

**Presidential Advisory Commission on
Holocaust Assets in the United States**

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**PRESIDENTIAL
ADVISORY COMMISSION
ON HOLOCAUST ASSETS
IN THE UNITED STATES**

PRESIDENTIAL ADVISORY COMMISSION ON HOLOCAUST ASSETS IN THE UNITED STATES

**Edgar M. Bronfman
Chairman**

**Kenneth L. Klorhen
Executive Director**

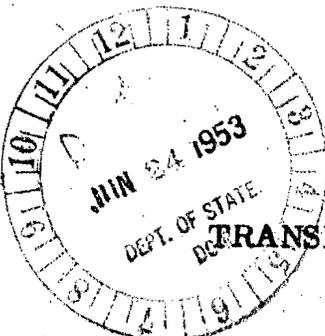
ATTENTION NARA:

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DEPARTMENT OF STATE
Division of Language Services



TC No. 67857
T-51/R-x

TRANSLATOR'S SUMMARY OF COMMUNICATION

Language: German

Date of Communication: May 3, 1953

Addressed to: The President

Name and address of writer: Mr. Oskar Dimpfel
21, Korte Herentalsstraat
Antwerp, Belgium

This document must be returned to
DC/R 262.1141/5-353
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Substance of writer's statement:

The writer requests the President's intervention in behalf of large numbers of persecutees of the Nazi regime, who, eight years after the end of the war, are still unable to obtain justice in the matter of restitution and compensation from the German courts. Many of these courts are more interested in playing politics than in administering justice. In many instances compensation is denied the persecutees on the very grounds on which the Nazi regime convicted them. The writer is confident that the President will be anxious to see to it that justice is done in this matter.

In an attached statement the writer recapitulates the case of the German persecutees of the Nazi regime and requests the establishment of a neutral commission to adjudicate the claims of persecutees.

DC/R
Anal <i>74</i>
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Authority *NND 873050*
By *JK* NARA Date *7/4/00*

RG	<i>59</i>
Entry	<i>CDF, 1950-54</i>
File	<i>262.1141</i>
Box	<i>1063</i>

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In reply refer to
GEA

October 26 1953

My dear Mr. Dimpfel:

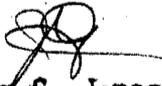
The White House has referred to the Department your letter of May 3, 1953 concerning the administration of the restitution and indemnification programs in the Federal Republic of Germany. The Department wishes to express its regret over the delay in making a reply.

It is the position of the United States Government that responsibility for indemnifying persons who suffered injury and loss as a result of Nazi persecution rests with the German Government. The United States Government, as one of the Occupying Powers in Germany, has since the beginning of the occupation urged the German authorities to accept this responsibility and provide an equitable program of indemnification in accordance with its capabilities. It was recognized that the imposition by the occupation authorities of Allied laws in this field would not offer a practical or effective solution so long as the German authorities had to administer the program and provide the requisite funds through taxation. Recently the Federal Republic of Germany enacted Federal legislation in this field which became effective on October 1, 1953 and which is designed to carry out the undertaking given by the Federal Republic in Chapter Four of the Convention on the Settlement of Matters Arising out of the War and the Occupation. This legislation is designed to ensure uniform treatment of claimants throughout the Federal Republic.

While the Department is sympathetic toward the plight of persecutees, it must regret that, for the reasons stated above, it cannot accede to your request for intervention in this matter.

Sincerely yours,

For the Secretary of State:


Judson C. Jones
Acting Officer in Charge
Division of German Finance
Bureau of German Affairs

DC/R
Anal. 74
Rev. /
Dist. 2

Mr. Oskar Dimpfel,
21, Korte Herentalsstraat,
Antwerp, Belgium.

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Oskar D i m p f e l,
21, Korte Herentalsstraat,
A n t w e r p e n.

Antwerpen, den 3. Mai 1953

De/R

Belgium

DEPARTMENT OF STATE

19/26/53

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BUREAU OF GERMAN AFFAIRS

H. K. ...

al
5-27-53

An die amerikanische Regierung
zu Händen des Herrn Präsidenten E i s e n h o w e r

W a s h i n g t o n.

Sehr geehrte Herren!

Hiermit erlaube ich mir hoeflichst die amerikanische Regierung auf das Chaos in Sachen der deutschen Wiedergutmachung der Verfolgten des Nazi-Regims, aufmerksam zu machen, mit der Bitte: die amerikanische Regierung moege ihren ganzen Einfluss dafür einsetzen, dass wir Verfolgten nach 8 Jahre Beendigung des Krieges, endlich zu unserem Recht und in den Besitz unserer berechtigten Entschädigung gelangen.

