

UNCLASSIFIED

(Security Classification)

DO NOT TYPE IN THIS SPACE

2561141 LESSER
WALTER H. / 5-1854

FOREIGN SERVICE DESPATCH

FROM THE HAGUE, NETHERLANDS

No. 1051

TO THE DEPARTMENT OF STATE, WASHINGTON.

May 18, 1954

REF: Dept Instruction A-226, March 1, 1954

ACTION	6-2	DEPT.	OCR/R-2, EUR-5, ARA-4
	6/24		IN F O

SUBJECT: Restitution Claim of Walter H. Lesser for Release Of 40 Bogota Shares

The Ministry of Finance in its letter dated May 11, 1954 states that its previous advice, dated May 18, 1951 was based on a mistake and that Dutch courts have not yet established Mr. Lesser's title to the 40 shares of Bogota. Following action by the courts, the matter will be submitted for ultimate disposition to the Division for the Registration of Securities.

A copy of the Ministry's letter is Enclosure No. 1.

Approved:

Howard R. Cottam
 Howard R. Cottam
 Counselor of Embassy
 for Economic Affairs

For the Ambassador:

Morton Bach
 Morton Bach
 Attache

Enclosure:

Copy of letter from Netherlands
 Ministry of Finance, May 11, 1954

Original, nat. copy to Dept
 CC: Amcongen, Amsterdam
 Cons, Rotterdam

UNCLASSIFIED

INFORMATION COPY

RG 59
 Entry ODF, 1950-54
 File 2561141
 Box 1025

338821

DECLASSIFIED

Authority NND 969002
 By WDP NARA Date 6/30/00

Page _____ of
Desp. No. _____
From _____

UNCLASSIFIED
(Classification)

Page 2 of _____
Encl. No. 1
Desp. No. 1051
From The Hague

Ministerie van Financien

COPY

Dr. A.I.J.A. Looijen

The Hague, May 11, 1954

Mr. Morton Bach
Attache to the American Embassy
7, Benoordenhout
The Hague

Dear Mr. Bach,

Much to my regret my answer to your letters of March 5th, mentioned in your letter of May 5th, 1954, concerning the Bogota-shares of Mr. Walter Lesser was delayed as I had to make further inquiries into this matter. These inquiries showed that the contents of this Ministry's letter of May 18th, 1951 were partly based on a mistake.

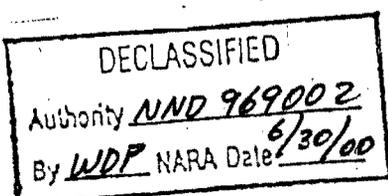
The Division for the Registration of Securities of the Council for the Restoration of Civil Rights has not yet taken a decision with regard to the 40 Bogota-shares mentioned in your letter as it has not yet been established whether these securities can be considered to be the property of Mr. Walter Lesser according to the Netherlands law. With respect to these shares the same difficulties have arisen as are the subject of legal proceedings before the Division for the Registration of Securities of Walter Lesser versus the Devon Erts Maatschappij. These proceedings also refer to Bogota-shares.

I have been informed that in this last-mentioned case a decision will be taken before long. Subsequently the Division for the Registration of Securities will also take a decision on the case of the 40 Bogota-shares meant in your letters.

Very truly yours,

s/ A.I.J.A. Looijen

UNCLASSIFIED



RG 59
Entry CDF, 1950-54
File 2581141
Box 1025

338822

REPRODUCED BY THE NATIONAL ARCHIVES

In reply refer to
L/E 256.1141 Lesser,
Walter H./2-1154

March 1 1954

256.1141 Lesser, Walter H.

My dear Mr. Emmerich:

Reference is made to your letter of February 11, 1954 regarding the claim of Mr. Walter Lesser to certain securities in the Netherlands known as 40 Bogota shares.

An inquiry will be made in regard to the status of the case through the American Embassy at The Hague. The Department will communicate with you again when the requested report is received.

Sincerely yours,

For the Secretary of State:

Ely Maurer
Assistant to the
Legal Adviser

Mr. Hugo Emmerich,
Attorney at Law,
20 Exchange Place,
New York 5, New York.

[Signature]
L:L/E:JTK:mgj
2/25/54

DC/R
APR 17 1954
REV
CR

S/S CR
MAR 1 1954 PM

256.1141 Lesser, Walter H. 2-1154

DECLASSIFIED
Authority NND 969002
By WDP NARA Date 6/30/00

RG 59
Entry CDF, 1950-54
File 2561141
Box 1025

338823

July 11 1954

In reply refer to
L/S 256.1141 Lesser
Wlater H./2-1154

THIS DOCUMENT MUST BE RETURNED TO
DC/R
Central
FILES
256.1141 LESSER, WALTER H.

256.1141 name

Dear Mr. Emericch:

Further reference is made to your letter of February 11, 1954 regarding the claim of Mr. Walter Lesser to certain securities in the Netherlands known as 40 Bogota shares.

There is enclosed a copy of a self-explanatory despatch, No. 1051 of May 18, 1954 from the American Embassy at The Hague.

Sincerely yours,

For the Secretary of State

lee

sdm
Stanley D. Metzger
Assistant Legal Adviser for
Economic Affairs

Enclosures:

Copy of despatch
No. 1051, May 18, 1954
from The Hague.

Mr. Hugo Emericch,
Attorney at Law,
20 Exchange Place,
New York 5, New York.

[Signature]
L:J:JTK:mgj
6/29/54

S/S - CR *[Signature]*

JUN 30 1954 P.M.

DC/R
Anal *24*
Rev
Cate *[Signature]*

*WE
Wh*

12-1154

*256.1141 Lesser, Walter
H/12-1154*

DECLASSIFIED
Authority *NND 969002*
By *WDP* NARA Date *6/30/00*

RG 59
Entry CDF, 1950-54
File 2561141
Box 1025

338824



DEPARTMENT OF STATE INSTRUCTION

24

24

UNCLASSIFIED

(Security Classification)

FOR DC USE ONLY

NO A-226 March 1, 1954

SUBJECT Restitution claim of Mr. Walter H. Lesser for release of 40 Bogota shares.

TO The American Embassy, THE HAGUE

(1)

256 1141 LESSER, WALTER H / 5-2257

The Department refers to a despatch received from the Embassy No. 2105 of May 22, 1951 concerning the restitution claim of Mr. Walter H. Lesser which quoted a communication from the Ministry of Finance indicating that Mr. Lesser's securities would be restored to him. The Department believed the case was satisfactorily concluded but has now received a letter of February 11, 1954 from Mr. Lesser's attorney indicating that 40 Bogota shares have not been restored to him. These shares are part of a larger group of shares which were claimed previously and are stated to be uncontested. It is understood that the claimant's attorney has also written the Embassy recently concerning the case.

The Embassy is requested to make appropriate inquiry of the Netherlands authorities in regard to this case and report results to the Department.

SMITH, ACHENG

DC/R
Inc 3
Rev
CFC

256.1141 Lesser, Walter H./2-1154

UNCLASSIFIED

(Security Classification)

DRAFTED BY L:L/E. Keating:mj

APPROVED BY Ely Maurer

REFERENCES:

WE SIS - CR

X MAR 1 1954 P.M.

This Document Must Be Returned to
DC/R 256.1141 LESSER, WALTER H. / 3-154
CFC / 3-154

DECLASSIFIED
Authority NND 969002
By WDP NARA Date 6/30/00

RG 59
Entry CDF, 1950-54
File 256 1141
Box 1025

338825

AIR POUCH
PRIORITY

UNCLASSIFIED

(Security Classification)

DO NOT TYPE IN THIS SPACE

256.1141 LESSER,
WALTER H./5-1854

FOREIGN SERVICE DESPATCH

FROM THE HAGUE, NETHERLANDS No. 1051
DESP. NO.

TO THE DEPARTMENT OF STATE, WASHINGTON.

May 18, 1954
DATE

REF Dept Instruction A-226, March 1, 1954

LEGAL ADVISER

MAY 25 1954

DEPARTMENT OF STATE

18 For Dept. Use Only	ACTION L-2	DEPT. I N F O	OCR/R-2, EUR-5, ARA-4
	REC'D 5/24	OTHER	

SUBJECT: Restitution Claim of Walter H. Lesser for Release Of 40 Bogota Shares

256.1141-LESSER-WALTER H./3-154
L- AAX - EUR

The Ministry of Finance in its letter dated May 11, 1954 states that its previous advice, dated May 18, 1951 was based on a mistake and that Dutch courts have not yet established Mr. Lesser's title to the 40 shares of Bogota. Following action by the courts, the matter will be submitted for ultimate disposition to the Division for the Registration of Securities.

A copy of the Ministry's letter is Enclosure No. 1.

Approved:

For the Ambassador:

Howard R. Cottam
Howard R. Cottam
Counselor of Embassy
for Economic Affairs

Morton P. Bach
Morton Bach
Attache

Enclosure:

Copy of letter from Netherlands
Ministry of Finance, May 11, 1954

Original, mat, copy to Dept

CC: Amcengen, Amsterdam
Cons, Rotterdam

11 @ NA AS VAN DE

DEPARTMENT OF STATE
RECEIVED

UNCLASSIFIED

MBach:ms

REPORTER

ACTION COPY - DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

This Document Must Be Returned to
256.1141 LESSER, WALTER H./5-1854

AUG 10 1954

FILED

LWC

DECLASSIFIED
Authority NND 969002
By WDP NARA Date 6/30/00

RG 59
Entry CDF, 1950-54
File 2561141
Box 1025

338826

of
no.
From

UNCLASSIFIED
(Classification)

Page 1 of
Encl. No. 1
Desp. No. 1051
From The Hague

Ministerie van Financien

COPY

Dr. A.IJ.A. Looijen

The Hague, May 11, 1954

Mr. Morton Bach
Attache to the American Embassy
7, Benoordenhout
The Hague

Dear Mr. Bach,

Much to my regret my answer to your letters of March 5th, mentioned in your letter of May 5th, 1954, concerning the Bogota-shares of Mr. Walter Lesser was delayed as I had to make further inquiries into this matter. These inquiries showed that the contents of this Ministry's letter of May 18th, 1951 were partly based on a mistake.

