000				
R6/E. O. 26238				

Canadian National Railway Co., Guaranteed Gold, 5% Bonds issued October 1929 due 1969:

\$1,000			
11253	12680	12682	34712
11254	12681	18965	

Canadian Pacific Railway Company Perpetual 4% Consolidated Debenture Stock:

\$1,000				
251	16304	32192	48967	
3852	19668	32455	75211	
15901	24604	G-44026	78323	
16291	30923	46214		
16292	31494	48111		

Canadian Pacific Railway Company—4½% Gold Bonds 20 Year Guaranteed, 1926/46:

\$1,000				
1512	8147	15966	17243	
2696	15662	16292	17634	

Canadian Pacific Railway Company—5% Equipment Trust Gold Certificates due July 1, 1944:

\$500				
266	334	496	3366	
278	437	497	3707	

Canadian Pacific Railway Company—4½% 30 Year Guaranteed Gold Bonds due July 1, 1960:

\$1,000					
205	207	231	1439	1440	1441

Canadian Pacific Railway Company—5% Equipment Trust Gold Certificates due July 1, 1944:

\$1,000				
27438				

Colombia, Republic of—External Sinking Fund Gold 6% Loan of 1927 due January 1, 1961:

\$1,000					
1023	1173	2445	4648	12690	13282 15463
\$500					
66	89	974			

Cuba, Republic of—External Gold 4½% Loan of 1909 due August 1949:

\$1,000	
10412	10782

Cuba, Republic of—External Sinking Fund 4½% of 1937 due 1977:

\$1,000		
79836	79972	80841

Czechoslovakia State Loan 1922 due 1951—8% Series A:

\$1,000	
6467	7268
\$100	
484	

Czechoslovakia State Loan 1922 due 1952—8% Series B:

\$1,000	
5745	
\$500	
562	830 1293
\$100	

930	
931	

Denmark, Kingdom of—External Gold 4½% Loan of 1928 due 1962:

\$1,000				
27694	31162	31400	41749	48860 50183

Dominican Republic Customs Administration—20 Year 5½% Gold Loan of 1922-6 due 1961:

\$1,000			
4219	4898	6107	6920
4475	5275	6232	7558
4546	6074	6424	7723

Dominican Republic Customs Administration Sinking Fund Gold 5½% Loan of 1926-1928 due 1969 Second Series:

\$1,000		
2657	2957	3838

France, Republic of—25 Year Sinking Fund, External 7% Dollar Gold Loan of 1924 due 1949:

\$1,000	
22260	34743

German Atlantic Cable Company (Deutsch Atlant. Telegr. Ges.)—7% Bonds 1925/45:

\$1,000	
433	

Germany, Government of—7% 1924 due 1949:

\$1,000	
98610	

Harpner Bergbau (Harpen Mining Co.)—6% 1929 due 1949:

\$1,000	
1319	1672

Hungarian-Italian Bank, Ltd.—7% Sterling Mortgage Bonds:

\$1,000	
346	

\$500 Series A. C. W.

D 17 D 32 D 45 C 52 D 55 D 56

Japan, Empire of—6½% Sinking Fund Gold Bonds of 1924 due 1954:

\$1,000		
52208	135112	135113

Milan, City of—External Sinking Fund Gold 6½% Loan of 1927—due 1952:

\$1,000	
8624	

National Railroad Company of Mexico—First Consolidated Gold 4% due 1951:

\$1,000	
4006	

National Railroad Company of Mexico—4½% Mortgage Bonds, due 1926, prior lien:

\$1,000	
4796	

National Railways of Mexico—4½% Prior Lien Sinking Fund Gold due 1957 (Stamped):

\$1,000			
3708	14166	41215	41345
3745	14867	41344	48796

New South Wales, State of—External Sinking Fund Gold 5% Loan of 1927 due February 1, 1957:

\$1,000	
16817	17330

New South Wales, State of—External Sinking Fund Gold 5% Loan of 1927 due April 1, 1958:

\$1,000				
5380	5465	5954	6361	17659

Norges Kommunal Bank, S. F. Gold—5% 1930 due 1970:

\$1,000	
1303	

Nova Scotia Steel & Coal Company—3½% Bonds 1938/63:

\$1,000			
57	1353	2101	2110
214	1369	2102	2111
666	1518	2103	2112
867	1723	2104	2113
1027	1724	2105	2114
1150	1725	2106	2247
1315	1794	2107	2248
1351	1962	2108	2341
1352	1963	2109	

Nova Scotia Steel & Coal Company—3½% Bonds 1938/63—Continued

\$500			
797	2164	2167	2170
1171	2165	2168	
2163	2166	2169	

United Industrial Corp. (Vereingte Industrie Unternehmungen)—Sinking Fund Debenture, Gold 6½% due 1941:

\$1,000
51101

Vera Cruz & Pacific Railroad Company—4½% Guaranteed 1st Mortgage Gold Bonds due 1934:

\$1,000	
5558	5785

(b) Deletions from Appendix, paragraph (g), § 511.205b (General Ruling No. 5B)—Domestic Scheduled Securities. The following securities are deleted from Appendix, paragraph (g), § 511.205b (General Ruling No. 5B)—Domestic Scheduled Securities.

PART I—BONDS

American Foreign Power Company, Inc. Debenture Gold 5% due 2030:

\$1,000	
7332	45452
\$500	
836	

Atchison, Topeka & Santa Fe Railway Company (The)—Convertible Gold 4% of 1905 due 1955:

\$1,000			
753	22157	31503	40045
2277	23535	32207	40103
3090	24877	36241	44716
7925	25383	37320	44717
21581	25888	37589	48037

Atchison, Topeka & Santa Fe Railway Company (The)—General Gold 4% due 1995:

\$1,000			
90	23035	54717	93414
709	23737	55399	96009
2425	27475	56402	99611
5890	28368	60837	105237
6929	28599	61404	105238
10238	28988	63557	105239
11176	30228	67631	111632
11933	30883	70178	111765
13795	30884	70179	113760
14812	32546	70185	116865
14920	37723	72192	119329
15572	38095	79820	119330
15807	38896	80501	121448
15811	43013	81540	122905
15812	43411	81541	125437
16961	45642	83988	125593
18934	47267	92834	
21746	48105	93413	

\$500			
5730	21110	35480	44308
5788	21910	39664	45239
17805	26107	40013	
18965	30700	41071	
20907	32361	41073	

Atchison, Topeka & Santa Fe Railway Company (The)—4% 1895 Adjustment Gold Bonds due 1995:

\$1,000			
437	975	1193	4080
\$500			
9803	37338	38015	38293

Bethlehem Steel Corporation 3½% Bonds 1937/52:

\$1,000	
4417	18936

Central Pacific Railway Company—First Refunding Gold 4% due 1949:

\$1,000			
2462	14966	38571	58869
2463	17157	40386	62775
4056	17158	40388	68971
4550	18489	47229	70600
6902	19120	47990	71886
6989	19379	47991	72151
7400	21265	47992	72152
7523	21347	47994	77440
7792	22061	48186	78345
7896	24089	53281	84851
9702	24849	53292	84852
10751	24850	55045	84857
12311	28135	55049	84862
13698	30103	55072	84977
13785	31304	55959	
14631	34488	56614	
14945	36989	57620	

\$500

2743	11383	11385	14009
5873	11384	14008	16249

Central Pacific Railway Company Through Short Line First Gold 4% due 1954:

\$1,000		
735	881	1108

Central States Power & Light Corporation First Mortgage & First Lien Gold 5½%, 1953:

\$1,000	
3052	3053

Chicago, Milwaukee, St. Paul & Pacific Railroad Company—50-Year Mortgage 5%, Series A, due 1975:

\$1,000			
1454	19914	39020	52563
6428	24590	39060	59367
9662	29796	39065	83486
12334	39007	39431	83487
14025	39008	40427	91483
\$500			
4656	4727	5557	6574

Chicago, Milwaukee, St. Paul & Pacific Railroad Company—Convertible Adjustment Series A 5%, due 2000:

\$1,000			
2311	2936	4409	25836
2859	3208	5698	64740
2932	3236	5782	149133
2934	4104	6990	172404
2935	4212	8305	173090

Chicago, Rock Island & Pacific Ry. Company—First & Refunding Mortgage 4% 1934:

\$1,000
38724

Cities Service Company—Convertible 5% Gold Debenture, 1950:

\$1,000			
7127	23410	23921	80042
7250	23419	26916	82638
9482	23538	45801	85179
23233	23621	48455	103965
23365	23831	59295	105115
23406	23920	75698	107346

Cities Service Company—5% Gold Debentures, 1958:

\$1,000			
335	1876	2163	4031
831	1877	2261	4137
832	1878	2765	4200
1125	1921	3086	4201
1242	1922	3229	4202
1498	1928	3504	4203
1499	1929	3665	4204
1500	1977	3889	4205
1637	2002	3976	4206
1851	2062	3993	4295
1875	2065	4004	4638

Cities Service Company—5% Gold Debentures, 1958—Continued

\$1,000			
4675	13931	22475	35069
4747	14413	22953	35641
4925	14414	23054	35653
4990	14417	23708	35777
5575	14420	24700	35783
5791	14421	25080	36431
5818	14426	25228	36492
5832	14427	25229	36493
5938	14428	25230	36738
5960	14429	25337	36764
5968	14430	25377	37106
6096	14756	25752	37219
6429	14757	26372	37254
6437	14882	26523	37363
7031	15109	26802	37440
7086	15518	26776	38197
7331	15760	26855	38513
7574	15827	27082	38673
7577	16000	27328	38741
7756	16402	27392	38899
7782	16614	27826	39339
7974	16618	27940	40862
8565	16878	28522	40949
8631	16959	28576	41203
9064	17020	29303	41539
9434	17119	29898	42083
9758	17223	30150	42104
9800	18024	30151	42244
10201	18141	30252	42751
10271	18629	30402	42752
10575	18660	30765	42795
10611	18901	31434	42928
11350	18914	31435	43509
11450	19300	31436	43626
11689	19326	31657	43690
11918	19652	31715	44496
12127	19794	31940	44497
12301	19885	32081	44854
12308	20032	32220	47261
12367	20446	32264	47451
12554	20462	32866	47517
12786	20762	33179	47577
12811	20883	33667	48794
13152	21316	33678	48937
13159	22007	33734	49027
13273	22050	33762	49099
13296	22113	33965	49333
13302	22169	34075	49385
13303	22245	34309	49450
13351	22246	34428	
13858	22247	34433	
13902	22248	35034	

Cities Service Company—5% Gold Debenture, 1963:

\$1,000	
12567	12568

Cities Service Company—Refunding Gold Debenture, 1966:

\$1,000			
305	5608	8963	12523
355	5713	8995	12613
972	5961	8996	12993
1114	6205	10048	13498
1500	6242	10049	16070
2392	6438	10050	16582
2432	6923	10051	16589
2812	6924	10052	16887
3133	7584	10053	17304
3191	7585	10054	18368
3195	7710	10492	18686
3263	8955	10887	
5373	8961	11556	

