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POLICY FILE No. 74

Netherlands, Macao, and French Colonies - Claims

1. Netherlands
2. Macao
3. French Colonies



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HEADQUARTERS, ARMY SERVICE FORCES  
Office of the Judge Advocate  
General  
Washington 25, D. C.

8 June 1946

SPJGD/D-37724

SUBJECT: United States - France Claims Agreement

TO : Commanding General  
Army Forces Western Pacific  
APO 707, c/o Postmaster  
San Francisco, California  
ATTENTION: Chief of Claims

1. Since State Department agreement with France includes French colonial territory claims should be held without action pending advice as to disposition.

2. An extract copy of paragraphs "C" and "D" of said agreement is inclosed.

FOR THE JUDGE ADVOCATE GENERAL:

/s/ Harry E. Clarke  
/t/ HARRY E. CLARKE  
Colonel, JAGD  
Chief of Claims Division

1 Incl  
Extract cpy of agmt

C O P Y



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Following is an extract of paragraphs "C" and "D" of article 6 of "Memorandum" of Understanding Between the Government of the United States of America and the Provisional Government of the French Republic Regarding Settlement for Lend-Lease, Reciprocal Aid, Surplus War Property, and Claims" as reported in the New York Times of Wednesday, May 29, 1946, page 12, in UP despatch date lined May 28.

(C) As part of the general settlement, the French Government has agreed to process and pay all unpaid claims of French residents against the United States Government arising out of the use or infringement in war production of patent rights held by them, out of the requisitioning by the United States Government for use in the war program of any property interest owned by French residents, and out of acts or omissions prior to July 1, 1946, in France or French overseas territories of members of the United States armed forces or civilian personnel attached to such forces.

(D) During the course of the negotiations, both Governments have reached agreement on the disposition of certain specific claims of one Government against the other. All other financial claims of either Government against the other, except where liability has heretofore been acknowledged and the method of computation agreed, which (1) arose out of lend-lease or reciprocal aid, or (2) otherwise arose on or after Sept. 3, 1939, and prior to Sept. 2, 1945, out of or incidental to the conduct of the war, not otherwise dealt with in this memorandum of understanding, are hereby waived.

C O P Y



C O P Y

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HEADQUARTERS  
PHILIPPINES-RYUKYUS COMMAND

APO 707  
30 Aug 1947.

GSCLR.O1 150/1295

SUBJECT: Claims Arising from Bombing by American Airplanes of the  
Portuguese Colony of Macao

TO : War Department  
Washington 25, D.C.  
Attention: The Judge Advocate General

Forwarded in connection with subject claims which were  
transmitted to your office on 30 June 1947.

FOR THE COMMANDING GENERAL:

R. E. CANTRELL  
Captain, A.G.D.,  
Asst Adj Gen

1 Incl  
Ltr fr Mgr P. Y. Cheng of  
South China S. S. Co., dtd  
2 Aug 47 w/1 Incl

(NOTE: Claim arose from accidental bombing by American planes of  
Macao, a Portuguese Colony, in a Neutral Status.)

(Investigation by Claims Service, settlement by the U. S.  
Government through the JAG.)



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FRENCH CLAIMS



RESTRICTED

GENERAL PURCHASING BOARD )  
REGULATIONS .....25-5-NEI)

25-5-NEI  
R.E., USAFFE,  
APO 924  
25 May 1945.

PROCUREMENT IN NETHERLANDS EAST INDIES

	Paragraphs
General Principles .....	1
Categories of Procurement .....	2
Procurement by Requisition .....	3 - 7
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1. General Principles. These Regulations reflect the policy of the United States Government and of this Command that all possible procurement of supplies and services from sources under the control of the Netherlands East Indies Government be accomplished under Reverse Lend Lease in such a manner as to prevent competition between component parts of United States Forces and between United States Forces and Netherlands East Indies Forces and civilian population.

