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China

Measures on Payments in Settlement of Pre-Liberation  
Deposits in Banking Institutions

[redacted]

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Mid Feb 53

Early Jan 53

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Following translation from the Chinese text of regulations regarding settlement  
of pre-liberation deposits in banking institutions, as published in Ciefang  
Rhpao, Shanghai, 21 Feb 53.

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MEASURES ON PAYMENTS IN SETTLEMENT OF  
PRE-LIBERATION DEPOSITS AT BANKING INSTITUTIONS

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-Passed at the 166th administrative conference of the Government Admini-  
stration Council of the Central People's Government on January 9, 1953  
and promulgated by order of the GAC on February 20, 1953.

1. All pre-liberation deposits that still remain unsettled at banking institutions in the whole country, including the bogus Central Bank, the Farmers' Bank of China, the Central Trust, the Central Savings Society, the Central Cooperative Bank, the various provincial, municipal and hsien banks, the former Bank of China, the Bank of Communications, the Postal Remittances & Savings Bank, privately-operated banks, native banks, trust companies, foreign banks and the International Savings Society, shall be paid in accordance with provisions of the present Measures.
2. The pre-liberation period mentioned in the present Measures refers to the period under the regime of the KMT reactionary government, which is further divided into the following three stages in accordance with changes in the financial conditions of the various periods:
  - a) The period prior to December 31, 1937 will be taken as the first stage;
  - b) The period from January 1, 1938 to August 18, 1948 will be taken as the second stage'
  - c) The period from August 19, 1948 up to liberation will be taken as the third stage.
3. Payments for pre-liberation deposits are restricted to principal only, and no interest will be computed.

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4. Fixed deposits (including fixed savings deposits) of the first stage shall be paid by computing on the basis of the appended Table of Standard of Redemption for Various Years and the Table of Computation of Amount Redeemable for Deposits of the First and Second Stages. Current deposits (including current savings deposits) of the first stage shall be paid at 80 per cent, with computation based on the same tables.

Fixed deposits (including fixed savings deposits) of the second stage shall be paid by computing on the basis of the appended Table of Standard of Redemption for Various Years and the Table of Computation of Amount Redeemable for Deposits of the First and Second Stages. Current deposits (including current savings deposits) of the second stage shall be paid at 80 per cent, with computation based on the same tables.

Fixed deposits (including fixed savings deposits) and current deposits (including current savings deposits) of the third stage shall all be paid by computing at the first conversion rate between the bogus currency and Jen Min Pi as announced by the Military Control Commission of the People's Liberation Army upon the liberation of various districts.

5. For payments of pre-liberation deposits, registration should be taken up ten days after the promulgation of the present Measures in accordance with the appended registration measures. Redemption shall start after the period of registration.
6. After the period of registration, pre-liberation deposits shall be paid according to the following rulings:
- a) Deposits in amount of fapi \$200 and below shall be paid in cash.
  - b) Where the amount of deposit was above fapi \$200 but below \$1,000, cash shall be paid for the portion of \$200; the portion in excess will be treated as savings deposits and paid with deposit certificates of six-month period of the People's Bank of China, for which interest will be given.
  - c) Where the amount of deposit was above fapi \$1,000, the portion within \$1,000 shall be paid in accordance with item (b), and the portion in excess will be treated as savings deposits and paid with fixed-amount deposit certificates of one-year period of the People's Bank of China, for which interest will be given.

Privately-operated banks, native banks and foreign banks may apply for fixed-period, fixed-amount deposit certificates from the People's Bank of China by putting up guarantee, and use them for payments in accordance with the foregoing rulings.

7. The portion of pre-liberation deposits already settled shall not be taken up again for refund or make-up payment.
8. Loans issued by banking institutions prior to liberation, which still remain uncollected, may be computed by applying the standards stipulated in the present measures.
9. In the case of closed and liquidated banking institutions or banking institutions whose assets are insufficient to cover their liabilities, one single payment in settlement of pre-liberation deposits shall be effected by them under the supervision of relevant authorities in accordance with the stipulations on limited companies as contained in the Private Enterprise Regulations.

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10. "Fapi" deposits made in Hongkong and abroad may be registered in Canton in accordance with the appended registration measures. After the period of registration, the deposits shall be paid in Canton in accordance with rulings stipulated by Article 6 of the present Measures.
11. For pre-liberation life insurance, the China National People's Insurance Company will set standard separately for settlement by referring to the present Measures.
12. Unsettled pre-liberation overseas remittances shall be paid in settlement according to the standard for fixed deposits set in the present Measures.
13. Unsettled pre-liberation domestic remittances shall be paid in settlement according to the standard for current deposits set in the present Measures.
14. For deposits in local currencies, such as Yunnan, Szechuan, Kwangsi currencies and Kwangtung subsidiary coins that have not been converted into "fapi" deposits, the relevant local People's Bank of China will set payment standards by referring to the value in comparison to fapi prevailing then locally, and payments are to be started only after such standards have been reported to and approved by the Government Administration Council of the Central People's Government.
15. All deposits at banks of Japanese invaders and bogus banks of the traitor government shall not be paid for settlement.
16. The "Economy Construction Savings Coupons", "Economy and Construction Savings Bond", "Special Premium Savings Bond", "US\$ Economy and Construction Savings Bond", "Hsiang and Cheng Public Welfare Savings Bond", etc. floated by the KMF reactionary government through the bogus banks, administrations and associations are in the character of public loans, and shall not be paid for settlement.
17. Banking institutions shall check up the pre-liberation deposits of bureaucratic capital, war criminals, traitors and counter-revolutionary elements for report to the local People's Bank of China. Where confiscation has been decided by the Court, the relevant payments shall be surrendered to the state treasury.
18. Where depositors do not effect withdrawal within one year following the promulgation and enforcement of the present Measures, banking institutions shall draw up a list and transfer the payments to the People's Bank of China for summary payment into the state treasury.
19. The present Measures shall be enforced under the supervision of the People's Bank of China.
20. The present Measures are for enforcement from the date of promulgation.

