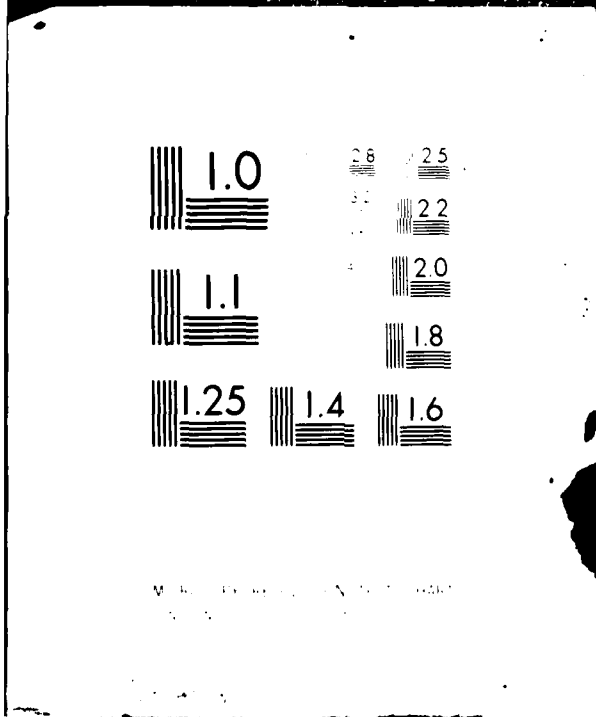


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Item 20. continued.

the role of military currency control and provides a historical overview of military currency control as a foundation for the ensuing study of the Vietnam experiences. It then examines the economic and black market problems which existed in Vietnam, and explains the specifics of the U.S. military currency control program which was adopted to counter those problems.

The essay provides a comprehensive review of the U.S program, and includes reference copies of both the various regulations published by the U.S. Military Assistance Command, Vietnam, and the military scrip notes issued by U.S. and other allied forces in Vietnam. A selected bibliography is also included for those who desire to study further the subject of military currency control.

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US ARMY WAR COLLEGE
INDIVIDUAL RESEARCH BASED ESSAY

U.S. MILITARY CURRENCY CONTROL
OPERATIONS IN THE VIETNAM WAR

BY

LIEUTENANT COLONEL JOSEPH F. ADAMS



19 APRIL 1982

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TABLE OF CONTENTS

<u>Chapter</u>	<u>Page</u>
I. INTRODUCTION	1
II. MILITARY CURRENCY CONTROL DEFINED	2
III. THE HISTORICAL PERSPECTIVE	7
IV. CURRENCY CONTROL IN VIETNAM	12
The Black Market	14
The U.S. Currency Control Program	19
An Assessment of the Program	26
V. CONCLUSION	28
Appendix A U.S. Currency Control Regulations for Vietnam	30
MACV Directive 37-6, Regulation of Currency	31
MACV Directive 37-10, Conversion of Military Payment Certificates	57
MACV Directive 37-24, MACV Currency Control Forms and Equipment	81
MACV Directive 37-9, Policy Relative to the Acquisition of Military Payment Certificates, U.S. Dollars, and Piasters by Free World Military Assistance Forces	98
Appendix B U.S. Military Payment Certificates - Vietnam Series . . .	102
Appendix C U.S. MACV Currency and Black Market Control System - Operating Instructions for Data Recorders	111
Appendix D Republic of Korea Force, Vietnam Currency Coupons . . .	120
Appendix E Royal Thai Forces, Vietnam Currency Coupons	123
ENDNOTES	126
BIBLIOGRAPHY	127

I. INTRODUCTION

In the multitude of publications which have been written about U.S. military activities in Vietnam, none have ever attempted to document or analyze of our efforts in the area of military currency control. This is not surprising, for very few people have ever been exposed to the broad aspects of such activities, and even fewer understand this esoteric and rather technical subject. After all, currency control is not generally recognized as a significant subset of the more usual military operations. Nevertheless, it is a fascinating subject and one which warrants some examination, as well as, historical documentation.

The purpose of this paper, therefore, is to provide a documentary record of U.S. military currency control activities in Vietnam, and to provide an explanation of how and why such efforts were undertaken during that complex and controversial period in our Army's history. Because of the complex technical nature and the relative obscurity of the overall subject, it is necessary for me to first establish a foundation for the reader by reviewing the nature of the currency control problem in general, and highlighting some historical aspects of our earlier involvement in military currency control activities. Thereafter, I will address the specific the programs undertaken in Vietnam and provide an assessment of the results achieved. A complete set of the U.S currency control regulations from Vietnam is included at Appendix A for histor-

ical reference purposes.

II. MILITARY CURRENCY CONTROL DEFINED

Basic currency control, as a specific subject, lies within the realm of international finance and economics. It is an important element in the economic policy of any planned economy in the international setting. Although such measures are used for several purposes, the most important is the protection of the balance of payments position of a country. Through the use of exchange controls, exchange rate policies and selective credit and fiscal measures, the monetary authorities of a country are responsible for maintaining a reasonable equilibrium in the balance of payments.

The old FM 14-3, Comptroller Support in Theaters of Operation (June 1969), listed the objective of military currency control as curbing inflation due to military spending in a host country and maintaining a favorable balance of trade position for the United States. There are, however, a number of inherent sub-objectives obscured within that statement. A more descriptive explanation has been provided by Walter Rundell in his book on U.S. currency control activities during World War

II. He states:

The currency control objectives in most areas were fourfold: to keep American currency away from the economies of friendly nations; to keep it inaccessible to Axis powers; to keep American servicemen from dealing in foreign black markets; and (correctly assuming that despite all efforts, soldiers would be involved in black markets) to keep black market profits from becoming claims on appropriated funds.¹

Rundell's four objectives provide a fairly good description of the roles of military currency control. They do not, however, explicitly recognize the additional role of military currency control as an instrument for the execution, or support, of foreign policy. The importance of this role obviously varies with the nature of the particular situation. However, it is worthy to note that each of the major powers in World War II used military currency control in express support of their foreign policies. Such a role was no less vigorously pursued in Vietnam, as we shall see later.

From these five roles, or objectives, we are able to learn a great deal about the nature of military currency control. It becomes immediately apparent that the subject may be divided into two separate but related areas; the first dealing with national and international economic considerations, and the second focusing almost exclusively on black market activities.

The area dealing with national and international economic considerations is extremely important, yet rather straightforward and basic. Three of the objectives cited above relate directly to this area: keeping U.S. currency away from friendly economies, keeping it away from the enemy, and serving as an instrument for the implementation of U.S. foreign policy. Let's look briefly at each of these objectives.

In a war ravaged economy, such as Vietnam or liberated France (in World War II), the wide-scale circulation of U.S. currency would severely undermine the weaker local currency and cause serious problems for the friendly government in its efforts to rebuild the economy. Prevention of such an adverse effect is the primary reason for keeping our currency out of the local economy.

Keeping our currency out of enemy hands has two basic underlying

motives. First, U.S. currency provides our opponents with a supply of money to pay for espionage and collaboration. Second, it provides an internationally acceptable hard currency which can be used to finance the enemy operations against us. The insurgents in Vietnam were particularly active in obtaining U.S. currency to finance their activities.

The use of military currency control as an instrument of foreign policy has a long history, replete with many examples. However, it is sufficient here to simply state that many nations, including ourselves, have used such measures to impose punitive sanctions on our defeated enemies. Similarly, many nations have used such measures to enhance, or support, friendly local economies. The World War II occupations of Germany and Italy provide examples of the former, while Korea and Vietnam provide the most recent examples of the latter.

Turning to the objectives of military currency control which deal with the black market issue, we must note that there are two separate but closely related black markets—the commodity black market and the currency black market. The commodity black market is the least complicated of the two, and is typified by stories of GI's selling American cigarettes to local citizens for eight or ten times their cost. This type of black market results from a general scarcity of the consumer items on the local economy, with ready availability of these same items within U.S. military sources. The commodity black market is of major concern because payment is usually made in the form of local currency or U.S. military scrip. The American black marketeer who illegally amasses significant sums of the local currency or scrip, ultimately attempts to have them converted into dollars or dollar equivalents, and hence profits at the expense of the U.S. taxpayers.

The currency black market is somewhat similar to the commodity black market, except that it involves the illegal sale of U.S. currency or dollar instruments, rather than commodities, to the local nationals. While the reasons underlying the currency black market are quite complex, essentially, they relate to the demand for a more stable and more valuable currency than that circulating on the local economy. As in the commodity market, illicit profits are converted into dollars or dollar equivalents, once again at the expense of the U.S. taxpayer.

All black market activities are serious because of their cost to the U.S. Government, and ultimately to the taxpayer. Items of military equipment, medicine, food, etc., which are sold on the black market must be replaced. This involves more than mere procurement costs. Transportation, storage and maintenance costs are also involved. Weapons and ammunition channeled to the enemy via the black market have cost an inestimable number of American lives.

Another expensive result of black market activities relates to the cost of economic aid which the U.S. extends to countries, as in the case of post-war France and Germany, and more recently in Korea and Vietnam. The currency black market can seriously undermine economic development in a country, and it deprives the local government of much needed foreign exchange. This, in turn, reduces the effectiveness of U.S. economic aid, and necessitates greater expenditures to achieve established goals of such programs. Mr. Gabriel T. Kerekes laid it out clearly in testimony before the U.S. Senate on black market activities in Vietnam; "In ultimate analysis, every diversion of foreign exchange from Vietnam means, dollar for dollar, penny for penny, million for million, an added burden on the American taxpayer."²

Last, but not least, is the "cost" in terms of the adverse balance of payments impact on the U.S. which results from the diversion of large amounts of U.S. currency into foreign "hands" via the black market. An indication of the magnitude of this problem may be found in the estimate by noted currency expert, Franz Pick, that Red China alone collected as much as \$350 million (U.S.) in a single month through the black market in Vietnam.³ As astronomical as this figure seems, it does serve to illustrate the seriousness of the problem.

So much for the cost of black marketing and the reasons why controls have been needed. I would simply suggest that the magnitude of these costs has, in fact, been the major motivating factor behind the decisions which resulted in the active involvement of our Army in implementing military currency control programs, and the dedication of considerable resources, in terms of both money and people, to carry out such programs. Unfortunately, black marketing is not a so-called "crime of conscience." It is not readily apparent that the illicit profiteering "hurts" anyone; and the violation seems, to most, to be only a violation of foolish administrative policies. Hence, no Army has been totally successful in shutting down the black market. Even the Nazi Army, which often punished black marketeers by death, was only marginally successful in closing down the illegal profiteering. Nevertheless, with such great costs at stake, it is inevitable that controls must be attempted.

III. THE HISTORICAL PERSPECTIVE

Military involvement in currency matters is not new. Scrip was used periodically for hundreds of years as an expedient means of paying troops when adequate supplies of conventional currency were not available. However, as man's awareness of economics developed, changes occurred in the use of military currencies, and the importance of currency control increased. The scrip was used not only for troop pay, but also to pay for supplies and materials obtained on the economy of the occupied country. If the conquering nation chose to follow a policy of benevolence, it would redeem the scrip. Otherwise, the vanquished nation would be forced to accept liability for the notes as a punitive sanction of their defeat. This, in effect, allowed the conqueror to pass on much of the cost of occupation to the defeated nation.

By the time of World War II, currency control was recognized as a powerful device of economic warfare, and an effective means of manipulating and controlling the economies of occupied countries. Each of the major powers employed military currency control as a significant device for the implementation of their occupation policies. Their manner of use generally reflected the attitude of the victor—harsh conqueror or benevolent liberator. A review of some examples helps in better understanding both the role and power of military currency control.

A primary objective of the Germans in most countries which they occupied was to strengthen the economy and incorporate it into the

greater European economic union considered essential for both the support of the war effort and the success of the post-war "New Order." The thrust was usually to support the local economy and use it to feed resources back to the homeland. The Germans worked hard to prevent troop spending from causing severe inflationary pressures, and imposed rigid controls to minimize black market activities. They overvalued the mark by 20-30% to give an advantage to home importers, but yet not so much as to seriously undermine the local currency. The "liberated" countries were permitted to bill Berlin for much of the costs of occupation. The "conqueror" approach was used only in a few areas. The Germans considered military currency control to be extremely important to the success of their master plan for Europe. As a result, their programs were the best planned, best executed, and were generally successful.

The Soviets, on the other hand, followed a policy which was deliberately designed to destroy the economies of the occupied countries. According to Vladimir Petrov, in his book, Money and Conquest, Soviet occupation monetary policies were characterized by three objectives:

- a. To secure the maximum possible benefit for the USSR.
- b. To induce the economy into a runaway inflation in order to stimulate social revolution.
- c. To assist in the rapid annexation of the territory.⁴

In order to achieve these objectives, they retained the local currency as legal tender along with their ruble. They then overvalued the ruble by as much as 2,000-3,000 percent,⁵ and imported huge quantities of the Soviet currency into the area. They also forced the local governments to provide unlimited quantities of the local currency, which

they then injected back into the economy through massive troop and official spending programs. Additionally, they forced the occupied countries to bear virtually all the costs of occupation, including housing, food, transportation, clothing, labor, etc. They attempted to foster a public image of "benevolent liberator," while in reality, they followed the harshest occupation policies of any major power. In terms of their objectives, they were extremely successful.

American occupation monetary policies were not always clear, and were seldom uniform. However, two major objectives were always recognized: keep U.S. dollars off the local economy, and keep them out of enemy hands. Clearly, the overriding motive was protection of the dollar. American policies also reflected our attitude towards the area--as a "conquered" territory or a "liberated" nation. Policies in Germany and Italy followed the former line, with the dollar overvalued by 200-300 percent, an action considered to be rather punitive in nature.⁶ On the other hand, in North Africa and France, the franc was overvalued at the expense of the dollar.

The Allied powers established the policy that both "liberated" and "conquered" countries would be required to bear a portion of the occupation costs. As mentioned earlier, one of the easiest methods of accomplishing this is through the issuance of occupation currency which is later declared a liability of the occupied nation. Thus it was decided to issue occupation currencies denominated in the monetary units of the occupied countries. The Allied Military Currency (AMC) was subsequently issued in France, Italy, Germany, Austria, and Japan. It circulated freely on the local economy and was used also for troop pay.

Troop spending in areas occupied by the Americans created particularly serious problems; yet in most cases, few if any controls were

imposed. It has been estimated that 95% of the Americans in Germany engaged in black market activities.⁷ If this is true, it must be assumed that unofficially the authorities chose to ignore the situation. Both Rundell and Petrov present considerable evidence to support a conclusion that U.S. occupations were most often characterized by severe inflation and general economic chaos; not by design, but rather as a result of the lack of preplanning, firm direction and adequate control programs.

Although the Allied Military Currency (AMC) was reasonably successful as a means of transferring a portion of the occupation expenses, it contributed nothing to the control of black market activities. The amounts issued as troop pay were backed (and limited) by the fiscal appropriations of Congress, but no such limitations were applied to the amounts circulating on the local economies. American troops were permitted to freely exchange the currency for dollar remittances to home. In the absence of effective controls, the black market flourished and the GI's continued to convert their black market profits (in AMC) into dollar remittances. By the time the situation was detected, Army finance offices had paid out, in dollar remittances, over \$530 million more than had been authorized for troop pay—a massive overdraft of funds.

The Treasury and War Departments were stunned by the situation, which later became the subject of a Congressional investigation. For the first time, a major effort was directed towards the control of black marketing by U.S. servicemen. Currency Exchange Control Books were introduced, but failed to halt the growth of the overdraft. Finally, in February 1946, the Treasury Department proposed the use of special military scrip to pay American troops in overseas areas.

The new scrip was called Military Payment Certificates (MPC) and was denominated in dollars and cents. It was used only for troop pay and was not authorized for circulation on the local economy. Since it was only issued for troop pay, and could only be converted to dollar remittances by return to Army finance offices, such remittances were limited to amounts no greater than total pay disbursements. MPC was introduced in Germany in September 1946, and the overdraft problem was finally brought under control.

The MPC did not prevent currency black marketing. In fact, its use provided a new means of illicit profiteering wherein the serviceman could sell "green dollars" on the local market for a greater amount of MPC. Despite this disadvantage, the periodic invalidation and replacement of MPC series and resolution of the overdraft problem established MPC as the most feasible means of providing currency for troop pay in overseas areas where a black market for U.S. currency existed.

IV. CURRENCY CONTROL IN VIETNAM

The historical examples examined thus far involved World War II, providing an examination of currency control in an environment of classical military occupation with no sovereign local government. Currency control activities in Vietnam were conducted in a totally different environment; one in which American troops were deployed at the request of a sovereign local government to assist in stability (counterinsurgency) operations. While many of the problems encountered in Vietnam were similar to those in World War II, there were many significant differences. The limited nature of the conflict, the existence of a well-organized international currency black market, and the interplay of important international relationships combined to turn the old problem into a "new ball game".

The economic problems confronting the Republic of Vietnam were staggering. The war had a devastating impact on her economy. Massive imports were required to sustain the nation, while her exports were continuously reduced. Devaluation of currency under such conditions could not restore equilibrium to her balance of payments, but rather would have undermined the economy, destroyed public confidence in the local currency, and accelerated the "flight of capital." Consequently, it was necessary for the Vietnamese government to resort to the extensive use of exchange controls. Compounding the problem was the existence of an extensive currency and commodity black market operation,

which obviously gained added impetus from the presence of large numbers of American and Free World Forces servicemen and supporting elements. Consistent with our aims of assisting the local government in gaining economic independence and protecting the U.S. dollar, it was necessary to institute measures to prevent large scale black market activities by U.S. personnel and the use of our facilities as a "pipeline" for the illicit operations.

Inflation was another extremely serious problem for the Vietnamese government. While a number of conditions combined to make the inflationary pressures in Vietnam very great, troop spending by the American and Free World servicemen was a particularly serious problem. In 1968, American and Free World Forces (Korean, Thai, Australian, Philippine and New Zealand) servicemen spent over 8.12 billion piasters (\$70 million)⁸ on the Vietnamese economy. This amount was substantially greater than the total Vietnamese exports for the year. Tremendous expenditures on the local economy by official U.S. Government agencies and contractors had an even greater impact.

The results of the inflation may be seen in Table 1, which shows the consumer price index for Vietnam for the years 1963 through 1969. It is interesting to note that the greatest increases were experienced in 1966 and 1967 (62.5% and 43.6% respectively). It was during this period of time that large numbers of American troops were deployed to Vietnam.

TABLE 1

VIETNAM
CONSUMER PRICE INDEX 1963-1969
(1963=100)

	<u>Index</u>	<u>% Increase</u>
1963	100	-
1964	103	3.0%
1965	118.6	16.1%
1966	194.4	62.5%
1967	279.1	43.6%
1968	357.9	28.2%
1969	430.9	20.4%

Source: IMF

Troop spending controls were not aggressively pursued in Vietnam. Other than the use of publicity programs to encourage restraint, the only real measure adopted was the Soldiers' Deposit Program, a 10% savings plan which was somewhat similar to a program devised by the Germans during World War II. In sum, troop spending controls were inadequate and ineffective.

The Black Market

There can be no doubt that our large scale military presence did provide a major stimulus to the Vietnamese black market; but it is important to note that the black market existed in that country long before we arrived on the scene. In 1970 Franz Pick noted that, "Black market activities in Indochina have had an uninterrupted development during the last 29 years."⁹ Thus we were confronting a large, and very well organized structure with years of experience. The Vietnamese black market was the outgrowth of numerous factors, the more significant of which included inflation, unstable economic and political conditions, international profiteering, a weak local currency, extensive exchange control and trade control restrictions, high demand for luxury type

items, and official adherence to an unrealistic "official rate of exchange". Certainly other factors could be added, but these were the most significant.

With the disruption of her economy by the war, and because of the need for major imports to sustain the war effort, Vietnam suffered severe and continuing trade deficits. This, in turn, forced the Government to institute major trade and exchange controls in order to:

- (1) conserve supplies of foreign exchange by restricting the outflow,
- (2) reduce ~~nonessential~~ imports through the adoption of a high tax structure, and
- (3) stimulate exports via attractive subsidy programs.

Unfortunately, these same measures promoted interest in black market activities. Wealthy citizens turned to the black market as a means of transferring capital to "safe havens" outside the country. Importers under-invoiced transactions to avoid heavy taxes, and bought currency from the black market to pay for the difference. Exporters over-invoiced transactions to earn generous subsidies, and acquired the needed currency to support their claims from the black market. The Saigon government found itself in the position of having to tolerate stimulation of the black market, as a cost of the greater need for overall exchange and trade controls.

The Vietnamese black market was patronized not only by local profiteers, but also by the insurgents, as a source for dollars. As evidence of this, on 31 July 1968, a unit of the 173rd Airborne Brigade uncovered a Viet Cong complex in the Vinh Thanh mountains. Within the complex, they found a cache of almost \$150,000 in U.S. currency. Documents

located with the money indicated that it belonged to the Viet Cong Binh Dinh Province Finance and Economy Section, and was used as a secure and stable form of currency for financing their war effort.

Little more need be said as to the reason that the black market existed. However, in order to understand the measures undertaken by the U.S. command to control black marketing, it is necessary to look a little more closely at the black market, its structure and its operations.

Basically, a black market is the product of supply and demand functions. There is a buyer, a seller, and a middleman—the money changer. The operation consists of the money changer buying dollars or dollar equivalents from someone who has access to such currency, and then selling the dollars to someone else who is willing to pay a premium in order to obtain them. In Vietnam, the money changers controlled the market and belonged to a worldwide syndicate. Mr. Robert Parker, Assistant Director of USAID, Vietnam, and Chairman of Ambassador Bunker's Irregular Practices Committee, described the organization of the black market syndicate in his testimony before the Senate on 18 November 1969. He said,

At the top of the black-market hierarchy, in a kind of executive position, are a small group of well-organized Asian-Indians. Most of these are Muslims from the Madras area of south India. . . . These men - and their elaborate and obscure family ties - constitute a syndicate in the most criminal and sinister sense of the word. Theirs is a syndicate with a network throughout South Vietnam and with connections in banking circles throughout most of the world.¹⁶

The techniques used in the black market transactions were quite varied, but for purposes of this discussion can be grouped into several common categories.

The first category includes flight of capital transactions and transactions involving the sale of local currency. Included in the second category are those transactions which involve the illicit acquisition of dollars or dollar instruments by U.S. personnel through the illegal conversion of the military scrip (MPC), and transactions which result in the transfer of the scrip to unauthorized persons.

The flight of capital transactions were usually rather simple buy and sell transactions. The holder of local currency purchased dollars from a money changer and payed with the local currency at a premium price. In this type of transaction, payment by the money changer was often in the form of a deposit to the customer's dollar account in a Swiss, Hong Kong, or U.S. bank.

Black market transactions involving the sale of local currency covered a wide range of customers, from individuals to foreign contractor agencies. In the simplest case, the individual purchased his local currency from a money changer and payed either in cash dollars or by means of a dollar instrument such as a personal check, money order or traveler's check.

The more significant transactions, however, involved foreign contractor firms and other activities which had need of large amounts of the local currency for payment of wages to workers, rent payments, etc. In this type of transaction, the transfer of dollars was usually accomplished out-of-country by a bank transfer from the buyer into one of the syndicate controlled bank accounts in the U.S. or elsewhere. Upon receipt in Saigon of the notice of deposit, the local representative of the syndicate would transfer the agreed-upon amount of local currency to the buyer's representative.

The incentive for this type of transaction is apparent if we cite

an example using actual black market rates. Assume that the XYZ Company was operating in Vietnam under contract to the U.S. Army, with a monthly local currency requirement of 11,800,000 piasters. At the official rate of exchange of 118 to \$1.00 U.S., this amounts to \$100,000. At the actual black market exchange rate from April 1970 (410 to \$1.00 U.S.), the XYZ Company could save about \$71,220.00 per month by purchasing their piasters through the black market.

Turning now to the black market transactions which involve the use of American military scrip (MPC), we generally found three types of transactions. The first involved the use of MPC to purchase local currency. The MPC is not an official currency of the U.S.; however, as long as the money changers could find a means of converting it into dollars, a market for it existed, but at rates somewhat lower than that offered for the "green" dollars. Comparative black market rates from Vietnam are shown in Table 2.

TABLE 2

SAIGON BLACK MARKET RATES
FOR MPC AND U.S.

Black Market Rates

	<u>MPC</u>	<u>U.S.</u>	<u>Official Rate</u>
January 1968	119	167	118
July 1968	120	180	118
January 1969	149	196	118
July 1969	162	204	118
January 1970	158	338	118
July 1970	200	380	118
December 1970	271	390	275

Source: USAID, Saigon

The second type of illicit transaction involved the conversion of MPC into dollars or various dollar instruments which were then sold to money changers for a larger amount of the scrip. This was one of the

primary methods by which the money changers disposed of their MPC. Some average prices (in MPC) which were offered for dollars on the Saigon black market are shown in Table 3.

TABLE 3

SAIGON BLACK MARKET RATES
(MPC offered for \$1.00 U.S. "Green")

January 1968	\$1.41
July 1968	1.50
January 1969	1.32
July 1969	1.25
January 1970	2.14
July 1970	1.90
December 1970	1.44

Source: USAID, Saigon

The third, and perhaps most common, transaction was one in which an individual illegally purchased dollar instruments with MPC given to him by the money changer. Upon delivery of the dollar instruments to the waiting money changer, the individual collected a commission ranging anywhere from 10 to 20 percent. In this transaction, as in those where the individual accumulated his profits in MPC, the critical step was the conversion of the scrip into the dollars or dollar instruments. It was on this critical conversion that the U.S. military command focused its currency control program. The control measures adopted by the military were intended to detect violators and prevent the illicit conversions.

The U.S. Currency Control Program

The basic elements of the American currency control program in Vietnam were: specific policies published in official regulations and directives, the use of scrip, an automated control system to monitor all controlled transactions, and a special system to insure that the Free World Forces (our allies other than the Vietnamese) did not convert more

scrip than they had purchased from the American funding office.

The established policies, in general, prohibited the possession and use of U.S. dollars or dollar instruments in Vietnam. Personnel arriving in the country were required to declare and exchange all U.S. currency and dollar instruments into either scrip (MPC) or local currency. They were prohibited from delivering U.S. currency or dollar instruments within Vietnam except to agencies or instrumentalities of the U.S. Government; and upon departure from the country, only limited amounts of MPC and local currency could be converted into U.S. dollars. The currency control regulation, MACV Directive 37-6, is at Appendix A.

The MPC was introduced into Vietnam as a means of keeping U.S. dollars off the market, and was the authorized medium of exchange for use in all facilities of the U.S. Armed Forces. It was prohibited as a means of legal payment to local firms or individuals.

The currency control program revolved around the use of the MPC. The controls established on MPC transactions were designed to first, restrict the flow of MPC to authorized channels, thereby inhibiting leakage of the scrip to unauthorized persons; and second, to control the conversion of MPC into U.S. dollars in order to prevent illicit currency transactions. The MPC was useless to the currency manipulator, except as a means of obtaining U.S. dollars.

One of the major control techniques associated with the use of MPC is the periodic and surprise invalidation of the MPC series in circulation, and its replacement by a new series. Such conversions are effected in a short period of time, with most personnel restricted to their duty locations until they have completed their own conversions. When effectively controlled and executed, such conversions, 1-2-Day

activities, render valueless any MPC held by the money changers, because they cannot get it converted into the new series.

MPC was initially introduced in Vietnam by the issuance of Series 641 on 31 August 1965. The first C-Day was conducted on 21 October 1968, and caught the black market by complete surprise. Series 661, the replacement series, remained in circulation only until 11 August 1969. This second conversion was not as successful as the first one. The money changers were better prepared and had developed procedures to gain conversion of at least a portion of their MPC holdings. Subsequently the conversion procedures were revised and many of the loop-holes plugged. Series 681 was replaced by Series 692 on 7 October 1970. This C-Day was reported to be highly successful. The notes of these series are shown at Appendix B.

These series conversions did not, of course, eliminate the illegal trade in MPC. A market for the new series opened up immediately after each was placed into circulation. They did, however, establish a substantial risk factor for the illicit profiteers. The extent of such a risk factor is related to the amount of outstanding MPC that is never converted when a conversion takes place. For example, at the time Series 692 was closed out, there was approximately \$4.1 million outstanding. As of COB, 19 March 1973, after all conversions were completed, \$1.4 million remained outstanding¹¹ —nearly 35%—representing an income to the Treasury of the U.S. This outstanding sum included MPC kept as souvenirs and that which had been lost or destroyed, as well as black market holdings. Considering prior conversions and the amount involved, however, it is reasonable to believe that the preponderance of the unconverted balance represented illicit holdings. As a point of interest, the 1969 and 1970 conversions had generated unconverted

balances of \$4.6 million and \$2.5 million,¹² respectively. The regulation governing conversion of MPC (MACV Directive 37-10) is at Appendix A.

While the C-Day conversion process represents a major control technique, it can be effected only about once per year, at best. Therefore, the real strength of a military currency control program using MPC rests in the regulation of the routine conversions of MPC to U.S. dollars or dollar instruments (such as traveler's checks, money orders, bank deposits, etc.). In order to effectively monitor and control these transactions, the U.S. military command developed and implemented an automated system which consisted of a file containing a record of each individual in Vietnam who was authorized to make the controlled MPC transactions. The system was known as the MACV Currency and Black Market Control System (CABOTS), and operated similar to credit card charge systems used in the United States today.

An embossed plastic Currency Control Card was issued to each individual subject to the system, and was required to be presented whenever the individual completed a controlled transaction. The clerk at the particular facility used the card to prepare a Controlled Currency Transaction Record which contained all the relevant information about the transaction—who, what, where, when, and how much. The completed forms were forwarded to a data center in Saigon and processed through an Optical Character Reader to update the individuals' currency transaction files. The files were periodically screened via computer, and reports generated on individuals whose transactions exceeded programmed thresholds. These potential violator listings were forwarded to appropriate investigative agencies for follow-up action.

While there were some problems with the system—basically derived from the use of sophisticated equipment to process forms generated in the field under less than optimal conditions—in the aggregate it proved to be extremely valuable both as a deterrent and as an active enforcement mechanism. It provided summary data which proved most valuable in determining how illicit conversions were being conducted, and also served as a basis for study of the profiteers' response to various new controls. The applicable regulation, MACV Directive 37-24, is at Appendix A. A brochure providing operating instructions for the system is at Appendix C.

Investigative agencies had estimated that approximately \$100 million entered the black market in 1968 through money orders alone. During the first year of operation, CABOTS generated data which confirmed the large scale purchase of money orders and bank drafts for illicit conversions. Subsequently, a procedure was adopted requiring the mandatory mailing of all money orders and bank drafts. Soon after these new controls were imposed, the CABOTS reports disclosed a major decrease in money order and bank draft sales, but a corresponding increase in traveler's check sales. Since procedures were in effect to limit such sales to a 24 hour period prior to departure, and required a copy of individual travel orders, the use of counterfeit orders was suspected. This suspicion was confirmed through the collection and analysis of orders used to support the purchases. Once again major changes were made to the control procedures. Almost immediately the CABOTS reports reflected a major reduction in traveler's check purchases.

The CABOTS system was highly effective, as I noted earlier. In fact, the level of success achieved was so significant, that U.S. Forces

in Korea adapted the system to their ration control program, where it functions even today.

The final major element of the military control program in Vietnam was known as the Free World Military Assistance Forces MPC Control System. Shortly prior to the MPC conversion in August 1969, a statistical analysis of the funding transactions for the Free World Military Assistance Forces (FWMAFs) revealed that certain of these forces had been returning for conversion into U.S. dollars, far more MPC than had been provided to them through official funding transactions. The source of the excess MPC was believed to be the black market. Then, an inordinate number of irregularities associated with these forces in conjunction with MPC conversion activities confirmed the involvement of their troops in large scale illicit currency activities. It was apparent that a control system was needed to prevent these troops from using official funding procedures as a means of converting black market profits from MPC to U.S. dollars.

The FWMAF MPC Control System was designed and installed by the MACV Comptroller. Under this system, a balance of outstanding MPC issued to each Free World Force was maintained. When MPC was purchased from the U.S. funding office by an Allied force, their balance was increased. Decreases were recorded when MPC was returned for conversion and upon the receipt of post exchange sales data applicable to the force. When the balance of outstanding MPC dropped to zero, their exchanges were limited to the sale of health and comfort items only; and no further MPC returns, other than for these limited sales, were accepted from the force. Through this system, the Free World Forces were effectively prevented from converting more MPC than acquired through legal sources.

MACV Directive 37-9, the regulation governing the system, is at Appendix A.

When these procedures were adopted, it became immediately apparent that unless each force imposed adequate controls on their own personnel, illicit conversions by their troops would soon drive the MPC balance into negative figures. Those FWMAFs which had been exercising control were unconcerned over implementation of the system, but several others vehemently opposed it. The alternative offered to those forces was to cease using MPC. The success of the FWMAF MPC Control System became apparent within a few months after its implementation, as the headquarters staffs of the forces who had opposed the system suddenly demonstrated great interest in establishing and enforcing currency control within their commands.

The Republic of Korea Force headquarters was especially aggressive in responding to their rapidly declining MPC balance. By the end of November 1969, four months after the system was implemented, their balance had dropped by 60%. Faced with this deteriorating posture, they developed a series of unique and comprehensive controls which included limits on in-country payments to their troops, rigid conversion limitations, and the use of special "currency coupons", designed and procured by the Koreans, and denominated the same as MPC. Their personnel received both the coupons and MPC on payday and had to present both coupons and MPC to purchase items in their clubs and PXs, as well when making any currency conversions. Republic of Korea Force, Vietnam (ROKRF,V) currency coupons are shown at Appendix D.

The Korean controls were extremely effective. Implemented in December 1969, they immediately halted the decline in their MPC balance under the FMAF MPC Control System. Their balance began to reflect an

increasing trend which continued to the MPC conversion in October 1970.

The Thai Force headquarters, facing similarly declining MPC balances, finally adopted procedures similar to the Koreans, including use of special "currency coupons". In this instance, they solicited U.S. assistance with the printing of their coupons, although the design was totally theirs. Their program of controls was not as vigorously pursued as the Koreans' and as a result did not achieve the same degree of success. Nevertheless, it did represent a major improvement for them and halted the precipitous decline of their MPC balance. Thai currency coupons are shown at Appendix E.

