

DOCUMENT 21

May 6, 1947 telegram and report from the FED in Germany documenting the events and inventory concerning the second gold train. No detailed inventory or document like this apparently exists documenting the contents or acquisition of the Gold Train.

Ant

REPRODUCED AT THE NATIONAL ARCHIVES

DECLASSIFIED
Authority NND 775088
By JW NARA Date 9-22

RG 260
Entry Finance Division
File Hung. Restitution
Box 50

Hungarian Property

6 May 1947

1. F.E.D. Director 6 May
OMBUS Finance 1947
Rear Division
APO OMBUS
757 APO 742

1. The attached report covers all Hungarian property, remaining in the Foreign Exchange Depository, which was originally received from Spital am Pyhrn, Austria.
2. It does not cover 938 boxes silver coin (Yugoslavian dinar and Roumanian lei) and 5 boxes plaques originally received from Reichsbank Magdeburg, Germany.
3. The property covered in attached report is ready to restitute when directives permit. It is the opinion of this Branch that this property is restitutable to Hungary.
4. A proposed reply to AGWAR Cable WX-96748 dated 24 April 1947 is being prepared and will be based upon the attached report.
5. You may desire to furnish a copy of this report to Economic Division, Restitution Branch and AGWAR, Civil Affairs Division.

WILLIAM G. BREY,
Colonel, GSO,
Chief, Foreign Exchange Depository

Incl.:
1 - Report on Hungarian Property

107544

Report on Hungarian Property

I Property Held

A. Orphanage Deposits - 27 Cases

These were left with the National Bank of Hungary by the Trust Company for Orphans of Budapest and consisted of 27 large packing cases, steel banded and padlocked. These cases were opened for the first time at the Foreign Exchange Depository in connection with recent restitution operations for which purpose keys were provided by Hungarian representatives. The inventory by the Hungarians, in presence of Foreign Exchange Depository representatives, revealed 612 pre-numbered cardboard containers, which were verified as to number only against Hungarian listings reflecting names of individuals, as well as numbers, but no indications as to nature of contents. Some containers found in opened condition revealed jewelry, silverware and other valuables. The Hungarians expressed the opinion that all these valuables were in the nature of interferences.

B. Safeguarding Deposits - 29 Containers

<u>No. of Cases or Pkgs.</u>	<u>Markings</u>	<u>Contents</u>	<u>Identification and Remarks</u>
1 Boxes	II, III, IV, V	Gold bars and coins	Hung. State Attorney re Norbert Szorak, 2 gold bars
1 Box	No. 1	Gold bars and coins	Hung. State Attorney re Scheidt LA/Gr as Torak
5 Boxes	E III, E IV, E V, E VI, E VII	Currency, gold coin, jewelry, precious metals etc.	282 envelopes bearing identification names or numbers - probably contents Safe Deposit boxes
2 Boxes	E VIII, E IX	Gold, platinum, coins of numismatic value	Royal Hungarian Mint
1 Box	E X	29 kgs gold (approx.)	Hungarian Postal Savings Bank
4 Boxes	E XI, E XII, E XIII, E XIV	1 1/2 kgs (approx) gold and silver alloy bars not entirely processed	Deposited by the mine of Nagytanya

No. of Cases or Pkgs.	Markings	Contents	Identification and Remarks
1 Box	K IV	Misc. gold and silver coins and jewelry	Received from the Cashier of the Mint on behalf of various accounts in separate envelopes
1 Box	No. 4	Currency, small amounts gold and silver bullion	15 envelopes bearing identification names or numbers - probably Safe Deposit boxes
1 Box	No. 8	Small amounts Reichsmarks, French 100 and Greek Krona	3 envelopes and some loose currency
3 Boxes	No. I-3048 II-3048 III-3049	15 kg (approx) platinum mesh	Deposited by Nitrogen Works of Pet.
1 Pkg	C-24	102 pieces jewelry and small amounts gold coin and currency	Deposited by the Supreme Command as the property of the Military Police C.I.D.
1 Case	---	Jewelry, art treasures and other valuables	Deposited by various and other City of Budapest institutions
1 Bag	G - 5	1 sealed Pkg. 1 Pkg. contain- ing 120 pieces tableware, 2 bank books and personal papers 1 sealed metal box	Various valuables said to belong to various persons and others property of the late President Ferenc Szalasi Deposited by Commercial Bank of Budapest said to contain gold
2 Pkgs	L. 3	Various securi- ties, coupons & collection items	appear to be securities by various domestic and foreign banks and others
1 Box	2	\$ 300 and 42 pieces jewelry	One silver cigar case, no identification markings