The Division for the Registration of Securities of the Council for the Restoration of Civil Rights has not yet taken a decision with regard to the 40 Bogota-shares mentioned in your letter as it has not yet been established whether these securities can be considered to be the property of Mr. Walter Lesser according to the Netherlands law. With respect to these shares the same difficulties have arisen as are the subject of legal proceedings before the Division for the Registration of Securities of Walter Lesser versus the Devon Erts Maatschappij. These proceedings also refer to Bogota-shares.

I have been informed that in this last-mentioned case a decision will be taken before long. Subsequently the Division for the Registration of Securities will also take a decision on the case of the 40 Bogota-shares meant in your letters.

Very truly yours,

s/ A.IJ.A. Looijen

UNCLASSIFIED

DECLASSIFIED
Authority NND 969002
By WDP NARA Date 6/30/00

RG 59
Entry CDF, 1950-54
File 2581141
Box 1025

338827

JUL 2 1954

In reply refer to
L/E 256.1141 Lesser,
Walter H./6-1554

Dear Mr. Emerich:

Reference is made to your letter of June 15, 1954 in regard to your claim in the Netherlands for the release of certain securities.

The Department wrote you a letter yesterday enclosing a copy of a self-explanatory despatch.

It is hoped that pending Netherlands claims will be discussed with Dutch authorities this fall. Your case will be included unless the Netherlands authorities have released the securities in the meantime.

Sincerely yours,

For the Secretary of State:

Stanley D. Metzger
Stanley D. Metzger
Assistant Legal Adviser for
Economic Affairs

Mr. Hugo Emerich,
Attorney at Law,
20 Exchange Place,
New York 5, New York.

JTK
L: L/E: JTK:ejm
7/1/54

DC/R
Accl. *JK*
Rev. *JK*
Cat. *JK*

S/S-CB
JUL 1 1954 P.M.

This Document Must Be Returned to
DC/R
Central
Files
256.1141 LESSER,
WALTER H.

256.1141
/6-1554
CB 48612
WALTER H. /6-1554

338828

DECLASSIFIED
Authority NND 969002
By WDP NARA Date 6/30/00

RG 59
Entry CDF, 1950-54
File 2561141
Box 1025

HANOVER
2-4910
BOWLING GREEN
9-2527

HUGO EMMERICH
ATTORNEY AT LAW
20 EXCHANGE PLACE
NEW YORK 5, N. Y.

Received in L/E 6/30/54

ACTION
is assigned to
L/E

LEGAL ADVISER
Reply 7/1/54
JUN 20 1954
DEPARTMENT OF STATE

CABLE ADDRESS
"EMRIC" NEW YORK

RECEIVED
JUN 28 1954
DEPARTMENT OF STATE
COMM.

June 15, 1954

cc/R

Department of State
Washington, D.C.

Your ref.: L/E 256.1141 Lesser,
Walter H. / 2-1154

Gentlemen:

With your letter of March 1, 1954 you informed me that an inquiry was made concerning the status of the 40 Bogota shares at the Haag.

As I stated in my letter of February 11, 1954 and in my note of the same day, Effectenregistratie wrote already in December 1952 that the 40 shares should be returned, being uncontested, as soon as Effectenregistratie would have all the necessary evidence, and they wrote further, on June 24, 1953, that the delivery of the shares could be effected within one month.

Now, after my letter to the State Department of February 11, 1954, there have passed again more than three months, and I think that the American Embassy should be able to have obtained or to obtain some progress in this matter.

Looking forward to hearing from you at your earliest convenience, I remain,

Sincerely yours,

HUGO EMMERICH

HE:hh

This Document Must Be Returned to
DC/R
Central
Files
256.1141 LESSER,
WALTER H.
/6-1554

CS/W

FILED

AUG 6 1954

*256.1141 LESSER,
WALTER H. / 6-1554*

236846

DC/R
Anal 29
Rev _____
Cat _____

DECLASSIFIED
Authority NND 969002
By WDP NARA Date 6/30/00

RG 59
Entry CDF, 1950-54
File 256.1141
Box 1025

338829

FORM DS-40
3-1-50

DC/H COPY

This copy must be returned to the DC/H account.

UNCLASSIFIED

*File
3-55
VAS*

ACTION
Assigned to

SCS

OPERATIONS MEMORANDUM

TO: DEPARTMENT OF STATE

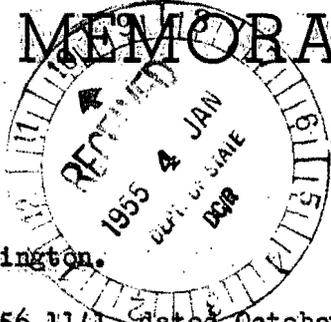
FROM: AMCONGEN, AMSTERDAM (ES)

SUBJECT: AMERICAN PROPERTY: Helen H. Allington.

Date: December 27, 1954.

DEC 29 1954

REF: Dept.'s Transmittal Slip File 256.1141, dated October 4, 1954.



The Consulate General was informed on December 16, 1954 by Mr. G. A. Rietveld, Jr., Notaris, that the estate of Carl Feldhahn is now at the disposal of his heirs. After the deductions for death duties have been made the estate will be settled. He did not state when he would be able to make the payments. However, he appears to be doing a competent job and it is thought that he will do everything possible to bring the matter to a speedy conclusion.

IEE11s:dow
234/236

*SCS
256.1141
HELEN
ALLINGTON
HEDY / 10-30-53
3-3-54
9-2-54*

This Document Must Be Returned to
256.1141 ALLINGTON, HELEN
HEDY / 754

256.1141 ALLINGTON
HELEN HEDY / 12-27-54
CS/MC

OFFICE OF
SPECIAL CONSULAR SERVICES

*Sent to Mrs A
JAN - 3 1955
Giving part of this
DEPARTMENT OF STATE*

BM VAS

11/7/55

UNCLASSIFIED

★ U. S. GOVERNMENT PRINTING OFFICE: 1953: O-981649

DC/S
44
Recd
Exp
Oct

DECLASSIFIED

Authority

NND 969002

By

JB

NARA Date

7-5

RG

59

Entry

CDF, 1950-54

File

256.1141

Box

1024

338830

WE/ Mr Deunhou

CABLE ADDRESS: "LADYCOURT," NEW YORK

BUREAU OF EUROPEAN AFFAIRS
ASSISTANT SECRETARY

SULLIVAN & CROMWELL

FEB 21 1955

MR. MERCHANT
DEPARTMENT OF STATE

Reply due in EUR
2/28/55

48 Wall Street, New York

February 17, 1955.

LEGAL ADVISER

FEB 24 1955

DEPARTMENT OF STATE

The Honorable Livingston T. Merchant,
Assistant Secretary for European Affairs,
The State Department,
Washington 25, D. C.

Dear Mr. Merchant:

You will recall that on January 14, 1955, I discussed with you the desirability of a speedy implementation of the Memorandum of Understanding dated January 19, 1951 between the United States and the Netherlands. Our discussion concerned particularly the return to the Netherlands of securities looted during World War II and vested by the Office of Alien Property in the fall of 1951 pursuant to arrangements set forth in the Memorandum of Understanding.

At our conference, I outlined the various questions which have been raised during the past three years by the Office of Alien Property and by the State Department and which have so far blocked the return of the vested securities as contemplated in the Memorandum of Understanding and related documents. I pointed out the efforts made by the Netherlands Government to answer these questions, including agreement on its part to exclude entirely the so-called "Rebholz" securities from the securities to be returned and to turn over to an appropriate "successor organization" for the benefit of Jewish refugees any vested securities

RECEIVED
FEB 24 1955
DEPARTMENT OF STATE

262.0041/2-1755

262.0041/2-1755

CSN

39

AM

R 6 59 1955-9
CDF, ~~100034~~
Box 1070
File 262.0041

338831

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

The Honorable Livingston T. Merchant

-2-

returned to it and subsequently discovered to be "heirless". It is my belief that there are no remaining points of substance which are relevant to the implementation of the Memorandum of Understanding and that the details of the practical procedures for the return of the vested securities could be quickly settled.

More than four years have now gone by since the Memorandum of Understanding was signed. The program thereby initiated has been most helpful, but so long as the securities remain locked up in this country they are of little practical value to their rightful owners. There is also the question of the continuing expense involved which includes, as you know, payment by the Netherlands Government of all expenses of the United States reasonably allocable to the program.

I hope that you have had an opportunity to review this matter and would appreciate your advising me if there is anything I can do to help bring the program to a successful conclusion in the near future.

Very truly yours,

Arthur H. Dean

338832

DECLASSIFIED
Authority <i>MD 969003</i>
By <i>TB</i> NARA Date <i>6/19</i>

R 6 5a
CDF, 1950-54
Box 1070
File 267.0041

Original
Files
This Document Must Be Returned To

March 3 1955

In Reply Refer to
WE

262.0041/2-1755

Dear Mr. Dean:

I have for reply your letter of February 17, 1955 concerning the assets claimed by the Netherlands Government under the United States-Netherlands Looted Securities Agreement of January 19, 1951.

This matter is part of a complex of problems in the enemy property field which the Department has been trying to work out with the Netherlands. The situation is as follows. The Netherlands Government is seeking to secure a release from the United States of approximately \$30,000,000 in assets vested by the Office of Alien Property, Department of Justice. About \$5,000,000 falls under the United States-Netherlands Securities Agreement and the remainder falls under the Brussels Intergovernmental Agreement of December 9, 1947. It should be pointed out that the Netherlands Government has already received the release of more than \$100,000,000 in assets in this field.

The Department has been seeking since the end of the war to obtain from the Netherlands the protection of certain American interests totaling about \$4,000,000. These are the so-called "reichsmark" claims which fall in the main under the Brussels Intergovernmental Agreement. The Netherlands has refused heretofore to satisfy these claims and we have been attempting to reach some compromise solution. In the meantime, in view of the substantial assets which have already been released by the United States to the Netherlands, the failure of the Netherlands to give any relief to the American cases, and the possibility of criticism from the American claimants if further releases are made to the Netherlands, the Department decided it would be desirable to handle these matters in one package. Accordingly, the Department advised the Netherlands that, once we have narrowed the gap between the Netherlands position and the United States position on reichsmark claims so as to give some assurance of a successful meeting, we would meet with the Netherlands representatives on all the outstanding enemy property matters, including therein the problems arising under the United States-Netherlands Looted Securities

DC/R Agreement.