Unseren Hilferuf an die ganze freie Welt und somit auch an die amerikanische Regierung begründen wir damit, weil wir in der heutigen Rechtssprechung der Wiedergutmachungsbehoerden die Fortsetzung der Hitlerrechtssprechung festgestellt haben, wie sich einwandfrei aus meinem Antrag beigefügtem Beweismaterial ergibt.

Dieselben Gründe die uns während des deutschen Unrechtsstaates ins KZ-Lager brachten, werden von der heutigen Gerichtsbehoerde dazu benützt, unsere berechtigten Wiedergutmachungsansprüche abzulehnen.

Selbst der jetzige deutsche Bundesminister der Justiz, Herr Dr. D e h l e r hat oeffentlich bekannt gegeben, dass bei einiger Gerichten in der Bundesrepublik nicht Recht gesprochen, sondern Politik getrieben wird und sich deswegen eine Ueberwachung der Rechtssprechung aufdrängt.

Von groesster Bedeutung für die amerikanische Regierung ist nach meiner Auffassung der Bericht deutscher Berichterstat-ter, welcher ebenfalls meinem Beweismaterial als Abschluss beigefügt ist.

In dem festen Glauben, dass die amerikanische Regierung bestrebt ist, uns Verfolgten zu unserem Recht zu verhelfen, danken

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wir der amerikanischen Regierung im Voraus für alle Bemühungen
in unserer gerechten Sache.

Mit vorzüglicher Hochachtung

Dinnyes

Verfolgter des Nazi-Regimes.

P.S. Mein Beweismaterial übersende ich der amerikanischen
Regierung gesondert, per Einschreiben.

D.O.

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Wir V e r f o l g t e n des Nazi-Regims k l a g e n an:

Die deutsche Bundesregierung in Bonn wegen Hinausschiebung der Verkündigung des Bundesentschädigungsgesetzes.

Wir V e r f o l g t e n des Nazi-Regims k l a g e n an:

Die bisherigen Wiedergutmachungs-Gerichtsbehoerden der einzelne Länder in der heutigen deutschen Bundesrepublik wegen der absichtlichen Benachteiligung der Verfolgten bei der Auslegung der bisherigen Bestimmungen für die Zuerkennung der Entschädigungen. Diese Gerichtsbehörden treiben eine Geheimwissenschaft und darüber hinaus eine falsche Einsparungspolitik den Verfolgten gegenüber, zugunsten der jetzigen deutschen Bundesrepublik.

Wir V e r f o l g t e n des Nazi-Regims erklären hiermit feierlich:

Die Gestapo hat es einer echten Wiedergutmachungsbehoerde sehr leicht gemacht, uns Verfolgte zu erkennen und auch zu Vergüten, indem die Gestapo selbst alle Verfolgten in bestimmte Gruppen, - wie zum Beispiel: rassistisch, politisch Verfolgte, und so weiter, einteilte und darüber hinaus noch uns durch einen Farbwinkel an der Kleidung deutlich kennbar machte. Hierfür ist keine Gerichtsbehoerde ~~de~~ noetig, da dieselben bereits 8 volle Jahre nach Beendigung des Krieges versagt haben.-

Wir V e r f o l g t e n des Nazi-Regims verlangen: die sofortige

Erledigung unserer Haft- und Wiedergutmachungsansprüche durch eine neutrale Kommission, worin V e r f o l g t e des Nazi-Regims vertreten und mitbestimmend sind.

Wir V e r f o l g t e n des Nazi-Regims stellen fest:

dass von einer Bevoelkerungszahl von circa 60 Millionen in Deutschland ungefähr eine Million Verfolgte des Nazi-Regims waren, wovon eine halbe Million in Gestapokellern und KZ-Lagern den Tod fanden. Die restlichen 500 000 zurückgekehrten Verfolgten befinden sich in den meisten Fällen in grosser Not und grossem Elend bei lebenslanger Krankheit.

Mit dieser Minderheit der Verfolgten treibt die bisherige Wiedergutmachungs-Gerichtsbehoerde ein frivoles, willkürliches S p i e l, wobei die für die Verfolgten erlassenen Verordnungen gegen die Verfolgten angewand werden.

