

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

IN THE MATTER OF THE CLAIM OF

LIBBY, McNEILL & LIBBY

**Under the International Claims Settlement
Act of 1949, as amended**

Claim No. CU - 1821

Decision No. CU - 4783

Counsel for claimant:

Libby, McNeill & Libby
By William R. Driscoll, Esq.

PROPOSED DECISION

This claim, as amended, against the Government of Cuba, under Title V of the International Claims Settlement Act of 1949, as amended, was presented by LIBBY, McNEILL & LIBBY in the amount of \$10,374,311.62 based upon stockholder interests in three enterprises in Cuba.

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.

The Regulations of the Commission provide:

The claimant shall be the moving party and shall have the burden of proof on all issues involved in the determination of his claim. (FCSC Reg., 45 C.F.R. §531.6(d) (1970).)

Claimant asserts the following losses:

		<u>Asserted Value</u>
1.	Latas Modernas S.A. (12%)	\$ 152,820.00
2.	Compania Nacional de Alimentos (12%)	521,463.81
3.	Conservas Selectas S.A. (60%)	3,650,716.12
4.	Debts:	
	(a) Selectas & Alimentos	\$ 99,064.93
	(b) Dividends from Selectas, Alimentos and Latas	414,699.76
	(c) Guaranteed Loans, Alimentos	330,000.00
	(d) Royalties, Selectas & Alimentos	<u>473,202.00</u>
		1,316,966.69
5.	Charges:	
	(a) Prospective Royalties (Trade-mark Value)	
	Selectas	\$3,625,285.00
	Alimentos	<u>1,107,060.00</u>
		<u>4,732,345.00</u>
		\$10,374,311.62

Section 502(1)(B) of the Act defines the term "national of the United States" as a corporation or other legal entity which is organized under the laws of the United States, or of any State, the District of Columbia, or the Commonwealth of Puerto Rico, if natural persons who are citizens of the United States own, directly or indirectly, 50 per centum or more of the outstanding capital stock or other beneficial interest of such corporation or entity.

The record discloses that Latas Modernas S.A., Compania Nacional de Alimentos and Conservas Selectas, S.A., hereinafter referred to as Latas, Alimentos, and Selectas, were all organized under the laws of Cuba and none

qualifies as a corporate "national of the United States", within the meaning of Section 502(1)(B) of the Act, supra. In this type of situation, however, it has been held previously that an American stockholder in such a corporation is entitled to file a claim for the value of his ownership interest. (See Claim of Parke, Davis & Company, Claim No. CU-0180, 1967 FCSC Ann. Rep. 33.) The Commission holds that the claimant, LIBBY, McNEILL & LIBBY, is a national of the United States and is qualified to file a claim under Section 505(c) of the Act based upon an indirect ownership.

On the basis of evidence of record, the Commission finds that claimant is and, since prior to October 13, 1960, has been the owner of a 12% interest in both Latas and Alimentos, and a 60% interest in Selectas.

1. Latas Modernas, S.A.
2. Compania Nacional de Alimentos, S.A.

In our decision entitled the Claim of General Milk Company (Claim No. CU-0273), the Commission found that the properties of Latas and Alimentos were both nationalized by the Government of Cuba on October 13, 1960 and that at the time of loss the net worth of Latas and Alimentos was \$919,197.40 and \$5,188,118.92 respectively. The Commission now holds that Selectas was also nationalized by the Government of Cuba on October 13, 1960.

The Commission finds that claimant suffered a loss based on its 12% interest in Latas and Alimentos in the respective amounts of \$110,303.69 and \$622,574.27.

3. Conservas Selectas, S.A.

The Act provides in Section 503(a) that in making determinations with respect to the validity and amount of claims and value of properties, rights or interests taken, the Commission shall take into account the basis of valuation most appropriate to the property and equitable to the claimant, including but not limited to fair market value, book value, going concern value or cost of replacement.

The question, in all cases, will be to determine the basis of valuation which, under the particular circumstances, is "most appropriate to the property and equitable to the claimant". This phraseology does not differ from the international legal standard that would normally prevail in the evaluation of nationalized property. It is designed to strengthen that standard by giving specific bases of valuation that the Commission shall consider.