Cities Service Company—5% Gold Debentures, 1969:

\$500					
720	964	968	2108	3257	8247
\$100					
2432	2434	2464			

Cities Service Company—5% Gold Debenture, 1969:

\$1,000			
94	278	438	609
115	279	439	692
179	331	583	720

Cities Service Company—5% Gold Debentures, 1969—Continued

\$1,000			
737	16594	31720	41578
829	16934	31765	41579
895	16959	32191	41580
915	16960	32205	41581
972	17027	32268	41612
1011	17429	32338	41684
1152	17696	32461	41791
1249	17850	32597	41792
1290	17866	32642	42014
1354	17999	33149	42131
1439	18213	33232	42256
1485	18293	33262	42260
1599	18882	33421	42531
2771	18948	33479	42552
2786	18986	33501	42742
3273	19916	33640	43100
4228	19931	33676	43184
5779	19976	33692	43704
5965	20097	33838	43983
5968	20325	33947	44013
6019	20369	34198	44223
6236	20506	34677	44590
6341	20532	34687	44614
6563	20733	34794	44748
6809	20741	34989	44863
6840	21311	35231	45149
7323	21523	35232	45410
7771	21526	35233	45411
7515	21713	35236	45412
10684	21809	35243	45455
10776	21868	35315	45584
11022	22275	35434	45753
11027	22423	35629	46185
11168	22432	36132	46249
11234	22475	36224	46334
11269	22621	36496	46464
11470	24079	36551	46547
11471	24179	36610	46609
11535	24593	36623	46620
11575	24595	36751	46834
11948	24696	37008	46657
12382	24697	37012	47138
12416	25194	37793	47149
12449	25290	38010	47288
12452	25367	38127	47581
12480	25931	38164	47694
12644	26185	38650	47863
12762	26712	38665	48001
14204	26769	38841	48040
14305	26992	38947	48041
15292	27025	38998	48049
15295	27204	39300	48106
15297	27308	39999	48144
15356	28809	40579	48424
15420	29165	40581	49210
15486	29348	40627	49545
15712	29487	40855	49660
15907	29530	40996	49661
16063	30050	41572	49710
16117	30727	41573	49775
16130	31159	41574	49776
16134	31160	41575	
16182	31298	41576	
16474	31372	41577	

Cities Service Power and Light Company—Debenture 5½%, due 1949:

\$1,000			
4976	5083		

Cities Service Power and Light Company—Debenture 5½%, due 1952:

\$1,000			
6881	10390	10391	19327
			19328
			43220

Consolidated Cities Light, Power & Traction Company—First Gold 5% due 1962:

\$500			
8198	8199		

Cuba Railroad Company (The)—First Gold 5% due 1952:

\$1,000			
425	1801	10060	13097
477	5486	10143	
1082	6978	10897	
1264	8237	12346	

Denver & Rio Grande Railroad Company—First Consolidated Gold 4% due 1936:

\$1,000			
17136			

Denver and Rio Grande Railroad Company—First Consolidated Gold 4½% due 1936:

\$1,000			
38958			

Denver & Rio Grande Western Railroad—General Gold 5% due 1955:

\$500			
1910			

Illinois Central Railroad Company—Collateral Trust Gold 4% due 1952:

\$1,000			
7743	9513	10097	11131

Illinois Central Railroad Company—Mortgage & Collateral, Gold 4% due 1953:

\$1,000			
16847	16848		

International Hydro-Electric System—Convertible Debenture Gold 6% due 1944:

\$1,000			
16728			
25102			

International Mercantile Marine Co., Ltd.—First and Collateral Trust Gold 6% due 1941:

\$1,000			
2723	4057	6054	20965
3144	4058	11513	31706
3179	5162	14769	35864
3949	5433	17115	36028
4049	5581	19382	

Kansas City, Fort Scott & Memphis Railway Co.—Refunding (Now First) Gold 4% due 1936:

\$1,000			
1615	3432	3636	

Kansas City Southern Railway—3% 1st Mortgage Gold due 1950:

\$1,000			
1578	11032	19796	24626
3218	11606	19845	24630
3992	11803	19852	25781
6278	13403	20234	26872
7091	14704	20646	27484
7140	14959	21077	27763
7160	15039	21344	28651
7905	15626	21384	28845
8321	16688	21718	29816
9595	17774	24246	
10524	19011	24337	
10955	19012	24513	

Kansas City Southern Railway Co.—Refunding & Improvement Mortgage Bond 5% due 1950:

\$1,000			
1063	5827	11495	18998
2941	6006	12389	20713
3603	6834	15427	
4008	11442	17658	

Kansas City Terminal Railway Co.—First Gold 4% due 1960:

\$1,000			
48085	48323	48324	

Louisville & Nashville R. R. Co. Southeast & St. Louis Division—Second (Now First) 3% due 1980:

\$1,000		
767	1768	2878

Missouri-Kansas-Texas Railway Company—First Gold 4% due 1990:

\$1,000		
22707	33570	34367

Missouri-Kansas-Texas Railroad Company—Cumulative Adjusted Mortgage Gold 5% Series A due 1967:

\$1,000		
41078	48020	48026

Missouri Pacific Railroad Company—4% General Mortgage Gold Bonds due 1975:

\$1,000			
24912	24914	34056	45214
24913	32947	38819	

Missouri Pacific Railroad Company—First and Refunding Gold 5% Series G due 1978:

\$1,000			
12832	22286		

New York Central and Hudson R. R.—Gold 3½% due 1997:

\$1,000				
50304	50305	50306	50307	50308

New York, City of, Water Tunnel No. 2 4% Improvement Serial Bond due July 1, 1955:

\$1,000			
453			

New York Edison Co., Inc.—3¼% Bond 1936-1966, Series E:

\$1,000			
23950			

Norfolk & Western Railway Company—First Consolidated Gold 4% due 1996:

\$1,000			
1613	5365	10858	19972
1614	6699	10859	21599
1615	7310	10903	22014
1616	8313	11535	22018
2723	8586	12314	22020
3369	8899	13130	25452
3907	10052	16192	27180
3985	10088	16193	32708
4389	10857	16194	32750

Northern Pacific Railway Company—Prior Lien Gold 4% due 1997:

\$1,000				
2599	3013	3591	6726	7293
			8456	

Oregon-Washington Railroad and Navigation Company First and Refunding Mortgage Gold 4% due 1961:

\$1,000			
52564	96297	96299	96390
66840	96298	96389	

Pacific Gas & Electric Co.—First & Refunding Mortgage, Series H, 3¼% due Dec. 1, 1961:

\$1,000			
11576	12910		

Pacific Gas & Electric Co.—First & Refunding Mortgage, Series H, 3¼% due Dec. 1, 1961:

\$1,000			
23902	40099		

Pacific Gas & Electric Co.—First & Refunding Mortgage, Series H, 3¼% due Dec. 1, 1961:

\$1,000			
11657			

Pittsburgh, Cincinnati, Chicago, & St. Louis  
 Railway Company—4½% Cons. Mtg. Gold  
 Bonds, Series A:

\$1,000

9525

St. Louis-San Francisco Railway Com-  
 pany—4% Mortgage Bonds, Prior Lien, Series  
 A:

\$1,000

75695 77836

\$500

4859

\$250

4328 6392 6542

St. Louis Southwestern Railway Co.—4%  
 First Loan 1890, due 1989:

\$1,000

4997 8133 8546 19681

6555 8397 8547

7894 8545 17202

Southern Pacific Co.—4% Collateral Trust  
 Gold Bonds Issued 1899, due 1949:

\$1,000

294 3911 15280 19351

3813 4898 18403 22316

\$500

1871 3619 5397 9500 9993

Southern Pacific Company—4½% 40 Year  
 Gold Bonds, due 1969:

\$1,000

1685 5966 32165 58914

1702 11182 35853 61450

1742 13246 41523 63128

2682 21343 52862 63131

4397 30489 52993

Southern Pacific Company—Gold 4½% due  
 1981:

\$1,000

1239 11681 12024 14446

2705 11854 12929 19702

Southern Pacific Company—San Francisco  
 Terminal, 4% First Mortgage Bonds 1910 due  
 1950:

\$1,000

1163 1884 5596 9447

1175 2849 6755 9730

1178 3213 7342 10915

1455 5385 8268 10917

1470 5386 9229 11771

1708 5387 9446

\$500

631 3417 6365 14471

3228 4338 6366 15424

3229 4470 6460

3243 4471 12596

3249 5427 13970

\$100

1548 5509 11878

Southern Pacific Railroad Company—First  
 Refunding Mortgage 4% Bonds due 1955:

\$1,000

455 44295 50135 95698

2452 44580 55467 95699

7847 44950 57459 95852

10854 44951 62257 100515

13996 45396 91196 103354

21877 45451 91900

37807 45452 95697

\$500

213 2094 7017 9881

214 2448 7650 9963

1122 4984 9876

Southern Railway Company—4% Devel-  
 opment and General Mortgage Bonds due  
 1956:

\$1,000

212 35797 40637 52888

3415 35798 40741 53463

8882 35800 41025 54015

15363 35856 41739 55069

21244 36200 42936 55324

27955 36502 43862 55393

30054 36859 43946 55394

30273 36905 46246 55966

31790 37105 46523 55967

31994 37329 46537 55968

33965 38390 47063 56390

33978 38398 47543 58319

34253 39033 49535 60385

35196 40180 50415

35796 40199 51093

Studebaker Corporation (The)—Convert-  
 ible Debenture 6%, 1945:

\$100

C 3754

Union Pacific Railroad Company—3½%  
 Bonds 1936/71:

\$1,000

3189

Union Pacific Railroad Company—First  
 Gold 4% of 1947:

\$1,000

1434 32242 55470 74024

5877 32243 55716 78942

7619 32244 56304 78943

12394 32245 57349 78944

13076 32927 57392 78945

14044 32974 58101 79018

15235 36252 60282 82684

17531 36642 61398 83096

23789 40855 62151 83128

24077 40856 63415 86746

24432 43272 64105 86798

24806 52769 64221 89269

29024 53520 65096

\$500

66 6902 16190 18541

2157 8702 17355

6412 15668 18394

Western Maryland Railroad Company—  
 First 4% Bonds 1902 due 1952:

\$1,000

20033

Winston-Salem Southbound Railway Com-  
 pany—4% First Mortgage Gold Bonds due  
 1960:

\$1,000

1857 1858 1859 1860 1861 4318 4319

PART II—Stock

North American Trust Shares 1956 Dis-  
 tribution Type:

50-share certificates

CC13599

(40 Stat. 415, as amended, 50 U. S. C.  
 App. 5; E. O. 8389, Apr. 10, 1940, 5 F. R. 1400,  
 as amended by E. O. 8785, June 14, 1941, 6  
 F. R. 2897, E. O. 8832, July 26, 1941, 6 F. R.  
 3715, E. O. 8963, Dec. 9, 1941, 6 F. R. 6348,  
 E. O. 8998, Dec. 26, 1941, 6 F. R. 6785, E. O.  
 9193, July 6, 1942, 7 F. R. 5205; 3 CFR 1943  
 Cum. Supp.; E. O. 9989, Aug. 20, 1948, 13  
 F. R. 4891, 3 CFR 1948 Supp.)