Diese innerdeutschen Verhältnisse werden Sache der ganzen f r e i e n Welt, durch die T a t s a c h e n, dass durch die heutigen Wiedergutmachungs-Gerichtsbehoerden die Urteile und Verordnungen der damaligen Hitlerbehoerden ~~dada~~ benützt werden, um die berechtigten Wiedergutmachungsansprüche der Verfolgten mit der Begründung dieser damaligen Urteile, abzulehnen.

Wir V e r f o l g t e n des Nazi-Regims protestieren aufs schärfste

und empoert, in aller Oeffentlichkeit, gegen die Fortdauer der Hitlerrechtssprechung bei einigen Wiedergutmachungs-Gerichten in der heutigen deutschen Bundesrepublik.

Wir V e r f o l g t e n des Nazi-Regims erklären feierlich:

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Solange diese Zustände den Verfolgten gegenüber fort dauern
der letzte Verfolgte des Nazi-Regims durch eine deutsche Bun-
regierung nicht entschädigt ist, Ist Deutschland in E h r e n
herstellt und auch keine Demokratie.

Unsere schwerwiegende Anklage gegen die deutsche Bundesregierung
wird bewiesen und bestätigt mit noch schwerwiegenderen Beweisen
und Beweismaterial, zum Teil zusammengestellt von unparteiischen
deutschen Berichterstattern in der heutigen deutschen Bundesrepu-
blik innerhalb eines, des vergangenen Jahres.

Die ganze freie Welt muss dieserhalb von Deutschland keine Worten,
sondern T a t e n verlangen.

Einer für alle, alle für einen.

Oskar D i m p f e l

Anlagen:

Verfolgter des Nazi-Regims.

Beweismaterial.

Antwerpen, den I. Mai 1953.

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FOREIGN SERVICE DESPATCH

FROM : Amembassy BRUSSELS

215
DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

September 2, 1959
DATE

REF : A. Embassy Telegram No. 266, August 31, 1959.

B. Department Airgram No. G-17, August 10, 1959.

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SUBJECT: Distribution of IARA Final Report.

FROM U.S. DELEGATE TO IARA.

As reported in reference A, the final report of the Inter-Allied Reparation Agency was distributed on August 31, 1959, by Secretary General Didisheim. Six copies each of the following documents have been received by the U.S. Delegate:

1. Covering letter, dated August 31, 1959, from Secretary General Didisheim.
2. Letter of August 25, 1959, from the Delegates of the negotiating powers to the Secretary General.
3. The final report (English text).
4. Annex 6, which contains a statement of the sums made available to the Agency as a result of the liquidation of German assets in the countries concerned.

Copies numbered 16 and 17 of these documents will be retained in the files of the U.S. Delegate. Copies numbered 18 - 21 are forwarded herewith for appropriate further distribution.

The airgram under reference B called attention to certain minor errors in the report. It seemed desirable to correct them in advance of distribution if possible. When the U.S. Deputy Delegate saw Secretary General Didisheim on August 27, it was suggested to him that the typographical errors referred to in paragraphs 30, 71 and 81

SEPerkins:ahc
REPORTER

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Page 2 of 2
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From Brussels

be rectified by the secretariat. It will be noted that the copies of the report indicate these pen and ink changes. The other proposed corrections (paragraphs 97, 108 and 113) appeared to be somewhat more than typographical errors and they were, therefore, not discussed with the Secretary General.

Richard B. Freund
U.S. Delegate to the Inter-Allied
Reparation Agency

Enclosures:

1. Four copies of letter 8/31/59.
2. Four copies of letter 8/25/59.
3. Four copies of Final Report 8/31/59.
4. Four copies of Annex 6.

Cc: Amembassy, London (without enclosures)
Amembassy, Paris (without enclosures)

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338631

REPRODUCED FROM THE NATIONAL ARCHIVES

FINAL REPORT

by the Governments of France, The United Kingdom
of Great Britain and Northern Ireland, and the
United States of America to the Inter-Allied
Reparation Agency on German enemy assets in
neutral countries and other territories.

- Section I. Introduction :
Paragraphs 1 to 12.
- Section II. German Assets in neutral countries :
Paragraphs 13 to 133.
- Section III. German Assets in other territories :
Paragraphs 134 to 139.
- Section IV. Reparation Moneys for Refugees :
Paragraphs 140 to 146.
- Section V. Conclusion
Paragraphs 147 to 150.

