2253



ACC

10000/142/267

PROCLAM
CORRESP
APR. 194

10000/142/267

PROCLAMATION NO. 2 (NEW SERIES), INTERPRETATION, ETC., &
CORRESPONDENCE THEREON
APR. 1944 - MAR. 1945

file

17A

HEADQUARTERS ALLIED COMMISSION
APO 394
LEGAL SUB-COMMISSION

AC/4027/5/L. /rlp.
26 March 1945.

SUBJECT : Surrender of Sovereigns.

TO : Regional Commissioner (Attn: Regional Legal Officer), EMILIA Region.

1. Reference your RIX/LA/604/295 of 20 March 1945 it is correct that Finance Sub-Commission has issued no instructions on the question raised. Finance Sub-Commission has on several occasions raised this problem with Combined Chiefs of Staff, but has received no ruling.

2. The position, however, appears to be as follows. It is extremely unlikely under the existing provisions of Italian law that the Italian was legally in possession of the gold sovereigns since he should have surrendered or at least offered them to the Italian Government. Even if he was in legal possession of them he could only retain them, he could not use them for purposes of trade. This is so even though sovereigns are not currency in the U.K., since they are available for and used as currency in other parts of the world, e.g., the Middle East. The Italian therefore is not being unjustly treated if he receives back either the gold or its value at a later date when it may again be available for commercial purposes.

3. The short answer to your question is that no compensation is to be paid to the Italian. He retains possession of the receipt which will be available to him at some unspecified later date as a means of recovering from AMG, or more probably the Italian Government, either the gold or its value.

4. It is regretted that no more helpful solution can be offered.

By command of Rear Admiral STONE:

21

W. E. BEHRENS,
Colonel,
Deputy Chief Legal Advisor.

Copy to: File AC/4014/2/L.

4027/5

Legal

16A

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 394

WHL/nee.

REF : RIX/LE/604/295. 20 March 1945.

SUBJECT: Currency Offense.

TO : Headquarters, Allied Commission, APO 394.
(For Deputy Chief Legal Advisor).

1. A ruling is requested, under Proclamation No. 2, Art. VII, Sec. 5, as to what compensation, if any, is payable to a person who surrenders gold sovereigns against a receipt, under the said section. If compensation is payable, is it at the rate set forth in Sec. 1 of Art. VII, i.e., 400 Lire to the pound? If compensation is not payable, are the coins to be returned to the owner at some later date?

2. The foregoing is material to the decision in a case now pending in Ravenna Province, and the Acting Regional Finance Officer advises that he has had no instructions from the Finance Sub-Commission on this subject.

For the Regional Commissioner:

W H Levit

WILLIAM H. LEVIT
Lt. Col., J.A.G.D.
Regional Legal Officer.

20

COPY TO: Provincial Legal Officer,
Ravenna Province.

LEGAL SUB-COMMISSION
CLO
DCLO
Chief Counsel
CJO
Italian Section

HEADQUARTERS
22 MAR 1945
A. C.

LEGAL SUB-COMMISSION
CLO
DCLO
Chief Counsel
CJO
Italian Section

(15A

Bill

HEADQUARTERS
ALLIED CONTROL COMMISSION
LEGAL SUB-COMMISSION
APO 394

ACC/4027/5/L.

WEB/ap.
23 October 1944.

SUBJECT : Proclamation No. 2.

TO : Finance Sub-Commission.

1. In reply to the second paragraph of your 13153/F of 20 Oct 1944 the answer is definitely -NO.

W. E. BEHRENS, Colonel,
Deputy Chief Legal Advisor.

C022/5

14A

HEADQUARTERS
ALLIED CONTROL COMMISSION
FINANCE SUB-COMMISSION
A.P.O. 394.

13153/F. 20 October 1944.

SUBJECT : Proclamation No. 2.

TO : Legal Sub-Commission.