C. Property of National Bank of Hungary.

1. One case containing records of the National Bank of Hungary. These records apparently have no connection with the valuables in other containers.
2. Two cases contained the following paper currencies:

United States Dollars	159,686.91
Swiss Francs	281,657.58
Canadian Dollars	7,998.15
Netherlands Guilders	167.--
Czechoslovakian Kronen	366.--
Swedish Kronen	1,039.--
Slovenian Kronen	2,500.--
Danish Kronen	285.--
Norwegian Kronen	5,310.--
Brazilian Milreis	10.--
Turkish Pounds	1.--
Egyptian Pounds	2.--
Palestine Pounds	1.--
French Francs	2,000.--
English Pounds	585.37.4
German Marks	1,738.--
Yugoslavian Dinars	2,500,000.--
Rumanian Lei	13,122,182.--

II Acquisition

1. The following circumstances surround the acquisition of all property listed in Part I, and also approximately 39 tons of gold bullion which was restituted to Hungary in 1946.
2. 6 May 1945: Representatives of Hungarian National Bank handed Lt. Col. Ball, AC of S. G-5, 88th Div., at Kirchdorf Austria a letter, dated 2 May (Exhibit 1) requesting protection for bank's valuables then in Spital am Pyhrn.
3. 8 May 1945: CIC Agent De Huzar contacted the executive board of the Hungarian National Bank and verified the existence of the hidden valuables.
4. 9 May 1945: Lt. Col. Ball was handed a proposed order (Exhibit 2) and Lt. Col. Jeffries, Fin.O. 88th Div., was handed 3 proposed orders (Exhibit 3,4,5) by representatives National Bank of Hungary with request that they be dispatched. These letters requested intervention for permission to remain under U.S. custody.

5. 12 May 1945: TTX from 12th Army Group, General Bradley (Exhibit 6).
6. 12 May 1945: Letter of instruction from Hq, 3rd US Army (Exhibit 7).
7. 14 May 1945: Letter from Mfl. Govt. Austria to Officials of Hungarian National Bank directing assets be delivered to representative Mfl. Govt. Austria under Article III Decree No. 4 (Exhibit 8).
8. 14 May 1945: Receipt by Major Perera (Exhibit 9).
9. 17 May 1945: Receipt by Colonel Grogan at Foreign Exchange Depository (Exhibit 10).
10. Updated note from National Bank of Hungary subject "Translocation of the National Bank of Hungary to Germany" (Exhibit 11).
11. 23 May 1945: Final report by Major Perera (Exhibit 12).
12. 19 June 1945: Cable WX-18899 from AGWAT (Exhibit 13) and reply 25 July 1945 (Exhibit 14).
13. Summary

a. The property listed in Part I was uncovered in Spital am Pyhrn, Kreis Kirchdorf Austria, by US Forces, as a result of request from Hungarians that it be taken into custody for protection.

b. Taken into custody by US Forces either as a unilateral action in compliance with request (Exhibit 1) or under authority of Article III Decree No. 4 Austrian Mfl. Govt. (Exhibit 7).

c. Transported to Foreign Exchange Depository, received 16 May 1945 and retained since.

III Disposition

a. It is the opinion of this Branch that the property listed in Part I should be restituted to Hungary for the following reasons:

1. The gold bullion, which was uncovered in the same cache (Spital am Pyhrn), has already been restituted.

2. The property was received from Hungarian Bank representatives and is identified as that which they are now claiming.

3. The currency portion of the property does not fall within WX-90578 since it was uncovered in Austria and not "found in Germany". The restitution of the remaining portion of property is authorized in WX-90745.

4. Commanding US General AGC Hungary supports Hungarian desire that property be returned (Exhibit 15).
5. There is no evidence here indicating that the property was looted by the claimant.
6. In AEWAR cables WX-93937 and WX-94508 prompt and early restitution of Hungarian property was desired.