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ACE

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Property Cont.
Nov. 1943 - July

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Declassified E.O. 12356 Section 3.3/NND No. 785016

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Property Control SC

2291

Nov. 1943 July 1944

REPORT OF THE DIRECTOR OF PROPERTY CONTROL FOR JULY 1944

PERSONNEL

1. The Director of Property Control, Lt. Col. Harris (B), was hospitalized 9 July 44 as the result of a serious injury incurred when he was struck by a motor vehicle while en route to Rome from Salerno. Lt. Col. Carroll (A) appointed Acting Director of Property Control Sub-Commission ACC 9 July 44. Major King (A), Regional Controller of Property Region IV, assigned to HQ ACC 21 July 44. Capt. Herrett (A), HQ ACC, assigned Property Control Section, Region IX, 24 July 44. Capt. Weaver (A), Asst. RCP Rome Region, assigned to HQ ACC 31 July 44. Lt. Thaine (A) assigned RCP Regions II and VII, 6 July 44.

GENERAL

2. Attention is directed to para 23 of part IV of ACC Monthly Report for June 1944, which is in the following words:

"On legal advice, the policy of the Controller of Property taking custody of the property of Allied nationals is under review. Hitherto, sequestered property has been placed by the Italian Government in the hands of managers, and when the CP took possession it was the practice to leave the property under the same management, but his taking possession terminated Italian liability. It is proposed that an acknowledgment only shall be taken from the Italian Government as to the condition of the property at the time and that it has no claim on it. In order that liability for the property shall not attach to the CI, it is proposed that an acknowledgment only shall be taken from the Italian Government as to the condition of the property at the time and that it has no claim on it."

This paragraph was inserted in the Report without the knowledge or approval of the Acting Director of Property Control. It is neither factual nor representative of the point of view of this Sub-Commission. Accordingly, it is suggested that the ACC Report for June 44 be amended by striking out the said para 23, and by substituting therefor the following excerpt from DPC's report for June:

"It was decided, with the approval of the Chief Legal Officer, that a general decree of de-sequestration which had been passed by the Ministry but not published in the Gazette, and therefore not legally effective, should be stopped. At the request of the DPC the Minister of Finance suspended publication. This change in plan was prompted by the conclusion, concurred in by the Chief Legal Officer, that Property Control should not take formal custody of Allied properties in transferred territories, if at all, but should place the responsibility for active management and for custody on the Italian Government, subject to the control and directions of the DPC.

It is believed that the new plan will fix more definitely the continuing responsibility of the Italian Government for all losses to Allied owners accruing to properties between the time of original sequestration and the return of the properties to their owners.

Negotiations will be entered into with the Ministry as soon as practicable looking to consummation of the plan outlined above."

custody of the property of the Italian Government, sequestered property has been placed by the Italian Government in the hands of managers, and when the CC took possession it was the practice to leave the property under the same management, but his taking possession terminated Italian liability. It is proposed that an acknowledgment only shall be taken from the Italian Government as to the condition of the property at the time and that it has no claim on it.

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It is believed that the new plan will fix more definitely the continuing responsibility of the Italian Government for all losses to Allied owners accruing to properties between the time of original sequestration and the return of the properties to their owners. Negotiations will be entered into with the Ministry as soon as practicable looking to consummation of the plan outlined above."

REGION I

3. Transfer to Italian hands of all monies, accounts, and other assets of Fascist organizations has been completed, with the single exception of Corriere di Sicilia. Otherwise only routine administrative matters were reported from this Region.

REGIONS II AND VII

4. One officer, Lt. Shaine, is in charge of property control matters in both these regions.

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5. Only the following matters require comment:

- (a) Singer Sewing Machine Co. Sigler Agillo, the manager of the Bari agency, was appointed manager of all Singer Sewing Machine agencies and sub-agencies in Regions II and VII. Upon investigation it was found that Sig. Agillo is an extremely capable man, and has been associated with his company for some thirty years.
- (b) Leopenter property in grindisi has been requisitioned by Allied Forces.
- (c) Recht S.A.I. The former manager of this company is still in control. The premises have been requisitioned and are being used by the British Army.
- (d) Laboratori Glaxo. The former manager of this company is still in control and affairs are proceeding normally.
- (e) Taranto Airways & Electric Supply Co. The manager, Avv. Bari, who is the Prefectural Commissioner for the company, has forwarded his semi-annual report, which is being examined. The management and affairs of said company are being thoroughly examined.
- (f) Giuliani Vincenzina in Coster. Coster Carlo, and Call William Sidney. Financial statements from Banco di Napoli, the managing agents, have been received and are being examined.

REGION III

6. The RCP now has under control 14 business concerns, 396 real properties owned by 146 Allied subjects, and 3,227 other items which include 2,987 bank accounts.

7. Real properties. The total number of declarations of custody made to date is 153, covering a total of 409 individual properties. Of this total, 13 properties have been restored to 7 Allied subjects, leaving in our custody 396 properties owned by 146 Allied subjects.

8. Business Concerns.

a. During the month the auditing staff has examined the books of the following companies:

Societa Acme Costruzioni S.A.I.
Compagnia Generale di Elettrocita S.A.I.
Compagnia Continentale Brunt S.A.I.
Zodiak S.A.I.
Compagnie Imprese Condotte di Acqua
M. S. Zerzha
Cucirini Cantoni Coats S.A.I.
Fruita Secche S.A.I.
Ferrovie e Funicolare Vesuviana
Changelmel
Societa Pritanico Italiana Gueret
Cris S.A.I.
Singer - Compagnia Singer per Macchine da Cucire
la voce del padrone - Columbia - Marconiphone S.A.I.
Societa Imprese Suboliche e private in Ischia e Capria.

b. Special reference is made to the following:

- (e) Taranto Trenchways & Electric Supply Co. The manager, Avv. Bari, who is the Prefectural Commissioner for the company, has forwarded his semi-annual report, which is being examined. The management and affairs of said company are being thoroughly examined.
- (f) Giuliani Vincenzina in Coster, Coster Carlo, and Call William Sidney. Financial statements from Banco di Napoli, the managing agents, have been received and are being examined.

REGION III

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- a. During the month the auditing staff has examined the books of the following companies:

Societa Acme Costruzioni S.A.I.
 Compagnia Generale di Elettrocita S.A.I.
 Compagnia Continentale Armi S.A.I.
 Kodak S.A.I.
 Compagnie Imprese Condotte di Acqua
 M. S. Bereda
 Cucirini Cantoni Coats S.A.I.
 Frutta Secche S.A.I.
 Ferrovie e Pubblica Vesuviana
 Changelin
 Societa Britannico Italiana Gueret
 Otis S.A.I.
 Singer - Compagnia Singer per Macchine da Cucire
 La Voce del Padrone - Columbia - Marconiophone S.A.I.
 Societa Imprese Pubbliche e Private in Ischia e Capria.

- b. Special reference is made to the following:

(1) Ferrovie e Pubblica Vesuviana.

One of the company's cars has been transported by British engineers to a position on the tracks which will enable resumption of operations shortly. British and American Special Service Officers, both of whom have shown considerable interest in the operation, are to meet next week to discuss details. Arrangements have been made for a loan to the company of 250,000 lire.

(2) Soc. St. Gobain Chauney & Cirey.

Assets of this company, which is one of the glass group, have

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been found in Naples. It owns apartments, including furniture, one having been requisitioned and the other rented. It has two bank accounts and some outstanding accounts receivable. Naples branch is not operating and has no personnel. The manager of the Rome branch, who has also been the manager of the Naples branch, has recently visited Naples to take an inventory and to collect outstanding accounts. He has now returned to Rome with instructions to report to C2 Region IV. Custody has not been taken by RCP Region III.

9. Miscellaneous, securities, Bank Accounts, etc.

- a. Included in the 3,227 items which are in custody are 2,987 relating to bank accounts in the name of the RCP. There are also 173 cases where securities have been placed at his disposal.
- b. During the month, 150,000 lire has been advanced from Allied Military Government sources to enable work to be commenced in unearthing articles of considerable value owned by Sir Benjamin Guinness, a British subject. The Castle at Blenheim, which was known to be the property of a British subject, was deliberately mined, and a valuable collection of pictures and other articles were buried.

ROME REGION

10. For the operating month of July, control over businesses and property, including real and personal having an Allied National interest, was obtained by the Property Control office. Reports from the sequestrators were examined, the commercial concerns and the real and personal properties were inspected, and conferences were held between representatives of the commercial concerns, individual sequestrators and representatives of the Property Control office.

Likewise, considerable emphasis was placed upon Fascist and para-statal properties, the objective being to protect and safeguard these properties until the Italian Government is in a position to take over the responsibility.

11. Commercial Concerns.

These are broken down into American, British and French, as follows:

23 American
26 British
14 French

Balance sheets were obtained, inventory reports checked, and the sequestrators and representatives of the concerns conferred with representatives of the Property Control office.

12. The following are the commercial concerns under control of RCP:

(1)

American

- (1) Asensio Carboni - Importazione, Via Mare - Via Cavour 136, Rome.
- (2) Autelco Mediterranea S.A. Via Montebello 104, Rome. Monthly income sufficient to cover expenses. Bank accounts require Property Control signature together with manager Sig. Tommaso Talicchi.

- (3) Burroughs Adding Machines, Via S. Maria in Via 3, Rome. It is expected that local collections for maintenance and repairs will

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Balance sheets were obtained, inventory reports checked, and the sequestrators and representatives of the concerns conferred with representatives of the Property Control Office.

12. The following are the commercial concerns under control of RCP:

American

- (1) Agenzie Carboni - Importazione, Via Mare - Via Cavour 138, Rome.
- (1) Autelco Mediterranean S.A. Via Montebello 104, Rome. Monthly income sufficient to cover expenses. Bank accounts require Property Control signature together with manager Sig. Tommaso Talcochi.
- (3) Burroughs Adding Machines, Via S. Maria in Via 3, Rome. It is expected that local collections for maintenance and repairs will cover expenses. Bank accounts require Property Control signature, together with Sig. Armando Russo, manager.
- (4) Compagnia Generale di Elettrocita, Via Torino 96, Rome.
- (5) S.A. Lubrificanti Giulio Folzer, Group A.G.I.F. In liquidation.
- (6) Fox Film S.A., Via Sardegna 50, Rome. Piazza SS. Apostoli 49.
- (7) S.A. Incremento Razzia Cinema da Corsa, Piazza SS. Apostoli 49, Rome. Balance sheet checked and accounts released. Signature of Property Control together with Sig. Mariotti, manager, required for drawing of funds from bank.
- (8) Magrini & Co., Via Nazionale 62, Rome. No immediate revenue, some revenue anticipated from repair contracts. For release of funds, Property Control signature with that of Sig. Gianelli.

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- Manager, required. Bank forms completed.
- (9) Metro-Goldwyn-Mayer Co. S.A.I. via Maria Cristina 5, Rome. Bank funds released and completed. Signature of Property Control and Manager, Sig. Albrecht, required.
- (10) S.A.I. di Cassa Italiana, Corso Umberto 56, Rome. This company working at loss. New bank account opened with Banca Popolare Cooperativa Novara. Bank forms completed. Signature of Property Control together with Sig. Rolfi Pernaro, Manager, required.
- (11) Zedax S.A. via Nazionale 26, Rome. Cash statement checked. New account opened with Credito Italiano - Agency 14. Signature of Property Control together with Sig. Maccatelli, Manager, required. Head Office - Milan.
- (12) Otis S.A. via Nazionale 230, Rome. Bank accounts released. Signature of Property Control with that of Sig. del Omo and Ing. Arturo Persico required.
- (13) Paramount Films S.A. Piazza Garbarini 12, Rome. In liquidation. Expenses at present being borne by Messrs. Warner Bros.
- (14) Soc. Mez. del Pacifiori. Via del Garbero 8, Rome. Statements 15 June rendered and checked, documents completed. New account opened with Credito Italiano, Piazza Argentina. Funds in name of Ing. Basini transferred to Soc. Mez. del Pacifiori. Signature of Property Control with Ing. Basini required for release of funds.
- (15) Singer S.A. via Collegio Romano 10, Rome. Monthly minimum expenses L. 100,000.
- (16) S.A. Compagnia Texaco, Via Ostiense 139, Rome. Group A.G.I.P.
- (17) S.A. Per Tutte le Borse. Via Merulana 17, Rome. No particulars yet to hand. Investigations continuing.
- (18) United Artists Corp'n, Via Scipione 27, Rome. No accounts yet to hand. Inquiries being made.
- (19) United Press of America, Via delle Mercede 54, Rome. No accounts yet to hand. Inquiries being made.
- (20) Warner Bros., Piazza Garbarini 12, Rome. Bank accounts released. Signature of Property Control with Avv. Cino Pierantoni required.
- (21) S.A. Watson Italiana, Via Veneto 1, Rome. New account opened with Banca Commerciale Italiana. Property Control signature required with Sig. Pisani, Manager. Surplus represents about 4 months activities.
- (22) Western Electric Company of Italy, Piazza Lovatelli 1, Rome. Bank account released. Property Control signature required together with Ing. Dona delle Pote, agent.
- (23) S.A. Immobiliare Vittorio Emanuele, Via del Triforo 133, Rome. Property Control signature only for withdrawal of cash from banks.
- British
- (1) S.A.I. Elizabeth Arden, Piazza di Spagna 19, Rome. Company working at a profit. Countess di Montauto, agent. Signature of Property Control with that of agent required for withdrawal of funds.
- (2) S.A.I. Canadian Pacific, Via del Tritone 30, Rome. Books closed in 1940. Cash on hand L. 6.05. Furniture deposited in storehouse of Nitto Bollinger, Piazza di Spagna, Rome.
- (3) Compagnia Italiana Miniere Asfalti, Via della Mercede 54, Rome.
- (4) S.A. Cucirini Cantoni Coats, Corso Umberto 184, Rome. New account

- Expenses at present being borne by Messrs. Warner Bros.
- (14) Soc. Naz. dei Redattori, Via del Garbo 8, Rome. Statements in June rendered and checked, comments completed. New account opened with Credito Italiano, Piazza Argentina. Funds in name of Ing. Basini transferred to Soc. Naz. dei Redattori. Signature of property control with Ing. Basini required for release of funds.
- (15) Singer S.A. Via Collegio Romano 10, Rome. Monthly minimum expenses 1,100,000.
- (16) S.A. Compagnia Toraco, Via Cassinella 125, Rome. Group A.G.I.P.
- (17) S.A. Per tutte le cose. Via Merulana 17, Rome. No particulars yet to hand. Investigations continuing.
- (18) United Artists Corp'n, Via Colpione 27, Rome. No accounts yet to hand. Inquiries being made.
- (19) United Press of America, Via delle Mercede 54, Rome. No accounts yet to hand. Inquiries being made.
- (20) Warner Bros., Piazza Barberinin 12, Rome. Bank accounts released. Signature of property control with Ing. Cino Piontondi required.
- (21) S.A. Watson Italiana, Via Veneto 1, Rome. New account opened with Banca Commerciale Italiana. Property control signature required with Sig. Pizzi, manager. Surplus represents about 4 months activities.
- (22) Western Electric Company of Italy, Piazza Lovatelli 1, Rome. Bank account released. Property control signature required together with Ing. Donà delle Rose, agent.
- (23) S.A. Immobiliare Vittorio Emanuele, Via del Triforo 131, Rome. Property control signature only for withdrawal of cash from banks.
- British
- (1) S.A.I. Elizabeth Arden, Piazza di Spagna 19, Rome. Company working at a profit. Countess di Montauto, agent. Signature of property control with that of agent required for withdrawal of funds.
- (2) S.A.I. Canadian Pacific, Via del Tritone 35, Rome. Stocks closed in 1940. Cash on hand 1,000. Furniture deposited in storehouse of Nitta Bollinger, Piazza di Spagna, Rome.
- (3) Compagnia Italiana Miniere Asfalti, Via della Mercede 54, Rome.
- (4) S.A. Cucirini Cantoni Coats, Corso Umberto 184, Rome. New account opened with Banca d'America e d'Italia; signature of property control together with employee of Coats Co., Signorina Tina Salloni, required. Cash in bank and on hand 1,50,000. No business interests in Rome.
- (5) S.A. Elah. No particulars to hand of this company.
- (6) Soc. Industriale Gallicanesan Cucirini Italy, Corso Umberto 184, Rome. This company forms part of Cantoni Coats, Group HQ, Milan. No interests in Rome apart from small office open for keeping in contact with Government decrees. See S.A. Cucirini Cantoni Coats.
- (7) Soc. Italiana Industria Cucirini S.A., Corso Umberto 184, Rome. See S.A. Cucirini Cantoni Coats Group.
- (8) Mechanite Metal Corp'n, Pittsburgh. International Mechanite Co., Ltd., Louvain. Avv. Luigi Contini, legal advisor to above companies. All debtors are in Northern Italy.