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EDWARD R. BROWN
INTERNATIONAL ARCHIVES

on May 12, 1954. This dismissed the theoretical and circumstantial arguments which had been adduced towards establishing a claim on the part of the Agency to the proceeds of liquidation of German assets in Italy, and more generally, to all German assets which were in ex-enemy territory and against which the Soviet Union had renounced all claims. On November 18, 1954, a memorandum prepared in response by the delegates of Canada, Greece and Yugoslavia developed further the juridical thesis on which the Assembly's resolution of July 23, 1953 had been based.

137. There seems little need in the present report to recapitulate those arguments, since these are well-known to all members of the Agency, and since it proved possible to reach an acceptable solution, outside the machinery of the Agency and on a practical basis, without prejudice to the positions of principle which the various parties concerned took. In the year 1957, the sum of 1,224 million lire was made available by the Italian Government from the balance of proceeds of liquidation and paid direct to those Member Governments of the Agency, other than the three Negotiating Powers, which had not had full satisfaction of their rights in respect of Category A reparation.

J A P A N

138. On March 15, 1950, the Three Powers notified the Secretary General of the Agency of their decision to put at the Agency's disposal all sums available for disposal following the liquidation of German assets in Japan. The liquidation of all physical assets which could be appropriated has in fact been completed. So far 1,300,000,000 Yen and 555,000 dollars have been transferred to the Agency; the balance, which amounts to less than 100 million Yen, will be distributed among the member governments once it has become possible finally to close the operating accounts of the Allied Tripartite Commission in Tokyo.

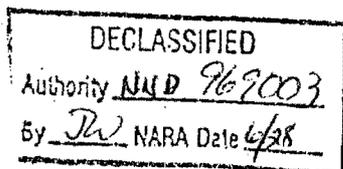
T H A I L A N D

139. The sum available for disposal following liquidation of German assets in Thailand, after deduction of administrative costs and of various Thai claims against German nationals, amounted to £53,712. 10s. Od. This sum was transferred to the Agency for disposal.

IV. REPARATION MONEYS FOR REFUGEES

140. Article 8 of Part I of the Paris Reparation Agreement took cognizance of the large number of people who had suffered severely from Nazi action and were, after the end of war, in urgent need of help for rehabilitation, but were not entitled to get such help from any of the governments who were receiving

/ reparation



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reparation from Germany. Consequently, the signatory powers of the Agreement took the following decisions

- (a) A share of reparation should be devoted to the rehabilitation and resettlement of non-repatriable victims of German action. That reparation share should consist of :
 - (i) all non-monetary gold found by the Allied armed forces in Germany;
 - (ii) a further sum not exceeding 25 million dollars which should be found from the proceeds of liquidation of German assets in neutral countries becoming available for reparation purposes.
- (b) The Governments of France, the United Kingdom, the United States, Czechoslovakia and Yugoslavia, in consultation with the Intergovernmental Committee on Refugees, should have the task of :
 - (i) drawing up an agreed plan as a matter of urgency for the rehabilitation and resettlement of the categories of victims of Nazi persecution defined at paragraph D of Article 8 of the Reparation Agreement;
 - (ii) entrusting the administration of all the funds secured to the Intergovernmental Committee for Refugees or to such United Nations organisations to which the functions of the Intergovernmental Committee might eventually devolve where aid to refugees was concerned. Such administration was to be conducted in conformity with a plan which the five Governments were to draw up, and it was provided that the money should not in any circumstances be devoted to compensating individual victims.

141. The five Governments detailed above met in conference in Paris between June 11 and June 14, 1946. On the latter date the "Agreement (between the Five Governments) on a plan for Allocation of a reparation share to non-repatriable victims of German action" was concluded. As regards the sum of 25 million dollars which the Negotiating Powers had to make available as first charge against the proceeds of German assets in neutral countries, this agreement provided that :

- (a) having regard to the fact that the great majority of non-repatriable victims of German action were Jewish, 90% of the money should be devoted to Jewish victims and 10% to non-Jewish victims:
- (b) the cost of re-settlement should not exceed 1000 U.S. dollars for an adult or 2,500 dollars for a child aged less than twelve.

142. On June 14, 1946, the French Government, acting on behalf of the Five Governments which had signed the Agreement of June 14, sent instructions to the Director of the Intergovernmental Committee on Refugees. They were designed to

/ (a)

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- (a) define the administrative responsibility of the Intergovernmental Committee;
- (b) specify "the appropriate field organisation" mentioned at Paragraph C of that Agreement (c.f. Article 8 of the Paris Reparation Agreement) in connexion with help to and re-settlement of Jewish victims of Nazi action (the American Jewish Joint Distribution Committee and the Jewish Agency for Palestine were specified);
- (c) lay down the allocation of funds as between Jewish and non-Jewish victims;
- (d) establish the criteria according to which various categories of victims could be held admissible for benefit.