Returned to Finance 24/10/44 J. Dunn

1. Attached please find a letter from the Property Control Division suggesting certain alterations in Proclamation No. 2 (Revised). With the exception of the alteration in place of the word "abrogated" all the other changes result from the assumption of responsibility by the Joint-Directors Finance Sub-Commission in place of the Director of Property Control.

2. Lieut/Colonel Carroll is still chief of the Property Control Division although it has lost the status of a Sub-Commission. I write to ask whether you consider that the alteration proposed is legally necessary.

A.P. Grafftey-Smith

Colonel,
Joint Director,
FINANCE SUB-COMMISSION.

LEGAL SUB-COMMISSION
CLO
DCLO
Chief Counsel
CLD
Italian Section
CLERKS
20 OCT 1944

13A

HEADQUARTERS
ALLIED CONTROL COMMISSION
LEGAL SUB-COMMISSION
APO 394

WEB/pa.
1 Sept 44.

ACC/4027/4/L.

SUBJECT : Proclamations Nos. 1, 2, 3, and 4.

TO : R.C. & M.G. Section (Attn. Major Reakes).

1. According to instructions to proceed from Brigadier G.R.UPJOHN herewith proclamations required by Executive Commissioner to arrange for signature by General Alexander.

2. As you were informed one original and two copies are required for this purpose. Enclosed herewith are :-

(a) Original and two copies of Proclamations Nos. 2, 3 and 4.

(b) Original of Proclamation No.1 as supplied by you.

3. You will no doubt have available and will attach the two additional copies of Proclamation No. 1.

17

RICHARD H. WILMER,
Colonel, CAC,
Chief Legal Officer.

(12A)

HEADQUARTERS
ALLIED CONTROL COMMISSION
LEGAL SUB-COMMISSION
APO 394

/pa.
26 Aug 44.

ACC/4027/5/L.

SUBJECT : Proclamation No.2 (revised).

TO : R.C. & M.G. SECTION.

1. Reference your 623/CA dated 25 Aug 44.

2. Herewith galley proof of Proclamation No.2 (revised) duly approved as corrected .

16

MARC J. GROSSMAN,
Lt.Colonel,
Chief Counsel,
for Acting Chief Legal Officer.

File
4027/5

(11A)

HEADQUARTERS
ALLIED CONTROL COMMISSION
R.C. & M.G. SECTION
APO 394

REF : 623/CA 28 August 44

SUBJECT : Proclamation No. 2

TO : Legal Sub-Commission.

Enclosed herewith for checking Proof Print of Proclamation No.2. Please return Proof.

NORMAN E. FISKE
Colonel,
Deputy Executive,
Commissioner.

15

4027/5

(10A)

HEADQUARTERS
ALLIED CONTROL COMMISSION
LEGAL SUBCOMMISSION
APO 394

File

ACC/4027/7/L

RHS/ap
~~12 Aug~~ 44
15 AUG

SUBJECT : Proclamations No.1 (Revised), No.2 (Revised) and No.4 (Revised).

TO : RC & MG SECTION.

1. Enclosed herewith copies of Proclamations No.1 (Revised) No.2 (Revised) and No.4 (Revised), all of which have been duly executed by Captain Stone.

2. Also enclosed are Italian translations of each.

3. Since there may be some further slight revision thereof, it is suggested that the minimum number of copies be now printed consistent with the anticipated needs in the forward areas.

RICHARD H. WILMER,
Colonel, JAC.,
Acting Chief Legal Officer.

Copies to : ACC/4027/5/L
~~ACC/4027/7/L~~

(9A)

HEADQUARTERS
ALLIED CONTROL COMMISSION
Legal Subcommission
APO 394

File 4027/5

ACC/4027/2

MJG/ap
4 Aug 44

SUBJECT : Suggested Amendments to Proclamations No.2 and No.4.

TO : Finance Sub-Commission (attention Col. GRAFFTEY SMITH)

1. Reference your letter 24 July 1944 (13153/F) and pursuant to several conferences Col. GRAFFTEY SMITH -Col GROSSMAN, enclosed herewith redraft of proposed amendments to Proclamations 2 and 4.