An Assessment of the Programs

Having now examined the U.S. military currency control program which was implemented in Vietnam, it is appropriate to comment on the effectiveness and the results of that effort. Considerable resources were dedicated to the program and the "64 Dollar Question" has to be; was it worth the effort?

Quite frankly, it is virtually impossible to answer that question in definitive and quantifiable terms. However, several generalizations can be made:

a. With regards to the control of troop spending, it must be concluded that we were not very successful. In fact, this objective was not aggressively pursued.

b. Appropriation overdrafts, as experienced in World War II, were effectively prevented. The MPC program in Vietnam worked quite well, as evidenced by the unconverted balances which remained outstanding after the series conversions, and which represented gains for the U.S. Treasury. It should be noted, however, that the mere use of

MPC did not prevent other transactions which were injurious to the United States and to the host country.

c. We found that it was impossible to prevent black marketing. No matter how sophisticated our efforts, the market seemed to survive and persist. The controls implemented did keep the profiteers off-balance, and did limit illicit activities, but they could not prevent them. On the other hand, without the control program, the black market would have run completely out of control and the economic cost to the U.S. could have reached far greater proportions.

d. On the question of protecting our balance of payments posture, and that of the host country, it must be concluded that we had only marginal success. The loss of U.S. dollars to foreign interests was severe indeed. However, the control program did serve to impede such outflows. There is no way to estimate what the losses might have been without the controls. Certainly they would have been exponentially greater. In that vein, and considering that it is impossible to completely prevent such losses, perhaps it should be concluded that "some" control is all that could be hoped for, under such conditions. I do not suggest that we could not have done better—merely that we did reduce the adverse impact. Unquestionably, a much better job could have been done if our authorities had been able to more effectively enforce the controls adopted. However, the entire issue must be viewed in terms of the instant environment and the priorities of interests. In summary, currency control seems rather less significant when compared to issues involving the loss of American lives in an unpopular war, thousands of miles from home.

V. CONCLUSION

It has been my intent in this paper to explain military currency control, to examine the historical aspects of U.S. activity in this area, and to document our currency control efforts in Vietnam, with the hope of clearing up much of the "mystery" which has surrounded the subject. For I believe that the objectives involved in currency control are so fundamental and significant as to inevitably surface again, if we are called upon to deploy a large scale force to an overseas area for any protracted period of military operations.

We went into Vietnam rather blind and most naive on this subject, and the costs were severe as we traversed up the learning curve. I would hope that by preserving some of the experiences gained there, we might avoid similar pitfalls in the future.

Several concluding observations are appropriate. First, it should be apparent to the reader at this point that currency control is an extremely complex and highly technical issue in terms of economic impact. It is equally complex and technical in terms of its military applications and procedures. The potential consequences involved mandate that currency control issues be addressed whenever U.S. troops are deployed abroad.

Currency control procedures, by their very nature, represent administrative restrictions on our personnel. As such, they are unpopular and viewed as petty harassment. This issue must be recognized and

assessed against the need for such controls. Every situation is different, and there is no standard program to fit all occasions. What was needed in Vietnam is not now needed in Korea. Future deployments must be viewed in the context of their time and location, and the scope and breadth of necessary controls will have to be determined so as to fit the situation at hand.

Nevertheless, military applications of currency control have been a fact of life for many years. I see no reason to even suggest that we will be relieved of this chore in the future. Thus, we must be prepared to accept that mission and address it whenever the need arises. Understanding the "nature of the beast" is the first step in maintaining that preparedness. Hopefully, this paper has served the reader in such "understanding".

APPENDIX A

U.S. CURRENCY CONTROL REGULATIONS FOR VIETNAM

HEADQUARTERS
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
APO San Francisco 96222

CHANGE 2
DIRECTIVE
NUMBER 37-6

15 November 1970
(MACCC)

FINANCIAL ADMINISTRATION

REGULATION OF CURRENCY

Directive Number 37-6, this headquarters, 15 September 1969, is changed as follows:

1. Page 6. Paragraph 9f is added as follows:
 - f. As an exception to the prohibition against delivery of dollar instruments to individuals in the RVN, Category A personnel (paragraph 13a (1), below) may deliver their personal check to other Category A individuals, provided the check is prepared utilizing the limited negotiability dual payee statement described in paragraph 9d, above. The designation of a US Government disbursing office in the dual payee statement, however, is not authorized. Such checks may only be made payable jointly to an MBF or US Government instrumentality and the Category A individual. An example of the authorized payee statement is as follows: "Bank of America for payment to SGT John Doe."
2. Page 6. Paragraph 10 is superseded as follows:
 10. TRANSMISSION OF DOLLAR INSTRUMENTS OUTSIDE THE RVN. Authorized personnel, official agencies, US Government instrumentalities, and US Invited Contractors are authorized to transmit dollar instruments outside the RVN only when such instruments represent:
3. Page 7. Paragraph 11 is superseded as follows:
 11. PAYMENTS TO THIRD COUNTRY FIRMS, NATIONALS, AND US CITIZEN EMPLOYEES OF US INVITED CONTRACTORS.
 - a. All payments authorized to be in US dollars/dollar instruments to third country firms under contract to US Government agencies and instrumentalities will be made only to accounts maintained by these firms in legitimate financial institutions in their respective countries of citizenship or confirmed permanent residence.

- b. All payments in the RVN to TCN employees of US Government agencies, instrumentalities, and TCN and US citizen employees of US invited contractors will be in piasters, or checks payable only in piasters, except as follows:
- (1) The employer will determine the minimum normal piaster living expenses of each US or TCN employee and will pay at least that amount of his wages in piasters every pay day.
 - (2) US citizen and TCN employees who have been specifically authorized in accordance with pertinent MACV Directives to use facilities where MPC are legal tender, will be afforded the opportunity to draw a portion of their pay in MPC. The amount so drawn in MPC will be consistent with legitimate needs, and based upon the privileges which have been extended to the employee. MPC payments to an employee will not be made in excess of the following limitations unless the component/uniservice commander, chief of agency employing the TCN, or the contract sponsor determines some other amount to be appropriate.
 - (a) US citizen employee - \$150 per month.
 - (b) TCN Employees - \$75.00 per month. Payments in MPC may be in the form of cash MPC, MPC check as defined in paragraph 4a(4), above, or dollar instrument check for which negotiability has been limited as described in paragraph 9, above, to a specific US Government disbursing office or instrumentality.
 - (3) At the employer's discretion, however, in no case prior to seven calendar days of employee's departure from the RVN on temporary duty, authorized leave, or termination of employment (except for cause), the employer is authorized to provide a dollar check for which negotiability has been limited to a specified branch of X Bank, for employee Mr. Y, for the purchase of travelers checks by the employee in an amount not to exceed one month's total pay plus all allowances not otherwise specified to be paid in piasters.
- c. All payments to TCN employees authorized to be in US dollar instruments, except as described above, will be mailed to the employees out-of-country bank account, which must be in the employee's country of citizenship or confirmed permanent residence. US Invited Contractors will assure that all new or renewed employment agreements with TCN employees incorporate this provision. Any meritorious requests for exception to this requirement on the behalf of individual employees must be referred to the American Ambassador, Saigon.

4. Page 22. Paragraph 37b is superseded as follows:
 - b. Except for US Invited and US Affiliated Contractors, piasters will be purchased only through officially authorized conversion facilities, listed below, or through banks licensed by the Government of Vietnam to conduct foreign exchange transactions. (Purchases from these banks are to be made only with dollar instruments - MFC or MFC checks may not be used.) The officially authorized conversion facilities are as follows:
5. Page 22. Paragraph 37c is added as follows:
 - c. US Invited and US Affiliated contractors will purchase all piasters required in the performance of their contracts or for the personal or official use of their officers or employees from US military disbursing offices or military banking facilities.
6. This transmittal sheet is to be filed in front of the publication for reference purposes.

FOR THE COMMANDER:



W. G. DOLVIN
Major General, USA
Chief of Staff

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HEADQUARTERS
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
APO San Francisco 96222

CHANGE 1
DIRECTIVE
NUMBER 37-6

21 April 1970
(MACCO)

FINANCIAL ADMINISTRATION

REGULATION OF CURRENCY

Directive Number 37-6, this headquarters, 15 September 1969, is changed as follows:

1. Material which has been changed or added is indicated by a star.
2. Remove old pages and insert new pages as indicated below:

Remove Pages

iii
13 and 14
17 and 18
19 and 20
25 and 26
Annex A

Insert Pages

iii
13, 14 and 14.1
17 and 18
19, 20 and 20.1
25 and 26
Annex A
Annex D

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HEADQUARTERS
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
APO San Francisco 96222

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NUMBER 37-6

15 September 1960
(MACCO)

FINANCIAL ADMINISTRATION

REGULATION OF CURRENCY

<u>SECTION I.</u>	<u>GENERAL</u>	<u>PARAGRAPH</u>	<u>PAGE</u>
	Purpose	1	1
	Applicability	2	1
	Policy	3	1
	Definitions	4	1
	Responsibilities	5	3
	Violations	6	3
 <u>SECTION II</u>	 <u>US CURRENCY AND DOLLAR INSTRUMENTS</u>		
	Prohibition Against Possession and Use of US Currency and/or Dollar Instru- ments	7	4
	Conversion of US Currency and or Dollar Instruments to MPC	8	4
	Rules Governing Issuance and Use of Dollar Instruments in the RVN	9	5
	Transmission of Dollar Instruments Outside the RVN	10	6
	Payments to Third Country Firms and Nationals	11	7
 <u>SECTION III</u>	 <u>MILITARY PAYMENT CERTIFICATES (MPC)</u>		
	General	12	8
	Authorization to Possess MPC	13	8
	Identification of Personnel Authorized MPC	14	9
	Acquisition of MPC	15	9
	Activities and Facilities Authorized to Transact Business with MPC	16	10
	Restrictions on Use and Handling of MPC	17	11
	Conversion to New Series MPC	18	11

*This directive supersedes MACV Directive 37-6, 17 April 1968.

Limitation on MPC Holdings	19	11
Disposition of Partial MPC	20	11
Destruction of Military Payment Certificates	21	12
Counterfeit or Raised MPC and US Currency	22	12

SECTION IV CONVERSION OF MILITARY PAYMENT
CERTIFICATES TO US CURRENCY AND
DOLLAR INSTRUMENTS

General	23	13
Controlled Currency Transactions	24	13
Requirements to Use MACV Form 385	25	14
Limitation on Total Dollar Conversions and Cash Deposits to MBF or USSDP	26	15
Certifications by Commanders or Supervisors	27	17
Conversion of MPC Upon Departure From the RVN	28	17
Special Conversion Procedures for Category A R&R Personnel	29	18
Scrutiny of Conversion Transactions at Port of Embarkation	30	19
MPC in the Possession of Medically Evacuated Personnel	31	20
MPC Found in the Effects of Deceased Personnel	32	20
Required Financial Controls	33	20

SECTION V LOCAL CURRENCY

RVN Currency Exchange Regulations	34	22
Use of Piasters	35	22
Chaplain's Fund and Army Emergency Relief Fund Piasters	36	22
Acquisition of Piasters	37	22
Policies and Procedures for Piaster Conversion Facilities	38	23
Control of Piasters	39	23
Conversion of Piasters to US Currency or Dollar Instruments	40	23
Piasters in the Possession of Personnel Departing the RVN Under Emergency Conditions	41	24
Piasters Found in the Property of Deceased Personnel	42	25

	★ <u>Disposition of Mutilated/Decomposed Piaster Notes</u>	42.1	25
SECTION VI	<u>FOREIGN CURRENCIES AND NEGOTIABLE INSTRUMENTS STATED IN FOREIGN CURRENCIES</u>		
	Restrictions on Foreign Currencies	43	26
SECTION VII	<u>REPORTS</u>	44	27
SECTION VIII	<u>REFERENCES</u>	45	28
ANNEX A	<u>IDENTIFICATION OF AUTHORIZED MPC BEARERS</u>		
	Means of Identification		1
ANNEX B	<u>DESTRUCTION OF MILITARY PAYMENT CERTIFICATES</u>		
	Responsibilities	1	1
	Mutilated and Decomposed Valid Series MPC	2	1
	Procedures for Destruction of MPC	3	1
ANNEX C	<u>PLASTER CONVERSION AND CONTROL PROCEDURES</u>		
	Acquisition of Piasters by Authorized Conversion Facilities	1	1
	Sale of Piasters for MPC	2	1
★ ANNEX D	<u>DISPOSITION OF MUTILATED/DECOMPOSED PLASTER NOTES</u>		
	General	1	1
	Procedures	2	1

SECTION I

GENERAL

1. PURPOSE. This directive sets forth the procedures and responsibilities governing certain financial transactions and the use of US currency, dollar instruments, Military Payment Certificates (MPC), and foreign currencies in the Republic of Vietnam (RVN).
2. APPLICABILITY. The provisions of this directive apply to the following persons and organizations:
 - a. All persons having MPC privileges and organizations authorized to transact business in MPC in the RVN.
 - b. All persons and firms in the RVN under contract with the US Government, its agencies and instrumentalities, which are entitled to be paid in dollar instruments as defined in this directive.
3. POLICY. The policy of the Commander, United States Military Assistance Command, Vietnam (COMUSMACV) is to conduct all financial affairs in such a manner as to reflect credit upon the US Armed Forces and to avoid unfavorable publicity and international ill will resulting from financial acts in the Republic of Vietnam prejudicial to the dignity and prestige of the United States.
4. DEFINITIONS.
 - a. Currencies and Currency Instruments.
 - (1) United States Currency. Legal tender of the United States of America.
 - (2) Dollar Instruments. For purposes of this directive, in accordance with AR 37-103, dollar instruments include the following:
 - (a) US Treasury checks.
 - (b) Money orders expressed in US dollars, to include US postal money orders and Army/Air Force exchange system money orders.
 - (c) Bank drafts, bank money orders, and bank transfers expressed in US dollars.
 - (d) Travelers' checks expressed in US dollars.
 - (e) Signed checks which are negotiable for either MPC or US dollars (such checks are normally overprinted with a statement that they may be cashed only in MPC in Vietnam, but will be paid in dollars when cleared through the US).

- (f) Signed personal checks and other signed checks or drafts which are negotiable in US dollars.
- (3) **Military Payment Certificates (MPC).** An instrument (scrip) denominated in US dollars, or fractions thereof, used as the official medium of exchange for cash transactions in all establishments of the US Armed Forces in the RVN and other US Government departments, agencies, or instrumentalities operating in conjunction therewith. MPC may be issued in denominations of 5, 10, 25, and 50 cents and \$1, \$5, \$10, and \$20. Authorized cash transactions will be made with MPC, except that the use of United States coins of 1¢ denomination is permitted for fractional amounts of less than 5¢.
- (4) **MPC Check.** A check drawn on an officially designated depository checking account maintained by a US Government disbursing officer in a Military Banking Facility (MBF), which is redeemable only in MPC. An MPC check cannot be negotiated outside the RVN. Checks redeemable in either US dollars or MPC, referred to in paragraph 4a(2)(e), above, are not MPC checks as defined herein.
- (5) **Foreign Currencies.** Any currencies or negotiable instruments stated in any medium of exchange other than US dollars and/or MPC.
- b. **Class "A" Agent.** An officer appointed as an agent to a military disbursing officer for the purpose of making specific payments or exchanges of foreign currency for US currency or MPC. This term is synonymous with the term "paying agent" as defined in the Navy Comptroller Manual.
- c. **Official Agencies.** Those agencies of the US Government through which official business is transacted. Examples include, but are not limited to, the Department of Defense, the military departments, the American Embassy, the US Agency for International Development, and the Joint United States Public Affairs Office.
- d. **US Government Instrumentalities.** Nonappropriated fund activities of the US Government, including the Vietnam Regional Exchange, US military officer and enlisted clubs and messes, and sundry and welfare fund activities. For purposes of this directive, American Red Cross and United Services Organizations (USO) activities assigned in direct support of the US Forces are also categorized as US Government instrumentalities.
- e. **Free World Military Assistance Force (FWMAF).** Any friendly military unit, detachment, contingent, or force in the RVN to provide assistance. In this directive the term FWMAF does not include US Military Assistance Forces.

- f. **Military Banking Facility (MBF).** A banking office operated at a US military installation or facility by a banking institution designated by the Secretary of the Treasury as a depository and financial agent of the US Government with specific authority to render certain banking and financial services. See MACV Directive 37-30.
- g. **Personnel Authorized MPC.** Those persons, as defined in paragraph 13, below, who are authorized to possess and use MPC.
- h. **Third Country National (TCN).** A citizen of any nation of the free world other than the US or the RVN (includes TCN who are alien residents of the US). In this directive, the term TCN does not include military personnel of the FWMAF.

5. **RESPONSIBILITIES.** Component and uniservice commanders will enforce compliance and insure that wide distribution is made of this directive. Republication and the issuance of implementing instructions are authorized provided the implementing instructions are consistent with this directive.

6. **VIOLATIONS.**

- a. A violation of this directive may subject the violator to disciplinary action under the US Code or the Uniform Code of Military Justice; criminal or civil prosecution under Vietnamese law; debarment from facilities where MPC are utilized and from military installations in the RVN; other administrative or punitive actions; or any combination of the foregoing as may be deemed appropriate by competent authority.
- b. Component and uniservice commanders will cause every incident involving currency violation to be promptly investigated. Reports of unauthorized possession of US currency or dollar instruments, reports of possession of MPC by unauthorized personnel, or of improper possession or acquisition by personnel authorized MPC shall be made as provided in MACV Directive 190-1 and applicable service directives. Incidents involving a third country national will be reported to the Government of Vietnam and to the US Government agency, instrumentality, or contracting officer and contractor by whom the TCN is employed. Incidents involving personnel of a Free World Military Assistance Force (FWMAF) will be reported to the appropriate FWMAF commander involved, through the Chief, Free World Military Assistance Office (FWMAO).
- c. Personnel who fail or refuse to execute MACV Form 385, when required, will be denied purchase of the item or service.

SECTION II

US CURRENCY AND DOLLAR INSTRUMENTS

7. PROHIBITION AGAINST POSSESSION AND USE OF US CURRENCY AND/OR DOLLAR INSTRUMENTS.

- a. Except as provided in this section, or otherwise authorized in writing by COMUSMACV, the possession, delivery, and/or use of US currency and/or dollar instruments in the RVN is expressly prohibited.
- b. Any US currency and/or dollar instruments possessed, delivered, or used in the RVN in violation of this section will be confiscated, administratively determined to be contraband, and turned in to a US Government disbursing office for credit to the US Treasury.

8. CONVERSION OF US CURRENCY AND/OR DOLLAR INSTRUMENTS TO MPC.

- a. Upon arrival in or return to the RVN, all personnel must declare the amounts of US and foreign currencies and dollar instruments in their possession. Personnel authorized MPC will then convert all US currency and dollar instruments they possess to MPC and/or piasters at the currency conversion facility at the point of entry into the RVN, except that those personnel processed by Vietnamese customs will comply with the provisions of Vietnamese law pertaining to the importation and possession of currencies and currency instruments. No US currency or dollar instruments, except designated coins, will be in the possession of personnel authorized MPC at any time after their arrival in or return to the RVN except as specifically authorized by this or other MACV directives.
- b. Personnel authorized MPC who have travelers' checks and who are performing TDY are not required to convert them to MPC and/or piasters if the RVN is an intermediate point in their travel itinerary. The travelers' checks will be declared as outlined in paragraph 8a, above, but may be retained. In the event all or a portion of the travelers' checks are converted to MPC and/or to piasters, such conversion will be accomplished only at US authorized conversion facilities or such facilities as are designated by the GVN as legal piaster conversion points.
- c. Personnel receiving US currency through any medium are required to dispose of such currency immediately by one or more of the following means:
 - (1) Convert to MPC and/or piasters at a US Government disbursing office or a military banking facility.

- (2) Deposit to a personal checking account established at a MBF.
 - (3) Deposit to the Uniformed Services Savings Deposit Program (USSDP).
 - (4) Convert to piasters at a facility designated by the Government of Vietnam as a legal conversion facility.
- d. Personnel who receive dollar instruments through any medium are required to dispose of them immediately by one or more of the means listed in paragraph 8c, above, and/or convert the dollar instruments to MPC and/or piasters at an official agency or instrumentality of the US Government or an authorized US Government contractor check cashing facility.

9. RULES GOVERNING ISSUANCE AND USE OF DOLLAR INSTRUMENTS IN THE RVN.

- a. Personal checks issued in exchange for goods, services, MPC, or piasters will be delivered only to the following organizations in the RVN.
 - (1) Official agencies and instrumentalities of the US, MBF, and authorized US Government contractor facilities. Applicable regulations govern the acceptance of checks by these organizations.
 - (2) International airlines and shipping companies for purchase of air and steamship tickets when payment in US dollar instruments is required by the company.
 - (3) Commercial banks licensed by the GVN to exchange checks drawn in US currency for piasters, or for dollar instruments transmitted outside the RVN, or upon departure from the RVN for travelers' checks or bank drafts payable to international airline or steamship companies for the purchase of tickets.
- b. Except for the GVN-licensed commercial banks and the international airline and shipping companies referred to above, US currency or dollar instruments will not be delivered to any organization or firm in the RVN which is not authorized to possess MPC.
- c. Personnel authorized MPC, official agencies and instrumentalities, and US Government contractors are prohibited from delivering US currency or dollar instruments to any individual in the RVN, regardless of the individual's status, except as specifically authorized by this or other MACV directives. (An exception is set forth in paragraph 9d, below, which states the requirements when US Government agencies/instrumentalities/contractors make payments to their employees by delivery of dollar instruments in the RVN.)

- d. All payments in dollar instruments delivered in the RVN by US Government agencies/instrumentalities/contractors to employees authorized MPC will be by limited negotiability checks only. These are checks on which the payee is stated in such a manner that requires that the check be negotiated only at a specified US Government disbursing office, MBF, or instrumentality. Such checks require indorsements by both the authorized facility and the individual payee, and cannot be negotiated by the individual except at the designated facility. Examples of such checks are ones which show the payees as follows: "Finance Officer, 99th Finance Section for payment to John Doe" or "Bank of America Military Banking Facility, Vietnam, for payment to Sally Smith. Applicable regulations and/or prior arrangements govern the acceptance of checks by these organizations. (NOTE: US disbursing officers' designated depository account MPC checks, as defined in paragraph 4a(4), above, are not dollar instruments. Such MPC checks may be delivered to individuals authorized MPC without the aforementioned restriction.)
- e. The maker of a check is required to insure that the "pay to" line is completed with the name of a specific payee, prior to affixing his signature to the check. Personnel and organizations are prohibited from issuing or accepting checks or other dollar instruments payable to "cash" or "bearer" or with the "pay to" line left blank.

10. TRANSMISSION OF DOLLAR INSTRUMENTS OUTSIDE THE RVN. Authorized personnel, official agencies, and US Government instrumentalities are authorized to transmit dollar instruments outside the RVN only when such instruments represent:

- a. Funds of official agencies and instrumentalities.
- b. Transmission of legally acquired personal funds converted to dollar instruments, subject to the restrictions set forth in Section IV, below.
- c. Transmission of dollar instruments through licensed commercial banks under authorization of the laws of the GVN.
- d. Payments to firms and individuals not resident in and not doing business in the RVN for goods and services to be delivered outside the RVN or for goods imported into the RVN free of customs or taxes for personal use as authorized by MACV Directive 643-1. Such payments will be transmitted only to the country of citizenship of such firm or individual.
- e. Payments to non-Vietnamese individuals or firms located in the RVN which are sponsored by the US Government and which are in the RVN solely for the purpose of serving official agencies or instrumentalities of the US Government, subject to the provisions of paragraph 11, below.

11. PAYMENTS TO THIRD COUNTRY FIRMS AND NATIONALS.

- a. All payments authorized to be in US dollars/dollar instruments to third country firms under contract to US Government agencies and instrumentalities will be made only to accounts maintained by these firms in legitimate financial institutions in their respective countries of citizenship.
- b. All payments to TCN employees of US Government agencies/instrumentalities will be in piasters, or check payable only in piasters, except as follows. (The amount paid in piasters should not be less than the amount paid as allowances intended to defray costs of living on the Vietnamese economy, unless the component uniservice commander or chief of the agency employing the TCN determines some other amount to be appropriate.)
 - (1) TCN employees authorized to use facilities where MPC is the legal tender should be afforded the option to draw a portion of their pay in MPC. This amount should not exceed the amount needed to meet legitimate requirements in the MPC facilities concerned. Payments in MPC may be in the form of cash MPC, MPC check as defined in paragraph 4a(4), above, or dollar instrument check for which negotiability has been limited as described in paragraph 9, above, to a specified US Government disbursing office or instrumentality.
 - (2) Official agencies/instrumentalities are authorized to provide dollar instrument checks for which negotiability has been limited to a specified branch of a GVN-licensed commercial bank (e.g., Pay to Saigon Branch of "X" Bank for John Doe), for the purpose of purchase of travelers' checks upon departure from the RVN of their TCN employees. The amount of such checks will not exceed one month's total pay and allowances for any given departure.
 - (3) All payments to TCN employees authorized to be in US dollar instruments, except as described above, will be mailed to the employees' out-of-country bank accounts, which must be in the employees' respective countries of citizenship or confirmed permanent residence.

SECTION III

MILITARY PAYMENT CERTIFICATES (MPC)

12. GENERAL. MPC will be used for all payments to US military personnel and as the medium of exchange for all cash transactions within official agencies and instrumentalities of the US Armed Forces in the RVN and other US Government departments or agencies operating in conjunction therewith, except as provided herein or otherwise authorized in writing by COMUSMACV.

13. AUTHORIZATION TO POSSESS MPC.

a. The following categories of individuals and groups are authorized to acquire, use, and/or possess MPC within the RVN.

(1) Category A.

(a) Members of the Armed Forces of the US Government on active duty.

(b) Direct hire US citizen civilian employees of the US Government, its agencies and instrumentalities (see paragraph 4, above), excluding MSTs shipboard personnel.

(2) Category B. Military personnel of the Free World Military Assistance Forces on active duty in the RVN.

(3) Category C.

(a) US citizen contractor employees, including technical representatives ("tech reps"), and contractors doing business in the RVN solely as a result of a contract with the US Government or its instrumentalities, provided such employees have been specifically authorized the use of facilities which use MPC.

(b) Members of the US Armed Forces, Retired.

(4) Category D. Other individuals, agencies, and organizations specifically granted written authorization by COMUSMACV or other component authority under delegation by COMUSMACV to patronize US military facilities which exclusively use MPC in the RVN.

b. Individuals who lose or are otherwise denied the privilege of the use of US facilities which deal in MPC are not entitled to use, acquire, or possess MPC.

- c. Personnel authorized MPC on the basis of employment by a US Government agency, instrumentality, or contractor, who discontinue such employment, either voluntarily or involuntarily, and remain in or return to the RVN, must convert all MPC to piasters within 48 hours after discontinuance of employment, and are not thereafter entitled to use, acquire, or possess MPC unless and until they regain a status of entitlement as defined in this paragraph.

14. IDENTIFICATION OF PERSONNEL AUTHORIZED MPC. The means of identifying personnel authorized to acquire, use, and possess MPC are set forth at Annex A.

15. ACQUISITION OF MPC.

- a. MPC may be acquired by personnel authorized MPC only from disbursing officers and their agents, MBF, officers of agencies and instrumentalities (including resale facilities) of the US Government, authorized US Government contractor check-cashing facilities which obtain MPC from MBF of US Government disbursing offices, and from other personnel authorized MPC in any of the following ways:
 - (1) By exchange of US currency through a disbursing officer or an agent thereof or at a MBF or its authorized conversion facilities.
 - (2) By exchange of dollar instruments at a disbursing office, MBF, or other authorized agency or instrumentality of the US Government.
 - (3) As pay and allowances for service with or employment by the US Government, its agencies and instrumentalities.
 - (4) As pay and allowances for service with or employment by US Government contractors, a MBF, or other personnel authorized MPC.
 - (5) By exchange or settlement with a MBF, US Government and its agencies and instrumentalities, or personnel authorized MPC.
- b. Accumulated amounts of MPC which have been acquired by disbursing officers from time to time in their normal operations in non-MPC areas or in MPC areas not using the RVN series MPC may be accepted from those officers only by the Funding Division, US Army Central Finance and Accounting Office, Vietnam.
- c. MPC may not be acquired from any other source or in any manner other than specified above, except as specifically authorized by COMUSMACV.

16. ACTIVITIES AND FACILITIES AUTHORIZED TO TRANSACT BUSINESS WITH MPC.

- a. MPC are the authorized medium of exchange:
- (1) In all US Armed Forces sales and services facilities and activities, including exchanges, exchange facilities, and concessions.
 - (2) In theaters and other entertainment facilities operated by the US Government, its agencies and instrumentalities.
 - (3) In American Red Cross and USO activities, US Government agency civilian employee clubs, officer and enlisted clubs and messes, and all other nonappropriated fund activities of the US Government. Tips or gratuities paid to waitresses, servants, and other personnel employed in such facilities will be in piasters only.
 - (4) For contributions to authorized charitable appeals, collections and offerings in service chapels and churches, and donations to Chaplain Funds.
 - (5) In US military Post Offices for the purchase of money orders and stamps by authorized patrons and for the cashing of money orders.
 - (6) In a MBF.
 - (7) In organizations, clubs, and associations entitled to logistical support by MACV and where all members are authorized the use of MPC.
- b. When it is considered to be in the best interests of the US Government to allow other than the activities and facilities enumerated above to transact business in MPC, a request will be referred to COMUSMACV, ATTN: Comptroller, APO 96222. If the request is approved, a numbered authorization good for one year, renewable upon request and review, will be issued to the activity or agency if it accepts the specific limiting provisions of the authorization.
- c. Personnel authorized use of MPC who are authorized to travel by MAC aircraft may use MPC in payment of trip insurance premiums when dollar instruments and/or US currency are not available. MPC may be mailed to the US only to Mutual of Omaha for the sole purpose of paying premiums of MAC travel insurance. The amount of MPC which may be mailed for this purpose will not exceed \$8.00 per individual, per travel insurance policy. The procedures outlined above should be publicized in all air terminals where MAC travel insurance is sold.

17. RESTRICTIONS ON USE AND HANDLING OF MPC.

- a. Personnel authorized MPC are expressly prohibited from acquiring from, delivering to, or dealing in any manner with MPC with persons not authorized to possess MPC except as authorized in paragraph 17b, below. It is the responsibility of personnel authorized MPC to ascertain the right of the transferee or transferor to use or possess MPC prior to any transfer.
- b. Local national employees of official agencies and instrumentalities of the US Government are authorized to handle, transfer, and deposit MPC in the performance of their official duties. Such employees will be required to give a full accounting of all MPC transactions.
- c. All tips and gratuities given to local national personnel will be in piasters only.

18. CONVERSION TO NEW SERIES MPC. Conversion from one series MPC to another series MPC will be in accordance with MACV Directive 37-10.

19. LIMITATION ON MPC HOLDINGS.

- a. Personnel authorized MPC will not have in their possession an amount of MPC greater than is consistent with their legitimate requirements for such currency. In no case shall an individual have in his possession an amount of cash MPC in excess of \$1000 unless the total of his last previous pay actually drawn in-country exceeded \$1000, in which case he may possess no more than the amount he drew.
- b. MACV Directive 37-10 establishes maximum limits on amounts of MPC that may be converted for certain categories of individuals in the event of an MPC series change. Such individuals who hold MPC in excess of these limits do so at their own risk.
- c. Any amount of MPC possessed, delivered, or used in violation of this section will be confiscated, administratively determined to be contraband, and turned in to a US Government disbursing office for credit to the US Treasury in accordance with Chapter 12, AR 37-103.

20. DISPOSITION OF PARTIAL MPC. Disbursing officers may accept for exchange at face value MPC in the possession of personnel authorized MPC when three-fifths or more of the original portion remains, provided no doubt exists as to the denomination or genuineness of the certificate. When more than two-fifths, but less than three-fifths of the original portion of the certificate remains, a determination of the value to be redeemed will be made by the Command MPC Destruction Committee (see Annex B). Two-fifths or less of the original certificate is not redeemable without conclusive proof that the missing portion has been totally destroyed.

MACV Dir 37-0

21. DESTRUCTION OF MILITARY PAYMENT CERTIFICATES. Annex B sets forth responsibilities and procedures for destruction of MPC.

22. COUNTERFEIT OR RAISED MPC AND US CURRENCY.

- a. MPC or US currency presented to any facility or activity listed in paragraph 16, above, for exchange or payment which are suspected of being counterfeit or raised will be impounded by such facility or activity. A receipt will be furnished the individual presenting the note. The suspected note and the name and address of the individual presenting the note will be turned over to the appropriate US Armed Forces law enforcement agency for investigation. A person presenting counterfeit currency just before his departure from the RVN will be delayed for questioning when deemed appropriate. Any person in possession of counterfeit or raised MPC or US currency must report it immediately to an appropriate US Armed Forces law enforcement agency.
- b. A report of investigation of counterfeit currency will be made in accordance with appropriate service regulations through regular Army, Navy, Air Force, or Marine Corps channels. Information copies of reports of initial detection of a new series of counterfeit bills will be sent to COMUSMACV, ATTN: Comptroller.

SECTION IV

CONVERSION OF MILITARY PAYMENT CERTIFICATES
TO US CURRENCY AND DOLLAR INSTRUMENTS

23. GENERAL.

- a. It is the policy of the US Mission that personnel authorized MPC will not have in their possession a greater amount of cash MPC than necessary to meet their demonstrable bona fide needs, and in no case will this amount be larger than as specified in paragraph 19, above. Personnel are responsible for insuring that they do not hold more MPC upon their departure from the RVN than they are authorized to convert.
- b. Commanders/supervisors are responsible for insuring that personnel under their jurisdiction are fully aware of currency control requirements. This includes counseling personnel to make financial arrangements which will not require them to draw payments in the RVN of cash MPC in excess of their needs. These arrangements minimize the need to convert MPC to US currency and/or dollar instruments. Maximum use of allotments, payment by check to bank accounts, and/or the accumulation of pay in pay accounts is encouraged.