2. Categories of Procurement. Procurement under these Regulations falls into the following categories:

- a. Procurement by Requisition (paragraphs 3 - 7 )
- b. Emergency Cash Purchases (paragraph 8)
- c. Claims (paragraph 9)

3. Procurement by Requisition. All Reverse Lend Lease procurement of supplies, facilities, labor, subsistence, equipment and installations required by United States Armed Forces, which are available from sources located in the Netherlands East Indies, will be by requisition initiated by the Supply Section of United States Armed Forces which is charged with such duty by the appropriate Command. Such requisitions, in the form attached hereto and marked Exhibit 'A', will be filed directly with designated representatives of Netherlands Indies Civil Administration and will include a full description of the supplies, services or installations requested, together with quantities, delivery and inspection information.

4. Copies of the requisition referred to above will be forwarded as follows:-

- a. Three (3) copies to the local representative of Netherlands Indies Civil Administration.
- b. One (1) copy to the Office of the General Purchasing Agent, APO 501.

5. Receiving officers of United States Armed Forces will certify the receipt of supplies, equipment, services and installations so requisitioned, designating in such certificate the requisition number under which such supplies, services, equipment and installation were requested. Four copies of such cer-



GPB Regs.  
25-5 NEI.

tificate of receipt will be forwarded as follows:-

a. Three (3) copies to the local representative of Netherlands Indies Civil Administration.

b. One (1) copy to the Office of the General Purchasing Agent, APO 501.

6. No statement or estimate as to values or costs will be included in either the requisitions or receipts referred to herein, and no concurrence, agreement or objection with respect to Reciprocal Aid charges made by the Netherlands East Indies Government will be provided by representatives of United States Armed Forces.

7. Procurement requests from various sections and branches for labor, facilities, equipment and supplies of the same class are to be consolidated and coordinated so as to present, insofar as possible the overall requirement of the Command involved. Requests for supplies, labor, services and facilities will be presented as soon as the need therefor can be ascertained in order to assist local representatives of Netherlands Indies Civil Administration in obtaining such supplies, labor, services and facilities at the time required. Procurement is to be under the control of Netherlands Indies Civil Administration but no objection exists to the furnishing of personnel to assist such Netherlands Indies Civil Administration representatives in procurement for United States Armed Forces.

8. Emergency Cash Purchases. No cash purchase or obligation for the cash acquisition of supplies or services payable from United States funds will be made, except in cases where requisitions for Reverse Lend Lease procurement under the provisions hereof have been declined, or where, for other emergent reasons, cash expenditure becomes necessary. In all such cases a report will be made as soon as practicable to the General Purchasing Agent, APO 501, stating the circumstances under which cash procurement was required.

9. Claims. All claims for damages to persons or property caused by United States Armed Forces or components thereof (excluding combat claims as to which no compensation will be allowed) will be forwarded to and processed and paid by designated representatives of Netherlands East Indies Government under Reciprocal Aid. Claims resulting from malicious acts of individuals, not arising from the performance of official duties, are to be processed in accordance with applicable Army and Navy Regulations and will not receive Reciprocal Aid treatment by the Netherlands East Indies Government.

By direction of the General Purchasing Board:

1 Incl: Exhibit 'A'

REPRODUCED HQ AFWESPAC (GSXGA)

20 June 1945

DISTRIBUTION:

/s/ P. W. Johnston  
/t/ P. W. JOHNSTON  
Brigadier General, U. S. Army,  
Chairman, General Purchasing Board

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MACAO CLAIMS



DEPARTMENT OF STATE

FOR THE PRESS

MAY 28, 1947

No. 435

NETHERLANDS-UNITED STATES WAR ACCOUNTS SETTLEMENTS

A complete and final settlement of war accounts between the Netherlands and the United States was signed here today by Secretary of State Marshall and Dr. A. Loudon, the Netherlands Ambassador. The settlement, which provides for payment by the Netherlands of \$67,500,000 over a period of years, covers lend-lease and reverse lend-lease, the United States share of civilian supplies furnished by the Allied armies to the Netherlands as military relief, and claims of each Government against the other which arose out of the war. It also includes new terms of payment of existing credits of \$130,000,000 for the purchase of United States surplus property abroad.

