

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

IN THE MATTER OF THE CLAIM OF

CUBAN TELEPHONE COMPANY

Under the International Claims Settlement  
Act of 1949, as amended

Claim No. CU - 3682

Decision No. CU 5012

PROPOSED DECISION

This claim against the Government of Cuba, under Title V of the International Claims Settlement Act of 1949, as amended, for an unstated amount, was presented for the CUBAN TELEPHONE COMPANY for losses resulting from the taking of its assets by the Government of 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.

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 establishes that CUBAN TELEPHONE COMPANY (CUTELCO) was organized under the laws of the State of Delaware in 1908 and that the Secretary of State of the State of Delaware has certified that CUTELCO is no longer in existence and in good standing, having been declared inoperative and void.

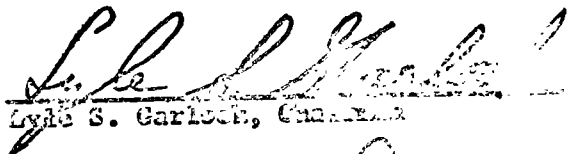
Accordingly, this claim filed by Carl Marks & Co. on behalf of claimant and all the stockholders thereof must be and hereby is denied.

However, the timely filing of this claim will protect the rights of the stockholders of CUTELCO to the extent that any such holders who have filed or may file claims based upon such stock will have their claims considered by the Commission as timely filed, provided filing is not made later than May 1, 1972, to permit orderly disposition thereof

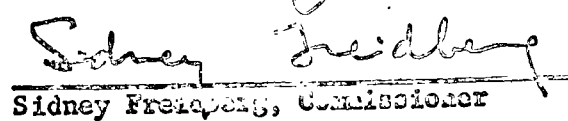
before the termination of the claims program on June 30, 1972. Certification of these claims will be made as appropriate in conformance with the Commission's holding on the valuation of CUTELECO'S stock in the Claim of International Telephone and Telegraph Corporation, Claim No. CU-2615.

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

JUN 17 1970.

  
Lyda S. Carlsoch, Chairman

  
Theodore J. Hill, Secretary

  
Sidney Frensporg, 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).)

CU-3682