The instructions, finally, stated that the Committee should conduct periodical reviews to ensure that the funds were being used effectively in accordance with the directives from the Five Governments, and provided that the latter should receive a report from the Intergovernmental Committee about the activity it was to conduct within the responsibilities given it in the Agreement of June 14, 1946.

143. As stated in the section of the present report which deals with the negotiations with Sweden (paragraph 95 above), the Swedish Government made a sum of 50,000,000 Swedish crowns available to the Intergovernmental Committee on July 12, 1947. At the request of the Negotiating Powers, the Swiss Government agreed on July 27, 1948 to pay 20,000,000 Swiss francs, as an advance against the moneys which were to be paid to the Three Governments from the proceeds of liquidation of German assets in Switzerland. According to the exchange rates applicable at the times at which these sums were notified to Intergovernmental Committee as available, a balance of 6,459,948 dollars remained due. The negotiating powers, as stated in the account of the negotiations with Portugal given earlier (paragraph 58 above), hoped throughout that 100,000,000 escudos could be made available for transfer to the Committee, or to its successor body. They decided in these circumstances to transfer from the 101,500,000 Swiss francs remitted to them by the Swiss Government following the conclusion of the Agreement of August 28, 1952, such a sum as, together with a payment of 100 million escudos, would have brought the total receipts to 25 million dollars. When this decision was taken the sum in Swiss francs was calculated to be 12,896,917 and this amount was remitted to the Liquidator of the International Refugee Organisation in September, 1953, leaving the balance of 100 million escudos to be remitted as and when they might become available.

144. Subsequently, urgent representations for a further payment to the Liquidator were made by those organisations which had been entrusted with putting the relief programme into practice and which, to discharge their responsibilities, had had to borrow considerable sums on which they had to pay interest. Accordingly, at the beginning of 1955, the Three Governments, despite their hope that a receipt of escudos might still prove possible, decided that they must make available, without further

/ delay

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delay, the counter-value in Swiss francs of 50 million escudos. This sum was remitted to the Liquidator in March 1955.

145. The negotiations which took place in Lisbon in October 1956 showed conclusively that the only settlement which could be negotiated with Portugal would not yield the outstanding sum of 50,000,000 escudos which the Three Governments had undertaken to pay to the liquidator. The Negotiating Powers therefore decided that they could no longer defer the payment of the counter-part in Swiss francs of those 50,000,000 escudos, and it was effected on December 17, 1956. The table at Annex 5 shows the sums of the money which were paid to the fund in accordance with the provisions of the Paris Reparation Agreement. This table reveals that the dollar equivalent of the total sum remitted to the Fund, calculated at the rates of exchange in force at the time at which the payments were made, exceeded \$25 million, although the liquidator states that, due to devaluation of Swedish crowns in the period during which these were blocked, it had in fact been possible to realise a total sum equivalent to only \$24,708,109. In the view of the Three Governments the slight dollar excess apparent in the annexed table had to be measured against the much greater actual losses borne by the distributing organisations, both through the devaluation of the Swedish crown and also through having to borrow money in anticipation of the delayed payment in escudos.

146. On December 15, 1952, the liquidator submitted an interim report. This made it possible to determine that the moneys paid over to the Fund until December 1952 had been put to uses which conformed with the requirements of the Paris Reparation Agreement and to the directives issued by the Governments responsible for developing the plan for help and rehabilitation.

V. C O N C L U S I O N

147. The table at Annex 6 shows the total of funds which, arising from the liquidation of German assets in countries which were formerly neutral and in other territories have so far been distributed among the Member Governments of the Agency.

148. The results achieved by 12 years of negotiations fall short of the expectations of the victorious countries in 1945 and 1946, especially where the former neutral countries are concerned. Much has been said in the present report about the juridical and political obstacles which the Negotiating Powers encountered, and the conflict of interests which arose between countries in which assets were situated and the Three Powers who were acting on behalf of the Member Governments of the Agency. While the provisions of the Paris Reparation Agreement recognised that a yield from the proceeds of assets in neutral countries must be dependent upon negotiations with those countries, and could not simply be specified and demanded without further ado from the Governments of those countries, it is legitimate to observe that the signatory governments probably underestimated the determination, and the tenacity, which the Governments of countries holding German assets understandably displayed where the prior satisfaction of their interests was at issue, and where most of the cards, in the form of the assets in question, were in

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their hands. Finally, neither the Mandatory Governments, nor the other signatories foresaw, in 1945, the time which it would take to reach agreement with the various other governments concerned, or the extent of the complications and set-backs which threatened to undo such agreements, in many cases over periods of years, even after their conclusion where this had proved possible.