24. CONTROLLED CURRENCY TRANSACTIONS.

- a. Controlled currency transactions are those in which an individual uses cash MPC to purchase dollar instruments or such non-negotiable instruments as US Savings Bonds and Military Payment Orders, converts cash MPC to US currency upon departure from the RVN, and deposits cash MPC to the USSDP or a MBF account. All controlled currency transactions are subject to the restrictions set forth in paragraph 26, below.
- b. Examples of some negotiable/non-negotiable dollar instruments are as follows:
 - (1) **US Treasury Checks.** Treasury checks issued by US Government disbursing officers in exchange for cash MPC will be mailed to the payee rather than delivered to the purchaser for mailing except when the purchaser is returning to CONUS on PCS. Treasury checks may be delivered to purchasers returning to CONUS on PCS during the 24 hour period prior to departure from their unit for the out-processing center. Such checks issued in exchange for cash will be made payable to the individual only. In all other instances the service member will provide a complete mailing address to include an account number, when applicable, when exchanging cash for a treasury check to be mailed outside the RVN. The only individuals to whom US Treasury checks will be issued are Category A MPC holders as defined in paragraph 13, above.

C1, MACV Dir 37-6

- (2) **Military Payment Orders.** Under the provisions of applicable service regulations, members of the US Armed Forces may purchase Military Payment Orders from US military disbursing officers for the purpose of safekeeping funds. These orders are non-negotiable, may be held in the RVN, and may be cashed only by the payee at any US military disbursing office worldwide.
- ★ (3) **Money Orders.** Except for the official transfer of funds to the Treasurer of the United States, money orders are issued only for the purpose of transmitting legally acquired funds outside the RVN. Accordingly, the possession or use of money orders for other purposes is unauthorized. All money orders are to be mailed by the money order clerk at the time of purchase, and in the presence of the purchaser. Commanders/supervisors of facilities which issue money orders of all types are responsible to insure that this requirement is strictly adhered to in all cases.
- (4) **United States Savings Bonds.** US military and direct-hire US citizen civilian employees of US Government agencies and instrumentalities may purchase United States Savings Bonds with MPC from a MBF. Savings bonds purchased may be held in the RVN and also may be redeemed for MPC at a MBF by the authorized holder.
- ★ (5) **Bank Drafts/Cashier's Checks.** Bank drafts/cashier's checks may be purchased from a MBF by Category A personnel. The policies concerning the possession, use, and mandatory mailing of money orders, as described in paragraph 24b(3), above, are also applicable to bank drafts/cashier's checks.

25. REQUIREMENTS TO USE MACV FORM 385.

- a. All facilities which convert cash MPC to US currency or dollar instruments are required to prepare and process MACV Form 385 (Currency Control Transaction Form) in accordance with the procedures outlined in separate instructions. Component and uniservice commanders will insure compliance by facilities under their control. MACV Form 385 is required to be completed in all cases when Category A personnel use cash MPC to purchase US currency and dollar instruments (including non-negotiable instruments such as US Savings Bonds and Military Payment Orders) and make deposits of cash MPC to a MBF or the USSDP except as noted in paragraph 26a(1), below.
- b. Distribution of completed MACV Forms 385 is as follows:
 - (1) The original (flimsy) copy will be held by the conversion or sales facility for twelve months after the date of the transaction. A copy of each commander's/supervisor's certification will be attached to the

C1, MACV Dir 37-6

applicable original copy of the MACV Form 385. The retained forms will be maintained in date sequence to permit ready reference in the event subsequent investigation of the transaction requires access to the original signature. Further, for each date, the forms will be grouped alphabetically by the first initial of the purchaser's last name.

14.1

- (2) The duplicate (green) copy of MACV Form 385 is to be furnished the individual as a receipt or record of the transaction.
 - (3) The triplicate (card) copy of MACV Form 385 will be forwarded on a daily basis by the service or sales facilities to this headquarters, ATTN: Data Management Agency, APO 96222. This triplicate card copy is processed by ADP equipment and therefore will not be stapled, bent, or mutilated. These forms are to be packed so as to avoid damage during shipment.
- c. The requirement for completion of MACV Form 385 applies only for transactions made by individuals. It does not apply for deposits by US Government agencies and instrumentalities to the credit of their official accounts maintained at a MBF. It also does not apply for the purchase of dollar instruments by US Government agencies and instrumentalities payable to their official bank accounts or to the Treasurer of the United States.

26. LIMITATION ON TOTAL DOLLAR CONVERSIONS AND CASH DEPOSITS TO MBF OR USSDP.

- a. Category A Personnel. The total dollar value of US currency or dollar instruments (money orders, US Treasury Checks, banking paper, US Savings Bonds, and Military Payment Orders) purchased with cash MPC and cash MPC deposits made in MBF or USSDP in any one month will not exceed \$200, except for the following situations:
 - (1) The \$200 monthly limit will not apply nor will the requirement for completion of MACV Form 385 apply for dollar conversions or deposits made under the following circumstances:
 - (a) When purchases of US Treasury checks, Military Payment Orders, and/or the deposit of cash MPC to USSDP through US Government disbursing officers or their agents are made simultaneously with receipt of pay, allowances, and bonuses (not to exceed the cash disbursement to the member).
 - (b) When purchases of US dollar instruments and/or deposits to a MBF or the USSDP are made by US Government checks or by other checks if otherwise acceptable by the facility.
 - (2) A conversion of up to \$500 without a commander's certificate is authorized for Category A personnel departing for R&R or on leave when utilizing an R&R flight, in accordance with paragraph 29, below.
 - (3) When Category A authorized US personnel have a bona fide personal emergency or when such personnel depart the RVN on PCS, leave, TDY, R&R, etc., unit commanders and appropriate responsible direct

hire US citizen civilian supervisors (e.g., of the Grade GS-12, FSO/R-4, FSS-2, or higher) for US Government employed personnel may authorize the purchase of additional US currency or dollar instruments or make additional deposits in excess of the \$200 limitation. In the case of R&R personnel, commanders/civilian supervisors may authorize conversions in excess of the \$500 limitation. In all of the above circumstances, the commanders or responsible direct hire US citizen civilian supervisors will certify that the MPC was acquired from a legitimate source to the knowledge and belief of the commander or supervisor. See paragraph 27, below.

- b. **Category B Personnel.** The following restrictions apply to conversions of MPC by FWMAF personnel, except as may otherwise be agreed between COMUSMACV and individual FWMAF commanders for personnel of their respective military forces.
- (1) The amount a FWMAF member may remit to his home country through his military force finance representative on a monthly basis will not exceed the pay disbursed to the individual concerned for the month.
 - (2) FWMAF personnel are permitted to convert up to \$200 upon departure from the RVN. When feasible for personnel returning to their home country, MPC will be converted directly to home country currency. There is no authorization for the \$200 limitation to be increased by use of a commander's/supervisor's certificate.
 - (3) Conversions for FWMAF members will be made through their military force finance representatives. Unless otherwise authorized in writing by COMUSMACV, US military disbursing officers are prohibited from furnishing US dollar negotiable instruments to individual members of the FWMAF.
- c. **Category C Personnel.** Category C personnel are permitted to convert a maximum of \$150 MPC to US currency upon departure from the RVN. Commander/supervisor certification statements are not authorized for these personnel. See paragraph 28, below.
- d. **Category D Personnel.** These personnel are permitted to convert upon departure from the RVN no more than \$75 from MPC to US currency, except that the maximum conversion authorized for third country national news correspondents accredited by MACV/MACOI is \$30. Supervisor certification statements are not authorized for Category D personnel. See paragraph 28, below.
- e. Except as provided in this paragraph, cash MPC will not be converted to US currency and/or dollar instruments, unless otherwise authorized in writing by COMUSMACV.

(27. CERTIFICATIONS BY COMMANDERS OR SUPERVISORS. Certifications in accordance with paragraph 26a(3), above, are authorized only for Category A personnel. The following requirements pertain to these certifications.

- a. Certificates may be issued to authorized personnel only upon departure from the RVN on PCS, leave, TDY, R&R, etc., or in cases of bona fide personal emergencies.
 - (1) Departure from RVN. Local commanders/supervisors are responsible for determining if a certificate is required prior to the individual's departure from his unit. When the commander determines that conversion is warranted, the certificate is to state the total amount of MPC the individual has in his possession at the time of departure from his organization. Conversion facilities are authorized to accept and convert a lesser amount than that stipulated.
 - (2) Personal Emergency. Such emergencies are not expected to occur on a repeated basis. Personal emergencies which are generated as a result of an individual drawing an excessive amount of pay in the form of cash MPC are indicative of need for counseling in accordance with paragraph 23b, above.
- b. Commanders/supervisors may certify a reasonable amount over \$200 based upon the individual's integrity and/or knowledge as to the amount of cash pay the individual has received. Amounts not considered reasonable will be investigated prior to the execution of a certification.
- c. Certificates will not be issued in amounts which exceed the limitations prescribed in paragraph 19, above.
- d. MACV Form 22-R (MACV Currency Control Conversion Certificate) will be used for these certifications by commanders/supervisors. In the event that MACV Form 22-R is temporarily not available, a locally prepared certificate is acceptable provided that it contains all of the items included in MACV Form 22-R.
- ★ e. Certificates may be issued only by commissioned or warrant officers, or civilian supervisors in the grade of FSO/R4, FSS-2, or GS-12 and above, only as provided in paragraph 27a, above. All such certificates are to bear the personal signature of the commander/supervisor.

28. CONVERSION OF MPC UPON DEPARTURE FROM THE RVN.

- a. Personnel authorized MPC who depart the RVN on termination of contract or employment, on leave, TDY, R&R, or PCS are to convert their MPC prior to their departure. This conversion may be accomplished by the servicing US Government finance office, or its duly authorized agents, or at the aerial port of embarkation as appropriate. (FWMAF personnel

will convert their MPC at the appropriate FWMAF finance activity.) The conversion will be accomplished at the latest practicable time prior to departure, but in no case earlier than the last working day before the scheduled departure date. Conversions will be subject to the restrictions set forth in paragraph 26, above. Whenever practicable, and in order to avoid congestion at the aerial port of embarkation, conversions may be accomplished prior to departure from the out-processing center.

- b. Category C and Category D personnel desiring to convert MPC to US currency will present their passports and exit visas in addition to documentation evidencing their imminent departure. The conversion facility will enter in the passport the following information: date, identification of conversion facility, amount of conversion from MPC to US currency, exit visa number, and signature or signature stamp of conversion facility official. This entry will not be made in US Diplomatic Corps passports (black cover) nor in US official passports (maroon cover) in the possession of Category A personnel.
- c. The preparation of MACV Form 385 is required only for conversions by Category A personnel. Conversion facilities desiring to prepare MACV Form 385 on Category C and Category D personnel for their internal control purposes may do so, but should not forward the triplicate (card) copies for such transactions to the Data Management Agency, MACV.

29. SPECIAL CONVERSION PROCEDURES FOR CATEGORY A R&R PERSONNEL.

- a. Category A personnel departing on R&R, or leave if utilizing an R&R flight and processing through an R&R center, are authorized to convert no more than \$500 without a commander/supervisor certification statement.
- b. The following procedures are applicable for these special R&R conversions. The below procedures apply only at the designated R&R processing centers.
 - (1) A conversion of no more than \$500 will be made for Category A personnel without a commander/supervisor certification.
 - (2) Conversions of more than \$500 will be made only upon presentation of a valid commander's/supervisor's certification as to the legitimacy of the acquisition of the MPC, issued prior to the individual's departure from his unit. R&R processing centers will not issue such certifications.
 - (3) MACV Form 385 completed for a R&R conversion will reflect transaction code 95, irrespective of the amount of the transaction.
- c. Category A personnel not processing through an R&R Center when on emergency leave, special leave, or PCS require commander's/supervisor's

conversion certificates if the total of their conversions for the month is in excess of \$200. The authorization for conversion of up to \$500 without a certificate does not apply for these departures.

- d. Category A personnel departing on leave, who desire to utilize space available seating on R&R flights, should be aware that such transportation may not be available. If the individual concerned elects to depart on a commercial flight or any means of transportation other than the R&R flight, he is limited to a conversion of not more than \$200 without a conversion certificate. Therefore, all leave personnel who desire to convert more than \$200 are advised to have in their possession a conversion certificate from their commander/supervisor.
- e. Conversion facilities at R&R Centers are not required to convert fractional MPC in amounts which total less than one dollar (\$1.00) for personnel departing on R&R or leave.

30. SCRUTINY OF CONVERSION TRANSACTIONS AT PORT OF EMBARKATION.

Individuals requesting conversions at ports of embarkation or personnel outprocessing centers must present positive identification and appropriate evidence of departure from the RVN. All conversion facilities will comply with the requirements outlined in paragraphs 25 and 28, above. Except for conversions made in accordance with paragraph 29, above, currency conversions are accomplished in accordance with the following criteria:

- a. Conversions requested in amounts not to exceed \$200 for Category A personnel, \$150 for Category C personnel, and \$75 for Category D personnel (\$30 for accredited TCN news correspondents) will be made upon presentation of the appropriate documents.
- b. Conversions requested by Category A personnel for an amount larger than \$200 will be made when supported by a valid commander's or direct hire US citizen supervisor's certification. Positive procedures will be enforced to insure that unit commanders and civilian supervisors furnish certificates, as appropriate. In those cases where personnel have failed to obtain a conversion certificate prior to arrival at air terminal points, the component and uniservice commands or headquarters assigned operational responsibility for the terminal will designate an individual in the vicinity of the terminal as a conversion certificate official. This official may authorize conversions, if, based upon the information presented to him and/or telephonic verification with the unit or organization concerned, the certificate is warranted.
- c. Money remaining unconverted after application of the above will be returned to the individual. A certificate which describes full particulars concerning

the currency conversion transaction will be furnished to the individual for his use in the event recourse is sought through official channels. The certificate will be designed to insure that the date, place, name, and identification number of the individual; total amount of money involved and total converted; a statement concerning failure to comply with MACV Directive 37-6 and/or other appropriate directives; and an authorized official signature are included.

- d. MACV Form 385 and copies of certificates accomplished in accordance with paragraph 30c, above, will be forwarded under separate cover to the comptroller of the component or uniservice command to which the individual is assigned or by which he is sponsored. Forms and certificates by personnel not assigned to or sponsored by a component/uniservice command are to be sent to the Comptroller, MACV. These documents will be held for one year for possible reference purposes in the event a claim is submitted by the individual concerned.

★ e. Claims for unconverted MPC are to be processed as follows:

- (1) The MPC, supported by evidence of duty in Vietnam (e. g. , orders, statement of personnel or commanding officer), a copy of the certificate described in paragraph 30c, above, and evidence to substantiate that the MPC was obtained legally, are to be submitted to the appropriate claims office with a letter requesting conversion. Use of registered or insured mail is recommended.

(2) Claims are to be submitted to one of the following offices as appropriate:

- (a) Personnel assigned to a new duty station within the Pacific Command (PACOM) are to submit their claims to:

Finance and Accounting Officer
US Army Central Finance and Accounting Office, Vietnam
APO San Francisco 96496

- (b) Personnel assigned to a duty station outside the PACOM are to submit their claims to:

Commanding General
Finance Center, US Army
Fort Benjamin Harrison, Indiana 46249

- (3) Approved claims are to be converted to a United States Treasury Check and mailed to the claimant by the claims office.

- (4) Disapproved claims are to be processed under the provisions of Chapter 12, AR 37-103, by the claims office.

31. MPC IN THE POSSESSION OF MEDICALLY EVACUATED PERSONNEL.

- a. When personnel authorized MPC are medically evacuated from the RVN, possess in excess of \$200, and do not have a commander's certificate, an administrative officer of the medical out-processing facility will be appointed to review the case and, if considered appropriate based on available information, issue such a certificate.
- b. MPC representing the personal funds of US Armed Forces personnel that could not be converted prior to medical evacuation will be converted to US currency or dollar instruments at place of hospitalization in accordance with the appropriate service regulations.
- c. Partial or mutilated MPC will be converted as provided for in paragraph 20, above.

32. MPC FOUND IN THE EFFECTS OF DECEASED PERSONNEL. MPC representing the personal funds of deceased authorized personnel will be exchanged by a duly appointed Summary Court Officer or similar official at a US disbursing office for a Treasury Check in accordance with the appropriate service regulations. Partial or mutilated MPC will be converted as provided for in paragraph 20, above.

33. REQUIRED FINANCIAL CONTROLS. Commanders/supervisors of US Government disbursing offices, MBF, and money order sales outlets are strictly responsible for positive control measures to prevent illegal conversions of MPC to US currency/dollar instruments by personnel of their facilities. Commanders/supervisors of piaster conversion facilities are similarly responsible for safeguarding against illegal conversions of piasters to MPC or dollar instruments. Effective controls over transactions by cashiers/tellers/clerks are required.

- a. US Currency and MPC. It is not sufficient to exercise accountability on the total of US currency plus MPC in the custody of the cashier or teller. Separate accountability is required over US green dollars. Controls on US green dollars issued in exchange for MPC should be comparable in degree to controls for cash disbursements; the degree of controls over transactions in which US green dollars are received in exchange for MPC should be comparable to those exercised for cash collections.

- b. Dollar Instruments and MPC. Controls which insure only that the total value of cash MPC collected equals the total value of the dollar instruments sold are not sufficient. Controls are also required to insure that dollar instruments are issued only as a result of legitimate sales to authorized customers. Examples of such controls include, but are not limited to, verification by the supervisor that the clerk/cashier/teller turns in a sufficient total of MACV Forms 385 to account for all sales of dollar instruments for cash MPC, and such spotchecks and other controls which insure that MACV Form 385 is prepared only for valid transactions.

SECTION V

LOCAL CURRENCY

34. RVN CURRENCY EXCHANGE REGULATIONS. All personnel will comply with the RVN currency exchange regulations which prohibit the importation or exportation of more than 500 piasters without written approval of the National Office of Exchange. The address for the National Office of Exchange is as follows: National Bank of Vietnam, Boite Postale C-3, Saigon, Vietnam.

35. USE OF PIASTERS. All transactions in the RVN which are not authorized to occur in MPC or dollar instruments as covered in this directive will be consummated in piasters.

36. CHAPLAIN'S FUND AND ARMY EMERGENCY RELIEF FUND PIASTERS. Military disbursing officers are authorized to accept piasters collected by voluntary contributions to the Chaplain's Fund and Army Emergency Relief Fund. In exchange, disbursing officers will give US Treasury Checks for deposit to the fund's bank account. Funds will be converted at the authorized effective exchange rate.

37. ACQUISITION OF PIASTERS. The effective rate of exchange at time of publication of this directive is 118 \$VN to \$1.00 MPC.

- a. Commanders at all echelons will insure that adequate conversion facilities are available to all personnel.
- b. Piasters will be purchased only through officially authorized conversion facilities, listed below, or through banks licensed by the Government of Vietnam to conduct foreign exchange transactions. (Purchases from these banks are to be made only with dollar instruments - MPC or MPC checks may not be used.) The officially authorized conversion facilities are as follows:
 - (1) American Embassy, Saigon, or American Consulates (purchases may be made only with US currency, Treasury Checks, military disbursing officers' Limited Depository MPC Account Checks, and MPC).
 - (2) Military disbursing offices and their Class "A" Agents.
 - (3) A MBF and its authorized currency conversion points.
 - (4) Piaster sales facilities provided by officer and enlisted messes and clubs.
 - (5) Other officially designated foreign exchange facilities.

38. POLICIES AND PROCEDURES FOR PIASTER CONVERSION FACILITIES.

- a. Military disbursing officers and their agents will comply with applicable service regulations. In the absence of service regulations requiring a record to be maintained of individual piaster conversions, the provisions of Chapter 12, AR 37-103 will govern.
- b. Conversion facilities of other than military disbursing officers will purchase piasters from military banking facilities or from US Government disbursing officers. Records of conversion transactions will be maintained in accordance with the instructions contained at Annex C. Commanding officers exercising jurisdiction over piaster conversion facilities will cause these records to be audited by a disinterested officer at least semi-annually. The destruction of these records will be in accordance with the regulations of the service concerned, provided the audit report so warrants. In addition, commanding officers will require that an unannounced cash count is accomplished by a disinterested officer at least once a month at each conversion facility.
- c. Upon request of the purchaser, a statement specifying the amount of piaster conversion will be provided by the conversion facility.
- d. Commanders will require that piasters are available to their personnel at times and locations and in quantities which are convenient to the purchasers.
 - (1) Conversion facilities will impose as few limitations as are practicable on piasters which may be purchased at one time. Piasters will not be purchased in any amount less than five dollars (\$5.00).
 - (2) Officer and enlisted clubs and messes are encouraged to provide piaster conversion facilities as a convenience to their patrons.

39. CONTROL OF PIASTERS. US Government agencies and instrumentalities and all conversion facilities described in paragraph 37, above, will maintain records to clearly establish the receipt, disposition, and accountability for piasters.

40. CONVERSION OF PIASTERS TO US CURRENCY OR DOLLAR INSTRUMENTS. Except as provided herein, piasters will not be converted to MPC, US currency, or dollar instruments. This restriction is not applicable to conversions by or transactions among US Government disbursing officers or their duly appointed agents, cashiers, or authorized currency conversion points.

- a. Categories A, B, and C personnel as defined in paragraph 13, above, departing the RVN on PCS or departing after a TDY tour in the RVN are permitted to convert piasters to US currency in amounts not to exceed twenty

dollars (\$20.00). Except as otherwise authorized in writing by COMUS-MACV, all conversions by individual members of the FWMAF (Category B personnel) will be only through their finance representatives.

- b. Conversions authorized in paragraph 40a, above, will be accomplished in the same manner as set forth in paragraph 28, above. MACV Form 385 is not required to be completed for these piaster conversions. If MACV Form 385 is utilized by the conversion facility for these transactions for internal control purposes, the triplicate copy will not be forwarded to HQ, MACV.
- c. Category A personnel are permitted to convert the cash proceeds from winning lottery tickets of the national lottery conducted weekly by the Vietnamese Government and those of charitable organizations conducted periodically under authorization of the Vietnamese Department of Interior into MPC or a dollar instrument. The application for converting the piaster proceeds must be presented to the unit commander within 10 days after the collection of such proceeds. The application will include the number of the winning ticket, the amount won, and the amount the individual elects to convert to MPC or dollar instruments. The unit commander will verify the application by indorsement and forward it, together with the piasters to be converted, by registered mail to this headquarters, ATTN: Comptroller, APO 96222. The Comptroller, MACV, will indorse the application designating the military disbursing office to make the conversion. The indorsed application, together with the piasters to be converted, will be forwarded by registered mail to the designated disbursing office where the conversion, as elected, will be made to a Limited Depository MPC Account check or a Military Payment Order for forwarding to the individual or a US Treasury check to be mailed through the US military postal system to a designated address outside of the RVN.
- d. Conversion of piasters derived from the sale of motor vehicles (see MACV Directive 58-3) may be at the US Embassy when authorization has been obtained from the embassy prior to the sale.
- e. Conversions under this paragraph will be made at the effective piaster rate of exchange in existence at the time of conversion, regardless of when the piasters were acquired.

41. PLASTERS IN THE POSSESSION OF PERSONNEL DEPARTING THE RVN UNDER EMERGENCY CONDITIONS.

- a. Categories A, B, and C personnel, as defined in paragraph 13, above, departing the RVN for emergency reasons other than medical evacuation (e.g., emergency leave) may convert piasters to US currency in amounts not to exceed \$60.00.

- b. Piasters representing the personal funds of US authorized personnel that could not be converted prior to medical evacuation may be converted to US currency or dollar instruments, where hospitalized, in accordance with the appropriate service regulations.

42. PIASTERS FOUND IN THE PROPERTY OF DECEASED PERSONNEL. Piasters representing the personal funds of deceased US authorized personnel may be exchanged by a duly appointed Summary Court Officer or similiar official at a US Government disbursing office for a US Treasury check in accordance with the appropriate service regulations. Summary Court Officers or similiar officials will present partially burned or otherwise decomposed Vietnamese currency for medical evacuees and deceased personnel to local GVN banks for replacement at the value determined by the bank. Replacement might be at a fraction of the face value of the decomposed currency. Replacement piasters will then be converted as discussed above. The determination of value can only be made at local branches of the GVN banks. These procedures also apply to paragraph 41b, above.

- ★ 42.1. DISPOSITION OF MUTILATED/DECOMPOSED PIASTER NOTES. Disbursing officers may accept for exchange at face value RVN paper currency when three-fifths or more of the bill remains, provided no doubt exists as to the denomination or genuineness of such currency. Disbursing officers are not authorized to exchange mutilated or decomposed RVN currency when doubt exists as to the denomination or genuineness of the currency or when less than three-fifths of the original note remains; however, they may accept this currency on a collection basis. Detailed procedures for disposition of mutilated/decomposed piaster notes are contained at Annex D.

SECTION VI

FOREIGN CURRENCIES AND NEGOTIABLE
INSTRUMENTS STATED IN FOREIGN CURRENCIES

43. RESTRICTIONS ON FOREIGN CURRENCIES.

- a. Personnel authorized MPC are prohibited from having foreign currencies or negotiable instruments other than Vietnamese piasters in their possession and from importing same while in the RVN. This provision is not to be construed as a bar to retaining small amounts of foreign currencies acquired at leave, R&R, and TDY points and retained for souvenir purposes or because conversion back to US dollars was not possible. Foreign currencies held under these circumstances will not exceed the converted value of \$5.00 US.
- b. Except as authorized by COMUSMACV, the RVN law requires all transactions to be in piasters.
- c. Personnel authorized MPC receiving foreign currencies other than Vietnamese piasters and negotiable instruments stated in foreign currencies other than Vietnamese piasters through the mail will return them to source or make application to this headquarters, ATTN: Comptroller, APO 96222, for authority to convert them to piasters through an agency authorized by the RVN.

SECTION VII

44. REPORTS. The report of unconverted MPC required by paragraph 30d, above, is assigned reports control symbol (RCS) MACCO-27.

SECTION VIII

5. REFERENCES.

- a. AR 37-103.
- b. AR 210-135.
- c. AFM 170-6.
- d. AFM 177-101.
- e. Navy Comptroller Manual, Volume I, II, III, and IV.
- f. CINCPAC Instruction 7200.1D.
- g. Letter, Embassy of the United States, Saigon, 31 December 1966, subject: MACV Directive 37-6.
- h. MACV Directive 37-9.
- i. MACV Directive 37-10.
- j. MACV Directive 37-30.
- k. MACV Directive 58-3.
- l. MACV Directive 60-6.
- m. MACV Directive 60-7.
- n. MACV Directive 65-5.
- o. MACV Directive 65-6.
- p. MACV Directive 190-1.
- q. MACV Directive 632-2.
- r. MACV Directive 640-1.
- s. MACV Directive 643-1.
- t. MACV Directive 690-13.
- u. MACV Directive 700-3.

FOR THE COMMANDER:



ELIAS C. TOWNSEND
Major General, USA
Chief of Staff

LOUIS J. PROST
Colonel, USA
Adjutant General

Annexes

- A. Identification of Authorized MPC Bearers
- B. Destruction of Military Payment Certificates
- C. Piaster Conversion and Control Procedures

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- 200 - NAVFORV
- 8,650 - USARV
- 6 - COMSTSO
- 30 - MACCO
- 1,000 - MACAG-AP
- 2 - MACJ42/MS
- 12 - American Express MBF, Box 36, APO 96243
- 12 - Bank of America MBF, APO 96307
- 12 - Chase Manhattan MBF, Box 20, APO 96243

IDENTIFICATION OF AUTHORIZED MPC BEARERS

MEANS OF IDENTIFICATION. The following means of identification will be the only acceptable evidence of authority to acquire, use, and possess MPC.

- a. DD Form 2A, 2AF, 2N, or 2MC Green for those military personnel on active duty in the RVN.
- b. Military identification cards of the Free World Forces of Australia, Korea, New Zealand, Philippines, Republic of China, Thailand, Spain, and other FWMAF that may be assigned in the RVN.
- c. MACV Form 6 for those civilian personnel issued this form indicating access to privileges that require MPC.
- ★ d. Other written notice by competent authority, authorizing the use of specific facilities where MPC is the legal medium of exchange.

DESTRUCTION OF MILITARY PAYMENT CERTIFICATES

1. RESPONSIBILITIES.

- a. CG, USARV, is responsible for the following in the RVN:
 - (1) Destruction of mutilated or decomposed valid series MPC and, upon authorization by the Chief of Finance and Accounting Office, Comptroller of the Army, the destruction of invalidated MPC.
 - (2) Appointment and monitorship of the MPC Destruction Committee.
- b. CG, USARV; COMNAVFORV; and CDR, 7AF, are responsible for furnishing officer representatives for appointment to the MPC Destruction Committee.

2. MUTILATED AND DECOMPOSED VALID SERIES MPC.

- a. The criteria required for acceptance or exchange of mutilated and decomposed MPC by disbursing officers are stated in paragraph 20, above. Subsequent to acceptance or exchange, these certificates will be transferred to the CO, US Army Central Finance and Accounting Office, Vietnam (USACFAO, V), ATTN: Funding Division, APO 96309.
- b. Mutilated or decomposed MPC, which do not meet the criteria for acceptance or exchange by disbursing officers, are redeemable in whole or in part only after examination and approval by the MPC Destruction Committee. The address of the committee is as follows: CO, US Army Central Finance and Accounting Office, Vietnam, ATTN: Funding Division (CHAIRMAN, MPC DESTRUCTION COMMITTEE), APO 96309. Individual claims for reimbursement should be supported by affidavits from the owner and any other persons having knowledge of the cause and manner of destruction of the certificates.
- c. The provisions of paragraph 3-195, AR 37-103 apply for redemption of mutilated or decomposed MPC.

3. PROCEDURES FOR DESTRUCTION OF MPC. Destruction of MPC will be in accordance with AR 37-103, (Chapter 14, Section IV) and the procedures established by CG, USARV.

Annex B

PIASTER CONVERSION AND CONTROL PROCEDURES

1. ACQUISITION OF PIASTERS BY AUTHORIZED CONVERSION FACILITIES.

- a. Conversion officers who require piasters will acquire such currency only through authorized US Government sources.
- b. Each purchase of piasters will be supported by a certificate showing the following information. This certificate becomes a part of the official records of the piaster conversion point and will be available for inspection by competent authority.
 - (1) Date of purchase.
 - (2) Location of the conversion point.
 - (3) Title of the conversion facility.
 - (4) The US dollar amount of the purchase.
 - (5) The amount of piasters received.
 - (6) The rate of exchange.
 - (7) Name and signature of the officer making the purchase.
 - (8) Name and signature of the disbursing officer selling the piasters.
 - (9) Transaction number of purchase.
- c. Piaster conversion points will not maintain piasters on hand in excess of 30 days anticipated requirements. Commanders concerned may limit further the amount of piasters to be held.

2. SALE OF PIASTERS FOR MPC.

- a. Daily records of exchange transactions will be maintained through the use of the following forms, which will be obtained from the disbursing officer from whom piasters are acquired.
 - (1) Daily Record of Individual Currency Exchange Activity (MACV Form 306). This form is required to be prenumbered.
 - (2) Summary of Daily Exchange Activity (MACV Form 305). This form is required to be prenumbered.

Annex C

DISPOSITION OF MUTILATED/DECOMPOSED PLASTER NOTES

1. GENERAL. The criteria established for acceptance or exchange of mutilated and decomposed RVN paper currency by disbursing officers are stated in paragraph 43, basic directive. Subsequent to acceptance or exchange, these notes are to be processed through the Commanding Officer, US Army Central Finance and Accounting Office, Vietnam (USACFAO, V), ATTN: Funding Division, APO San Francisco 96309.

2. PROCEDURES.

a. Unquestionable banknotes with three-fifths or more of their original proportion remaining.

(1) Disbursing officers accepting or exchanging mutilated and decomposed RVN paper currency are to periodically (depending on volume) assemble the mutilated and decomposed currency in packages of 10 notes each by denomination and transmit them to the USACFAO, V, Funding Division to be exchanged for good currency or for credit. If the volume is so small in any or all denominations that an excessive amount of time would be required to accumulate 10 banknotes, fewer than 10 banknotes may be exchanged.

(2) The USACFAO, V, Funding Division is to consolidate the mutilated and decomposed banknotes in sets of 10 each, by denominations, and further by groups of 10 sets if volume is sufficient. This currency is to be exchanged periodically with the Cash Department of the National Bank of Vietnam for good banknotes. If the volume in any denomination is such that an excessive amount of time would be required to accumulate sets of 10 banknotes, smaller amounts may be presented for exchange.

b. Questionable banknotes and those with less than three-fifths of their original proportion remaining.

(1) Disbursing officers accepting questionable mutilated and decomposed RVN paper currency on a collection basis are to issue a receipt pending determination of value and exchange by the National Bank of Vietnam.

(2) The disbursing officer is to affix the mutilated or decomposed banknote to a piece of transparent paper cut to the size of the original banknote; package in sets of 10 by denomination, if the volume permits; and transmit to the USACFAO, V, Funding Division.

(3) The USACFAO, V, Funding Division is to accept the banknotes presented and give the disbursing officer a receipt pending determination of value and exchange by the National Bank of Vietnam.

C1, MACV Dir 37-6 ★

- (4) The USACFAO, V Funding Division is to deliver mutilated and decomposed backnotes to the Cash Department, National Bank of Vietnam, for determination of the value to be allowed. The National Bank of Vietnam is to issue a receipt pending this determination.
- (5) After determination of value of currency the National Bank of Vietnam is to reimburse the USACFAO, V Funding Division accordingly. Similarly, the USACFAO, V Funding Division is to reimburse the disbursing officer from whom the currency was received.
- (6) Each individual or organizational transaction in paragraphs 2b(1) to (6), above, is to be handled as an individual case since a percentage value (ranging from 0 to 100) may be allowed on each banknote by the National Bank of Vietnam.

