

**(c) Determination of ownership by natural person of vested property**

The determination under this section that any vested property was not directly owned by a natural person at the date of vesting shall be within the sole discretion of the President or his designee and shall not be subject to review by any court.

**(d) Furnishing of information; production of books and records**

The President or his designee may require any person to furnish, in the form of reports or otherwise, complete information, including information with regard to past transactions, relative to any property blocked under Executive Order 8389 of April 10, 1940, as amended, or as may be otherwise necessary to enforce the provisions of this section; and the President or his designee may require of any person the production of any books of account, records, contracts, letters, memoranda, or other papers relative to such property or as may be otherwise necessary to enforce the provisions of this section.

(Mar. 10, 1950, ch. 54, title II, §202, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 562.)

**Editorial Notes**

## REFERENCES IN TEXT

Executive Order 8389 of April 10, 1940, referred to in subsecs. (a) and (d), is Ex. Ord. 8389, Apr. 10, 1940, 5 F.R. 1400, which is set out under section 4305 of Title 50, War and National Defense.

The Trading With the Enemy Act, as amended, and such Act, referred to in subsec. (b), is act Oct. 6, 1917, ch. 106, 40 Stat. 411, which is classified generally to chapter 53 (§4301 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Tables.

**Executive Documents**

## EXECUTIVE ORDER NO. 10644

Ex. Ord. No. 10644, Nov. 8, 1955, 20 F.R. 8363, as amended by Ex. Ord. No. 11281, May 13, 1966, 31 F.R. 7215, which designated the Attorney General to perform functions of the President under this subchapter and the Secretary of the Treasury to perform functions under this section with respect to the release of blocked property and accounts, was revoked by Ex. Ord. No. 12553, Feb. 25, 1986, 51 F.R. 7237.

**§ 1631b. Cancellation and issuance of shares of stock or other beneficial interest in corporation**

Whenever shares of stock or other beneficial interest in any corporation, association, or company or trust are vested in any officer or agency designated by the President under this subchapter, it shall be the duty of the corporation, association, or company or trustee or trustees issuing such shares or any certificates or other instruments representing the same or any other beneficial interest to cancel such shares of stock or other beneficial interest upon its, his, or their books and in lieu thereof to issue certificates or other instruments for such shares or other beneficial interest to the designee of the President, or otherwise as such designee shall require.

(Mar. 10, 1950, ch. 54, title II, §203, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 563.)

**§ 1631c. Filing of order of conveyance**

Any vesting order, or other order or requirement issued pursuant to this subchapter, or a duly certified copy thereof, may be filed, registered, or recorded in any office for the filing, registering, or recording of conveyances, transfers, or assignments of such property as may be covered by such order or requirement; and if so filed, registered, or recorded shall impart the same notice and have the same force and effect as a duly executed conveyance, transfer, or assignment so filed, registered, or recorded.

(Mar. 10, 1950, ch. 54, title II, §204, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 563.)

**§ 1631d. Acquittance and discharge of obligation**

Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to this subchapter, or any rule, regulation, instruction, or direction issued under this subchapter, shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this subchapter, or of any rule, regulation, instruction, or direction issued thereunder.

(Mar. 10, 1950, ch. 54, title II, §205, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 563.)

**§ 1631e. Rules by district courts; appeals**

The district courts of the United States are given jurisdiction to make and enter all such rules as to notice and otherwise, and all such orders and decrees, and to issue such process as may be necessary and proper in the premises to enforce the provisions of this subchapter, with a right of appeal from the final order or decree of such court as provided in chapter 83 of title 28.

(Mar. 10, 1950, ch. 54, title II, §206, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 563; amended Pub. L. 100-352, §6(g), June 27, 1988, 102 Stat. 664.)

**Editorial Notes**

## AMENDMENTS

1988—Pub. L. 100-352 substituted “chapter 83” for “sections 1252, 1254, 1291, and 1292”.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-352 effective ninety days after June 27, 1988, except that such amendment not to apply to cases pending in Supreme Court on such effective date or affect right to review or manner of reviewing judgment or decree of court which was entered before such effective date, see section 7 of Pub. L. 100-352, set out as a note under section 1254 of Title 28, Judiciary and Judicial Procedure.

**§ 1631f. Claims to vested property**

**(a) Action for return of property; jurisdiction; complaint; custody of property until final determination**

Any person who has not filed a notice of claim under subsection (b) of this section may insti-

tute a suit in equity for the return of any property, or the net proceeds thereof, vested in a designee of the President pursuant to section 1631a(a) of this title and held by such designee. Such suit, to which said designee shall be made a party defendant, shall be instituted in the District Court of the United States for the District of Columbia or in the district court of the United States for the district in which the claimant resides, or, if a corporation, where it has its principal place of business, by the filing of a complaint which alleges—

(1) that the claimant is a person other than Bulgaria, Hungary, or Rumania, or a national thereof as defined in Executive Order 8389 of April 10, 1940, as amended; and

(2) that the claimant was the owner of such property immediately prior to its vesting, or is the successor in interest of such owner by inheritance, devise, or bequest.