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- (9) S.A. La Voce del Padrone - Columbia - Martonipadone, Via Firenze 18A, Rome. Estimated surplus 1.56.172. Bank account opened with Banco di Roma, Agency 9. Signature of Property Control Officer with manager, Cervio Bianchi, or sequester, Del Nero.
- (10) Libreria Sacre Scritture, Via Fort Celli Impero Fascista 25, Rome. Stocks - 1.65.047. Monthly expenses 1.23.000 roughly. This company is working at a loss.
- (11) Soc. Linotype Italiana, Via Condotti 11, Rome. New bank account opened with Credito Italiano, Agency No. 9. Property Control signature, together with manager, Sig. Giorgio Inghis. This company at present working at a loss.
- (12) Società Italiana Marconi, Via Condotti 11, Rome. Signature of Property Control, required together with manager, Sig. Rodolfo Bertini. Bank account with Banco di Roma. Accounts presented under consideration. Company working at a loss.
- (13) Compagnia Italiana Marconi, Via Condotti 11, Rome. Signature of Property Control required with manager's Sig. Rodolfo Bertini, for withdrawal of funds. Accounts presented under consideration. Present conditions render any activity almost impossible.
- (14) S.A. Mercionale di Elettronica. No particulars of company to hand.
- (15) S.A. Cotomificio Intrecci Melinari, Corso Umberto 164, Rome. See Cucirini Cantoni Coats Group.
- (16) Società Neuber, Via Condotti 55, Rome. No particulars of firm to hand at present.
- (17) Soc. An. Italiana Radio Navittina, Via Condotti 11, Rome. Bank accounts require signature of Property Control officer together with manager, Sig. Rodolfo Bertini. Accounts presented. Company forms part of Marconi Group. Owing to present conditions company is working at a loss.
- (18) S.A. La Radio Nazionale, Via Condotti 11, Rome. Bank account with Credito Italiano. Signature of Property Control required with manager's, Sig. Rodolfo Bertini. Accounts presented. This company forms part of Marconi Group. Owing to present conditions working at loss.
- (19) S.A. Succesori di Faustino Ricci.
- (20) S.A. Cucirini Trebaso Intra.
- (21) S.A. Cucirini Italiani Via Davide Riboldi.
- (22) S.A. Cotomificio di Mandello.
- (23) S.A. Sete Cucirini Minuti.
- (24) S.A. Industria Sete Cucirini.
- (25) S.A. Bozzi Viscovich & Co., Corso Umberto 18A, Rome. The above companies form part of Group Cucirini Cantoni Coats. Bank account opened with Banca d'America e d'Italia. Signature of Property Control Officer together with employee of Coats, Signorina Tina Pailoni, required. No interests in Rome.
- (26) S.A. Tutto a Prezzi Unico, Via S. Vito 2, Rome.

French

- (1) S.A. Istituto Ortopedico Barrera, Via Carour 57, Rome. Sig. Bianchini director at present, manages cash at banks. Steps are being taken for the control of bank accounts, the authorization for withdrawal of funds with joint signatures of Property Control Officer to Director of the Company. Estimated surplus 1.25.000. Profits

- property control required with manager's Sig. Rodolfo Bertini, for withdrawal of funds. Accounts presented under consideration. present conditions render any activity almost impossible.
- (14) S.A. Meridionale di elettricità. No particulars of company to hand.
- (15) S.A. Cotichificio Intrasse Molinari, Corso Umberto 104, Rome. See Cucirini Cantoni Coats Group.
- (16) Società Neuber, Via Condotti 55, Rome. No particulars of firm to hand at present.
- (17) Soc. A. Italiana Radio Marittima, Via Condotti 11, Rome. Bank accounts require signature of property control officer together with manager, Sig. Rodolfo Bertini. Accounts presented. Company owns part of Harconi Group. Going to present conditions company is working at a loss.
- (18) S.A. Lo Radio Nazionale, Via Condotti 11, Rome. Bank account with Credito Italiano. Signature of property control required with manager, Sig. Rodolfo Bertini. Accounts presented. This company owns part of Harconi Group. Going to present conditions working at loss.
- (19) S.A. Successori di Pastino Broci.
- (20) S.A. Cucirini Trobeso Intra.
- (21) S.A. Cucirini Italiani via Davide Ribellai.
- (22) S.A. Sotomificio di Mennello.
- (23) S.A. Sete Cucirini piuniti.
- (24) S.A. Industrie Sete Cucirini.
- (25) S.A. Sczzi Vicozzich & Co., Corso Umberto 104, Rome. The above companies form part of group Cucirini Cantoni Coats. Bank account opened with Banca d'America e d'Italia. Signature of property control officer together with employee of Coats. Signorina Tina Falloni, required. No interests in Rome.
- (26) S.A. Tutto a Prezzo Unico, Via S. Vito 2, Rome.

French

- (1) S.A. Istituto Ortopedico Barrera, Via Cavour 57, Rome. Sig. Bianchini director at present, manages cash at banks. Steps are being taken for the control of bank accounts, the authorization for withdrawal of funds with joint signatures of property control officer to director of the company. Estimated surplus 1.25,992. Profits likely to increase.
- (2) Compagnie des Chemins de fer du Midi. Avv. Giovanni Pedicini, Via Cavour 230, Rome, legal representative. Investigations being made at present. No cash or property appear to be held in Rome.
- (3) Buile Claret, Via Sicilia 201, Rome. No further particulars to hand. A small store took.
- (4) S.A. Tajella e R. Rubel, Via Nomentana 365, Rome. Bank accounts require signature of sequestator, Arnaldo Marta, or Director. Carnone, together with that of property control officer. Surplus 1.50,000.
- (5) Fabbrica Italiana Lime di presisione. No trace of this company at present.
- (6) S.A. Italo-Francese Tabacchi Affini, Piazza di Pietra 20, Rome. Syndicator, Avv. Muncicchi, Via Ludovico 46, Rome. Administration of

the company is in Milan - no cash accounts or property result in Rome.

- (7) S.A. Italiana Industria Gomma, Via Moscova 3, Rome. This company at the moment inactive. Property Control signature together with manager's Sig. Alinari required for bank withdrawals.
- (8) S.A. Joseph Gasset, Corso Umberto 243, Rome. Firm sequestered - de-sequestered in 1942. Investigations in course.
- (9) S.A. Phoenix Insurance, Via Nazionale 82, Rome. Bank accounts with Banco di Santo Spirito and Credito Italiano released. Property Control signature not required.
- (10) S.A. Radio Italia, Via rue Macelli, Rome. At present no particulars.
- (11) Società Italo-Francese pour le Commerce du Sel, Via Regina Elena 47, Rome. Balance sheets presented and investigations being made. Further particulars will follow.
- (12) Soc. Romanica Costruzioni Generali Opere Pubbliche, Via Castelfidardo 6, Rome. Balance sheets presented. Investigations being made.
- (13) S.A. Vetrerie San Paolo, Via Solenne 159, Rome. Re-opening on the 20th of July 44, after investigations have been checked. Authority to draw on bank accounts allowed to Ras. Attilio Infoli and Ing. Ottavio Brondi (procureur) jointly with Officer of Property Control.
- (14) S.A. Michelini Italiana, Via Castro Pretorio 40, Rome. Statement of accounts received.

13. Banks

There are three banks; the American and one British.

Banca d'America e d'Italia

The bank was placed under sequestration by Ministerial Decree dated 14 January 42. Comm. Sforza, manager of the Banca d'Italia, Milan, was appointed sequester and took up his duties on 7 Feb 42. According to our best information the sequester is at present in Milan.

A balance sheet was struck on 16 June 44, which disclosed adequate liquid assets. Large cash holdings (over one hundred million lire) were kept locally with the Bank of Italy to cover emergencies - possible severance from Milan. The large assets consist of about L. 61,500,000 current account overdrafts, and about L. 15,000,000 bills discounted. The overdrafts appear to be safe, being mostly well covered by Government scrip, except for L. 6,700,000 unsecured, but of the bills discounted about L. 9,500,000 were unpaid and extended at maturity as a result of moratoriums imposed. These bills are likely to be further extended in view of the moratorium still in force. The matter has been referred to the Finance Division, and it is understood that legal opinion is being sought to determine the position.

As in the case of other Allied banks the Banca d'America e d'Italia has incurred losses during these last few years. However, the bank enjoys a large clientele over its 30 branches in Italy, and is well equipped to resume banking facilities throughout Italy when circumstances permit.

Deposits locally are increasing, and authority has been given to invest L. 70,000,000 in Government treasury bills.

American Express S.A.I.

The company was sequestered by Ministerial Decree dated 6 Jan 42, published in Official Gazette No. 34, and transfer of the company to the sequester Comm. Carettoni was effected on 11 Feb 42.

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American Express S.A.I.

The company was sequestered by Ministerial Decree dated 6 Jan 42, published in Official Gazette No. 34, and transfer of the company to the sequester Gen. Carotoni was effected on 11 Feb 42.

Balance sheet was struck on 5 June 44, and on 16 June 44. It was found that the services of the sequester were not required, and he was consequently removed from office on 12 July 44. Mr. Luigi Berutti, assistant manager, was appointed acting manager as of 12 July 44. Transfer of property, documents and correspondence is in process.

The main liability is customers' deposits amounting to about eleven million lire, of which about seven million, being Allied accounts, are dormant. This liability is fully covered by cash and investments in Government bonds, which are considered safe.

The company has suffered losses during the period of sequestration, losses which are acceptable in view of the cessation of foreign exchange and tourist business caused by the war. However, it is hoped that the pre-war

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Barclays Bank S.A.I.

The company was sequestered by Ministerial Decree dated 6 Aug 40, and was published in Official Gazette no. 212 dated 29 Aug 40, and the sequesterator Dott. E. Boncinelli took up his office on 1 Sept 40. The removal of the sequesterator and the appointment of Dott. Vigna as acting manager is being completed. A balance sheet was struck on 16 June 44, and the figures disclosed a very liquid position. Advances against Government bonds are well covered, and unsecured advances are considered safe. Loans held were kept with the Bank of Italy locally at short notice (15 days), and L.5,000,000 of this has been invested in Government Treasury bills (10 months) 5%. The 1929 valuation of the building is considered to be far below the present value, and the furniture and fittings do not figure on the balance sheet. Of the capital of L.50,000,000, L.24,884,500 is unpaid, and it is understood that the capital of L.24,884,500 is unpaid, and it is understood that the shares are in London.

Losses have been incurred since 1939, but the balance sheet for the period 1 Jan 44 to 30 June 44 shows a small profit.

14. Bank accounts.

Lists of all accounts blocked by the Post Office and the several banks have been received from the Finance Division.

15. Istcambi.

The new director appointed by the Finance Division has furnished the information set forth in paras 16 to 19 inclusive, with respect to the operations of this organization.

16. Foreign Securities.

No question of these arises as all Italian owned securities were taken over by the Government in 1935 and liquidated, holdings of foreigners then being exempt. On the outbreak of war no action was taken against such holders, presumably on the assumption that since 1935 all such holdings not disposed of would have been deposited outside Italy. If any such holdings remain they should be found in the owners' banks on normal blocked accounts.

17. Bank Balances.

All foreign bank balances were paid over by the banks to Istcambi's account at the Bank of Italy. Subsequently Istcambi drew cheques for round amounts in favour of the Italian Government, and all funds have been so paid over to the Government with the exception of a small balance which amounts to somewhere in the region of eight million lire (L.8,000,000).

All the Istcambi books have been taken north, and in order to give us the information we require, it has been necessary to reconstitute the records from the original forms of deposit. This is now in progress and we have agreed the form which it will take.

18. Securities.

No securities.

14. Bank accounts.

Lists of all accounts blocked by the Post Office and the several banks have been received from the Finance Division.

15. Istcumbi.

The new director appointed by the Finance Division has furnished the information set forth in paras 16 to 19 inclusive, with respect to the operations of this organization.

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All the Istcumbi books have been taken north, and in order to give us the information we require, it has been necessary to reconstitute the records from the original forms of deposit. This is now in progress and we have agreed the form which it will take.

18. Securities.

No securities were actually deposited with Istcumbi, as they were merely blocked in the owners' banks to Istcumbi's order. Istcumbi is preparing a duplicate card index of these for the use of this office, which will enable us to check up on the individual bank's returns. Both the above lists are being prepared on a national basis, subdivided into provinces, so that full information will eventually be available from these records for all AIC and ACC regions.

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19. Credits.

Debts owing to Allied nationals not having representatives on places of business in Italy by Italian citizens and corporations were also paid into Istituzioni. We have received a list of these from the Intendente di Finanza, and will check these with the Istituzioni returns in due course.