HEADQUARTERS
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
APO San Francisco 96222

CHANGE 1
DIRECTIVE
NUMBER 37-10

15 November 1970
(MACC)

FINANCIAL ADMINISTRATION

CONVERSION OF MILITARY PAYMENT CERTIFICATES

Directive Number 37-10, this headquarters, 10 July 1970, is changed as follows:

1. Page 2. Paragraph 4g is superseded as follows:
 - g. Conversion officers and alternate conversion officers are to be appointed in advance, on letter or special orders issued by the appropriate order issuing authority. Normally, the regular class A agent (Army) or paying agent (Air Force or Navy) is to be appointed on orders as a conversion officer. Sufficient conversion officers are to be appointed so that not more than 150 to 200 people are serviced by a single conversion officer. Copies of orders appointing conversion officers are to be forwarded to the servicing disbursing office.
2. Page 3. Paragraph 4l(1) is superseded as follows:
 - (1) In those cases where the commander has authorized immediate conversion, the letter or special orders appointing the conversion officers are to appoint them as class A agents (Army) or paying agents (Air Force or Navy), and include authorization for the conversion officers to draw new series MPC from the servicing finance officer immediately upon the announcement of C-Day.
3. Page 9. Paragraph 7b(8) is superseded as follows:
 - (8) Procedures for acknowledging receipt of MPC on all copies of the Conversion Record Certificate Sheet, USARPAC Form 75-R (Annex C). The original copy of USARPAC Form 75-R is to be retained by the disbursing officer; the duplicate is to be returned to the conversion officer; and the triplicate is to be forwarded to the Provost Marshal.
4. Page 11. Paragraph 9c(3)(c) is added as follows:
 - (c) Amount converted.
5. Page 14. Paragraph 11c(3) is superseded as follows:
 - (3) Category C. These personnel are authorized to convert legally

acquired MPC up to a maximum of \$150. Special conversions for category C personnel are not generally authorized (see paragraph 15c(5), below). Questionable special conversion requests are to be referred to a board of officers (see paragraph 16, below) convened by the component commands, III MAF, or Headquarters, MACV.

6. Page 14. Paragraph 11e is superseded as follows:

- e. Special Conversion Limits for Category A Personnel Processing for Leave, Temporary Duty, or Permanent Change of Station (PCS). Category A personnel engaged in out-processing for leave, temporary duty, or PCS upon the announcement of C-Day, and unable to obtain an approved USARPAC Form 77-R prior to their departure from the RVN, are authorized to convert up to \$200. If the individual has a commander's certificate issued by his unit commander in accordance with the provisions of paragraph 27, MACV Directive 37-6, he may convert up to the amount indicated on the certificate; except for monies received as last previous pay drawn in country, this will not exceed \$1,000. Unconverted amounts for leave and temporary duty personnel are to be collected by the conversion officer in exchange for a receipt and certificate as described in paragraph 11b, above. Amounts presented by R&R, leave, and temporary duty personnel in excess of the amount indicated on the commander's certificate, or in excess of \$200 if the individual does not have a commander's certificate (\$500 for R&R personnel), are to be collected by the conversion officer in exchange for a separate receipt. The conversion officer is also to provide the individual with a certificate indicating the amount presented for conversion; the amount actually converted; the amount not converted; the identification of the facility; the identification of the finance officer serving the conversion officer; the typed name, grade, and social security account number (SSAN)/service number of the conversion officer; his signature; and the date. This certificate and the receipt are to be held by the individual and used to support an application for special conversion upon his return to the RVN. Unconverted amounts for PCS personnel are to be returned to them with certificates as described in paragraph 30c, MACV Directive 37-6. Upon arrival at the next duty station, the individual may submit a claim as described in paragraph 30c, MACV Directive 37-6. Written instructions for the filing of such claims are also to be provided to the individuals.

7. Page 16. Paragraph 12a(3)(c) is superseded as follows:

- (c) Approved applications are to be turned over to the conversion officer or directly to the appropriate disbursing office if the conversion officer has completed the conversion.

8. Page 18. Paragraph 15a(2) is superseded as follows:

- Amounts of MPC held by category A or B personnel are in excess of \$150, (except for special PCS, leave, temporary duty, and R&R limits).

Paragraph 16a(3) is superseded as follows:

- (3) CINCUSARPAC has delegated to COMUSMACV the authority to disapprove questionable conversations in the absence of a preponderance of evidence submitted by the individual in support of the legitimate acquisition of the MPC. Accordingly, all disapproved conversion requests are to be submitted to COMUSMACV, ATTN: MACCO.

10. Page 20. Paragraph 16a(4) is superseded as follows:

- (4) Claims for disapproved conversions will be processed through this headquarters, ATTN: MACCO-F, to CINCUSARPAC, ATTN: GPCO-FF.

11. This transmittal sheet is to be filed in front of the publication for reference purposes.

FOR THE COMMANDER:



W. G. DOLVIN
Major General, USA
Chief of Staff

W. A. RUTLEDGE
Colonel, USA
Adjutant General

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- 500 - NAVFORV
- 500 - 7th AF
- 300 - III MAF

HEADQUARTERS
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
APO San Francisco 96222

DIRECTIVE
NUMBER 37-10

10 July 1970
(MACCO)

FINANCIAL ADMINISTRATION

CONVERSION OF MILITARY PAYMENT CERTIFICATES

	<u>Paragraph.</u>	<u>Page</u>
SECTION I	<u>GENERAL</u>	
	Purpose	1 1
	Applicability	2 1
	Definitions	3 1
	Policy	4 2
	Responsibilities	5 4
	Conversion Forms	6 7
	C-Day SOP	7 7
SECTION II	<u>C-DAY CONVERSION PROCEDURES</u>	
	Actions Upon Announcement of C-Day	8 9
	Procedures for Conversion Officers	9 10
	Procedures for FWMAF Conversions	10 12
	Limitations on Individual Conversions	11 13
	Conversions for Individuals Absent From Their Place of Duty on C-Day	12 15
	Individuals Paid From Other Than US Military Funds	13 17
	Official and Quasi-Official Activities and Funds	14 18
SECTION III	<u>SPECIAL CONVERSIONS AND BOARDS OF OFFICERS</u>	
	Special Conversions	15 18
	Boards of Officers	16 20
SECTION IV	<u>DISPOSITION OF OLD MPC AND CONVERSION RECORDS</u>	17 21
SECTION V	<u>REPORTS</u>	
	List of Individuals Having Knowledge of C-Day	18 22
	Units Permitted to Delay Conversion	19 22
	MPC Conversion Readiness Report	20 23
	Official and Nonappropriated Funds Report	21 23
	Notification of FWMAF MPC Returns	22 24
	Status of MPC Series Conversions	23 24
	Funding Service to FWMAF	24 24

*This directive supersedes MACV Directive 37-10, 16 March 1969.

MACV Dir 37-10

SECTION VI REFERENCES

25 25

- Annex A USARPAC FORM 73-R, CONVERSION RECORDS
- Annex B USARPAC FORM 74-R, INDIVIDUAL CONVERSION RECEIPT
- Annex C USARPAC FORM 75-R, CONVERSION RECORD CERTIFICATE SHEET
- Annex D USARPAC FORM 76-R, APPLICATION FOR SECOND CONVERSION
- Annex E USARPAC FORM 77-R, APPLICATION FOR SPECIAL CONVERSION
- Annex F CONVERSION READINESS REPORT (RCS: MACCO-11)
- Annex G OFFICIAL FUNDS REPORT (RCS: MACCO-50)
- Annex H NOTIFICATION OF FWMAF MPC RETURNS (RCS: MACCO-51)
- Annex I STATUS OF MPC CONVERSION REPORT (RCS: MACCO-35)
- Annex J CONVERSION READINESS CHECKLIST FOR CONVERSION OFFICERS
- Annex K CONVERSION INSTRUCTIONS FOR INDIVIDUALS

SECTION I

GENERAL

1. PURPOSE. This directive prescribes the procedures for converting military payment certificates (MPC) from one series to another, or to US currency, when the decision is made to discontinue the use of MPC. For application of these procedures in the event of such a decision and conversion to US currency, all reference to "new series MPC" is to be interpreted as applying to US currency.
2. APPLICABILITY. This directive is applicable to all individuals and activities authorized MPC privileges in the Republic of Vietnam (RVN).
3. DEFINITIONS. For the purpose of this directive, the following definitions apply:
 - a. C-Day. C-Day, or conversion day, is the day announced for converting MPC from one series to another, or to US currency.
 - b. Conversion Officer. An officer, warrant officer, or civilian (GS-7 or above or equivalent) designated by a commander, chief of headquarters staff section, or head of an agency or activity, to accept and receipt for the invalidated (old) MPC series and to issue the new series to authorized users of MPC.
 - c. Authorized Users of MPC. The following categories of individuals and groups are authorized to acquire, use, and possess MPC within the RVN.
 - (1) Category A.
 - (a) Members of the Armed Forces of the US on active duty.
 - (b) Direct hire US citizen civilian employees of the US Government, its agencies, and instrumentalities, excluding Military Sea Transportation Service (MSTS) shipboard personnel.
 - (2) Category B. Military personnel of the Free World Military Assistance Forces (FWMAF) on active duty in the RVN.
 - (3) Category C. US citizen contractor employees, including technical representatives (tech reps), and contractors doing business in the RVN solely as a result of a contract with the US Government or its instrumentalities, provided such employees have been specifically authorized the use of facilities which use MPC.
 - (4) Category D. Other individuals, agencies, and organizations specifically granted written authorization by COMUSMACV, or other competent authority under delegation by COMUSMACV, to patronize US military facilities which exclusively use MPC in the RVN.

4. POLICY.

- a. Information concerning an impending conversion of MPC is to be disseminated by classified communication on a strict need to know basis to only those individuals who are required to implement the plan. A list of individuals having advance knowledge of an impending conversion is to be maintained by each headquarters. A copy of this list is to be furnished to Headquarters, MACV, two working days after C-Day (see paragraph 18, below).
- b. Priority of conversion is to be given to postal officers, police and investigative agencies, military banking facilities (MBF), exchange officers, messes, and similiar activities to minimize delay in resumption of their normal operations.
- c. Personnel who fail to tender their invalidated (old) MPC on C-Day are not to be permitted to convert their MPC at a later time unless their failure to do so was caused by military necessity or extenuating circumstances.
- d. Tactical commanders are authorized to delay conversion for those units directly involved in operations against the enemy until the tactical situation permits conversion. A report concerning units authorized a delayed conversion is to be forwarded to component or uniservice commanders. This information is to be reported to Headquarters, MACV, within 48 hours after the announcement of the conversion (see paragraph 19, below).
- e. The US Army Central Finance and Accounting Office, Vietnam (CF&AO, V), APO 96496, is the Command Accountable Office for MPC. CF&AO, V, is to be responsible for the prepositioning of new series MPC with the respective disbursing officers. All disbursing officers are to submit estimates of MPC requirements to CF&AO, V, upon request.
- f. Applications for conversion received after the conversion officers have completed their conversions are to be processed as special conversions in accordance with paragraph 15, below.
- g. Conversion officers and alternate conversion officers are to be appointed in advance, on letter or special orders issued by the appropriate order issuing authority. Normally, the regular class A agent (Army), paying agent (AF), and agent cashier (Navy), is to be appointed on orders as a conversion officer. Sufficient conversion officers are to be appointed so that not more than 150 to 200 people are serviced by a single conversion officer. Copies of orders appointing conversion officers are to be forwarded to the servicing disbursing office.
- h. Conversion officers are to be appointed for all official funds which require conversion of MPC on C-Day (e. g. , officer and noncommissioned officer open messes, etc.). Copies of these orders are to be forwarded to the servicing disbursing office. These orders are to specify the maximum amount that is to be converted.

- i. Old series MPC held by FWMAF are to be collected and consolidated at each force headquarters. Each FWMAF is to then make a consolidated turn-in to the Funding Division, CF&AO, V, APO 96309. In accordance with the provisions of paragraph 7b(6), MACV Directive 37-9, the amount of MPC authorized for each FWMAF is to be limited to the outstanding balance of MPC for that force on the day of conversion. The outstanding balance is defined as the amount of MPC purchased from official sources, less authorized returns to the US official sources. Accordingly, funds turned in to the Funding Division, CF&AO, V, by each FWMAF are to be receipted for by the disbursing officer, pending approval by Headquarters, MACV, for conversion against the outstanding MPC balance of the force. Except for authorized change funds, new series MPC are not to be issued to any FWMAF until notice of such approval has been received.
- j. Advance identification is to be made of all official and nonappropriated funds which are authorized to maintain cash balances on hand. Such identification is to be effected by means of the Official Funds Report, reports control symbol MACCO-50 (RCS: MACCO-50), as described in paragraph 21, below. Heads of civilian and contract organizations authorized the use of MPC are also to utilize this report for establishing advance identification of authorized corporate petty cash funds.
- k. Conversion of the individual funds of contractor employees authorized the use of MPC is to be completed by a conversion officer specifically designated by the local military area commander to effect such conversion.
- l. US commanders may, at their discretion, authorize conversion officers to draw new MPC from the servicing finance officer in order to perform immediate conversion. Immediate conversion may be made of all funds presented subject to the limitations set forth in paragraph 11, below, or of only a portion thereof, to provide funds for expenditures prior to final conversion. If immediate conversions are authorized, all documentation of the conversion is to be required, with exception of individual receipts when all funds are converted immediately. Prior to authorizing immediate conversions, commanders are to consider the greater chance for loss of funds by the conversion officer when providing immediate conversion. Immediate conversions are particularly desirable for transient personnel.
 - (1) In those cases where the commander has authorized immediate conversion, the letter or special orders appointing the conversion officers are to appoint them as class A agents (Army), paying agents (Air Force), or agent cashiers (Navy) and include authorization for the conversion officers to draw new series MPC from the servicing finance officer immediately upon the announcement of C-Day.
 - (2) Conversion officers who have been authorized to effect immediate conversions are to insure that prudent estimates of the amount of MPC required for their conversions are developed and used as the basis for determining the amount of new MPC drawn. Each conversion officer is to immediately advise the

servicing finance officer of the amount of new series he is to draw in the event of C-Day implementation. Such advance coordination is to serve to facilitate the issuance of the new series MPC on C-Day.

5. RESPONSIBILITIES.

- a. General. In addition to the responsibilities outlined below, component, FWMAF, and uniservice commanders, and heads of civilian and contractor organizations authorized to use MPC, are responsible for providing the widest possible dissemination of information pertaining to the policy and procedures contained herein. Unit preparedness for C-Day is to be a matter of command interest and included in Inspector General inspections.
- b. Component, FWMAF, and uniservice commanders, and heads of civilian and contract organizations authorized the use of MPC are to:
 - (1) Implement this directive within their commands/activities.
 - (2) Insure that commands and activities under their control prepare a C-Day SOP.
 - (3) Quarterly, review conversion procedures of their subordinate units, activities, and agencies, and submit reports as required by paragraph 20, below.
 - (4) Upon receipt of notification of C-Day, notify all of their subordinate units, activities, and agencies by the most expeditious method available.
 - (5) Implement security measures as prescribed in paragraph 7a(1), below.
 - (6) Effect the conversion to new series MPC in accordance with the provisions of this regulation.
 - (7) Prepare emergency plans for the destruction or safe removal of MPC in the event civil disturbance, disaster, or enemy action require such actions.
- c. CG, USARV, is to insure that the Funding Division, CF&AO, V, APO 96309, provides new series MPC, in denominations required, for prepositioning new MPC at US military disbursing offices throughout the RVN, based on requirements furnished in accordance with paragraph 4e, above.
- d. Heads of civilian and contract organizations authorized use of MPC are to have written authorization for corporate petty cash funds, indicating fund custodian and maximum amount. This authorization is to be indorsed by the sponsoring military agency and is to be submitted to the servicing finance office with the report described in paragraph 21, below. The report and authorization are to

be the basis by which disbursing officers determine the validity of the fund prior to conversion. In event of a series conversion, corporate petty cash fund custodians are to proceed with a copy of written authorization, and the other documents described in paragraph 7a(11), below, directly to the appropriate disbursing office for conversion.

- e. Local US commanders are to provide conversion officer(s) to effect the conversion of individual funds of all contractor employees in the local area. Sufficient publicity will be given to the location of these designated conversion officers to prevent undue confusion on C-Day.
- f. Commanders, FWMAF, are to:
 - (1) Prepare a C-Day SOP for their commands or activities.
 - (2) Quarterly, review C-Day SOP for their subordinate units, activities, and agencies.
 - (3) Upon receipt of notification of C-Day, notify all of their subordinate units, activities, and agencies by the most expeditious method available.
 - (4) Implement security measures as prescribed in paragraph 7a(1), below.
 - (5) Translate this directive and changes thereto into the language of their commands, distribute the translated directive to appropriate subordinate units, and forward one copy to COMUSMACV, ATTN: MACCO-F, not later than 30 days after the date of this directive or changes thereto.
 - (6) Insure availability of all official funds (e. g., imprest funds, intelligence funds, etc.) at all times to facilitate timely conversion.
 - (7) Forward an information copy of the quarterly Military Payment Certificate Conversion Readiness Report (paragraph 20, below) to Chief, Free World Military Assistance Office.
 - (8) Forward the Official Funds Report to the Comptroller, MACV, ATTN: MACCO-F, as provided in paragraph 21, below.
 - (9) Determine funds to be converted against MPC balance and advise the Comptroller, MACV, as described in paragraph 10, below.
- g. The Chief, Free World Military Assistance Office, is to:
 - (1) Prepare a C-Day security measures SOP for the Free World Military Assistance Organization Compound and coordinate the SOP with the FWMAF located within the compound.
 - (2) Upon receipt of notification of C-Day, implement security measures for the Free World Military Assistance Organization Compound as prescribed

in paragraph 7a(1), below.

- h. Unit commanders, including FWMAF, chiefs of numbered advisory teams or equivalent, chiefs of headquarters staff agencies located within each compound, and heads of activities and agencies are to:
 - (1) Prepare a C-Day SOP for their commands and activities and review procedures quarterly.
 - (2) Quarterly, orient newly appointed C-Day conversion officers on procedures.
 - (3) Upon receipt of notification of C-Day, notify all personnel of the conversion by the most expeditious means available.
 - (4) Implement security measures as prescribed in paragraph 7a(1), below.
- i. Counselor of Embassy for Administrative Affairs. Procedures for conversion of MPC for personnel of the American Embassy, US Agency for International Development (USAID), Joint US Public Affairs Office (JUSPAO), and other civilian agencies supported by the US Embassy are prescribed by the American Embassy. These procedures are to be in agreement with the policies established by this directive.
- j. Disbursing officers are to:
 - (1) Prepare a C-Day SOP for the disbursing office.
 - (2) Maintain a current list of all conversion officers for organizations serviced by their office. The list is to be supported by orders appointing the conversion officers.
 - (3) Maintain a current list of all official, quasi-official, nonappropriated, and corporate petty cash funds of organizations serviced by their offices. This list is to be supported by the documents described in paragraphs 4j and 5d, above.
 - (4) Obtain and maintain new series of MPC for use on C-Day. New series MPC are to be acquired in accordance with paragraph 4e, above. Estimated requirements are to be furnished to CF&AO, V, upon request.
 - (5) Dispose of invalidated (old) MPC as directed.
- k. The Commanding Officer, CF&AO, V, APO 96496, as directed by CG, USARV, is to:
 - (1) Provide new series MPC to disbursing officers within the RVN.
 - (2) Accept invalidated (old) MPC from disbursing officers within the RVN.

- (3) Prepare an SOP to cover issuance of new series MPC to disbursing officers within the RVN and for receiving the invalidated (old) series MPC after conversion.
- (4) Comply with Section III, Chapter 14, AR 37-103.
- (5) Submit to Commander in Chief, US Army, Pacific(CINCUSARPAC), ATTN: DCSCOMPT, one copy of each destruction schedule received.

6. CONVERSION FORMS.

- a. Conversion forms attached as annexes to this directive are to be reproduced locally.
- b. Adequate forms to accommodate conversions are to be maintained by the appointed conversion officers. Disbursing officers are also to maintain a reserve supply of forms to meet contingencies.

7. C-DAY SOP.

- a. Responsible authorities, identified in paragraph 5, above, are to prepare a C-Day SOP that, as a minimum, provides for:
 - (1) Securing of installations, facilities, or activities immediately upon the announcement of C-Day. This includes restriction to the compound of all personnel; prohibition of entry of all local national personnel, except those whose presence on the installation is essential to the accomplishment of the operational mission; and prohibition of mingling of authorized MPC holders with personnel not authorized MPC privileges until conversion is completed.
 - (2) The collection of invalidated (old) MPC from the maximum number of authorized holders on announcement of C-Day.
 - (3) Issuance of new series MPC at the earliest period after announcement of C-Day.
 - (4) Instructions for the conversion of MPC held by authorized personnel who are in the area as transients at the time of conversion.
 - (5) Designation of the disbursing office where each conversion officer is to exchange MPC. Normally, the disbursing office used by the paying agent or class A agent is to be designated.
 - (6) Procedures to be used for notification of all units, activities, and authorized MPC holders, as soon as public announcement is made of C-Day.
 - (7) Procedures for referral of questionable conversions to boards of officers.

- (8) Procedures for appointing conversion officers and furnishing copies of the appointing orders to the pertinent disbursing office as designated in accordance with paragraph 7a(5), above.
 - (9) Procedures for conversion officers, with specific reference to paragraph 9 and Annex J, below.
 - (10) Adequate security of MPC while in the hands of conversion officers.
 - (11) For funds other than individual (e. g., nonappropriated funds, corporate petty cash funds, official funds of FWMAF, etc.), procedures are to include provisions for the custodian of each fund to furnish the following documentation to the finance office.
 - (a) Orders or other official documentation authorizing the fund.
 - (b) Certification as to average size of funds with information as to the minimum and maximum balances during the past year.
 - (c) Orders appointing custodians of the funds.
 - (d) Certification by the commanding officer of the organization to which the fund belongs, that the amounts of MPC presented for conversion are official monies of the fund only.
- b. Disbursing officers are to prepare a C-Day SOP to be used in the event of an MPC conversion. As a minimum, the SOP is to provide for:
- (1) Suspension of all operations, except those connected with the conversion of MPC and emergency payments.
 - (2) The immediate preparation and submission of a special MACCO-36 report (paragraph 11, MACV Directive 37-9) for all transactions with FWMAF since the last regular report. The special MACCO-36 report is to contain applicable data up to and including the day before C-Day, and is to be submitted electrically so as to arrive at this headquarters not later than 24 hours after the announcement of C-Day. Telephonic reports are authorized, with subsequent confirming message.
 - (3) Procedures for recall of all MPC in the hands of class A agent officers, imprest fund cashiers, and others having MPC for which the disbursing officer is accountable.
 - (4) Procedures for the examination of conversion forms presented with MPC for completeness (e. g., signatures of individuals, certificates of conversion officers, certificates of individual holdings in excess of \$150.00, and the total indicated on each conversion record and conversion record sheet).

- (5) Verification of amount of invalidated (old) MPC exchanged.
- (6) Procedures for the verification of conversion officers against the filed copies of appointing orders.
- (7) Furnishing conversion officers and fund custodians the required denomination of the new series MPC.
- (8) Procedures for acknowledging receipt of MPC on all copies of the Conversion Record Certificate Sheet, USARPAC Form 75-R (Annex C). The original copy of USARPAC Form 75-R is to be retained by the disbursing officer; the duplicate is to be returned to the conversion officer.
- (9) Obtaining a receipt on the USARPAC Form 75-R from the conversion officers for the new series MPC given them by the disbursing officer in exchange for the invalidated (old) series MPC.
- (10) Determining the validity of corporate petty cash funds of civilian contract organizations, and all official and quasi-official funds presented for conversion, by verification against the files and lists described in paragraph 5j(3), above.
- (11) Obtaining receipts from nonappropriated fund and corporate petty cash fund custodians, MBF managers, and post offices for the new series MPC given them by the disbursing officer in exchange for the invalidated (old) series MPC. USARPAC Form 74-R (Individual Conversion Receipt) (Annex B) is to be used to receipt for MPC turned in by fund custodians. These forms are to be modified to indicate the custodian, postal officer, or MBF manager's name, followed by the name of the fund or MBF facility.

SECTION II

C-DAY CONVERSION PROCEDURES

8. ACTIONS UPON ANNOUNCEMENT OF C-DAY. Upon announcement of C-Day, the following actions are to be taken:
- a. The ACoS, J-3, MACV, is to implement the alert plan.
 - b. The Comptroller, MACV, is to release a message to all component, uniservice, and FWMAF commanders advising of C-Day. In addition to release of the message, notification is to be furnished the Office of Information, MACV. The Office of Information, MACV, is to further disseminate the notice of C-Day through all media available.
 - c. Disbursing officers and their agents are to perform disbursing functions necessary for conversion of MPC and emergency payments only, until conversion is completed. The special MACCO-36 report described in paragraph 7b(2),

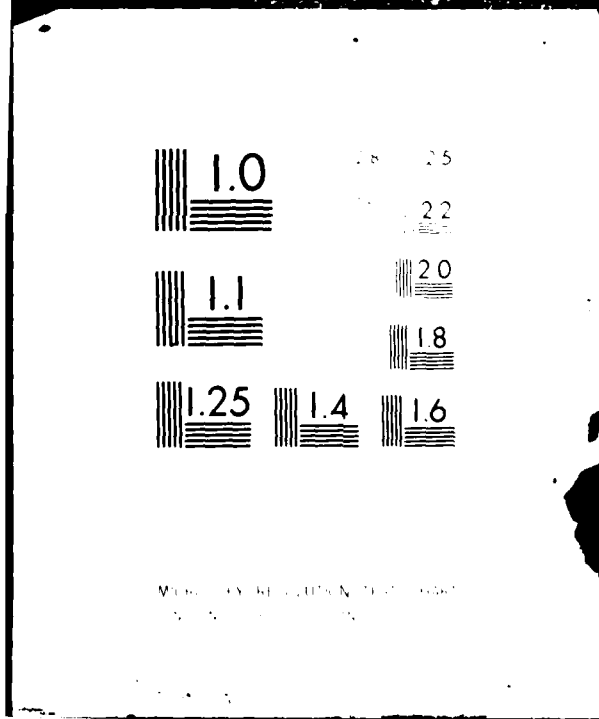
above, is to be submitted immediately.

- d. Class A agents or disbursing officers and imprest fund cashiers are to cease all payments and exchanges of local currencies and turn in invalidated (old) series MPC to the finance office.
- e. All financial activities at MBF and post offices are to cease until conversion of their funds is completed.
- f. All civilian agencies, nonappropriated fund activities, and other activities authorized the use of MPC are to cease the acceptance and payment of the invalidated (old) series MPC. Mess officers are to turn invalidated (old) series MPC in to the nearest finance office. Provisions are to be made for individuals, who normally pay in cash for meals, to subsist on credit during the period of conversion. Nonappropriated funds and messing facilities may accept new series MPC from individuals who have completed their conversion, as soon as the mess or nonappropriated funds have been converted.

9. PROCEDURES FOR CONVERSION OFFICERS.

- a. Conversion officers are to make the collection and conversion at the earliest possible hour after commencement of the conversion period.
- b. Conversion officers are encouraged to use the Conversion Instructions for Individuals (Annex K) to expedite the conversion.
- c. Conversion officers are to insure that all of the following actions are taken for each individual converting MPC:
 - (1) The reverse side of all \$5.00, \$10.00, and \$20.00 MPC tendered for conversion is to be indorsed with:
 - (a) Payroll signature.
 - (b) Grade or title.
 - (c) Organization.
 - (d) Social security account number/service number or identification card number.
 - (2) Require that each individual read the statement on the USARPAC Form 73-R Conversion Record (Annex A), and sign his payroll signature on the form.
 - (3) Write the following on the front cover of each individual's ration card (MACV Form 333 or 334):
 - (a) Date.

6198



- (b) Rank and signature of the conversion officer.
- d. The conversion officer is to write the information required by paragraph 9c(3), above, on the ration card of every individual for whom he is responsible for conversion even though the individual does not turn in any MPC.
- e. Conversion officers are not to accept invalidated (old) MPC from individuals whose ration cards have been so annotated.
- f. The USARPAC Form 74-R, Individual Conversion Receipt (Annex B), is to be prepared in duplicate. The conversion officer is to sign both copies and give the original to the individual requesting conversion. This receipt is to be surrendered by the individual to the conversion officer at the time the new series MPC is paid to the individual.
- g. After the invalidated (old) series MPC is collected from individuals, the conversion officer is to:
- (1) Prepare a change list of all MPC to be turned in by completing Item V of the USARPAC Form 75-R.
 - (2) Execute the certificate in Item I of USARPAC Form 75-R.
 - (3) Separate currency in bundles of 100 certificates each, with all certificates face up and turned the same way. Extreme care is to be exercised in accepting mutilated MPC. At least three-fifths of a mutilated MPC is to be presented by the holder for redemption. In doubtful cases an interim receipt is to be given. The conversion officer is to package the mutilated certificates separately in the same manner as other invalidated (old) MPC.
 - (4) Present invalidated (old) series MPC, USARPAC Form 73-R, USARPAC Form 75-R, and two copies of written authorization appointing him conversion officer, to the disbursing officer for conversion of MPC to the new series.
 - (5) Execute the receipt in Item III of USARPAC Form 75-R for the new series MPC received from the disbursing officer and verify the amount of new MPC received before departing the disbursing office.
 - (6) Refer all applications for special conversions submitted under the conditions outlined in paragraphs 11 and 12, below, to the individual's commanding officer, chief of major headquarters staff agencies, or a designated individual. If applicable, the duplicate copy of USARPAC Form 76-R, Application for Second Conversion (Annex D), is to accompany USARPAC Form 77-R, Application for Special Conversion (Annex E).
- h. Immediately upon completion of conversion of MPC at the disbursing office, conversion officers are to pay to each individual, in the new series MPC, the

amount turned in by the individual as evidenced by the USARPAC Form 73-R, and the USARPAC Form 74-R. The individual is required to surrender his copy of the individual receipt, USARPAC Form 74-R, upon receipt of his new series MPC.

- i. Conversion officers of FWMAF are to be issued a receipt in lieu of new series MPC. Upon approval of the conversion, as described in paragraph 10, below, the FWMAF conversion officers are to exchange this receipt for new series MPC and complete the individual conversions for which he is responsible.

10. PROCEDURES FOR FWMAF CONVERSIONS.

- a. Each FWMAF is to implement procedures for the collection and turn in of old series MPC to their force headquarters. The designated financial representative of each force headquarters is to effect a consolidated turn in to the Funding Division, CF&AO, V, APO 96309.
- b. In accordance with the policy defined in paragraph 4i, above, FWMAF financial representatives are to exchange old series MPC for a receipt from the Funding Division, CF&AO, V.
- c. The Funding Division, CF&AO, V, is to immediately notify the Comptroller, MACV, of the unit from which the funds were received, and the amount turned in. The notification is to be submitted as described in paragraph 22, below.
- d. Each FWMAF headquarters is responsible for determining the legality of funds presented for conversion, and for approving conversion against the outstanding MPC balance. Conversion is not to be approved in excess of the outstanding MPC balance as provided by the Comptroller, MACV. The FWMAF headquarters is to notify the Comptroller, MACV, in writing, of the identification and amounts of funds approved for conversion.
- e. The Comptroller, MACV, is to verify the amounts approved against the outstanding balance of each force, and relay approval to the Funding Division, CF&AO, V. Written follow-up is to be provided for the disbursing office records.
- f. The Funding Division, CF&AO, V, upon receipt of approval, is to notify the FWMAF financial representative that the new series MPC is available for issuance. The receipt held by the financial representative is to be exchanged for new series MPC as approved. In the event approval is for an amount less than the original turn in, a new receipt is to be issued for the unconverted amount.
- g. Change funds in limited amounts (as determined appropriate by local commanders) for official funds may be converted for FWMAF financial representatives immediately upon presentation to the Funding Division, CF&AO, V. In the event such conversions are made, notification by the Funding Division, CF&AO, V, to the Comptroller, MACV, as described in paragraph 10c, above, is to include identification of the amount converted as a change fund, and the balance

remaining to be converted.

11. LIMITATIONS ON INDIVIDUAL CONVERSIONS.

- a. Conversion officers are to make conversions only up to the limits authorized below. Conversions of amounts in excess of these limits for categories A and B personnel are to be accomplished in accordance with special conversion and/or board of officer procedures as described in Section III, below. Generally, conversions are not authorized for categories C and D personnel in excess of the limits defined in paragraph 11C, below; however, in those unusually exceptional cases where circumstances warrant consideration, applications for special conversions may be submitted to the board of officers convened by the component commands, III MAF, or MACV, as appropriate (see paragraphs 15 and 16, below).
- b. Category A personnel having more than \$150 in their possession upon announcement of C-Day are to attempt to obtain an approved USARPAC Form 77-R, Application for Special Conversion, from their commanding officer prior to presenting their funds to the conversion officer. Upon presentation of a USARPAC Form 77-R which has been approved in accordance with paragraph 15b, below, the conversion officer may receipt for and convert the total amount (up to \$1,000 only). Otherwise, all amounts of MPC presented for conversion in excess of established limits are to be receipted for separately. The excess MPC is to be maintained separate from other MPC, and is to be turned in to the disbursing office for a DD Form 634, Miscellaneous Receipt for Collection, prepared at the disbursing office. The conversion officer is to return this receipt to the individual from whom the excessive amount of MPC was collected, in exchange for the receipt originally rendered to the individual. The DD Form 634 may then be used by the individual in support of his request for special conversion or board of officers action. The conversion officer is not authorized to approve special conversions of amounts over the limitations listed below. Requests for conversion in excess of these amounts can only be approved by the individual described in paragraph 15c, below, or a board of officers.
- c. The following limitations are applicable to the categories of individuals authorized use of MPC (see paragraph 3, above):
 - (1) Category A. These personnel are authorized to convert legally acquired MPC up to \$150 through the unit or organization conversion officer, except for R&R personnel who may convert up to the limits described in paragraph 11d, below. Amounts between \$150 and \$1,000, for other than R&R personnel and personnel in the process of leaving the country, are to be processed as a special conversion in accordance with paragraph 15b, below. The maximum amount category A personnel may normally convert is \$1,000 unless the individual was paid in excess of that on his last payday, in which case the limit is the amount paid. Combinations of pay received on the last payday and MPC received from other sources cannot be used

to justify conversions in excess of \$1,000. Requests for conversion of amounts in excess of \$1,000, and all questionable requests for conversion for category A personnel, are to be referred to a board of officers (see paragraph 16, below).