39

The Honorable
Arthur H. Dean,
Sullivan & Cromwell,
48 Wall Street,
New York 5, N. Y.

cat. *HW*

262.0041/2-1755

262.0041/2-1755
CSN

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

338833

DECLASSIFIED
Authority MD 969003
By TB NARA O:la 6/19

Agreement. An additional reason for not treating the United States-Netherlands Looted Securities agreement problems separately and earlier is that the Agreement involves problems concerning reichsmark acquisitions, the recognition of a Netherlands decree in exile and heirless assets, all of which are concerned in the other problems in this field with the Netherlands.

With respect to the reichsmark claims, the Department officials and the Netherlands officials are presently engaged, in accordance with an exchange of letters of June 1954, in attempting to arrive at agreed valuations with respect to the amounts involved in these claims. The Netherlands is prepared to offer 50% on these amounts and we have made a proposal that we would be prepared to recommend 65% to American claimants. At present the Department has submitted its views on the values to the Netherlands authorities and they need to supply us with certain information and their views. In conversations with the Netherlands representatives we have expressed our hope that we could at an early time agree on values and that meetings could be scheduled in the early part of this year.

In the circumstances related above, and for the reasons stated, we do not consider it desirable to handle the specific problem raised in your letter separately from the other problems in the enemy property field. We hope that the Netherlands authorities will expedite their work on the reichsmark cases so that the way may be cleared for having a meeting to settle all outstanding problems.

Sincerely yours,

Livingston T. Merchant
Assistant Secretary

S/S-CR
MAR 3 1955 P.M.
Reid signed

[Handwritten initials and signatures]
L: L/E: EMAurer: EUR WE: KChristensen: mj: jlc
3/2/55

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041
338834

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

SULLIVAN & CROMWELL
BUREAU OF EUROPEAN AFFAIRS
ASSISTANT SECRETARY

MAR 21 1955

MR. MERCHANT
DEPARTMENT OF STATE

Received in L/E 3/22/55

W.F. [Signature]

*Reply 4/1/55
48 Wall Street, New York 5*

March 16, 1955.

The Honorable Livingston T. Merchant,
Assistant Secretary for European Affairs,
The State Department,
Washington 25, D. C.

Dear Mr. Merchant:

Thank you for your letter of March 3, 1955 concerning the United States-Netherlands Looted Securities Agreement of January 19, 1951.

Quite frankly, I fail to see that the question of implementing this Looted Securities Agreement is in any material way related to or part of the "complex of problems in the enemy property field" as you indicate in your letter you believe it to be. The approximately \$3,000,000 of assets presently subject to the Agreement represent securities looted from residents of the Netherlands during World War II and fall clearly within the intendment of the solemn pledges made by all the Allied governments during and after the war that they would make every effort to restore to victims of Nazi aggression property or assets looted during the war. No question of enemy interest in these particular securities is involved; rather it is a question of returning to the victims what has been established to be their property.

The fact that these securities are presently held

268958

262 0041 / 2-1755

This Document Must Be Returned to
OC/R
Central
Files

262.0041/3-1655 CSBM

262.0041/3-1655

Anal *63*
Dist *DM*

APR 3 1955
FILED

R 6 5a

CDF, 1955-59

Box 1070

File 262.0041

338835

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

The Honorable Livingston T. Merchant

-2-

by the Office of Alien Property is due entirely to the choice of the mechanics of vesting under the Trading With the Enemy Act as a means of accomplishing such restitution and not because of any interest in the securities on the part of the United States or of its nationals. The further fact that no adverse claims have been filed with the Office of Alien Property in the more than three years which have elapsed since the vesting is ample evidence that only the interests of the Netherlands residents are now a matter of concern.

You also mention in your letter that the Agreement involves "problems concerning reichsmark acquisitions, the recognition of a Netherlands decree in exile and heirless assets". As to the first and third of these points, the Netherlands has clearly stated their willingness to exclude from any present return of the looted securities such of them as may fall in either of these categories. As to the second point, you are, of course, familiar with the decision of the New York Court of Appeals in the Transandine case and of the United States Court of Appeals for the Second Circuit in the Archimedes case, both of which have given judicial recognition to the decree in question. In view of these decisions and the past cooperation of the Department in respect of this and similar decrees of friendly powers, it would seem both reasonable and proper for the Department

338836

R 6 5 a
CDF, 1955-59
Box 1070
File 262.0041

The Honorable Livingston T. Merchant

-3-

to recognize the Netherlands decree.

Under these circumstances it does seem to me that the return of these looted securities should be effected promptly and should not be tied to negotiations in respect of problems arising under the Brussels Intercustodial Agreement of December 5, 1947 which are of an entirely different nature. I understand that the Netherlands has furnished additional information and views on the reichsmark questions referred to in the next to last paragraph of your letter, but that a gap continues to exist between the position of the two Governments. Because a final decision on these matters will apparently take considerable further time and effort, I again urge that the implementation of the Looted Securities Agreement be promptly considered on its own merits at this time.

Very truly yours,

Arthur H. Dean

338837

R 6 5a
CDF, 1955-59
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

April 8 1955

In reply refer to
EUR

262-0041/3-1655

Dear Mr. Dear:

I refer to your letter of March 16, 1955 concerning the securities claimed by the Netherlands under the United States-Netherlands Looting Securities Agreement of January 19, 1951.

In view of the substantial assets that have already been released to the Netherlands and the failure of the Netherlands to afford any relief to the American "reichsmark" cases, the Department cannot see its way clear to giving earlier and separate treatment to the Netherlands claims to the securities.

However, there has been a development which may result in the working out of solutions in the near future on the various problems outstanding between the two governments. Although no agreement has been reached on the values in the "reichsmark" cases, in view of the Netherlands requests that a meeting be nonetheless arranged and in view of the time that has elapsed, the Department indicated in a recent note that it was prepared to arrange a meeting on the various problems to begin April 25, 1955. The Netherlands has advised that it is agreeable to such a meeting.

Sincerely yours,

Livingston T. Merchant
Assistant Secretary

Mr. Arthur H. Dear,
Sullivan & Cronwell,
48 Wall Street,
New York 5, New York.

OC/R
ADOL
63
63

gjm JDM
L:L/E:Maurer:mj
4/4/55

S/S-CR
2K
APR 8 1955 P M
Rec'd signed

W F

338878

This Document Must Be Returned to
OC/R 262.0041/3-1655 CSBM
Central Files

262-0041/3-1655

R 6 5a
CDF, 1955-59
Box 1070
File 262.0041

DECLASSIFIED
Authority: MAD 969003
By: TB NARA Date: 6/19



DEPARTMENT OF STATE INSTRUCTION

OFFICIAL USE ONLY

(Security Classification)

FOR OFFICIAL USE ONLY

No. 262.0041/6-1655 June 16, 1955

SUBJECT: Recent discussions on enemy property and related matters with Netherlands representatives.

To: The American Embassy, THE HAGUE

As the Embassy is aware, representatives of the Department and the Office of Alien Property, Department of Justice, have been engaged in discussions with Netherlands representatives on enemy property and related matters. The Department transmits for the information of the Embassy the following documents which will reveal the outcome of the discussions with respect to the Brussels Intercustodial Agreement and the trademark claims of the State Department.

1. Memorandum of June 8, 1955 from Mr. English of the Legal Adviser's Office to Mr. C. Burke Elbrick, Deputy Assistant Secretary for European Affairs.
2. Three copies of the "Memorandum Concerning the Implementation of the Brussels Intercustodial Agreement and the Solution of Related Cases".
3. Press release No. 342 of June 10, 1955 United States - Netherlands Discussions.

Since the Memorandum in item 2 above is a provisional one, it should be kept for Official Use Only.

The Department will communicate shortly with the Embassy with respect to certain additional tentative arrangements which were made with the Netherlands concerning the implementation of the United States-Netherlands Looted Securities Agreement of January 19, 1951 and concerning the question of heirless assets.

Enclosures: 3

1. Memorandum of June 8, 1955
2. Memorandum concerning Brussels Agreement (3)
3. Press release No. 342 of June 10, 1955

S/S-CR

JUN 16 1955 P.M.

OFFICIAL USE ONLY

(Security Classification)

DRAFTED BY: L. E. Maurer in 6/16/55

APPROVED BY: L. E. Maurer

CLEARANCES: Cleared on phone WE - Mr. Lancaster

This Document Must Be Returned to
OC/R
Central
Files
262.0041/6-1655
CS/E
OFFICIAL USE ONLY
262.0041/6-1655

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

R 6 5 a 1955-9
CDF, ~~1070~~
Box 1070
File 262.0041

338839



DEPARTMENT OF STATE INSTRUCTION

2517

2517

OFFICIAL USE ONLY

(Security Classification)

FOR DC USE ONLY

A-333, June 22, 1955

Subject: Additional arrangements made in recent discussions on enemy property and related matters with Netherlands representatives.

To: The American Embassy, THE HAGUE

Reference is made to A-326 of June 16, 1955 concerning recent discussions on enemy property and related matters with Netherlands representatives. The last paragraph of this instruction refers to certain additional tentative arrangements which were made with the Netherlands concerning the implementation of the United States-Netherlands Looting Securities Agreement of January 19, 1951 and concerning the question of heirless assets.

The Department transmits for the information of the Embassy a memorandum of June 14, 1955 from Mr. English of the Legal Adviser's Office to Mr. C. Burke Elbrick, Deputy Assistant Secretary, Bureau of European Affairs, which describes these additional tentative arrangements and has as enclosures the five documents which will be exchanged reflecting such arrangements. These documents will be exchanged after concurrence thereto has been given by the Netherlands, the Office of Alien Property and the State Department.

DULLIES

Enclosures:

Memo from Mr. English, June 14, 1955 and five documents.

Sent
ced

FILED
JUL 18 1955

Stamp: DCB, Anal 73, Rev, etc.

S/S-CR

JUN 22 1955 P.M.