Executed at Washington, D. C., this  
 20 day of July 1951.

For the Attorney General:

[SEAL] HAROLD I. BAYNTON,  
 Assistant Attorney General,  
 Director, Office of Alien Property.

DEPARTMENT OF STATE

FOR THE PRESS

*WMA* *ME*  
FEBRUARY 6, 1951  
No. 93

AMERICAN INTERESTS IN PROPERTY IN ALLIED OR NEUTRAL COUNTRIES  
SEIZED OR BLOCKED AS "ENEMY" PROPERTY

In conjunction with Press Release No. 92 issued today concerning the Brussels Agreement Relating to the Resolution of Conflicting Claims to German Enemy Assets, the State Department requests American Claimants, who have interests in property in Allied or neutral countries which has been seized or blocked as enemy property, to submit information thereon as early as possible to the Department. Such information should be transmitted to Adrian S. Fisher, The Legal Adviser, Department of State, Washington 25, D. C.

The Department desires the information as a basis for ascertaining the claims which fall under the Brussels Agreement of December 5, 1947 involving at present property in Belgium, Canada, Denmark, Luxembourg, and the Netherlands which has been seized or blocked by those countries as German property. The Department also desires the information in the event other countries adhere to this Agreement or in the event the Department takes up cases of this type for the purpose of bilateral negotiation with the country of the location of the property.

This information is requested with relation to every kind of property which has been seized or blocked in Allied or neutral countries as German, Japanese, Italian, Bulgarian, Hungarian and Rumanian and whether the American interest is direct or indirect. In this connection, one important type of case is that of property located in an Allied or neutral country owned by corporations organized under German law, in which corporations Americans are shareholders or bondholders.

Any letter to the Department on this subject should refer to the present Press Release. The letter may be informal in nature but should contain information as to the kind of property, the Allied or neutral country in which it is located, the interest of the American claimant in the property, the estimated value of such interest, the residence and nationality status of claimant, and any facts which would be helpful in tracing the American interest into the property in question. The Department will review these letters and if the case appears to fall under an effective agreement with another country, the Department will transmit official forms for the claimant to fill out. In other cases, as stated above, the Department may utilize the information for bilateral negotiations with other Governments.

If any claimant has already given information on his claim to the Department of State, he is requested to transmit a letter referring to such prior correspondence.

\* \* \*

325993

DEPARTMENT OF JUSTICE  
PRESS RELEASE

7111  
January 19, 1951

Attorney General J. Howard McGrath and Secretary of State Dean Acheson today announced important changes in the foreign funds blocking controls by the amendment of General Ruling No. 5 and the issuance of a new General Ruling No. 5B which are designed to enable completion of the program of assisting in the recovery of securities looted by the Germans during the war. They stated that holders of securities which are listed in the appendix to General Ruling No. 5B will face vesting action at the end of six months which will nullify their rights in those securities if they do not deposit them promptly with the Federal Reserve Bank of New York.

Harold I. Baynton, Assistant Attorney General and Director of the Office of Alien Property, Department of Justice, explained that the list of looted securities, which was appended to General Ruling No. 5 before the new amendment, has been revised by transferring therefrom to the list appended to General Ruling No. 5B all securities of United States issue and designating them as "domestic scheduled securities." The only securities which remain in the list appended to General Ruling No. 5, he explained, are those of foreign issue which are described as "foreign scheduled securities." Mr. Baynton stated that the domestic scheduled securities which are not deposited with the Federal Reserve Bank of New York, as stipulated by the new ruling, will be canceled and new certificates required to be issued in replacement. He added that an opportunity will be provided for the victims of looting to assert their claims to the new certificates as well as to those securities which are deposited.

The policy of restoring enemy looted securities, said Mr. Baynton, was expressed in the Inter-Allied Declaration Regarding Forced Transfers of Property in Enemy-Controlled Territory, of January 5, 1943, and in Resolution No. VI of the United Nations Monetary and Financial Conference held at Bretton Woods July 1 to 22, 1944, in both of which the United States joined. In line with this declared policy, he stated, a list of scheduled securities was promulgated in July 1947, as part of General Ruling No. 5, representing a compilation of lists of enemy looted securities furnished after termination of hostilities by the governments of countries which had been overrun by the Germans.

The new General Ruling No. 5B, Mr. Baynton explained, makes clear that all trading in domestic scheduled securities is prohibited unless licensed and that the purchaser's lack of actual knowledge of the prohibition against trading is not material. Furthermore, he added, by its terms the new Ruling requires the deposit of all domestic scheduled securities wherever located with the Federal Reserve Bank of New York.

Mr. Baynton emphasized that all persons within the United States holding or receiving securities contained in the list of domestic scheduled securities are required to deposit them in the Federal Reserve Bank of New York either directly or by returning them for that purpose to the persons in the United States from whom they were acquired. Those persons who are not within the United States, he added, are also required to deposit their domestic scheduled securities in the Federal Reserve Bank if they wish to avoid nullification of their rights in such securities.

Mr. Baynton pointed out that the provisions of General Ruling No. 5 have been changed to make clear that all trading in foreign scheduled securities by persons within the United States or subject to the jurisdiction of the United States is prohibited, and that such persons' lack of actual knowledge of the prohibition is not material. Individuals within the United States who receive or hold foreign scheduled securities, he added, are required to deposit them with the Federal Reserve Bank of New York and persons outside the United States are permitted to do so. He stated that the ultimate action which will be taken with respect to undeposited foreign scheduled securities has not been determined pending discussions with the countries of issue.

Any depositor of domestic or foreign scheduled securities, Mr. Baynton continued, will have an opportunity to attempt to establish that he is an innocent purchaser and upon establishing that fact to the satisfaction of the Office of Alien Property, the securities deposited by him will be removed from the restrictions imposed against them under the Rulings. Furthermore, he added, any holder may, after depositing them with the Federal Reserve Bank of New York, obtain from the Office of Alien Property the name of the original owner or the government which was responsible for placing them on the lists of domestic and foreign scheduled securities, and work out a settlement with such owner or government in accordance with such rights as he and the original owner of the securities might have. It was further stated by Mr. Baynton that the Netherlands Government, which had reported for inclusion in the lists a large majority of the securities now contained therein, has advised the Office of Alien Property that it maintains an office at 25 Broadway, New York, New York, which is authorized to effect such settlements.

A press release is being issued by the State Department, in coordination with the Department of Justice, announcing the signing of a "Memorandum of Understanding between the Government of the United States of America and the Government of the Netherlands regarding claims by the Government of the Netherlands to looted securities." The memorandum sets forth the arrangements between the United States and The Netherlands with respect to domestic and foreign scheduled securities claimed by The Netherlands.

DEPARTMENT OF STATE  
PRESS RELEASE

January 19, 1951

The Secretary of State, Dean Acheson, and Attorney General, J. Howard McGrath, announced today the signing of a "Memorandum of Understanding between the Government of the United States of America and the Government of the Netherlands Regarding Claims by the Netherlands to Looted Securities".

Under the Memorandum of Understanding a new program is to be adopted to frustrate the attempts of the Nazis and persons dealing with them to profit from the war time looting of securities in the Netherlands. The Memorandum marks a significant step in the implementation of important policy pronouncements by the Allies against looting during the war, and in bringing to a conclusion in accordance with original objectives the war time controls in this field. It is thought that successful action here may serve as a deterrent to predatory actions by any future aggressors.

During the war the United States, the Netherlands and other Allied Governments joined in the Inter-Allied Declaration Regarding Forced Transfers of Property in Enemy-Controlled Territory of January 5, 1943 and Resolution No. VI of the United Nations Monetary and Financial conference held at Bretton Woods, July 1-22, 1944. The Allies thereby served notice of warning to the enemy and persons dealing with the enemy that they reserved their right to declare invalid any loot transaction perpetrated in conquered territory, whether the loot transaction was in the form of force and duress or through more indirect means. Notwithstanding these warnings the Nazi Government engaged in considerable looting in the Netherlands of all kinds of property. After the Netherlands Government came back into control of its territory, it submitted to this Government a list of securities of American issue or denominated in dollars, claimed to be looted by the Germans from the Netherlands. Similar lists were submitted by other formerly occupied countries. This Government then amended its regulations governing security imports, General Ruling No. 5, so as to set forth therein a list of these securities, by serial number and other identifying data. General Ruling No. 5 as thus amended, required the deposit with the Federal Reserve Bank in New York of any securities listed which were brought into the United States and was intended to assist the Netherlands and other countries in a similar position by giving them an opportunity to assert their claims with respect to such securities when deposited.

However, the major portion of securities contained on the list were not deposited, and it became apparent that further action was required to bring the securities to light and enable the assertion of the claims of the Netherlands against such securities.

Under the present Memorandum of Understanding a program is adopted which includes the issuance of an amended General Ruling No. 5 and a new General Ruling No. 5B which will require holders of securities identified in the Rulings to deposit them. Holders of securities identified in Ruling No. 5B who fail to deposit face action by the Office of Alien Property, Department of Justice at the end of six months to vest the rights in such securities. In this way holders of the securities identified in General Ruling No. 5B will be under compulsion to deposit them, so that the Netherlands Government may assert its claim to them. In the event that these securities are not deposited, the rights in the securities will be vested by the Office of Alien Property, which will in due course transfer such rights to the Netherlands or Netherlands nationals.

Holders of deposited securities will, after depositing them, be given an opportunity to establish the circumstances under which they were acquired and if the Office of Alien Property considers that they were purchased innocently such purchases will be licensed and the securities will be removed from present restrictions. The ultimate action which will be taken with respect to the securities identified in General Ruling No. 5 which are not deposited has not been determined pending discussions with the countries in which the issuers are located.

A copy of the Memorandum of Understanding is attached. It includes as Annexes the Amended General Ruling No. 5 and the new General Ruling No. 5B which were issued today by the Office of Alien Property, Department of Justice. The Attorney General, in coordination with the Department of State, is issuing a press release setting forth in greater detail the provisions and background of these General Rulings.