Claimant contends that the most appropriate means of valuing a company is as a "going concern" unless it is not really a going concern. It states that in this type of case "cost of replacement" is not appropriate, because although it can replace tangible fixed assets, it could not use them in Cuba and there is therefore no reason or value in replacing specific assets, and, the cost has no relationship to its loss. The "book value" of assets is merely a convenient and presumably conservative means of accounting for tangible assets. It has no relationship to the true worth of the asset or of its value to the business. The "fair market value" is a true reflection of the intrinsic worth of an asset in that it establishes a minimum value beyond which it cannot go. The assets of the companies taken are not merely their fixed tangible assets but include many others as well, and the Commission should consider all assets as they are interrelated and used to produce a going concern.

The fair market value of a company taken as a whole, as distinguished from the aggregate values of its tangible fixed assets, is, claimant believes, an appropriate measurement of its loss. Factors involved in determining such a value would primarily be concerned with earnings, past, present and prospective, and are generally stated in the form of a price/earnings ratio. It is on this basis that claimant has valued its claim.

The determination as to which method will be found the most appropriate to the property and equitable to the claimant, depends on the evidence submitted by the claimant and on the facts of the individual claim. Claimant has submitted evidence on the book value and the going concern value.

The 1959 Balance Sheet reflects the following:

A S S E T S

FIXED ASSETS

Land	\$ 17,302.52
Buildings	309,672.03
Plant & Machinery	508,711.85
Tools & Furniture	127,205.37
Motor Vehicles	77,616.43
	<u>\$ 1,040,508.20</u>
Less: Provision for Depreciation -	<u>84,684.27</u>

\$ 955,823.93
83,936.80

PRELIMINARY EXPENSES

STOCKS

Raw Materials	\$ 399,348.44
Manufactured Goods	<u>950,078.20</u>

1,349,426.64

DEBTORS

Trade Debtors	\$ 110,280.91
Sundry Debtors	172,110.39
Doubtful Debtors	5,866.78
	<u>\$ 288,258.08</u>
Less: Provision for Bad Debts -	<u>9,175.21</u>
	<u>\$ 279,082.87</u>

ALLIED COMPANIES

13,011.68

292,094.55

SECURITIES

2.00

CASH IN HAND AND AT BANKS

38,999.53

SUSPENSE

81,010.32

(Total Current Assets \$1,761,533.04)

TOTAL ASSETS

\$ 2,801,293.77

L I A B I L I T I E S

CAPITAL

Share Capital

\$ 1,085,000.00

PROFIT & LOSS ACCOUNT

Balance Brought Forward	\$ 5,554.21
Net Profit 1/1/58 - 12/31/59	<u>365,348.53</u>
	<u>\$ 359,794.32</u>
Less: Interim Dividend -	<u>250,000.00</u>

109,794.15

CREDITORS

Trade Creditors	\$ 73,551.44
Provision for Taxes	<u>124,223.71</u>

197,775.15

ALLIED COMPANIES

386,349.93

BANK CREDITORS

1,020,000.00

SUSPENSE

2,374.37

(Total Current Liabilities \$1,606,499.45)

TOTAL LIABILITIES

\$ 2,801,293.77

Claimant has suggested its own formula for computing the going concern value of a company, namely, assign to the asset value a 20% weight and to the earnings, multiplied by a logical price/earnings ratio, 80%. In the matter of Selectas, it is computed as follows:

20% of net worth of \$1,194,794.32 =	\$ 238,958.86
80% of 20 times 1959 earnings of \$365,348.00 =	<u>5,845,568.00</u>
	\$ 6,084,526.86
60% interest in company =	\$ 3,650,716.12

The Commission has had many occasions to consider formulae suggested by various claimants. It has adopted its own formula and has consistently applied it. It has computed the going concern value of a business as the yearly average net profits capitalized at 10%. Applying this method in the subject claim (10 times the yearly average net profits, 1958-1960, \$246,394.00) would result in the allowance of \$2,463,940.00. Claimant's 60% interest would be \$1,478,364.00. Since the going concern value appears to be more equitable to the claimant, the Commission adopts this method and finds that claimant's loss of property in connection with its partial ownership of Selectas, under Title V of the Act, was \$1,478,364.00.