2. May the same be returned to this Sub-Commission with your comments?

3. Under separate cover we have submitted to you draft of amendments proposed to General Order No. 1.

MARC J. GROSSMAN,
Lt. Colonel,
Chief Counsel,
for Acting Chief Legal Officer.

13

Copy to : ACC/4027/5
ACC/4027/7

HEADQUARTERS
ALLIED CONTROL COMMISSION
Legal Subcommission
APO 394

ACC/4027/2/L

MJG/ap
4 Aug 44

SUBJECT : Suggested Amendments to Proclamations No.2 and No.4.

TO : Finance Sub-Commission (attention Col.GRAFFTEY SMITH)

1. Reference your letter 24 July 1944 (13153/F) and pursuant to several conferences Col. GRAFFTEY SMITH -Col GROSSMAN, enclosed herewith redraft of proposed amendments to Proclamations 2 and 4.

2. May the same be returned to this Sub-Commission with your comments?

3. Under separate cover we have submitted to you draft of amendments proposed to General Order No. 1.

12

MARC J. GROSSMAN,
Lt. Colonel,
Chief Counsel,
for Acting Chief Legal Officer.

Copy to : ACC/4027/5
ACC/4027/7

2265



Wt. 50779/1178. 52M lifts. 4/43. P.I. 51-6495.

Army Form C 348
(Lifts of 100 in duplicate)

# MEMORANDUM.

| Sender's Reference | Receiver's Reference | Date 5/8 |
|---|---|---|

| From Col Erattaysmith Int S/c | TO: Lt. Col Grossman Legal S/c |
|---|---|

Approved [SA]

A Prattaysmith
Col.

11

(DRAFT)

5A

Draft of proposed amendments to Articles 6 and 7 of Proclamation No. 2.

Article VI. Currency.

Section 1. Allied Military Lira Notes. Lira currency in the form of Allied Military notes of the denominations: one, two, five, ten, fifty, one hundred, five hundred, and one thousand lire is hereby constituted and made legal tender for the payment of any amount in the Military Government Territory and no person shall refuse to accept such legal tender for the payment of any amount.

Section 2. United States Currency and British Military Authority Notes. All United States currency bearing a yellow seal on the right face of the bill and known as United States yellow seal currency, and all notes bearing the inscription "British Military Authority" in sterling denominations are hereby made legal tender in the Military Government Territory and no person shall refuse to accept such legal tender for the payment of any amount.

10

Article VII. Regulations, Exchange and Foreign Trade.

Section 1. Rates of Exchange. The rates of exchange between the currency mentioned in Section 2 of Article VI hereof and any form ~~of~~ or denomination of Lira shall be as follows:

THE SCHEDULE RATES OF EXCHANGE

One dollar in United States yellow seal currency equals 100 Lire.

One pound sterling in British Military Authority notes equals 400 Lire.

One pound sterling in British Military Authority notes equals four

All United States currency bearing a yellow seal on the face of the bill and known as United States yellow seal currency, and all notes bearing the inscription "British Military Authority" in sterling denominations are hereby made legal tender in the Military Government Territory and no person shall refuse to accept such legal tender for the payment of any amount. 10

Article VII. Regulations, Exchange and Foreign Trade.

Section 1. Rates of Exchange. The rates of exchange between the currency mentioned in Section 2 of Article VI hereof and any form or denomination of Lira shall be as follows:

THE SCHEDULE RATES OF EXCHANGE

One dollar in United States yellow seal currency equals 100 Lire.

One pound sterling in British Military Authority notes equals 400 Lire.

One pound sterling in British Military Authority notes equals four dollars in United States yellow seal currency.

Section 2. Exchange Obligatory. Within the Military Government Territory every person in the business of banking or the exchange of money, on demand of any holder of currency described in Section 1 and Section 2 of Article VI hereof, shall exchange such currency for lire in his possession at the rates specified in the Schedule without charging any commission or fee for making such exchange. No person shall refuse to accept at its face value any form or denomination of lira currency.

