

DECISION



18032 GFM
Schneider
**THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D. C. 20548**

FILE: B-202199

DATE: MAY 7 1981

MATTER OF: Eugene Hyatt - Gold Certificate #H25188

DIGEST: Claim for payment of ~~value of~~ gold certificate must be denied on basis of Treasury Department records showing it to have been one of a number of certificates which have been paid and cancelled but were lost as a result of being thrown into the street during a fire in 1935. The cancelled certificate rightfully belongs to the Government and may not be returned to the claimant.

This decision concerns the validity of Gold Certificate #H25188 which was presented by Mr. Eugene Hyatt for payment at the Heritage Bank of Racine, Wisconsin. [The Treasury Department refused to honor the certificate] and Mr. Jerry T. Delcore, Mr. Hyatt's attorney, has asked that this Office settle the claim.

By letter dated October 27, 1980, [the Department of the Treasury advised the claimant that the certificate in question was of no value.] According to Treasury records, [the certificate was issued in the early 1900's to the Federal Reserve Board, and was subsequently paid and cancelled.] In 1935, [a fire occurred in one of the buildings in Washington, in which Government records were stored. During the fire, a quantity of papers were thrown out onto the street, including a number of gold certificates, payable to order. Some of these certificates were carried away by bystanders. Since that date, more than 100 such certificates have been returned by individuals in various parts of the country. The subject certificate, which was submitted, was determined to be another of the certificates lost during that fire.] Mr. Hyatt now seeks payment, or in the alternative, return of the certificate.)

[Authority over the issuance and redemption of gold certificates is vested in the Treasury Department.] 31 U.S.C. §§ 405b, 427-429 (1976). The Treasury Department has determined the subject certificate to have been cancelled; the claimant contends that the perforation on the certificate does not constitute proper cancellation. While we have custody of cancelled gold certificates, [this Office is in no position to question Treasury's determination as to the negotiability of gold certificates presented for payment.]

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Likewise, {return of the certificate for retention in Mr. Hyatt's collection cannot be allowed.} Despite the unusual course of events surrounding its past possession, {the cancelled certificate is properly the property of the United States.} The Treasury Department is under no obligation to return it to Mr. Hyatt or to compensate him for any pecuniary loss he may have incurred as a result of his purchasing it.

Accordingly, {the subject claim is denied.}

MILTON J. SOCOLAR

Acting Comptroller General
of the United States