4. Debts

Claimant states that as a result of the nationalization of Selectas and Alimentos, the shareholders of said companies incurred and paid the following expenses:

(a) 1.	Payment under guarantee of shipment of insecticides to Conservas Selectas	\$ 47,508.56
(a) 2.	Employee relocation expense	76,970.53
(a) 3.	Loss on 50,000 cases of tomato juice	17,853.00
(a) 4.	Expenses incurred by shareholders for which reimbursement could not be made to shareholders because of exchange restrictions	\$ 17,618.34

(a) 1. Insecticides Shipment:

This was an emergency shipment of insecticides and fungicides that took place in August 1960 to cover the requirements of Selectas for their 1960/1961 tomato crop. It was made by the Pesticide Sales Corporation, 415 Lexington

Avenue, New York, to their Havana agent, Fosfonitro S.A., Havana, Cuba. Drafts were drawn by Pesticide Sales on Fosfonitro and the goods arrived in Sancti Spiritus.

Since Pesticide Sales Corporation were unable to underwrite this relatively large shipment, payment was guaranteed by the shareholders. Since after 30 days Pesticide Sales Corporation had not received their money, the shareholders fulfilled their obligation under the guarantee. The Royal Bank of Canada, Havana, Cuba, confirmed that they were holding Ps. 47,558.56 pending authorization to remit in U.S. dollars. Said bank has subsequently turned its business over to the Cuban Government.

The Government of Cuba on September 29, 1959 published its Law 568 concerning foreign exchange. Thereafter, the Cuban Government effectively precluded not only transfers of funds to creditors abroad, but also payment to creditors within Cuba, by numerous, unreasonable and costly demands upon the customers in Cuba who were thus deterred from complying with the demands of the Cuban Government. The Commission holds that Cuban Law 568 and the Cuban Government's implementation thereof, with respect to the rights of the claimant herein, was not in reality a legitimate exercise of sovereign authority to regulate foreign exchange, but constituted an intervention by the Government of Cuba in the contractual rights of the claimant, which resulted in the taking of American-owned property within the meaning of Section 503(a) of the Act. (See Claim of The Schwarzenbach Huber Company, Claim No. CU-0019, 25 FCSC Semiann. Rep. 58 [July-Dec. 1966]; and Claim of Etna Pozzolana Corporation, Claim No. CU-0049, 1967 FCSC Ann. Rep. 46.)

The Commission finds that the rights of the shareholders to be reimbursed for the payments made under a guarantee were lost as a result of the intervention by the Government of Cuba. Claimant has submitted evidence to establish that the payments were made on September 30, 1960 and it is attested that the shareholders have not received payment for the outstanding obligation.

Accordingly, the Commission finds that the debts in the amount of \$47,508.06 were due and payable on September 30, 1960, and concludes that claimant sustained a loss, within the meaning of the Act, in the amount of \$28,504.84 based on its 60% shareholder interest in Selectas.

(a) 2. Employee Relocation Expenses:

Claimant attests that the shareholders paid \$76,723.53 for relocating employees of the subject Cuban expropriated companies. These sums were paid by the shareholders on behalf of the Cuban companies because following the nationalization these employees elected to be repatriated. To protect the shareholders' goodwill and reputation concerning employee relations, the shareholders received and paid expenses as follows:

	<u>Alimentos</u>	<u>Latas</u>	<u>Selectas</u>
	\$	\$	\$
Transfer and/or relocation expenses for:			
J. Casas	14,598.41		
G. Lawrence			6,565.66
R. Maribona	2,903.63		
M. Gasperini		5,010.71	
E. Bohraus	4,955.48		
F. Schmid	12,766.78		
J. Hernandez Daniel	967.50		
L. Bogiani	4,460.91	4,460.00	4,460.00
J. Pomes		200.95	
F. Herrera			615.70
P. Broennimann	7,483.28		
R. T. Gonzalez	4,035.33		
J. Lorenz	2,727.79		
Ophelia Lopez	508.40		
S. Menendez	200.00		
	<u>\$ 55,407.51</u>	<u>\$ 9,671.66</u>	<u>\$ 11,644.36</u>

Total for three companies \$76,723.53

The evidence of record is not clear how the above expenses constitute a loss of property due to the actions of the Government of Cuba. It is not a situation wherein the employees were nationals of the United States whose property was taken by the Government of Cuba and who were later reimbursed by their employers who, in return for payment, took an assignment of the employees' claims. All expenses herein occurred after the date of nationalization and were based on the employee's election to be repatriated. The Commission finds that these expenses do not constitute a loss within the meaning of the Act and, accordingly, are denied.