Section 3. Prohibition of Other Rates. No transaction of any nature in which currency described in Section 1 and 2, Article VI hereof are employed shall be entered into on the basis of rates of Exchange other than outlined by or under this proclamation.

Section 4. Transactions Prohibited. From the effective date of this Proclamation, except as authorized by the Allied Military Government from time to time:

a) All transactions in foreign exchange, and the import and export of any coins, currency, securities, and gold and silver bullion are prohibited.

b) All financial, commercial or other transactions involving trade or communication of any kind with any person outside the Military Government Territory are prohibited save only that the same may be conducted with persons in Italian Government Territory, provided always that such dealings are in accordance with Italian law, and provided that they do not conflict with the specific orders or regulations issued by the Allied Military Government.

4

Section 5. Exports, Imports and Possession of Foreign Exchange Prohibited. No currency and no coin of any country may be exported from or imported into the Military Government Territory except as authorized by the Allied Military Government. Currency and coin of any country, other than the currency described in sections 1 and 2 of Article VI hereof, may not be held, possessed, traded, exchanged, bargained or sold, but any such currency or coin must be delivered, against receipt, to the nearest Finance Officer for transfer [illegible] Allied Finance Agency, or to the nearest branch of the Banca d'Italia.

Territory are prohibited save only that the same may be conducted with persons in Italian Government Territory, provided always that such dealings are in accordance with Italian law, and provided that they do not conflict with the specific orders or regulations issued by the Allied Military Government. 4

Section 5. Exports, Imports and Possession of Foreign Exchange Prohibited. No currency and no coin of any country may be exported from or imported into the Military Government Territory except as authorized by the Allied Military Government. Currency and coin of any country, other than the currency described in sections 1 and 2 of Article VI hereof, may not be held, possessed, traded, exchanged, bargained or sold, but any such currency or coin must be delivered, against receipt, to the nearest Finance Officer for transfer to the Allied Finance Agency, or to the nearest branch of the Banca d'Italia.

Draft of proposed amendments to Proclamation No. 4.

Article 1. Closing of Financial Institutions.

Section 1. Closing of Institutions. Except as provided in Section 5 2 and 3 hereof, every company, institution, corporation, body or person within the Military Government Territory engaged in the business of receiving and paying out deposits, making loans, selling or purchasing securities, exchanging money, dealing in foreign exchange, maintaining safe deposit facilities, transacting insurance, or engaging in any other forms of financial business shall forthwith suspend any and all such business and the premises shall be closed, except as in this article otherwise provided. The reopening of all such business shall be upon such terms and conditions and the transacting of further financial business shall be subject to such restrictions as the Chief Commissioner or any officer empowered by him may from time to time prescribe by order. Such orders may be general or specific application and may be notified by public announcement or by written communication addressed to any company, institution, corporation, body or person concerned.

Section 2. Banking Institutions. Banking Institutions are authorized to engage in the following transactions:

a) Accept payments of amount due to such banking institutions.

b) Permit withdrawals in cash for payment of impost, taxes and social insurance contributions.

c) Permit withdrawals in cash, when authorized by local representatives of the Allied Military Government, from the accounts of the following:

(i) Official governmental accounts of the State, Provinces & Communes.

(ii) Social Insurance and social welfare Institutions.

(iii) Consorzii.

(iv) Such parastatal agencies as may be authorized by the Allied Military Government.

d) Receive accounts and otherwise conduct new business with ~~the~~ respect to persons and institutions described in sub-section (c) hereof.

Section 3. Commercial Insurance Companies and Institutions. Every ~~company, institute,~~ corporation body or person mutual or other institution engaged in Life ~~and~~ or General

a) Accept payments of amount due to such banking institutions.

b) Permit withdrawals in cash for payment of impost, taxes and social insurance contributions.

c) Permit withdrawals in cash, when authorized by local representatives of the Allied Military Government, from the accounts of the following:

(i) Official governmental accounts of the State, Provinces & Communes.