If the court finds in favor of the claimant, it shall order the payment, conveyance, transfer, assignment, or delivery to said claimant of such property, or the net proceeds thereof, held by said designee or the portion thereof to which the court shall determine said claimant is entitled. If suit shall be so instituted, then such property, or, if liquidated, the net proceeds thereof, shall be retained in the custody of said designee until any final judgment or decree which shall be entered in favor of the claimant shall be fully satisfied, or until final judgment or decree shall be entered against the claimant or suit otherwise terminated.

**(b) Notice of claim; review of denial**

Any person who has not instituted a suit under the provisions of subsection (a) of this section may file a notice of claim under oath for the return of any property, or the net proceeds thereof, vested in a designee of the President pursuant to section 1631a(a) of this title and held by such designee. Such notice of claim shall be filed with said designee and in such form and containing such particulars as said designee shall require. Said designee may return any property so claimed, or the net proceeds thereof, whenever he shall determine—

(1) that the claimant is a person other than Bulgaria, Hungary, or Rumania, or a national thereof as defined in Executive Order 8389 of April 10, 1940, as amended; and

(2) that the claimant was the owner of such property immediately prior to its vesting, or is the successor in interest of such owner by inheritance, devise, or bequest.

Any person whose claim is finally denied in whole or in part by said designee may obtain review of such denial by filing a petition therefor in the United States Court of Appeals for the District of Columbia Circuit. Such petition for review must be filed within sixty days after the date of mailing of the final order of denial by said designee and a copy shall forthwith be transmitted to the said designee by the clerk of the court. Within forty-five days after receipt of such petition for review, or within such further time as the court may grant for good cause shown, said designee shall file an answer there-to, and shall file with the court the record of the

proceedings with respect to such claim, as provided in section 2112 of title 28. The court may enter judgment affirming the order of the designee; or, upon finding that such order is not in accordance with law or that any material findings upon which such order is based are unsupported by substantial evidence, may enter judgment modifying or setting aside the order in whole or in part, and (1) directing a return of all or part of the property claimed, or (2) remanding the claim for further administrative proceedings thereon. If a notice of claim is filed under this subsection, the property which is the subject of such claim, or, if liquidated, the net proceeds thereof, shall be retained in the custody of said designee until any final order of said designee or any final judgment or decree which shall be entered in favor of the claimant shall be fully satisfied, or until a final order of said designee or a final judgment or decree shall be entered against the claimant, or the claim or suit otherwise terminated.

**(c) Exclusiveness of relief**

The sole relief and remedy of any person having any claim to any property vested pursuant to section 1631a(a) of this title, except a person claiming under section 1631o of this title, shall be that provided by the terms of subsection (a) or (b) of this section, and in the event of the liquidation by sale or otherwise of such property, shall be limited to and enforced against the net proceeds received therefrom and held by the designee of the President. The claim of any person based on his ownership of shares of stock or other proprietary interest in a corporation which was the owner of property at the date of vesting thereof under section 1631a(a) of this title shall be allowable under subsection (a) or (b) of this section if 25 per centum or more of the outstanding capital stock or other proprietary interest in the corporation was owned at such date by nationals of countries other than Bulgaria, Hungary, Rumania, Germany, or Japan. But no such claim of a national of a foreign country shall be satisfied except after certification by the Department of State that the country of the national accords protection to nationals of the United States in similar types of cases.

**(d) Recovery for conservation, preservation or maintenance of property**

The designee of the President may retain or recover from any property, or the net proceeds thereof, returned pursuant to subsection (a) or (b) of this section an amount not exceeding that expended or incurred by him for the conservation, preservation, or maintenance of such property or proceeds.

(Mar. 10, 1950, ch. 54, title II, §207, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 564; amended Pub. L. 85-791, §33, Aug. 28, 1958, 72 Stat. 951; Pub. L. 90-421, §1(6), July 24, 1968, 82 Stat. 421.)

**Editorial Notes**

REFERENCES IN TEXT

Executive Order 8389 of April 10, 1940, referred to in subsecs. (a)(1) and (b)(1), is Ex. Ord. No. 8389, Apr. 10, 1940, 5 F.R. 1400, which is set out under section 4305 of Title 50, War and National Defense.

## AMENDMENTS

1968—Subsec. (c). Pub. L. 90-421 inserted “, except a person claiming under section 1631o of this title,” after “pursuant to section 1631a(a) of this title”.