OFFICIAL USE ONLY

(Security Classification)

DRAFTED BY: L:L/E:EMaurer:mj 6/21/55

APPROVED BY: Ely Maurer

CLEARANCES: Cleared on the phone with WE - Mr. Christensen

CSN

262.0041/6-2255

262.0041

6-2255

R 6 5a

CDF, 1950-54

Box 1070

File 262.0041

338840

DECLASSIFIED Authority MD 969003 By TB NARA Date 6/19

Handed to
Mr. Elbrick by
Baron Van Woerst
7/6/55

The Chargé d'Affaires a.i. of the Netherlands presents his compliments to the Honorable the Secretary of State and has the honor to refer to the Memorandum concerning the implementation of the Brussels Intercustodial Agreement and the solution of related cases (United-States-The Netherlands) of June 9, 1955 and the Annexes attached thereto (hereinafter referred to as the Memorandum).

After a careful study of the Memorandum the Netherlands Government has come to the conclusion that the solutions laid down therein and recommended by the representatives of both governments entail considerable concessions from the Netherlands side. Nevertheless, since it is clearly in the interest of both countries to achieve a settlement of the long outstanding questions involved, the Netherlands Government has decided to approve this Memorandum.

As stipulated in the Memorandum itself, before it can become binding, understanding must be reached as to the time and method of payment of reimbursement in the cases covered by Sections IV through VIII of the Memorandum. The Netherlands point of view on this matter is fully known from the discussions held from April 26 to June 9, 1955, between the representatives of both governments.

RM/R
Central
Files
This document must be returned to
262.0041/7-655

CS/W

FILED
APR - 1955

262.5541

TR

Handwritten marks in a box, possibly initials or a signature.

R 65a 1955-9
CDF, ~~1954~~
Box 1070
File 262.0041

338841

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

262.0041/7-655

In order to reach a speedy and practical solution of this problem the Netherlands Government would be prepared to accept the following settlement.

Contrary to the provisions of articles 5 A (i) of the Annex to the Brussels Intercustodial Agreement stipulating that reimbursement shall take place within two years after the date of release, the reimbursement of the amounts due in the cases covered by Sections V (S.H.V.), VI (de Bary), VII (Pappenheim) and VIII (Stinnes) of the Memorandum shall take place within 1 year after the date of release.

In the other cases reimbursement shall in principle take place immediately after the release on the understanding, however, that the Netherlands Government reserves its right to reimburse within three months after the date of release if this is required for technical reasons.

The Netherlands Government trusts that this practical proposal which meets the American wishes to a considerable degree, may be acceptable to the U.S. Government.

The Netherlands Government would like to take this opportunity to express its firm opinion that assets covered by the Brussels Intercustodial Agreement and the Memorandum may never be returned

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

338842

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

in whole or part to the former German interests involved. In this connection the contents of the Bill H.R. 6730 of June 8, 1955 to amend the Trading with the Enemy Act, as amended, and the War Claims Act of 1948, as amended, and the Explanatory Memorandum (Congressional Record A 4062/4067), are of particular interest to the Netherlands Government. As is known to the U.S. Government the Netherlands Government regrets the unilateral American decision to proceed to a partial return of enemy property as laid down in the above-mentioned Bill. In its opinion any arrangements with the German Federal Republic on German enemy property should be incorporated in a multi-lateral "final settlement of reparations". It has nevertheless noted with satisfaction that its opinion in connection with assets covered by the Brussels Intercustodial Agreement and the Memorandum is clearly shared by the U.S. Government.



Washington, D. C.

July 6, 1955.

R 6 5a
 CDF, 1950-54
 Box 1070
 File 262.0041

338843

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

June 9, 1955

MEMORANDUM CONCERNING THE IMPLEMENTATION OF
THE BRUSSELS INTERCUSTODIAL AGREEMENT AND
THE SOLUTION OF RELATED CASES
(United States - The Netherlands)

Discussions have been held from April 26 to June 8, 1955 between representatives of the Government of The Netherlands and representatives of the Department of State and of the Office of Alien Property, Department of Justice, on behalf of the Government of the United States, concerning the implementation of the Agreement Relating to the Resolution of Conflicting Claims to German Enemy Assets concluded at Brussels on December 5, 1947 and entered into force on January 24, 1951 (hereinafter referred to as the "Brussels Intercustodial Agreement"). Prior to these meetings there had arisen differences of interpretation of certain provisions of the Brussels Intercustodial Agreement, as well as disagreements on the application of the Brussels Intercustodial Agreement to certain specific cases of intercustodial conflict. During the discussions solutions of these cases and of these differences of interpretation have been reached. These solutions are set forth in this Memorandum and the attached Annexes A and B. However, in reaching such solutions the United States representatives expected as an integral part of the solutions that the payment of reimbursement, where relevant, would be at the time of release of assets, whereas The Netherlands representatives expected that the time of payment of reimbursement would be delayed within the terms of Article 14 of the Brussels Intercustodial Agreement.

In addition, the representatives of both Governments have discussed cases involving acquisitions of property in the Netherlands during World War II and related cases. During the discussions, solutions of these cases have also been reached. These solutions are set forth in this Memorandum and the attached Annex C.

The representatives of each Government have agreed to recommend final adoption of this Memorandum and the attached Annexes by their respective Governments. It is expressly understood that the Memorandum and Annexes shall be binding only upon the receipt by each Government of a notification from the other Government of its approval of this Memorandum and Annexes and upon an understanding being reached as to the time and method of payment of reimbursement in the cases covered by Sections IV through VIII of this Memorandum.

338844

R 6 5a
CDF, 1950-54
Box 1070
File 267.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

Section I

The Office of Alien Property and Het Nederlandse Beheersinstituut will begin promptly the implementation of Articles 1 through 4 of the Annex to the Brussels Intercustodial Agreement. The assets, which according to said articles shall be delivered by Het Nederlandse Beheersinstituut to the Office of Alien Property, will be deposited with the Federal Reserve Bank in New York for the account of the Attorney General against receipt. The assets, which according to said articles shall be delivered by the Office of Alien Property to Het Nederlandse Beheersinstituut, will be deposited with De Nederlandsche Bank N.V., Amsterdam for the account of Het Nederlandse Beheersinstituut, The Hague, against receipt.

Section II

A. The following interpretations have been agreed upon for the purpose of implementing Article 5 of the Annex to the Brussels Intercustodial Agreement dealing with foreign currency accounts (i.e., cover accounts):

1) Under Article 5A(ii), income from German enemy property situated in the United States and the proceeds of the liquidation of German enemy owned securities issued by the United States or by a governmental or private organization or person within the United States, will in principle be retained by the United States irrespective of the date on which such income and proceeds of liquidation were credited to cover account in the United States.

(a) Pursuant to the preceding sub-paragraph 1) of this Section, such income and proceeds of liquidation credited to cover accounts and vested by the Office of Alien Property by Vesting Orders Numbered 6867 and 8198, as amended, with respect to Wintershall A.G.-Salzdetfurth A.G., and Henkel & Cie A.G., respectively, shall be retained in their entirety by the Attorney General of the United States.

(b) For purposes of practical administration, however, such income and proceeds of liquidation credited to cover accounts prior to June 14, 1941, other than the cases covered by sub-paragraph

338815

R 6 5a
CDF, 1950-54
Box 1070
File 267.0041

DECLASSIFIED
Authority <u>MD 969003</u>
By <u>TB</u> NARA Date <u>6/19</u>

A(1)(a) of this Section, shall be subject to the provisions of Article 5A(1).

- 2) Article 5A(ii) will not be applied to income and the proceeds of liquidation which have been credited to a cover account maintained in favor of a primary company governed by Part III of the Brussels Intercustodial Agreement. In such cases the income and proceeds of liquidation shall be treated as part of a cover account under Article 5(a)(1) and shall be disposed of in accordance with Article 19.
- 3) Article 5A(ii) will not be applied to income on and the proceeds of liquidation of securities issued by third countries which have been credited to a cover account in the United States. In such cases the income and proceeds of liquidation shall be treated as part of a cover account under Article 5A(1).
- 4) Article 5A(1) and (ii) will be applied (a) to all foreign currency accounts, or cover accounts, maintained in favor of Algemeene Waren Financieringsgesellschaft through the intermediary of more than one financial institution within or outside The Netherlands and (b) to other foreign currency accounts, or cover accounts, maintained in favor of a German enemy through the intermediary of more than one financial institution in The Netherlands.
- 5) Charges of financial institutions in The Netherlands incurred on "primary accounts" will be divided equally between the Office of Alien Property and Het Nederlandse Beheersinstituut.

B. The Netherlands Government has proposed that the implementation of the provisions of Article 5A of the Brussels Intercustodial Agreement as interpreted by the provisions of paragraph A of this Section should be carried out by the use of so-called "key schemes" for which models have been prepared by De Nederlandsche Bank N.V. The Office of Alien Property agrees in principle to utilize these "key schemes" provided it is understood that there is no commitment to use the technique of "key schemes" regardless of its practicality, and relevancy in particular situations.

C. With respect to amounts in cover accounts which are not regarded as covered by the Brussels Intercustodial Agreement, the Netherlands

338846

DECLASSIFIED
Authority <u>MD 969003</u>
By <u>TB</u> NARA Date <u>6/19</u>

R 6 59
CDF, 1950-54
Box 1070
File 262.0041

Government reserves the right to make proposals regarding their ultimate disposition.

Section III

The Office of Alien Property and Het Nederlandse Beheersinstituut will proceed with the implementation of Part II of the Annex to the Brussels Intercustodial Agreement.

Section IV

It is agreed that for the purposes of the implementation of Part III of the Brussels Intercustodial Agreement, the percentage of direct and indirect German enemy interest in The Netherlands primary companies listed in Annex A, attached hereto, are as set forth opposite the name of each company in such Annex.

Section V

A. In implementation of Part III of the Brussels Intercustodial Agreement, the Attorney General will release to Steenkolen Handelsvereniging N.V. (hereinafter referred to as SHV) all property of SHV presently vested in the Attorney General under the Trading with the Enemy Act, as amended, the net proceeds of liquidation thereof and the net accruals thereto, and the Netherlands Government shall pay to the Attorney General in reimbursement the sum of \$1,600,000.

B. At the time of the release provided for under paragraph A of this Section, the Netherlands Government will deliver to the Office of Alien Property appropriate documents withdrawing Claims Nos. 61282 and 61283 filed by SHV and Administratiekantoor Unitas, N.V., respectively.