(ii) Social Insurance and social Welfare Institutions.

(iii) Consorzii.

(iv) Such parastatal agencies as may be authorized by the Allied Military Government.

d) Receive accounts and otherwise conduct new business with ~~the~~ respect to persons and institutions described in sub-section (c) hereof.

Section 3. Commercial Insurance Companies and Institutions. Every company, ~~institute~~ corporation body or person, mutual or other institution engaged in Life ~~and~~ or General Insurance businessmay continue to receive and collect such premiums and other payments as are due and payable to them in respect of life ~~and~~ or general risks in Italy.

Section 4. Social Insurance and Welfare Institutions. Every company, institution, corporation, body and person engaged in the administration of any Social Insurance or Social Welfare Scheme shall continue to receive and collect all contributions payable under any such Scheme, and to make all benefit, indemnity and other payments due or payable under any such Scheme, provided the same was legally in force prior to 8th September 1943, except payments of family allowances and military benefits to dependents of persons in Germany or other enemy or enemy occupied territory known to be cooperating with the enemy.

Article II. Moratorium.

Section 1. Obligations Affected. A moratorium is hereby proclaimed in respect of all debts, claims, deposits and all other obligations for the payment of money. The Chief Commissioner or any officer empowered by him may by general or specific order suspend or terminate the above moratorium in respect of any obligation or class of obligation or in any part of the territory.

Section 2. Obligations Not Affected. The moratorium herein imposed shall not apply to:

(a) Any obligation affected by said moratorium, when the total amount due and to become due, under such obligation does not exceed 5000 lire, excepting obligations of financial business as defined in Article I of this Proclamation.

(b) Any payment required or permitted to be made by Section 2, Section 3 or Section 4 of Article 1 of this Proclamation.

Section 3. Effect of Moratorium. During the period of the moratorium, obligations affected by this proclamation are suspended and extended for the said period. No rights or powers shall be exercised at any time with respect to such obligations solely by reason of their non-performance as a result ... Subject to the extension hereby granted, all such the territory.

Section 2. Obligations Not Affected. The moratorium herein imposed shall not apply to:

(a) Any obligation affected by said moratorium, when the total amount due and to become due, under such obligation does not exceed 5000 lire, excepting obligations of financial business as defined in Article I of this Proclamation.

(b) Any payment required or permitted to be made by Section 2, Section 3 or Section 4 of Article I of this Proclamation.

Section 3. Effect of Moratorium. During the period of the moratorium, obligations affected by this proclamation are suspended and extended for the said period. No rights or powers shall be exercised at any time with respect to such obligations solely by reason of their non-performance as a result of this Proclamation. Subject to the extension hereby granted, all such obligations shall be of full force and effect upon termination of such moratorium.

The moratorium shall not apply to obligations entered into in any place within the Military Government Territory after the date on which this Proclamation shall come into force in such place.

File 402/2

4A

HEADQUARTERS
ALLIED CONTROL COMMISSION
FINANCE SUB - COMMISSION
APO 394

13153/F

8/31
~~24~~ July 1944

SUBJECT: Suggested amendment of Proclamations and General Orders.

TO : Legal Sub-Commission. (attention Lt. Col GROSSMAN)

The following amendments are suggested to Proclamations 2 and 4 and General Order No. 2. No change is proposed in General Order No. 1.

Proclamation No. 2.

Article VI. Currency

Section 1. Allied Military Lira Notes. Lira currency in the forms of Allied Military notes of the denominations: one, two, five, ten, fifty, one hundred, five hundred, and one thousand lire is hereby constituted and made legal tender for the payment of any amount in the ~~occupied~~ mil. gov. territory and no person shall refuse to accept such legal tender for the payment of any amount.

United States Currency and British Military Authority notes.

Section 2. All United States currency bearing a yellow seal on the right face of the bill and known as United States yellow seal currency, and all notes bearing the inscription "British Military Authority" ~~and denominated~~ in sterling are hereby made legal tender in the ~~occupied~~ M.G.T. territory and no person shall refuse to accept such legal tender for the payment of any amount.

denomination

Article VII. Regulations, Exchange and Foreign Trade.