20. Real and personal properties.

Real and personal properties having a United Nations interest which have been sequestered by the Italian Government have been either under the administration of individual sequestrators supervised by the Intendente di Finanza or managed by the Credito di Fondiario and supervised by BOMI.

The real and personal properties having a United Nations interest are broken down as follows:

95 American
 92 British
 44 French
 3 Russian
 2 Brazilian
 6 Jugo-Slav
 3 Greek
 5 Nationality undetermined

In addition, there are certain personal properties privately stored in warehouses which the Regional Property Control Office has taken protective custody over. They are as follows:

28 American
 36 British
 1 Canadian
 8 South African
 2 French

General: These properties have all been posted with notices stating that the property is under the control of this office. Individual sequestrators have been interviewed and have furnished inventories and other information. Certain of the properties have been requisitioned by R.A.C., and the Real Estate Section is informing us before additional requisitions are made. 8 properties have been returned to the owners or lawful representatives after approval of the legal division.

21. Fascist, para-statal, etc.

Under date of 23 July 44 the Regional Commissioner ordered that Fascist property belonging to the organizations abolished by order of 13 June 44 be placed under the protective control of this office. Steps were taken immediately to place protective notices, and obtain inventories of the main properties, pending the time when they can be turned over to the Italian Government. Because of the many political factors involved in these instances where premises have been occupied by voluntary anti-Fascist groups, the emphasis has been placed upon protecting the assets. Bank balances are of course blocked.

22. The Rome Region Property Control Office has been requested to take custody of certain para-statal enterprises such as E.N.I.C. With respect to E.N.I.C., the Film Section of PWG has supported the request, but as there was no showing that the assets were being dissipated, the committee agreed that no such steps were necessary at the present time. Likewise, a similar request

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22. The Rome Region Property Control Office has been requested to take custody of certain para-statal enterprises such as E.N.I.C. With respect to E.N.I.C., the Film Section of PWB has supported the request, but as there was no showing that the assets were being dissipated, the committee agreed that no such steps were necessary at the present time. Likewise, a similar request was made with respect to I.S.C.E., but as its offices are occupied by PWB no steps are contemplated until the Italian Government takes action. Requests from C.I.C. and PWB that the Rome Region Property Control Office take over Italcable and Italtel are being considered.

REGION IV

23. Our report for June 44 covered activities in this Region from 27 June (when a Property Control officer was first assigned to the Region) to 8 July. The following is for the balance of the month of July: 2759

24. Property of three additional Allied owners has been reported since

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submission of last report. In two cases, the properties listed are in Rome City. Total number of properties in this region (exclusive of bank accounts and securities) is 43.

25. German Army funds in amount of 1,100,000,000 and Italian Republican National Guard funds of 1,264,472.63 have been reported by Finance Division. These are in process of transfer to the RCP.

26. During the period covered by this report, 17 properties were inspected and posted in the provinces of Litteria, Prosinone, Rome and Terni.

(a) Terni province. Conditions were found to be fair. Although of the four properties inspected three apparently were hit by shells, actual damage is not great and repairs can be accomplished at a small cost. 21 but one are occupied. Estimates and reports are being prepared by local representative of Credito Fondiario, who was found in the Comune of Terni.

(b) Prosinone province. Situation here is bad. Germans had occupied properties in this area for more than eight months, there has been shell and bomb damage, and land mines have caused farms to remain uncultivated. In one case, the town is being used by allied troops as a school for House to House fighting, with live ammunition (Com-mune of Cervate). Not even the expense of a caretaker is justified under existing conditions.

(c) Rome province. In this province conditions vary from comparatively very good, as in Tivoli, where two villas have been found to be in good shape, to the situation in Anzio, Nettuno and Grottaferrate, where damage is great. Though not totally destroyed, cost of repairs would exceed the cost of new building. Sequestrators were taken on a tour of inspection, and their reports have been received.

27. With respect to the aluminum plant at Anzola, conditions are good. The plant is being put back into shape, and efforts are being made to locate the ten cars of equipment which the Germans had planned to send to Germany. Engineering Division of Region IV is attempting to obtain Corsican coal and equipment sufficient for the manufacture of electrical power for sale to port of Civitavecchia and perhaps Rome. Weekly conferences are held with Signor Mungoli, general manager, and means of earning some income for the company are being explored. In this connection, there have been inquiries from ASG for use of some parts of plants as storage warehouses for food under plant direction. Further reports in this connection will be submitted.

28. In co-operation with Finance Division, lists of all blocked accounts in all provinces of the Region are being examined for assets of Allied nationals and of enemy states.

REGION V

29. During the month of July the RCP, who had been assigned to temporary duty as a SAC, returned to his property control duties.

30. Officials of Chieti, Pescara and Molise provinces were interviewed, and will submit reports before 12 Aug 44 as to all properties under sequestration.

- (b) Perugia Province. Situation here is bad. Germans had occupied properties in this area for more than eight months, there has been shell and bomb damage, and land mines have caused farms to remain uncultivated. In one case, the town is being used by allied troops as a school for house to house fighting, with live ammunition (Com-mune of Gerardo). Not even the expense of a caretaker is justified under existing conditions.
- (c) Rome Province. In this province conditions vary from comparatively very good, as in Fivoli, where two villas have been found to be in good shape, to the situation in Anzio, Nettuno and Grotteferrata, where damage is great. Though not totally destroyed, cost of repairs would exceed the cost of new building. Sequesters were taken on a tour of inspection, and their reports have been received.
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28. In co-operation with Finance Division, lists of all blocked accounts in all provinces of the region are being examined for assets of allied nation-als and of enemy states.
- REGION V
29. During the month of July the RCP, who had been assigned to tempo-rary duty as a CAO, returned to his property control duties.
30. Officials of Chieti, Pescara and Aveila Provinces were interviewed, and will submit reports before 12 AUG 44 as to all properties under sequest-ration.
31. Six church properties belonging to the Wesleyan Methodist Missionary Society of London, located in Aveila, Teramo and Pescara provinces, were in-spected, listed and reported upon to the DFC, as were the properties of eight American citizens. Inspections of properties on list furnished by DFLI is being forward.
32. Italian state and Fascist properties are all in the hands of some branch of our forces or of the Italian Government.
33. There is nothing new to report from this region, where all matters

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REGION VI

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are being well cared for.

REGION VII (see Region II)

REGION VIII

34. Property Control officers have been operating under 5th and 6th Armies. On 4 July 44 office of PCF was established in Siena, where it functioned for the remainder of the month. Lists of real properties were compiled for all provinces in the region, except Florence, and excellent progress has been made in preparing for the assumption of effective control.

REGION IX

35. Nothing to report except that plans are in course of preparation.

NUMBERS OF OWNERS AND OF PROPERTIES WHICH ARE OR HAVE BEEN UNDER CONTROL OF PROPERTY CONTROL SUB-COMMISSION UP TO 31 JULY 1944

NATIONALITY OF OWNER	REAL ESTATE		INDUSTRIAL & COMM.		SECURITIES MISCELL.		TOTALS	
	owners	prop's	owners	prop's	owners	prop's	owners	prop's
American	312	368	98	98	3893	3333	3663	3739
British	144	199	34	34	231	231	409	464
French	112	188	15	15	71	71	198	274
Russian	6	6	-	-	2	2	8	8
Greek	22	30	2	2	2	2	26	34
Jugo-Slav	3	3	-	-	4	4	7	7
Brazilian	6	6	-	-	1	1	7	7
Other Allies	4	5	6	6	146	146	156	157
Italian	1	1	-	-	-	-	1	1
Ital. State & Para-stat.	17	17	-	-	-	-	17	17
Ital. Fascist Organ's.	-	-	-	-	21	21	21	21
German	1	1	1	1	3	3	5	5
	688	891	86	86	3811	3811	1598	1724

NUMBERS OF OWNERS AND OF PROPERTIES WHICH ARE OR HAVE BEEN UNDER CONTROL
OF PROPERTY CONTROL SUB-COMMISSION UP TO 31 JULY 1944

NATIONALITY OF OWNER	REAL ESTATE		INDUSTRIAL & COMM.		SECURITIES MISCELL.		TOTALS	
	OWNERS	PROP'S	OWNERS	PROP'S	OWNERS	PROP'S	OWNERS	PROP'S
American	512	348	38	38	3333	3333	3683	3759
British	144	129	34	34	231	231	409	464
French	112	168	15	15	71	71	196	274
Russian	6	6	-	-	2	2	3	3
Greek	22	30	2	2	2	2	26	34
Jugo-Slav	3	3	-	-	4	4	7	7
Brazilian	6	6	-	-	1	1	7	7
Other Allies	4	5	6	6	146	146	156	157
Italian	1	1	-	-	-	-	1	1
Ital.State & Para-stat.	17	17	-	-	-	-	17	17
Ital.Fascist Organ's.	-	-	-	-	21	21	21	21
German	1	1	1	1	3	3	5	5
TOTALS	628	824	96	96	3614	3614	4536	4734

Charles Carroll

CHARLES CARROLL

Lt.Col., Grd.Dept

Acting Director

Property Control Sub-Commission

9 AUGUST 1944

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REPORT OF DIRECTOR OF PROPERTY CONTROL FOR MAY 1944

1. Negotiations with the Italian Government.

The Italian Cabinet have approved a decree revoking the measures taken under the War Law of 1938 against the property of governments and nationals of the United Nations and France. The Minister of Finance has given instructions to all Prefects and Intendants of Finanza in Italian Government territory to revoke decrees of sequestration, and to confirm the action taken by Property Controllers during the period of military government by revoking decrees of sequestration and formally reassigning properties to the owners, if present, and if absent, to the local Property Control Officer. The banks which formerly acted as managers of the sequestered real properties on behalf of IGMLI (the Italian Enemy Property department) will continue to manage these properties as the agent of the DPC. It has been found so far that the banks (Banca di Sicilia and Banco di Napoli) have performed this service in a very satisfactory manner, and the above mentioned arrangement should prove the simplest and most efficient way of dealing with the problem.

Owing to the rent restriction acts, which are being kept in force as part of the anti-inflation programme, a considerable number of properties are in deficit, and the Ministry of Finance has agreed to advance any sums which may be required for their maintenance. The fees payable to the banks for the management of properties will also be advanced by the Italian Government, such advances to be placed in a separate account in order that their ultimate liquidation may be determined by the Peace Treaty. The Ministry of Finance has also agreed to advance any sums which may be necessary for urgent repairs, etc, required to protect war damaged properties from further deterioration. These advances will also be placed in a separate account, and their liquidation will be determined by the Peace Treaty.

2. Personnel.

Lt.Col. A. Leadley (5) reported to this HQ from U.K. Major G. H. Munro reported to this HQ for duty, and was assigned ACP Region III. Major A. C. Newell was appointed RCP of Region V, vice Capt. H.C. Macdonald re-assigned. Major Hamilton was relieved assignment as ACP Region III, and assigned ACP Region IV (Rome City). Capt. C.P. Lee relieved assignment ACP Region III, and re-assigned. 2/Lt. I. Manck relieved assignment Region V and assigned Region IV (Rome City). Major Gard, RCP Region III, promoted Lt. Colonel. 2/Lt. Shering, ACP Region II, promoted Major. Lt. Beeson, ACP Region I, promoted Captain. 2/Lt. Shering, ACP Region I, promoted 1st Lieut. Major Bennett of Region III went into hospital, and was then ordered to U.K. Capt. Beeson of Region I also in hospital and afterwards ordered to U.K. Lt. Col. Curvill and Major King made tour of inspection of Region I, from 22 May to 2 June. Lt. Col. Leadley began 10 day tour of inspection of Region III on the 30 May. Major King made a tour of inspection of Region III from 5 May to 11 May.

Region I

3. Real Estate.

40 Allied and 2 Greek properties were taken into custody during the month, the former being all small properties in the Province of Messina, presumed to belong to U.S. citizens. The process of taking United Nations real properties into custody is now approaching completion.

Bronte Estate.

Owing to lack of transport it has not been possible to market the whole of the orange crop.

anti-inflation programme, a considerable number of properties are in deficit, and the Ministry of Finance has agreed to advance any sums which may be required for their maintenance. The fees payable to the banks for the management of properties will also be advanced by the Italian Government, such advances to be placed in a separate account in order that their ultimate liquidation may be determined by the Peace Treaty. The Ministry of Finance has also agreed to advance any sums which may be necessary for urgent repairs, etc, required to protect war damaged properties from further deterioration. These advances will also be placed in a separate account, and their liquidation will be determined by the Peace Treaty.

2. Personnel.

Lt.Col. A. Leanley (B) reported to this HQ from U.K. Major G. H. Mauro reported to this HQ for duty, and was assigned ACP Region III. Major A. O. Newell was appointed RCP of Region V, vice Capt. H.C. Macdonald re-assigned. Major Hamilton was relieved assignment as ACP Region III, and assigned ACP Region IV (Rome City). Capt. C.P. Lee relieved assignment ACP Region III, and re-assigned. 2/Lt. I. Manck relieved assignment Region V and assigned Region IV (Rome City). Major Gard, RCP Region III, promoted Lt. Col. Capt. Carroll, RCP Region II, promoted Major. Lt. Beeson, ACP Region I, promoted Captain. 2/Lt. Shaine, ACP Region I, promoted 1st Lieut. Major Bennett of Region III went into hospital, and was then ordered to U.K. Capt. Beeson of Region I also in hospital and afterwards ordered to U.K. Lt. Col. Carroll and Major King made tour of inspection of Region I, from 22 May to 2 June. Lt. Col. Leanley began 10 day tour of inspection of Region III on the 30 May. Major King made a tour of inspection of Region III from 5 May to 11 May.

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Bronte Estate.

Owing to lack of transport it has not been possible to market the whole of the orange crop.

Marshall Estate, Francavorte.

Great difficulties have been experienced in finding a tenant for this remote property, but a candidate has at last appeared. If he is found to be satisfactory the property will be let to him.

The formal restitution to the Italian Government of a number of government buildings, of which custody was taken by AMG, took place during the month. This virtually completes the restitution of Italian state property.

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4. Allied Concerns.Commercial and Industrial Concerns.(i) Electric Asphalt Mines.

Output continues satisfactorily. Accounts for March-April received by RCF, but have not yet been transmitted to this HQ.

(ii) Pitta Mines.

No sales were made during the month.

(iii) Pitta Quarry, the French firm, Lipari, and the S.A. Industrie Meridionali Agricolteri, Avola, are under investigation with a view to taking custody.

(iv) Investigation is proceeding into the Belgian interest in the Catania Tramway Co. This company is registered in Belgium, and at one time represented a Belgian interest, but I am informed that the ownership of the concern had passed into Italian hands some time before the outbreak of war.

5. Italian Concerns.(i) Unione Militare.

Transfer of assets both at Palermo and Messina to the Italian Army, Col. Guido Pinto, now completed during the month.

(ii) Corriere di Sicilia.