DEPARTMENT OF STATE

FOR THE PRESS

FEBRUARY 6, 1951  
NO. 92

ENTRY INTO FORCE OF BRUSSELS AGREEMENT RELATING  
TO THE RESOLUTION OF CONFLICTING CLAIMS TO  
GERMAN ENEMY ASSETS

Dean Acheson, Secretary of State, and Howard J. McGrath, Attorney General, announce the entry into force January 24, 1951 \* of the Brussels Agreement of December 5, 1947 Relating to the Resolution of Conflicting Claims to German Enemy Assets among the United States, Belgium, Canada, Denmark, Luxembourg, and the Netherlands. The Agreement is the first comprehensive multilateral agreement on the problem of conflicting claims by governments to German-owned assets outside Germany. The Agreement is open for signature by the Governments of the thirteen other countries which are members of the Inter-Allied Reparation Agency (IARA) any time up to August 1, 1951. A procedure also exists for permitting Governments which are not members of the IARA to participate in the Agreement any time within the next nine months.

The Agreement provides for the settlement of certain cases where the Alien Property Custodians of two countries both claim the same German external asset or where there is a dispute between an Alien Property Custodian of one country claiming that certain property is a German external asset and a national of a non-enemy country claiming an interest in the property. The Agreement is designed to avoid the vexatious and long continued litigations and negotiations which ensued after the First World War on the same subject. It will enable the Office of Alien Property, Department of Justice, to secure without undue delay clear title to assets subject to claims by other countries or their nationals at the same time as it effectuates the regular policy of the Department of State of protecting the interests of United States nationals in property outside of Germany which has been seized or sequestered as German enemy property.

The Agreement was the result of about eighteen months of discussion and negotiation with other countries, members of the IARA in 1946 and 1947. The Agreement was signed at Brussels by the United States, subject to approval, on December 5, 1947, and then or subsequently by Belgium, Canada, Denmark, Luxembourg, and the Netherlands. Owing to the failure of the United States to secure the necessary Congressional authorization, the Agreement did not come into effect and it was necessary to extend the date of entry into force by successive protocols. Congressional authorization was finally secured at the last Congress by Public Law No. 857 of September 28, 1950. This legislation authorizes the President or such officer or agency as he may designate to conclude and give effect to agreements with other countries for the settlement of conflicting claims involving enemy property.

The types of property covered by the Agreement are securities, negotiable instruments, currency, warehouse receipts, foreign currency bank deposits, decedent's estates, trusts, and the property in one signatory country of corporations organized under the laws of another signatory country or of Germany. Of most importance are the provisions on securities, bank deposits, and the property of corporations. The rule is laid down that a security belonging to a German, though physically located

in

325996

*Adm. Alien Property*  
*W. Custodian*  
*J. A. [unclear]*  
*[unclear]*

in one signatory country, shall go to the alien property custodian of the signatory country where the entity is organized which issued the security. Bank deposits maintained in one country by a bank located in another signatory country for the benefit of a German customer will, with certain exceptions, be divided equally between the custodians of the countries concerned. In the case of property in one signatory country belonging to a corporation organized under the laws of another signatory country or of Germany, the general rule is laid down, subject to exceptions for administrative practicality, that the signatory country where the property is located is entitled to that portion of the property corresponding to the German interest in the corporation, while that portion corresponding to the non-enemy interest will be free from seizure. The Agreement will not apply to the interest of the United States in General Aniline and Film Corporation, Binghamton, New York.

The Agreement was the subject of Press Release No. 944 of December 4, 1947 and of a comment in the Department of State Bulletin, Vol. 18, January 4, 1948, page 3.

The Department of State is issuing today Press Release No. 93 which requests American claimants, who have interests in property falling under the Agreement or in other property in Allied or neutral countries which has been seized or blocked as enemy property, to submit information to the Department on the basis of which the Department may take action to protect their interests.

\*The original press release erroneously gave the date as February 1, 1951.

\* \* \*

325997

DEPARTMENT OF JUSTICE

PRESS RELEASE

November 30, 1950

Attorney General J. Howard McGrath announced today that the Department of Justice has unblocked Finland by including it in the generally licensed trade area as defined in General License No. 53. This action, he stated, is a further step in the elimination of the Government's controls over foreign property in the United States instituted during the course of World War II.

Harold I. Baynton, Assistant Attorney General, Director, Office of Alien Property, explained that Finnish property in this country which was blocked on June 14, 1941, has been substantially unblocked already pursuant to general and specific licenses issued by the Treasury Department and the Office of Alien Property, Department of Justice. The effect of today's amendment of General License No. 53 is to unblock, under General License No. 53A, the remaining blocked property to the extent that it was owned by persons who were in Finland or other unblocked countries on October 5, 1945. Property of citizens of Germany or Japan who were in an enemy country on or since January 1, 1945 is not affected, of course, by today's action.

GPO 85-50065

325998

*Revised*

TITLE 8 - ALIENS AND NATIONALITY  
CHAPTER II - OFFICE OF ALIEN PROPERTY,  
DEPARTMENT OF JUSTICE

PART 511 - BLOCKED ASSETS: REGULATIONS ORIGINALLY  
ISSUED BY THE TREASURY DEPARTMENT

Part 511 is hereby amended by amendment of paragraph (d) (1) of § 511.153 (paragraph (4)(a) of General License No. 53) to read as follows:

§ 511.153 General License No. 53.

\* \* \* \* \*

(d) As used in this section:

(1) The term "generally licensed trade area" shall include all foreign countries except the following:

(i) Germany and Japan;

(ii) Bulgaria, Hungary, Roumania, and Italy;

(iii) Sweden, Switzerland, and Liechtenstein;

(iv) France (including Monaco), Belgium, Norway, The Netherlands, Czechoslovakia, Luxembourg, Denmark, Greece, Poland, Estonia, Latvia, Lithuania, and Austria, but not including any colony or other non-European territory subject to the jurisdiction of any such country except French West Africa, Algeria, Tunisia, and French Morocco. (Sec. 5, 40 Stat. 415, as amended; 50 U. S. C., App. 5, E. O. 8389, Apr. 10, 1940, 5 F. R. 1400, as amended by E. O. 8785, June 14, 1941, 6 F. R. 2897, E. O. 8832, July 26, 1941, 6 F. R. 3715, E. O. 8963, Dec. 9, 1941, 6 F. R. 6348, E. O. 8998, Dec. 26, 1941, 6 F. R. 6785, E. O. 9193, July 6, 1942, 7 F. R. 5205; 3 CFR 1943 Cum. Supp.; E. O. 9989, Aug. 20, 1948, 13 F. R. 4891; 3 CFR 1948 Supp.)

Executed at Washington, D. C., this 24th day of November, 1950.

For the Attorney General

/s/ Harold I. Baynton

Harold I. Baynton

Assistant Attorney General

Director, Office of Alien Property

325999

*Alien Property Custodian*

March 29th, 1950

Mr. Robert V. Stormer  
Alien Property Office  
Department of Justice  
120 Broadway  
New York, New York

Dear Mr. Stormer:

I have been delayed by various business from writing you sooner to express our thanks for your recent assistance in connection with our survey of hairless vested accounts, but I trust that you will forgive my tardiness.

On behalf of this organization, as well as on behalf of the American Jewish Committee, the World Jewish Congress, and the Jewish Agency for Palestine, may I take this opportunity to tell you how very grateful we are for the generous help which you and your staff rendered to us in connection with the aforementioned survey. I sincerely hope that our work did not intrude unduly on your other responsibilities, but in any case, I do want to assure you that we are all extremely appreciative for the assistance given. It is always a pleasure to deal with public officials who are so cooperative.

Sincerely yours,

Eli Rock  
General Counsel

ER:AU

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MAL  
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EDG  
FAG  
→

Do I need to  
drop a copy of  
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DEPARTMENT OF JUSTICE  
OFFICE OF ALIEN PROPERTY *Custodian*  
March 9, 1950

- ER

File

NOTICE

On February 24, 1950 Attorney General J. Howard McGrath announced the revocation of General License No. 32A which permitted limited remittances from blocked accounts to persons within Bulgaria, Hungary or Rumania who are citizens or subjects of any such country and who are the beneficial owners of such accounts. That license, as he pointed out, was revoked pending a governmental decision as to the disposition to be made of blocked assets of nationals of Bulgaria, Hungary and Rumania in accordance with the Treaties of Peace with those countries.

Numerous inquiries have been directed to the Office of Alien Property, Department of Justice, as to whether the action described in the Attorney General's announcement had any effect either on assets in the United States of nationals of Bulgaria, Hungary and Rumania which are not blocked at the present time or on assets which may be acquired in the future by such nationals.

Harold I. Baynton, Acting Director, Office of Alien Property, wishes to emphasize that existing assets in the United States of nationals of Bulgaria, Hungary and Rumania which have been unblocked under either general or special license or assets which may be acquired by such nationals in the future and which would be free under General License No. 94 are in no way affected by the revocation of General License No. 32A. The effect of the revocation is to prevent those owners of existing blocked assets, who live in Bulgaria, Hungary, or Rumania and who are citizens of any such country, from using such assets in the limited amounts formerly permitted under General License No. 32A.

326001

DEPARTMENT OF JUSTICE  
OFFICE OF ALIEN PROPERTY  
March 9, 1950

NOTICE

On February 24, 1950 Attorney General J. Howard McGrath announced the revocation of General License No. 32A which permitted limited remittances from blocked accounts to persons within Bulgaria, Hungary or Rumania who are citizens or subjects of any such country and who are the beneficial owners of such accounts. That license, as he pointed out, was revoked pending a governmental decision as to the disposition to be made of blocked assets of nationals of Bulgaria, Hungary and Rumania in accordance with the Treaties of Peace with those countries.

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326002

**THE**



**AMERICAN JEWISH COMMITTEE**

386 FOURTH AVENUE, NEW YORK 16, N. Y. Cable Address, "WISHCOM, NEW YORK"

Telephone MURRAY HILL 5-0181

*Am. Ali*  
*Property Custodian*

JACOB BLAUSTEIN, *President*  
IRVING M. ENGEL, *Chairman, Executive Committee*  
HERBERT B. EHRMANN, *Chairman, Administrative Committee*  
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ALAN M. STROOCK, *New York, Vice-President*  
FRANK L. SULZBERGER, *Chicago, Vice-President*

February 9, 1950

Dear Eli:

I need your help in connection with the following matter:

Some time ago, our mutual friend, Dr. William Filderman from Rumania alerted us to the fact that the Rumanian authorities are compelling people whom they presume to be owners of assets abroad to issue powers of attorney to agents abroad of the Rumanian regime. Those agents are authorized to claim the owners' blocked assets on their behalf. Dr. Filderman states that in most cases the released funds are confiscated by the government without compensation, and the owners jailed, often for twenty years. He suggested that we take steps to defeat this scheme.

I have asked Sy to look into the matter. His doubts about the wisdom of such a step are clearly indicated in the attached memorandum. His suggestion that the advice of your former representatives in Eastern Europe be sought on this matter, strikes me as a sound idea, and I would be grateful if you would help us in obtaining their views on the matter.