Section VI

A. In implementation of Part III of the Brussels Intercustodial Agreement, the direct and indirect German enemy interest in H. Albert de Bary & Co., N.V. and its wholly owned subsidiary, Administratiekantoor de Bary, C. V. (both hereinafter referred to as de Bary) shall be treated as 63.51%.

B. As soon as possible after the two governments have agreed upon the identification of the property owned beneficially by de Bary and presently vested in the Attorney General under the Trading with the Enemy Act, as amended, the net proceeds of liquidation thereof, and the net accruals thereto, the Attorney General will release to de Bary all such property except that which is subject to the jurisdiction of other parties to the Brussels Intercustodial Agreement, and The Netherlands Government shall pay to the Attorney

338847

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

R 6 5A
CDF, 1950-54
Box 1070
File 262.0041

General in reimbursement a sum equal to 63.51% of the value of the property released to de Bary by the Attorney General, adjusted in accordance with Article 19 of the Brussels Intercustodial Agreement as interpreted by Section II of this Memorandum.

C. At the time of release of the property under paragraph B of this Section, the Netherlands Government will deliver to the Office of Alien Property appropriate documents withdrawing all claims filed with the Office of Alien Property by de Bary in its own behalf with respect to such property. These claims include Nos. 61441, 61442, 61443 and 61444.

Section VII

A. In implementation of Part III of the Brussels Intercustodial Agreement, the direct and indirect German enemy interest in N.V. Gebreeders Pappenheim's Tabakshandel (hereinafter referred to as Pappenheim) shall be treated as 53%.

B. The Attorney General will release to Pappenheim all property in the United States of Pappenheim presently vested in the Attorney General under the Trading with the Enemy Act, as amended, the net proceeds of liquidation thereof and the net accruals thereto, except that which is subject to the jurisdiction of Canada, and the Netherlands Government shall pay to the Attorney General in reimbursement a sum equal to 53% of the value of the property released to Pappenheim adjusted in accordance with the provisions of Article 19 of the Brussels Intercustodial Agreement as interpreted by Section II of this Memorandum.

C. The shares of common stock of International Nickel Co. of Canada, Ltd. excluded from release under paragraph B of this Section shall be disposed of by the Attorney General pursuant to his regular procedures in accordance with instructions received from the Governments of The Netherlands and Canada, subject to the payment of the expenses of the Office of Alien Property applicable thereto.

D. At the time of the release of property provided for under paragraph B of this Section, the Netherlands Government will deliver to the Office of Alien Property appropriate documents withdrawing Claims Nos. 59310, 61139 and 61275 filed with the Office of Alien Property by Vlaer & Kol, Daniel Rothschild and Pappenheim, respectively.

Section VIII

In implementation of Parts III and IV of the Brussels Intercustodial Agreement, the Netherlands Government will withdraw its custodial

338848

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

R 6 5a
CDF, 1950-54
Box 1070
File 267.0041

controls from the direct and indirect interests in The Netherlands of Hugo Stinnes Corporation and Hugo Stinnes Industries, Inc. (now merged into Hugo Stinnes Corporation). The Attorney General will pay in reimbursement to Het Nederlandse Beheersinstituut \$900,000, and in addition certain subsidiaries in The Netherlands of Hugo Stinnes Corporation will pay to Het Nederlandse Beheersinstituut the counter-value of \$200,000 in Dutch florin. The terms and conditions with respect to the releases and transfers of property under this Section and the other arrangements related thereto are set forth in a separate agreement between the Office of Alien Property, Het Nederlandse Beheersinstituut and Hugo Stinnes Corporation, attached hereto as Annex B and made a part of this Memorandum. The releases of property and the payments made pursuant hereto shall be a full and final settlement of the claims under the Brussels Intercustodial Agreement of the three parties to the attached Agreements.

Section IX

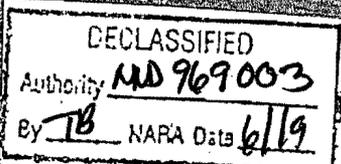
Upon the payment of fl. 69,143.33 to Het Nederlandse Beheersinstituut, from the sum of fl. 269,143.33 on deposit with the Amsterdamsche Bank, Amsterdam, as trustee for the bondholders of International Mortgage & Investment Corporation (hereinafter referred to as IMICO), Het Nederlandse Beheersinstituut will release its controls from the balance on deposit with the Amsterdamsche Bank. Such balance with the Amsterdamsche Bank will be used first for the payment of the bondholders of IMICO and any balance remaining shall not be claimed by the Netherlands Government. For the purposes of this Section, it is understood that IMICO shall be treated by the Netherlands Government as non-enemy with respect to any bonds it presents for payment. Furthermore, any bonds of IMICO held by Het Nederlandse Beheersinstituut on or after June 1, 1955, will be released to IMICO.

The understanding in this Section shall become effective only if accepted by IMICO before November 30, 1955. If IMICO does not accept this understanding, disposition of the fl. 269,143.33 will remain open for discussion with the Netherlands Government, without prejudice to rights and remedies, if any, of any person or government concerned.

Section X

The Office of Alien Property has requested the Netherlands Government to restore the funds previously held in accounts in the United States for Franubo Handels en Beleggingskantoor, N.V., N.V. Algema-Algemeen Maats-

338849



R 6 59
CDF, 1950-54
Box 1070
File 262.0041

chappij voor Financiële-Zaken and Administratie Maatschappij "Feralda" N.V. which in its opinion were certified in error under General License No. 95 and the letters of 1946 between Netherlands Minister of Finance Lleftinck and Secretary of the Treasury Vinson relating to the applicability of General License No. 95 to The Netherlands. The Office of Alien Property will furnish the Netherlands Government with a Statement setting forth the basis for its request. Without admitting erroneous certifications on its part, the Netherlands Government agrees to review the facts involved in these cases and to use its best efforts with the private parties concerned to assist the Office of Alien Property to reach a solution of its problems in these cases.

Section XI

A. Claims of the American nationals listed in Annex C attached hereto, involving acquisitions with reichsmarks during the German occupation of The Netherlands of interests in property in The Netherlands have been discussed. Certain of these claims were asserted under Part IV of the Brussels Intercustodial Agreement. The Netherlands and United States representatives reiterated the respective positions of their Governments with respect to the non-recognition of reichsmark acquisitions involving the American claimants.

In addition, there was discussed the claim of the American national, Dentists' Supply Company, involving the acquisition during the war of certain so-called Hinterlegungszertifikate of Algemeene Kunstzijde Unie shares and possibly of certain Algemeene Kunstzijde Unie shares. The Netherlands representatives have stated their view that the acquisition of a Hinterlegungszertifikat does not result in an acquisition of property in The Netherlands. The United States representatives have stated their view that by the clear terms of the Hinterlegungszertifikat a right was created to the ownership of a like numbered share in Algemeene Kunstzijde Unie and that Part IV of the Brussels Intercustodial Agreement requires The Netherlands to protect this right.

Since The Netherlands and the United States have not been able to secure the acceptance of their respective positions on the above-mentioned claims, it has been decided to arrive at compromise solutions.

B. It is understood that each Government reserves fully its position and that the action taken under this Section shall not constitute a precedent binding upon The Netherlands or the United States either under the national law of The Netherlands or of the United States or under international law or under the Brussels Intercustodial Agreement.

338850

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

R 6 59
CDF, 1950-54
Box 1070
File 262.0041

C. The Governments of The Netherlands and the United States agree on the solutions set forth in Annex C. The Government of The Netherlands agrees to pay, and the Government of the United States agrees to accept the sums set forth in Annex C, totalling fl. 4,327,000, in full settlement and discharge of the claims of the Nationals of the United States listed in Annex C against the Government of The Netherlands and its nationals involving acquisitions with reichsmarks during the German occupation of The Netherlands of interests in property in The Netherlands, as well as of the claim of the Dentists' Supply Company; provided, however, if any American claimant so desires, he may decline to accept the sum set forth in Annex C with respect to his claim, in which event this sum shall be retained by The Netherlands and he shall be free to pursue whatever private remedies may be available. If within sixty days of the effective date of this Memorandum a claimant does not transmit advice to the Department of State of his willingness to accept the sum, it will be assumed that he declines to accept the sum set forth in the Annex and desires to pursue his private remedies. The Department of State will inform The Netherlands Government of such advices from claimants within ninety days of the effective date of this Memorandum.

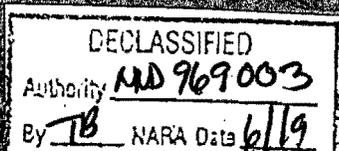
D. The sums set forth in Annex C will be distributed by Het Nederlandse Beheersinstituut to the claimants in the manner and under the conditions provided in Annex C. Further, at the time of receiving payment a claimant shall withdraw any suit or administrative proceeding now pending in The Netherlands with respect to his claim and deliver to Het Nederlandse Beheersinstituut any securities or coupons in his possession or under his control evidencing interests in property in The Netherlands involved in his claim.

E. The sums set forth in Annex C shall be paid free of taxes and all other charges of The Netherlands Government. These sums shall be subject to the normal foreign exchange controls. The Netherlands Government will give sympathetic consideration to requests for free convertibility of the florins into dollars.

F. The sums set forth in Annex C shall be paid by Het Nederlandse Beheersinstituut as soon as the Office of Alien Property has released the assets of steenkolen-Handelsvereniging N.V. in accordance with Section V of this Memorandum.

G. If other American claims involving reichsmark purchases, not set forth in Annex C, should come to light, the United States Government reserves

338851



R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

its right to request the Netherlands Government to give protection in a similar manner as for the present claims.

Done in triplicate at Washington, D.C. on June 9 , 1955.

A. Rinnooy-Kan
Director, Ministry of Finance
The Netherlands

C. Burke Elbrick
Deputy Assistant Secretary
for European Affairs
Department of State

Henry G. Hilken
Intercustodial & Foreign Funds Officer
Office of Alien Property
Department of Justice

338852

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

This Document Must Be Returned to
OC/R
Central
Files

262.0041/7-1555

CS/S

262.0041/7-1555

5-2-55
8-2-55
8-15-55
8-10-55

July 15 1955

In reply refer to
L/E

Dear Dr. Soutendijk:

Reference is made to Section XI and Annex C concerning American reinsurance claims in the "Memorandum Concerning the Implementation of the Brussels Intergovernmental Agreement and the Solution of Related Cases (United States - The Netherlands)" signed provisionally June 9, 1955.