Negotiations are in train with the Italian High Commissioner for Sicily, Sig. Masotto, and with P.A.B., for the transfer to them of the printing press of the Corriere di Sicilia, which was acquired by the Fascist Party some years before the war. The newspaper itself is the property of P.A.B., which in the occupation of Catania revived a defunct periodical bearing this name. It is considered undesirable on general principles that P.A.B. should own a newspaper in Italian Government territory, and arrangements are being made for the sale of the printing press by a liquidator appointed through recommendation of Sig. Masotto, to newspaper interests favorable to the Allied cause.

Region II

6. Affairs in this Region are progressing in a satisfactory manner. It is only necessary to mention the fact that the Electric Supply Co. (S.P.E.). This company was sequestered by decree of the Ministry of Corporations on 21 December 40. On the arrival of Allied troops in Apulia in 1943 the Prefect of Taranto, at the request of Col. Middleton, issued a decree annulling the sequestration. The effect of this decree, concerning the validity of which I am not qualified to judge, was to restore to the creditors of the company the right of preferring claims against it. As these claims amount to over two million lire, and the available resources of the company are far below that sum, I presume the only solution will be to put it into liquidation. I have therefore suggested that a receiver be appointed in the person of Mr. S. Di Alessandaro, who could operate the company until such time as it is possible to come to an equitable settlement with its creditors.

Region III7. Real Estate.

Declarations of custody were made in respect of properties of 36 United Nations nationals, involving a total of 75 separate parcels. The total of declarations with respect to real estate is now 116, covering 286 parcels.

5. Italian Concerns.(1) Unione Siciliana.

Transfer of assets both at Palermo and Messina to the Italian Army, Col. Guido Finto, were completed during the month.

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Region II

6. Affairs in this Region are progressing in a satisfactory manner. It is only necessary to mention Turbato Tramways & Electric Supply Co. (S.R.). This company was re-constituted by decree of the Ministry of Corporations on 21 December 40. On the arrival of Allied troops in April in 1943 the Prefect of Turbato, at the request of Col. Middleton, issued a decree cancelling the reconstitution. The effect of this decree, concerning the validity of which I am not qualified to judge, was to restore to the creditors of the company the right of recovering claims against it. As these claims amount to over two million lire, and the available resources of the company are far below that sum, I presume the only solution will be to put it into liquidation. I have therefore suggested that a receiver be appointed in the person of Avv. E. Di Alessandaro, who could operate the company until such time as it is possible to come to an equitable settlement with its creditors.

Region III7. Real Estate.

Declarations of custody were made in respect of properties of 336 United Nations nationals, involving a total of 75 separate parcels. The total of declarations with respect to real estate is no. 116, covering 296 parcels.

8. Allied Concerns.(a) Summary.

Out of 87 business concerns investigated in Region III, 46 were taken into custody up to 31 May 44. Analysed as to nationality, these are as follows: American 19, British 19, French 6, Greek 6, Belgian 1, unallocated 1. Two American concerns have been released. Of the remaining 41 concerns investigated there are only one or two which may yet have to be taken into custody.

(b) Declarations of Custody during month.

During the month of May 44 the following concerns were taken into custody:

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(1) Compagnie Singer per Macchine da Cucire (SAI), 3N3683A

This American owned company, whose head office is in Milan, was sequestered on 26 June 40, probably because it was believed to be British owned. However, the appointment of the sequester, Luigi Benvenuti, was delayed until 3 Feb 42. On 25 Jan 42 there appears to have been a change in the administration of the company. The Societa Nebiolo di Torino was appointed at that time to administer the business, and on 17 Mar 43 three experts were appointed to place a valuation on the company for the purpose of sale. It is understood that one of these experts, who visited the Naples branch on 16 June 43, indicated to the branch manager that the business had been sold for approximately L.120,000,000, and that this sum would be deposited with the Cassa Depositi e Prestiti, whether the business has in fact changed hands or was in process of changing hands is not clear from the branch records. It was decided to take custody of all the assets of this company which were located in Region III. Other branch offices in Allied-occupied Italy are as follows:

- (a) Bari, Via Argiro 8.
- (b) Catanzaro, Corso Vittorio Emanuele, Palazzo Fazzari.
- (c) Cagliari, Piazza del Carmine 9.
- (d) Palermo, Via Roma 345.

Handicapped by requisitions of its building, motor equipment and furniture, the Naples branch of this company is still carrying on the business.

(2) H. N. Maffei (SAI), 3N3715A.

This is a small company wholly owned by Pastore & Co., New York City. The complete destruction of its merchandise and furniture has converted the company's capital into a deficit. It has an office in Rome which appears, however, to be only a legal address.

(3) Film Producers, Allocation 3N3691A to 3698A inclusive.

Custody forms have been prepared for eight American film producing companies, and separate bank accounts for each. Funds were transferred from the unallocated film group account to the respective producers in accordance with a statement of income and expense submitted by P.W.B. as of 9 Mar 44. There are still to be transferred funds received after 9 Mar 44, including funds belonging to OWI, MOI, and British film producers. The unallocated film group account also contains some funds presumably belonging to American, British and French producers, such funds having been collected by P.W.B. on the basis of 60% a provisional rate, on rentals on expired rental contracts. The authority and accuracy of these latter collections can be determined only upon examination of the contracts with Italian distributors, which contracts are believed to be in Rome. Expenses incurred by P.W.B. in the distribution of films have been somewhat less than 10% of collections. This expense is being borne by each company in proportion to the rental collections credited to them.

(c) SIA & SIFPIC, 3N3512A and 3N3514A.

Allied interests in SIA and SIFPIC appear to have been at the outbreak of war 40% and 46% respectively. At 1 Jan 38 the books of SIA showed that this company had made allowances totalling L.71,961.80 to another company, known as SIA Viscosa, a company manufacturing artificial silk at Milan and Rome. It is understood that the same Allied shareholders own a similar proportion of shares in this latter company also. Both the Allied and Italian shareholders have loaned large sums to SIA, and since the outbreak of war the proportion of the Allied interest was reduced by issuing additional stock to Italian interests, effected by

- (a) Bari, Via Arviro 8.
- (b) Catanzaro, Corso Vittorio Emanuele, Palazzo Pizzani.
- (c) Cagliari, Piazza del Carmine 9.
- (d) Palermo, Via Penn 325.

Hamidcapped by requisitions of its building, motor equipment and furniture, the Naples branch of this company is still carrying on the business.

(2) B. N. Maffei (SIAI). 303715.

This is a small company wholly owned by Pastore & Co., New York City. The complete destruction of its merchandise and furniture has converted the company's capital into a deficit. It has an office in Rome which appears, however, to be only a legal address.

(3) Film producers, Allocations 38691A to 3698A inclusive.

Custody forms have been prepared for eight American film producing companies, and separate bank accounts for each. Funds were transferred from the unallocated film group account to the respective producers in accordance with a statement of income and expense submitted by P.W.B. as of 9 Mar 44. There are still to be transferred funds received after 9 Mar 44, including funds belonging to CMI, MCI, and British film producers. The unallocated film group account also contains some funds presumably belonging to American, British and French producers, such funds having been collected by P.W.B. on the basis of 60% a provisional rate, on rentals on expired rental contracts. The authority and accuracy of these latter collections can be determined only upon examination of the contracts with Italian distributors, which contracts are believed to be in Rome. Expenses incurred by P.W.B. in the distribution of films have been somewhat less than 10% of collections. This expense is being borne by each company in proportion to the rental collections credited to them.

(c) SIAI SIFIO, 30551A and 30551A.

Allied interests in SIA and SIFIO appear to have been at the outbreak of war 40% and 46% respectively. At 1 Jan 38 the books of SIA showed that this company had made allocations totalling L.721,981.80 to another company, known as SIAA Visconti, a company manufacturing artificial silk at Milan and Rome. It is understood that the same Allied shareholders own a similar proportion of shares in this latter company also. Both the Allied and Italian shareholders have loaned large sums to SIA, and since the outbreak of war the proportion of the Allied interest was reduced by issuing additional stock to Italian interests, effected by means of transfers from the Italian loan account. The result was to reduce the American interest to 40% and 34% respectively. Furthermore, these bookkeeping transfers were made at figures much below their true value. To carry out this plan, fictitious liabilities were created and valuations of fixed assets reduced, as evidenced by a statement previously presented by the company's engineer, fixing the value of the fixed assets at approximately 50% above its then book value. That these valuations were grossly understated and their true value well known to the Italian interests is brought out by the fact that the Italian interest had changed hands at that time, and that the new Italian owners, who had caused these undervaluations to be recorded, paid a price for their interest which was at least three times greater than the book value before the undervaluations were recorded. An instance is noted where auto equipment costing L.371,082.17 had a reserve for depreciation of L.726,531.57, resulting in a valuation of L.355,449.40 less than zero. This equipment is still in operation. The loss to the American interests due to this transaction was roughly

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(d) Balance sheets at date of custody.

An analysis of the 46 concerns under custody is as follows:

Carrying on	24
Care and maintenance	10
Partly liquidated	6
Minority interests	4
Released	2

No verification of balance sheets is being made in the case of minority interests. In the first two classes the verification of the balance sheets of 12 concerns have been almost completed. Attempts will be made to complete the verification of all balance sheets during the month of June 44.

(e) Monthly statements by business concerns.

Of the 24 concerns under custody which are doing business or are on a care and maintenance basis, 21 are branches of concerns whose main office or activity is outside the island III. In these cases only a summarized cash account is being requested monthly, in addition to a statement of sales activity. For the remaining 3 concerns, a complete trial balance and total monthly activity of each account, as well as a detailed analysis of expenses, is being requested. In cases where inventories of merchandise are available, balance sheets and profit and loss statements are to be prepared.

9. Miscellaneous, Securities, Bank Accounts, etc.

Included in the 3,277 cases in respect of which declarations of custody have been completed, are 2,969 relating to bank accounts in my name. There are also 161 cases where securities have been placed at my disposal.

10. Carri and Islands.

The work of taking custody on the Islands of Capri, Ischia and Procida has been practically completed. During the month Major Hamilton has visited Procida, where 21 cases have been investigated, and Capt. Smith has completed the work at Ischia.

11. Salerno Province.(a) Real Estate.

The thirteen properties belonging to Allied nationals have been located in Salerno Province, but have not as yet been taken into formal custody, although the three large villas at Ravello - Villa Cimbrone, Villa Pignatelli and Villa Ruficello - are in fact under control, as well as the property of Mr. Kate Bleiser at Positano. Completion of formal custody has been delayed pending the publishing of the decree of requisition heretofore mentioned (para 1). Villa Cimbrone was inspected during the month, and found to require some repair to prevent deterioration, due to water leakage through the roof and a faulty water pipe.

(b) Commercial concerns.

No commercial concerns have been located other than at Marina di Cambrice, preserving Co., in which custody of the British shareholders' interest has been taken, and a matching bill is being maintained.

(c) Securities, Bank Balances, etc.

(c) Monthly statements by business concerns.

Of the 34 concerns under custody which are doing business or are on leave, are main-tenance bases, 21 are branches of concerns whose main offices or activity is outside the region III. In these cases, only a summarized cash account is being received monthly, in addition to a statement of sales activity. For the remaining 13 concerns, a complete trial balance and total monthly activity or cash account, as well as a detailed analysis of expenses, is being requested. In cases where inventories of merchandise are avail-able, balance sheets and profit and loss statements are to be prepared.

9. Miscellaneous, Securities, Bank Accounts, etc.

Included in the 3,297 cases in respect of which declarations of custody have been completed, are 2,589 relating to bank accounts in my name. There are also 161 cases where securities have been placed at my disposal.

10. Capri and Ischia.

The work of taking custody on the islands of Capri, Ischia and Procida has been practically completed. During the month Major Hamilton has visited Procida, where 21 cases have been investigated, and Capri, where he completed the work at Ischia.

11. Salerno Province.

(a) Real Estate.

The thirteen properties belonging to Allied nationals have been located in Sal-erno province, but have not as yet been taken into formal custody, although the three large villas at Ravello - Villa Cimbrone, Villa Renardina and Villa Rufolo - are in fact under control, as well as the property of Mrs. Kate Blaker at Positano. Completion of formal custody has been delayed pending the publishing of the decree of requisition heretofore mentioned (para 1). Villa Cimbrone was inspected during the month, and found to require some repair to prevent deterioration, due to water leakage through the roof and a faulty water pipe.

(b) Commercial Concerns.

No commercial concerns have been located other than St. Eusebio Bank, preserving Co., in which custody of the British shareholders' interest has been taken, and a watching brief is being maintained.

(c) Securities, Bank Balances, etc.

Formal custody has not been taken pending the publication of the decree men-tioned above, but three lots of securities have been thoroughly examined and checked in preparation, and lists of bank balances are available.

12. German Properties.

During the month there have been a further thirteen cases in which the appointment of a curator has been recommended.

13. Fascist Organizations.

The Fascist organizations may be divided in each province under the main headings:

- A. Party Associations.
- B. Unions of Workers and Unions of Employers.

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4. In the province of Naples, in addition to the party head office in Via Medina, there are 25 gruppi ricambi in the City of Naples and 137 fasci in the country areas - one for each comune. In each province these associations are being liquidated by the Intendenza di Finanze, the distribution of assets being under the supervision of RCP. In addition to the above mentioned groups, the following sixteen fascist associations are being liquidated in a similar manner:

1. Federazione Gioventu Universitaria Fascista (GUF)
2. Tipografia del GUF
3. Libreria Editrice del GUF
4. Gabinetto di patologia
5. Fasci Fumini
6. Laboratorio di Via Pigantelli
7. Deposito di Via S. Bartolomeo
8. Felicitina Infantile di Via Novara
9. do. do. di Posillipo
10. Posto di ristoro Stazione Ferroviaria
11. Mercatino massale rurale
12. Cinematografo sperimentale del GUF
13. Teatro del GUF
14. Campo di Pallacanestro
15. Centro servizi del lavoro
16. Spacci viveri Aziendali.

5. The following ten unions of workers and employers are being liquidated by the Italian Labour Office, all records being available to the Allied Military Government Regional Labour Section. The distribution of the assets is under the supervision of the RCP.

1. Unione Fascista degli Industriali
2. " Lavoratori dell'Industria
3. " dei Commercianti
4. " dei Lavoratori del Commercio
5. " Aziende del Credito e della Assicurazione
6. " degli Agricoltori
7. " dei Lavoratori dell'Agricoltura
8. " dei Professionisti ed Artisti
9. Federazione Provinciale degli Artigiani
10. " degli Amatori.

In each comune there is a branch office of these unions. In addition to these two main groups, there are the following three organizations, whose special liquidation has been or are being appointed to work under the direction of the RCP:

1. La GIL (Gioventu Italiana del Littorio).
2. Dopelavoro
3. Famiglie Numerose

In connection with the first two of these, the RCP is working in conjunction with the Regional Public Welfare Section and the Regional Education Section.

