

FEDERAL RESERVE BANK  
OF NEW YORK

[ Circular No. 3115 ]  
August 15, 1946

DECLARATION OF NETHERLANDS SECURITIES

To All Banks and Trust Companies in the  
Second Federal Reserve District, and Others Concerned:

The Netherlands Embassy in Washington, D. C., has requested us to inform you of the following:

The Netherlands Royal Decree E-100 as amended by Royal Decree F-272 of November 16, 1945 (Restoration of Civil Rights Decree) provides among other things for declaration of all Netherlands securities. This Decree forms an essential part of the Netherlands Government's program for the recovery of property directly or indirectly looted by the enemy and for the restoration of such property to its rightful owners. The Decree serves also to trace enemy owned property, title to which has become vested in the State of the Netherlands pursuant to Royal Decree E-133, as amended (Enemy Property Decree).

Article 44 of the Restoration of Civil Rights Decree imposes a duty on owners of specified classes of securities to file declarations. Broadly speaking, if the owner is not an enemy and the securities have been acquired prior to May 10, 1940, his rights will be recognized by the Securities Registration Division of the Council for the Restoration of Civil Rights, and a document so certifying will be attached to the securities. Where the securities were acquired after May 9, 1940 (and the owner is not an enemy) the general rule is that his rights will be recognized if he acquired the securities in good faith and for a valuable consideration.

Pursuant to the provisions of the Decree and the regulations issued thereunder, Netherlands securities held in the United States by, or on behalf of, corporations and individuals not domiciled or resident in the Kingdom of the Netherlands *must be declared on or before October 15, 1946. Securities which are not declared in accordance with the provisions of the Decree will become void.*

Netherlands securities are defined in the Decree as including securities issued by:

- A. the Netherlands, the Netherlands Indies, Surinam, Curaçao and their political subdivisions or other public institutions;
- B. Corporations, Associations, Organizations or other Institutions organized under the laws of, or domiciled in the territories mentioned under A.
- C. Certificates for securities issued by Trust and Administration Offices and similar institutions having their seats in one of the territories mentioned under A., irrespective of whether the original securities against which the certificates have been issued must be considered Netherlands securities within the meaning of the Decree.

The following Netherlands securities are exempt from the duty to be declared:

- (a) Netherlands Treasury bills and notes, but Government bonds must be declared;
- (b) Inscriptions in the National Ledgers (Grootboeken der Nationale Schuld), the Reconstruction Ledger (Grootboek voor den Wederopbouw) and the Rhine—and Inlandnavigation Ledger (Grootboek voor de Rijn—en Binnenvaart);
- (c) National Debt Books, issued by the State Postal Savings Bank (Rijkspostspaarbank);
- (d) Bonds, insofar as their principal amount does not exceed 50 guilders;
- (e) Shares of cooperative societies, insofar as the amount paid up is 50 guilders or less;

(OVER)

- (f) Shares of enterprises other than cooperative societies, and certificates of such shares, insofar as their par value does not exceed 25 guilders, provided these shares or certificates, respectively, carry no extraordinary rights and provided the voting rights are in accordance with the rule of Section 44 b (2) and (3) Code of Commerce;
- (g) Lottery tickets of non-interest bearing premium loans;
- (h) Scrips, stock-dividends, arrears certificates and the like insofar as their value is obviously less than 25 guilders.

Declarations shall be filed by or on behalf of the owner with the Office of the Financial Counselor of the Netherlands Embassy, 25 Broadway, New York 4, N. Y. These declarations should be accompanied by documentary evidence in support of the statements made therein, and the securities must be exhibited to the Office of the Financial Counselor in order to permit their identification. If the securities are forwarded by mail they will be returned by registered mail after inspection. Supporting documents will equally be returned. If a declaration is signed by a person other than the owner the person signing shall indicate in which capacity he executes the declaration.

Your attention is directed to the fact that *declaration forms* may be obtained from the Office of the Financial Counselor of the Netherlands Embassy, 25 Broadway, New York 4, N. Y. or at any Consular office of the Netherlands in the United States. They may *not* be obtained from a Federal Reserve Bank and should *not* be submitted to a Federal Reserve Bank.

These forms must be executed in quadruplicate and must be sent to the Office of the Financial Counselor of the Netherlands Embassy, 25 Broadway, New York 4, N. Y.

Additional copies of this circular may be obtained on request.

ALLAN SPROUL,  
*President.*