Section 1. Rates of Exchange. The rates of exchange between the currency mentioned in Section 2 of Article VI hereof and any form of denomination of Lira shall be as follows:

THE SCHEDULE RATES OF EXCHANGE

One dollar in United States yellow seal currency equals 100 Lire.
One pound sterling in British Military Authority notes equals 400 Lire.
One pound sterling in British Military Authority notes equals four dollars in United States yellow seal currency.

Section 2. Exchange Obligatory. Within the ~~occupied~~ M.G.T. territory every person in the business of banking or the exchange of money, on demand of any holder of currency described in Section 1 and Section 2 of Article VI hereof, shall exchange currency and British Military authority notes.

Section 2. All United States currency bearing a yellow seal on the right face of the bill and known as United States yellow seal currency, and all notes bearing the inscription "British Military Authority" ~~and denomination~~ in sterling are hereby made legal tender in the ~~occupied~~ MGT territory and no person shall refuse to accept such legal tender for the payment of any amount.

denomination

Article VII. Regulations, Exchange and Foreign Trade.

Section 1. Rates of Exchange. The rates of exchange between the currency mentioned in Section 2 of Article VI hereof and any form of denomination of Lira shall be as follows:

THE SCHEDULE RATES OF EXCHANGE

One dollar in United States yellow seal currency equals 100 Lire.
One pound sterling in British Military Authority notes equals 400 Lire.
One pound sterling in British Military Authority notes equals four dollars in United States yellow seal currency.

Section 2. Exchange Obligatory. Within the ~~occupied~~ MGT territory every person in the business of banking or the exchange of money, on demand of any holder of currency described in Section 1 and Section 2 of Article VI hereof, shall exchange such currency for lire in his possession at the rates specified in the Schedule without charging any commission or fee for making such exchange. No person shall refuse to accept at its face value any form or denomination of lira currency.

Section 3. Prohibition of Other Rates. No transaction of any nature in which currency described in Section 1 and 2, Article VI hereof are employed shall be entered into on the basis of rates of Exchange other than outlined by or under this proclamation.

Section 4. Transactions Prohibited. From the effective date of this Proclamation, except as authorised by the Allied Military Government from time to time:

a) All transactions in foreign exchange, and the import and export of any coins, currency, securities, and gold and silver bullion are prohibited.

b) All financial, commercial or other transactions involving trade or communication of any kind with any person outside the ~~occupied~~ MGT territory are prohibited save only that the same may be conducted with persons in Italian Government Italy ~~in ... occupied Italy which are freed from German control and domination~~, provided always that such dealings are in accordance with Italian law, and provided that they do not conflict with the specific orders or regulations issued by the Allied Military Government.

Italian Government

1.

Section 5. Exports, Imports and Possession of Foreign Exchange Prohibited. No currency and no coin of any country may be exported from or imported into the MGT occupied territory except as authorised by the Allied Military Government. Currency and coin of any country, other than the currency described in Sections 1 and 2 of Article VI hereof, may not be held, possessed, traded, exchanged, bargained or sold, but any such currency or coin must be delivered, against receipt, to the nearest Finance Officer for transfer to the Allied Finance Agency, or to the nearest branch of the Banca d'Italia.

Proclamation No. 4.

Article 1. Closing of Financial Institutions.

Section 1. Closing of Institutions. Except as provided in Section 2 and 3 hereof, every company, institution, corporation, body or person within the MTG occupied territory engaged in the business of receiving and paying out deposits, making loans, selling or purchasing securities, exchanging money, dealing in foreign exchange, maintaining safe deposit facilities, transacting insurance, or engaging in any other forms of financial business ~~shall forthwith suspend any and all such business and the premises shall be closed.~~ except as in this article above provided. The re-opening of all such business shall be upon such terms and conditions and the transacting of further financial business shall be subject to such restrictions as the Chief Commissioner or any officer empowered by him may from time to time prescribe by order. Such orders may be general or specific application and may be notified by public announcement or by written communication addressed to any company, institution, corporation, body or person concerned.