The Department has been in communication with the American claimants listed in Annex C and has received replies from the following claimants to the effect they are willing to accept the solutions set forth in Annex C related to their cases:

1. Eisenberg, Jacob
2. Fuhr, Nathan Smart
3. Heirs of Richard Hoffmann (Attorney, Jerome J. Dick)
4. New Jersey Industries, Inc.
5. Socoxy Vacuum Oil Company, Inc.
6. United Continental Corporation
7. Yaselli, Paul E.
8. Dentists' Supply Company

It is understood that these acceptances would become effective when the provisional agreement becomes effective.

R

Dr. L. A. V. Soutendijk,
Financial Counselor,
Embassy of the Netherlands,
1470 Euclid Street, N. W.,
Washington 9, D. C.

DC/R
Anal 19
Rev
enc Mb

338853

R 6 5a 1955-9
CDF, ~~250-34~~
Box 1070
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

- 2 -

It will be appreciated if you will transmit to your Netherlands authorities the names of the above claimants. The Department will keep you advised of additional claimants who communicate with the Department indicating their willingness to accept the solutions in Annex C.

Sincerely yours,

EM

Ely Hauer
Assistant to the
Legal Advisor

S/S-CR
2/2
JUL 14 1955 P.M.

Lil/Es/Shaurov
TH/KE

Cleared on the phone
with *Mr. Christman*

R 6 5a 338853A
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED
Authority **MD 969003**
By **TB** NARA Date **6/19**

NETHERLANDS EMBASSY
WASHINGTON 9. D. C.

OFFICE OF FINANCIAL COUNSELOR

FA/789

*Received 4/E
8/1/55
Reply drafted 8/1/55*

420 EUCLID STREET, N. W.
TEL. ADAMS 4-1662
CABLES: NETHERFIN

July 29, 1955

This Document Must Be Returned to
DC/R
Central
Files
262.0041/7-1955

Mr. Stanley D. Metzger
Department of State, Annex VII
WASHINGTON D.C.

Dear Mr. Metzger :

I herewith wish to advise you, that we have received a message from the Netherlands concerning the draft letter on notes which are to be exchanged with regard to the loot securities matter.

In this message it is suggested that paragraph e on page 3 of the draft letter from the Department of Justice to the State Department is replaced by the following sentence:

"Recognition of Netherlands Decree A-1 shall not be accorded in the cases which fall in the category of heirless assets. During the recent discussions it was established that up till that time no heirs had been found with regard to \$ 12,400.- in face value of securities."

If this suggestion could be accepted on your side, the Netherlands Government will be in complete agreement with the proposed texts.

In the meantime I have asked that the numbers of the heirless securities will be sent to you as soon as possible.

Very truly yours,

P.C. Witte

P.C. Witte
Asst. Financial Attaché.

DC/R
[initials]
[initials]
[initials]
[initials]

281682

338854

262.0041/7-2955
CS/HHH

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

R 6 5a 1955-9
CDF, ~~100-524~~
Box 1070
File 262.0041

In reply refer
to L/E

August 4 1955

Dear Mr. Witte:

Thank you for your letter of July 29, 1955.

I called your office but found that you were on vacation and would like to discuss this upon your return. My reactions to your letter are as follows:

The suggested replacement of the sentence in Paragraph e of the draft letter regarding the \$12,400 in face value of securities appears to be defective in two respects: a) It indicates that there is continuing question regarding categorizing the \$12,400 in face value of the securities as heirless assets, which the language in the draft letter treated as settled and which we thought was settled; b) It carries some inference in respect of the heirless quality of other assets, which were left open under the formula represented by the draft note -- in respect of making available to the appropriate Netherlands Jewish organizations information which might be helpful in identifying heirless assets.

Since there would appear to be no necessity of changing the language, it is suggested that the matter be reconsidered with a view to acceptance of the sentence presently appearing in Paragraph f.

Sincerely yours,

SDM
Stanley D. Metzger
Assistant Legal Adviser for
Economic Affairs

Mr. P. C. Witte,
Assistant Financial Attache,
Netherlands Embassy,
Washington, D. C.

S/S-CR

AUG 2 1955 P.M.
AUG - 4 1955

SDM
L:L/E:SDMetzger:blm
8/1/55

u
WE - Mr. Christensen

338855

This Document Must Be Returned to
DC/R
Central
Files
262.0041/7-2955

CS/HHH

262.0041/7.2955

DECLASSIFIED
Authority: MD 969003
By: JB NARA Date: 6/19

R 6 59 1955-9
CDF, ~~262.0041~~
Box 1070
File 262.0041

August 17 1955

In reply refer to
L/E

Dear Mr. Creighton:

262-0041/8-9-55
L

In the recent United States-Netherlands conference discussions were held with respect to heirless assets among the securities involved in the United States-Netherlands Looted Securities Agreement of January 19, 1951.

In reply to the Department's request, the Netherlands Embassy has now submitted the attached letter of August 9, 1955, with enclosure identifying the \$12,400 in face value of securities heretofore deemed to be heirless. The Department has transmitted a copy of this letter, with enclosure, to Mr. Seymour J. Rubin as representative of the Jewish Restitution Successor Organization.

Sincerely yours,

[Handwritten signature]

Ely Maurer
Deputy Assistant Legal Advisor
For Economic Affairs

Enclosure:

From Netherlands Embassy,
August 9, 1955.

Mr. Thomas H. Creighton, Jr.,
Chief, Claims Section,
Office of Alien Property,
Department of Justice.

S/S-CR

AUG 17 1955

DC/R
Alloc
Rev
Ca

L:L/E:EMaurer:mj
8/16/55

WE

338856

This Document Must Be Returned to
Central Files
262-0041/8-1755

CS/Y

262-0041/8-1755

R 6 59
CDF, 1955-59
Box 1071
File 262-0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

DEPARTMENT OF STATE

THE LEGAL ADVISER

RMI/R

TO: EUR - Mr. Elbrick DATE: September 26, 1955

FROM: L - Benedict M. English *BM*

SUBJECT: Exchange of Communications with Netherlands involved in certain additional arrangements concerning recognition of Netherlands Decree A-1 and heirless assets.

This Document Must Be Returned to
 OC/R FW 262.0041/6-1455
 Central Files

I refer to my memorandum (Tab A) of June 14, 1955, attached, with which you concurred, setting forth a proposed exchange of communications among the Office of Alien Property, the Department of State and the Netherlands Embassy relating to the recognition of Netherlands Decree A-1 and heirless assets. With one minor alteration, involving the change of certain figures from \$12,600 to \$6,400, the exchange of the communications has been agreed to by the three parties.

The Office of Alien Property has now forwarded to us a letter dated September 14, 1955 as the first of the agreed communications (Tab B). I attach for your signature or initials final versions of the agreed reply of the Department of State to the Office of Alien Property (Tab C) and of the agreed note from the Department of State to the Netherlands Embassy (Tab D). Upon receipt of the note from the Department of State the Netherlands Embassy is prepared to transmit to us certain notes in reply as previously agreed.

You will recall that the Department of State and the Office of Alien Property made arrangements for the exchange of these communications as a subsidiary matter in the discussions with the Netherlands representatives in May and June of this year. The main aspect of the discussions concerned the settlement of certain outstanding inter-custodial and related cases between the Netherlands Government and the United States. A provisional agreement on these cases was initialed June 10 with, however, the one outstanding issue involving the time of reimbursement of certain amounts to be settled by later correspondence. The Netherlands has now submitted a proposal on the subject of reimbursement which we have forwarded to the Office of Alien Property, but that office has not as yet transmitted to us its views. From present appearances it does not appear that this issue will be settled before the next few months. While the Department originally contemplated that the arrangements on the recognition of Netherlands Decree A-1 and on heirless assets would go into effect approximately contemporaneously with the provisional agreement, this timing is not possible unless we are to delay the above exchange of communications. It is not believed

DSFK 262.0041/6-1455

BO/R
 Anal 63
 REV
 DIST

DEC 4 - 1957
 FILED
 that

288497

Office of Alien Property desires to be informed if, in the opinion of the Department of State, the recognition of the Netherlands Decree A-1, as amended,

R 659 1955-9
 CDF, ~~1950-54~~
 Box 1070
 File 262.0041

338857

DECLASSIFIED
 Authority MD 969003
 By TB NARA Date 6/19

that such a delay is necessary or desirable. The main pressure on the Netherlands authorities arises from the assets which the Office of Alien Property holds in the intercustodial field and this pressure, it is believed, will be sufficient to bring about an effective agreement. Further, the arrangements involving the recognition of Netherlands Decree A-1 will take some time to implement and, if unusual difficulties should develop, which are not expected, it would be possible to delay such implementation as an aid to a general overall solution with the Netherlands. It is, therefore, our view that the exchange of communications may now proceed to a conclusion even though the provisional agreement is not yet at a stage where it is ready to go into effect.

of the implementation of the arrangements between the United States of America and the Netherlands Government in the Netherlands Decree A-1 of 1940 and it became one of this Decree would facilitate the in the case of the Office of Alien Property of the Netherlands Government as trustee of the assets and securities. A series of communications were conducted between the Office of Alien Property and the

Enclosures:

1. Memorandum of June 14, 1955.
2. From the Office of Alien Property, September 14, 1955.
3. Reply of the Department of State.
4. Note to the Netherlands Embassy.

2. A letter to the Department of Justice from the Department of State advising that recognition should be accorded for such limited cases and purposes as being consistent with the public policy of the United States (Document II).

3. A note from the Department of State to the Netherlands Embassy containing a copy of the above letter and requesting to obtain assurances from the Netherlands Government as regards its trustee capacity under Netherlands Decree A-1 in suits brought by the claimant against the Government and the Netherlands Government. The second assurance contained the request by the Netherlands Government of any securities which are held to be enemy owned under United States Law.

4. A note from the Netherlands Embassy to the State Department giving the required assurances (Document IV).

In addition there was taken up in the discussions the question of being left for later determination under the United States Law.