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Appended Table I. Table of Standard of Redemption for Various Years

Year	Average Commodity Price Index for Whole Country	Decline in Value of Bogus Currency (Average Index of) Each Year	Standard of Redemption
1937	Basic 100	Basic 100 %	12,500
1938	131	76.34%	9,543
1939	220	45.45%	5,681
1940	513	19.49%	2,436
1941	1,296	7.72%	965
1942	3,900	2.56%	320
1943	12,936	0.77%	96.25
1944	43,197	0.23%	28.75
1945	163,160	0.06%	7.50
1946	379,600	0.026%	3.25
1947	2,710,750	0.0037%	0.46
1948/8	126,932,224	0.00008%	0.01

% Method for converting each dollar of fapi into Jen Min PI:

Quotation of silver dollar 12,500 x Rate of decline in value  
of bogus currency each year.

Appended Table II. Table of Computation of Amount Redeemable  
for Deposits of the First and Second Stages  
(1937-1948/8)

First Quota: \$ 1 - \$200

Amount Redeemable - \$200 x Standard of redemption of each year x 100%  
Redemption Reduction rate

Second Quota: \$201 - \$300

Amount Redeemable - \$100 x Standard of redemption of each year x 90%  
Redemption reduction rate.

Third Quota: \$301 - \$400

Amount Redeemable - \$100 x Standard of Redemption of each year x 80%  
Redemption reduction rate.

Fourth Quota: \$401 - \$500

Amount Redeemable - \$100 x Standard of Redemption of each year x 70%  
Redemption reduction rate.

Fifth Quota: \$501 - \$600

Amount Redeemable - \$100 X Standard of redemption of each year x 60%  
Redemption reduction rate.

Sixth Quota: \$601 - \$700

Amount Redeemable - \$100 X Standard of Redemption of each year x 50%  
Redemption reduction rate.

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Seventh Quota: \$701-\$1,000

Amount Redeemable - \$300 X Standard of redemption of each year x 40%  
Redemption reduction rate.

Eighth Quota: \$1,000-\$2000

Amount Redeemable - \$1000 x Standard of Redemption of each year x 30%  
Redemption reduction rate.

Ninth Quota: \$2001 - \$5000

Amount Redeemable - \$3000 X Standard of Redemption of each year x 20%  
Redemption reduction rate.

Tenth Quota: \$5,001 and above

Amount Redeemable - (Amount of deposit less \$5000) X Standard of Redemp-  
tion of each year x 10%  
Redemption reduction rate

Note: Fixed deposits shall be paid according to the amount  
redeemable for the different quotas, while current  
deposits shall be paid at 80% of the amount redeemable  
for the different quotas.

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APPENDED MEASURES GOVERNING REGISTRATION OF UNSETTLED PRE-LIBERATION DEPOSITS AT  
BANKING INSTITUTIONS

1. Registration shall be carried out for all kinds of deposits left at banks and native banks in the whole country prior to the liberation.
2. The registration items are as follows:
  - a) Place of deposit;
  - b) Date, month and year of deposit;
  - c) Serial Number of deposit document;
  - d) Name of depositor;
  - e) Amount of deposit;
  - f) kind of deposit (including fixed deposit; current deposit and various kinds of savings deposits);
  - g) Address of depositor (including previous and present addresses);
  - h) Occupation of depositor (including previous and present occupations).
3. For deposits at the bogus Central Bank, the Farmers Bank of China, the Central Trust, the Central Savings Society, the Central Cooperative Bank and the various provincial, municipal and hsien banks, application for registration should be filed with the People's Bank of China at the original places of deposits. For deposits at the former Bank of China, the Bank of Communications and the Postal Remittances and Savings Bank, registration should be taken up with the respective banks at the original places of deposits (if the original organizations have been abolished, the relevant banks should request the local People's Bank of China to handle registration on their behalf). For deposits at privately-operated banks, native banks, trust companies, foreign banks, the International Savings Society and closed and liquidated banks, registration should be taken up with the respective banks at the original places of deposits or the liquidation offices (if the original local organizations have been

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cancelled, the head offices of the relevant banks should dispatch persons to the places of original local organizations to handle registration). Where depositors have left the original places of deposits and are now residing in other places, they may state reasons and mail the deposit books in their possession to the original places of deposits for registration.

4. For deposits in various banks in Hongkong and abroad, registration should be taken up with the original banks in Canton, with which deposits were made.
5. The period for registration shall be three months from the date of promulgation of the present Measures.
6. Where the name of "tang" or "chi" is used so that it is impossible to verify whether the deposits are held by the depositors themselves, registration may only be taken up after the status of the depositors has been certified by the local census control organs and suitable guarantors have been secured.
7. Registration shall not be allowed ~~in cases where~~ documents are not complete or guarantors cannot be secured and certification from local census control organs produced.

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