149. Through these years of negotiation, the Three Governments have done their best to secure the maximum advantage to all those, without distinction, on whose behalf they have been acting. The practical difficulties increased with time, and the political circumstances have changed during the same time to the point at which the chances of any further material yield have fallen to nil.

150. Satisfied that they have made their best efforts to discharge the responsibilities with which they were entrusted, and convinced that the question of German external assets has in practical terms come to an end, the Three Governments have the honour to submit this report of their action as mandatories to the Member Governments of the Agency, and to invite the latter to regard the Three Governments as relieved of all responsibility for further action.

/ ANNEX 2

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The Governments of France, of the United Kingdom of Great Britain and Northern Ireland and of the United States of America, on one part, and of the Government of the Portuguese Republic on the other part, wishing to define the condition and the destination of the German assets existing on Portuguese Territory, decided that the negotiations for this purpose should be realised in conference meeting in Lisbon. Having named its delegations, the work was initiated on the third day of September, 1946, under the presidency of the first delegate of the Portuguese Republic. At the conclusion of a series of sessions, in which were presented, analyzed and discussed the proposals of one side and of the other, the afore-mentioned delegations agreed on an Accord, contained in the following Articles:

ARTICLE I

Assets of the German State.

All the assets of the German State, whatever be their nature, existing on Portuguese territory on the date of entry into force of this Accord, will be delivered, without prejudice to the provisions in sub-paragraphs "a" and "b" of paragraph 1 of Article V, to the representatives of the Allied Governments signatory to this Accord.

Sole Proviso. The term "assets of the German State" is understood to include the assets in the power of all juridical persons, and of all entities which, though not possessing juridical personality, have had the independent administration of assets for purposes that fall into the sphere of the German State activity.

ARTICLE II

Assets of Individuals.

1. This Accord shall only apply to assets of whatever nature existing in Portuguese territory on the date of the entry into force of this Accord, owned by persons of German nationality resident in Germany at any time between September 1, 1939, and the cessation of hostilities by the unconditional surrender of that country on May 7, 1945.

2. Assets, of whatever nature, transferred to Portuguese territory or there acquired at whatever time or by whatever means by German war leaders, their associates or collaborators, will be considered "juris et jure" as German war potential, and be immediately liquidated.

3. Assets, of whatever nature, transferred to Portuguese territory or there acquired and utilised after the promulgation, effective 1933, of the "Devisenbewirtschaftungsgesetz", and complementary legislation, will be deemed, by presumption "juris tantum", to be assets of associates and collaborators of the German war leaders, since their proprietors will be suspect of having collaborated, with the knowledge of the authorities of their country, in the realisation of war aims.

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Sole Proviso. The presumption made applicable in paragraph 3 of this Article may be removed if the proprietor proves, before the Inspeccão do Comércio Bancário, or other organisation having the functions mentioned in paragraph 1 of Article VI, and with appeal to the tribunal mentioned in its Proviso 4:

- a) that the assets were not subject to requisition in the terms of the cited laws, nor were in whatever manner, directly or indirectly, utilised for war aims;
- b) that he is a bona fide refugee, for political, religious or racial motives, admitted into Portuguese territory prior to 1945;
- c) that he lost German nationality for political, religious, or racial reasons after March 1933.

ARTICLE III

Assets of juridical persons.

1. Assets of German juridical persons having cultural or propaganda aims, directly or indirectly contrary to international peace and security, will be deemed to be equivalent to the assets of German war leaders, their associates and collaborators for the purpose of their classification and immediate liquidation as an element of the German war potential.

2. Assets of juridical persons pursuing aims other than those mentioned in the preceding paragraph, will be deemed to be equivalent, for the purpose of this Accord, to the assets of individuals.

Sole Proviso. Under the expression "German juridical persons" it will be understood those having their head-quarters or main establishment in Germany.

ARTICLE IV

Liquidation of German assets.

German assets falling within this Accord as destined for war aims will be liquidated by the competent entities and by the processes indicated in the following Articles, so as to eliminate all the German interests, the survival of which represent future danger to peace and international security.

ARTICLE V

Destination of the proceeds of the liquidation of the German assets.