- (2) Category B. These personnel are authorized to convert legally acquired MPC up to \$150 through unit or organization conversion officers. The maximum amount category B personnel may normally convert is \$200. Amounts between \$150 and \$200 are to be processed as special conversions (see paragraph 15, below). Any amounts presented over \$200 are to be referred to a board of officers convened by the commander of the Free World Force involved (see paragraph 16, below).
 - (3) Category C. These personnel are authorized to convert legally acquired MPC up to a maximum of \$150. Special conversions for category C personnel are not generally authorized. Amounts presented over \$150, and where circumstances are so exceptional as to warrant consideration, are to be referred to a board of officers (see paragraph 16, below), convened by the component commands, III MAF, or Headquarters, MACV.
 - (4) Category D. These personnel are authorized to convert legally acquired MPC up to a maximum of \$75, except the maximum conversions authorized for foreign news correspondents accredited by the Office of Information, MACV, is \$30, and for commercial entertainers, \$25. Special conversions for category D personnel are not generally authorized. Amounts presented over the maximum amount, and where circumstances are so exceptional as to warrant consideration, are to be referred to a board of officers (see paragraph 16, below), convened by the component commands, III MAF, or Headquarters, MACV.
- d. Special Conversion Limits for Category A R&R Personnel. Individuals in-processing at an R&R processing center upon the announcement of C-Day are authorized to convert legally acquired MPC in amounts up to \$500. If the individual has a commander's certificate issued by his unit commander in accordance with the provisions of paragraph 29, MACV Directive 37-6, he may convert up to the amount indicated on the certificate, but in no case are such conversions to exceed \$1,000.
- e. Special Conversion Limits for Category A Personnel Processing for Leave, Temporary Duty, or Permanent Change of Station (PCS). Category A personnel engaged in out-processing for leave, temporary duty, or PCS upon the announcement of C-Day, and unable to obtain an approved USARPAC Form 77-R prior to their departure from the RVN, are authorized to convert up to \$200. If the individual has a commander's certificate issued by his unit commander in accordance with the provisions of paragraph 29, MACV Directive 37-6, he may convert up to the amount indicated on the certificate, but in no case are such conversions to exceed \$1,000. Unconverted amounts for leave and temporary duty personnel are to be collected by the conversion officer in exchange for a receipt and certificate as described in paragraph 11b, above. Amounts presented by R&R, leave, and temporary duty personnel in excess of the amount indicated on the

commander's certificate, or in excess of \$200 if the individual does not have a commander's certificate (\$500 for R&R personnel), are to be collected by the conversion officer in exchange for a separate receipt. The conversion officer is also to provide the individual with a certificate indicating the amount presented for conversion; the amount actually converted; the amount not converted; the identification of the facility; the identification of the finance officer serving the conversion officer; the typed name, grade, and social security account number (SSAN)/service number of the conversion officer; his signature; and the date. This certificate and the receipt are to be held by the individual and used to support an application for special conversion upon his return to the RVN. Unconverted amounts for PCS personnel are to be returned to them with certificates as described in paragraph 30c, MACV Directive 37-6. Upon arrival at the next duty station, the individual may submit a claim as described in paragraph 30c, MACV Directive 37-6. Written instructions for the filing of such claims are also to be provided to the individuals.

- f. Conversion for Authorized Holders of MPC Who Have Authorized Dependents in the RVN. Only one conversion for each person is to be permitted, except as authorized in paragraph 12, below. Authorized MPC holders with dependents are to be allowed one conversion per family except when members of the family, other than the head, are wage earners, or the dependents are separated from the person on whom they are dependent. In the latter cases conversion is to be made for the senior dependent at the sponsor's duty station.

12. CONVERSIONS FOR INDIVIDUALS ABSENT FROM THEIR PLACE OF DUTY ON C-DAY.

a. In-Country.

- (1) Individuals away from their home station on C-Day but present in the RVN are to convert the MPC in their possession through the commander of the unit or the chief of staff agency where they are physically present. The procedures in paragraph 9, above, are to be followed.
- (2) If these individuals have MPC at their home station, they are to:
 - (a) Prepare a USARPAC Form 76-R, in duplicate, and have it endorsed by the conversion officer. One copy of the form is to be retained by the individual and the other is to be retained by the conversion officer.
 - (b) Upon returning to his home station the individual is to submit to his unit commander, chief of staff section, or head of a civilian organization authorized the use of MPC, the following documents:
 - 1 USARPAC Form 77-R, in triplicate, for the remaining funds.
 - 2 The endorsed USARPAC Form 76-R.
 - 3 Written evidence of absence from home station on C-Day.

4 The ration card which was endorsed at the first conversion.

- (3) The commander, chief of staff section, or head of civilian organization is to:
- (a) Approve the conversion if the amount presented does not exceed the amount shown on the USARPAC Form 76-R by more than \$25, and the application meets the criteria set forth in paragraphs 15b and c, below, in the case of category A personnel, or is within the limits set forth in paragraph 11c, above, in the case of other personnel. The conversion is not to be approved if the sum of the first conversion and the amount presented for the second conversion exceeds \$1,000 in the case of category A personnel, \$200 in the case of category B personnel, \$150 in the case of category C personnel, or \$75, \$30, or \$25, as applicable, for category D personnel.
 - (b) If the amount presented exceeds the amount shown on the USARPAC Form 76-R by more than \$25, and the application meets the criteria set forth in paragraphs 15b and c, below, in the case of category A personnel, or is within the limitations set forth in paragraph 11c, above, in the case of other personnel, the approving authority may approve the application if the variance is properly explained, or he may refer the application to a board of officers for processing as specified in paragraph 16, below.
 - (c) Approved applications are to be turned over to the conversion officer or directly to the appropriate disbursing office if the conversion has completed the conversion.
- (4) Personnel scheduled to depart their unit on PCS, emergency leave, or R&R, and who will not be able to complete conversion before departing, are to be provided with a statement from their unit conversion officer. The statement is to certify that the member reported for conversion but was unable to complete the conversion due to movement schedules. The statement is also to identify the amount of legally acquired MPC in the individual's possession, and is to request conversion at the appropriate out-processing facility. Upon arrival at the out-processing facility, the individual is to proceed immediately to the conversion facility and present the statement and his MPC for conversion (see paragraphs 11d and e, above, for applicable conversion limits for category A personnel). Conversion officers are to insure that the individual's ration card is indorsed as directed in paragraph 9c(3), above.
- (5) Personnel who are in transit from their home station to an out-processing facility are to report for conversion to the conversion officer at the intransit station. If conversion can be completed prior to onward movement, it is to be effected at the intransit point. If conversion cannot be completed prior to onward movement within the RVN, the conversion officer is to

provide the member with a statement as described in paragraph 12a(4), above.

- b. **Authorized MPC Holders Who Are Absent From the RVN on C-Day.** Personnel who failed to comply with the provisions of MACV Directive 37-6, which require conversion of all MPC to US dollars or dollar instruments prior to departure from the RVN, may request special conversion upon return to the RVN. Such requests are to be fully documented to establish the absence and the reason for failure to convert MPC prior to departure, and are to be forwarded to a board of officers constituted in accordance with paragraph 16, below.

13. INDIVIDUALS PAID FROM OTHER THAN US MILITARY FUNDS.

- a. FWMAF personnel authorized the use of MPC are to exchange invalidated (old) series MPC through their appointed conversion officers.
- b. The American Embassy is to conduct conversion operations for members of the American Embassy, USAID, JUSPAO, and other agencies supported by the American Embassy in the Saigon area.
- c. **Contractor Employees.** Contractor employees are to effect conversions through the military conversion officers designated by local commanders to service such personnel. US citizen contractor employees, except for commercial entertainers, are category C for purposes of conversions, and are to present both the MACV Form 6 (Identification/Privilege Card) and a MACV Ration Card. Individuals not presenting both forms are not to be permitted to convert their MPC. Third country national (TCN) contractor employees are category D for purposes of conversions (see paragraph 13g, below, for special instructions concerning commercial entertainers). TCN contractor employees may, or may not possess MACV Ration Cards. If any exchange privileges are indicated on the MACV Form 6, then the individual is to produce a MACV Ration Card in conjunction with his MACV Form 6. Conversions are not to be effected for individuals who cannot produce the required forms.
- d. **Conversion for MACV Accredited Correspondents.** JUSPAO is to conduct conversion operations for MACV accredited correspondents authorized to possess MPC. Such correspondents physically located outside the Saigon/Cholon area during the conversion period are authorized to convert MPC in their immediate possession through the nearest conversion officer, subject to the limits defined in paragraph 11c(4), above.
- e. **American Red Cross Employees.** US citizen employees of the American Red Cross are category A personnel for purpose of conversions, and are authorized to convert through the nearest conversion officer.
- f. **United Services Organizations, Incorporated (USO), Employees.** US citizen employees of the USO are category A personnel for purpose of conversions,

and are authorized to convert through the nearest conversion officer.

- g. Commercial Entertainers. Employees of commercial entertainment agencies under contract with the USARV Commercial Entertainment Coordinator, and who have been authorized limited MPC privileges, are authorized to convert through the nearest conversion officer. These individuals are to be permitted to convert only up to \$25, and only if they are in possession of a valid MACV Form 6. No exceptions will be granted to the \$25 limit.

14. OFFICIAL AND QUASI-OFFICIAL ACTIVITIES AND FUNDS.

- a. Class A agent paying officers, imprest fund cashiers, official and quasi-official organizations, postal officers, military banking facilities, and nonappropriated fund custodians are to convert MPC holdings directly with the nearest disbursing officer servicing their activities. These activities are to submit a USARPAC Form 75-R with Item V completed at time of conversion.
- b. Custodians of MPC, which is being held as evidence incident to investigation or legal procedures, are to have such MPC verified as to amount by the disbursing officer concerned. The disbursing officer is to execute a USARPAC Form 76-R, adding the following statement: "Conversion of Military Payment Certificates will be accomplished for the authorized MPC holder when legal disposition has been determined."
- c. Custodians of official and quasi-official funds are to insure that proper documentation as described in paragraph 7a(11), above, is submitted to the disbursing office at the time funds are presented for conversion.
- d. Disbursing officers are to verify documentation submitted by custodians against their retained copies of the Official and Nonappropriated Funds Report. Funds presented for conversion, and where the circumstances are questionable, are not to be converted. A receipt is to be issued for the funds and the matter submitted for investigation.

SECTION III

SPECIAL CONVERSIONS AND BOARDS OF OFFICERS

15. SPECIAL CONVERSIONS.

- a. USARPAC Form 77-R is to be submitted when:
 - (1) Amounts of MPC held by an individual in any category are held under questionable circumstances.
 - (2) Amounts of MPC held by category A or B personnel are in excess of \$150, unless the individual was paid in excess of this amount in MPC on last payday (except for special PCS, leave, temporary duty, and R&R limits).

- (3) MPC are presented for conversion after C-Day.
 - (4) When an authorized individual has MPC in his quarters which are not located at the place of conversion.
 - (5) When MPC has been confiscated and the investigation results in a finding that the MPC was legally acquired.
- b. Applications for special conversions for category A personnel may be approved in accordance with paragraph 15c, below, when the requests are not questionable and do not exceed \$1,000, unless the individual drew an amount in excess of that on his last payday. Applications for special conversion for category B personnel may be approved in accordance with paragraph 15c, below, when the requests are not questionable. If the application is approved, the individual is to present the original copy to the conversion officer, or if after C-Day, to the appropriate disbursing officer. However, when considered to be questionable or when exceeding \$1,000 (\$200 for category B personnel), and the individual did not draw an amount in excess of that at his last payday, the application is to be referred to a board of officers. In cases of referral, individuals are to be issued a receipt (copy of USARPAC Form 77-R) for the amount of MPC in question, and the MPC is to be deposited with a disbursing officer on a property basis pending final disposition of the case.
- c. Commanders are to be authorized to review and approve applications for special conversion submitted after C-Day, unless the conversion is questionable or the amount exceeds prescribed limits as described in paragraph 15b, above. Applications for special conversion are to be approved unless there is reason to doubt the validity of such request. The elapsed time from C-Day is to determine the level of command authorized to approve such request. Applications are to be forwarded through command channels, with recommendations at each echelon of command, to that which has approving authority as follows:
- (1) For C-Day through C-Day plus 3 days, the approving level is company, squadron (Navy equivalent), or sector advisor.
 - (2) For C-Day plus 4 days through C-Day plus 7 days, the approving level is battalion, group (Navy equivalent), or sector advisor.
 - (3) For C-Day plus 8 days through C-Day plus 30 days, the approving level is division (Navy equivalent), or corps senior advisor.
 - (4) For requests submitted after C-Day plus 30 days, the approving level is component/uniservice and FWMAF commanders or Headquarters, MACV, for personnel assigned to MACV.
 - (5) Heads of civilian and contract organizations may approve special conversions through C-Day plus 5 days. Applications reflecting elapsed time in excess of 5 days are to be processed through the head of the organization to the appropriate component, uniservice, or separate command exercising

contract administration or sponsorship. This authority may approve such unquestionable special conversions following C-Day.

- d. Questionable conversion requests are to be forwarded to boards of officers established in accordance with paragraph 16, below.

16. BOARDS OF OFFICERS.

a. Other than FWMAF.

- (1) Boards of officers are to be appointed under appropriate regulations of the service concerned (AR 15-6, AFR 11-1, or Navy JAG Manual) to review questionable conversion requests in any amount and for all requests of category A personnel in amounts exceeding \$1,000, unless the individual drew an amount in excess of that on his last payday, and any other requests referred to the board under this directive. Commanders are to insure prompt review of board proceedings and that appropriate action is initiated in each case. Disbursing officers are to receipt for such funds on a property basis by means of DD Form 634 (Receipt of Miscellaneous Collection). Under no circumstances are these MPC to be entered in the disbursing officer's accounts until final determination of the case is made.
- (2) In cases where criminal activity is indicated to the board of officers, such cases are to be referred immediately to the appropriate Army Provost Marshal, Air Force Office of Special Investigation, Navy Investigative Service Office, or Marine Corps Provost Marshal for investigation and necessary action.
- (3) Final disapproval authority for questionable conversions up to \$1,000 in the absence of preponderance of evidence submitted by the individual in support of his legitimate acquisition of the MPC, has been delegated to COMUSMACV, by CINCUSARPAC. Accordingly, all disapproved conversion requests are to be submitted to COMUSMACV, ATTN: MACCO.
- (4) Disapproved questionable conversions over \$1,000 and claims for other disapproved conversions are to be submitted through this headquarters, ATTN: MACCO-F, to CINCUSARPAC, ATTN: GPCO-FF.

b. FWMAF.

- (1) Each FWMAF is to establish a board of officers or similar procedure to review requests for conversions of MPC in excess of \$150 for which the individual concerned cannot furnish acceptable evidence of legal acquisition, and for all conversion requests for amounts in excess of \$200.
- (2) Final approval authority for conversion requests submitted to FWMAF boards is delegated to the commander of the applicable force. Approved requests for conversion are to be converted against the outstanding MPC

balance of the force in accordance with the policy defined in paragraph 4i, above.

SECTION IV

DISPOSITION OF OLD MPC AND CONVERSION RECORDS

17. DISPOSITION OF OLD MPC AND CONVERSION RECORDS. Old MPC and conversion records are to be disposed of as follows:

- a. **Converted.** Invalidated (old) MPC that has been converted to the new series or entered in the accounts of disbursing officers are to be destroyed or disposed of in accordance with instructions issued by the CG, USARV.
- b. **Held Pending Board Action.** Invalidated (old) MPC not approved for conversion are to be retained by the disbursing officer who accepted them pending the review by appropriate authority of the board of officers recommendations. Under no circumstances are these MPC to be taken into the accounts of the disbursing officer until final determination of the case is made.
 - (1) **Approved.** If conversion of the MPC is approved, notification of the approval is to be forwarded to the disbursing office holding the MPC and to the individual concerned. In the event the claimant cannot be located, the MPC are to be held for a period of six months after which time they are to be deposited in the Treasury of the US, General Fund Receipt Account, "Forfeiture of Unclaimed Money and Property."
 - (2) **Disapproved.** If a request for conversion is disapproved, the individual and disbursing office are to be so notified. The MPC being held by the disbursing office on a property basis are to be deposited in the Treasury of the US to the General Fund Receipt Account, "Fines, Penalties, and Forfeitures Not Otherwise Classified."
- c. **Confiscated - Unauthorized Holders.** Invalidated (old) MPC confiscated from unauthorized persons are to be turned in to the disbursing officer and deposited in the Treasury of the US, General Fund Receipt Account, "Fines, Penalties, and Forfeitures Not Otherwise Classified." A receipt (USARPAC Form 74-R), properly annotated to show currency is confiscated, is to be issued to the person from whom the MPC is confiscated.
- d. **Confiscated - Authorized Holders.** Invalidated (old) MPC confiscated from authorized MPC holders are to be retained on a property basis by the disbursing office pending results of an investigation. A receipt, properly annotated to show that the currency is confiscated, is to be issued to the person from whom the MPC is confiscated. Confiscated MPC found to have been illegally acquired are to be deposited with the Treasury of the US as stated in paragraph 17c, above. Confiscated MPC found to be legally acquired are to be returned to the individual from whom obtained. The individual is then to submit a request for

conversion to the appropriate disbursing office accompanied by a copy of the proceedings that determined the legality of the acquisition.

- e. Abandoned or Unclaimed MPC. Abandoned or unclaimed invalidated (old) MPC are to be held by the disbursing officer on a property basis for six months after which time those remaining unclaimed are to be deposited in the Treasury of the US, General Fund Receipt Account, "Forfeiture of Unclaimed Money and Property."
- f. Conversion Records. Records accumulated in connection with the MPC conversion are to be maintained and disposed of in accordance with applicable service regulations.

SECTION V

REPORTS

18. LIST OF INDIVIDUALS HAVING KNOWLEDGE OF C-DAY.

- a. When submitted: Within two working days after C-Day.
- b. Submitted by:
 - (1) Component and uniservice commanders.
 - (2) Corps senior advisors.
 - (3) Commander, Military Sea Transportation Service.
 - (4) Officer in Charge of Construction, RVN.
- c. Reports control symbol: RCS: MACCO-48.
- d. Submitted to: COMUSMACV, ATTN: MACCO-F, APO 96222.
- e. Format: Letter format.

19. UNITS PERMITTED TO DELAY CONVERSION.

- a. When submitted: Within 48 hours after the announcement of C-Day.
- b. Submitted by: Component/uniservice and FWMAF commanders.
- c. Reports control symbol: RCS: MACCO-49.
- d. Submitted to: COMUSMACV, ATTN: MACCO-F, APO 96222.
- e. Format: Letter format.

20. MILITARY PAYMENT CERTIFICATE CONVERSION READINESS REPORT.

- a. When submitted: 31 March, 30 June, 30 September, 31 December.
- b. Submitted by:
 - (1) Component and uniservice commanders.
 - (2) Commanders, FWMAF.
 - (3) Corps senior advisors.
 - (4) Commander, Military Sea Transportation Service.
 - (5) Officer in Charge of Construction, RVN.
- c. Reports control symbol: RCS: MACCO-11.
- d. Submitted to: COMUSMACV, ATTN: MACCO-F, APO 96222 (Commanders of FWMAF are to submit an additional copy to Chief, FWMAO).
- e. Format: The report is to be prepared in the format prescribed in Annex F of this directive.

21. OFFICIAL AND NONAPPROPRIATED FUNDS REPORT.

- a. When submitted: An initial report is to be required upon publication and distribution of this directive. Thereafter, reports are to be submitted any time new funds are established, old funds are terminated, or upon change of custodians.
- b. Submitted by:
 - (1) Commanders of all US and FWMAF units who have authorized the establishment of official and nonappropriated funds which are entitled to maintain cash balances on hand.
 - (2) All contractors having corporate petty cash funds as authorized and/or approved by the contracting officer.
- c. Reports control symbol: RCS: MACCO-50.
- d. Submitted to:
 - (1) Commanders of US units are to submit their reports to servicing finance offices.
 - (2) Commanders of FWMAF units are to submit their reports to their respective force headquarters. Each FWMAF force headquarters is to submit a

MACV Dir 37-10

consolidated report to COMUSMACV, ATTN: MACCO-F, APO 96222.

(3) Contractors are to submit their reports through the contracting officer to their servicing finance office.

e. This report is to be submitted in the format prescribed in Annex G of this directive.

22. NOTIFICATION OF FWMAF MPC RETURNS.

a. When submitted: An initial report is to be telephonically transmitted after each FWMAF financial representative presents old series MPC to the Funding Division, CF&AO, V. This telephonic report is to be submitted immediately. Written confirmation is to be submitted not later than 36 hours after the turn-in.

b. Submitted by: Funding Division, CF&AO, V.

c. Reports control symbol: RCS: MACCO-51.

d. Submitted to: COMUSMACV, ATTN: MACCO-F, APO 96222, telephone number 923-2006 2105/3815/3992.

e. Format: This report is to be submitted in the format prescribed in Annex H of this directive.

23. STATUS OF MPC SERIES CONVERSIONS.

a. When submitted: Initial report is to be submitted by C-Day plus 8 days, reflecting information as of close of business, C-Day plus 5 days. Final report is to be submitted by C-Day plus 20 days, reflecting information as of close of business, C-Day plus 15 days.

b. Submitted by: Component and uniservice commanders, as consolidated from reports from each disbursing facility,

c. Reports control symbol: RCS: MACCO-35.

d. Submitted to: COMUSMACV, ATTN: MACCO-F, APO 96222.

e. Format: This report is to be submitted in accordance with Annex I of this directive.

24. FUNDING SERVICE TO FWMAF.

a. When submitted: Not later than 24 hours after announcement of C-Day, covering the period from the first day of the month through the day prior to C-Day.

b. Submitted by: All US disbursing offices/activities having dealings with FWMAF

(see paragraph 7b(2), above).

- c. Reports control symbol: RCS: MACCO-36.
- d. Submitted to: COMUSMACV, ATTN: MACCO-F, APO 96222.
- e. Format: See paragraph 11, MACV Directive 37-9.

25. REFERENCES.

- a. DOD Instruction 7360.5.
- b. AR 15-6.
- c. AR 37-103.
- d. AR 700-32.
- e. AFM 177-101.
- f. AFM 177-108.
- g. Navy Comptroller Manual.
- h. Navy JAG Manual.
- i. CINCPAC Instruction: 7200-ID.
- j. USARPAC Reg 37-11.
- k. MACV Directive 37-6.
- l. MACV Directive 37-9.
- m. MACV Directive 525-5.

FOR THE COMMANDER:



W. A. RUTLEDGE
Colonel, USA
Adjutant General

W. G. DOLVIN
Major General, USA
Chief of Staff

MACV Dir 37-10

Annexes

- A. USARPAC Form 73-R
- B. USARPAC Form 74-R
- C. USARPAC Form 75-R
- D. USARPAC Form 76-R
- E. USARPAC Form 77-R
- F. Conversion Readiness Report Format
- G. Official and Nonappropriated Funds Report Format
- H. Notification of FWMAF MPC Returns Report Format
- I. Status of MPC Conversion Report
- J. Conversion Readiness Checklist for Conversion Officers
- K. Conversion Instructions for Individuals

DISTRIBUTION:

C

Plus:

- 3 - Comptroller of the Army, Washington, DC 20310
- 3 - CINCPAC, ATTN: Comptroller, FPO 96610
- 3 - CINCUSARPAC, ATTN: Comptroller, APO 96558
- 3 - PACAF, ATTN: Comptroller, APO 96553
- 3 - CINCPAC Fleet, ATTN: Comptroller, FPO 96601
- 3 - COMUSMACTHAI, ATTN: Comptroller, APO 96346
- 3 - COMUSKOREA, ATTN: Comptroller, APO 96301
- 3 - JUSMAG/PHIL, ATTN: Comptroller, APO 96528
- 3 - CG, USARJ, ATTN: Comptroller, APO 96343
- 3 - American Embassy, Australia, ATTN: USAF Liaison Officer
CINCPACREP Australia, APO 96209
- 3 - American Embassy, Wellington, New Zealand
- 5 - US Embassy, Saigon
- 10 - MSTSO, V
- 10 - OICC, RVN
- 30 - MACCO
- 500 - MACAG-AP
- 1 - MACCO-RCO
- 7500 - USARV
- 500 - NAVFORV
- 500 - 7th AF
- 300 - III MAF

CONVERSION RECORD

(USARPAC RIA 37-11)

ORGANIZATION AND APO OF FPO

I understand that only one conversion will be permitted and that this amount represents my entire holdings of Military Payment Certificates and that they were derived from authorized sources. In the event I am away from my Home Station and have Military Payment Certificates thereof, I understand that I must accomplish a Certificate stating the amount and location of the Military Payment Certificates and that they were derived from authorized sources, and have the Certificate endorsed by the Collecting Officer.

	PRINTED NAME	GRADE OR TITLE	SSAN (If applicable)	MPC HOLDINGS		SIGNATURE
				BANK ACCT	PERSONAL	
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						

Page Total:

INSTRUCTIONS: (Other than for concurrent collections and conversions).

1. This form will be executed in triplicate. (Original only for concurrent collections and conversions).

2. Original: Disbursing Officer will hold.

Duplicate: Collecting Officer will hold.

Triplicate: Provost Marshal will hold.

USARPAC FORM
6 MAY 70

73-R

REPLACES EDITION OF 18 JAN 70

(LOCAL REPRODUCTION AUTHORIZED)

ANNEX A

INDIVIDUAL CONVERSION RECEIPT (USARPAC Reg 37-11)		DATE
<p>Received this date from _____ (Name and Grade)</p> <p>_____, old series Military Payment Certificates totaling _____ (SSAN)</p> <p>_____ Dollars and _____ (\$ _____) (words) (cents) (figures)</p> <p>which will be exchanged by me for a like amount in new series Military Payment Certificates.</p>		
PRINTED NAME AND GRADE OF COLLECTING OFFICER	SIGNATURE	
ORGANIZATION		
<p><i>NOTE: This receipt to be held and surrendered to Collecting Officer when new MPC's are delivered.</i></p> <p><i>INSTRUCTIONS: (Other than for concurrent collections and conversions)</i> <i>This form will be executed in duplicate.</i></p>		

USARPAC FORM 74-R
16 JAN 70

(LOCAL REPRODUCTION AUTHORIZED)

CONVERSION RECORD CERTIFICATE SHEET (USARPAC Reg 37-11)				DATE	
ORGANIZATION				PAGE ____ OF ____ PAGES	
ITEM I. CERTIFICATE OF COLLECTING OFFICER					
I certify that the Military Payment Certificates shown on this conversion record consisting of ____ pages were collected from United States authorized personnel prior to termination of the conversion period and all persons listed herein are known or have been identified to me as being personnel authorized to use Military Payment Certificates.					
DATE	PRINTED NAME, GRADE AND SSAN OF COLLECTING OFFICER			SIGNATURE	
ITEM II. RECEIPT OF CONVERSION RECORD AND INVALIDATED MPC'S BY DISBURSING OFFICER					
Receipt is hereby acknowledged of foregoing conversion record consisting of ____ pages pertaining to personnel listed thereon, and invalidated Military Payment Certificates in the amount of \$ ____ as shown by items IV and V below.					
DATE	OFFICE DESIGNATION				
PRINTED NAME, GRADE AND SYMBOL NO. OF DISBURSING OFFICER			SIGNATURE		
ITEM III. RECEIPT OF NEW SERIES MPC'S BY COLLECTING OFFICER					
Receipt is hereby acknowledged of new series Military Payment Certificates in the amount of \$ ____ from above named Disbursing Officer in exchange for invalidated series collected by me from personnel listed on foregoing conversion record.					
DATE	PRINTED NAME, GRADE AND SSAN OF COLLECTING OFFICER			SIGNATURE	
ITEM IV. SUM OF PAGE TOTALS OF FOREGOING CONVERSION RECORD					
\$					
ITEM V. INVENTORY PERTAINING TO FOREGOING CONVERSION RECORD <i>To be prepared by Collecting Officer.</i>					
DENOMINATION	NUMBER	AMOUNT	DENOMINATION	NUMBER	AMOUNT
\$20.00			\$.25		
10.00			.10		
5.00			.05		
1.00			TOTAL:	\$	
.50					
INSTRUCTIONS: (Other than for concurrent collections and conversions). 1. This form will be executed in triplicate. (Original only for concurrent collections and conversions). 2. Original: Disbursing Officer will hold. Duplicate: Collecting Officer will hold. Triplicate: Provost Marshal will hold.					

USARPAC FORM 75-R
11 JAN 70

(LOCAL REPRODUCTION AUTHORIZED)

ANNEX C

APPLICATION FOR SECOND CONVERSION (USARPAC Reg 37-11)			DATE
TO: (Organization and APO) Collecting Officer	FROM: (Name)	GRADE	SSAN
ORGANIZATION AND APO OR FPO			
<p>In accordance with the provisions of paragraphs 4g, h, i, and j, App I, USARPAC Reg 37-11 I hereby certify that (a) I am away from my home station and have approximately \$____ of MPC at my home station; or (b) I am unable to make conversion of MPC legally held by me, but not in my immediate possession, in the approximate amount of \$____. I also declare that I desire conversion of series____MPC in the amount of \$____ which are in my immediate possession today and are tendered herewith, and that all of the aforementioned Military Payment Certificates represent my entire holdings of such Military Payment Certificates which were derived from authorized sources.</p> <p>I further certify that I will make application to my Unit Commander or Section Chief for conversion of such series____Military Payment Certificates as are not in my possession today immediately upon obtaining possession of that MPC. At such time I will furnish the original of this certificate to the Disbursing Officer at my home station.</p> <p style="text-align: right;">_____ (Signature)</p>			
COLLECTING OFFICER'S INDORSEMENT			
<p>I certify that the person named above was present at _____ (Organization) and that I effected conversion for him of series _____ Military Payment Certificates in the amount of \$ _____.</p>			
SIGNATURE OF COLLECTING OFFICER	GRADE	SSAN	
INSTRUCTIONS: <ol style="list-style-type: none"> 1. This form will be executed in triplicate. 2. Original: Applicant will hold for presentation at time of second conversion. Duplicate: Collecting Officer will attach to original of conversion record. Triplicate: Send to Provost Marshal at applicant's New Station. 			

APPLICATION FOR SPECIAL CONVERSION (USARPAC Reg 37-11)			DATE
TO: (Organization and APO) Commanding Officer	FROM: (Name)	GRADE	SSAN
	ORGANIZATION AND APO OR FPO		
<p>I hereby request conversion of \$ _____ series _____ Military Payment Certificates, which were legally acquired by me</p> <p>STRIKE OUT PORTION NOT APPLICABLE</p> <p>(a) I certify that I have made a previous conversion at _____ (Organization and APO) on _____ (Fill in Date) of \$ _____ series _____ Military Payment Certificates</p> <p>(b) I certify that I have made no previous conversion of series _____ Military Payment Certificates.</p> <p>The following information and supporting documents are submitted in support of my request for conversion.</p> <p style="text-align: right;">_____ (Signature)</p>			
COMMANDING OFFICER OR SECTION CHIEF'S APPROVAL			
The above request for special conversion of series _____ Military Payment Certificates is approved in the amount of \$ _____			
DATE	TYPED NAME & GRADE OF COMMANDING OFFICER OR SECTION CHIEF	SIGNATURE	
COMMANDING OFFICER AND SECTION CHIEF'S REFERRAL			
The above request is referred for investigation.			
DATE	TYPED NAME & GRADE OF COMMANDING OFFICER OR SECTION CHIEF	SIGNATURE	
<p>INSTRUCTIONS FOR COLLECTING OFFICER:</p> <p>Prepare in triplicate. If request is approved, the individual will present the Original to the Collecting Officer (or disbursing officer after the conversion period); other copies may be destroyed. If request is referred for investigation, the Original and one copy will be held by the Commanding Officer for presentation to the investigating authorities, and one copy will be handed to the individual applicant</p>			

USARPAC FORM 77-R
15 JAN 70

(LOCAL REPRODUCTION AUTHORIZED)

ANNEX E

MACV Dir 37-10

HEADQUARTERS
UNITED STATES ARMY, VIETNAM
APO SAN FRANCISCO 96375

AVHXX

SUBJECT: Conversion Readiness Report (RCS: MACCO-11)

Commanding General
US Military Assistance Command, Vietnam
ATTN: MACCO-F
APO 96222

1. The attached information is certified to be correct and is herewith submitted in accordance with the provisions of MACV Directive 37-10.
2. This report is for the quarter ending _____.

FOR THE COMMANDER:

1 Incl
as

SIGNATURE
TITLE

(SAMPLE)

Annex F

(HEADING)

CONVERSION READINESS REPORT
FOR QUARTER ENDING:

In accordance with the provisions of MACV Directive 37-10, the following report is submitted for the quarter ending _____.

YES NO

1. Appointment of conversion officers.
 - a. Orders have been issued appointing conversion officers and alternate conversion officers.
— —
 - b. Copies of these orders have been forwarded to the disbursing offices where the conversion officers will convert MPC on C-Day.
— —
2. The reporting organization has a C-Day SOP.
— —
3. Commanders, security personnel, and conversion officers have been briefed on C-Day procedures during the reporting quarter.
— —
4. Conversion officers are completely familiar with:
 - a. The organization's C-Day SOP.
— —
 - b. The conversion readiness checklist.
— —
5. Sufficient copies of the following locally reproduced forms are on hand:
 - a. USARPAC Form 73-R - Conversion Record.
— —
 - b. USARPAC Form 74-R - Individual Conversion Receipt.
— —
 - c. USARPAC Form 75-R - Conversion Record Certificate Sheet.
— —
 - d. USARPAC Form 76-R - Application for Second Conversion.
— —
 - e. USARPAC Form 77-R - Application for Special Conversion.
— —
6. All sponsored activities (e. g., invited contractors) are prepared for conversion.
— —
7. All Official and Nonappropriated Funds Reports (RCS: MACCO-50) have been submitted as required.
— —
8. Any exceptions are fully explained in attached sheet.
— —

FOR THE COMMANDER:

SIGNATURE
TITLE

Appendix 1 to Annex F

(HEADING)

SUBJECT: Official and Nonappropriated Funds Report, RCS: MACCO_____

(Appropriate Address)

(Per paragraph 21, above)

In accordance with the provisions of MACV Directive 37-10, the following report is submitted:

NAME OF FUND:

NAME OF CUSTODIAN:

AUTHORITY FOR FUND:

DATE ESTABLISHED:

AMOUNTS:

MINIMUM:
MAXIMUM:
AVERAGE:

FOR THE COMMANDER:

SIGNATURE
TITLE

(HEADING)

SUBJECT: Notification of FWMAF MPC Returns, RCS: MACCO _____

COMUSMACV
ATTN: MACCO-F
APO 96222

In accordance with the provisions of MACV Directive 37-10, the following information is submitted:

- a. Name of FWMAF.
- b. Name of unit turning-in funds.
- c. Date and time of turn-in.
- d. Total amount presented for conversion.
- e. Balance to be converted.

