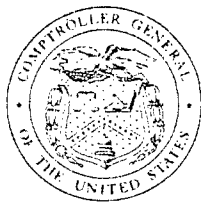


Proc I

DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D.C. 20548

10,164

FILE: B-192685

DATE: May 14, 1979

MATTER OF: United Service Packer *DLG 01581*

DIGEST:

[Claim for Packing and transportation of Goods Belonging to Dept. of State and AID Personnel Stationed in Vietnam]

1. Where payment in foreign currency payable in foreign country is called for in contract, value of any judgment recovery is based on value of foreign currency at time judgment is rendered in American court. Since South Vietnamese piastre apparently has no present value, claim by former contractor would also have no value and was properly denied.
2. Where former contractor took advice of contracting officer that, due to anticipated short market supply of packing materials, materials should be and were purchased (but were never used due to evacuation from Saigon) in advance to ensure completion of contract, no basis for recovery of cost of materials exists.

United Service Packer (USP) appeals the denial of its claim for payment under Department of State contract No. S-298-fa-0159 by our Claims Division in its Settlement Certificate, November 15, 1978. That claim consisted of (1) packing, crating, and transportation charges for goods belonging to Department of State and Agency for International Development personnel stationed in Saigon, South Vietnam, and (2) charges for packing materials, purchased upon the advice of the contracting officer due to an anticipated shortage of supply in the market for such materials at the time, necessary for the completion of all packing and crating until the expiration of the contract.

Due to the emergency evacuation of Saigon, the claimant was not fully compensated for services performed during April 1975. Payments for all services to be performed under the contract in question were to be made in South Vietnamese piastres. When payment in foreign

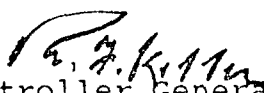
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currency payable in the foreign country is called for in a contract, the value of any judgment recovery is based upon the value of that foreign currency at the time a judgment is rendered in an American court. Deutsche Bank Filiale Nurnberg v. Humphrey, 272 U.S. 517 (1926); Tillman v. Russo Asiatic Bank, 51 F.2d 1023 (1931). Since the South Vietnamese piastre would appear to have no present value, any judgment that might be obtained in an American court on this claim would be of no monetary value. Consequently, since the USP claim has no value, the denial of the claim was proper. See Nam Hai Marine Lines, B-188144, November 8, 1977, 77-2 CPD 347.

As regards the fact that USP purchased materials in advance which the firm intended to use later but apparently never did due to the evacuation, the record reflects that such purchases were made as a means of providing for the successful completion of the contract and for payment thereunder. Thus we see no basis upon which payment for the packing materials could be made.

In its letter of appeal, USP noted that its claim was not the same as that involved in our decision in Nam Hai Marine Lines, supra, apparently in view of a letter from the State Department in which the USP claim was allegedly approved. This letter, however, merely advised USP that the claim was being forwarded to an agency other than State for review.

Accordingly, we decline to modify the findings set forth in the November 15, 1978, Settlement Certificate.


Deputy Comptroller General
of the United States