

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
WASHINGTON, D.C. 20579

IN THE MATTER OF THE CLAIM OF

THE PEARL S. BUCK FOUNDATION, INC.

Claim No. V-0261

Decision No. V-0439

Counsel for Claimant: Benjamin S. Ohrenstein, Esquire

PROPOSED DECISION

This claim in the amount of \$5,001.19 against the Government of the Socialist Republic of Vietnam under Title VII of the International Claims Settlement Act of 1949, as amended by Public Law 96-606 (94 Stat. 3534), is based upon the loss of two bank accounts in the Saigon Branch of the Chase Manhattan Bank, N.A.

The record establishes that the claimant is a non-profit corporation organized under the laws of the State of Delaware.

Under section 703 of Title VII of the Act, the Commission is given the following jurisdiction:

"The Commission shall receive and determine in accordance with applicable substantive law, including international law, the validity and amounts of claims by nationals of the United States against Vietnam arising on or after April 29, 1975, for losses incurred as a result of the nationalization, expropriation, or other taking of (or special measures directed against) property which, at the time of such nationalization, expropriation, or other taking, was owned wholly or partially, directly or indirectly, by nationals of the United States to whom no restoration or adequate compensation for such property has been made... ."

Documentation submitted in this claim, consisting of a letter from Chase Manhattan Bank, N.A., in New York, New York, dated March 19, 1976, to claimant's Executive Director, indicates that as of April 23, 1975, claimant held two accounts at the Saigon Branch of the Bank containing a total of 3,775,897 piasters. At the exchange ratio then prevailing, this was equivalent to \$5,001.19. As for the loss of the accounts, it is contended that they were confiscated on May 1, 1975, by effect of "Communique No. 3" of the Military Management Committee of Saigon

Gia-Dinh City, which announced that "all banks were confiscated and declared to be under the management of the revolutionary administration."

Information obtained by the Commission from other sources confirms that all banks in the former territory of South Vietnam were taken over by authorities of the Communist regime on May 1, 1975. In addition, the Commission has been informed that in fact all existing deposits in South Vietnamese banks were effectively frozen as of that date. Permission to make a withdrawal was theoretically obtainable from the authorities, for "humanitarian reasons" such as death or serious illness of a family member, but the withdrawal could be in an amount no greater than the equivalent of 25,000 South Vietnamese piasters (about \$33 at the last official South Vietnamese exchange rate), and in reality such permission was granted only rarely. Moreover, the withdrawal had to be made in person, which meant that for all practical purposes bank accounts in South Vietnam owned by persons or entities located outside the country ceased to exist when the Communist regime took over the banking system.

The Commission encountered a fact situation very similar to that described above in its adjudication of claims for bank accounts filed against the Soviet Union under Title III of the present Act (Public Law 285, approved August 9, 1955). In those claims, the evidence established that all banks in the Soviet Union were taken over and integrated into a State monopoly on December 27, 1917, and the ability to make withdrawals from the accounts was so severely restricted that account holders outside the Soviet Union were effectively barred from withdrawing funds from their accounts after that date. Because of the severity and effect of these restrictions, the Commission determined that the subject accounts had been nationalized or otherwise taken by the Soviet Union, within the meaning of the claims statute, and granted awards for the resulting loss. See, e.g., Claim of

ALLIS-CHALMERS MANUFACTURING COMPANY, Claim No. SOV-41857,
Decision No. SOV-2476 (1959); Claim of THE TANGLEFOOT COMPANY,
Claim No. SOV-41795, Decision No. SOV-2935 (1959).

Based upon the foregoing, and having considered the evidence and information submitted in this claim, the Commission therefore determines that the claimant herein owned two bank accounts in the Saigon Branch of Chase Manhattan Bank, N.A., worth a total of \$5,001.19 and that these accounts taken by Vietnam as of May 1, 1975. Accordingly, claimant is entitled to a principal award of \$5,001.19 for the loss of the accounts as of that date.

The Commission has concluded that awards granted under Public Law 96-606 for the nationalization or other taking of property, or interests therein, shall include interest at the rate of 6% simple interest per annum from the date of loss to the date of settlement.

A W A R D

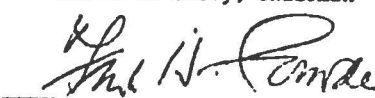
Claimant THE PEARL S. BUCK FOUNDATION, INC., is therefore entitled to an award in the principal amount of Five Thousand One Dollars and Nineteen Cents (\$5,001.19), plus interest at the rate of 6% simple interest per annum from May 1, 1975, to the date of settlement.

Dated at Washington, D.C.
and entered as the Proposed
Decision of the Commission.

AUG 22 1985

This is a true and correct copy of the decision of the Commission which was entered as the final decision.


Bohdan A. Futey, Chairman


Frank H. Conway, Commissioner


Joseph W. Brown, Commissioner

NOTICE: Pursuant to the Regulations of the Commission, if no objections are filed within 15 days after service or receipt of notice of this Proposed Decision, the decision will be entered as the Final Decision of the Commission upon the expiration of 30 days after such service or receipt of notice, unless the Commission otherwise orders. (FCSC Reg., 45 C.F.R. 531.5 (e) and (g), as amended.)