SIGNATURE
TITLE

Annex H

(HEADING)

(FILE SYMBOL)

SUBJECT: Status of MPC Conversions (RCS: MACCO-35)

COMUSMACV
ATTN: MACCO-F
APO 96222

In accordance with the provisions of MACV Directive 37-10, the following information is submitted concerning the status of MPC conversion as of COB, C-___:

- a. Total old series MPC received in country _____ (Central Funding Division, CF&AO, V, only).
- b. Total old series MPC uncirculated _____ (Central Funding Division, CF&AO, V, only).
- c. Total old series MPC destroyed prior to C-Day _____ (Central Funding Division, CF&AO, V, only).
- d. Amount of old series MPC in hands of Disbursing Officers as of COB, C-Day minus 1 day _____.
- e. Amount of MPC converted as of date of report _____.
- f. Amount of genuine MPC confiscated during conversion _____.
- g. Amount of counterfeit MPC confiscated during conversion _____.
- h. Amount of old series MPC held on property receipt _____.
- i. Other comments and data concerning the conversion (final report only).

SIGNATURE
TITLE

CONVERSION READINESS CHECKLIST FOR CONVERSION OFFICERS

1. Have orders been issued appointing a conversion officer and an alternate?
2. Have copies of the orders appointing a conversion officer been forwarded to the servicing disbursing office?
3. Are sufficient copies of the following forms on hand:
 - a. Conversion Record - USARPAC Form 73-R (2 copies per 21 individuals)?
 - b. Individual Conversion Receipt - USARPAC Form 74-R (2 copies per individual)?
 - c. Conversion Record Certificate Sheet - USARPAC Form 75-R (2 copies)?
 - d. Application for Second Conversion - USARPAC Form 76-R (2 per 5 individuals for whom conversion is performed)?
 - e. Application for Special Conversion - USARPAC Form 77-R (3 per individual for whom conversion is performed)?
4. Is the organization SOP for conversion current?
5. Have the necessary arrangements for security been planned and are they current?
6. Have the arrangements for transportation to obtain new MPC been made and kept current?
7. Have plans been made for notification of all personnel on C-Day?
8. Are you completely familiar with the amounts authorized for conversion for each category of personnel as specified in MACV Directive 37-10?
9. Has an information sheet for individuals been prepared and are sufficient copies available for each individual? (Sample is contained in MACV Directive 37-10.)
10. Are you completely familiar with the procedures for "second" conversions (paragraphs 12 and 15, MACV Directive 37-10)?
11. Are you completely familiar with the procedures for "special" conversions (paragraph 15, MACV Directive 37-10)?
12. Are you aware of the conditions under which it is proper to submit a request for conversion to a board of officers for review (paragraph 16, MACV Directive 37-10)?
13. Do you understand the exact procedure for converting each individual's MPC? The following is a list of actions to be taken:
 - a. Give each individual a copy of the information sheet so that he will know what he must do.

Annex J

- b. Complete the entries on USARPAC Form 73-R and have the individual sign. (This form is prepared in duplicate.)
 - c. Complete the USARPAC Form 74-R, in duplicate.
 - d. Take the individual's MPC. Insure that each \$5, \$10, and \$20 certificate has been signed by the individual with his payroll signature, grade or title, organization, service number or identification card number. Count total and give the individual the original receipt; retain the duplicate. AT LEAST 3/5 OF A CERTIFICATE IS REQUIRED FOR REDEMPTION.
 - e. Sign the individual's ration card with:
 - (1) Your name, rank, and signature.
 - (2) Date of conversion.
 - f. After all collections of the old series have been completed, the following actions are to be taken prior to proceeding to the disbursing office:
 - (1) Prepare the inventory of currency by denominations in Item V of the Conversion Record Certificate Sheet (USARPAC Form 75-R).
 - (2) Complete Item I of the Conversion Record Certificate Sheet.
 - (3) Complete Item IV of the Conversion Record Certificate Sheet.
 - (4) Separate currency by denomination. Prepare bundles of 100 MPC each. Be sure that all certificates are face up and turned the same way. MAKF SEPARATE BUNDLES FOR MUTILATED MPC.
 - g. Proceed to the designated disbursing officer where:
 - (1) The count of old MPC will be verified and Item II of the Conversion Record Certificate will be completed by the disbursing office.
 - (2) You will be given new series MPC for which you will sign the receipt in Item III of the Conversion Record Certificate Sheet. Verify the amount of MPC received before departing the disbursing office. (FWMAF conversion officers will initially receive only a receipt. MPC will be issued after the force headquarters approves the conversion.)
 - h. Return to your organization and distribute the new series MPC as expeditiously as possible. Require each individual to surrender his copy of the receipt (USARPAC Form 74-R).
14. Prepare an after action report and, as necessary, update the local SOP for conversion.

ADDITIONAL ITEMS FOR CONVERSION
OFFICERS MAKING IMMEDIATE CONVERSIONS

15. Do the orders appointing you conversion officer (or alternate) specifically authorize you to draw new series MPC immediately upon the announcement of C-Day?
16. Have you developed a prudent estimate of the amount of MPC, by denomination, you will need to complete your conversion? Have you coordinated this information with the servicing finance officer?
17. Have you arranged for a guard to accompany you when you pick up the new series MPC?

CONVERSION INSTRUCTIONS FOR INDIVIDUALS

Today is C-Day. You will turn in all of your present series MPC in exchange for the new series.

BEFORE YOU GET TO THE CONVERSION TABLE:

- a. Complete (in duplicate) a USARPAC Form 74-R, Individual Conversion Receipt.
 1. The date.
 2. Your name.
 3. Your service number (SSAN).
 4. The amount to be converted (in words and figures).
 5. The printed name and grade of conversion officer.
 6. Your organization.
 7. DO NOT SIGN IT (the signature block is for the conversion officer).
- b. Endorse the back side of each \$5, \$10, and \$20 MPC note to be converted with.
 1. Your payroll signature.
 2. Rank.
 3. Organization.
 4. Service number (SSAN).

WHEN YOU REACH THE CONVERSION TABLE:

- a. Present:
 1. Your USARPAC Form 74-R, Individual Conversion Receipt.
 2. Your ID card.
 3. Your MACV Exchange Ration Card.
 4. All of your MPC (endorsed).
- b. Enter the amount of MPC to be converted on the Conversion Record at the table.
- c. Request an Application for Second Conversion (USARPAC Form 76-R) if you have

MACV Dir 37-10

extra MPC at your billet. This form must be submitted promptly to your commanding officer with an Application for Special Conversion (USARPAC Form 77-R) and the MPC to be converted.

d. Obtain:

1. A signed receipt for the MPC you have converted. This will be exchanged for new MPC later.
2. Your ration card, endorsed with the amount of MPC converted, the date, and the signature of the conversion officer. Your ration card must be endorsed even if you do not convert any MPC.
3. Your identification card.

AFTER YOU LEAVE THE CONVERSION TABLE:

- a. Remain in the general vicinity for speed of conversion.
- b. When the conversion officer has returned with the new MPC, exchange your Individual Conversion Receipt for new MPC.

HEADQUARTERS
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
APO San Francisco 96222

DIRECTIVE
NUMBER 37-24

22 December 1969
(MACCO)

FINANCIAL ADMINISTRATION

MACV CURRENCY CONTROL FORMS AND EQUIPMENT

<u>SECTION I.</u>	<u>GENERAL</u>	<u>Paragraph</u>	<u>Page</u>
	Purpose	1	1
	Applicability	2	1
	Definitions	3	1
	Responsibilities	4	2
<u>SECTION II.</u>	<u>MACV FORM 5, CURRENCY CONTROL PLATE</u>		
	General	5	4
	Procedures	6	4
	Procedure for Verification of Embossing	7	4
	Replacement of Lost or Mutilated MACV Form 5	8	5
<u>SECTION III.</u>	<u>PREPARATION AND PROCESSING OF MACV FORM 385, CURRENCY CONTROL FORM</u>		
	General	9	6
	Identification of Authorized Customers	10	6
	Limitation on Total Value of Individual Controlled Currency Transactions	11	8
	Requirement to Use MACV Form 385	12	8
	Procedures for Preparing MACV Form 385	13	9
	Distribution of MACV Form 385	14	13
	Safeguarding Against Illegal Currency Transactions	15	13
	Submission of Test Cards	16	14
<u>SECTION IV.</u>	<u>PROCUREMENT AND MAINTENANCE OF EQUIPMENT</u>		
	Equipment	17	15
	Procurement Procedures	18	15
	Maintenance Procedures	19	16
<u>SECTION V.</u>	<u>REPORTS</u>		
	Reports	20	18
<u>SECTION VI.</u>	<u>REFERENCES</u>		
	References	21	19

*This directive supersedes MACV Directive 37-24, 16 August 1968.

MACV Dir 37-24

- ANNEX A. STANDARD EMBOSSING INSTRUCTIONS, MODEL 350
GRAPHOTYPE
- ANNEX B. STANDARD EMBOSSING INSTRUCTIONS, MODEL 6340
GRAPHOTYPE
- ANNEX C. MACV FORM 5 FORMATS
- ANNEX D. PROCEDURES FOR MANDATORY USE OF MACV FORM 5,
CURRENCY CONTROL PLATE
- ANNEX E. SAMPLE COMPLETED MACV FORMS 385
- ANNEX F. KEY POINTS

SECTION I

GENERAL

1. PURPOSE. This directive sets forth procedures and responsibilities concerning the equipment and forms used in conjunction with the MACV Automated Currency and Black Market Control System (CABOTS).
2. APPLICABILITY. The provisions of this directive are applicable to the following:
 - a. All personnel processing centers which prepare and issue MACV Form 5 (Currency Control Plate).
 - b. All US facilities and activities charged with the responsibility of preparing MACV Form 385 (Currency Control Form), as prescribed by MACV Directive 37-6.
3. DEFINITIONS.
 - a. CABOTS. CABOTS is the acronym used to identify the MACV Automated Currency and Black Market Control System. The system consists of one file composed of a series of records, one record for every individual in Vietnam with unlimited currency conversion privileges. The file is updated by the MACV Form 385 and reports are generated for individuals who have exceeded established limitations.
 - b. Controlled Currency Transaction. Any transaction in which MPC cash is converted to US currency, a dollar instrument, a non-negotiable instrument (military payment order), or in which MPC cash is deposited to an account from which US currency/dollar instruments may be withdrawn. A listing of controlled currency transactions is shown in Table 1 (see page 7 of this directive).
 - c. Dollar Instruments. For purposes of this directive, dollar instruments include the following:
 - (1) US Postal and Army and Air Force Exchange System (AAFES) money orders.
 - (2) US Treasury checks.
 - (3) Banking paper (bank money orders, traveler's checks, cashier's checks, bank drafts, US Savings Bonds, and any other instruments negotiable in US dollars issued by a military banking facility.)

- d. **Military Banking Facility.** A military banking facility (MBF) is defined as a banking office operated at a US military installation or facility by a banking institution designated by the Secretary of the Treasury as a depository and financial agent of the US Government with specific authority to render certain banking and financial services.
- e. **US Government Agencies.** Those agencies of the US Government through which official business is transacted. Examples include, but are not limited to, the Department of Defense, the military departments, the American Embassy, the Agency for International Development (USAID), and the Joint United States Public Affairs Office (JUSPAO).
- f. **US Government Instrumentalities.** Nonappropriated fund activities of the US Government, including the Vietnam Regional Exchange, US military officer and enlisted clubs and messes, and sundry and welfare fund activities. For purposes of this directive, American Red Cross (ARC) and United Services Organizations (USO) activities assigned in direct support of the US Forces are also categorized as US Government instrumentalities.

4. RESPONSIBILITIES.

- a. Component and uniservice commanders will enforce compliance and insure that appropriate distribution is made of this directive. Republication and the issuance of supplemental instructions are authorized provided the supplemental instructions are consistent with this directive. Component and uniservice commanders will also:
 - (1) Insure that US military members and direct-hire US citizen, civilian employees of US Government departments or agencies are issued MACV Form 5. It is the responsibility of the Embassy/USAID to provide embossed MACV Form 5 for their personnel.
 - (2) Maintain initially issued embossing machines and data recorders and provide for the procurement of necessary embossing machines and data recorders to meet additional needs.
 - (3) Insure that all facilities under their jurisdiction at which controlled transactions are completed prepare and submit MACV Form 385 for each required transaction, using the individual's MACV Form 5.
 - (4) Provide for the issuance of necessary equipment, supplies, blank forms, and instructions to all newly-established facilities prior to opening for business.

- (
- (5) Assign facility codes to all facilities under their jurisdiction and at which controlled currency transactions are completed. Master lists of active facility codes will be maintained and updated when necessary due to unit redeployments, etc. This headquarters, ATTN: MACCO-F, will be advised of all new codes issued and deletions/revisions of existing codes.
 - b. Chief, Data Management Agency, MACV, will process all input of completed MACV Forms 385 for entry into the CABOTS.
 - c. Adjutant General, MACV, will monitor, stock, and distribute supplies of blank MACV Form 5 and blank MACV Form 385.
 - d. Provost Marshal, MACV, will process CABOTS outputs and monitor the system.
 - e. Comptroller, MACV, will provide overall coordination and monitor-ship of the CABOTS system.
 - f. Headquarters Commandant, MACV, will coordinate and/or provide for maintenance support for data recorders and embossing machines and procure all supplies used in conjunction with the CABOTS system, e. g., MACV Form 5 and MACV Form 385.

SECTION II

MACV FORM 5, CURRENCY CONTROL PLATE

5. GENERAL. The MACV Form 5 (Currency Control Plate) will be issued to all US military members and direct-hire US citizen employees of US Government agencies and instrumentalities. The card must be presented to facility clerks when controlled currency transactions are effected. The MACV Form 5 will be used to imprint personal data of the purchaser on MACV Form 385. The MACV Form 5 will not be used as evidence of privileges in official and quasi-official US Government facilities.

6. PROCEDURES.

- a. Personnel in-processing centers of this headquarters and component commands, including III MAF, will provide embossed MACV Form 5 for all military members and direct-hire US citizen civilian employees of US Government departments and agencies in accordance with standard embossing instructions at Annex A or Annex B, as appropriate, for equipment utilized.
- b. Detailed instructions will accompany the addressograph embossing machines. Read the instructions before operating the embossing machines. Addressograph representatives are available in-country to provide maintenance assistance where necessary.
- c. Personnel in-processing centers or other facilities embossing MACV Form 5 will imprint a copy of each embossed MACV Form 5 on a MACV Form 385 (1 July 1968). The imprinted MACV Form 385 (card copy) will be forwarded daily to this headquarters, ATTN: Data Management Agency (CABOTS), APO 96222. A transmittal letter will accompany the daily submission of the MACV Form 385 (card copy) specifying as a minimum the name of the personnel processing center, the facility code of the center, and the quantity of cards being forwarded.
- d. MACV Form 5 and MACV Form 385 may be obtained from normal MACV publication supply channels. Requests for such forms should arrive at this headquarters, ATTN: MACAG-AP, APO 96222, at least 60 days prior to the date the forms are required.

7. PROCEDURE FOR VERIFICATION OF EMBOSSING.

- a. Using Gauge Number MA-803-12A, place top of card against guide and check if line of gauge goes through center of large numerals embossing with no skew effect.

- b. Place card in test data recorder Model 12-87-40. Make imprint, using revised MACV Form 385 (1 July 1968).
- c. Check impression density of numerals on tab card. There must be a uniform appearance otherwise character has been improperly embossed.
- d. Proof read all pertinent information.
- e. If all requirements have been met, card can then be issued.

8. REPLACEMENT OF LOST OR MUTILATED MACV FORM 5. The Adjutant General, MACV, and component commanders, including CG, III MAF, will provide for issuing replacement MACV Form 5 in the event embossed MACV Form 5 is lost, destroyed, or mutilated.

SECTION III

PREPARATION AND PROCESSING OF
MACV FORM 385, CURRENCY CONTROL FORM

9. GENERAL. All US facilities and activities which provide US currency and/or dollar instruments in exchange for Vietnam series military payment certificates (MPC) are required to prepare the MACV Form 385 when processing such transactions. The MACV Form 385 (Currency Control Form) is the input form for CABOTS.

10. IDENTIFICATION OF AUTHORIZED CUSTOMERS.

- a. Individuals in Vietnam authorized to convert/deposit cash MPC in a controlled currency transaction are indicated in Table 1 (see next page). Service or other agency directives may further limit the types of customers permitted to make transactions at a particular facility or facilities. However, individuals other than as indicated in Table I will under no circumstances be permitted to complete the controlled currency transactions described in Table I.
- b. Acceptable means of identifying personnel described in Table 1 are as follows:
 - (1) Members of US Armed Forces on active duty. Green DD Form 2A, 2AF, 2N, or 2MC.
 - (2) US citizen direct-hire employees of US Government agencies and instrumentalities. MACV Form 6, Privilege/Identification Card, which shows US citizenship and entitlement to both military banking and Type A postal privileges. (Note: MACV Form 6, which does not show entitlement to both of the above privileges, will not be accepted, since the holder of such a card is not a direct-hire government employee.)

TABLE 1INDIVIDUALS AUTHORIZED TO CONVERT/DEPOSIT CASH MPC

<u>CONTROLLED TRANSACTION TYPE</u>	<u>AUTHORIZED PERSONNEL</u>
<u>1. Transaction Type #1</u>	
a. Purchase military payment order.	Members of the US Armed Forces on active duty.
b. Deposit cash to Uniformed Services Savings Deposit Program (USSDP).	
<u>2. Transaction Type #2</u>	
a. Purchase US Postal or Army and Air Force Exchange System (AAFES) money orders.	Members of the US Armed Forces on active duty and US citizen full-time direct-hire employees of US Government agencies and instrumentalities.
b. Purchase US Treasury check.	as defined in paragraph 4, above, or official duty in the RVN, excluding MSTs shipboard personnel. See note below.
c. Purchase banking paper (bank money orders, traveler's checks upon departure from the RVN, US Savings Bonds, cashier's checks, bank drafts, etc.).	
d. Deposit cash to MBF.	
<u>3. Transaction Type #3</u>	
Convert MPC to US currency upon departing from Vietnam	See MACV Directive 37-6

NOTE: Employees of government contractors and personnel under personal service contracts are not direct-hire employees and will not be permitted to complete a controlled transaction categorized under Transaction Types 1 and 2.

11. LIMITATION ON TOTAL VALUE OF INDIVIDUAL CONTROLLED CURRENCY TRANSACTIONS. MACV Directive 37-6 sets forth a maximum dollar value of \$200.00 (\$500.00 for special R&R conversions) for the total of the controlled currency transactions listed in Table 1 which an authorized individual may complete in any given month. The conditions under which certifications by commanders/civilian supervisors (MACV Form 22-R) may be issued for certain conversions in excess of the prescribed maximum are indicated in MACV Directive 37-6.

12. REQUIREMENT TO USE MACV FORM 385.

- a. MACV Form 385 must be prepared for all controlled currency transactions listed in Table 1, which are made by authorized personnel with cash MPC, except as noted in paragraph 12c, below. Commanders / supervisors of facilities at which these transactions are made will insure that MACV Form 385 is completed and submitted as prescribed herein in all cases when required.
- b. MACV Form 385 (revised), 1 July 1968, will be submitted to this headquarters in accordance with this directive. Use of previous editions of the form for submission to this headquarters is not authorized.
- c. MACV Form 385 is not required for the following transactions. (Facilities which desire to prepare MACV Form 385 for any of the below transactions solely for their internal control purposes may do so, but the triplicate (card) copies for these transactions will not be forwarded to this headquarters.)
 - (1) Purchases of US Treasury checks, military payment orders, and/or the deposit of cash MPC to USSDP through US Government disbursing officers or their agents made simultaneously with the receipt of pay, allowances, or bonuses (not to exceed the cash disbursement to the member).
 - (2) When purchases of US dollar instruments, deposits to MBF accounts, or deposits to the USSDP are made with checks, if otherwise acceptable by the facility. (The requirement for completion of MACV Form 385 applies only for transactions with cash MPC).
 - (3) Deposits made to the credit of official accounts maintained at MBF by US Government agencies and instrumentalities. Purchases of dollar instruments by US Government agencies and instrumentalities payable to their official bank accounts or to the Treasurer of the United States.

13. PROCEDURES FOR PREPARING MACV FORM 385.

- a. The purchaser will be required to accomplish the following:
- (1) Present the authorized identification required in paragraph 10, above, and his embossed MACV Form 5 Currency Control Plate. (Note: Purchasers who are authorized to present a commander's statement as described at Annex D in place of their MACV Form 5 will complete by legible handwriting the blocks on personal identification (name, pay grade, etc.) and social security account number (SSAN).)
 - (2) Complete the payee data in the lower left corner of MACV Form 385 for all purchases of money orders, Treasury checks, and banking paper. (The payee data need not be shown for other types of conversions.)
 - (3) Check either statement 1 or statement 2, as appropriate, in the certification portion and sign the MACV Form 385. If the cumulative total of the controlled currency transactions made by the purchaser during the current month exceeds \$200, then he is required both to check block No. 2 and furnish a certification by his commander (MACV Form 22-R). (Note: A special limitation of \$500 exists for R&R conversions. See MACV Directive 37-6.)
- b. The cashier/teller/clerk will:
- (1) Require from all purchasers, including those in uniform.
 - (a) Full and complete identification.
 - (b) MACV Form 5 (Currency Control Plate). (Note: If the purchaser presents a commander's statement as described at Annex D in place of a MACV Form 5, the cashier/teller clerk will examine the statement closely and, if appropriate, contact his supervisor for verification of the statement with the unit concerned, by telephone or other means.)
 - (2) Compare the identification data (name, SSAN, etc.) on the identification documents with the MACV Form 5, or the information entered by hand on the MACV Form 385 when MACV Form 5 is not used. (If the identifying data appears to be inconsistent, the clerk/cashier/teller will notify his immediate supervisor and/or impound all documents and notify the nearest US law enforcement agency.)

- (3) Not knowingly permit an individual to complete a total of more than \$200 in controlled currency transactions (except for R&R conversions) in any given month, without presenting a valid MACV Form 22-R (MACV Currency Control Conversion Certificate). (Note: The cashier/teller/clerk will closely examine all MACV Forms 22-R and immediately refer any that appear to be suspicious to his supervisor for verification prior to completing the transaction.)
- (4) Complete the remaining parts of MACV Form 385 for the transaction as follows:
 - (a) Serial numbers of postal money orders. Enter in this block, the serial numbers of money orders of whatever type sold, (not just postal money orders).
 - (b) Clerk's initials. The clerk will complete this block for all MACV Forms 385 prepared.
 - (c) Facility code and month (blocks on top of form). If the data recorder is available, this information is imprinted from the embossed facility card. Insure that the facility card for the current month is used. If data recorder is not available, complete by hand the facility code and the month (01 for January, 07 for July, etc.).
 - (d) Day (block on top of the form). Set the two left-most keys on the data recorder to the date, or handwrite if data recorder is not available. Show date as a two digit number, e. g., 02, 21, etc.
 - (e) Transaction (block on top of the form). Set the two applicable keys on the data recorder to the transaction code. Handwrite if data recorder is not available. Select the correct transaction code as shown in Table 2. (Note: See MACV Directive 37-6 for coding special R&R conversions made at R&R processing centers.)
 - (f) Amount (block on top of the form). Set the three keys to the right on the data recorder to correspond with the amount of the transaction, rounded off to the nearest dollar. Never show cents, thus, a transaction for \$75.41 would be coded 075 (Note: If a transaction is for more than \$999, make up two or more MACV Forms 385).
 - (g) For forms imprinted by the data recorders, no writing, marks, or corrections are permitted in the imprinted area. If a correction is required, tear up the erroneous form and prepare a new one.
 - (h) Insure that all data is clearly legible on the third copy of the form.

TABLE 2
TRANSACTION CODES FOR USE ON MACV FORM 385

IF THE TYPE OF TRANS- ACTION IS:	AND THE TOTAL OF THE MEMBER'S CONTROLLED CURRENCY TRANSACTIONS FOR THE MONTH:	THEN:	AND THE TRANSACTION CODE IS:
1. Purchase US Postal money order or AFPES money order with MPC	does not exceed \$200	Purchaser must check Statement #1	01
	exceeds \$200	Purchaser must check Statement #2 and he must present valid commander's certificate (MACV Form 22-R)	91
2. Purchase US Treasury check with MPC	does not exceed \$200	Purchaser must check Statement #1	02
	exceeds \$200	Purchaser must check Statement #2 and he must present valid commander's certificate (MACV Form 22-R)	92
3. Purchase banking paper (bank money orders, travelers checks, US Savings Bonds, cashier's check, etc.) with MPC	does not exceed \$200	Purchaser must check Statement #1	03
	exceeds \$200	Purchaser must check Statement #2 and he must present valid commander's certificate (MACV Form 22-R).	93
4. Purchase military payment order with MPC.	does not exceed \$200	Purchaser must check Statement #1	04
	exceeds \$200	Purchaser must check Statement #2 and he must present valid commander's certificate (MACV Form 22-R).	94

TABLE 2 (Cont)

5. Convert MPC to US currency	does not exceed \$200	Purchaser must check Statement #1	05
	exceeds \$200	Purchaser must check Statement #2 and he must present valid commander's certificate (MACV Form 22-R), except that special R&R conver- sions up to \$500 do not require a commander's certificate. See MACV Dir 37-6 for R&R conver- sions.	95
6. Deposit MPC to MBF account	does not exceed \$200	Purchaser must check Statement #1	06
	exceeds \$200	Purchaser must check Statement #2 and he must present valid commander's certificate (MACV Form 22-R),	96
7. Deposit MPC to USSDP	does not exceed \$200	Purchaser must check Statement #1	07
	exceeds \$200	Purchaser must check Statement #2 and he must present valid commander's certificate.	97

NOTE: MACV Form 385 not required when purchase of US Treasury check, military payment order, or cash deposit to USSDP made simultaneously with receipt of pay (not to exceed the cash disbursement to the member).

14. DISTRIBUTION OF MACV FORM 385.

- a. The original (flimsy) copy will be held by the facility at which the controlled transaction is made for 12 months after the date of the transaction. A copy of each commander's certificate (MACV Form 22-R) for conversion in excess of \$200 and commander's statement of personnel who lack MACV Form 5 will be attached to the applicable original copy of the MACV Form 385. To permit ready reference in the event subsequent investigation of the transaction requires access to the original signature, the retained forms will be maintained alphabetically by month.
- b. The duplicate (green) copy is the purchaser's record of the transaction.
- c. The triplicate (card) copy of MACV Form 385 will be forwarded on a daily basis by the MPC conversion/deposit facility to COMUSMACV, ATTN: Data Management Agency (CABOTS), APO 96222.
- d. The triplicate (card) copy of MACV Form 385 is to be submitted so as to arrive at this headquarters in a condition suitable for processing by automatic data processing (ADP) equipment. To assure that this is accomplished, the following is required.
 - (1) The triplicate (card) copy will not be stapled, bent, or mutilated.
 - (2) The card forms will be packed so as to avoid damage during shipment. It is recommended that the cards be placed between two pieces of cardboard, bound with rubber bands, and mailed in a crush-proof container.

15. SAFEGUARDING AGAINST ILLEGAL CURRENCY TRANSACTIONS.

Commanders/supervisors of facilities at which controlled currency transactions are made are strictly responsible for positive control measures to prevent illegal conversions of MPC to US currency or US dollar instruments at their facilities. Effective controls over transactions by cashiers/tellers/clerks are required to preclude such illegal conversions. Examples of controls include but are not limited to the following:

- a. Review and filing of the original (retained) copies of MACV Form 385 by some individual other than the cashier/teller/clerk. This review should include surveillance to assure that the forms are prepared correctly and that commander's certificates (MACV Form 22-R) accompany all forms on which statement number 2 has been checked and/or when the transaction is in excess of \$200 (\$500 for special R&R conversions). Additionally, spotchecks should be made to assure that individual MACV Forms 385 are prepared only for valid transactions.

- b. Commanders/supervisors of all facilities at which controlled currency transactions are made are required to perform a daily reconciliation. The dollar amount of controlled transactions for each cashier/clerk/teller will be balanced to the dollar amount of MACV Forms 385 plus the dollar amount of transactions described in paragraph 12c, above, which are exempt from monitorship by MACV Form 385.

16. SUBMISSION OF "TEST CARDS." Each facility will perform a weekly test procedure and submit the test results immediately by mail to this headquarters, ATTN: Data Management Agency (CABOTS), APO 96222. The procedures for preparing the "Test Cards" are as follows:

- a. Insert the MACV Form 5 card (accompanying the data recorder), marked with 000-00-0000 or 333-33-333 and "Test Card," in the appropriate card holder of the data recorder.
- b. Insure that a current facility data card (furnished for the data recorder) is inserted in the appropriate card holder of the data recorder.
- c. Insert a MACV Form 385 in the appropriate form holder of the data recorder.
- d. Set the current date in the data recorder by adjusting the two red data recorder keys.
- e. Set in the data recorder the last five numeric digits of the data recorder serial number by adjusting the remaining five data recorder keys.
- f. Operate the data recorder so as to imprint the MACV Form 385.
- g. Submit test results (third copy of imprinted MACV Form 385) to the Data Management Agency, MACV.

SECTION IVPROCUREMENT AND MAINTENANCE OF EQUIPMENT

17. EQUIPMENT. The following items of equipment are used in conjunction with the CABOTS system.

- a. Model 12-87-40 Addressograph Data Recorder. The machine used to imprint the appropriate variable and fixed data onto the MACV Form 385.
- b. Model 350 Addressograph Graphotype Embosser. The machine used to manually emboss the MACV Form 5 (Currency Control Plate).
- c. Model 6340 Addressograph Graphotype Embosser. The electrically operated keyboard machine used to emboss the MACV Form 5 (Currency Control Plate).
- d. Facility Cards. The embossed plastic cards provided to facilities for use with the data recorder machines. These cards are used to imprint the facility identification data and the current month on the MACV Form 385. They are provided in a set of 12 (one for each month) for each data recorder. The cards do not contain a year designation, thus, the set of cards may be used year after year.

18. PROCUREMENT PROCEDURES.

- a. Embossing Machines. Component/uniservice commanders will initiate requests for Graphotype embossing machines required by their personnel processing centers. Requests for the machines will be submitted, with justification and fund citation, through normal procurement channels. A copy of the request will be forwarded to this headquarters, ATTN: MACCO-F, APO 96222.
- b. Data Recorder Machines. Requests for the issuance of data recorder machines will be submitted to the respective component/uniservice headquarters, ATTN: Comptroller. Component/uniservice commanders will attempt to satisfy such requests through redistribution of any excess machines in the command. If excess machines are not available, the request will be forwarded to this headquarters, ATTN: MACCO-F, APO 96222.
- c. Facility Cards. Requests for facility cards should be submitted directly to this headquarters, ATTN: MACCO-F, APO 96222. The following information must be included:

- (1) Facility Code.
- (2) Identification of facility.
- (3) Location of facility.
- (4) APO number.
- (5) Number of data recorder for which cards are requested.
- (6) Months for which cards are requested.

Example: 000212

4151 APU

Saigon

APO 96309

2 data recorders

Jan - Dec (12 months)

19. MAINTENANCE PROCEDURES.

- a. **Embossing Machines.** Units having embossing machines which are in need of service must contact this headquarters, ATTN: Headquarters Commandant Supply Section, APO 96222, advising of the requirement for maintenance and identifying the serial number of the embossing machine requiring service. Headquarters Commandant, MACV, will advise the requesting unit of procedures to be followed in obtaining the maintenance service.
- b. **Data Recorders.** Data recorders will require maintenance if imprinting qualities are impaired and/or if mechanical functions are not operative.
 - (1) If it is determined by a study of the test result performed by the Data Management Agency that the data recorder is in need of adjustment, the Data Management Agency will notify the facility to turn in the data recorder (less the facility code card) to the maintenance pool agency.
 - (2) If the data recorder operator determines that the recorder is not operative, he will immediately turn the data recorder (less the facility code card) in to the maintenance pool agency.
 - (3) In both of the above situations, the maintenance pool agency will

supply the facility with a serviceable data recorder. The facility receiving the replacement recorder will immediately submit test information on the replacement data recorder as prescribed in paragraph 16, above.

- (4) The maintenance pool agencies (to be designated by the component and uniservice commanders) will maintain a float of serviceable data recorders for issuance to facilities turning in data recorders for repairs. The maintenance pool agencies will immediately forward the data recorders needing repairs to this headquarters, ATTN: Headquarters Commandant Supply Section, APO 96222. Maintenance pool agencies will not perform maintenance on data recorders.
- (5) In order to minimize and prevent shipment damages to data recorders, service facilities and maintenance pool agencies are urged to maintain original packing and shipping containers for subsequent transporting or shipping of data recorders.

SECTION V

REPORTS

20. REPORTS. The submission of the individual copies of MACV Form 385 (card copy) is exempt under provisions of paragraph 39h, AR 335-15.

SECTION VI

REFERENCES

21. REFERENCES:

- a. MACV Directive 37-6.
- b. MACV Directive 37-31.
- c. MACV Directive 65-5.
- d. MACV Directive 310-4.

FOR THE COMMANDER:



ELIAS C. TOWNSEND
Major General, USA
Chief of Staff

LOUIS J. PROST
Colonel, USA
Adjutant General

Annexes

- A. Standard Embossing Instructions, Model 350 Graphotype.
- B. Standard Embossing Instructions, Model 6340 Graphotype.
- C. MACV Form 5 Formats
- D. Procedures for Mandatory Use of MACV Form 5, Currency Control Plate.
- E. Sample Completed MACV Form 385.
- F. Key Points.

DISTRIBUTION:

I-A, III-A,
IV-A, V-A

Plus:

150 - USARV
60 - NAVFORV
10 - III MAF
30 - MACCO
150 - MACAG-AP

STANDARD EMBOSSING INSTRUCTIONS
MODEL 350 GRAPHOTYPE
Reference Book SA 1273 REV

1. DESCRIPTION. The Model 350 Graphotype is a manually operated embossing machine with character selection made by sliding the type rack to the desired letter.

2. PLASTIC CARD. The plastic card, MACV Form 5, is embossed on the Graphotype with the following (see Annex C for illustration of embossed MACV Form 5):

- a. 1st LINE. In large numerals-social security account number of holder (9 digits).
- b. 2d LINE. Surname followed by first and middle initial. Example:
SMITH J B
- c. 3d LINE. Grade and service number, if applicable. Month of rotation.
- d. 4th LINE. Unit identification and component. Year of rotation.

