

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

IN THE MATTER OF THE CLAIM OF

RAMON CONROY
and
VERA CONROY

Claim No. CU-2356

Decision No. CU 5642

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, in the amount of \$104,714.00, was presented by RAMON CONROY and VERA CONROY based upon the asserted loss of certain personal property in Cuba. Claimants have been nationals of the United States since birth.

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. 858 (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.

On the basis of the evidence of record, the Commission finds that claimants each owned a one-half interest in certain personal properties in Cuba, discussed in detail below.

On December 6, 1961, Cuba published Law 989 in its Official Gazette, which effected a confiscation of all goods and chattels, property rights, shares, stocks, bonds, bank accounts and other securities of persons who left Cuba. The Commission finds that this law applied to claimants who had left Cuba before that date. In the absence of evidence to the contrary, the Commission finds that claimants' properties were taken by the Government of Cuba on December 6, 1961 except as indicated hereafter.

(See Claim of Floyd W. Auld, Claim No. CU-0020, 25 FCSC Semiann. Rep. 55 [July-Dec. 1966]; and Claim of Wallace Tabor and Catherine Tabor, Claim No. CU-0109, id. at 53.)

Claimants assert the following losses:

Automobile	\$ 5,000.00
Bank Deposits	844.00
Personal Effects	46,670.00
Cuban Telephone Company Bonds	13,200.00
Radiocentro, S.A. Stock	<u>39,000.00</u>
Total	<u>\$104,714.00</u>

Automobile

The record shows that claimants owned a 1959 Chrysler automobile, Windsor Deluxe model, that was insured by the Trust Insurance Agency of Havana. Based upon contemporary correspondence and other evidence of record, the Commission finds that the automobile was taken by the Government of Cuba on January 31, 1961.

It appears that the automobile had been driven only about 6,250 miles, and that it was fully equipped with accessories including air-conditioning and Venetian blinds. Taking into consideration the foregoing factors and evidence concerning the value of such an automobile,

the Commission finds that claimants' automobile had a value of \$3,100.00 on January 31, 1961, the date of loss. Therefore, each claimant sustained a loss in the amount of \$1,550.00.

Bank Deposits

The Commission finds on the basis of a statement from the First National Bank of Boston, Havana Branch, that claimants owned a bank account maintained at that Havana Branch. The bank statement shows a credit balance as of November 24, 1960 in the amount of 844.34 pesos, equivalent to \$844.34. The Commission, therefore, finds that on December 6, 1961, the date of loss, claimants owned a bank account having a value of \$844.34. Therefore, each claimant sustained a loss in the amount of \$422.17.

Personal Effects

The evidence establishes and the Commission finds that claimants owned furniture, household furnishings, and other personal effects maintained at their rented home in Marianao, Cuba. Claimants assert a loss of \$46,670.00 for said properties. They have submitted an itemized list of the property in question and have used original bills and receipts in their possession to tabulate the amount thus claimed. It further appears from claimants' statements that these items of property were acquired by them during their marriage from 1931 to 1960.

An examination of said list indicates that some of the items therein, such as Oriental rugs, silverware, crystalware, liquors and oil paintings, having a value of \$17,670.00, are not subject to depreciation. Also included were electric appliances, furniture, dishes, linens, musical instruments, clothing, luggage and other such items which are subject to depreciation. It appears that the items that are subject to depreciation originally cost approximately \$29,000.00. The ages of these items are not disclosed by the record. In the absence of evidence to the contrary, the Commission finds that said properties should be depreciated by 50% to

\$14,500.00 to reflect the value thereof on the date of loss.

Accordingly, the Commission finds that the aggregate value of claimants' personal effects on December 6, 1961, the date of loss, was \$32,170.00. Therefore, each claimant sustained a loss in the amount of \$16,085.00.

Cuban Telephone Company Bonds

Based upon contemporary correspondence and copies of claimants' income tax returns submitted by them, the Commission finds that claimants owned 4% bonds of the Cuban Telephone Company in the face amount of \$10,000.00. The record shows that said bonds were maintained at the First National Bank of Boston, Havana Branch.

