

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

IN THE MATTER OF THE CLAIM OF

MARTIN C. LAFFIE
MATILDA LAFFIE

Claim No. CU-0966

Decision No. CU 431

Under the International Claims Settlement
Act of 1949, as amended

PROPOSED DECISION

This claim against the Government of Cuba, under Title V of the International Claims Settlement Act of 1949, as amended, for \$1,515.02 was presented by MARTIN C. LAFFIE AND MATILDA LAFFIE based upon a bank account and furnishings in Cuba. Claimants have been nationals of the United States since their birth in the United States on February 12, 1904 and May 15, 1900, respectively.

Under Title V of the International Claims Settlement Act of 1949 [78 Stat. 1110 (1964) 22 U.S.C. §§1643-1643k (1964), as amended, 79 Stat. 988 (1965)], the Commission is given jurisdiction over claims of nationals of the United States against the Government of Cuba. Section 503(a) of the Act provides that the Commission shall receive and determine in accordance with applicable substantive law, including international law, the amount and validity of claims by nationals of the United States against the Government of Cuba arising since January 1, 1959 for

losses resulting from the nationalization, expropriation, intervention or other taking of, or special measures directed against, property including any rights or interests therein owned wholly or partially, directly or indirectly at the time by nationals of the United States.

Section 502(3) of the Act provides:

The term 'property' means any property, right, or interest including any leasehold interest, and debts owed by the Government of Cuba or by enterprises which have been nationalized, expropriated,

intervened, or taken by the Government of Cuba and debts which are a charge on property which has been nationalized, expropriated, intervened, or taken by the Government of Cuba.

Claimants contend that they lost a bank account in Cuba having a balance of 773.32 pesos. The record establishes that claimants had a balance of 894.32 Cuban pesos on deposit with the First National Bank of Boston, Havana, Cuba on July 29, 1960. Claimants state that checks totaling 121 pesos were honored thereafter, leaving a balance of 773.32 pesos.

A number of laws and resolutions were issued in Cuba affecting banks, bank accounts and currency. Not all of these things affect the account of claimants in Claim No. CU-0966.

Law 568, published in the Cuban Official Gazette on September 29, 1959 forbade the transfer of funds abroad, and effectively operated to block the funds of anyone who left the country. Law 930, published in the Cuban Official Gazette on February 23, 1961, gave the National Bank the power to effect centralization of liquid assets "temporarily" taken from the people. In effect this froze or continued the blocking of bank accounts.

By Law 963, published in the Cuban Official Gazette on August 4, 1961, a currency exchange was effected. Currency was turned in at centers provided and a new currency was provided. There was no change in value. However, each person was to receive 200 pesos in new currency, and all over that amount was placed in a special account in his name. This did not affect bank accounts already in existence. By Law 964, published in the Cuban Official Gazette on August 9, 1961, it was provided that the owners of the deposits created under Law 963 could draw up to 1,000 pesos, the balance up to 10,000 remained in his special account, and all over 10,000 passed to the State Treasury. There were some minor exceptions. However, Laws 963 and 964 do not affect Claim No. CU-0996 in which the account did not arise from currency exchange.

Law 989, published in the Official Gazette on December 6, 1961, in its terms nationalized by confiscation all goods and chattels, rights,

shares, stocks, bonds and other securities of persons who left the country of Cuba. This included such bank accounts as had not been established and confiscated by Laws 963 and 964, supra. In the absence of evidence to the contrary, the Commission finds that claimants' above described bank account, totalling 773.32 pesos, was taken by the Government of Cuba on December 6, 1961. (See In the Matter of the Claim of Floyd W. Auld, FCSC Claim No. CU-0020.)

Further, the Commission finds that on December 6, 1961, claimants' 773.32 pesos had a value of \$773.32 and that they suffered a loss in that amount within the meaning of Title V of the Act, as the result of the taking of their bank account by the Government of Cuba as of December 6, 1961.

The balance of the claim is for certain furnishings situated in claimants' residence at Preston, Oriente, Cuba. The owner of the residence was claimant MARTIN C. LAFFIE'S employer, United Fruit Sugar Company, Inc. This corporation was nationalized by the Government of Cuba by Resolution 1 of August 6, 1960 (pursuant to Law 851, Official Gazette, July 7, 1960). This Resolution was implemented by a decree of August 8, 1960 which applied to United Fruit Sugar Company's property at Preston, Cuba. Claimants indicate that they were unable to recover the claimed items situated in the company-owned home, and the Commission finds that this personalty was taken by the Cuban Government on August 8, 1960.

Claimants state that the value of the personal property which was taken pursuant to the aforementioned Resolution was \$741.70. After consideration of the values ascribed to each item in a detailed list, the Commission finds such amounts to be fair and reasonable values thereof. Accordingly, it is concluded that these items had a value of \$741.70.

The Commission, therefore, finds that claimants suffered a loss in the amount of \$1,515.02 within the meaning of Title V of the Act as a result of the taking of their property by the Government of Cuba.

The Commission has decided that 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 the Claim of Lisle Corporation, FCSC Claim No. CU-0644).

Accordingly, the Commission concludes that the amount of the loss sustained by claimants shall be increased by interest thereon at the rate of 6% per annum on \$773.32 from December 6, 1961 and on \$741.70 from August 8, 1960, to the date on which the provisions are made for the settlement thereof.

CERTIFICATION OF LOSS

The Commission certifies that MARTIN C. LAFFIE AND MATILDA LAFFIE 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 One Thousand Five Hundred Fifteen Dollars and Two Cents (\$1,515.02) with interest thereon at 6% per annum from the dates of taking to the date of settlement.

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

OCT 18 1967

Edward D. Re

Edward D. Re, Chairman

Theodore Jaffe

Theodore Jaffe, Commissioner

LaVern R. Dilweg

LaVern R. Dilweg, Commissioner

CERTIFICATION
This is a true and correct copy of the decision
of the Commission which was entered as the final
decision on 21 NOV 1967

Thomas M. ...
Clerk of the Commission

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).)

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