

OGC Has Reviewed

SECRET

Acting Chief, Finance Division, SSS  
Via: Chief, SSS  
Legal Staff

27 January 1950

**Claims for Loss of Personal Effects - FRU/FEC Employees.**

25X1A 1. Your memorandum of 10 January 1950 forwarded claims from  
25X1A six employees of this Agency for personal property which was lost  
in the course of transportation by Navy vessel from [redacted] to [redacted] 25X1A  
and [redacted]. It is not entirely clear whether the loss - which was  
the result of pilfering - was attributable to members of the ship's  
crew or native stevedores.

2. The file does not clearly show that an "emergency" existed  
in relation to the transportation of the property, but I was verbally  
informed by the Deputy Chief, FDZ, that it was, in fact, an emergency  
move. We see no legal objection to approval of payment of the claim by  
the Executive under [redacted] 25X1A  
It is a matter of policy for the Executive to determine whether or not  
he wishes to extend reimbursement under Section 10.3 to cases where the  
loss is due to theft or pilferage.

3. It may be of some value in guidance to know the Navy prac-  
tice. Under the authority of their statute in 31 U.S.C.A. Section  
222 (e), the Secretary of the Navy or his designee is authorized to  
pay the claims of military personnel or civilian employees of the  
Navy Department for damages to, or loss of, personal property oc-  
curring incident to their service, provided the loss is not due to  
the negligence or wrongful act of the claimant. Where the Navy as-  
sumes custody of the property for purposes of transportation, and some  
loss or damage occurs en route, they make reimbursement provided  
transportation of the property is duly authorized.

4. Under the provisions of Section 223 d. of Title 31 U.S.C.A.,  
which provide for payment by the Navy to persons other than Navy em-  
ployees and military personnel, the same general requirements are im-  
posed. Although our people were traveling under Navy cover and (pre-  
sumably) orders, the Section does not wish to present the claim to the  
Navy in view of the security factor.

25X1A 5. There is no legal objection to payment of the claim under  
Section 10.3 provided the Executive wishes to accept pilferage or  
theft during emergency travel as an acceptable cause of loss. There  
is nothing in the [redacted] to prohibit his approval.

25X1A

cc: Subject  
Chrono  
Legal Decisions

25X1A