Claimant also stated that it was obligated to and did expend a further sum of \$38,478.17 by way of termination payments and pensions granted employees of Alimentos and the sum of \$2,593.68 for various other sundry items paid on behalf of Latas and Selectas. In support of this item claimant has submitted check No. 012344 in the amount of \$60,586.76 made payable to UNILAC, Inc. which check assertedly was drawn in reimbursement of the pro rata expense attributable to claimant and paid on behalf of claimant by UNILAC, Inc. one of the shareholders herein.

The Commission has deemed that expenses based on termination payments and pensions are obligations that owners would have incurred had there never been a nationalization of the property. They are not attributable to a nationalization of property by the Government of Cuba and, accordingly, are not certifiable as a loss under the Act. This part of the claim must be and is denied.

(a) 3. Tomato Juice Shipments:

Claimant states that \$17,853.00 represents the losses sustained by claimant on 50,000 cases of tomato juice converted into a domestic pack.

Claimant packed and labeled 50,000 cases of tomato juice for Selectas pursuant to a purchase contract. Before delivery of the tomato juice this contract was breached by reason of the import restrictions imposed by the Cuban government.

Selectas had contracted to purchase these 50,000 cases to augment their local production on this product and supply the demand in the Cuban market, but after the advent of the restrictive governmental regulations, was not able to obtain licenses and exchange permits to import this lot of tomato juice -- and after several months' delay in obtaining a final decision Selectas asked claimant to salvage these goods in the United States domestic market or elsewhere, if possible -- the cost of so doing for Selectas's account.

The following is a statement of the final outcome of this liquidation:

Sold in domestic market at a profit of	\$ 31,003.00
If sold to Cuba, profit would have been	<u>\$ 15,680.00</u>
Excess profit	<u>\$ 15,323.00</u>
Expenses of converting to domestic pack	\$ 33,176.00
Net loss	\$ 17,853.00

The Commission finds that this net loss of \$17,853.00 was due to the intervention of the Government of Cuba in the contractual rights of the parties herein. In the absence of evidence to the contrary, this debt was due and owing to claimant on October 13, 1960, the date of nationalization herein. The Commission concludes that claimant suffered a loss, under Title V, in the amount of \$17,853.00.

(a) 4. Expenses Incurred through Exchange Restrictions:

Claimant attests that the amount of \$17,618.34 represents the amount of various payments and expenses incurred by the shareholders on behalf of Selectas and Alimentos for which reimbursement was not received due to exchange restrictions imposed by the Government of Cuba. This item was not carried on any Balance Sheets since they occurred at or after the nationalization of the said companies. In support thereof claimant has submitted Schedule B of Exhibit One.

For the purpose of this decision, the Commission finds that each of the said companies was indebted to the shareholder in the amount of \$8,809.17. As claimant owned 60% of Selectas and 12% of Alimentos, the losses were respectively \$5,285.50 and \$1,057.10. Accordingly, the Commission finds that claimant suffered a loss on October 13, 1960 in the total amount of \$6,342.00 as to this item of the claim.

4 (b). Dividends

At the time of the nationalization and expropriation of Latas Modernas, S.A., Conservas Selectas, S.A. and Compania Nacional de Alimentos, these companies had earned surplus available as dividends which the board of directors were unable to declare because of exchange restrictions as follows:

Latas Modernas, S.A.	\$119,699.00
Conservas Selectas, S.A.	\$585,694.68
Compania Nacional de Alimentos	\$407,658.92

Claimant's share of the above undivided profits is 60% in the case of Conservas Selectas, S.A. or the sum of \$351,416.81; 12% in the case of Latas Modernas, S.A. or the sum of \$14,363.88; and 12% in the case of Compania Nacional de Alimentos or the sum of \$48,919.07. Claimant's total claim for the items contained in this paragraph is, therefore, the sum of \$414,699.76.

