

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

IN THE MATTER OF THE CLAIM OF

MICHAEL SHORES

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU -2207

Decision No. CU-510

Appeal and objections from a Proposed Decision issued October 25, 1967.
No oral hearing requested; hearing on the record.

Hearing on the record held on December 14, 1967.

FINAL DECISION

Under date of October 25, 1967, the Commission issued its Proposed Decision denying this claim for claimant's failure to establish that any assets of a Cuban entity assertedly owned by him were taken by the Government of Cuba subsequent to January 1, 1959. Accordingly, the Commission concluded that this claim was not one within the purview of Title V of the Act.

Moreover, it appeared from the balance sheet and profit and loss statement of said Cuban entity, dated December 31, 1957, that the net book value of the company assets and the earnings reflected a deficit of \$24,903.57. Claimant, therefore, failed to establish that the assets had any value on the date of asserted nationalization or other taking.

Further, with regard to the unpaid debt assertedly owing claimant by the Cuban entity, claimant failed to establish the unpaid balance owing him at the time of the asserted confiscation of the company's assets or that the company had sufficient assets to pay said debt or any part thereof.

By letter of November 14, 1967, claimant filed objections to the Proposed Decision. However, claimant has submitted no additional evidence in support of his claim. Claimant merely asserts that it would not have taken long under an existing contract with the General Services Administration to recoup the losses of the company sustained through preliminary experimentation.

The Commission has reviewed and examined all of the evidence of record, and finds that the evidence of record is of insufficient probative value to warrant a different determination from that made in the Proposed Decision.


Full consideration having been given to the objections of claimant, and the entire record, including such objections, having been reviewed, it is

ORDERED that the Proposed Decision be, and the same is, affirmed as the Final Decision of the Commission in this claim.

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

20 DEC 1967


Edward D. Re, Chairman


Theodore Jaffe, Commissioner


LaVern R. Dilweg, Commissioner

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

IN THE MATTER OF THE CLAIM OF

MICHAEL SHORES

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU - 2207

Decision No. CU 510

PROPOSED DECISION

This claim against the Government of Cuba, filed under Title V of the International Claims Settlement Act of 1949, as amended, in the amount of \$60,000.00, was presented by MICHAEL SHORES and is based upon the asserted ownership and loss of a stock interest. Claimant has been a national of the United States since his birth in the United States.

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.

Section 504 of the Act provides, as to ownership of claims, that

(a) A claim shall not be considered under section 503(a) of this title unless the property on which the claim was based was owned wholly or partially, directly or indirectly by a national of the United States on the date of the loss and if considered shall be considered only to the extent the claim has been held by one or more nationals of the United States continuously thereafter until the date of filing with the Commission.

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) (Supp. 1967).)

Claimant states that he is the owner of all the capital stock of Corporacion Cubana De Acero Inoxidable, S. A. (Cuban Stainless Steel Corporation), hereinafter referred to as C.S.S.C., and that all of the assets of said company were taken over by the Cuban Government on December 31, 1957.

Claimant has submitted in support of his claim photocopies of a letter from General Services Administration dated November 30, 1956, an agreement between Cuban Nickel Company and C.S.S.C. dated November 30, 1956, a stockholders' agreement dated July 22, 1957, four provisional stock certificates each for 125 shares in C.S.S.C., an assignment dated September 10, 1958, a balance sheet and a profit and loss statement for C.S.S.C. on December 31, 1957, and five photographs.

The situation of C.S.S.C. on December 31, 1957 is represented in the aforementioned balance sheet and profit and loss statement as follows:

BALANCE SHEET

Assets:

Deposits	\$ 3.50
Electric furnace	7,320.57
Equipment	1,150.50
Furniture	200.00
Products Inventory	5,000.00
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	\$13,674.57

Liabilities:

Loan-Jones & Frederick, Inc.	\$15,536.36
Loan-Michael Shores	15,000.00
Loan-Raymond Voyes	8,041.78
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	\$38,578.14
Deficit	\$24,903.57

PROFIT AND LOSS

Income:

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Expenses:

Bank charges	\$ 11.50
Customs charges	235.85
Expenses - G.C. Nash	584.91
Legal & accounting	410.00
Metalurgical services	1,000.00
Nickel Oxide Sinter	2,116.41
Office supplies	4.00
Salaries-Augustin Avila	1,061.54
Salaries-Leon Chateauvieux	759.75
Salaries-Juan Garcia	42.00
Production supplies	583.92
Rent	1,000.00
Salaries-G.C. Nash	8,641.07
Services	848.24
Stationary, printing and postage	7.50
Taxes & Licenses	495.00
Telephone & Telegraph	480.54
Transportation charges	199.14
Travel expenses	6,422.20
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	\$24,903.57

Loss \$24,903.57

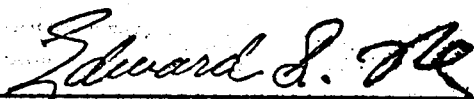
Claimant has neither alleged nor established that the assets of C.S.S.C. were taken over by the Government of Cuba subsequent to January 1, 1959. Accordingly, the Commission concludes that this claim is not one within the purview of Title V of the Act.

Moreover, it appears from the balance sheet and profit and loss statement set out hereinabove that the net book value of the subject stock and the earnings per share both equal zero. Claimant has, therefore, failed to establish that the subject stock had any value on the date of asserted nationalization or other taking. Further, with regard to the unpaid debt owing claimant by the C.S.S.C. Corporation, claimant has failed to establish the unpaid balance owing him at the time of the asserted confiscation of the company's assets or that the company had sufficient assets to pay said debt or any part thereof.

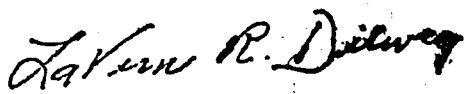
Thus, the Commission is constrained to deny this claim and it is hereby denied. The Commission deems it unnecessary to make determinations with respect to other elements of the claim.

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

OCT 25 1967


Edward D. Re, Chairman


Theodore Jaffé, Commissioner


LaVern R. Dilweg, Commissioner

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).)