WJA
PM
L: L/E: E: Maurer mj
9/26/55

281688

CO
1-11-55
1955
States

Office of Alien Property desires to be informed if, in the opinion of the Department of State, the recognition of the Netherlands Decree A-1, as

RG 59
CDF, 1950-54
Box 1070
File 262.0041

amended,

338858

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

June 14, 1955

To the Department of State from the Department of Justice

Reference is made to recent discussions between representatives of the Department of State and the Office of Alien Property on the one hand, and representatives of the Netherlands Government, on the other hand, with respect to the implementation of the Memorandum of Understanding of January 19, 1951 between the United States of America and the Netherlands Regarding Claims by the Government of the Netherlands to Looted Securities. In the course of these discussions the question has been raised by the Netherlands representatives respecting the recognition of Netherlands Decree A-1 of May 24, 1940, as amended by Netherlands Decree C-34 of May 7, 1942. It will be recalled that the State Department received official translations of these decrees by letters of June 1, 1940 and July 14, 1942 from the Netherlands Ambassador to the Secretary of State. Under the Netherlands Decree A-1, as amended, the Netherlands Government made provision for the taking of title, inter alia, of certain securities of American issue belonging to Netherlands citizens resident in the Netherlands or other natural persons resident in the Netherlands on May 24, 1940.

From these discussions it has become apparent that the Netherlands representatives agree that the Netherlands Decree A-1, as amended, is properly interpreted by all the parties as a conservatory measure which preserves the rights of the prelooting owner of the securities involved or his successors in interest. From these discussions it has also become apparent that a limited recognition of the Netherlands Decree A-1 will facilitate the disposition of the property vested in accordance with the agreement of January 19, 1951 in that this Office would be able to assign to the Netherlands Government as trustee for the present owner all the right, title and interest in a major part of such vested securities. The Office of Alien Property desires to be informed if, in the opinion of the Department of State, the recognition of the Netherlands Decree A-1, as amended,

amended,

338859

R 6 5 a
CDF, 1950-54
Box 1070
File 262-0041

amended, should be accorded for the following limited cases and purposes by this office with respect to vested securities as being consistent with the public policy of the United States.

a. Where the original owner of the security on May 24, 1950 was a Netherlands citizen resident in the Netherlands or any other natural person resident in the Netherlands, subject however to the qualifications set forth below.

b. In cases where an adverse claim has been filed with respect to a vested security and has not been withdrawn this office will proceed to a determination whether ^{such adverse} ~~the~~ claimant is the pre-vesting owner or an innocent purchaser and if the claimant is so found and the claimant meets the other requirements of the Act, the security will be turned over to him; otherwise recognition shall be accorded to the Netherlands A-1 Decree, as amended, and the security turned over to the Netherlands Government for the beneficial owner as certified to by said Government.

c. In those cases where no adverse claim has been filed against the vested security, does the State Department concur that, to carry out the agreement of January 19, 1951, it should be assumed for the limited purpose of action by this Office that there is no innocent purchaser and that the beneficial owner as certified to by the Netherlands Government is the pre-vesting owner and that recognition should be accorded to the Netherlands A-1 Decree and the security turned over to the Netherlands Government for the benefit of the beneficial owner. Such a turnover is to take place subsequent to a 30-day period after a Notice of Intention to Return has been published as prescribed under section 32 (f) of the Trading with the Enemy Act, as amended. Under section 32(f) a claimant may bring a suit within 30 days after publication of a Notice of Intention to Return against the beneficial owner and the Netherlands Government by way of attachment process. In order that such a suit may not be frustrated your Department might desire to secure from the Netherlands

Government

338860

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED

Authority: MD 969003

By TB NARA Date 6/19

Government a waiver of its immunity from suit in so far as its trustee capacity under the Netherlands Decree A-1 is concerned. Similarly, under section 32(e) of the Trading with the Enemy Act, as amended, after the turnover a suit may be brought against a person to whom return has been made to establish any right, title or interest which may exist or which may have existed at the time of vesting in the property or interest returned, by any person not ineligible to receive a return under section 32(a)(2) of the Trading with the Enemy Act. For this purpose, too, your Department may desire to secure a waiver from the Netherlands Government of its immunity from suit in so far as its trustee capacity under the Decree A-1 is concerned and so long as the Netherlands Government retains control of the securities in its trustee capacity in order that such suits against the Netherlands Government and the beneficial owner may not be frustrated.

d. Recognition shall not be accorded in cases where the original owner was a German citizen, excluding a persecutee, resident in the Netherlands at the time of the Decree since such a person is considered an enemy under United States law. Recognition shall not be accorded in cases where the original owner at the time of the decree was not an enemy but where, by operation of law, enemy heirs have an interest in the security. In this connection the bearing of the Brussels Inter-custodial Agreement of December 5, 1947 may have to be considered. Further, it is suggested that the Department of State obtain from the Netherlands Government a commitment that it will return to the Office of Alien Property all securities released, which as a result of further investigation, the Netherlands Government determines to be enemy owned according to United States law.

e. Recognition of Netherlands Decree A-1 shall not be accorded in the cases already identified totalling \$12,400 in face value of securities which fall in the category of heirless assets.

It

338861

R 6 59
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

It should be pointed out that this letter is restricted to cases involving "Lippmann Rosenthal", "forced transfer", and "theft" types of looting. Certain other problems are involved with respect to "Rebholz Banking" looting with respect to which this office may wish to communicate with the Department of State at a later time.

The Office of Alien Property also wishes to point out that situations may come to its attention which are not covered by the categories a, b, c, d and e above and which may present a problem involving the recognition of Netherlands Decree A-1. In that event the Office of Alien Property will desire to take up such situations with the Department of State.

In releasing property under section 32 the Office of Alien Property is required to make a determination that such releases are in the national interest. Your Department has suggested to the Office of Alien Property that such a determination can be made on the basis of the background and purposes of the Memorandum of Understanding. If you advise the Office of Alien Property to this effect it is prepared to make such a determination for any releases otherwise justified in the cases here involved.

Netherlands Embassy
prepared to transmit
of January 11, 1955
under Netherlands
want to return
determined to be

L.L./E:EMaurer:mj
6/14/55

L:L/E:EMaurer:mj
6/14/55

338862

DECLASSIFIED
Authority **MD 969003**
By **TB** NARA Date **6/19**

R 6 5 a
CDF, 1950-54
Box 1070
File 262.0041

June 14, 1955

To the Department of Justice from the Department of State

Reference is made to your letter of *Sept. 14, 1955* with respect to the recognition of Netherlands Decree A-1 of May 24, 1940, as amended by Netherlands Decree C-34 of May 7, 1942, with respect to certain securities vested by your office falling under the United States-Netherlands Memorandum of Understanding of January 19, 1951 Regarding Claims by the Government of the Netherlands to Looted Securities.

The Department of State herewith advises that recognition shall be accorded by your office to Netherlands Decree A-1, as amended, with respect to certain vested securities for the limited cases and purposes described in your letter as being consistent with the public policy of the United States.

The Department of State concurs that, on the basis of the background and purposes of the Memorandum of Understanding, it would be appropriate for your office to make a finding that releases, otherwise justified in the cases here involved, are in the national interest.

A copy of your letter and this letter are being transmitted to the Netherlands Embassy. It is understood that the Netherlands Embassy is prepared to transmit a note to the Department with respect to the waiver of immunity of the Netherlands Government in so far as its trustee capacity under Netherlands Decree A-1 is concerned and with respect to the commitment to return any securities released which the Netherlands Government determines to be enemy-owned under United States law.

L:L/E:EMaurer:mj
6/14/55

338863

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

June 14, 1955

The Secretary of State presents his compliments to His Excellency the Ambassador of the Netherlands and transmits a copy of a self-explanatory letter from the Office of Alien Property, Department of Justice dated ~~June~~ ^{Sept} 14 1955 and a copy of a self-explanatory reply from the Department of State dated ~~June~~ ^{July} 1955 concerning the recognition of Netherlands Decree A-1 of May 24, 1940, as amended by Netherlands Decree C-34 of May 7, 1942, with respect to certain securities vested by the Office of Alien Property, Department of Justice, falling under the United States-Netherlands Memorandum of Understanding of January 19, 1951 Regarding Claims by the Government of the Netherlands to Looted Securities.

The Department would appreciate a communication from the Netherlands Ambassador that the Netherlands Government waives the immunity of the Netherlands Government as regards its trustee capacity under Netherlands Decree A-1 in suits brought by a claimant against the beneficial owner and the Netherlands Government ^{and} that the Netherlands Government will return any securities released which the Netherlands Government determines to be enemy owned under United States law.

L:L/E:EMaurer:mj
6/14/55

338864

R 6 5 a
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

The Ambassador of the Netherlands presents his compliments to the Secretary of State and has the honor to refer to the Secretary's note of June 1955 concerning the recognition of Netherlands Decree A-1 of May 24, 1940 with respect to certain securities vested by the Office of Alien Property, Department of Justice, falling under the United States-Netherlands Memorandum of Understanding of January 19, 1951 Regarding Claims by the Government of the Netherlands to Looted Securities.

The Netherlands Government hereby waives its immunity in so far as regards its trustee capacity under the Netherlands Decree A-1 in suits brought by a claimant against the beneficial owner and the Netherlands Government.

The Netherlands Government assures that it will return any securities released which the Netherlands Government determines after further investigation to be enemy owned under United States law.

L:L/E:EMaurer:mj
6/14/55

338865

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

June 14, 1955

The Ambassador of the Netherlands presents his compliments to the Secretary of State and has the honor to refer to recent discussions between representatives of the Netherlands and the United States concerning intercustodial claims and related matters. In the course of these discussions the representatives of the two governments have considered the question of heirless assets which was left for later determination under the United States-Netherlands Agreement of August 29, 1951 regarding United States issued securities held by Netherlands Administrative Offices and the United States-Netherlands Memorandum of Understanding of January 19, 1951 Regarding Claims by the Government of the Netherlands to Looted Securities.

The Netherlands Government confirms its intention to make available to the appropriate Netherlands Jewish organization the Jewish heirless securities involved in the Agreement of August 29, 1951 regarding Netherlands Administrative Offices. In this connection, if the last owner of a security was known to be Jewish and if the security is at present unclaimed, it shall be presumed to be a Jewish heirless security. The Netherlands Government also confirms its intention to cooperate fully with representatives of the appropriate Netherlands Jewish organization with respect to obtaining and making available all information which might be helpful in identifying such Jewish heirless assets.