In support of this part of the claim, claimant has submitted the December 31, 1959 Balance Sheets of Latas and Alimentos and the June 30, 1960 Balance Sheet of Selectas reflecting the earned surplus, or dividends due.

The Commission finds that the sum of \$414,699.76 constitutes a loss of property, within the provisions of Title V of the Act, and that claimant sustained a loss on October 13, 1960 in this amount.

4 (c). Guaranteed Loans

By agreement dated as of May 20, 1960, in favor of the Sun Life Assurance Company of Canada and Confederation Life Association, claimant guaranteed the repayment of 90,000 Cuban pesos (\$90,000.00) and 150,000 Cuban pesos (\$150,000.00) respectively, of a loan made by the above companies to Compania Nacional de Alimentos, in addition to interest and other charges as provided in the agreement.

By agreement dated August 2, 1960 in favor of the Sun Life Assurance Company of Canada, claimant guaranteed the repayment of 90,000 Cuban pesos (\$90,000.00) of a loan made by the said company to Compania Nacional de Alimentos, in addition to interest and other charges as provided in the said agreement.

Claimant is informed and believes that the aforesaid loans have not been repaid and that although no official notice of default under the respective agreements has been given claimant, that claimant is or may be contingently liable under said guarantees in the amounts above stated. Accordingly, claimant seeks the total sum of \$330,000.00.

The Commission finds that the above loans constitute contingent obligations. Claimant, to date, has sustained no loss as to any of these loans.

There is no loss of property within the meaning of Title V of the Act for which a certification could issue. Accordingly, this part of the claim is denied.

4. (d). Royalties

Claimant states that at the time of the nationalization, Conservas Selectas, S.A. and Compania Nacional de Alimentos were licensed to and did use claimant's trademarks registered in Cuba; that at said time Selectas was indebted to claimant for royalties due under said trademark licensing agreement in the amount of \$350,560.00 and Alimentos was indebted to claimant for royalties due under said trademark licensing agreement in the sum of \$122,642.18; that the above indebtedness for trademark royalties is presently due and owing. Claimant asserts its loss under this paragraph in the total amount of \$473,202.00.

In support of this part of the claim, the Assistant Secretary of claimant has certified that all submitted statements of accounts, letters, and statements of royalties relating to the payment or the accrual of royalties from Selectas and Alimentos are true and correct copies of the documents and instruments contained in claimant's files and that any differences between the figures disclosed by the documents and the sum asserted represent claimant's best judgment of the sums due for the months of September and October 1960 wherein final statements had not been received. (See Certificate of James M. Ruth, Assistant Secretary, dated February 14, 1968 with accompanying statements.)

The Commission finds that the amount of \$473,202.00 represents a debt due to claimant based on royalties due and owing but never received and that claimant sustained a loss, within the meaning of the Act, in this amount.

5. Charges (Prospective Royalties):

Claimant states that at the time of the nationalization of the companies, Selectas and Alimentos, claimant was the owner and holder of certain trademarks registered to it in the Republic of Cuba and licensed to Selectas and Alimentos. That subsequent to October 13, 1960, claimant by letter terminated said trademark licenses. However, claimant is informed and believes that each

of these companies have continued to manufacture and process products using the trademarks of claimant without paying royalties for their use and continue to do so down to the present date.

For the year ending June 30, 1959, claimant states that it accrued from Conservas Selectas, S.A. as royalties for the use of its trademark the sum of \$123,793 and for the year ending June 30, 1960, the sum of \$241,619. Claimant suggests that with royalties increasing from \$123,793 in the first full year of operation to \$241,619 in the second year of operation, the reasonable and conservative expectation is that annual royalties in future years could not be less than \$241,619 and in all probability could reasonably be expected to substantially exceed that amount. Due to the nationalization of Selectas, claimant has been deprived of all income from trademark royalties and has, therefore, suffered a loss which it values in the sum of \$241,619 multiplied by the price/earnings ratio of fifteen or the total sum of \$3,625,285.