Section 2. Banking Institutions. Banking Institutions are authorized to engage in the following transactions:

Permit withdrawals in cash in payment of import taxes and social insurance contributions.

(a) Accept payments of amounts due to such banking institutions. 5

(c) Permit withdrawals in cash, when authorized by local representatives of the Allied Military Government, from the accounts of the following:

- (i) Official governmental accounts of the State, Provinces, & Communes.
- (ii) Social Insurance and social Welfare Institutions.
- (iii) Consorzi;
- (iv) Such parastatal agencies as may be authorized by the A.M.G.

(d) Receive accounts and otherwise conduct new business with the respect to persons and institutions described in subsection (c) hereof.

Section 3. Commercial Insurance Companies and Institutions. Every company, society, institute, mutual or other institution engaged in Life and General Insurance business may continue to receive and collect such premiums and other payments as are due and payable to them in respect of life and general risks in Italy.

Section 4. Social Insurance and Welfare Institutions. Every company, institution, corporation, body and person engaged in the administration of any Social Insurance or Social Welfare Scheme shall continue to receive and collect all [illegible] from time to time prescribe by order. Such orders may be [illegible] by application and may be notified by public announcement or by written communication addressed to any company, institution, corporation, body or person concerned.

(b) Permit withdrawals in cases for payment of urgent wages and social insurance contributions.

5

Section 2. Banking Institutions. Banking Institutions are authorized to engage in the following transactions:

(a) Accept payments of amounts due to such banking institutions.
(c) Permit withdrawals in cash, when authorized by local representatives of the Allied Military Government, from the accounts of the following:
  (i) Official governmental accounts of the State, Provinces, & Communes.
  (ii) Social Insurance and social Welfare Institutions.
  (iii) Consorzió;
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Article II. Moratorium

Section 1. Obligations Affected. A moratorium is hereby proclaimed in respect of all debts, claims, deposits and all other obligations for the payment of money. The Chief Commissioner or any officer empowered by him may by general or specific order suspend or terminate the above moratorium in respect of any obligation or class of obligation or in any part of the territory.

Section 2. Obligations Not Affected. The moratorium herein imposed shall not apply to:

(a) Any obligation affected by said moratorium, when the total amount due and to become due ~~becomes due, under~~ 5000 lire, excepting obligations of financial business as defined in Article I of this Proclamation.

under such obligation does not exceed

(b) Any payment required or permitted to be made by Section 2 ~~or Section 3~~ of Article I of this Proclamation. in Section 4

Section 3. Effect of Moratorium. During the period of the moratorium, obligations affected by this proclamation are suspended and extended for the said period. No rights or powers shall be exercised at any time with respect to such obligations solely by reasons of their non-performance as a result of this Proclamation. Subject to the extension hereby granted, all such obligations shall be of full force and effect upon termination of such moratorium.

The moratorium shall not apply to obligations entered into in any place within the occupied territory after the date on which this Proclamation shall come into force in such place.

General Order No. 2.

Article I Reopening of Banks and Financial Institutions.

Section 1. The provisions of Proclamation No. 4, Article 1 closing all banks and other financial institutions are hereby terminated, except where specifically ordered by the Allied Military Government to remain closed.

side * rider

Section 2. ~~Pursuant to Section 1 of this article, the provisions of Article 5 of General Order No. 1 whereby all payments were to be made in cash are hereby terminated.~~ Subsections 4 of Article III of General Order No. 1 restricting the payment of imports and taxes to cash are hereby repealed.

Article II Termination of Moratorium.

The moratorium on debts proclaimed in Proclamation No. 4, Article II is hereby terminated.

Article III Safe Deposit Facilities.