REGION IV

14. No formal report was filed. This was occasioned by the fact that this region has been reserved for and is being actively studied at the time when a report would otherwise

10. Posto di ristoro Stazione Ferroviaria
11. Movimento massale rurale
12. Cinematografo sperimentale del GPF
13. Teatro del GPF
14. Campo di Pallacanestro
15. Centro servizi del lavoro
16. Spacci viveri aziendali.

5. The following ten unions of workers and employers are being liquidated by the Italian Labour Office, all records being available to the Allied Military Government Regional Labour Section. The distribution of the assets is under the supervision of the RCP.

1. Unione Fascista degli Industriali
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3. " " dei Commercianti
4. " " dei Lavoratori del Commercio
5. " " Azienda del Credito e della Assicurazione
6. " " degli Agricoltori
7. " " dei Lavoratori dell'Agricoltura
8. " " dei Professionisti ed Artisti
9. Federazione provinciale degli Artigiani
10. " " degli Amatori.

In each comune there is a branch office of these unions. In addition to these two main groups, there are the following three organizations, whose special liquidation has been ordered and are being appointed to work under the direction of the RCP:

1. La GIL (Gioventu Italiana del Littorio).
2. Dopolavoro
3. Geniglio Numerose

In connection with the first two of these, the RCP is working in conjunction with the Regional Public Welfare Section and the Regional Education Section.

Region IV

14. No formal report was filed. This was occasioned by the fact that this Region was being moved forward to assume active duties at the time when a report would otherwise have been in course of preparation. It should be stated, however, that organization and operation had been brought to a high state of perfection.

Region V

15. No report has previously been made with respect to this Region. On 26 Apr 44 Major A. C. Howell was appointed acting RCP, vice Capt. H. C. MacDaniel, who was relieved from duty. He and including the month of May, the real estate of 9 comuni (23 per-sons) has been taken into custody in Campobasso Province. The properties consist of small farms or dwellings of little importance. On 23 May and 31 May 44 respectively, the provinces of Campobasso and Foggia were requested to post proclamation No. 6, which had not previously been done. Further investigations as to United Nations and French properties are being made.

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Region VI

16. Brigadier Carr has informed me that he intends to commit responsibility for Property Control in his Region to Captain Copeland, Finance Officer for Nuoro Province, who will attend to these duties in addition to his work as Finance Officer. There have been no new developments in Region VI. Affairs there are progressing in a very satisfactory manner.

Region VII

17. 2/Lt. W. T. Mayo was appointed ICI for this Region, and reported to Regional HQ on 6 May 44. Since then he has made numerous trips of inspection to properties requiring attention. In Cosenza Province all properties have been taken into custody, and custody will soon be taken of properties in the other provinces.

18. Enemy state property.

Now administered by the Italian Government.

19. Property of Fascist organizations.

Now administered by the Italian Government.

20. Property of other enemy states and National thereof.

No action taken in respect of such properties.

21. Abandoned property.

None.

22. French property.

Investigation has not revealed any such properties.

23. Blocked accounts.

These funds and securities were transferred to the Bank of Italy for the account of Istambul. A list of such accounts will be prepared.

24. Industrial and Commercial Undertakings.

The firm of Meandro & Perbes, of Carigliano Calabria, is technically neither industrial or commercial. It was engaged in the processing, bottling and shipping to the United States of liquorice root. No finished goods were produced, and nothing sold in Italy. The manager of this firm was William S. Gall, an English citizen and stockholder in the company. The property is in good condition, and the firm has ample cash on hand for the payment of necessary expenses. Financial statement as of 15 May has been received. An excess war profits tax in the sum of L.1,379,033, together with a fine of L.459,377 for failure to declare, was assessed against this firm. This tax, erroneously applied in this instance, is being handled with the Ministry of Finance through the Intendente di Finanza, Cosenza.

Handwritten signature/initials

18. Enemy Assets Property.

Now administered by the Italian Government.

19. Property of Fascist Organizations.

Now administered by the Italian Government.

20. Property of other Enemy States and National thereof.

No action taken in respect of such properties.

21. Abandoned Property.

None.

22. French Property.

Investigation has not revealed any such properties.

23. Blocked Accounts.

These funds and securities were transferred to the Bank of Italy for the account of Istambul. A list of such accounts will be prepared.

24. Industrial and Commercial Undertakings.

The firm of Meindrone & Serbes, of Castiglione Calabre, is technically neither industrial or commercial. It has engaged in the processing, bottling and shipping to the United States of liquorice root. No finished goods were produced, and nothing sold in Italy. The manager of this firm, one William S. Gall, an English citizen and stockholder in the company. The property is in good condition, and the firm has ample cash on hand for the payment of necessary expenses. Financial statement as of 15 May 1941 of L.459,377 for failure to declare, was assessed against this firm. This tax, erroneously applied in this instance, is being handled with the Ministry of Finance through the Intendente di Pienza, Grosseto.

10 June 1944

C. R. S. HARRIS,
Lieut-Colonel,
Director of Property Control.

*Ref: L. 459,377
10 June 1944*

PROPERTY CONTROL SUB-COMMISSIONREPORT FOR APRIL 19441. General.

A conference of Regional Property Control Officers was held at this HQ on 20th April. Representatives from Regions I, II, III and IV attended, and a number of problems were discussed. During the month I visited Region III. Advanced HQ Region IV and HQ MAC 5 Army. Major King paid a prolonged visit of inspection to Region VI (see para 7 below).

2. Negotiations with the Italian Government.

Owing to the change in the Italian Government which took place during the month, negotiations concerning the arrangements for Property Control in restored territory have proceeded somewhat slowly. The Ministry of Finance has however prepared a decree, the terms of which have been approved. Revoking the application of the provisions contained in the War Law to the property of United Nations and French nationals, and before leaving office His Excellency Colonel Jung, Minister of Finance, sent out an instruction to all Prefects and Intendenti di Finanza, detailing the agreed procedure to be followed when the decree is published.

Discussions have also taken place with the Italian Government concerning measures to be taken with regard to enemy property in restored territory. The Italian Government is anxious to avoid taking any overt steps which would lead to reprisals on the part of the German and other enemy governments against Italian property in Germany or German-occupied Italy. Instructions are however being sent to all Prefects and Intendenze di Finanza to prepare lists of enemy property, and to ensure that such properties are not disposed of, and in cases where they have been abandoned to make arrangements for their custody.

3. Personnel.

Lt. Col. Charles Carroll joined this HQ as Deputy Director of Property Control on 13 April, from Region IV. Major E. C. King went on temporary duty to Region VI from 5 April to 23 April. Region VII activated, and 2/Lt. W. T. Mayo was assigned as Property Control Officer. Arrangements have been made with Brigadier Dunlop, Region IV, and Brigadier General Hume, 5 Army, whereby the whole of the Property Control staff of Region IV should be temporarily attached to City Sub-Region, and this staff further re-inforced by the transfer of Major Bennett and Major Hamilton from Region III and Lt. Marek from Region V.

Region I4. (a) Real Estate.(i) British and American Properties.

During the month declarations of custody have been completed and forwarded to HQ as under:

Catania	1
Messina	20
	21

Bronte Estate. Appropriate action taken in respect to matters referred to in previous report. It has been found impossible to export orange crop, and same is now in process of sale locally.

(ii) Property of United Nations

sions contained in the war law to the property of United Nations and French nationals, and before leaving office His Excellency Colonel Jung, Minister of Finance, sent out an instruction to all Prefects and Intendenti di Finanza, detailing the agreed procedure to be followed when the decree is published.

Discussions have also taken place with the Italian Government concerning measures to be taken with regard to enemy property in restored territory. The Italian Government is anxious to avoid taking any overt steps which would lead to reprisals on the part of the German and other enemy governments against Italian property in Germany or German-occupied Italy. Instructions are however being sent to all Prefects and Intendenze di Finanza to prepare lists of enemy property, and to ensure that such properties are not disposed of, and in cases where they have been abandoned to make arrangements for their custody.

3. Personnel.

Lt. Col. Charles Carroll joined this HQ as Deputy Director of Property Control on 13 April, from Region IV. Major M. C. King went on temporary duty to Region VI from 5 April to 23 April. Region VII activated, and 2/Lt. W. F. Mayo was assigned as Property Control Officer. Arrangements have been made with Brigadier Durlon, Region IV, and Brigadier General Rume, 5 Army, whereby the whole of the Property Control staff of Region IV should be temporarily attached to City Sub-Region, and this staff further re-inforced by the transfer of Major Bennett and Major Hamilton from Region III and Lt. Manck from Region V.

Region I

4. (a) Real Estate.

(i) British and American Properties.

During the month declarations of custody have been completed and forwarded to HQ as under:

Catania	1
Messina	20
	21

Bronte Estate. Appropriate action taken in respect to matters referred to in previous report. It has been found impossible to export orange crop, and same is now in process of sale locally.

(ii) Property of United Nationals other than British and American.

During the month the investigation of properties under this heading has continued. One Greek property, as distinct from blocked bank accounts, has been taken into formal custody.

(iii) French Property.

Investigations still proceeding. During April two properties taken into custody. Authority has been granted to the Banco di Sicilia to proceed with essential and urgent repairs to the property of Filippo La Grua fu Casare, Principe di Cerini, not to exceed Lire 15,000.

(b) Italian State Property.

Most of the properties taken into custody by AMF have been formally restored to the Italian Government.

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(c) Industrial and Commercial Undertakings.Allied Concerns.(i) Rafusa Asphalt Mines.

Work has proceeded satisfactorily with steady increase in output. No further accounts yet received, but verbal reports satisfactory. Accounts are expected within the next seven days. Salary to be paid to Ing. Moy is under active discussion.

(ii) Pitta Borab.

Having effected sufficient sales to enable salaries, taxes, and running expenses to be paid over the next three months, instructions have been issued to cease further sales as from 30 April. Accounts covering active trading period are being prepared.

(iii) L'insulare.

Tenancy agreement with S.P.E.R.O. extended for a further one year from 1 AUG 44, on same terms as at present.

(d) Semi-statal Concerns.(1) Unione Militare.

Communication now received from Colonel Basile, Special Commissioner. Col. Guido Pinto nominated as representative for both Palermo and Messina. Verbale di consegna in course of preparation, and transfer expected to be completed within ten days.

(ii) E.N.I.C.

Inventories and financial statements having been handed in, transfer of assets, including cash, was completed on 13 April.

(iii) Popolo di Sicilia, and its successor Corriere di Sicilia.

A conference between

- (a) Director of Property Control,
- (b) Deputy Director of Property Control,
- (c) Regional Property Control Officer of Region I, and
- (d) Press Chief of P.W.B., Italy

was held at Naples on 21 April, then procedure for sale was agreed upon. Negotiations are now proceeding with P.W.B. and Property Control in collaboration. Audit of accounts by local accountant is in progress. A claim for £1048-10-9 (sterling) received from Army Printing and Stationery Service is being investigated.

(iv) Ente di Colonizzazione del Latifondo Siciliano.

Transfer of management has been effected, and accounts are now awaited.

(v) Deposito Cavalli Stalloni, Catania.

Accounts are still awaited.

(e) Blocked Accounts.

Transfer to name of Property Controller pursuant to General Order No. 6 dated 14 Nov 43 of AMG has been substantially completed. Where remaining accounts are

(iii) L'insulare.

Tenancy agreement with S.P.E.R.O. extended for a further one year from 1 Aug 44, on same terms as at present.

(d) Semi-statal Concerns.(1) Unione Militare.

Communication now received from Colonel Basile, Special Commissioner. Col. Guido Pinto nominated as representative for both Palermo and Messina. Verbale di consegna in course of preparation, and transfer expected to be completed within ten days.

(ii) E.N.I.C.

Inventories and financial statements having been handed in, transfer of assets, including cash, was completed on 15 April.

(iii) Pondolo di Sicilia, and its successor Corriere di Sicilia.

A conference between

- (a) Director of Property Control,
- (b) Deputy Director of Property Control,
- (c) Regional Property Control Officer of Region I, and
- (d) Press Chief of P.W.B., Italy

was held at Naples on 21 April, when procedure for sale was agreed upon. Negotiations are now proceeding with P.W.B. and Property Control in collaboration. Audit of accounts by local accountant is in progress. A claim for £1048-10-9 (sterling) received from Army Printing and Stationery Service is being investigated.

(iv) Ente di Colonizzazione del Latifondo Siciliano.

Transfer of management has been effected, and accounts are now awaited.

(v) Deposito Cavalli Stalloni, Catania.

Accounts are still awaited.

(e) Blocked Accounts.

Transfer to name of Property Controller pursuant to General Order No.6 dated 14 Nov 43 of AMG has been substantially completed. There remain some isolated and doubtful cases still to be attended to.

(f) Dissolved Fascist Organizations.

In accordance with Executive Memorandum No.15, transfer of Fascist cash balances in the name of RPOG has been made to Judge Criscuoli, Commissario Straordinario, insofar as Palermo and Trapani provinces are concerned. Balances in hands of Provincial PCOs will be transferred during next month.

Region II5. (a) General.

The work of completing the formalities for taking into custody the various properties in this Region has been greatly hampered, (a) by the lack of commu-

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ications, as all accounts have to be verified by the Head Office of the Bank of Naples, and (b) by lack of transport facilities available for the Regional Property Control Officer.

(b) Real Estate.

No declarations of custody have yet been completed for the reasons stated above, but all properties in the provinces of Potenza, Matera and Taranto were investigated by the Regional PCC.

(c) Taranto Tramway Co.

The completion of the declaration of custody for this British owned concern has been delayed owing to the unsatisfactory nature of the balance sheet submitted by the sequesterator, which is in course of revision.

Region III

6. (a) Real Estate.

Of the 156 estates of Allied and French nationals sequestered by the Italian Government and managed by the Bank of Naples, 81 have now been taken into custody. Many of these estates include a plurality of properties. All properties on the Island of Capri have now been taken into custody, and an examination is proceeding of 24 properties in Ischia and Procida.

(b) Commercial and Industrial Concerns.

The number of concerns operating under the control of the Regional CPO is now 35. An analysis of them by nationalities shows:

American	9
British	13
French	6
Greek	6
Belgian	1
Unallocated	1

The following 12 firms were taken into custody during the month under review, namely:-

(1) Acme Construction Co., (S.A.). 3N3630A.

This corporation has been engaged in the construction of apartment houses, but due to the scarcity of building material is at present unable to continue in its operations. The greatest portion of this company's assets at present consist of instalments receivable on apartments already sold. The company is owned and financed by Mario Caruso of the Lionel Corporation, U.S.A., and is managed by his son-in-law Antonio Panniciano.