Sincerely,

*Eugene*  
Eugene Hevesi

16746

Mr. Eli Rock  
Joint Distribution Committee  
270 Madison Avenue  
New York 16, New York

EH:ep

326003

January 31, 1950

Dr. Eugene Hevesi  
The American Jewish Committee  
386 Fourth Avenue  
New York, New York

Dear Eugene:

Re: Iron Curtain Assets in the United States

I have come, in the pile of documents on my desk, to your letter of January 10, 1950 enclosing copies of Dr. Filderman's letters of December 19 and December 27, 1949 to Mr. Cleveland at the American Embassy in Paris.

I understand Dr. Filderman's proposal to be that steps be taken to prevent the Iron Curtain countries from deriving any benefit from the funds of their nationals in the United States. I certainly sympathize with this desire; but it seems to me that we must consider this problem from various aspects before action is taken. Thus:

1. Insofar as the proposal envisages strict proofs before property can be unblocked, it may lead to the continued blocking of property which really should be unblocked. You will recall that I took up with the State Department some time ago the question of unblocking of persecutee funds. No applications for unblocking these had recently been granted on the ground that a re-examination of the whole Iron Curtain countries situation was necessary. We succeeded in reversing this decision; but it illustrates the willingness of certain agencies to seize any pretext for hanging on to all Iron Curtain nationals' properties. Thus, suggesting, in a general way, that tighter proofs be required, leaving the matter of such proofs in the hands of banks, notoriously cautious as they are, may have unfortunate repercussions for those who really are entitled to release and unblocking of their property.

2. We should consider carefully the situation in fact of those still behind the Iron Curtain. I have heard that they do in fact get the local currency equivalent, at the official rate of exchange, of the money which is released in the United States. If they do, and if they desperately need funds, they may care more about getting something, here and now, than about conserving their property for a remote and uncertain future date. A lot of these people may never get out; the present regimes may outlast their lives; they may be in desperate need; and they may be willing to surrender their dollars to a government they hate if that is the price, however excessive, of their getting the means of existence right now.

This point obviously needs investigation, particularly as to whether the persecutees in fact get anything at all. Perhaps, as Dr. Filderman says, the sole consequence is 20 years in jail. But I think that we should carefully consider these points, and that persons - such as the JDC ex-representatives in these countries - should be consulted before we take action.

326004

I should like to have your reaction. I enclose a copy for Eli  
Hock, whom I think you will wish to consult.

Sincerely yours,

Seymour J. Rubin

MEMORANDUM RE NEW U.S. GOVERNMENT REGULATION WITH RESPECT TO  
BLOCKED ACCOUNTS OF HUNGARIAN, RUMANIAN AND BULGARIAN NATIONALS

*7-27-50*

*Adm. Sec. [unclear]  
[unclear]  
[unclear]*

In view of the release which appeared in the newspapers on Saturday, Feb. 25, I telephoned Mr. Epprecht of the Chase National Bank to ascertain his bank's interpretation of the new regulation. A Mr. Coe (of the Legal Department of the Chase National Bank) called me back to say that the regulation had to do with the Alien Property Custodian and revoked General License #32A. This license heretofore permitted remittances to persons in Hungary, Rumania and Bulgaria out of blocked accounts of nationals in those countries. I asked him specifically whether he felt this meant that we could make a transfer to the Schweizerische Creditanstalt in Zurich. He said he was sure that this could be done.

I pointed out too that under our clearance arrangements with the Hungarian Government, forints were accepted by our office in Budapest against which we made payments in dollars in this country and elsewhere. In this connection again, he saw nothing in the regulation that would prevent continuing these clearance payments.

\*\*\*\*\*

I understand from Mr. Warburg that Mr. Leavitt talked with him over the telephone from Miami and stated that he had had an opportunity to talk with Mr. McGrath, the Attorney General (who spoke at the UJA Miami meeting) and asked him whether he would clarify the regulation in so far as it affected JDC. Mr. McGrath promised to look into the matter and suggested that Mr. Leavitt should get in touch with him in Washington.

I talked with Mr. Linder and Mr. Baerwald about the matter and they both felt that no remittances should be made to Hungary until we had further word from Washington. It so happens that we had a cable drawing this morning of \$200,000 for Hungary. Mr. Linder pointed out that the regulation might also affect the status of our Hungarian claim.

\*\*\*\*\*

Mr. Leavitt phoned this afternoon from Nashville. I told him of the foregoing. He said Mr. McGrath seemed to know very little about the regulation. Mr. Leavitt suggested that Mr. Eli Rock get in touch with the Office of Alien Property and check on the regulation.

Evelyn M. Morrissey

EMM:MSR  
2.27.50

*see further information received by Eli Rock  
on Jan 27 1950*

326006

*Admin. Serv.*

TITLE 8 - ALIENS AND NATIONALITY

CHAPTER II - OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE

PART 511 - BLOCKED ASSETS; REGULATIONS ORIGINALLY ISSUED BY THE TREASURY DEPARTMENT

BULGARIA, HUNGARY, OR RUMANIA

Part 511 is hereby amended as follows:

Section 511.132a, General License No. 32A, is hereby revoked.

(Sec. 5, 40 Stat. 415, as amended; 50 U. S. C., App. 5, E. O. 8389, Apr. 10, 1940, 5 F. R. 1400, as amended by E. O. 8785, June 14, 1941, 6 F. R. 2897, E. O. 8832, July 26, 1941, 6 F. R. 3715, E. O. 8963, Dec. 9, 1941, 6 F. R. 6348, E. O. 8998, Dec. 26, 1941, 6 F. R. 6785, E. O. 9193, July 6, 1942, 7 F. R. 5205; 3 CFR 1943 Cum. Supp.; E. O. 9989, Aug. 20, 1948, 13 F. R. 4891; § CFR 1948 Supp.)

Executed at Washington, D. C., this 23d day of February 1950.

For the Attorney General,  
(Signed) Harold I. Baynton,

\_\_\_\_\_  
Harold I. Baynton  
Acting Director  
Office of Alien Property

(SEAL)

(F. R. Doc. 50-1634; Filed, Feb. 24, 1950; 10:06 a.m.)

(15 F. R. 1029, February 25, 1950)

326007

For Release to A.M. Papers  
SATURDAY, FEBRUARY 25, 1950

DEPARTMENT OF JUSTICE

Attorney General J. Howard McGrath announced today the revocation of General License No. 32A under which remittances were authorized from blocked accounts to persons within Bulgaria, Hungary or Roumania who are citizens or subjects of any such country and who are the beneficial owners of such accounts.

Harold I. Baynton, Acting Director, Office of Alien Property, stated that General License No. 32A was being revoked to preserve, so far as possible, the blocked assets of nationals of Bulgaria, Hungary and Roumania pending a governmental decision as to the disposition to be made of such assets in accordance with the Treaties of Peace with those countries.

326008

COPY

June 27, 1949

TO: MIGRATION WORKERS

SUBJ: PROPERTY & FOREIGN FUNDS CONTROL

FROM: ANN S. PETLUCK

(Circular # 3450 May 20, 1949 Issued by the Federal Reserve Bank of New York)

Effective as of the close of business May 31, 1949, the Federal Reserve Bank of New York will cease to act as Fiscal Agent of the United States for the Office of Alien Property, Dept. of Justice, in the administration of Foreign Funds Control pursuant to Executive Orders Nos. 8389, as amended and 9989.

On and after June 1, 1949, all applications involving blocked property, and inquiries with respect thereto, should be sent directly to the office of Alien Property, Department of Justice, 120 Broadway, New York 5, New York. All other inquiries relating to Foreign Funds Control should be sent directly to the Office of Alien Property, Dept. of Justice, Washington 25, D. C. or to its office in New York City.

The Federal Reserve Bank of New York will continue as Custodian of Securities pursuant to General Ruling No. 5, and statements required thereunder to accompany such securities should continue to be forwarded to this bank. All other statements or reports or inquiries concerning such securities should be addressed to the New York office of the Office of Alien Property.

cc: Eli Rock  
Accounting ✓  
Jeanette Robbins

326009

TITLE 8 - ALIENS AND NATIONALITY

CHAPTER II - OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE

PART 512 - BLOCKED ASSETS: REGULATIONS ISSUED  
BY OFFICE OF ALIEN PROPERTY

§ 512.194 Amendment to General License No. 94. Section 511.194 of this chapter, as amended, General License No. 94, is hereby amended to read as follows:

CERTAIN COUNTRIES GENERALLY LICENSED

(1) Blocked countries generally licensed subject to certain conditions. A general license is hereby granted licensing all blocked countries and nationals thereof to be regarded as if such countries were not foreign countries designated in the order: Provided, That

(a) Any property in which on the effective date hereof any of the following had an interest: (i) any blocked country (including countries licensed hereby) or person therein; or (ii) any other partnership, association, corporation, or other organization, which was a national of a blocked country (including countries licensed hereby) by reason of the interest of any such country or person therein; or

(b) Any income from such property accruing on or after the effective date hereof shall continue to be regarded as property in which a blocked country or national thereof has an interest and no payment, transfer, or withdrawal or other dealing with respect to such property shall be effected under, or be deemed to be authorized by, this paragraph.

(2) Transactions under other licenses authorized without regard to certain restrictions. With respect to property subject to the proviso of paragraph (1), any transaction which is authorized under any license (other than §§ 511.101, 511.104, 511.127 and 511.130a of this chapter, General Licenses Nos. 1, 4, 27 and 30A or any other license to the extent that it merely authorizes transfers between blocked accounts of the same person or changes in the form of property held in a blocked account) may be effected without regard to any terms of such license relating to the method of effecting such transaction, provided, however, that remittances to payees in Austria, Belgium, Denmark, France, Greece, Italy, Luxembourg, the Netherlands, Norway, or Sweden, shall continue to be effected in the manner set forth in paragraph (a)(3) of § 511.132 of this chapter, General License No. 32, as amended May 29, 1948.

(3) Certain other transactions authorized. This license also authorizes any transaction which can be effected under § 511.153 of this chapter, General License No. 53, if the countries licensed hereby were members of the generally licensed trade area, provided that this paragraph shall not be deemed to authorize any payment, transfer, or withdrawal, or other dealing with respect to any property which is subject to the proviso of paragraph (1) hereof.

326010

(4) Section 511.217. General Ruling No. 17, not waived with regard to certain countries. This license shall not be deemed to waive the requirements of § 511.217 of this chapter, General Ruling No. 17, with respect to blocked property held in any account maintained in the name of any bank or other financial institution located in Switzerland, Liechtenstein, or Sweden, unless such property has been certified under paragraph (1) of § 511.195 of this chapter, General License No. 95.

(5) Effective date. The effective date of this general license shall be December 7, 1945, except that it shall be October 5, 1945 as to France, November 20, 1945 as to Belgium, November 30, 1946 as to Switzerland and Liechtenstein, December 31, 1946 as to Germany and Japan, and March 28, 1947 as to Sweden.