1. The proceeds obtained from the liquidation of the German assets covered by this Accord, after deduction of the expenses incurred, will have the following allocation;

- a) In the first place, the sum of escudos 100 million for assistance to the non-repatriable victims of German aggression;
- b) In the second place, the sum of 50 million for the

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Portuguese Government, as first instalment on account of credits of public and private entities;

- c) In the third place, the proceeds of liquidation of the assets covered by Articles II and III, already reduced by what is necessary in order to complete the payments enumerated in the preceding sub-paragraphs, shall be allocated in equal sums to the Allied Governments signatory to this Accord and, up to the amount of the credits referred to in sub-paragraph "b", to the Portuguese Government, as second instalment on account of those credits. The surplus will be delivered to the Allied Governments signatory to this Accord.

2. The sums referred to in sub-paragraph "a" and "b" above will be obtained by the immediate liquidation of assets which on the date of entry into force of the Accord, exist ready for liquidation, including these covered by Article I, of which any surplus will be delivered to the Allied Governments signatory to this Accord.

3. The sum specified in sub-paragraph "a" of paragraph I above will be deposited in the Bank of Portugal in a special account, in escudos, to the order of the Intergovernmental Committee on Refugees. The sums specified in sub-paragraph "c" of paragraph I, and in paragraph 2, and allocated to the Allied Governments will be deposited every 15 days provided that the liquidation so permits, in special account in escudos to be opened in the Bank of Portugal and placed at the disposition of the Allied Governments signatory to the Accord, or to the Banks of issue indicated by them, for the purpose of being utilised by them in harmony with the general or special exchange regulations in force in Portuguese territory and in such manner as not to cause prejudice to the commercial exchange with foreign countries. The sum specified in paragraph I sub-paragraphs "b" and "c" and allocated to the Portuguese Government shall be deposited, once available, in special Government account in the Bank of Portugal.

ARTICLE VI

Technical execution of the Accord.

1. The present services of ICB now charged with the control of German assets, or, if circumstances advise and it is thus convenient to the Portuguese Government, the organisation which, for such purposes, the Government resolves to create, will undertake the carrying out of the following functions:
- a) to take knowledge of the files of census of the German assets which, organised by the ICB in conformity with Decree Law 34:600 of May 14, 1945, relate to assets falling within this Accord;
- b) to investigate and to discover the existence of German assets falling within this Accord and which, by fraud or whatever other motive, were not yet included in the census undertaken pursuant to the Decree Law above referred to;
- c) to organise the processes of seizure of the assets, and to cite their proprietors, or their representatives with sufficient powers, in order that they may, if they so wish, submit within a period of 30 days, that which they allege as pertinent in their defense;

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- d) to evaluate proof submitted within the Proviso to Article II;
- e) to declare the seizure of the assets falling within this Accord and to deliver them to the Liquidating Commission hereinafter mentioned.

2. So soon as definite decision has been reached on the seizure of an asset, the asset will be delivered to a Liquidating Commission composed of three members, of which one shall be named by the Allied Governments signatory to this Accord, another shall be named by the Portuguese Government, and the third, who will preside, by selection jointly by the other two, or, in the case that they cannot agree, by nomination by the Minister of Economy.

3. The Liquidating Commission will proceed in conformity with Decree Law 30:689 of August 27, 1940, in so far as applicable, and of this Accord, to the rapid liquidation of the assets delivered to it, whether by sale, by cession or other legitimate means admitted by Portuguese law.

4. There may be opposition to sale, by any member of the Liquidating Commission, on any of the following grounds:

- a) the manifest insufficiency of price;
- b) a lack of guarantee on the part of the purchaser or of the cessionaire, that he is not acting for the account of, or in the interest of German nationals, or of German entities or of those in which exist a substantial German interest;
- c) prejudice which the acts of sale or of cession entail for the Portuguese economy or for the mercantile activity within Portuguese territory.

The opposition will be evaluated in a session called for this purpose, and, in the cases within sub-paragraphs "a" and "b" above, will be decided by majority vote, but cases within sub-paragraph "c" will be reported to ICB for final solution.

Proviso 1. The representatives of the Allied Governments signatory to this Accord may at whatever time furnish any information and require the exercise of whatever acts which might be convenient for a more rapid and efficient identification and classification of the assets falling within this Accord.

Proviso 2. The period of time referred to in sub-paragraph "c" of paragraph 1 will count as effective from the date on which the citation was made.