Secretary Marshall, on signing the settlement documents, paid tribute to the great contribution made by the people of Holland to the prosecution of the war. "The Dutch merchant marine and the Dutch navy," he said, "carried on valiantly from the moment of Germany's attack. Inside Holland, although the country was quickly overcome, the underground remained in contact with Great Britain, contributing highly important intelligence to the Allied cause and leading a steady civilian resistance to the German occupier. Toward the end of the fighting in Europe, when General Eisenhower appealed to the people of Holland to obstruct the German army by acts of sabotage, they responded magnificently by paralyzing the railways through a general strike at great personal risk. In these and other ways the Dutch people helped significantly to hasten the Allied Victory."

Following the pattern of most previous settlements, the United States asks no payment for pre-VJ-day lend-lease supplied to the Netherlands armed forces or for the relatively small amount of supplies and services for civilian use consumed before VJ-day. These together amounted to approximately \$118,000,000. Also, in view of the other terms of the settlement, the United States is asking no payment for approximately \$190,000,000 worth of civilian supplies furnished as military relief in the Netherlands and the Netherlands Indies. These supplies were provided as a matter of military necessity, mostly as part of a joint Allied program, in order to prevent disease and unrest behind the lines. On its side, the Netherlands is asking for no payment for reverse lend-lease before VJ-day valued by it at approximately \$37,000,000.

The net amount of \$67,500,000 to be paid to the United States includes payment in full for lend-lease supplies held by the civilian branches of the Netherlands Government on VJ-day and supplies and services furnished subsequently in the lend-lease "pipeline". The agreement does not affect the obligation of the Netherlands Government to return 56,737,341 ounces of lend-leased silver bullion valued at approximately \$40,000,000 at the time of transfer.

The United States will make payments totaling about \$25,000,000 on certain claims and other amounts agreed to be due as listed in the Settlement Agreement. About \$21,800,000 of this total will be paid within the next few days and



simultaneously the Netherlands will make a down payment of \$19,500,000 on the \$67,500,000 due under the settlement. It is contemplated that a further payment on the \$67,500,000, amounting to approximately \$13,700,000, will be made by the Netherlands currency for educational programs agreed with the Netherlands or in grounds and buildings for our diplomatic mission and consulates in Netherlands territory.

The remaining \$34,300,000, plus any amount of the \$13,700,000 not taken up in Netherlands currency or real property for the educational and buildings programs, is payable in dollars in thirty annual instalments. The first instalment of principal is payable July 1, 1951. Interest under the settlement is at 2%, and the first payment of interest will fall due July 1, 1947. These same credit terms are made applicable to the existing \$130,000,000 surplus property credits.

The two Governments have agreed upon procedures for payment and settlement of financial obligations of the United States armed forces incurred while in Netherlands territory. As part of the settlement Netherlands currency holdings of the United States armed forces are being turned over to the Netherlands Government.

Each Government reserves the right or recapture of certain arms furnished to the other on lend-lease or reverse lend-lease.

In connection with the settlement and in view of the undertakings of the Netherlands, including payment of the amounts specified in the agreement, a separate arrangement was concluded today by the United States, the United Kingdom and the Netherlands under which the United States waives an claim against the United Kingdom for approximately \$1,400,000 arising from shipping matters and the United Kingdom waives a corresponding claim in the same amount against the Netherlands.

In view of the settlement the Netherlands has withdrawn certain claims against the United States, totaling more than \$3,000,000, for additional compensation for property of the Netherlands Government requisitioned for war purposes in the United States in 1917 and 1918.

Texts of the settlement agreement and related papers are attached:



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NETHERLANDS CLAIMS