(2) Eclairique & C. (S.A.). 3N3628F and

(3) Vetreria Meccanica & C. Ricciardi, 3N3681F.

These two companies are owned by Soc. St. Gobain, a French company located in Paris; the first to the extent of 80%, and the second to the extent of approximately 33-1/3%. In turn, these two companies together own 85%, 60%, and 49.3% of Vetreria Pizzirani & C. S.A.I., Fratelli Basili S.A.I., and Fabbrica Italiana Cristallo.

The completion of the declaration of custody for this British owned concern has been delayed owing to the unsatisfactory nature of the balance sheet submitted by the sequesterator, which is in course of revision.

6. (a) Real Estate.

Region III

Of the 156 estates of Allied and French nationals sequestered by the Italian Government and managed by the Bank of Naples, 51 have now been taken into custody. Many of these estates include a plurality of properties. All properties on the Island of Capri have now been taken into custody, and an examination is proceeding of 24 properties in Ischia and Procida.

(b) Commercial and Industrial Concerns.

The number of concerns operating under the control of the Regional GPO is now 35. An analysis of them by nationalities shows:

American	9
British	13
French	6
Greek	6
Belgian	1
Unallocated	1

The following 12 firms were taken into custody during the month under review, namely:-

(1) Acme Construction Co., (SAI). 3N3630A.

This corporation has been engaged in the construction of apartment houses, but due to the scarcity of building material is at present unable to continue in its operations. The greatest portion of this company's assets at present consist of instalments receivable on apartments already sold. The company is owned and financed by Mario Caruso of the Lionel Corporation, U.S.A., and is managed by his son-in-law Antonio Parmigiani.

(2) Bourlique & C. (SAI). 3N3628F and

(3) Vetreria Meccanica & C. Ricciardi, 3N368LF.

These two companies are owned by Soc. St. Gobain, a French company located in Paris; the first to the extent of 80% and the second to the extent of approximately 33-1/3%. In turn, these two companies together own 85%, 60%, and 49.3% of Vetreria Pizzirani & C SAI, Protelli Basili SAI, and Fabbrica Italiana Specchi A. Reggi & C, SAI, respectively. In turn again, Vetreria Pizzirani & C SAI owns 40% of Fabbrica Italiana Specchi A. Reggi & C SAI.

The entire group is in the glass and mirror business. The Ricciardi Company is by far the largest, having a capitalization of Lire 23,000,000, with three glass factories in Naples and one in Vietri sul Mare. One of the Naples factories is in operation, the other two having been bombed beyond repair. The factory in Vietri is not operating for lack of material.

Bourlique & C. is a Milan corporation with a capitalization of 2,752,500,000, its location in Naples being a branch only.

(4) Cucirini Canton Coats (SAI). 3N3682B.

This is a cotton thread manufacturing concern, a subsidiary of J & P. Coats, of Paisley, Scotland. The Italian corporation is capitalized for Lire 122,500,000, its head office being in Milan. In Naples it operated a sales office for southern Italy, Sicily and Sardinia, its assets here, as shown by the Property Register, being approximately Lire 7,000,000.

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(5) Dewey & Almy Chemical Co., 3N36294.

Upon investigation this company was found to be an American corporation, and therefore custody was taken. It operated a small plant in Naples which manufactured chemical compounds for sealing tin cans. The plant was bombed and looted, and is at present not operating.

(6) St. Erasmo Export Preserving Co., Ltd., 3N36072.

Although this is a British corporation with head office in London, the majority of its stock is owned by Betturi Polinghi of Milan, whose father-in-law had founded the business. The business has not been sequestered by the Italian Government as it was apparently considered to be Italian owned. Custody was taken of the minority interest, believed to be British. Its factory at Naples had been damaged and is not in operation, but the one at Pagani is in operation, producing jam for the Allied Forces.

(7) Film Group, Unallocated, 3N36201.

Cash totalling lire 12,938,307 was turned over to the Controller of Property on 25 Apr 44, representing rentals received by the Psychological Warfare Branch for American, British and French films. The funds have not as yet been allocated to the producing companies; separate forms will be prepared when allocation is made.

(8) I. G. Levi, 3N36351, and(9) Felice Mian, 3N36091.

These are two small Greek-owned businesses that have been liquidated, except for several uncollected items. The firm was engaged in importing skins for the glove trade; the second dealt with dental supplies.

(10) Marconi Wireless Co., 3N36082.

This company is very closely allied with Marconi International Marine Co. It manufactures nautical instruments, which the latter company installs. They are both British corporations, the former apparently operating in Italy through branches, and the latter through an Italian subsidiary corporation. The former corporation's main branch in Italy, situated in Rome, is known as Ufficio Marconi, and its sub-branch in Naples as Ufficio Nautico Marconi. The latter corporation's subsidiary is Radio Marittima (SAL) Rome, with a branch in Naples. The operation of both companies in Naples is very close, there being a common office, stores, factory and management, and funds are used freely from one company for the other. These concerns are employed on work for the Allied navies.

(11) Societa Immobiliare Alborchi (S.I.), 3N35114, and(12) Sindacato delle S.A. Imprese Pubbliche e Private, Ischia e Capri (SIPPIO), 3N35114.

Minority interests in these concerns had been taken into custody during the month of March 44, in Capri.

The following notes on other concerns in the custody of the CE may be of interest:

(1) Vesuvius Railway.

This railway, which is owned by Thomas Cook & Sons, consists of four parts, namely (a) an "adhesion" section from Pagliano to the Centrale Station, (b) a rack section leading to the hotel, (c) a further "adhesion" section leading to

Cash totalling lire 12,938,000 was turned over to the Central Bank of the United States on 25 Apr 44, representing rentals received by the Psychological Warfare Branch for American, British and French films. Two funds have not as yet been allocated to the producing companies; separate forms will be prepared when allocation is made.

- (8) J. G. Levi, 3N3681L, and
- (9) Felice Misan, 3N3681L.

These are two small Greek-owned businesses that have been liquidated, except for several uncollected items. The firm was engaged in importing skins for the glove trade; the second dealt with dental supplies.

- (10) Marconi Wireless Co., 3N3682L.

This company is very closely allied with Marconi International Marine Co. It manufactures nautical instruments, which the latter company installs. They are both British corporations, the former apparently operating in Italy through branches, and the latter through an Italian subsidiary corporation. The former corporation's main branch in Italy, situated in Rome, is known as Ufficio Marconi, and its sub-branch in Naples as Ufficio Nautico Marconi. The latter corporation's subsidiary is Radio Marittima (SAI) Rome, with a branch in Naples. The operation of both companies in Naples is very close, there being a common office, stores, factory and management, and funds are used freely from one company for the other. These concerns are employed on work for the Allied navies.

- (11) Società Immobiliare Alberghi (S.A.I.), 3N3681L, and
- (12) Sindacato delle S.A. Imprese Pubbliche e Private Ischia e Capri (SIPIC), 3N3681L.

Minority interests in these concerns had been taken into custody during the month of March 44, in Capri.

The following notes on other concerns in the custody of the CE may be of interest:

- (1) Vesuvius Railway.

This railway, which is owned by Thomas Cook & Sons, consists of four parts, namely (a) an "adhesion" section from Pignone to the Centrale Station, (b) a rack section leading to the hotel, (c) a further "adhesion" section leading to the base of the funicular, and (d) the funicular. The latter has been largely destroyed; (c) has been cut in the places by lava streams just short of the funicular station; (a) is intact and in actual operation; (b) except for a few yards is also in working order. The line has been cut at the Centrale Station (junction of (a) and (b)) by a lava stream, which has caused an interruption of only a few metres. Fortunately the rack locomotives were on the further side of the cut, and the power lines being intact operation is possible to the higher cut, some 600 yards short of the end of (c). There are however no cars on the rack section, and the only measure required to put it into operation is the transfer of one or more passenger coaches to the further side of the Centrale cut. A plan is now being studied whereby the line can be put into operation to a point about 600 yards from the lower end of the funicular, from which a path up the cone of the mountain could be built, as was done after the eruption.

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tion of 1906. These measures will not require any special finance, but the railway has been working at a deficit, which was made up by the Italian Government up to the time of the invasion, and it will be necessary to continue to collect this subsidy, at any rate for the moment, if operation is to be continued. It is however hoped that the railway may be put on a self-supporting basis by the adjustment of tariffs to a level at which operating costs can be met.

(ii) Compagnia Generale di Elettricità, 3N3624A.

The Naples branch of this company (a subsidiary of the General Electric Co.) has about Lire 1,600,000 of work in process at the present time. This work consists of electrical installations, as well as repairs to electrical equipment, motors and machinery. Its volume is limited because of inability to add capable workmen to its present staff of 26. About 10 to 20% of this work is for military organizations.

(iii) Otis (S.A.I.), 3N46A.

About 95% of this corporation's output is being produced under the supervision of the 669th Ordnance Group, in the manufacture of spare parts for artillery and trucks, about Lire 2,000,000 of work being in process. This represents only about 40 to 50% of the present capacity of the plant, as only lathes are in operation, while milling, boring, drilling and planer machines are lying idle.

(iv) Società Meccanica "La Precisa", 3N14.

Custody was taken of this company on 9 Dec 43, and it was restored to duly authorized representatives of the owner on 10 Dec 43. It appears however that large stores of essential material are owned by this company without having been declared. An inventory is being taken, and the position is being investigated.

(v) Audits of balance sheets submitted by business concerns as of the date of custody has begun. A civilian staff of auditors is being organized for this work and for the purpose of checking operations during the custodianship period.

(c) Bank Accounts, Securities, etc.

Included in the 2,937 cases in respect of which declarations of custody have been completed are 2,685 relating to bank accounts in the name of the Controller of Property and Securities at his disposal. In addition to the above, there are many bank accounts already transferred into the name of the CP, but in respect of which forms of custody are in the process of being prepared.

(d) German Property.

(i) Schmidt & Dupont.

As mentioned in my supplementary report for February 44, the property of this firm was sold without authority to its manager by Major Hitchcock. On the advice of the Legal Sub-Commission this contract of sale has been annulled, and the firm has been put into liquidation and a commissario speciale appointed as liquidator.

(ii) Max Herb.

A duly authorized agent is present, and the business of growing vegetables and flowers continues under his direction. The activities of the business are known to the Agricultural Section.

(iii) Co-fa.

About 95% of this corporations output is being produced under the supervision of the 669th Ordnance Group, in the manufacture of spare parts for artillery and trucks, about Lire 2,000,000 of work being in process. This represents only about 40 to 50% of the present capacity of the plant, as only lathes are in operation, while milling, boring, drilling and planer machines are lying idle.

(iv) Societa Meccanica "La Precisa", 3M4

Custody was taken of this company on 9 Dec 43, and it was restored to duly authorized representatives of the CP on 10 Dec 43. It appears however that large stores of essential material are owned by this company without having been declared. An inventory is being taken, and the position is being investigated.

(v) Audits of balance sheets submitted by business concerns as of the date of custody has begun. A civilian staff of auditors is being organized for this work and for the purpose of checking operations during the custodianship period.

(c) Bank Accounts, Securities, etc.

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(d) German Property.

(i) Schmidt & Dient.

As mentioned in my supplementary report for February 44, the property of this firm was sold without authority to its manager by Major Hitecock. On the advice of the Legal Sub-Commission this contract of sale has been annulled, and the firm has been put into liquidation and a commissario speciale appointed as liquidator.

(ii) Max Herb.

A duly authorized agent is present, and the business of growing vegetables and flowers continues under his direction. The activities of the business are known to the Agricultural Section.

(iii) Cc-fa.

This drug store is owned by Italians, but it previously sold only German products. The manager is being permitted to continue the business, having regard to a request received from the Public Health Sub-Commission that it is desired to make stocks available to the public.

(iv) August Frede.

There is a representative holding a power of attorney in this case. The business, which still continues, is that of a wholesale fruit merchant. Having been advised by the Legal Sub-Commission that under international law the occupying power has no right to sequester private businesses of an enemy character, except for security reasons or reasons of military necessity, I do not propose to take any further action with respect to these firms for the moment, as instructions have been given by the Finance Sub-Commission to the banks which will

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effectively prevent the transfer of any of their funds to enemy territory. The CP has been notified of 39 cases where property is owned by German subjects. In six cases the appointment of a curator has been recommended.

(e) Fascist Property.

In all organizations of a Fascist character a liquidator is being appointed by the Italian authorities. The CP is not actually taking the assets into custody, but the disposal of all property is to be under his direction. There is a large number of associations of various kinds, and a separate file is being opened in respect of each. It is understood that a large amount of the furniture which was previously owned by Fascist organizations is missing and that its present location is not known.

Region VI

7. Major E. C. King (1), who had been sent to Sardinia to investigate and report, returned on 29 April and filed a report of which the following is a synopsis:

(a) There is no Property Control Officer in Region VI. Lt. Col. Waters (B), PFO at Sassari, and Major Alexander (B), HCO at Cagliari, have been attending to such properties as had come to their attention. In all of Sardinia there are only about 10 properties belonging to United Nations or French nationals, plus a small number of bank accounts. Of such properties the following are the most important:

(i) The Piercy-Mameli Estate, which consists of about 7,000 acres of farming, grazing and timber land in Nuoro Province, and about 3,000 acres of grazing land in Cagliari Province, plus herds of cattle, sheep, goats and swine. The land, with its buildings, forests and herds, is of considerable value. While legal title to the most valuable part of the estate is in the name of Donna Vera Mameli (Italian), and the balance in the heirs of devisees of the late Major Benjamin Piercy, the actual beneficial ownership probably cannot be determined until after the war. Sig. Oscar Salmon of Macomer is sequestrator of the Piercy interests (as heretofore reported). Dott. Dessi of Oristano has been appointed curator of the Mameli interests. Dott. Maliverno, who holds a limited power of attorney from Donna Mameli, is acting as resident manager of the entire estate. Present net income of the estate is about Lire 1,000,000. The mansion house and the premises generally are in good condition.

(ii) Compagnia delle Forges et Acieres de la Marine et du Commerce, a French charcoal company in Cagliari Province, owns about 24,000 acres of timber land, and an old railroad with some engines and cars. The office is in Cagliari. Estimates of value of the property varied from Lire 12,000,000 to Lire 50,000,000. The company normally produces about 50,000 quintals of charcoal per year, and should produce that much in the current year. The sequestrator is Dott. Alessandro Morelli, the Inspector Forestiere. The apparently able manager of the company is Rag. Francesco Batta of Ileriave, near Cagliari. The company employs 300 to 400 men.