For the year ending December 31, 1957, claimant accrued from Alimentos as trademark royalties the sum of \$89,587; for the year ending December 31, 1958, the sum of \$96,345; and for the year ending December 31, 1959, the sum of \$34,482. Claimant suggests that the reasonable and conservative expectation in this instance is that annual royalties in the future would be the average of the three years or the sum of \$73,804.

Due to the nationalization of Alimentos, claimant has been deprived of all income from trademark royalties and has, therefore, suffered a loss which it values as the sum of \$73,804 multiplied by the price/earnings ratio of fifteen or the total sum of \$1,107,060.

The amount of claimant's claim herein is, therefore, as follows:

Conservos Selectas, S.A.	\$ 3,625,285
Compania Nacional de Alimentos	<u>1,107,060</u>
Total	\$ 4,732,345

The evidence reflects that the trademark license with Alimentos and Selectas was in effect since August 27, 1945 and June 12, 1957, respectively. Under ordinary conditions the license with Alimentos was to be in effect until January 1, 1982 and with Selectas for one year subject to being renewed yearly.

If this part of the claim is deemed to be based on prospective royalties, then the Commission would be constrained to deny it since claimant has not established that said royalties were in fact taken by the Government of Cuba.

The issue here is the value of the trademark on the date the subject Cuban entities were nationalized. In determining this value, the Commission will consider the average royalty figure capitalized by 10%. Applying this method (10 times the year net royalties, 1959-1950, \$182,706 for Selectas) would result in the allowance of \$1,827,060; and for Alimentos (10 times the yearly net royalties, 1957-1958-1959, \$73,471.33) would result in the allowance of \$734,713.30.

The Commission concludes that the total value of the trademark "LIBBY" was \$2,561,773.30 and that claimant sustained a loss, under the Act, in this amount.

RECAPITULATION

The losses are summarized as follows:

<u>ITEM</u>	<u>VALUE</u>	<u>DATE OF LOSS</u>
1. Latas (12%)	\$ 110,303.69	October 13, 1960
2. Alimentos (12%)	622,574.27	October 13, 1960
3. Selectas (60%)	1,478,364.00	October 13, 1960
4. Debts:		
(a) 1. Insecticide Shipment (60%)	28,504.84	September 30, 1960
(a) 3. Tomato Juice Shipment (100%)	17,853.00	October 13, 1960
(a) 4. Reimbursement Expenses (60%)	6,342.60	October 13, 1960
(b) Dividends (60%)	414,699.76	October 13, 1960
(d) Royalties	473,202.00	October 13, 1960
5. Trademark	<u>2,561,773.30</u>	October 13, 1960
	\$ 5,713,617.46	

The Commission has decided that in certifications of loss 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), and in the instant claim it is so ordered as follows:

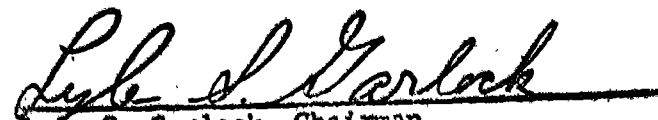
<u>FROM</u>	<u>ON</u>
September 30, 1960	\$ 28,504.84
October 13, 1960	<u>5,685,112.62</u>
	\$5,713,617.46

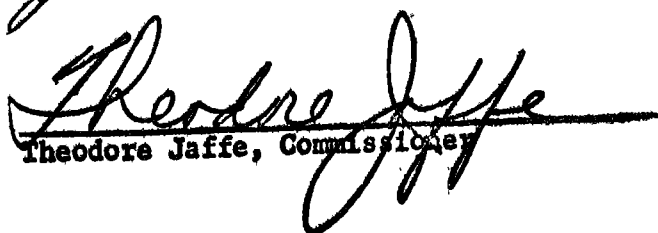
CERTIFICATION OF LOSS

The Commission certifies that LIBBY, McNEILL & LIBBY 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 Five Million Seven Hundred Thirteen Thousand Six Hundred Seventeen Dollars and Forty-six Cents (\$5,713,617.46) with interest thereon at 6% per annum from the respective dates of loss to the date of settlement.

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

SEP 30 1971


Lyle S. Garlock, Chairman


Theodore Jaffe, Commissioner

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 (1970).)