The Netherlands Government confirms its intention to follow a similar procedure with respect to securities under the Memorandum of Understanding of January 19, 1951 not heretofore identified as Jewish heirless property.

L:L/E:EMaurer:mj
6/14/55

338866

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

RMR

This Document Must Be Returned to
OC/R Central Files 262.0041/9-1455

262.0041

The Secretary of State presents his compliments to His Excellency the Ambassador of the Netherlands and has the honor to transmit a copy of a self-explanatory letter from the Office of Alien Property, Department of Justice dated September 14, 1955 and a copy of a self-explanatory reply from the Department of State dated October 14, 1955 concerning the recognition of Netherlands Decree A-1 of May 24, 1940, as amended by Netherlands Decree C-34 of May 7, 1942, with respect to certain securities vested by the Office of Alien Property, Department of Justice, falling under the United States-Netherlands Memorandum of Understanding of January 19, 1951 Regarding Claims by the Government of the Netherlands to Lusted Securities.

CS/K

262.0041/9-1455

The Department would appreciate a communication from the Netherlands Ambassador that the Netherlands Government waives the immunity of the Netherlands Government as regards its trustee capacity under Netherlands Decree A-1 in suits brought by a claimant

338867

DC/R
4081-3
Rev
Dist

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

claimant against the beneficial owner and the Netherlands Govern-
ment and that the Netherlands Government will return any securities
released which the Netherlands Government determines to be enemy-
owned under United States law.

Enclosures:

1. From the Office of Alien Property,
September 14, 1955.
2. From the Department of State,
October 14, 1955.

Department of State,

Washington, October 17 1955

S/S-CR

SEP 28 1955 7 M

To EUR to initial my

OCT 14 1955

Notes in the handbook
of Oct 17 1955 to Netherlands
Embassy office by Mr. [unclear]
of 4E

WE- [unclear]

CE/20

338868

CBE

L: L/E: E: Maurer: m: j
9/26/55

L
[unclear]

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

October 14 1955

262 0041/9-1455

File
Control
00/R 262:004 P/9-14-55

Dear Mr. Townsend:

Reference is made to your letter of September 14, 1955 with respect to the recognition of Netherlands Decree A-1 of May 24, 1940, as amended by Netherlands Decree C-34 of May 7, 1942, with respect to certain securities vested by your office falling under the United States-Netherlands Memorandum of Understanding of January 19, 1951 Regarding Claims by the Government of the Netherlands to Looted Securities.

It is the opinion of the Department of State that recognition should be accorded by your office to Netherlands Decree A-1, as amended, with respect to certain vested securities for the limited cases and purposes described in your letter as being consistent with the public policy of the United States.

The Department of State concurs that, on the basis of the background and purposes of the Memorandum of Understanding, it would be appropriate for your office to make a finding that releases, otherwise justified in the cases here involved, are in the national interest.

A copy of your letter and this letter are being transmitted to the Netherlands Embassy. It is understood that the Netherlands Embassy is prepared to transmit a note to the Department with respect to the waiver of immunity of the Netherlands Government insofar as its trustee capacity under Netherlands Decree A-1 is concerned and with respect to the commitment to return any securities released which the Netherlands Government determines to be enemy-owned under United States law.

Sincerely yours,

C. Burke Elbrick
Deputy Assistant Secretary
for European Affairs

The Honorable
Dallas S. Townsend,
Assistant Attorney General,
Director, Office of Alien Property,
Department of Justice.

L:L/E:EMaurer:mj:mls 9/26/55 L WE

CS/K

262 0041/9-1455

455

DC/R
Anab 3
Rev
Oct

S/S-CR
OCT 14 1955 P.M.

clearing
for
5m

Anab
Rev
Oct

capacity under Netherlands Decree A-1 in suits brought by a

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

IN REPLY, PLEASE REFER TO FILE NUMBER

034-214

OFFICE OF ALIEN PROPERTY
DEPARTMENT OF JUSTICE
WASHINGTON 25, D. C.

H/E 9/19/55
WEL/m...
K C
Bo...
9/26/55
R E - Em

SEP 14 1955
BUREAU OF EUROPEAN AFFAIRS
RECEIVED
SEP 16 1955
Deputy Ass't Secretary
DEPARTMENT OF STATE

Mr. C. Burke Elbrick
Deputy Assistant Secretary for European Affairs,
Department of State
Washington, D. C.

Dear Sir:

262-0041

Reference is made to recent discussions between representatives of the Department of State and the Office of Alien Property on the one hand, and representatives of the Netherlands Government, on the other hand, with respect to the implementation of the Memorandum of Understanding of January 19, 1951 between the United States of America and the Netherlands Regarding Claims by the Government of the Netherlands to Looted Securities. In the course of these discussions the question has been raised by the Netherlands representatives respecting the recognition of Netherlands Decree A-1 of May 24, 1940, as amended by Netherlands Decree C-34 of May 7, 1942. It will be recalled that the State Department received official translations of these decrees by letters of June 1, 1940 and July 14, 1942 from the Netherlands Ambassador to the Secretary of State. Under the Netherlands Decree A-1, as amended, the Netherlands Government made provision for the taking of title, inter alia, of certain securities of American issue belonging to Netherlands citizens resident in the Netherlands or other natural persons resident in the Netherlands on May 24, 1940.

From these discussions it has become apparent that the Netherlands representatives agree that the Netherlands Decree A-1, as amended, is properly interpreted by all the parties as a conservatory measure which preserves the rights of the prelooting owner of the securities involved or his successors in interest. From these discussions it has also become apparent that a limited recognition of the Netherlands Decree A-1 will facilitate the disposition of the property vested in accordance with the agreement of January 19, 1951 in that this Office would be able to assign to the Netherlands Government as trustee for the present owner all the right, title and interest in a major part of such vested securities. The Office of Alien Property desires to be informed if, in the opinion of the Department of State, the recognition of the Netherlands Decree A-1, as amended, should be accorded for the following limited cases and purposes by this office with respect to vested securities as being consistent with the public policy of the United States.

a. Where the original owner of the security on May 24, 1950 was a Netherlands citizen resident in the Netherlands or any other natural person resident in the Netherlands, subject however to the following conditions set forth below.

BC/R
ANAL 3
Rev
Cat

288496

338870

RECEIVED
SEP 16 1955
OFFICE
WE
DEPARTMENT OF STATE

ANAL 3
Rev
Cat

capacity under Netherl

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

This Document Must Be Returned to
OO/R 262.0041/9-1455
Central Files

262.0041/9-1455
CS/K

b. In cases where an adverse claim has been filed with respect to a vested security and has not been withdrawn this office will proceed to a determination whether the claimant is the pre-vesting owner or an innocent purchaser and if the claimant is so found and the claimant meets the other requirements of the Act, the security will be turned over to him, otherwise recognition shall be accorded to the Netherlands A-1 Decree, as amended, and the security turned over to the Netherlands Government for the beneficial owner as certified to by said Government.

c. In those cases where no adverse claim has been filed against the vested security, does the State Department concur that, to carry out the agreement of January 19, 1951, it should be assumed for the limited purpose of action by this Office that there is no innocent purchaser and that the beneficial owner as certified to by the Netherlands Government is the pre-vesting owner and that recognition should be accorded to the Netherlands A-1 Decree and the security turned over to the Netherlands Government for the benefit of the beneficial owner. Such a turnover is to take place subsequent to a 30-day period after a Notice of Intention to Return has been published as prescribed under section 32 (f) of the Trading with the Enemy Act, as amended. Under section 32(f) a claimant may bring a suit within 30 days after publication of a Notice of Intention to Return against the beneficial owner and the Netherlands Government by way of attachment process. In order that such a suit may not be frustrated your Department might desire to secure from the Netherlands Government a waiver of its immunity from suit in so far as its trustee capacity under the Netherlands Decree A-1 is concerned. Similarly, under section 32(e) of the Trading with the Enemy Act, as amended, after the turnover a suit may be brought against a person to whom return has been made to establish any right, title or interest which may exist or which may have existed at the time of vesting in the property or interest returned, by any person not ineligible to receive a return under section 32(a)(2) of the Trading with the Enemy Act. For this purpose, too, your Department may desire to secure a waiver from the Netherlands Government of its immunity from suit in so far as its trustee capacity under the Decree A-1 is concerned and so long as the Netherlands Government retains control of the securities in its trustee capacity in order that such suits against the Netherlands Government and the beneficial owner may not be frustrated.

d. Recognition shall not be accorded in cases where the original owner was a German citizen, excluding a persecutee, resident in the Netherlands at the time of the Decree since such a person is considered an enemy under United States law. Recognition shall not be accorded in cases where the original owner at the time of the decree was not an enemy but where, by operation of law, enemy heirs have an interest in the security. In this connection the bearing of the Brussels Inter-custodial Agreement of December 5, 1947 may have to be considered. Further, it is suggested that the Department of State obtain from the Netherlands Government a commitment that it will return to the Office of Alien Property all securities released, which as a result of further investigation, the Netherlands Government determines to be enemy owned according to United States law.

e. Recognition of Netherlands Decree A-1 shall not be accorded in

338871

ADRI 3
REV
OCT

capacity under Netherlands

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

the cases already identified totalling \$6,400 in face value of securities which fall in the category of heirless assets.

It should be pointed out that this letter is restricted to cases involving "Lippmann Rosenthal", "forced transfer", and "theft" types of looting. Certain other problems are involved with respect to "Rebholz Banking" looting with respect to which this office may wish to communicate with the Department of State at a later time.

The Office of Alien Property also wishes to point out that situations may come to its attention which are not covered by the categories a, b, c, d, and e above and which may present a problem involving the recognition of Netherlands Decree A-1. In that event the Office of Alien Property will desire to take up such situations with the Department of State.

In releasing property under section 32 the Office of Alien Property is required to make a determination that such releases are in the national interest. Your Department has suggested to the Office of Alien Property that such a determination can be made on the basis of the background and purposes of the Memorandum of Understanding. If you advise the Office of Alien Property to this effect it is prepared to make such a determination for any releases otherwise justified in the cases here involved.

Very truly yours,

Dallas S. Townsend

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

338872

the immunity of the Netherlands Government as regards its trustee
capacity under Netherl

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19