(6) Restrictions of § 511.211a, General Ruling No. 11A. Attention is directed to the special restrictions contained in § 511.211a of this chapter, General Ruling No. 11A, pertaining to dealings in certain property in which there is any interest of Germany or Japan or certain nationals thereof.

Executed at Washington, D. C., this 29th day of December 1948.

(Signed) Harold I. Baynton  
Harold I. Baynton

Deputy Director, Office of Alien Property

(F.R. Dec. 48-11541; Filed, Dec. 30, 1948; 10:47 a.m.)

(13 F.R.9547; Dec. 31, 1948.)

For Release to A.M. Papers  
SATURDAY, DECEMBER 25, 1948

*Files*

DEPARTMENT OF JUSTICE

Attorney General Tom C. Clark announced today that, effective midnight, December 31, 1948, General License No. 95 would be revoked.

This General License was originally issued by the Secretary of the Treasury on December 29, 1945 and had the result of removing blocking controls from property in the United States owned by nationals of the countries covered by the license when certifications of ownership and non-enemy interest were issued by the appropriate agencies of the governments of such countries.

The Attorney General stated that under the terms of the document revoking General License No. 95, certifications issued by the certifying agencies of the appropriate foreign governments must have been received in the United States by the holder or custodian of the affected property prior to midnight, December 31, 1948, in order to release such property from the restrictions of Executive Order No. 8389, as amended. Property released from such restrictions by certification received prior to midnight, December 31, 1948, will, of course, not be affected by the revocation.

Harold I. Baynton, Deputy Director of the Office of Alien Property, stated that his Office, through the Federal Reserve Bank of New York, would continue to accept direct applications on form TFE-1 for the unblocking of property concerning which certifications might have been received subsequent to midnight, December 31, 1948, or concerning which no certifications had been issued pursuant to General License No. 95.

326012

*Carleton Files*

TITLE 8 - ALIENS AND NATIONALITY

CHAPTER II - OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE

BLOCKED ASSETS; REGULATIONS ISSUED  
BY OFFICE OF ALIEN PROPERTY

Revocation of General License No. 95, Section 131.95 of Title 31 of the Code of Federal Regulations, as amended, General License No. 95, is hereby revoked, effective midnight December 31, 1948: Provided, That such revocation shall in no way affect the status of property licensed thereunder by reason of a certification received in the United States by the holder or custodian of such property prior to midnight December 31, 1948: And provided further, That property, concerning which a certification is received in the United States by the holder or custodian thereof after midnight December 31, 1948, shall not be regarded as licensed thereunder.

Revocation of General Ruling No. 19. General Ruling No. 19, Appendix A to Part 131 of Title 31 of the Code of Federal Regulations, as amended, is hereby revoked.

Executed at Washington, D. C., this 22nd day of December, 1948.

(Official Seal)

(Signed) Harold I. Baynton  
Harold I. Baynton

Deputy Director, Office of Alien Property

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*Admiral*  
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1. On 26 March 1946 the Property Disposition Board submitted a comprehensive report to the Deputy Military Governor on the present status and ultimate disposition of property in Germany subject to the control of Military Government. The principal recommendations contained in the report were the transfer of the operational aspects of property control to German agencies, the elaboration of plans for the ultimate disposition of such property, the drafting of legislation for internal restitution, interim damage awards and final claims. The First Supplementary Report of the Board dated 26 April 1946 dealt with a number of ephemeral problems which had arisen within the preceding month. This report will give a brief account of the principal activities of the Property Disposition Board since the last report has been filed, and other significant developments in the fields of Property Control and Disposition. Appendix A contains a more detailed study of the present legal and administrative status of blocked and controlled property.

2. During the last year the responsibility for custody and administration of controlled property has been turned over to German agencies (LGR 17-102 - for details see Annex A, para 4). The technical details of this transfer were worked out by Property Control, they were the object of discussions in the Property Disposition Board in spring and the early summer of 1946. From there on the main energies of the Board were concentrated on the problems of restitution, interim damage and final claims legislation.

3. An Interim Damage Awards Law was prepared by the Laenderrat and received the conditional approval of the Deputy Military Governor on 2 October 1946. The Law thereafter <sup>was</sup> ~~were~~ enacted by the states. Attempts were made to incorporate the conditions in carrying out decrees. It was, however, felt advisable for constitutional reasons to amend and re-enact this Law. The new law has been adopted by the Laenderrat on 11 March 1947 and approved by the Deputy Military Governor on 20/23 May 1947. Its enactment in the State of Bremen was approved by the Deputy Military Governor on 9 June 1947.

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4. Use of the energies of the Board in connection with the complicated German Restitution legislation. This law was drafted in the Property Control Committee of the Laenderrat. The meetings of this committee, held on the average every three weeks, were attended regularly by representatives of the Property Disposition Board who kept it informed about the progress of the legislation and advised the German committee on the opinions of the Board. In its 11 March 1947 meeting, the Laenderrat submitted the draft of a Restitution Law to COMUS. The submission did not constitute an approval, it also contained reservations with respect to several points of the draft, in particular its failure to apply to all of Germany. The Board therefore recommended to General Clay that action on the Law be delayed for 60 days in which period attempts should be made to enact the Law in a quadripartite, or at least, bizonal basis. General Clay has accepted this recommendation. A condensed and simplified version of the Restitution Law has been introduced by the U.S. member in the Property Control Committee of the Finance Directorate (DFIN/CE/P (47)11). This paper is being discussed at the present time.

5. A draft of a Final Claims Law has been submitted by the Germans in the Property Control Committee of the Laenderrat. The Board, however, decided to defer action on it for several reasons. It was felt that neither this Office nor the Germans were equipped to handle the Restitution Law and the Final Claims Law at the same time. Furthermore, even a cursory study of the problem indicated that it could not be solved properly prior to the establishment of a central German government, and that it was so inextricably tied up with the proposed currency reform that it actually constitutes an integral part of the Coak-Dodge-Goldsmith Financial Plan.

6. The transfer of operational control to German agencies has not been limited to property subject to Property Control proper, i.e., property subject to the custody of the Property Control Branch of the Finance Division pursuant to MGR Title 17. Property in the custody of the Monuments, Fine Arts and Archives Section (cf. Appendix A, para. 24ff) has also been turned over to German administration to a

large extent.

7. The first steps toward ultimate disposition of blocked or controlled property have been taken. Under Control Council Directive No. 50, certain property of Nazi organizations will be turned over to the states. The implementation of the Directive necessitated the drafting of a proposed Military Government Law and of two extremely complicated letters of implementation (cf. Appendix A, para 10). The judgments of Denazification Tribunals also result in the decontrol of such property. If the decision does not order the confiscation of property, the property of the defendant will be released to him, unless other reasons for retaining control exist (MGR 17-235.3). Property confiscated by the Spruchkammer will be released to the land for use according to the Land Settlement or Interim Damage Award Laws. (Amendment No. 1 to Supplement No. 2 to General Order No. 1, pursuant to MG Law No. 62, and Letter AG.010.6(FD), 9 April 1947, subject: "Release of Properties Confiscated by Spruchkammern from Property Control Custody under Military Government Law No. 52". (cf. Appendix A, paras 11 and 12) The Property Control Committee of the Finance Directorate is now drafting a quadripartite paper on this same topic, viz., the disposition of property confiscated under Control Council Law No. 10 and Directive No. 38 (DFIN/CB/P(47)10), framed along the lines of Directive No. 50.

8. The quadripartite Property Control Committee will shortly take up a paper dealing with the disposition of Reich property (DFIN/CB/P(46)25 revised and DFIN/CB/P(46)30 revised). Such legislation will have to consider the problem of the Final Claims legislation. A paper (COIC/P(47)93) which would have authorized, on a quadripartite level, the release from control of absentee property has been withdrawn from the agenda of the Coordinating Committee. Property Control plans to permit and encourage the release of such property to resident nominees of the owner (cf. Appendix A, para 15).

9. Under COMUS Staff Memorandum No. 50, dated 8 November 1946, the staff responsibility for the processing, recording and ultimate disposition of claims for restitution or damages has been assigned

to Finance Division. The responsibility for the drafting of Restitution and Claims legislation for presentation to the Landerrat remains in the Property Disposition Board until the completion of the assignment; thereafter this responsibility will revert to the Legal Division.

10. During the last year the type of work confronting the Property Disposition Board has undergone a fundamental change. An interdivisional board is well suited for the formulation of basic policies. These, however, have been worked out. What is left to do is the drafting of highly complicated laws and the preparation of involved implementing regulations and letters of instruction. It is obviously wasteful to charge a board with these detailed and painstaking tasks. The customary staff study procedure is far more efficient for this type of work since it permits one Division to express general consideration of policy and another one to go into details of draftsmanship without taking up one another's time. It is therefore recommended that the Property Disposition Board be discharged from its duties.

## APPENDIX A

1. The basic Law in the field of Property Control is M.G. Law No. 52; it is supplemented by M.G. Law No. 53 (Foreign Exchange); Control Council Law No. 34, M.G. Law No. 54 (Property of the Wehrmacht); M.G. Law No. 5, Control Council Law No. 2 and Directive No. 50 (Property of Nazi Organizations); Directive No. 55 (Denazification) and the corresponding German legislation; and Control Council Law No. 9 (I.G. Farben Property).

2. Law No. 52 effects property in two different ways. In Art. I it declares certain types of property "subject to seizure of possession or title, direction, management or otherwise being taken into control by Military Government". Art. II, on the other hand, provides that: "no person shall import, acquire or receive, deal in, sell, lease, transfer, export, hypothecate or otherwise dispose of, destroy or surrender possession, custody or control" certain types of property unless licensed, authorized and directed by Military Government. The effect of Art. II is that the property subject to it is blocked by operation of law (Blocking) while Art. I authorizes, but does not oblige, Military Government to take even farther reaching measures of control (Property Control proper).

3. Property Control. The statutory basis for property control is M.G. Law No. 52 and the General Orders implementing it. Administratively the basic documents are MGR Title 17 and Letter, AG 010.6(FD), 25 February 1947, subject: "Property Control Accounting and Auditing Procedures, and Legal Forms, Supplementing Title 17, Military Government Regulations" (hereinafter referred to as the 25 February 1947 letter).

4. The administrative set-up of Property Control. Pursuant to the policies worked out by the Property Disposition Board, the responsibility for custody and administration of property under control has been turned over to the Laender (MGR 17-102). The final disposition of property remains basically a responsibility of Military Government (MGR 17-102), but also in this sphere much responsibility is being turned over to German agencies, for an example see the

proposed implementations to Control Council Directive No. 50.