The Commission has held that a claim based upon debts of the Cuban Telephone Company is within the purview of Title V of the Act because, although the Cuban Telephone Company was a national of the United States at all pertinent times, it is now defunct. (See Claim of International Telephone and Telegraph Company, Claim No. CU-2615.) In that claim, the Commission found that the assets of the Cuban Telephone Company had been taken by the Government of Cuba on August 6, 1960.

The record shows that interest was last paid on claimants' bonds for the period ending December 31, 1959. The Commission, therefore, finds that on August 6, 1960, the date of loss, the Cuban Telephone Company owed claimants \$10,266.66, representing \$10,000.00 in principal, and interest in the amount of \$266.66. Therefore, each claimant sustained a loss in the amount of \$5,133.33.

Radiocentro, S.A.

Based on the evidence of record, the Commission finds that claimants owned shares of stock in Radiocentro, S.A., which were maintained at the First National Bank of Boston, Havana Branch. The Commission further finds that claimants' stock interests in Radiocentro, S.A. were taken by the Government of Cuba on December 6, 1961 pursuant to Law 989.

Since Radiocentro, S.A. was organized under the laws of Cuba, it does not qualify as a corporate "national of the United States" defined under Section 502(1)(B) of the Act as a corporation or other legal entity organized under the laws of the United States, or any State, the District of Columbia, or the Commonwealth of Puerto Rico, whose ownership is vested to the extent of 50 per centum or more in natural persons who are citizens of the United States. In this type of situation, it has been held that an American stockholder 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.)

Claimants state that no balance sheets for the Cuban corporation are available and that the stock of the corporation was not quoted on any exchange. It appears, however, that claimants had paid \$39,000.00 for their stock and that a tax deduction in that amount was allowed by the Internal Revenue Service. The record also includes letters from a former official of Radiocentro, S.A., indicating that in 1960 when claimants left Cuba, their stock in the corporation was worth more than the price claimants paid.

On the basis of the entire record, the Commission finds that the value of claimants' stock interests in Radiocentro, S.A. on December 6, 1961, the date of loss, was \$39,000.00. Therefore, each claimant sustained a loss in the amount of \$19,500.00.

The losses sustained by each claimant are summarized as follows:

<u>Item of Property</u>	<u>Date of Loss</u>	<u>Amount</u>
Automobile	January 31, 1961	\$ 1,550.00
Bank Deposits	December 6, 1961	422.17
Personal Effects	December 6, 1961	16,085.00
Bonds	August 6, 1960	5,133.33
Stock	December 6, 1961	<u>19,500.00</u>
	Total	<u>\$ 42,690.50</u>

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), and in the instant case it is so ordered as follows with respect to each claimant:

<u>From</u>	<u>On</u>
August 6, 1960	\$ 5,133.33
January 31, 1961	1,550.00
December 6, 1961	<u>36,007.17</u>
Total	<u>\$42,690.50</u>

CERTIFICATIONS OF LOSS

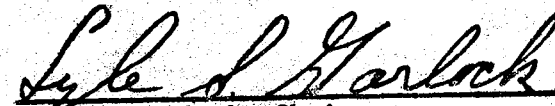
The Commission certifies that RAMON CONROY suffered a loss, as a result of actions of the Government of Cuba, within the scope of Title V of the International Claims Settlement Act of 1949, as amended, in the amount of Forty-two Thousand Six Hundred Ninety Dollars and Fifty Cents (\$42,690.50) with interest at 6% per annum from the respective dates of loss to the date of settlement; and


The Commission certifies that VERA CONROY 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

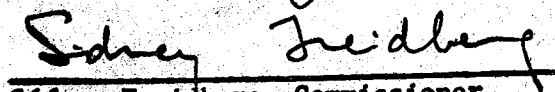
amended, in the amount of Forty-two Thousand Six Hundred Ninety Dollars and Fifty Cents (\$42,690.50) with interest at 6% per annum from the respective dates of loss to the date of settlement.

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

AUG 6 1970


Lyle S. Garlock, Chairman


Theodore Jaffe, Commissioner


Sidney Freidberg, 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, 32 Fed. Reg. 412-13 [1967].)

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