(iii) Societa Metallurgica di Pertusola. This is a French company, capital stock (Lire 77,000,000) is owned by Pennaroya Company, also French. The Society owns six mines in Cagliari Province near Iglesias. Another mine in Sassari Province owned by Corredo Company, a subsidiary of Pennaroya, is mentioned here for convenience. None of the mines is operating at present, but all are on a maintenance and development basis, in charge of engineers originally selected by the French owners. The mines employ at present a total of about 750 men. The mines normally produce zinc, lead, baryte, silver, and some barium sulphate. For example, San Giovanni, near Iglesias, formerly produced each month about 350 tons of zinc, 250 tons of lead, 500 tons of baryte (all concentrates), and 200 grams of silver per ton of galena. The sequestrator is Ing. Giovanni Battista Bibolini of Spezia.

Questions of the future management of the French companies (Pertusola and the charcoal company) have been taken up with General de Sevin and other French officials in Naples. We are awaiting their reply.

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(iii) Societa Mineraria et Metallurgica di Pertusola. This is a French company, capital stock (Lire 77,000,000) is owned by Pennaroya Company, also French. The society owns six mines in Cagliari Province near Iglesias. Another mine in Sassari Province owned by Corredoi Company, a subsidiary of Pennaroya, is mentioned here for convenience. None of the mines is operating at present, but all are on a maintenance and development basis, in charge of engineers originally selected by the French owners. The mines employ at present a total of about 750 men. The mines normally produce zinc, lead, baryte, silver, and some barium sulphate. For example, San Giovanni, near Iglesias, formerly produced each month about 350 tons of zinc, 250 tons of lead, 50 tons of baryte (all concentrates), and 200 grams of silver per ton of galena. The sequestrator is Ing. Giovanni Battista Ribolini of Spezia.

Questions of the future management of the French companies (Pertusola and the charcoal company) have been taken up with General de Sevin and other French officials in Naples. We are awaiting their reply.

(iv) Societa Acierina Piombino e Zinea (known as SAPEZ). A limited company having a capital of Lire 36,000,000, is connected with AMI, an Italian company which controls and subsidizes it. 30% of the capital stock of SAPEZ is owned by Societa Viella Montagne, a Belgian company, and the balance of the stock by Italians or by agencies of the Italian Government. Headquarters of AMI are at Rome. Its president is one Dott. Gardini. The mines are as follows:

- (a) San Benedetto, near Iglesias, now on a maintenance basis, employs 40 men. It normally produces 60 tons of lead concentrates per month, and 400 grams of silver per ton of zinc concentrates.

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- (b) Acquafredda, in the same general locality and on same basis, now employs 20 men. It normally produces 150 tons of zinc concentrates per month.
- (c) Monte Agrusa, in same general locality and on same basis, now employs 145 men. Normal monthly production is 200 tons of lead concentrates.
- (d) Misun and Montecani. Two mines in same location and on same basis - employing 50 men. Normal monthly production is 450 tons of zinc concentrates. The manager for the Sardinian group of mines (there are others) is Ing. Lorenzo Demesani, and the manager for the general interests of AMI is Emanuele Carlo Borghesani, neither of whom were selected by the Belgian interests but by AMI. SAPIA was not sequestered.

O. R. S. HARRIS,
Lieut-Colonel,
Director,
Property Control Sub-Commission.

13 May 1944.

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Declassified E.O. 12356 Section 3.3/NND No. 785016

C. R. S. HARRIS,
Lieut-Colonel,
Director,
Property Control Sub-Commission.

13 May 1944.

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C O P Y

SUBJECT: PROPERTY OF HISTORICAL AND EDUCATIONAL
IMPORTANCE IN ITALY - PRESERVATION OF.

HEADQUARTERS.
A.C.H.F.
17th Feb. 44

TO:
Commanders of all Formations and Units.

Concern has been caused at home by reports of damage done to property of historical and educational importance in Italy.

When I received these reports I ordered a commission to be set up to ascertain the truth in this matter. The results of the commission's investigations show that these reports of damage have been exaggerated, but at the same time established that a certain amount of damage has been done by thoughtlessness or carelessness, and even by a few wilfully destructive individuals.

I wish to impress on all officers how vitally necessary it is that the troops under their command behave in a manner which safeguards the good name of our armies and brings credit to their race.

As we advance further north we shall enter a part of the country where art treasures and monuments are more numerous. I therefore direct that every officer brings continually to the notice of those serving under him our responsibility and obligation to preserve and protect these objects to the greatest extent that is possible under operational conditions.

/s/ H.R. ALEXANDER

GENERAL
COMMANDER-IN-CHIEF.

CONFIDENTIAL

REPORT OF THE COMMISSIONER OF PROSECUTION AND
FOR NOVEMBER 1945

1. General.

Report from the undersigned of supervising the work of Property Section in Regions I and II, the undersigned of the HQ staff of this Sub-Commission, during the month under review have been devoted to the working out of Districts, including the functions of Region I, personnel and their relations with HQ, under AGC and AGC respectively, as well as the special instructions to be issued on the change over from AGC to AGC. A draft was also drawn up in collaboration with the Legal Sub-Commission, setting out the provisions which it is proposed to request the Italian Government to embody in a Decree, in order to enable this Sub-Commission to function under AGC. A review of activities of accounting instructions was also prepared in collaboration with the Accounting Section of the Finance Sub-Commission.

2. Personnel

On 7 May the undersigned officers of the Allied Central Commission reported for the first time Division:

Ed. Col. Bennett	(2)
Major Howard	(1)
Major Swenson	(1)
Capt. Wellington	(1)
Capt. Davies	(1)
Capt. Smith	(1)
Capt. Howard	(1)
Capt. Cunningham	(1)

About the 12 May the Major Howard and Capt. Wellington were assigned for temporary duty with C-4, and the others as assigned. The remaining officers have been employed as follows:-

Lt. Col. Bennett was assigned me at HQ.

Major Swenson took a tour of Region I to investigate the installations and activities of various (AGC), Italian Patrols (A.G.I.P.), and his report is referred to in para 5 (i).

The other officers are sent for training with me to assist my "field" officers, Capt. Howard working with C-4, Region I, Capt. Smith with A.G.P. Machine, and Capt. Board and Cunningham with A.G.P. Machine.

These additional officers have much facilitated the work of the Division, and enabled very good progress to be made in all aspects of it.

REGION I

3. Real Estate

(a) Allied Property

In Palermo Province Allied Properties have now either been taken into custody or handed over to accredited representatives of the owners, except in 10 cases. The examination of these 10 properties is practically complete, but they are only of secondary importance.

referred to the 14th Air Division:

(1) Lt. Col. Bennett
(2) Major Bennett
(3) Major Bennett
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(100) Major Bennett

On the 12 November, after having met with Capt. Wellington, who advised that they were only with 5-6, and as still no training. The remaining officers have been employed as follows:-

Lt. Col. Bennett now stationed at HQ.

Major Bennett has a number of Section 1 to investigate the investigations and activities of the various (C.I.F.) Indian Patrol (C.I.F.), and his report is referred to in para 5 (2).

The other officers are sent for training with and to assist in "training" exercises, Capt. Bennett working with Major Bennett, Capt. Bennett with Major Bennett, and Capt. Bennett with Major Bennett.

These additional officers have been facilitated the work of the Division, and enabled very good progress to be made in all aspects of it.

SECTION 1

3. Results

(a) Allied Forces

In Section 1, all Allied Properties have not either been taken into custody or handed over to the appropriate representatives of the owner, except in 10 cases. The 10 cases of them 10 conversion in practically complete, but they are only of secondary importance.

In Section 1, the C.I.F. Major (1), has taken custody of some of the new returned claims in Section 1, claiming to British and American interests, and is daily engaged in the 1000 Section of the other various claims, and also in the preparation of inventories, checking of accounts, etc. Except for these two items, the numerous Allied Properties in Section 1, which appear to be of little value or importance.

The position with regard to Allied Properties in the other provinces has not changed since my report for October 1945. I must however mention that a report on the 1000 Section will refer to the British claims in Section 1 (see

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REPORT OF THE COMMISSIONER OF PROPERTY FOR SEPTEMBER 1943

1. General.

During the month under review I made tours of inspection embracing the provinces of Agrigento, Mazara, Siracusa, Catania and Messina, which gave me the opportunity of valuable personal contact with my "field" officers.

2. In general the work of the Division is proceeding very satisfactorily and I am very limited staff as my disposal, but the completion of complete records and inventories of the numerous government properties in Sicily is inevitably a slow process. The task of compiling these voluminous documents is of course quite beyond the capacity of my 4 "field" officers, and officers have been issued to S.C.A.C. by the C.F.C. instructing them to employ their provincial Italian officials in preparing them. It is, however, to be recognized that the emergence of S.C.A.C. and their Italian officials are for the moment devoted to more pressing tasks.

3. Since the end of August the already exigent staff of this Division has been diminished by two officers; 2/Lieut. Gussolin was posted to Region 2 on 27 August, and 2/Lieut. Gussolin on 17 September.

4. Real Estate.

(a) Allied Property.

Good progress has been made in the matter of taking formal custody of Allied property which were sequestered by the Italian Government. In particular:-

(i) Palermo Province.

All sequestered Allied properties in the city of Palermo have now been taken into custody. Reports on the condition of the property and complete inventories have been made in each case, and the necessary repairs have been put in hand. Servants and staff have been interviewed, and the necessary arrangements made for the management and care of the properties. Generally, the administration of real estate has been left in the hands of the Bank of Sicily (the former sequestrator), subject to my control.

Arrangements have been made to ascertain the present condition and disposition of all other Allied property in the province of Palermo. This work is proceeding at a good pace, and approximately 70% of the properties have already been examined and will shortly be taken into custody.

(ii) Agrigento Province.

The one Allied property in the Province of Agrigento which was sequestered has been handed back to its owner, who resides at Licata, after verification of his title.

(iii) Trapani Province.

The only sequestered Allied property in this province, a wine factory, referred to in para 9 (i) of my report for August 1943, has also, after verification of title, been returned to its owner, who resides at Mazzara del Vallo.

(iv) Catania Province.

The private estate, which at the date of Italy's entry into the war belonged to Vincent Brindley, and was first sequestered and then expropriated in favour of the Ente di Colonizzazione del Territorio Siciliano, has been formally taken into custody, and I have appointed Luigi Geronzi to manage the estate on my behalf. I personally visited him at Lentini on 15 Sept., and explained the legal difficulties in regard to the title to this estate, referred to in para 3 of my report for August 1943, and after consultation with the

3. Since the end of August the already previous staff of this division has been all informed by two officers; 2/Lieut Guccola was posted to Region 2 on 27 August, and 2/Lieut ... 17 September.

4. Real Estate.

(a) Alitalia Property.

One or more has been sent in the matter of taking formal custody of Alitalia property. Such were requested by the Italian Government. In particular :-

(1) Palermo Province.

All requisitioned Allied properties in the city of Palermo have now been taken into custody. Reports on the condition of the property and complete inventory have been made in each case, and essential repairs have been put in hand. Servants and staff have been interviewed, and the necessary arrangements made for the management and care of the properties. Similarly, the administration of real estate has been left in the hands of the Board of Survey (the former sequestrator), subject to my control.

Arrangements have been made to ascertain the present condition and disposition of all other Allied property in the Province of Palermo. This work is proceeding at a good pace, and approximately 70% of the properties have already been examined and will shortly be taken into custody.

(11) Acquafredda Province.

The one Allied property in the Province of Acquafredda which was sequestered has been handed back to its owner, the visine at Licata, after verification of his title.

(12) Trapani Province.

The only sequestered Allied property in this province, a wine factory, referred to in para 5 (a) of my report for August 1943, has also, after verification of title, been returned to its owner, who resides at Mazara del Vallo.

(13) Savona Province.

The Orsato Estate, which at the date of Italy's entry into the war belonged to Vincent Orsato, was at first sequestered and then expropriated in favour of the Ente di Colonizzazione and Lido di Siciliano, has been formally taken into custody, and I have appointed Lido di Siciliano to manage the estate on my behalf. I personally visited the estate on 15 Sept, and explained the legal difficulties in regard to the title to this estate, referred to in para 3 of my report for August 1943, and generally advised him how I wished it to be administered. After consultation with the Legation, it was agreed that in general, contracts made by the Ente di Colonizzazione with third parties should be rejected. I was informed by Signor Medina that contracts made by the Ente for the cutting of timber on the estate were extremely detrimental to the owner of the property. The execution of these had already been suspended by Signor Medina prior to my taking over the estate, and I propose to continue the suspension pending further investigation as to the nature of these contracts and further consultation with the Legation.

(14) Massina Province.

The principal Allied properties in this province are the numerous villas in Liguria belonging to English and American citizens. The A.C.P. has spent much time examining these properties (some of which have been damaged by bombs), making inventories

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and packing accounts, and all is now in course of taking formal custody of them. The accounts were received from Mr. R. H. Kisten and Mr. Ferrolino R. Campbell in regard to their villa at Palermo, and full reports, with accounts, have been sent to that.

(vi) Syracuse Province.

There is only one Allied property in this province, consisting of a villa at Pantalucia. This villa, which I was informed had been burgled about a year ago, was subsequently looted by troops. The villa itself was in good condition, but the contents were in a deplorable state. Certain pieces of furniture had been requisitioned in a somewhat irregular manner by the Armed Forces. Steps have been taken to prevent the property from further damage by the Armed Forces, and I have taken formal custody and appointed a manager the legal representative of the deceased owner's wife.

(vii) Trapani Province.

There is one piece of Allied property in the province of Trapani, but the very limited staff at my disposal has so far precluded me from taking any action in regard to it. I propose however to take this into custody in due course.

(viii) Palermo Province and Italian Provinces.

There are no Allied properties (real estate) in these provinces.

(b) French Property.

The valuable property in Palermo city belonging to the late Duc de Guise (whose name is the Conte de Paris and the Duchess of Aosta), consisting of the villa Orto and surrounding park and citrus plantations, has been taken into formal custody. Complete inventories have been made of the contents, which include valuable furniture and works of art, the most important of which has been stored. The villa is at present occupied by U.S. Armed Forces. Regulus has been allotted to the walls of the park to prevent pillaging of the citrus groves, and arrangements have been made for the general protection of the property. No action has been taken in respect to other French property on the island which was sequestered by the Italian Government, and continues to be administered by the Banca di Sicilia.

No reply has yet been received to the request for instructions, made to the C.O.S. with respect to the treatment of French property and the property of Allied Nations, hereafter the U.S. and the British Commonwealth.

(c) Enemy State Property.

Formal custody has been taken of a number of state buildings and properties, particularly in the provinces of Agrigento and Palermo, and complete lists of state properties are in course of preparation. Information concerning these properties has been made available to the Armed Forces.

The dissolution of numerous Fascist organizations has resulted in a great deal of work for the C.I. Division. In Palermo province, for instance, where 16 of such organizations were dissolved, the losses of their premises have been considerable, furniture and other movable assets either removed to the A.C.F.'s warehouse or left to various new organizations created by ANOC, and cash has been taken into custody.