No access to safe deposit boxes will be permitted to those persons or their representatives whose accounts, (or safe deposit boxes in those cases where accounts do not exist,) have been blocked by order of the Allied Military Government. Such boxes will not be opened except in the presence of ~~the~~ a representative of the Allied Military Government.

General

While realising that the tag "tot homines quot sententiae" is more than usually true of translation, I submit the following criticisms from an Italian lawyer-interpreter for your consideration.

| PUBLICA-TION NO. | Art. No. | Line in Italian Text | English | Comment |
|---|---|---|---|---|
| Proc 2 | II-1 | 7 | including | compresi should be comprese |
| | 3 | 6-7 | maintenance | maintainmente should be conservazione. |
| | III | 5 | to make good | rigersione - this word is mistaken or |

Article II Termination of Moratorium.

The moratorium on debts proclaimed in Proclamation No. 4, Article II is hereby terminated.

Article III Safe Deposit Facilities.

No access to safe deposit boxes will be permitted to those persons or their representatives whose accounts, (or safe deposit boxes in those cases where accounts do not exist,) have been blocked by order of the Allied Military Government. Such boxes will not be opened except in the presence of ~~the~~ a representative of the Allied Military Government.

General

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| PUBLICATION NO. | Art. No. | Line in Italian Text | English | Comment |
|---|---|---|---|---|
| Proc 2 | II-1 | 7 | including | compresi should be comprese |
| | 3 | 6-7 | maintenance | maintainmente should be conservazione. |
| | III | 5 | to make good | ripersione - this word is mistaken or rather meaningless; probably it means riparazione |
| | | 7 | compensate | compenso - should be invennizzo |
| | IV | 15 | withhold | evitare di fornire - it would be better to say rifiutare. |
| | V | Title | transactions | not transazione but atti or contratti (transazione means a compromise) |
| | VI-2 | 3 | denominations | instead of specie - tagli |
| | VII-3 | 2 | transaction | transazione - see above "contratto" |
| | 4 | 1 | " | " " " " |
| | 4 | 3 | time | volto to read volta |
| | | 16 | dealings | transazioni to read contrattazioni |
| | XI | 2-3 | will be enforced | restano in vigore - saranno fatte rispettare. |
| Proc 4 | II-1 | 2 | claims | rivendicazioni - azioni |
| | | 3 | of money | in moneta - di danaro |
| | II-3 | | result | origina - deriva (or dipende) |

| PUBLICATION NO. | Art. No. | Line in Italian Text | English | Comment |
|---|---|---|---|---|
| Proc 4 | IV | 1 | will become operative | diverra' operative - better entrera' in vigore |
| Gen. Cr. No. 2 | Premises | | and to prescribe the conditions | per la determinazione - la determinazione. |

A.P. Grassensmith

Colonel,
Joint Director,
Finance Sub-Commission.

LEGAL SUB-COMMISION

1 → CLO

DCLO

Chief Counsel

2 → CJO

Italian Section

CL RKS

SUBJECT : Amendments proposed by Finance to General Order I and Proclamations 2 and 4.

3A

TO : Col.Upjohn.

File 40[illegible]/5

1. I have discussed the foregoing at length with Col.Grafftey-Smith.

2. He desires to circulate all of the proposed amendments among his Staff before submitting the same to us. There accordingly will be some delay.

3. He had not seen Capt.Stone's direction with respect to payment of family allowances and accordingly did not know of the conflict between it and his views. This subject too will be discussed with his Staff.

4. He firmly holds the view that none of the proposed amendments need be published in the rear areas with the possible exception of Naples and probably not even there. He therefore thinks that all the proposed amendments should be accomplished by "Revised" proclamations and not by General Orders - and that the same should be published only in the forward areas.

5. He wishes us to hold all these matters in abeyance awaiting his further advices.

MARC J. GROSSMAN,
Lt.Colonel.

) COL. GROSSMAN.

1. Noted .

2. In view of early restoration of certain territory I am agreeable merely to a reprinting in forward areas.

3. Don't let Finance sleep on too long.

G.R.UPJOHN,
Colonel,
Chief Legal Officer.