1958—Subsec. (b). Pub. L. 85-791, in fifth sentence, substituted “shall forthwith be transmitted to the said designee by the clerk of the court” for “must be served on the said designee”, and in sixth sentence, substituted “receipt” for “service” and substituted “file with the court the record of the proceedings with respect to such claim, as provided in section 2112 of title 28” for “certify and file with the court a transcript of the entire record of the proceedings with respect to such claim”.

**§ 1631g. Payment of debts****(a) Claims allowable; defenses**

Any property vested in the designee of the President pursuant to section 1631a(a) of this title, or the net proceeds thereof, shall be equitably applied by such designee in accordance with this section to the payment of debts owed by the person who owned such property immediately prior to its vesting in such designee. No debt claim shall be allowed under this section—

(1) if it is asserted against Bulgaria, Hungary, or Rumania (including the government or any political subdivisions, agencies, or instrumentalities thereof); or

(2) if it is based upon an obligation expressed or payable in any currency other than the currency of the United States; or

(3) if it was not due and owing—

(A) on October 9, 1940, in the event the property in respect of which such debt claim is filed was owned immediately prior to vesting by a national of Rumania;

(B) on March 4, 1941, in the event the property in respect of which such debt claim is filed was owned immediately prior to vesting by a national of Bulgaria; or

(C) on March 13, 1941, in the event that the property in respect of which such debt claim is filed was owned immediately prior to vesting by a national of Hungary.

Any defense to the payment of such claim which would have been available to the debtor shall be available to the designee, except that the period from and after December 7, 1941, shall not be included for the purpose of determining the applicability of any statute of limitations. Debt claims allowable under this section shall include only those of natural persons who were citizens of the United States at the dates their debtors became obligated to them; those of other natural persons who are and have been continuously since December 7, 1941, residents of the United States; those of corporations organized under the laws of the United States or any State, Territory, or possession thereof, or the District of Columbia; and those acquired by the designee of the President under this subchapter. Successors in interest by inheritance, devise, bequest, or operation of law of debt claimants, other than persons who would themselves be disqualified hereunder from allowance of a debt claim, shall be eligible for payment to the same extent as their principals or predecessors would have been.

**(b) Time limit for filing claims; extension; notice**

The designee of the President under this subchapter shall fix a date or dates after which the

filing of debt claims in respect of any or all debtors shall be barred, and may extend the time so fixed, and shall give at least sixty days' notice thereof by publication in the Federal Register. In no event shall the time extend beyond the expiration of one year from the date of the last vesting in the designee of the President of any property of a debtor in respect to whose debts the date is fixed. No debt shall be paid prior to the expiration of one hundred and twenty days after publication of the first such notice in respect of the debtor, nor in any event shall any payment of a debt claim be made out of any property or proceeds in respect of which a suit or proceeding for return pursuant to this subchapter is pending.

**(c) Examination of claims; finality of determination**

The designee shall examine the claims, and such evidence in respect thereof as may be presented to him or as he may introduce into the record, and shall make a determination, with respect to each claim, of allowance or disallowance, in whole or in part. The determination of the designee that a claim is within either paragraph (1) or (2) of subsection (a) of this section shall be final and shall not be subject to judicial review, and such claim shall not be considered a debt claim for any purpose under this section.

**(d) Fund for debt payments**

Payment of debt claims shall be made only out of such money included in, or received as net proceeds from the sale, use, or other disposition of, any property owned by the debtor immediately prior to its vesting in the designee of the President, as shall remain after deduction of (1) the amount of the expenses of the designee (including both expenses in connection with such property or proceeds thereof, and such portion as the designee shall fix of his other expenses), and of taxes, as defined in section 1631k of this title, paid by the designee in respect of such property or proceeds; and (2) such amount, if any, as the designee may establish as a cash reserve for the future payment of such expenses and taxes. If the money available hereunder for the payment of debt claims against the debtor is insufficient for the satisfaction of all claims allowed by the designee, ratable payments shall be made in accordance with subsection (g) of this section to the extent permitted by the money available and additional payments shall be made whenever the designee shall determine that substantial further money has become available, through liquidation of any such property or otherwise. The designee shall not be required, through any judgment of any court, levy of execution, or otherwise, to sell or liquidate any property vested in him, for the purpose of paying or satisfying any debt claim.

**(e) Amount payable; disallowance; notice; review; additional evidence; judgment**

If the aggregate of debt claims filed as prescribed does not exceed the money from which, in accordance with subsection (d) of this section, payment may be made, the designee shall pay each claim to the extent allowed, and shall serve by registered mail, on each claimant whose claim is disallowed in whole or in part, a notice