3. OPERATING INSTRUCTIONS. The Model 350 Graphotype, although a manually operated machine, is engineered to provide the correct embossing character height when the operating handle (3d page, 5th illustration) is pulled forward as far as it will go. The character is embossed by the machine, not the operator. Don't slam the handle. To space, pull the operating handle forward about two inches and push it back, or, pull the carriage release knob (3d page, 1st illustration) located on the left side of the machine, forward.

- a. With left hand, turn the plate release knob toward you until the plate jaws open. (3d page, 2d illustration.)
- b. Turn the plate jaw release knob away from you until the card is horizontal. (3d page, 3d illustration.)
- c. Move carriage to the left as far as it will go. Push the carriage forward until the line indicator shows number one. (2d page, 4th illustration.)
- d. Move carriage to space 6 to first position for embossing large numerals. (3d page, 4th illustration, note pointer in foreground.) Emboss social security account number or next available sequence account number from the series of numbers provided the in-processing center or embossed card preparing facility at HQ, MACV. Space so that the number appears in this format: 000000000. Note: The spacing arrangement is uniform and does not appear with the normal social security account number arrangement.

Annex A

- e. Move carriage to left, press space lever until line indicator shows line 3. (3d page, 6th illustration.)
- f. Move to space 4. (3d page, 4th illustration, note pointer in foreground.) Emboss surname and first and middle initials.
- g. Move carriage to left. (3d page, 6th illustration.) Press space lever until line indicator shows line 4.
- h. Move operating handle to space 4. Emboss grade. Examples: officers 01, 02, 03, etc: warrant officer W1, W2, etc: civilian G1, G2, G7, G18, etc: enlisted E1, E2, etc. On the same line move to space 10. (3d page, 4th illustration, note pointer in foreground.) Emboss service number, if applicable.
- i. On same line move to space 25 and emboss month of rotation in numerals. Examples: January should appear as 01; March as 03; etc.
- j. Move carriage to left, press space lever until line indicator shows line 5. (3d page, 6th illustration.)
- k. Move to space 4. Emboss unit identification code or lowest level military unit identification determinable at the personnel center.
- l. On same line move to space 1; and emboss abbreviated component identification. Examples: USN, Navy; USA, Army; USAF, Air Force; Civ, Civilians; USMC, Marine; USCG, Coast Guard.
- m. On same line move to space 25 and emboss year of rotation. Example: 1968 to appear as 68.
- n. Return carriage to plate loading position. Open jaw and remove embossed card. (3d page, 2d illustration.)


STANDARD EMBOSSING INSTRUCTIONS
MODEL 6340 GRAPHOTYPE
Reference Book SA-931-107


1. DESCRIPTION. The Model 6340 is a keyboard-operated, electrically powered embossing machine containing a keyboard similar to a typewriter. The Graphotype is used to emboss the plastic cards used in the currency control system.
2. PLASTIC CARD. The plastic card, MACV Form 5, is embossed on the Graphotype with the following (see Annex C for illustration of embossed MACV Form 5):
 - a. 1st LINE. In large numerals - social security account number of holder (9 digits).
 - b. 2d LINE. Surname followed by first and middle initials. Example: Smith J H (a maximum of 18 positions is available for name).
 - c. 3d LINE. Grade and service number, if applicable. Month of rotation.
 - d. 4th LINE. Unit identification code, component, and year of rotation.
3. OPERATING INSTRUCTIONS.
 - a. Turn on motor switch found on the right leg of the machine (see figure 2).
 - b. Place plastic card (MACV Form 5) in inverted position in jaw of Graphotype carriage (see Figures 3 & 4), with signature panel facing operator. Jaw opens by pressing downward on the left handle. Place MACV Form 5 firmly against left guide block (Figure 7-G).
 - c. Move MACV Form 5 to flat or horizontal position by turning left handle (Figure 7-F) to the forward position.
 - d. Set escapement rack for 7 characters to the inch. Escapement lever should be in the down position. (Escapement lever is a cadmium plated knob mounted on a lever in the lower part of the carriage and is fixed on two sets of racks.)
 - e. Move carriage all the way to the left against the stop block located on carriage rail. Push carriage line spacing rack all the way in (Figure 7-A). This will position the card on the first line to be embossed.
 - f. Tap space bar (Figure 5) twice to move carriage to the right, and in the first position for the social security account number.

Annex B

- g. Machine is now ready to emboss first line. Emboss social security account number with spaces in the normal dash position. Example 332 23 3415 or next available sequence account number from the series of numbers provided the in-processing center or embossed card preparing activity by HQ, MACV.
- h. Move carriage to right, away from embossing location.
- i. Move escapement lever up to set machine for embossing 10 characters to the inch.
- j. Back carriage out on line by lifting lever (Figure 7-B) located in center of carriage. This places the card in the proper line spacing for embossing the second line.
- k. Move carriage all the way to the left.
- l. Emboss surname followed by first and middle initials.
- m. Back carriage out one line by lifting the lever located in center of carriage. This places the card on the 3d line to be embossed. Move carriage all the way to the left.
- n. Emboss grade. Examples: officers O1, O2, O3, etc; enlisted E1, E2, E3, etc; civilians G1, G3, G18, etc; warrant officers W1, W2, W3, or W4.
- o. On same line, tap space bar to 7th position shown on character indicator. (Character indicator is located on track on which the carriage moves on the right hand side, with a pointer showing the space number.) Emboss service number, if applicable.
- p. On same line, tap space bar to 22d position shown on character indicator. Emboss month of rotation in numerals. Example: January to appear as 01, March to appear as 03, etc.
- q. Back carriage out one space to 4th line. Move carriage to the left.
- r. Emboss unit identification code or lowest level military unit identification determinable at the personnel center.
- s. On same line, tap space bar to move to 14th space, as shown on character indicator. Emboss component abbreviation. Example: USN, Navy; USA, Army; USAF, Air Force; Civ, Civilians; USMC, Marine; USCG, Coast Guard.
- t. On same line, move carriage over to 22d space, emboss year of rotation. Example: 1968 to appear as 68; 1969 to appear as 69.
- u. Move carriage to extreme right. Lift spacing lever to back carriage jaw all the way out. Press lever handle on left to open jaw. Remove card.

MACV FORM 5 FORMATS

	<input type="text"/>	M A C V
	PAYROLL SIGNATURE	
(SAMPLE FORMAT)		
3 3 3 3 3 3 3 3		
LONGFELLOW WR JR		
04 0-00000		
1 AIR CAV DIV USA		
		EXPIRES LAST DAY OF
		MONTH 12
		YEAR 69
MACV FORM 5 (20 Feb 68)		

	<input type="text"/>	M A C V
	PAYROLL SIGNATURE	
(SAMPLE FORMAT)		
6 6 6 6 6 6 6 6		
CIVILIANE I M		
0 9		
MAC CORDS CIV		
		EXPIRES LAST DAY OF
		MONTH 01
		YEAR 72
MACV FORM 5 (20 Feb 68)		

PROCEDURES FOR MANDATORY USE OF MACV FOPM 5,
CURRENCY CONTROL PLATE

1. The following purchase procedures apply for the mandatory use of MACV Form 5.

- a. Authorized customers must present an identification card and embossed MACV Form 5 (Currency Control Plate) with social security account number to complete a controlled currency transaction. Personnel failing to present both of these credentials will not be permitted to complete the transaction, except as provided in paragraphs 2 and 3, below.
- b. The facility clerk will require positive identification from all personnel desiring to make a control transaction. The individual's name, service number, and social security account number (when recorded on the identification card) will be compared with the same data items recorded on the MACV Form 385 (Currency Control Form). Additionally, the signature on the MACV Form 385 will be compared with the signature on the identification card and the purchaser's resemblance compared to the picture on the identification card.
- c. Entry of social security account number on MACV Form 385 will be made using the individual's MACV Form 5 (Currency Control Plate) and the data recorder. Handwritten entries of social security account numbers are not authorized except as provided in paragraphs 2 & 3, below.

2. In order to accommodate individuals who have lost their MACV Form 5, unit commanders may provide a statement indicating that a new card has been requested, and authorizing the individual to complete a single controlled transaction at a specified facility. The statement will be valid only within local command jurisdiction.

- a. The commanders statement will be completed to show the name of the individual, rank, social security account number, amount of transaction, facility to be used, date, name and grade of commander, organization and telephone number. The statement will be prepared as follows:

"I hereby authorize (grade and name), social security account number (SSAN), to complete a controlled currency transaction in the amount of \$ at (facility). This authorization is valid only for the date indicated above, and only at the specified facility. A new MACV Form 5 has been requested for this individual."

(Commander's signature)

Typed name and grade

Organization

Telephone number

Annex D

- b. Statement will be valid only for the day of issue, and facility clerks will not accept statements with other than the current date.
 - c. The facility clerks may accept these valid statements in lieu of a MACV Form 5 (Currency Control Plate). The social security account number of the purchaser will be manually entered on the MACV Form 385, exactly as shown on the commander's statement. Upon completion of the transaction, the statement will be stapled to the original copy of the MACV Form 385, and retained in the files of the facility.
 - d. The use of the aforementioned commander's statement does not eliminate the requirement for a commander's certification (MACV Form 22-R) which is required on transactions in excess of the \$200 monthly limit prescribed in MACV Directive 37-6.
 - e. The above described statement may also be used to permit the completion of a controlled currency transaction by personnel ordered to Vietnam for limited periods of temporary duty, and who have not been issued the MACV Form 5. The statement will be obtained from the commander of the unit to which the individual is attached for temporary duty. Procedures for the use of the statement under these circumstances will be as described above, except that the comment, "A new MACV Form 5 has been requested for this individual" may be eliminated from the statement format.
3. The mandatory use of MACV Form 5 will not be required for personnel making conversions incident to their final departure from Vietnam.
 4. These procedures may be waived or modified by component/uniservice commanders in those cases where it is determined that strict adherence will impose an unreasonable hardship on the service member. Notification must be made to this headquarters, ATTN: MACCO-F, of all significant modifications and waivers.

SAMPLE COMPLETED MACV FORMS 385

222646012
SOCIAL SECURITY NUMBER

000227 05
FACILITY CODE MONTH

13 91 400
DAY YEARS AMOUNT

POSTAL OFFICER
448TH APU
APO 96226 MAY

COMPLETE AREA BELOW IN BOLD OUTLINE IF YOUR PLASTIC CARD IS NOT AVAILABLE

LAST NAME, INITIALS (PRINT)
ADAMS, J.F.

PAY GRADE SERVICE OR ID NO.
03 222646012

ORGANIZATION
HQ MACV

BRANCH OF SERVICE (USAF, ETC.)
USA

PAYEE (PRINT)
JAPAN REG. EX.

STREET
PALEX

CITY & STATE ZIP CODE
ADO 96261

HANDWRITE AREAS AT TOP, IF INCOMPLETE

TRANSACTION DATE
5-13-69

SERIAL NUMBERS OF POSTAL MONEY ORDERS
83961, 83962, 83963, 83964

STATEMENT
 1. The total dollar value of currency transactions coded items 01 thru 08 completed by me this month does NOT exceed \$200.
 2. The total dollar value of currency transactions coded items 01 thru 08 completed by me this month does exceed \$200 and I certify by my commander/supervisor that I legitimated the same as submitted herewith.

Signature
J.F. Adams

Falsification of the above certification is punishable as a violation of 18 USC 1001.

TRANSACTION	CODE
Postal Money Order	91 01
U.S. Treasury Check	92 02
Banking Paper	93 03
Mail Payment Order	94 04
U.S. Currency	95 05
Bank Deposit Cash	96 06
USSDP (Cash)	97 07
USSDP (Check)	98 08
Camera	10
T.V.	11
Tape Recorder (Under \$75)	12
Tape Recorder (Over \$75)	13
Tuner / Amplifier	14
Refrigerator	15
Fan	16
Radio	17
Airline Ticket	18
Automobile	19
	20
	21

Complete Manual Preparation

222646012
SOCIAL SECURITY NUMBER

000227 05
FACILITY CODE MONTH

13 91 400
DAY YEARS AMOUNT

POSTAL OFFICER
448 APU
APO 96226 MAY

COMPLETE AREA BELOW IN BOLD OUTLINE IF YOUR PLASTIC CARD IS NOT AVAILABLE

LAST NAME, INITIALS (PRINT)
ADAMS, J.F.

PAY GRADE SERVICE OR ID NO.
03 222646012

ORGANIZATION
HQ MACV

BRANCH OF SERVICE (USAF, ETC.)
USA

PAYEE (PRINT)
JAPAN REG. EX.

STREET
PALEX

CITY & STATE ZIP CODE
ADO 96261

HANDWRITE AREAS AT TOP, IF INCOMPLETE

TRANSACTION DATE
5 12 69

SERIAL NUMBERS OF POSTAL MONEY ORDERS
83961, 83962, 83963, 83964

STATEMENT
 1. The total dollar value of currency transactions coded items 01 thru 08 completed by me this month does NOT exceed \$200.
 2. The total dollar value of currency transactions coded items 01 thru 08 completed by me this month does exceed \$200 and I certify by my commander/supervisor that I legitimated the same as submitted herewith.

Signature
J.F. Adams

Falsification of the above certification is punishable as a violation of 18 USC 1001.

TRANSACTION	CODE
Postal Money Order	91 01
U.S. Treasury Check	92 02
Banking Paper	93 03
Mail Payment Order	94 04
U.S. Currency	95 05
Bank Deposit Cash	96 06
USSDP (Cash)	97 07
USSDP (Check)	98 08
Camera	10
T.V.	11
Tape Recorder (Under \$75)	12
Tape Recorder (Over \$75)	13
Tuner / Amplifier	14
Refrigerator	15
Fan	16
Radio	17
Airline Ticket	18
Automobile	19
	20
	21

Data Recorder Used Without MACV Form 5

222646012
SOCIAL SECURITY NUMBER

000227 05
FACILITY CODE MONTH

13 91 400
DAY YEARS AMOUNT

ADAMS J F
03 222646012 06
MACV USA 70

POSTAL OFFICER
448 APU
APO 96226 MAY

COMPLETE AREA BELOW IN BOLD OUTLINE IF YOUR PLASTIC CARD IS NOT AVAILABLE

LAST NAME, INITIALS (PRINT)
ADAMS, J.F.

PAY GRADE SERVICE OR ID NO.
03 222646012

ORGANIZATION
HQ MACV

BRANCH OF SERVICE (USAF, ETC.)
USA

PAYEE (PRINT)
JAPAN REG. EX.

STREET
PALEX

CITY & STATE ZIP CODE
ADO 96261

HANDWRITE AREAS AT TOP, IF INCOMPLETE

TRANSACTION DATE
5 12 69

SERIAL NUMBERS OF POSTAL MONEY ORDERS
83961, 83962, 83963, 83964

STATEMENT
 1. The total dollar value of currency transactions coded items 01 thru 08 completed by me this month does NOT exceed \$200.
 2. The total dollar value of currency transactions coded items 01 thru 08 completed by me this month does exceed \$200 and I certify by my commander/supervisor that I legitimated the same as submitted herewith.

Signature
J.F. Adams

Falsification of the above certification is punishable as a violation of 18 USC 1001.

TRANSACTION	CODE
Postal Money Order	91 01
U.S. Treasury Check	92 02
Banking Paper	93 03
Mail Payment Order	94 04
U.S. Currency	95 05
Bank Deposit Cash	96 06
USSDP (Cash)	97 07
USSDP (Check)	98 08
Camera	10
T.V.	11
Tape Recorder (Under \$75)	12
Tape Recorder (Over \$75)	13
Tuner / Amplifier	14
Refrigerator	15
Fan	16
Radio	17
Airline Ticket	18
Automobile	19
	20
	21

Data Recorder Used With MACV Form 5

KEY POINTS

ALWAYS

1. Require positive identification. The MACV Form 5 (Currency Control Plate) is not an ID card.
2. Insure purchaser checks either statement #1 or statement #2 and signs the form. If he checks statement #2, he must present a commander's certification (MACV Form 22-R).
3. Set the correct date, transaction code, and amount by using the keys on the data recorder.
4. Initial the MACV Form 385.
5. Print each form only once.

NEVER

1. Complete a transaction until you have verified name, social security account number, etc.
2. Allow a customer to make a transaction over \$200 without a certificate from his commander (MACV Form 22-R).
3. Show "cents" in the amount block.
4. Correct a form. Tear it up and write a new one.
5. Fold, bend, or staple the triplicate (card) copy of the form.

Annex F

HEADQUARTERS
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
APO San Francisco 96222

CHANGE 1
DIRECTIVE
NUMBER 37-9

11 April 1970
(MACCO)

FINANCIAL ADMINISTRATION

POLICY RELATIVE TO THE ACQUISITION OF
MILITARY PAYMENT CERTIFICATES, US DOLLARS, AND PIASTERS
BY FREE WORLD MILITARY ASSISTANCE FORCES

Directive Number 37-9, this headquarters, 12 November 1969, is changed as follows:

1. Page 4. Paragraph 11a is superseded as follows:
 - a. Funding Service to Free World Military Assistance Forces (FWMAF) Report (RCS: MACCO-36).
 - (1) A monthly report (RCS: MACCO-36) is to be submitted to this headquarters, ATTN: MACCO-F, by all US military disbursing offices that provide service to FWMAF. Funding Division, CFAOV, APO 96309, is to furnish a semimonthly report.
 - (2) The report is to indicate:
 - (a) Servicing office/unit.
 - (b) FWMAF contingents serviced.
 - (c) Amounts of MPC, US dollars, piasters, US Treasury checks, and limited depositary MPC checks advanced to and/or received from each FWMAF element, by date and individual transaction.
 - (3) The report is to be submitted so as to arrive at this headquarters not later than the 5th calendar day of the month following the month being reported. Funding Division, CFAOV, is to submit the report for activity from the 1st through the 15th of the month not later than the 20th of the month. The report for the period from the 16th through the end of the month is to be submitted not later than the 5th day of the following month.
 - (4) In the event of an MPC series conversion (C-Day), a special MACCO-36 report is to be prepared reflecting activity from the 1st of the month

C1, MACV Dir 37-9

through the day preceding C-Day. This report is to be prepared immediately upon notification of C-Day and is to be transmitted by priority message so as to arrive at this headquarters not later than 24 hours after announcement of C-Day. A report for the remainder of the month (from C-Day through the end of the month) is to be prepared as indicated in paragraph 11a(3), above. Transactions relating to C-Day are to be included in this report and conspicuously identified.

2. This transmittal sheet is to be filed in front of the publication for reference purposes.

FOR THE COMMANDER:



LOUIS J. PROST
Colonel, USA
Adjutant General

W. G. DOLVIN
Major General, USA
Chief of Staff

DISTRIBUTION:

B

Plus:

- 50 - MACCO-F
- 100 - FWMAO
- 300 - MACAG-AP
- 200 - USARV*
- 100 - NAVFORV*
- 100 - 7th AF*
- 100 - III MAF*

*Distribute to all disbursing offices

HEADQUARTERS
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
APO San Francisco 96222

DIRECTIVE
NUMBER 37-9

12 November 1969
(MACCO)

FINANCIAL ADMINISTRATION

POLICY RELATIVE TO THE ACQUISITION OF
MILITARY PAYMENT CERTIFICATES, US DOLLARS, AND PIASTERS
BY FREE WORLD MILITARY ASSISTANCE FORCES

1. PURPOSE. This directive establishes policy and procedures governing the acquisition of currencies from United States military sources by Free World Military Assistance Forces (FWMAF) stationed in the Republic of Vietnam (RVN).
2. APPLICABILITY. This directive is applicable to all MACV staff agencies and subordinate commands.
3. DEFINITIONS.
 - a. Free World Military Assistance Forces. Any friendly military unit, detachment, contingent, or force in the RVN to provide assistance. In this directive, the term FWMAF does not include US Military Assistance Forces.
 - b. Military Payment Certificates (MPC). An instrument (scrip) denominated in US dollars, or fractions thereof, used as the official medium of exchange in all establishments of the US Armed Forces in the RVN and other US Government departments, agencies, or instrumentalities operating in conjunction therewith. FWMAF are authorized the use of MPC as prescribed in separate agreements between MACV and the respective FWMAF. MPC is authorized for use as a medium of exchange, as prescribed by MACV Directive 37-6, in facilities such as post (base) exchanges, clubs, messes, theaters, and other authorized concessions. It is not authorized for use in transactions with organizations or personnel, to include local nationals, who are not authorized by MACV to use MPC.
4. GENERAL. The policy contained in this and other MACV directives relative to the use, possession, control, and reporting procedures for US dollars, dollar negotiable instruments, Military Payment Certificates (MPC), and piasters, is applicable to FWMAF authorized use of MPC in accordance with financial or military working arrangements executed between the Commander, United States Military Assistance Command, Vietnam (COMUSMACV), and the respective FWMAF commander.

*This directive supersedes MACV Directive 37-9, 16 July 1967.

5. RESPONSIBILITIES. Commanders of FWMAF will insure instructions consistent with this and other MACV directives relative to currency control are provided their personnel concerning the policies applicable to the acquisition and disposition of currencies in the RVN.

6. VIOLATIONS. Matters concerning currency control violations by FWMAF will be referred to this headquarters, ATTN: MACCO-F. No local official remedial action in regard to currency control will be taken by US agencies or activities concerning these forces.

7. PROCEDURES.

- a. Each FWMAF commander will appoint a command finance representative to conduct all financial transactions for his force. The representative so appointed will be the only agent authorized to conduct financial transactions with US military forces in the RVN, except as authorized in paragraph 9, below.
- b. Finance representatives of FWMAF will acquire funds for their command only from the Finance Officer, Funding Division, Central Finance and Accounting Office, Vietnam (CFAOV), APO 96309, in the following manner:
 - (1) MPC may be acquired only in exchange for US dollars or negotiable instruments drawn in US dollars or limited depositary MPC checks.
 - (2) Piasters for official transactions and for resale to individuals may be acquired only in exchange for US dollars, negotiable instruments drawn in US dollars, MPC, or limited depositary MPC checks.
 - (3) US dollars, US Treasury checks, or limited depositary MPC checks may be acquired only in exchange for MPC. Such transactions will not be subject to control by use of MACV Form 385 (Controlled Currency Transactions Form) as this is intended for use by individuals subject to US military or civilian control.
 - (4) US Treasury checks and/or limited depositary checks issued to FWMAF financial representatives for use in the RVN will be drawn to the order of an appropriate US disbursing officer for payment to a military disbursing officer of a FWMAF. An example of this limited negotiability feature is as follows: "Pay to the order of Finance Officer, 99th Finance Section, for payment to CPT Jose Sampanos." Under no circumstances will a US Treasury check be made payable to an individual representative of a FWMAF in the RVN.

- (5) US Treasury checks issued to FWMAF financial representatives for transmission to the respective parent country will be restricted as to payee authorized. Such checks will be drawn only to the order of the government concerned, or to a designated bank or financial representative of said government located within the geographical boundaries of the FWMAF country.
- (6) Control of MPC.
 - (a) The amount of MPC which may be returned by each FWMAF to US military disbursing offices will be limited to the amount of MPC acquired from authorized sources minus the amount of confirmed sales in the respective FWMAF post exchange and other authorized activities.
 - (b) The amount of MPC which will be converted for each FWMAF in conjunction with an MPC series conversion will be limited to the outstanding balance of MPC on the day of conversion. The outstanding balance of MPC is equal to the total amount of MPC acquired from authorized sources since the previous MPC series conversion minus all returns of MPC to US funding sources and confirmed sales in the respective FWMAF post exchange and other authorized activities.
 - (c) When the outstanding MPC balance of a FWMAF is zero or negative, no further funding service will be furnished the FWMAF concerned until a positive MPC balance is reestablished.
- c. Financial representatives of FWMAF are responsible for insuring MPC and piasters in the possession of their personnel are exchanged for US dollars, other currencies, or negotiable instruments, as deemed appropriate, prior to departure from the RVN. The provisions of MACV Directive 37-6 and the appropriate financial working arrangement with the respective FWMAF prescribe the limitations on the amount of funds authorized to be converted on departure from the RVN.
- d. Except as authorized in paragraph 9, below, US military disbursing officers are prohibited from furnishing US dollars or dollar negotiable instruments to individual members of the FWMAF.

8. FINANCIAL SERVICES AUTHORIZED TO BE PROVIDED FWMAF BY COMPONENT AND UNISERVICE COMMANDS. Component and uniservice commanders are authorized to provide certain limited financial services to assist FWMAF in the conduct of their financial affairs. The services provided are to be by mutual agreement entered into between the component or uniservice commanders and the FWMAF commander. Services are limited to the following:

- a. Bulk funding of MPC or piasters. This procedure will consist of the cashing of US Treasury checks drawn in the manner outlined in paragraph 7b(4), above. Encashment of such checks requires prior arrangement with the US military disbursing officer concerned to insure local availability of funds.
- b. Acceptance of site exchange MPC receipts in exchange for US Treasury checks payable only to Vietnam Regional Exchange (PACEX), APO 96243. Site exchange MPC receipts are accumulations of sales receipts generated from small local exchanges. Site exchange receipts so presented will be packaged in accordance with the instructions furnished by the US military disbursing officer accepting the MPC. The US military disbursing officer will report the amount of these receipts as described in paragraph 11, below.

9. FINANCIAL SERVICES AUTHORIZED INDIVIDUAL MEMBERS OF THE AUSTRALIAN ARMY TRAINING TEAMS, VIETNAM. US military disbursing officers located outside of Saigon, Vietnam, are authorized to furnish certain finance services to individual members of Australian Army Training Teams, Vietnam (AATTV), serving with MACV advisory teams. This service is limited to the encashment of limited depositary MPC account checks for MPC, the sale of piasters in exchange for US dollars or MPC, and the exchange of MPC for US dollars for those individuals departing RVN on R&R from the aerial port of embarkation other than Tan Son Nhut Air Base. In those instances where US dollars are furnished AATTV members going on R&R, the transaction will be reported to the Commander, Australian Force, Vietnam, as outlined in paragraph 11, below.

10. PAYMENTS TO INDIVIDUAL MEMBERS OF FWMAF BY OFFICIAL AND QUASI-OFFICIAL AGENCIES OF THE UNITED STATES GOVERNMENT. The provisions of this directive or the financial or military working arrangement executed between COMUSMACV and FWMAF commanders, are not a prohibition on making payments direct to an individual member of a FWMAF. When payment is in settlement of an amount legally due the individual by an official or quasi-official agency of the US Government, such payment will be made in MPC or piasters. US Treasury checks and limited depositary MPC checks will not be utilized.

11. REPORTS.

- a. Funding service to Free World Military Assistance Forces (FWMAF) Report (RCS: MACCO-36):
 - (1) A semi-monthly report (RCS: MACCO-36) will be submitted to this headquarters, ATTN: MACCO-F, by all US military disbursing offices that provide service to FWMAF. The report will indicate:

- (a) Servicing office/unit.
 - (b) FWMAF contingents serviced.
 - (c) Amounts of MPC, US dollars, piasters, Treasury checks, and limited depository MPC checks advanced to and/or received from each FWMAF element, by individual transaction.
- (2) The report reflecting activity for the 1st through the 15th will be submitted to arrive at this headquarters not later than the 20th of the month. The report reflecting activity for the 16th through the end of the month will be submitted to arrive at this headquarters not later than the 5th of the following month.
 - (3) In the event of a currency conversion (C-Day), transactions related to the conversion of one series MPC to another will not be included in the report. Instead, they will be reported separately in a format to be announced.
- b. Australian Financial Services (RCS: MACCO-12).
- (1) A monthly report will be submitted by all US military disbursing offices furnishing finance services to individual AATTV members as outlined in paragraph 9, above. The report will state the amount of US dollars furnished each AATTV member going on R&R and will include the name, rank, and duty station of the individual.
 - (2) The report will be submitted not later than the 15th of each month through the Chief, Free World Military Assistance Office, APO 96222, to the Commander, Australian Forces, Vietnam, ATTN: Financial Advisor, 12 Tran Quoc Toan, Saigon, Vietnam.

12. REFERENCES.

- a. MACV Directive 37-6.
- b. MACV Directive 37-10.

FOR THE COMMANDER:



LOUIS J. PROST
Colonel, USA
Adjutant General

ELIAS C. TOWNSEND
Major General, USA
Chief of Staff

MACV Dir 37-9

DISTRIBUTION:

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Plus:

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100 - III MAF*

*Distribute to all disbursing offices

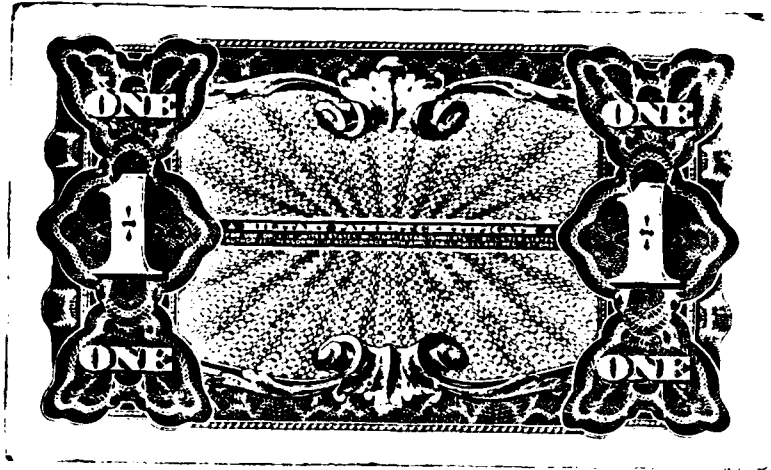
APPENDIX B

U.S. MILITARY PAYMENT CERTIFICATES - VIETNAM SERIES





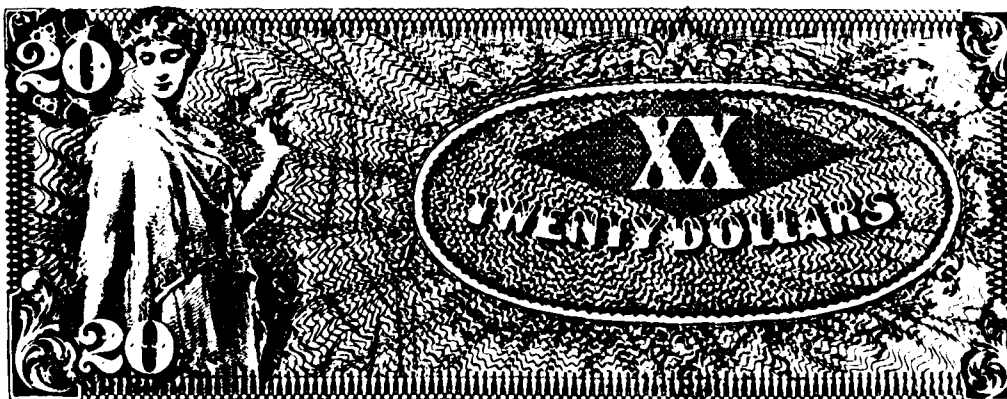


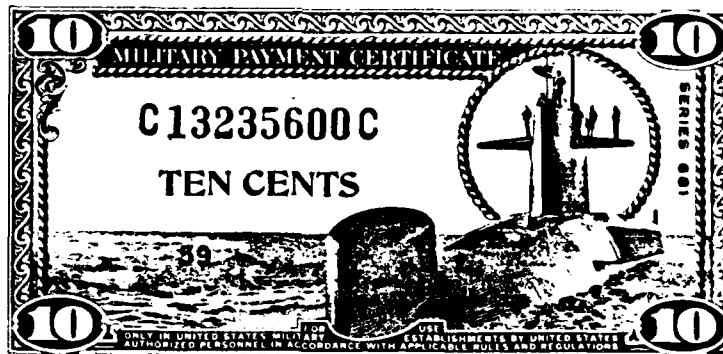
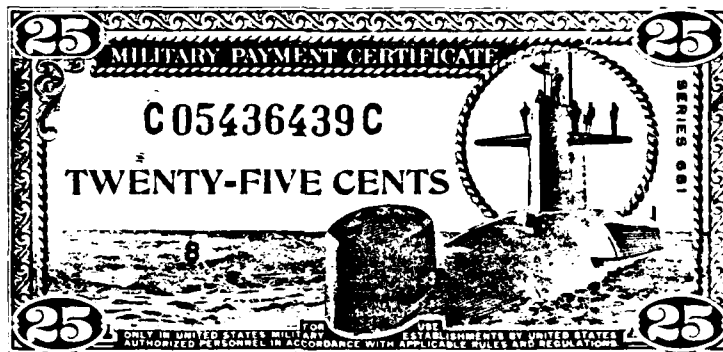
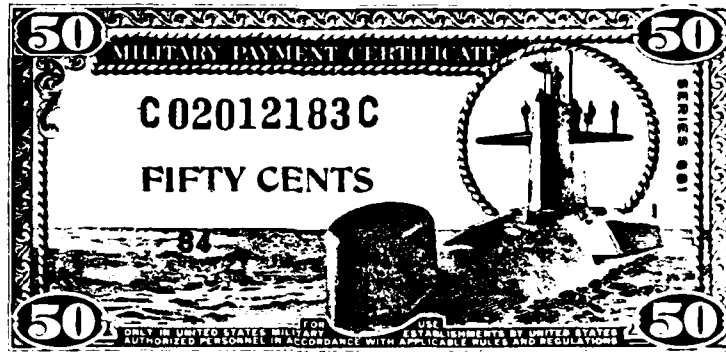