5. The fact that responsibility for Property Control has been turned over to German agencies necessitated safeguards in those instances which indifference, if not antagonism, of the Germans could be expected. Thus, MGR 17-134.1(e) envisages special provisions for the protection of Allied or neutral property. MGR 17-137 provides that with respect to United Nations and Neutral Property "custodians may not be appointed or removed, contracts of custodians may not be consummated or cancelled and property may not be removed from control (see also MGR 17-242) without prior approval of the (U.S.) Land Property Control Chief). Similarly, certain powers delegated to the Land Property Control Chief have been retained by the Chief, Property Control Branch, in the case of Allied or Neutral Properties (MGR 17-231).

6. It should be noted, however, that this protection is not granted where it is probably needed the most, viz., in the case of looted property. Under the 25 February 1947 letter, looted or duress property, even if claimed by Allied or Neutral nationals is classified as German property (25 February letter, paras 10 and 12). Hence, even the question whether duress property even if claimed by United Nations or Neutral Nationals should be taken under control is also a matter to be decided primarily by the German authorities (MGR 17-123).

7. An examination of the various classifications set up in MGR Law No. 52, Art. I, will indicate the present scope of Property Control. In this connection, it should be considered that property will not be taken under control by the Property Control Branch if it comes within the jurisdiction of a more specialized agency of Military Government or of the Army. (Doctrine of Primary Concern: MGR 17-124, 17-125, 17-311.) The doctrine applies in particular to transportation, communication, property requisition by the Army or Navy, foreign exchange assets, and works of art. It also should be remembered always that Property Control under Law No. 52 is discretionary, and that it has to be decided in every case whether the peculiar

circumstances make it necessary and desirable that the property be taken into custody (MGR 17-123).

8. MG Law No. 52, Art. I, para 1(a), covers broadly the property of the German Reich, the Laender or Provinces. The basic rule is that such property will be taken under control only if the German agency is no longer in existence (MGR 17-310). As a result, property which is presently devoted to governmental uses is not under control. Wehrmacht property is governed by the specific provisions of MG Law No. 54. Under the provisions of that Law the right of use of properties of Wehrmacht and certain other properties is transferred to the Laender. Agricultural land is to be used for settlement purposes, non-agricultural land will be controlled pursuant to the direction of Military Government (M.G. Law No. 54, para 2, and MGR 17-313 to 17-313.5). See also Letter, AG 010.6(ED), dated 2 June 1947, subject: "Utilization of Former Military and Paramilitary Lands by State Settlement Authorities under Land Settlement Law". It should be noted that M.G. Law No. 54 also covers the property of certain Nazi organizations (SA, SS, SD, NSKK, and NSFK). This property will be disposed of pursuant to Control Council Directive No. 50. Certain Reich property is under the "Direct Control" of Information Control. In this category are, in particular, the radio stations and certain film production and distribution enterprises. ICD plans to turn over the radio stations to German corporations. In addition, the Reich owned a number of industrial enterprises such as the Herman Goering Werke, and held a considerable portion of the shares of many others. As has been mentioned above (para 8 of the report), the final disposition of the Reich property will soon become the object of quadripartite negotiations (DFIN/CB/P(45)25 and DFIN/CB/P(46)26). It is believed that these negotiations will have to consider the interrelation between Final Claims and Reich property; in particular, whether the latter should be earmarked or subject to a lien to satisfy such claims.

9. M.G. Law No. 52, Art. I, para 1(b), covers the property of the governments, nationals of enemy nations or of countries occupied

by Germany. MGR 17-320 provides that this control shall be limited to the following countries and their nationals: Bulgaria, Hungary, Italy, Japan and Romania.

10. M.G. Law No. 52, Art. I, para 1(c), covers the property of the Nazi Party and its affiliated organizations, its officials, leading members and principal supporters. The provisions of this item have been affected by Control Council Law No. 2, Control Council Directive No. 50 and the Denazification procedure (on the latter, see paras 11 and 12, infra). Pursuant to Control Council Law No. 2, the property of the Nazi organizations has been confiscated by the Military Commander. Final disposition of the property will be made pursuant to the recently enacted Control Council Directive No. 50. It should be noted, however, that a number of important items are exempted from its operation. Thus, Directive No. 50 does not cover property subject to demolition as war potential, to reparations and restitution (Art. VIII); the securities, cash accounts and monetary claims, the property formerly owned by enemies other than Germans, and that of the insurance companies connected with the <sup>Arbeit</sup>Arbeitsfront, are also excluded (Art. IX).

11. Supplement 2 (as amended) to General Order No. 1 (pursuant to M.G. Law No. 52) has linked up the German Law for Liberation with M.G. Law No. 52. It subjects to the latter law the property of all persons: (a) who have been charged as Major Offenders or Offenders; (b) who fall into Class I or II; (c) whose property is subject to blocking under Section 51 or ordered blocked pursuant to Section 40, or whose property is ordered blocked by a decision of the Tribunal. MGR 17-235 establishes a principle of close cooperation between Denazification and Property Control. The property of serious offenders shall be taken under control. The final decisions of the Denazification Court will be respected and property released according to its terms, unless there remains a reason for maintaining control on grounds other than political or militaristic incrimination, e.g., the fact the property had been acquired under duress (MGR 17-253.3). An exception to this rule is to be found in Letter, AG 386(IC), 1 April 1947, subject: "Interim Procedure for Retention of Property Control

of Certain Properties Operated by Information Control Licenses". Under the terms of this letter, property operated by licenses of Information Control will be retained in property control custody until further notice. This letter affects about forty publishing houses. It had been felt that the mission of Information Control would be jeopardized if these properties had to be returned to the exonerated Nazi owners.

12. If the Denazification Tribunal decrees the forfeiture of the property, it also will be released from control to be turned over to the State (Letter AG 010.6(FD), 9 April 1947, subject: "Release of Property Confiscated by Spruchkammern from Property Control Custody under Military Law No. 52"). Such property will be used for the benefit of victims of Nazi persecution under the Interim Damage Award Law or for settlement purposes under the Settlement Law. Corresponding quadripartite legislation to dispose of property forfeited under Control Council Law No. 10 and Directive No. 38 is being drafted in the Property Control Committee of the Finance Directorate (DFIN/CE/P(47)10). It should be noted that in the U.S. Zone the courts which are enforcing M.G. Law No. 10 under the provisions of M.G. Ordinance No. 7 have not decreed as yet a forfeiture authorized under Law No. 10, Art. II, para 3. It will be remembered that Art. 28 of the Charter of the International Military Tribunal provided "the Tribunal shall have the right to deprive the convicted person of any stolen property and order its delivery to the Control Council for Germany". The Tribunal did not avail itself of this authority.

13. M.G. Law No. 52, Art. I, para 1(d), covers all persons detained by Military Government. The determination as to whether Property Control will be exercised is made in each case by Land Property Control Chief (MGR 17-341). The property will be released when the owner is freed, unless the property is subject to seizure for another reason (MGR 17-240(e)).

14. M.G. Law No. 52, Art. I, para 1(e), covers the property of

organizations, clubs or associations prohibited by Military Government. This provision is of comparatively slight importance; it has been superseded in most cases by Control Council Law No. 2.

15. M.G. Law No. 52, Art. I, para 1(f), covers the property of absentee owners. <sup>(Upon return of the owner)</sup> Such property may be released from control upon proof of ownership, citizenship and political reliability (MGR 17-240(c)). Absentee property which represents external loot may be returned to the owner pursuant to the procedures established in MGR 17-240(f). A quadripartite paper submitted by the U.S. Element (CORC/P(47)98) had provided that the property of absentee owners of United Nations or neutral nationality (except Spain and Portugal) could be released to Property Control if the owner appoints an agent who is politically reliable and a resident of Germany. It was, however, agreed to withdraw this proposal from the agenda with the understanding that the U.S., British and French Zone Commanders reserve the right to exercise freedom of action in the subject matter (CORC/M(47)22-214). Pursuant to this reservation, Property Control intends to transfer the responsibility for operation and management of all United Nations and Neutral property (except Spain and Portugal) to nominees of the owners. The conditions are as follows: the appointment after 15 June 1947 of a politically acceptable agent residing in Germany; at least 51% ownership of the property and absence of any dispute as to title; and the fact that the property was taken under control only by reason of absentee ownership. It is planned to terminate the preferred <sup>charter</sup> of United Nations and Neutral properties (cf. para 5 above) on 1 December 1947 in the expectation that absentee owners will prefer the management of their property by their own nominees to custody under the German Property Control Administration. The property will continue to be blocked (cf. paras 18 ff) and also be subject to M.G. Law No. 53, Art. I, para 2 (which prohibits the export or removal of any property from Germany). In contrast to the British M.G. (cf. Property Control Regulations No. 39) no machinery has been established as yet to license the return of certain types of property to <sup>their</sup> its non-resident owners.

16. M.G. Law No. 52, Art. 1(g) covers the property of all other persons specified by Military Government by inclusion in lists or otherwise. The most important of these lists are General Orders No. 1, 2 (I.G. Farben, superseded by Control Council Law No. 9) and 3 (Bank der Deutsches Arbeit) and the Supplements to General Order No. 1. In general the denazification of a person covered by General Order No. 1 will result in the release of his property under MGR 17-235.3 (cf. para 11, supra).

17. M.G. Law No. 52, Art. 1, para 2, covers property which had been transferred "under duress, wrongful acts of confiscation, dispossession or spoliation, whether pursuant to legislation or by procedures purporting to follow forms of law or otherwise". This type of property is the principal object of the Restitution legislation described in the basic report (para 4). According to information received from Property Control Branch, the authorities are somewhat reluctant in instituting property control in cases where the charge has been made that a contract <sup>was</sup> has been tainted with duress. Property Control feels that to take the property into custody would in effect prejudice the case. It is submitted that the case is actually prejudged by the refusal to take the property under control, since this permits the dissipation of the property. The appointment of a receiver does not prejudice the case, but protects both sides equally. It is suggested that Property Control revise its policy, especially in view of WD Cable WX-98527, dated 22 May 1947, which specifically warns against any steps which might lead to dissipation of the property prior to its restitution. Up to now final disposition of this type of property has been impossible; in the absence of legislation it can not be ascertained whether property is subject to restitution or not. The problem has arisen as to whether the claimant to allegedly looted property and the present holder should be permitted to settle their dispute even prior to the enactment of a Restitution Law. It has been felt, however, that such settlements opened a door to possible abuse, and that they possibly could be attacked for fraud or mistakes after

the enactment of the law.

18. Blocking. The statutory basis of the Blocking Control is to be found in M.G. Law No. 52, Art. II. The basic administrative documents are MGR Title 16, part 6, sec. B, and Letter AG 010.6(FD), dated 21 February 1947, subject: "Official Instructions Supplementary to Title 16 Military Government Regulations (hereinafter referred to as the 21 February 1947 letter).