As stated in my first report, I have taken formal custody of the assets and undertaking of the Ente di Colonizzazione del Latifondo Siciliano, a semi-statal undertaking.

(vii) Bank Property.

There is no place of allied property in the province of Bonn, but the very limited staff at my disposal has at last succeeded in from taking any action in regard to it. I propose however to take this into custody in due course.

(viii) Colonization and Italian Provinces.

There remains allied properties (real estate) in those provinces.

(a) French Property.

The valuable property in Palermo city belonging to the late Duc de Salaparuta (who was involved in the Comite de Italia and the League of Nations), consisting of the Villa Orto and surrounding park and citrus plantations, has been taken into French custody. Complete inventories have been made of the contents, which include valuable furniture and works of art, the most important of which has been stored. The Villa is at present occupied by U.S. Armed Forces. Repairs have been effected to the walls of the park to prevent falling of the citrus groves, and arrangements have been made for the general protection of the property. No action has been taken in respect to other French property in the island which was requested by the Italian Government, and continues to be administered by the Banca di Sicilia.

No reply has yet been received to the request for instructions, made to the C.I.O. with regard to the treatment of French property and the property of Allied Nations other than the U.S. and the British Commonwealth.

(c) Bank State Property.

Formal custody has been taken of a number of state buildings and properties, particularly in the provinces of Agrigento and Palermo, and complete lists of state properties are in course of preparation. Information concerning these properties has been made available to the Armed Forces.

The dissolution of numerous Fascist organizations has resulted in a great deal of work for the C.I. Division. In Palermo province, for instance, where 16 of such organizations were dissolved, the houses of their premises have been cancelled, furniture and other movable assets either removed to the C.I.'s warehouse or left in various new organizations created by AFM, and cash has been taken into custody.

As stated in my first report, I have taken formal custody of the assets and undertaking of the Ente di Colonizzazione del Latifondo Siciliano, a semi-statal undertaking. I at first appointed Cav. Immacolata Berlingieri as Special Commissioner to manage and re-organize this Ente, with full powers. However, Cav. Berlingieri, in view of his having been appointed Vice-Commissioner of the Bank of Sicily as Vice-Governor, and I have now appointed Dott. Paravino as Special Commissioner, with full powers. Prof. Muccio Prestigiacchi, consultant of the Bank of Sicily and a well known agricultural expert, as Vice-Commissioner. The affairs of this institution appear to be in great disorder, owing to past misadministration, and the destruction of records, which took place either prior or subsequent to military operations. Some time will be needed before a clear picture of its present condition and future possibilities can be obtained, and I propose to submit a Special Report to you in due course.

(d) Abandoned Property.

Having regard to the amount of work involved in connection with allied, state, and semi-statal properties, I realized that it would be impossible for the limited staff at my disposal to take custody of and manage abandoned properties. At my request the C.I.O. has now arranged, as regards the province of Palermo, that such properties should

be held then under the Dallas Civil, and the procedure, which has been agreed to by the Executive of the National Syndicate, is to be adopted in the other provinces. It involves the appointment of the Tribunal Civil of a canton to look after any cases of seized property; but such tribunal is subject to the prior recommendation of a committee of the National Syndicate and the approval of the A.C.I. of the zone. In this way the A.C.I. is kept informed of what is being done in regard to abandoned properties, and in any emergency case could take formal custody thereof himself.

5. Industrial and Commercial Organization

(2) *Staphylococcus aureus*

(4) $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$

In accordance with your instructions, I have taken formal custody of the machine guns of A. S. I. P., including the Italian Futroli, which had required the most exacting and other sorts of the various subsidiaries of the Balli and Germani del Gruppo, completely controlled by the Italian Government during the war. Salvo the investigation are in need of preparation, but owing to the absence of cover and the fact that a large number of installations are still occupied by the Italian Futroli, records will require considerable time to complete. In view of the above, the investigation will require considerable time to complete.

[illegible]

(24) Wanda Jones.

I have visited the airport since at England, concerning which I have elicited the following information:

with four of at important concessions for the mining of asphalt rock was as follows:

- (c) Linier and Vorsehla }
(d) Val in Tivvers }
(e) A.S.C.D., owned by the Italian }
(f) Avallina - a family concern, owned }
by the Italian }

Of these four companies (a), (c), and (d) own plants for milling asphalt rock into powder, and (a) and (c) small plants for producing a waterproofing substance called "Lastic", sold by mixing asphalt powder with bitumen. The A. S. C. owns in addition plants for extracting and refining mineral oils from the crude rock, the end products being a kind of diesel oil and bitumen. Before and during the war, the A. S. C. U. S. A. its small production of asphalt rock very rapidly, and now to keep its plant fully employed needs to buy more.

(S) 022 Initial time.

In accordance with your instructions, I have taken formal custody of the Station and assets of A.G.I.P., and also Generalo Italiano Petroli, which had acquired the rights in an oil concession of the various subsidiaries of the Shell and Standard Oil Company. I have also been designated by the Italian Government during the war. I have made an inventory of the assets in order of preservation, but owing to the absence of other assets, and the fact that a large number of installations are still occupied by the Italian forces, records are being considered time to complete. In view of the above, I have appointed Signor Giacomo Cataldi, as vice-manager of the Station (Shell) Company, as Special Commissioner to manage A.G.I.P., with his headquarters, S.C. (Standard Oil), as vice-manager of the S.I.P. (Standard), and S.I.P. (Standard), and of the remaining section of the Station office of A.G.I.P., which is placed in the care of the manager, Baron Zanon, whom he filed from the island. The manager of the Station branches of A.G.I.P. and S.I.P. were both Italian. The Italian branch of the Station. E.S.D. wish A.G.I.P. to carry on as a single unit, and to take charge of the distribution of oil supplies in the island under their direction. Deliberations are being made to obtain records of all seizures and seizures along of A.G.I.P. stock, and of the occupation and use of the various installations of the Italian forces, but it is hardly to be expected that these will be entirely complete, at any rate for the period of active operations. Separate expenditure accounts will also be kept for the properties of each of the constituent companies, as well as such other records as may be required to provide the fullest material for the assessment of rights and future claims of the parties concerned.

(ii) Asphalt Mines.

I have visited the asphalt mines at Fayoum, concerning which I have elicited the following information.

The four most important concessions for the mining of asphalt rock are as follows:-

- (a) Linear and Vavahia } British.
- (b) V.A. d. Stever }
- (c) A.S.D.D., owned by the Italian Government.
- (d) Aveline - a family concern owned by ex-British subjects who became Italian.

Of these four concessions (a), (c), and (d) own plants for milling asphalt rock into powder, and (a) and (c) small plants for producing a waterproofing substance called lavash, made by mixing asphalt powder with bitumen. The A.S.D.D. owns in addition a plant for extracting and refining mineral oils from the crude rock, the end products being a kind of diesel oil and bitumen. Before and during the war, the A.S.D.D. used its small concession of asphalt rock very rapidly, and now to keep its plant fully employed needs to draw raw material from the other concessions. On the outbreak of the present war (a) and (b) were sequestered, and subsequently their concessions were broken and handed over to A.S.D.D.

Since the occupation A.S.D.D. has been working on a contract for 10,000 tons of asphalt powder for the U.S. Air Corps, under the supervision of an A.E. officer, who has lately been recalled. In executing that contract (which is now practically complete) some rock from the British concessions has been employed, and for part of the contract also the British Linear plant. The Aveline property has not been worked for a number of years.

Further quantities of asphalt will be required by the Armed Forces, and the construction and utilization division will need asphalt powder for road repairs, while the E.S.D. is anxious to produce the maximum quantities of oil.

I understand that instructions have already been issued by E.S.D. to the S.C.A.O., Fayoum, to assume general supervision of the mines, etc, which are operating as a single

control under the management of A.D.P., Senator Vito, an arrangement which is so proposed to continue. Since (with the exception of Mr. Avella), all the properties mentioned are under the control of Senator Vito, I propose to take formal custody of A.D.P. as well as of the Senator's properties, and to arrange with A.D.P. to keep such records and accounts as may be necessary to make the rights and claims of the various parties to be determined.

(44) Inventory Business - Fattoria Santa, belongs to a U.S. citizen, James (Mrs.) Goldwyn, who has returned from Italy. The merchandise belonging to this firm has been stored, and accounting and business should be prepared. The former shows a net loss of stock amounting to nearly 100,000 lire, out of a total stock value of 900,000 lire. Inventory has been made from the former representative, Senator Salvatore, who is residing in Palermo. In order to keep together highly skilled technical staff, and to avoid storage charges and risk of pilferage and damage to stock, I have decided to carry on the business, at my rate for an indefinite period, and have appointed a semi-regular manager.

6. Shanty State Properties.

(a) Industria Chimica Sarda (I.C.S.).

I have taken control of the two available cinema theatres in Palermo belonging to this state concern, which is referred to in para 10 (a) of my report for August of this year. Inquiries to both theatres have been effected out of current receipts, and they are now functioning under the technical direction of P.M.L., and are expected to show a net profit of 235,000 lire per month.

(b) Dipartimento.

This institution, which is a kind of co-operative society working under government supervision, for providing officers of the Italian services with uniforms or other articles at a low price, has been taken under control, and ordered to cease trading at the request of P.S.D. pending further investigation. Cash amounting to 1,200,000 lire has been reported, and an inventory of stocks is being prepared.

(c) Printing Press of the Corriere di Sicilia in Catania.

The "Corriere di Sicilia" is a newspaper which was started by the Psychological Warfare Bureau, INC, M.P.M.A., in conformity with directions of Allied Forces H.Q. The main reason for this paper was that of a pro-Fascist paper in Catania, which was taken over by the Fascist Party in 1925, and operated as the "Popolo di Sicilia" until the advent of allied troops. While the editorial offices were being taken over by P.M.A., the printing establishment was put under the D.A.D.P. and S.C. Fortino, and operated as Printing Press "A" - which was to serve both the "Corriere di Sicilia" and the "New Army News". On 1 September 45, acting under orders of P.M.A., the newspaper of the newspaper (but not of the printing plant) was turned over to a civilian staff controlled by P.M.A., while the control of P.M.A. remained confined to matters of political direction and general supervision. The editor of the newspaper, appointed by P.M.A., is Mr. Carlo Corrao, who happens to be the editor of the old "Corriere di Sicilia". Some of the old shareholders of this paper also work on the new "Corriere di Sicilia". The ownership of this paper also remains to be decided by the Department. Actually, I have been told that there are several pretenses to such ownership, on the grounds that they had been appropriated at one time or another. I am taking over this establishment until such time as ownership can either be decided or established. Meaning the present manager of the "Corriere di Sicilia" will be required to pay rental for the premises and the use of the printing machinery. An inventory is being taken.

6. State Staff Activities(a) Inter-Departmental Administrative Staff (B, C, D, E)

have taken control of the two available cinema theatres in Palermo belonging to this staff branch, which is referred to in page 10 (a) of my report for August of this year. Rumors to both theatres have been effected out of currency receipts, and they are now functioning under the technical direction of P.M.S., and are expected to show a profit of 255,000 lire per month.

(c) General Staff

This institution, which is a kind of co-operative society working under government supervision, for providing officers of the Italian services with uniforms or other articles at a low price, has been taken under control, and referred to census taking at the request of P.M.S., pending further investigation. Cash amounted to 1,200,000 lire has been impounded, and an inventory of stocks is being prepared.

(c) Printing Press of the Corriere di Sicilia in Catania

The "Corriere di Sicilia" is a local newspaper which was started by the Psychological War Staff Bureau, INC, ... P.M.S., in conformity with directions of Allied Forces H.Q. The main reason for this paper was that of a pre-emptive paper in Catania, which was taken over by the Fascist Party in 1925, and operated as the "Popolo di Sicilia" until the advent of Allied troops. While the editorial offices were being taken over by P.M.S., the printing establishment was put under the P.M.S. and S.S. Portinari, and operated as Printing Press "A" - which was in some ways the "Corriere di Sicilia" of the "New Army News". On 1 September 43, acting under orders of P.M.S., the management of the newspaper (not that of the printing plant) was turned over to a civilian staff controlled by P.M.S., while the control of P.M.S. remained confined to matters of political direction and general supervision. The editor of the newspaper, appointed by P.M.S., is now Carlo Cossentino, who responds to the editor of the old "Corriere di Sicilia". Some of the old stockholders of that paper also work on the new "Corriere di Sicilia". The general staff of the paper, however, remains to be decided by the local Department. Actually, I have been told that there are several pretensions to such ownership, on the grounds that they had been appointed at one time or another. I am taking over this establishment until such time as ownership can either be decided or established. Regarding the present matter of the "Corriere di Sicilia" will be required to pay rental for the premises and the use of the printing machinery. An inventory is being taken, and the "Corriere di Sicilia" are preparing a statement of their accounts.

(d) State Stud Farm

The State stud farm has its headquarters in Catania, which consist of large stables, riding school, etc. This establishment is in good condition; part of the stables are used by the Civilian Supply Division of INC for storing flour, milk, etc. The stud farm was under the control of the Ministry of Agriculture. The object of the stud farm is to improve the breed of horses, mules, and donkeys in Sicily, and a number of thoroughbred horses, English, Arab, and Anglo-Arab, as well as stallion donkeys, were kept for this purpose. Prior to the invasion, the horses were given out to farmers, and have been used for ploughing, transport, and other purposes, for which this high class animal is not suited. As this is enemy state property, I am taking it into custody, and rounding up the horses which are scattered throughout the

provinces. The Civilian Supply Division supply the staples with forage on a weekly basis sent in by the A.C.F.

Contracted farms in other provinces, e.g. Tarsus, will also be taken into custody as soon as the circumstances permit. The service fees were fixed by the Government at an artificially low figure; 100 liras for horse breeding and 120 liras for mules, and might well be increased in order to reduce the gap between revenue and expenditure.

(b) Excess

Proceeds from the sale of booty taken from the Italian Army, captured stores, horses, mules, etc, which were sold by the A.C.F. Agrigento Province during September, amounted to 2,091,597 liras, including rent from Italian Army tractors hired out to farmers.

7. Conclusion

I should like to avail myself of this opportunity of expressing my satisfaction at the excellent work performed by my staff, especially Captain Melimata (2), A.C.F. Palermo and Agrigento Provinces, and 2/Lieut. Shains (U.S.), A.C.F. Agrigento, Catania, etc, and Agrigento Provinces.

C. E. S. MARIS.
Lieut-Colonel,
Controller of Property.

John H. H.

I should like to avail myself of this opportunity of expressing my satisfaction at the excellent work performed by my staff, especially Captain Hollnath (S), A.C.P. Palermo and Payeri Provinces, and Z/Lt. Springs (U.S.), A.C.P. Argenzo, Catium - etia, and Inqueo Provinces.

John H. ...

C. P. S. HARRIS.
Lieut-Colonel,
Controller of Provinces.

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