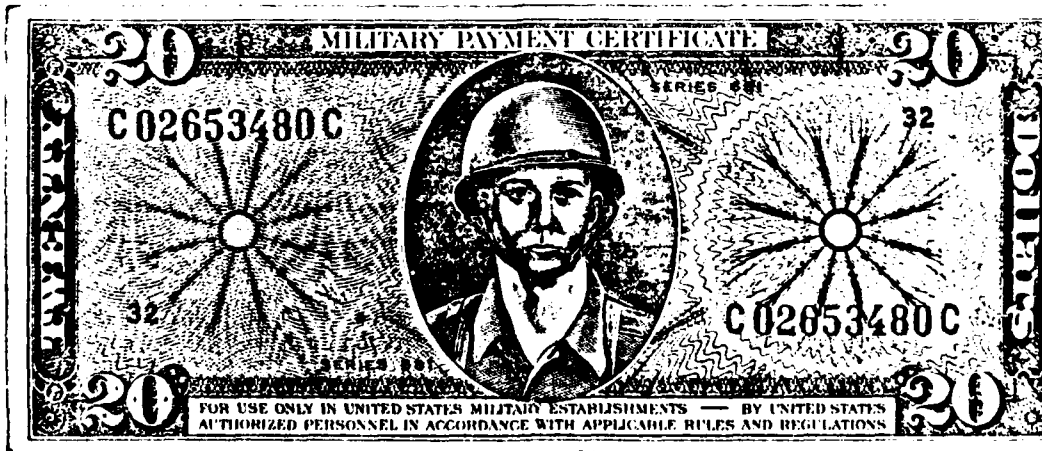


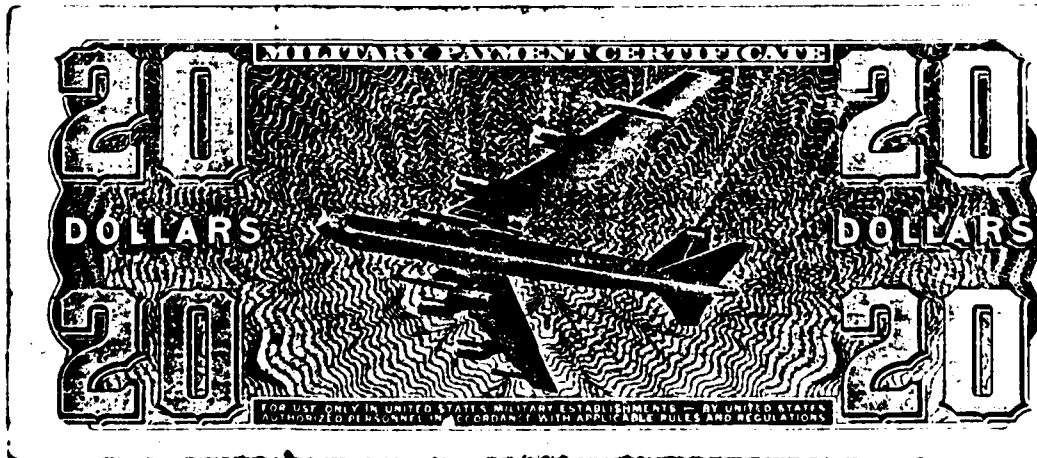


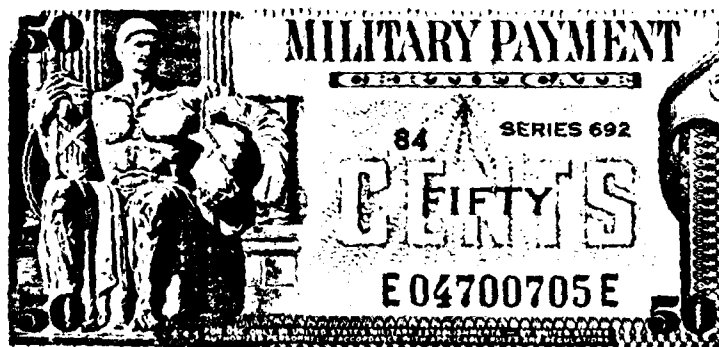
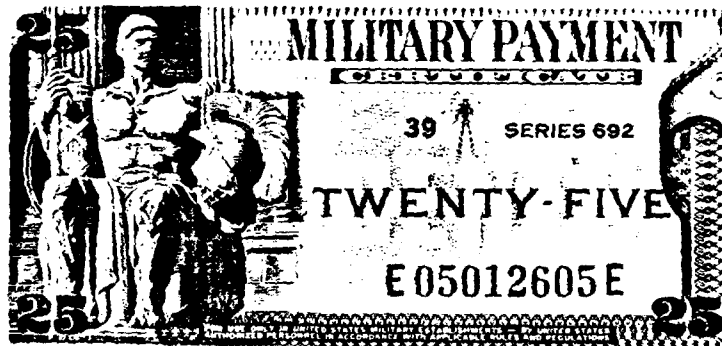
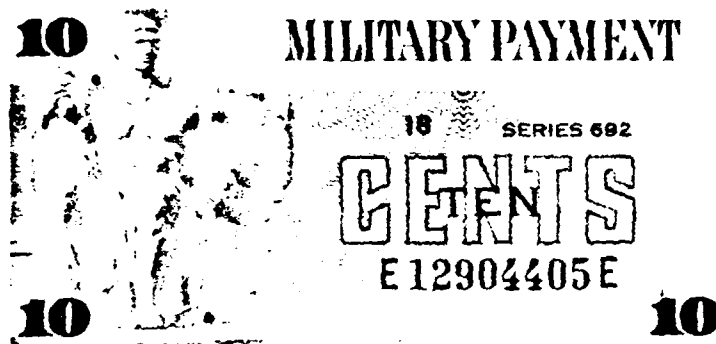




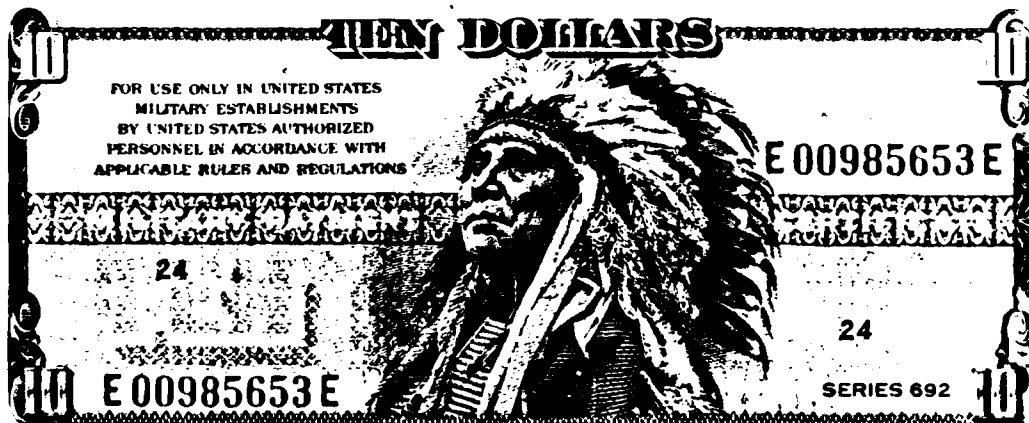






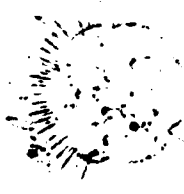






APPENDIX C

U.S. MACV CURRENCY AND BLACK MARKET CONTROL SYSTEM -
OPERATING INSTRUCTIONS FOR DATA RECORDERS



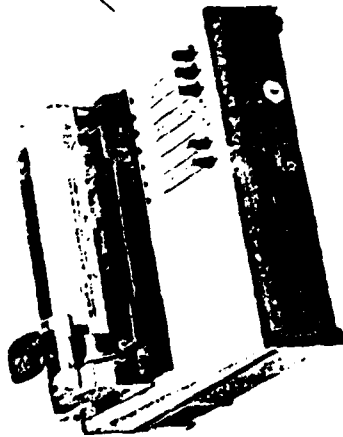
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
CURRENCY AND BLACK MARKET
CONTROL SYSTEM

OPERATING INSTRUCTIONS FOR
DATA RECORDER

CHỈ DẪN CÁCH ĐIỀU HÀNH
MÁY GHI DỮ KIẾN

THE EQUIPMENT

Chiếc Máy



THE DATA RECORDER

Manufactured by Addressograph Multigraph Corporation, it is designed to print on form sets, the data embossed on two plastic cards, and seven numbers set by movable keys.

MÁY GHI DỮ KIỆN

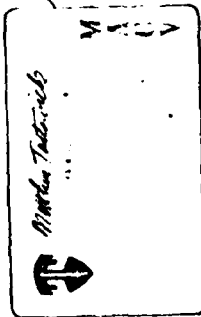
Máy này do Công Ty Tổ hợp Addressograph Multigraph chế tạo và dùng để in những dữ kiện khất trên 2 thẻ nhựa và bộ chữ 7 số trên các tập mẫu in bằng cách bấm các nút di động.

MACV FORM 5 PLASTIC IDENTIFICATION CARD

A MACV plastic card will be provided each serviceman, embossed with his Social Security number, name, serial number, pay grade, organization, branch of service, and the date the card expires. It also has a space for his signature.

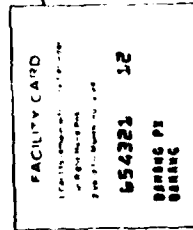
THẺ CĂN CUỘC BỘC NHỰA BTLVTQSHKVN (Mẫu Số 5)

Mỗi quân nhân sẽ được cấp một thẻ boc nhựa. Số An Ninh Xã Hội, tên, số quân, bậc lương, cơ quan, và binh chủng của quân nhân đó ngày hết hiệu lực được khất trên thẻ. Thẻ này cũng có chỗ để đươg sự ký tên.



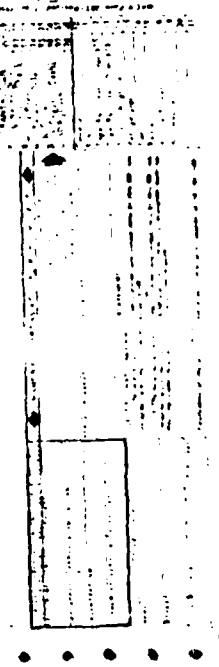
FACILITY CARD

This plastic card will remain in the data recorder and be printed on all transactions during a month's period. It is embossed with a code number identifying the facility and the month of the transaction. The location of the facility is also contained on this card.



THẺ CƠ QUAN

Thẻ nhựa này sẽ được đặt trong máy ghi dữ kiện và được in tất cả các dịch vụ trong một tháng. Thẻ được khất một ám số để nhận biết cơ quan và tháng dịch vụ. Địa chỉ của cơ quan cũng được ghi trên thẻ này.



MACV FORM 385 (Revised) 1 July 1968

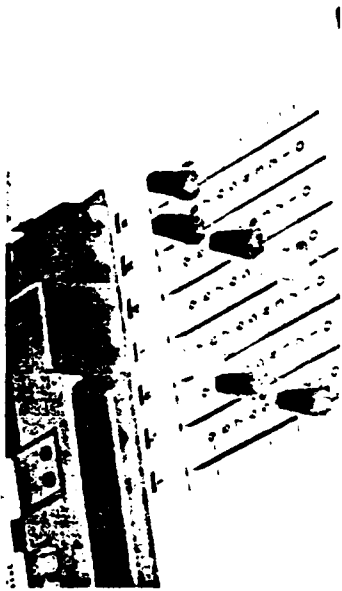
This will be a new, standard form used for all required transactions.

MẪU BTLVTQSHKVN SỐ 385 (Dã hiệu đính) ngày 1-7-1968

Đây là một mẫu tiện chuẩn mới đươc dùng cho tất cả các dịch vụ cần thiết.

HOW THE EQUIPMENT IS USED

Cách-Thức Xử Dụng Máy



Matthew Tartowick
 PAYROLL SIGNATURE

MACV

EXPIRES last day of _____
 Month _____
 Year _____

FACILITY CARD

1 Card to remain with Data Recorder
 in Right Hand Position
 2 Valid for Month indicated

654321 12

**DANANG PX
 DANANG**

DATE TYPE AMOUNT
 NGÀY LOẠI SỐ LƯỢNG

123 45 6789
 SOCIAL SECURITY NUMBER

**TARTOWICK MATTHEW
 05 RA13267898 01
 T03411 USA 69**

COMPLETE AREA BELOW IN GOLD OUTLINE.
 IF YOUR PLASTIC CARD IS NOT AVAILABLE
 (LAST NAME, INITIALS (PRINT))

PAY GRADE SERVICE OR ID. NO.

ORGANIZATION

BRANCH OF SERVICE (USAF, ETC.)

NAME

STREET

CITY & STATE

ZIP CODE

12 15 68
 TRANSACTION DATE

654321
 FACILITY CODE

**DANANG PX
 DANANG**

12
 MONTH

1501400
 DAY TRANS. AMOUNT

123 45 6789
 SERIAL NUMBERS OF POSTAL MONEY ORDERS

CLERK'S INIT.
LLA

TRANSACTION CODE

Postal Money Order	91 01
U.S. Treasury Check	92 02
Banking Paper	93 03
Mil. Payment Order	94 04
U.S. Currency	95 05
Bank Deposit (Cash)	96 06
USSDP (Cash)	97 07
	98 08
Camera	10
T.V.	11
Tape Recorder (Under \$75)	12
Tape Recorder (Over \$75)	13
Tuner / Amplifier	14
Refrigerator	15
Fan	16
Radio	17
Airline Ticket	18
Automobile	19
	20
	21

MACV Form 385 (Revised) 1 Jul 1968

HANDWRITE AREAS AT TOP, IF INCOMPLETE

NOTICE
 Use code 01-09 without
 Commanders Certificate;
 Code 91-98 with Com-
 manders Certificate

STATEMENT

1 The total dollar value of currency transactions coded items 01 thru 08 com-
 piled by me this month does NOT exceed \$200
 or

2 The total dollar value of currency transactions coded items 91 thru 98 com-
 piled by me this month does exceed \$200 and a certificate by my commander/supervisor
 that I legitimately acquired the MPC is submitted herewith

Signature *Matthew Tartowick*
 Publication of the above certificate is punishable as a violation of 18 USC 1001

HOW TO OPERATE THE MACV DATA RECORDER

Cách Điều Hành
Máy Ghi Dữ Liệu

115



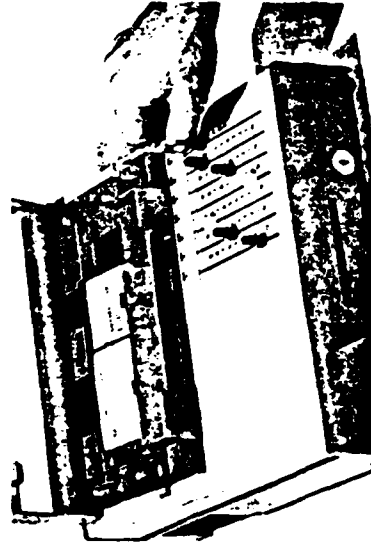
1. Using the eraser end of a pencil, change the date on the data recorder dater each morning, and then check to make sure the facility card with the correct month is in the machine.

1. Mỗi sáng, dùng phần tẩy của viết chì để thay đổi ngày trên phần ghi ngày của máy ghi dữ liệu và kiểm soát xem máy có thẻ cơ quan ghi đúng tháng không.



2. When printing a transaction, place the MACV plastic identification card, face up, in the left hand position provided, as shown.

2. Khi in một dịch vụ, đặt thẻ căn cước bọc nhựa BTLVTQSHKVN với bề mặt lên trên vào chỗ bên trái chưa sẵn như đã được trình bày.



6. Using the three BLUE keys, set the dollar amount of the transaction. Do NOT enter cents. Example: \$10.40 would be 011 and \$54 would be 054.

6. Dùng 3 nút bấm XANHI để đặt số tiền dịch vụ bằng mỹ kim. ĐỪNG ghi số xu. Ví dụ : \$10.40 sẽ là 011 và \$54 sẽ là 054.



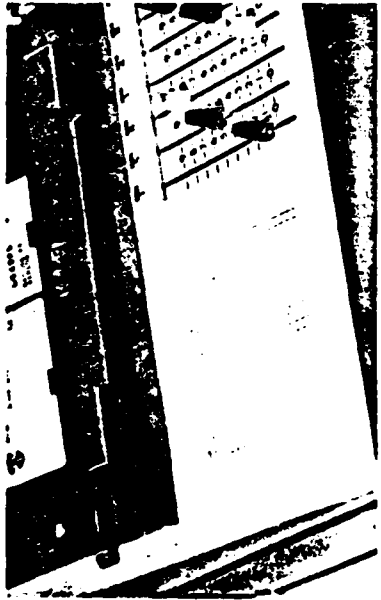
7. Check the numbers set in the windows to make sure they are all correct.

7. Kiểm soát các số đặt trong cửa sổ xem có đúng không.



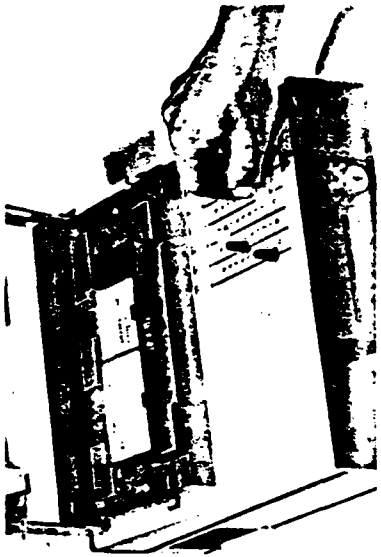
3. Using the two RED keys on the data recorder, set them to the day of the month. Example: the second day of the month would be set as 02.

3. Đặt 2 nút bấm ĐỎ trên máy ghi dữ kiện vào đúng ngày trong tháng. Ví dụ : ngày thứ hai trong tháng được đặt tháng 02.



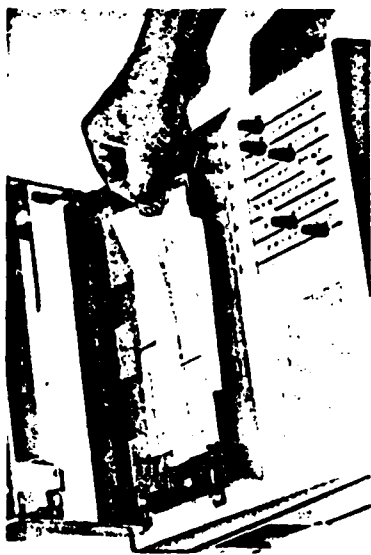
4. Check the label on the front of the data recorder to obtain the correct transaction code.

4. Xem phần ghi phía trước máy ghi dữ kiện để kiểm tra số dịch vụ chính xác.



5. Using the two WHITE keys, set the transaction code.

5. Dùng 2 nút bấm TRẮNG để đặt ám số dịch vụ.



8. Place a MACV Form 385, face up with the stub to the left, on top of the plastic cards in the position as shown.

8. Đặt Mẫu PTLVTQSHKVN số 385 với hệ mặt lên trên và phần ngang của qua bên trái và trên các thẻ bọc nhựa vào chỗ đã được chỉ rõ.



9. Close the printing head firmly and move the handle quickly to the right ONE time only. The head will open when the left to right stroke is completed, and the handle will return automatically to its normal position. Remove the MACV Form 385 and the MACV I.D. card and obtain the signature of the buyer where indicated. Separate the form, give the GREEN copy to the customer, place

WHITE copy in cash box and deposit the card portion of the form in the slot of the locked compartment, and return the MACV Form 5 identification card to the serviceman.

9. Đóng đầu in thật chắc và đẩy cần gạt mau qua bên mai và chỉ MỘT lần thôi. Đầu in sẽ mở khi động tác từ trái qua phải hoàn tất và cần sẽ trở về vị trí bình thường. Lấy Mẫu PTLVTQSHKVN và đưa cho người mua ký vào phần được chỉ rõ. Tách rời mẫu ra, đưa bản NANHI LẤY CẤY cho khách hàng, đặt bản TRẮNG vào hộp đựng tiền, để phần bìa của mẫu vào đường lạch của học khoá, và trả thẻ căn cước (Mẫu PTLVTQSHKVN số 5) cho quân nhân liên hệ.

HOW FORM 385 WILL LOOK WHEN CORRECTLY HANDLED

Mẫu Số 385 Sẽ Như Thế Nào Khi Xử Dụng Đúng Cách

When properly printed, MACV Form 385 will contain the information embossed on the identification card, the facility card, and the information set in by the movable keys. This information must be clearly printed without smudges.

Khi in đúng cách, Mẫu BTLVTQSIKVN số 385 sẽ có những chi tiết khắt trên thẻ kiểm tra, thẻ cơ quan, và các chi tiết do các nút di động đặt ra. Các chi tiết này phải được in rõ ràng không được bẩn.

NAME, SERIAL NUMBER, PAY GRADE, ORGANIZATION, BRANCH OF SERVICE TÊN, SỐ QUÂN, BẬC LƯƠNG, CƠ QUAN, BÍNH CHỨC		EXPIRATION DATE NGÀY HẾT HIỆU LỰC		MONTH OF TRANSACTION THÁNG DỊCH VỤ	
SOCIAL SECURITY NUMBER SỐ AN NINH XÃ HỘI		LOCATION OF FACILITY ĐỊA CHỈ CỦA CƠ QUAN		DATE OF TRANSACTION NGÀY DỊCH VỤ	
SOCIAL SECURITY NUMBER 123 45 6769		FACILITY CODE DANANG PX		TYPE OF TRANSACTION LOẠI DỊCH VỤ	
TARTONICK MATTHEW 05 RA13267898 T03411 USA		FACILITY CODE DANANG PX		AMOUNT OF TRANSACTION SỐ LƯỢNG DỊCH VỤ	
COMPLETE AREA BELOW IN BOLD CAPITALS IF YOUR PLASTIC CARD IS NOT AVAILABLE LAST NAME, INITIALS (PRINT)		HANDWRITE AREAS AT TOP, IF INCOMPLETE TRANSACTION DATE 12 15 68		DAY 15	
PAY GRADE SERVICE OR ID. NO. ORGANIZATION BRANCH OF SERVICE (USAF, ETC.) PAYEE (PRINT) NAME STREET CITY & STATE ZIP CODE		SERIAL NUMBERS OF POSTAL MONEY ORDERS CLERK'S INIT. [Signature]		TRANS. 01	
PAY GRADE SERVICE OR ID. NO. ORGANIZATION BRANCH OF SERVICE (USAF, ETC.) PAYEE (PRINT) NAME STREET CITY & STATE ZIP CODE		STATEMENT I CERTIFY THAT (Check one) <input type="checkbox"/> 1 The total dollar value of currency transactions coded items 01 thru 08 completed by me this month does NOT exceed \$200 <input checked="" type="checkbox"/> 2 The total dollar value of currency transactions coded items 91 thru 98 completed by me this month does exceed \$200 and a certificate by my commander/supervisor that I legitimately acquired the MPC is submitted herewith.		AMOUNT 488	
PAY GRADE SERVICE OR ID. NO. ORGANIZATION BRANCH OF SERVICE (USAF, ETC.) PAYEE (PRINT) NAME STREET CITY & STATE ZIP CODE		SIGNATURE OF SERVICEMAN [Signature: Matthew Tartonick]		DATA RECORDER DATER	
PAY GRADE SERVICE OR ID. NO. ORGANIZATION BRANCH OF SERVICE (USAF, ETC.) PAYEE (PRINT) NAME STREET CITY & STATE ZIP CODE		SIGNATURE OF SERVICEMAN [Signature: Matthew Tartonick]		DATA RECORDER DATER	

MACV Form 385 (Revised) 1 Jul 1968

TRANSACTION	CODE
Postal Money Order	91 01
U.S. Treasury Check	92 02
Banking Paper	93 03
Mil. Payment Order	94 04
U.S. Currency	95 05
Bank Deposit (Cash)	96 06
USSDP (Cash)	97 07
Camera	98 08
T.V.	10
Tape Recorder (Under \$75)	12
Tape Recorder (Over \$75)	13
Tuner / Amplifier	14
Refrigerator	15
Fan	16
Radio	17
Airline Ticket	18
Automobile	19
	20
	21

OPERATOR HINTS

Chỉ Dẫn Cho Người Điều Hành

ALWAYS

Luôn Luôn

- **Insert card and form properly in the data recorder.**
 - Dữ thẻ và Mẫu một cách thích hợp vào máy ghi dữ kiện.
- **Take care not to smudge, mark, or write on the form in the imprinted area.**
 - Chú ý không được làm bẩn, ghi, hoặc viết trên phần không in của mẫu.
- **Print each form once. Do NOT hold printing head down and run the handle over a form repeatedly.**
 - In mỗi mẫu một lần. **ĐỪNG** cầm đầu in chúi xuống và cho cán chạy trên mẫu nhiều lần.

NEVER

Không Bao Giờ

- **Exert any downward force on the handle. The proper printing pressure is built into the machine.**
 - Dấn mạnh cần xuống. Máy đã có sẵn áp lực in thích hợp.
- **Correct a form. Tear it up and write a new one.**
 - Khi cần sửa, xé mẫu cũ và dùng mẫu mới.
- **Try to adjust the data recorder. If it does not work properly notify your supervisor.**
 - Cố gắng điều chỉnh máy ghi dữ kiện. Cho giám thị biết khi máy không chạy đúng cách.

HEADQUARTERS
UNITED STATES MILITARY ASSISTANCE COMMAND, VIETNAM
APO San Francisco 96222

MACCO-F

SUBJECT : Change to Pamphlet Titled "Operating Instructions
For Data Recorder".

TRÍCH YẾU: Các đoạn Sửa đổi cho Sách "Chỉ dẫn Cách Điều hành
Máy Ghi Dữ kiện".

1. MACV Form 5 (Currency/Black Market Control Plate) is not
an Identification Card and will never be used for
identification purposes.


Mẫu BTLVTQSHKVN 5 (Bản Kiểm soát Tiền tệ và Chợ Đen) không
phải là Thẻ Căn cước và không bao giờ được sử dụng để
nhận diện.

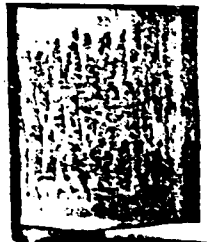
2. The MACV Form 5 is used with the Data Recorder to imprint
MACV Form 385. The customer's Identification Card must
always be compared with his MACV Form 5 before completing
the transaction.

Mẫu BTLVTQSHKVN 5 dùng cho Máy Ghi Dữ kiện để in Mẫu
BTLVTQSHKVN 385. Thẻ căn cước của khách hàng phải được luôn
luôn so sánh với Mẫu BTLVTQSHKVN 5 của người khách hàng đó
trước khi hoàn tất một dịch vụ.

3. This change will be attached to subject pamphlet.
Bản ghi các đoạn sửa đổi này phải được kèm vào cuốn sách
liên hệ.

FOR THE COMMANDER:


M. E. RICHMOND
Colonel, USA
Comptroller.



APPENDIX D

REPUBLIC OF KOREA FORCE, VIETNAM CURRENCY COUPONS

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ARMY WAR COLL CARLISLE BARRACKS PA
U.S. MILITARY CURRENCY CONTROL OPERATIONS IN THE VIETNAM WAR.(U)
APR 82 J F ADAMS

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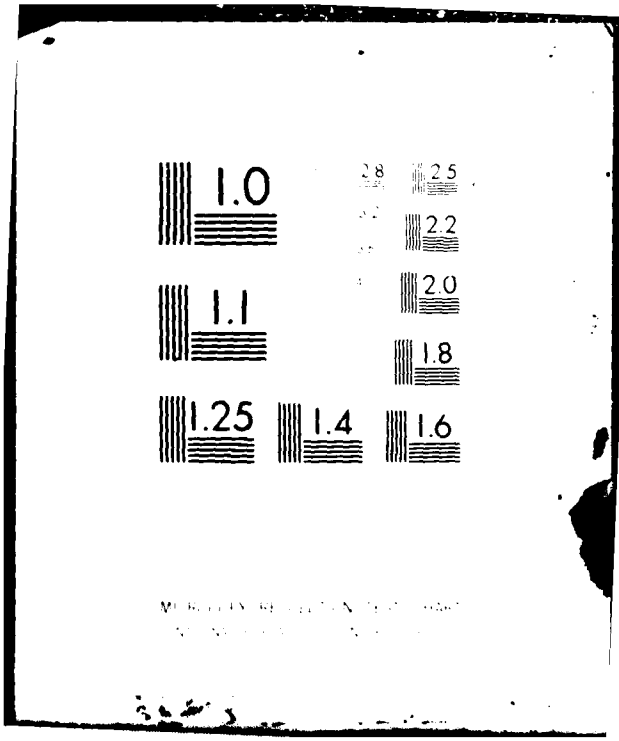
END

DATE

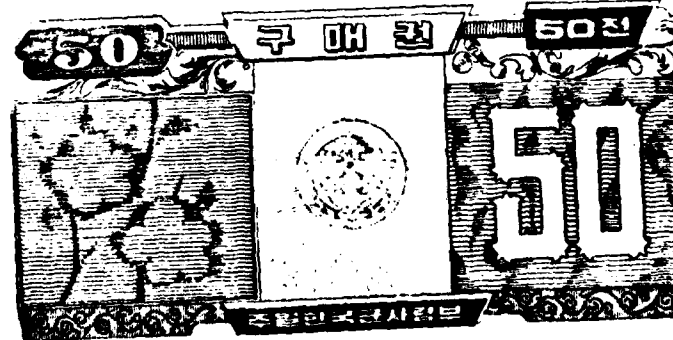
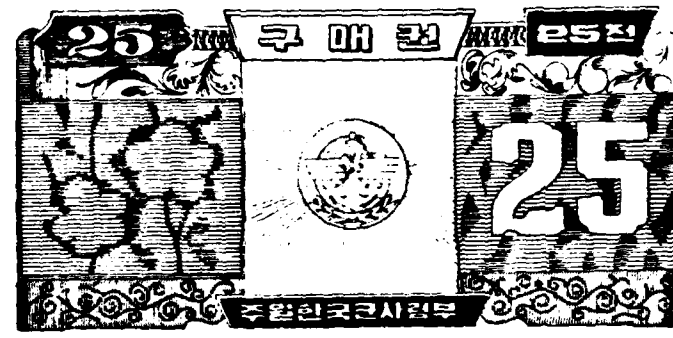
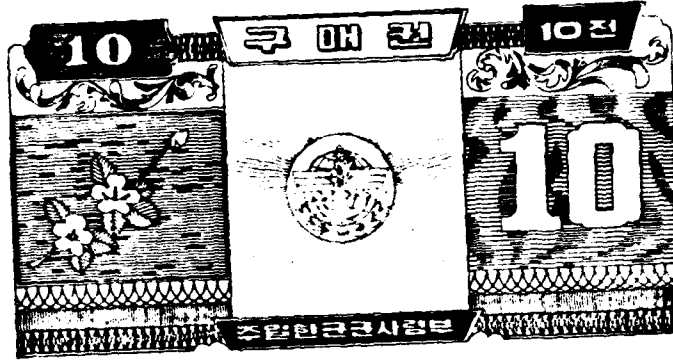
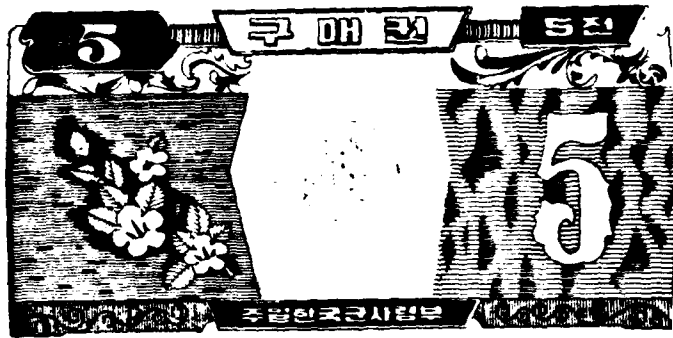
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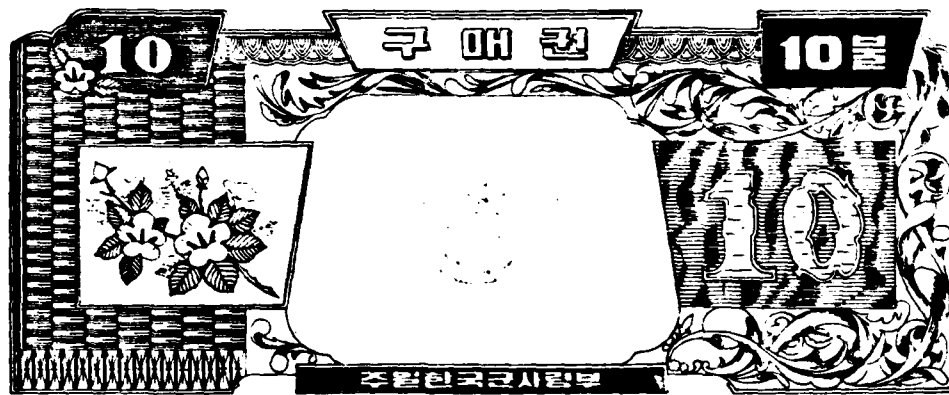
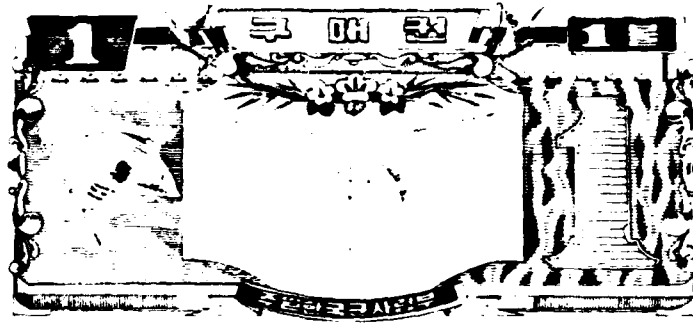
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RESOLUTION TEST CHART
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APPENDIX E

ROYAL THAI FORCES, VIETNAM CURRENCY COUPONS



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2. U.S. Congress, Senate, Hearings before the Permanent Subcommittee on Investigations of the Committee on Government Operations, Fraud and Corruption in Management of Military Club Systems and Illegal Currency Manipulations Affecting South Vietnam, 91st Congress, 1st Session, 18 November 1969, p. 534.
3. Franz Pick, 1970-Pick's Currency Yearbook (New York, Pick's Publishing Corp. 1970), p. 544.
4. Vladimir Petrov, Money and Conquest (Baltimore, The Johns Hopkins Press, 1967), p. 172.
5. Ibid., p. 173
6. Ibid., p. 252
7. Ibid., p. 286n.
8. United States Military Assistance Command, Vietnam, Command Information Pamphlet 36-69, November 1969, Sensible Spending, p. 2.
9. Pick, op. cit., p. 547.
10. Senate Hearing, Fraud and Corruption in Management of Military Club Systems and Illegal Currency Manipulations Affecting South Vietnam, op. cit., p. 536.
11. Disposition Form AVHDR, dated 22 March 1973, Subject: MPC Conversion. DCSCOMP to MACV Chief of Staff.
12. Ibid.

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