If the owners do not reside or are not found on Portuguese territory, nor have there representatives with sufficient powers, notice to the proprietors will be equally effective in Germany, by the intermediary of the Allied Governments signatory to this Accord, by general public notice having regard to the fact that some of those affected are absent in parts unknown from their last known domicile or because in the present conditions in that country their last domicile is now unknown.

Such general public notice shall inform the proprietors of assets in Portuguese territory of their rights of objection under the Proviso to Article II, that they are required to reply within a period of 30 days of such citation, and of the consequences of Proviso 3 following.

/Proviso 3.

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Proviso 3. Lack of opposition by the interested persons within the period established in sub-paragraph "c" of paragraph 1, except for those who claim and prove force majeure, will be deemed to be a tacit acceptance of seizure following due citation or public notice, for the purpose of sub-paragraph "e" of paragraph 1.

Proviso 4. The decision on the seizure of an asset can be subject to appeal by the duly authorized representative of the proprietors or of the Allied Governments signatory to this Accord, appointed for the purpose. The appeal shall lie to a special Tribunal, the only one competent, composed of three Portuguese citizens, one of whom, who will preside, shall be designated by the President of the Supreme Court of Justice.

Proviso 5. The liquidation will be made without reference to the expiration of any period of time, or whatever formality, in the case of assets of singular or juridical persons, who, by the intermediary of the Allied Governments signatory to this Accord, present to the ICB, or to the organization that may be created for this purpose, authentic documents by which they consent to the seizure of their assets in order to be liquidated within the terms of this Accord.

ARTICLE VII

Indemnification of dispossessed proprietors.

It is the responsibility of the Allied Governments signatory to this Accord, or of the first legitimate German Government to be constituted in Germany, to provide such indemnity due in that country to the proprietors of the assets appropriated under this Accord.

ARTICLE VIII

Unsatisfied Portuguese creditors.

Portuguese credit rights against the German State or its subjects, to which Portuguese public and private entities are legitimately intitled, but which have not been paid out of the fixed amount referred to in sub-paragraph "b" of paragraph 1 of Article V, shall remain in force, in harmony with the Portuguese law and general juridical principles.

ARTICLE IX

Liens on assets and undocumented claims.

1. Liens on assets falling within this Accord, by deeds executed after August 24, 1939, will be annulled on suspicion of bad faith but the presumption of bad faith may be removed by proof of good faith, in the first instance before the entity mentioned in paragraph 1, Article VI, or on appeal before the tribunal referred to in Proviso 4 of said Article.

2. Liens by deeds executed before August 25, 1939, shall only be annulled on proof of bad faith.

3. In the liquidation of assets falling within this Accord, general voluntary mortgages will not be considered that are not demonstrated to have been specifically registered in the respective "Registo Predial" prior to the date of the entry into force of Decree Law 34:600 of May 14, 1945, nor shall other voluntary mortgages be admitted if it is not proven that,

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on that date, they were already duly constituted and in course of being registered.

4. In no case can there be paid out of the proceeds of the liquidation of the assets subject to this Accord any claims improperly or insufficiently documented or not specifically charged on German Assets in Portuguese territory, covered by this Accord.

ARTICLE X

Heirless assets.

The proceeds of the liquidation of German assets located in Portuguese territory, whose proprietors, victims of German activities, died without heirs, will be delivered, under the terms of this Accord, to the Inter-Governmental Committee for Refugees.

ARTICLE XI

Looted property.

The Portuguese Government, by internal law, will create an inexpensive and expeditious administrative process so as to attain the objectives sought under Decree Law 34:455 of March 22, 1945.

ARTICLE XII

Trade-marks and patents.

Without prejudice to the attitude that the Portuguese Government may adopt generally as regards German trade-marks and patents, only those trade-marks and patents registered in Portuguese territory, and owned by persons referred to in Articles II and III, shall be liquidated within the terms, by the agencies, and according to the processes established in this Accord.

The undersigned representatives of the Governments of the United States of America, France, and the United Kingdom of Great Britain and Northern Ireland state that insofar as the preceding provisions are concerned, they are also acting on behalf of the Governments of Albania, Australia, Belgium, Canada, Denmark, Egypt, Greece, India, Luxembourg, Norway, New Zealand, the Netherlands, Czechoslovakia, the Union of South Africa and Yugoslavia, and so far as it is material, the Banks of issue of those countries.

Done at Lisbon this 21st. day of February 1947, as set out in the preceding 20 pages in the French, Portuguese and English languages, each having equal validity.

/ANNEX 5

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