

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
WASHINGTON, D.C. 20579

IN THE MATTER OF THE CLAIM OF

HARRY C. STEIN

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU-0957

Decision No. CU 3456

PROPOSED DECISION

Claimant, HARRY C. STEIN, who owned preferred stock interests in Consolidated Railroads of Cuba and The Cuba Railroad Company, asserts a claim under Title V of the International Claims Settlement Act of 1949, as amended, against the Government of Cuba because of its nationalization of the said enterprises. Claimant has been a national of the United States since birth.

In our decisions entitled the Claim of Cora W. Welsh (Claim No. CU-2503) and Claim of Irwin Nack, et al (Claim No. CU-1960) which we incorporate herein by reference, we held that the properties owned by the Consolidated Railroads of Cuba and The Cuba Railroad Company were nationalized or otherwise taken by the Government of Cuba on October 13, 1960, and that this type of claim is compensable to an American national under the facts and conditions set forth therein. We need not again detail here the reasons or the method used in determining the value per preferred share of Consolidated Railroads as \$272; and the value per preferred share of The Cuba Railroad Company as \$100.

On the basis of evidence in the record in the instant case, the Commission finds that this claimant comes within the terms of the Welsh and Nack decisions; that he was an American national at the requisite times; that he has been the owner of 100 shares of preferred stock in the Consolidated Railroads and 70 shares of preferred stock in The Cuba Railroad Company since prior to October 13, 1960; and that he suffered a loss in the amount of \$34,200 in connection therewith within the meaning of Title V of the Act.

The claimant also acquired by purchase 100 shares of stock issued by The Cuba Railroad Company on November 20, 1962 for a consideration of \$232.50.

Section 507 of the Act provides, as to assignment of claims, that

(b) The amount determined to be due on any claim of an assignee who acquired the same by purchase shall not exceed (or, in the case of any such acquisition subsequent to the date of the determination, shall not be deemed to have exceeded) the amount of the actual consideration paid by such assignee, or in case of successive assignments of a claim by any assignee.

Under the provisions of Section 504(a) of the Act, a claimant is required to establish that the claim for any loss has been continuously owned by a national or nationals of the United States from the date of loss to the date of filing with the Commission. The loss occurred on October 13, 1960. In similar cases claimants have been unable to obtain information or evidence to establish the nationality of the owner of the securities on the date of loss, and to establish continuous United States ownership of the securities until the date on which claimant acquired them.

Evidence of record before the Commission discloses that securities of the type subject of this claim were almost entirely owned and traded by persons or firms having addresses in the United States. The Commission has considered whether an inference may be justified that the claimed securities were continuously owned by a national or nationals of the United States from the date of loss to the date on which purchased by the claimant, and, in the absence of evidence to the contrary, has concluded that the securities were continuously so owned. (See Claim of the Executors of the Estate of Julius S. Wikler, Deceased, Claim No. CU-2571.)

The Commission finds that claimant, upon his purchase of the last 100 shares of The Cuba Railroad Company succeeded to the loss sustained by

the assignor of the claimed securities, and concludes that he succeeded to and suffered a loss in the total amount of \$232.50 (the price he paid) as a result of the nationalization of The Cuba Railroad Company on October 13, 1960.

The Commission has decided that in certification of losses on claims determined pursuant to Title V of the International Claims Settlement Act of 1949, as amended, interest should be included at the rate of 6% per annum from the date of loss to the date of settlement. (See Claim of Lisle Corporation, Claim No. CU-0644.)

The Commission concludes, however, that the amount of loss sustained by claimant herein shall be increased by interest thereon at the rate of 6% per annum from the respective dates of loss to the date on which provisions are made for the settlement thereof, as follows:

<u>FROM</u>	<u>ON</u>
October 13, 1960	\$34,200.00
November 20, 1962	<u>232.50</u>
	\$34,432.50

CERTIFICATION OF LOSS

The Commission certifies that HARRY C. STEIN suffered a loss, as a result of actions of the Government of Cuba, within the scope of Title V of the International Claims Settlement Act of 1949, as amended, in the amount of Thirty-four Thousand Four Hundred Thirty-two Dollars and Fifty Cents (\$34,432.50) with interest thereon at 6% per annum from the aforesaid dates to the date of settlement.

Dated at Washington, D. C.,
and entered as the Proposed
Decision of the Commission

JAN 14 1969

Leonard v. B. Sutton
Leonard v. B. Sutton, Chairman

Theodore Jaffe
Theodore Jaffe, Commissioner

Sidney Freidberg
Sidney Freidberg, Commissioner

NOTICE TO TREASURY: The above-referenced securities may not have been submitted to the Commission or if submitted, may have been returned; accordingly, no payment should be made until claimant establishes retention of the securities for the loss here certified.

The statute does not provide for the payment of claims against the Government of Cuba. Provision is only made for the determination by the Commission of the validity and amounts of such claims. Section 501 of the statute specifically precludes any authorization for appropriations for payment of these claims. The Commission is required to certify its findings to the Secretary of State for possible use in future negotiations with the Government of Cuba.

NOTICE: Pursuant to the Regulations of the Commission, if no objections are filed within 15 days after service or receipt of notice of this Proposed Decision, the decision will be entered as the Final Decision of the Commission upon the expiration of 30 days after such service or receipt of notice, unless the Commission otherwise orders. (FCSC Reg., 45 C.F.R. §531.5(e) and (g), as amended, 32 Fed. Reg. 412-13 [1967].)