19. The administration of blocking is carried out under a system of licenses. To date, eight General Licenses have been issued (21 February 1947, paras 61-67, also M.G. Gazette Issue, p. 13-14 for General License No. 5, as amended, and General License No. 8). In addition, Special Licenses may be granted in individual cases. The applications for licenses are to be filed with the Land Central Banks (formerly the Reichsbank) which are the field agencies of Blocking (Instructions to the Land Central Bank and its Offices No. 2, (MGAF-I(1) para 4, (21 February 1947 letter, para 90). The power to decide on certain types of applications has been delegated to the Land Central Banks (Special Land Central Bank Authorizations, 21 February 1947 letter, para 18-18.18). The Finance Officers at Land level may pass on other <sup>categories</sup> types of applications (21 February 1947 letter, para 13-17.13), all other requests have to be decided by Blocking Control at OMOUS.

20. Pursuant to M.G. Law No. 52, Art. II, that all property which comes under Art. I of M.G. Law No. 52 is automatically blocked. Also subject to blocking are the assets of counties and smaller governmental units, property owned by institutions dedicated to public worship, charity, education, the arts and sciences, and works of art or cultural material of value or importance.

21. As has been mentioned in the preceding paragraph, all property liable to be taken under Property Control is also blocked. MGR 17-210 decides the resulting conflict in favor of Property Control. Property which has been taken into custody by Property Control is to be administered solely by Property Control and is not subject to Blocking. It follows that such property is no longer automatically unblocked when the reason for blocking disappears; a

formal release from Property Control is required. (21 February 1947 letter, para 17a.)

22. M.G. Law No. 52, Art. IV, para 6, constitutes in effect a General License. Subpara (a) permits a business enterprise to engage in all normal transactions provided they do not substantially diminish or imperil the assets, and subpara b provides that property coming under M.G. Law No. 52, Art. I, para 1(a) (Reich and Laender) may be used for its normal purposes, except as otherwise prohibited by Military Government. This principle has been expanded by two General Licenses to counties and municipalities (General License No. 3; 21 February 1947 letter, para 63) and to institutions dedicated to public worship, charity, education, the arts and sciences other than those engaged in research work (General License No. 5, as amended; M.G. Gazette Issue, Issue C, p. 13). General License No. 1 (21 February 1947 letter, para 61) guarantees a minimum of subsistence to persons whose property is blocked; General License No. 2 (21 February 1947 letter, para 62) permits certain payments into blocked accounts; General License No. 4 (21 February 1941 letter, para 64) permits the payment of taxes from blocked accounts; General License No. 6 (21 February 1947 letter, para 66) unblocks the property of United Nations nationals residing in Germany; General License No. 7 (21 February 1947 letter, para 67) permits financial institutions under certain circumstances to debit blocked accounts with service charges not exceeding RM 25 per month; under General License No. 8 (M.G. Gazette Issue C, p. 14) a financial institution may debit a blocked account for interest due to it under certain loan agreements.

23. With respect to the various types of property blocked under Articles I and II of M.G. Law No. 52, the following remarks may be made:

- a. Reich and Laender property, cf. M.G. Law 52, Art. IV;
- b. Enemy and Occupied countries and their residents (as to United Nations nationals residing in Germany), cf. General License No. 6;
- c. NSDAP property, cf. Control Council Directive No. 50;

d. Property of persons held in detention, cf. MGR 16-660;

(1) Denazification. The blocking and unblocking of property of persons undergoing denazification has been turned over largely to the Germans. Instructions to the Land Central Bank and its Offices No. 6 (21 February 1947 letter, para 95) direct the Land Central Bank to block the property of persons coming under Supplement No. 2 to General Order No. 1 (supra, para 11). Special Land Central Bank authorization No. 4 (21 February 1947 letter, para 18.4) authorizes the Land Central Bank to unblock property subject to certain safeguards after the decision of the Denazification Tribunal has been rendered;

e. Prohibited or dissolved organizations, cf. subpara (c)

above;

f. Absentee property will be unblocked upon return of owner (21 February 1947 letter, para 17a);

g. Specified persons, cf. General Orders No. 1, 2 and 3 and Supplements thereto;

h. Duress and looted property. All duress and looted property which has not been taken under Property Control is blocked under this provision. This point may become of considerable practical value in view of the reluctance of Property Control to take property into custody in doubtful cases, cf. para 17 above;

i. Property of countries and municipalities, cf. General License No. 3;

j. Charitable, etc. property, cf. General License No. 5 (as amended);

k. Works of art and cultural value or importance. Such property is not administered by Finance Division, but by the Monuments, Fine Arts and Archives Section, Restitution Branch, Economics Division, MGR Title 18, see infra, para 24 ff.

24. The Monuments, Fine Arts and Archives Section, Restitution Branch, Finance Division, OMCUS (MFA&A) has jurisdiction over works of art and cultural materials of value or importance (MGR 18-107.1). For the definition of cultural materials, see MGR 17-103. The statutory basis for the control over works of art and cultural objects is two-fold; first, the express blocking provision of M.G. Law No. 52, Art. II, para 3(d); and, second, the factor that works of art may be among the property subject to seizure pursuant to M.G. Law No. 52, Art. I, para 1 and 2. As to the latter case, MFA&A has been designated an agency of primary concern at least as far as governmental property is concerned (MGR 17-312(c)). But also in the field of artistic or cultural duress property control will be exercised usually by MFA&A since its collection points (MGR 18-440) are better qualified to preserve and protect these objects, than the property control custodians (cf. MGR 17-381). The basic administration documents of MFA&A are: MGR Title 18, Letters to AG 007(ED) dated 6 December 1946, subject: "Transfer of Works of Art or Cultural Materials of Value and Importance", (Hereinafter referred to as the 6 December 1946 letter) and Letter AG 007(ED), 3 April 1947, subject: "Return to German Agencies of Cultural Materials" (hereinafter referred to as the 3 April 1947 letter).

25. The 6 December 1946 letter does two things. First, it defines the term "of value and interest" as items the value or sales price of which exceeds RM 10,000. As a result, cultural or artistic assets which are worth less are completely freed from the restrictions of M.G. Law No. 52, Art. II, para 3(d). Second, the 6 December 1946 letter constitutes a general license under M.G. Law No. 52, Art. II, para 3(d) as to all other artistic property. Such property may be sold to or by licensed dealers who have to report monthly on such transfers. Private sales must be approved, recorded and reported by the appropriate German agency. The 6 December 1946 letter, para 7, however, stresses that it does not authorize any exports, or any transactions subject to any of the provisions of M.G. Law No. 52 other than Art. II, para 3(d).

26. The 3 April 1947 letter provides for the release from custody of certain items seized under M.G. Law No. 52, Art. I. Property belonging to the Laender, Provinces, etc. will be turned over to the Minister President of the Land or a designated Minister (3 April 1947 letter, para 3); with the exception of the collections formerly belonging to the Berlin Museums which will be the subject of separate instructions (ibid, para 4).

27. Works of art and cultural materials which are privately owned--except loot--will be released to the German agencies to be returned to their owners. Such property, however, will remain blocked, and may not be unblocked except upon permission of Military Government (ibid, para 2); and if the property is still subject to Property Control, it may be taken again into custody by the appropriate Property Control agency (ibid, para 3).

28. Internal loot will be turned over to a separate German agency to be held in trust pending the adjudication of title pursuant to a future Restitution Law (ibid, para 5).

29. Para 6 of the 3 April 1947 Letter, exempts the following property from its operations:

a. External loot, which is to be restituted pursuant to MGR Title 19;

b. Property subject to Control Council Directive No. 30 (as amended) and Control Council Order No. 4 (as amended);

c. Property of organizations coming under Control Council Proclamation No. 2, Sec. 1, and Control Council Law No. 2. Some of the property of the latter category, however, will be disposed of pursuant to Control Council Directive No. 50.

30. Foreign Exchange Control. Foreign Exchange Control is based on M.G. Law No. 53; the principal administrative documents are MGR Title 16 and Letter, AG 010.6(FD) dated 21 February 1947, subject: "Official Regulations Supplementary to Title 16 Military Government Regulations". Control Council Law No. 5 and the Final Act of the Paris Conference on Reparations also have some bearing on the final disposition of certain items subject to Foreign Exchange Control.

31. M.G. Law No. 53 follows the customary pattern, it freezes certain assets by prohibiting all transactions with respect to them (Art. I), unless licensed, other types of property are taken into physical custody (Art. III, para 5).

32. M.G. Law No. 53, Art. III, para 5, requires the delivery to the Reichsbank--now Land Central Bank--of all currency other than German; all instruments of payment drawn or issued by persons outside of Germany; securities and other evidences of indebtedness issued in a currency other than German currency or by persons outside Germany; finally, gold or silver coin, gold, silver or platinum or alloys thereof in bullion form. The Land Central Bank is to place those assets in a special vault. The keys are to be held at the exclusive disposal of M.G. officers (Instructions to Land Central Banks and its Offices, No. 1, para 2; 21 February 1947 letter, para 90). From time to time these assets or certain classes of them the Land Central Banks will be ordered to deliver those assets to the Foreign Exchange Depository at Frankfurt (MOR 16-612.1). Under M.G. Law No. 53, Art. III, para 6, the delivery of all other foreign exchange assets to the Land Central Bank may be ordered. For a definition of the term "foreign exchange assets" see M.G. Law No. 53, Art. VII, para 11(d).

33. Up to now no disposition has been made of the assets delivered to the Land Central Banks. It shall be noted, however, that under Control Council Law No. 5 all German external assets--except those located in the U.S., U.K., France and the U.S.S.R.--have been vested in the German External Property Commission. Those assets located within the jurisdiction of the signatories of the Final Act of Paris have been transferred to them pursuant to Part I, Art. 6 of said Act. Part III of the Final Act provides for the pooling of all monetary gold found in Germany by the Allied Forces.

34. Apart from taking into custody the assets enumerated in M.G. Law No. 53, Art. III, Art. II orders the declaration of all foreign exchange assets, and Art. I freezes all such assets, even

where delivery is not required. On the whole, Foreign Exchange Control is very reluctant to license foreign exchange transactions and it has delegated hardly any licensing authority to the lower echelons (MGR 16-621). For obvious reasons an exception is made in the field of the Export-Import Program.

35. I.G. Farben property. The basic legislation are General Order No. 2 under M.G. Law No. 52 and Control Council Law No. 9. Details will be supplied as soon as the only informed person in Berlin (Mr. Bronson) can be reached.

36. Bank der Deutscher Arbeit. By General Order No. 3 under M.G. Law No. 52, this Bank, closely linked up with DAF, has been specified under M.G. Law No. 52, Art. I, para 1(9). Since then this property has been frozen and the privileges of the General License contained in M.G. Law No. 52, Art. IV, have been denied to it.

37. Insurance companies connected with the DAF. It was mentioned in para 10, supra, that Directive No. 50, Art. IX, exempts from its operation the insurance companies connected with the DAF. These companies will be liquidated according to a proposed Control Council Law (CORC/P(46)251, 3d Revision). At its meeting on 23 May 1947 the Coordinating Committee agreed to submit this draft law to the Legal Directorate.