

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

IN THE MATTER OF THE CLAIM OF

EDITH C. BLASBERG

Under the International Claims Settlement
Act of 1949, as amended

Claim No. G-0876

Decision No. G-1172

PROPOSED DECISION

This claim in an unstated amount against the Government of the German Democratic Republic, under Title VI of the International Claims Settlement Act of 1949, as amended by Public Law 94-542 (90 Stat. 2509), is based upon the alleged loss of 6,131 reichsmarks deposited at the Deutsche Notenbank in Berlin.

The record indicates that claimant became a United States citizen on June 21, 1949.

Under section 602, Title VI of the Act, the Commission is given jurisdiction as follows:

"The Commission shall receive and determine in accordance with applicable substantive law, including international law, the validity and amounts of claims by nationals of the United States against the German Democratic Republic for losses arising as a result of the nationalization, expropriation, or other taking of (or special measures directed against) property, including any rights or interests therein, owned wholly or partially, directly or indirectly, at the time by nationals of the United States whether such losses occurred in the German Democratic Republic or in East Berlin. . ."

On the basis of the entire record, the Commission finds that a bank account in the claimant's name was opened in 1931 at the Sparkasse der Stadt Buchholz. The balance of the account in 1939 stood at 5,080.05 reichsmarks. By January 30, 1952, the account

had been transferred to the Deutsche Notenbank in Berlin and had a balance of 6,131 reichsmarks. Correspondence from the Kreissparkasse (District Savings Bank of) Annaberg, dated November 12, 1956, indicates that the claimant at that time could make use of interest earned on her account upon presentation of the necessary documentation to the bank. The record does not reveal that any additional correspondence has been received from the German Democratic Republic with regard to this account.

As the claimant has supplied no evidence of whether and, if so, when the bank account may have been taken, the Commission on its own has reviewed various decrees and regulations of the German Democratic Republic to see whether it can find a basis to presume that the account was taken. The Commission finds that the bank account would have come under the purview of the "Decree on the Discharge of Share Rights of Citizens of the German Democratic Republic in Old Asset Liquidation Credits," of September 22, 1958. This law applied to bank accounts that were established before the end of World War II, owned by German citizens on May 8, 1945, and revalued from reichsmarks into ostmarks at a ratio of ten to one pursuant to the currency reform of 1948. The new ostmark balances were termed "share rights in old asset liquidation credits," and were to earn 3% simple interest annually from January 1, 1949.) Claimant's account of 6,131 reichsmarks, therefore, would have been revalued to 613.10 ostmarks. The Commission has held that this conversion of reichsmarks to ostmarks does not give rise to a claim under international law. (Claim of OLGA LOEFFLER, Claim No. G-0056, Decision No. G-0221.)

The above mentioned law of September 22, 1958, provided that residents of the German Democratic Republic were to receive certain payments in partial satisfaction of these accounts.

Section 2(1) of this decree, however, provided that:

"Claims arising from ownership rights in old asset liquidation credits of persons who have had their residence since May 8, 1945, outside the German Democratic Republic . . . are in abeyance until the settlement of corresponding state agreements."

The effective date of this law was October 8, 1958, by which time claimant's 613.10 ostmarks would have earned 179.67 ostmarks interest. The Commission finds that the implementation of this decree constitutes a taking as defined by section 602 of the Act, and that, in determining an award, 4.2 ostmarks equalled one dollar in 1958. For a total balance of 792.77 ostmarks, therefore, the claimant is entitled to an award of \$188.75.


The Commission has concluded that in granting awards on claims under section 602 of Title VI of the Act, for the nationalization or other taking of property or interests therein, interest shall be allowed at the rate of 6% per annum from the date of loss to the date of settlement. (Claim of GEORGE L. ROSENBLATT, Claim No. G-0030, Decision No. G-0100 (1978)).

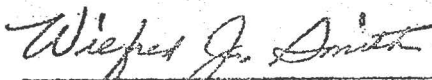
A W A R D

Claimant, EDITH C. BLASBERG, is therefore entitled to an award in the amount of One Hundred Eighty-Eight Dollars and Seventy-Five Cents (\$188.75), plus interest at the rate of 6% simple interest per annum from October 8, 1958, until the date of the conclusion of an agreement for payment of such claims by the German Democratic Republic.

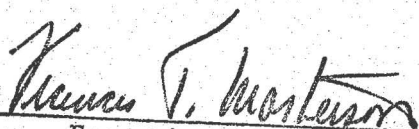
Dated at Washington, D.C.
and entered as the Proposed
Decision of the Commission.

AUG 15 1979


Richard W. Yarborough, Chairman


Wilfred J. Smith, Commissioner

This decision was entered as the Commission's
Final Decision on SEP 19 1979


Executive Director

NOTICE: Pursuant to the Regulations of the Commission, if no objections are filed within 15 days after service or receipt of notice of this Proposed Decision, the decision will be entered as the Final Decision of the Commission upon the expiration of 30 days after such service or receipt of notice, unless the Commission otherwise orders. (FCSC Reg., 45 C.F.R. 531.5 (e) and (g), as amended.)

At any time after Final Decision has been issued on a claim, or a Proposed Decision has become the Final Decision on a claim, but not later than 60 days before the completion date of the Commission's affairs in connection with this program, a petition to reopen on the ground of newly discovered evidence may be filed. (FCSC Reg., 45 C.F.R. 531.5 (1), as amended).