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BY

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
WASHINGTON 25, D. C.

IN THE MATTER OF THE CLAIM OF

MICHAEL ANTHONY LA PORTE
14 Conrad Court
South San Francisco, California

Claim No. IT-10,796

Decision No. IT-379

Under the International Claims Settlement
Act of 1949, as amended

GPO 16-72126-1

FINAL DECISION

The Commission issued its Proposed Decision on this claim on October 24, 1957, a certified copy of which was duly served upon the claimant. No objections or request for a hearing having been filed within twenty days after such service and general notice of the Proposed Decision having been given by posting for thirty days, it is

ORDERED that such Proposed Decision be and the same is hereby entered as the Final Decision on this claim.

Washington 25, D. C.

DEC 11 1957

Whitney Dilliland

Pearl Pace

Henry T. Clay

COMMISSIONERS

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OF THE UNITED STATES
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In the Matter of the Claim of

MICHAEL ANTHONY LA PORTE
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Under Section 304 of the International
Claims Settlement Act of 1949, as amended

PROPOSED DECISION

This is a claim by Michael Anthony La Porte, in the amount of \$11,820.53 against the Government of Italy pursuant to Section 304 of the International Claims Settlement Act of 1949, as amended, which in part represents the difference between the face value of certain Italian Republic 3½% Bonds issued by the Italian Government subsequent to September 15, 1947 and the value of the bonds received as an exchange for bonds issued by the present Government of Italy. The claimed amount also includes a claim for unredeemed interest coupons in the amount of 46,725 lire.

Section 304 of the Act authorizes the Commission to receive and determine, in accordance with the Memorandum of Understanding and applicable substantive law, including international law, the validity and amounts of claims of nationals of the United States against the Government of Italy arising out of the war in which Italy was engaged from June 10, 1940 to September 15, 1947, and with respect to which provision was not made in the treaty of peace with Italy.

The record suggests that the claimant held in his possession certain pre-war bonds of the Kingdom of Italy on which service was suspended at the beginning of World War II.

It is apparent that the claimant exchanged such bonds for a new issue in the aggregate amount of \$9,362.80, pursuant to the provisions of Paragraph 17 of the "Memorandum of Understanding between the Government of the United States and the Government of Italy regarding settlement of certain wartime claims and related matters, effective August 14, 1947."

Italy was obligated under the treaty of peace, the appropriate clauses of which became an integral part of the Memorandum of Understanding, to provide for the settlement of its pre-war contractual obligations, including bonds. It appears that this obligation has been discharged with respect to the claimant. Moreover, since provision was made under the treaty of peace for the type of claim here presented, Section 304 of the Act is not applicable with respect to claimant's bonds.

However, this does not appear to be the issue involved in the instant claim inasmuch as the claimant has accepted settlement from the Italian Government which, therefore, is no longer under obligation to the claimant with respect to the prewar bond issue.

The claimant, as stated, bases his claim on the difference between the face value of the postwar bonds and the value received at the time the bonds were exchanged. This raises the question of whether a valid claim under the Act arose against the Italian Government at the time the bonds were exchanged. Claimant's election to exchange such bonds was voluntarily made and therefore he must assume any losses as a result of such exchange. The Government of Italy had discharged its obligation to him pursuant to the agreement between that Government and the Government of the United States in the settlement of certain claims and obligations of their nationals arising out of World War II.

Consequently, the loss which the claimant sustained at the time of the exchange of the bonds can neither be attributable to Italy nor can it be associated with a loss arising out of the war in which Italy was engaged from June 10, 1940 to September 15, 1947.

For the reasons herein stated, this claim is hereby denied.

The Commission deems it unnecessary to consider other elements of this claim.

Dated at Washington, D. C.

FOR THE COMMISSION:

OCT 24 1957

J. Noble Richards
J. Noble Richards, Director
General Claims Division

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