

CLAIMS RESOLUTION TRIBUNAL

In re Holocaust Victim Assets Litigation

Case No. CV96-4849

Certified Award Amendment

to Claimant [REDACTED 1],
also acting on behalf of [REDACTED 2] and [REDACTED 3]

in re Account of Emil Perels

Claim Number: 218337/MC

Original Award Amount: 173,198.76 Swiss Francs

Award Amendment Amount: 45,589.00 Swiss Francs

This Certified Award Amendment is based upon the claim of Dr. [REDACTED 1] (the “Claimant”) to the published account of Dr. Emil Perels (the “Account Owner”) at the [REDACTED] (the “Bank”).

All award amendments are published, but where a claimant has not requested confidentiality, as in this case, only the name of the bank has been redacted.

Procedural History

On 17 March 2003, the Court approved an Award to the Claimant for an account of unknown type owned by the Account Owner (the “March 2003 Award”). The March 2003 Award was approved prior to the issuance of the Guidelines for the Valuation of Securities, circulated to the CRT by Special Master Junz in 2005 and incorporated into decisions subsequently approved by the Court. In this Award Amendment, the CRT adopts and amends its findings set out in the March 2003 Award to amend the type of account awarded and to incorporate the Guidelines for the Valuation of Securities.

The March 2003 Award

In the March 2003 Award, the CRT determined that the Account Owner owned an account of unknown type; that the Claimant plausibly identified the Account Owner as his relative; that the Account Owner was a Victim of Nazi Persecution; and that it was plausible that neither the Account Owner nor his heirs received the proceeds of his account. The CRT also determined that the 1938 Census records submitted by the Account Owner showed that the value of the Account Owner’s account was 14,433.23 Swiss Francs (“SF”). The present value of this amount

was calculated by multiplying it by a factor of 12 in use at the time for a total award amount of SF 173,198.76. The CRT concluded that the Claimant's father, Dr. [REDACTED 3], who the Claimant represents, was entitled to the entire award amount.

Information Available from the Austrian State Archives

By decree on 26 April 1938, the Nazi Regime required all Jews who resided within the Reich, or who were nationals of the Reich, including Austria, and who held assets above a specified level to register all their assets as of 27 April 1938 (the "1938 Census"). In the records of the Austrian State Archive (Archive of the Republic, Finance), there are documents concerning the assets of Dr. Emil Perels, numbered 42466. Those records contain further information about the Account Owner's account at the Bank. As detailed in the March 2003 Award, these records indicate the securities Dr. Emil Perels held at the Bank as of 17 December 1938.

These documents indicate that the Account Owner held the following securities at the Bank:

- *4 3/8% Buenos Aires* bonds with a face value of 2,000.00 United States Dollars ("US \$");
- *3% Buenos Aires* bonds with a face value of US \$100.00;
- *4% City of Copenhagen 1910* bonds with a face value of 100.00 Pound Sterling ("£");
- *6½% City of Rio de Janeiro* bonds with a face value of US \$2,500.00;
- *6% Santiago de Chile City Gold* bonds with a face value of SF 5,000.00; and
- *5½% Internationale Bodenkreditbank Basel 1931* bonds with a face value of SF 5,000.00.

The CRT's Analysis

Type of Account and Amount of the Award Amendment

Upon review, the CRT concludes that, since the Account Owner's account contained securities, the account at issue was a custody account, and not an account of unknown type.

According to the Guidelines for the Valuation of Securities, as a general rule, the face value of bonds not in default shall be awarded if the market value was below the face value on the date the account owner is deemed to have lost control over the account. The CRT presumes that the account owner, if able to decide freely, could have opted to hold the respective bond to maturity to avoid a capital loss. The market value of bonds shall be awarded if that value was above the face value on the date the account owner is deemed to have lost control over the account. Stocks are valued at market value.

Accordingly, the CRT values the securities in the custody account as follows:

- 4 3/8% *Buenos Aires* bonds with a face value of US \$2,000.00, which were trading at 54%. These bonds were of good quality, and are therefore valued at their face value of US \$2,000.00, which was equivalent to SF 8,740.00;¹
- 3% *Buenos Aires* bonds with a face value of US \$100.00, which were trading at 36¾%. These bonds were of good quality, and are therefore valued at their face value of US \$100.00, which was equivalent to SF 437.00;²
- 4% *City of Copenhagen 1910* bonds with a face value of £ 100.00 Pound Sterling, which were trading at 112%. These bonds were of good quality, and are therefore valued at their market value of £ 112.00, which was equivalent to SF 2,413.60;³
- 6½% *City of Rio de Janeiro* bonds with a face value of US \$2,500.00, which were trading at 7%. These bonds were in default, and are therefore valued at their market value of US \$175.00, which was equivalent to SF 764.75;⁴
- 6% *Santiago de Chile City Gold* bonds with a face value of SF 5,000.00, which were trading at 14.5%. These bonds were in default, and are therefore valued at their market value of SF 725.00;⁵
- 5½% *International Bodenkreditbank Basel 1931* bonds with a face value of SF 5,000.00, which were trading at 70.5 %. These bonds were of good quality, and shall therefore be valued at their face value of SF 5,000.00.⁶

Therefore, the total value of the securities Dr. Perels reported in his 1938 Census declaration as being held at the Bank was SF 18,080.35. The 1945 value awarded in the March 2003 Award of SF 14,433.23 is subtracted from this amount, resulting in a difference of SF 3,647.12. The current value of this amount is determined by multiplying this difference by a factor of 12.5, in accordance with Article 31(1) of the Rules, to produce a total Award Amendment amount of SF 45,589.00.

Division of the Award Amendment Amount

As set forth in the March 2003 Award, according to the principles of distribution set forth in Article 23(1)(e) of the Rules, if neither the Account Owner's spouse nor any descendants of the Account Owner's parents have submitted a claim, the award shall be in favor of any descendants of the Account Owner's grandparents who have submitted a claim, in equal shares by

¹ See *Moody's Manual of Investments, American and Foreign: Government Securities 1940*, at 1697. The CRT uses official exchange rates when converting currencies.

² The quality rating for these bonds was obtained from *The New York Times*, 3 January 1938.

³ The quality rating for these bonds was obtained from the *Stock Exchange Official Year Book 1940*, at 155; *Moody's Manual of Investments, American and Foreign: Government Securities 1940*, at 1791.

⁴ The quality rating for these bonds was obtained from *The New York Times*, 28 April 1938. The bonds were also described in the 1938 Census record of Dr. Emil Perels as "notleidend."

⁵ The quality rating for these bonds was obtained from *Moody's Manual of Investments, American and Foreign: Government Securities 1940*, at 1746, 1753-54. The bonds were also described in the 1938 Census record of Dr. Emil Perels as "notleidend."

⁶ The quality rating for these bonds was obtained from *Manuel des Valeurs Cotées à la Bourse de Genève 1937*, at 64-65; and *Schweizer Börsenhandbuch 1937*, at 156-57.

representation. In this case, the Claimant's father, represented party Dr. [REDACTED 3], is a descendant of the Account Owner's grandparents and more closely related to the Account Owner than the Claimant, and is therefore entitled to the entire amount of the Award Amendment.

Certification of the Award Amendment

The CRT certifies this Award Amendment for approval by the Court and payment by the Special Masters.

Claims Resolution Tribunal
19 January 2010