

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

IN THE MATTER OF THE CLAIM OF

ANNA VEGA
MARIO VEGA

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU -0011

Decision No. CU 3555

PROPOSED DECISION

This claim against the Government of Cuba, under Title V of the International Claims Settlement Act of 1949, as amended, was presented by MARIO VEGA, for \$135,927.76, based on improved real property, mortgage, bank accounts and bank bonds. Subsequently, ANNA VEGA petitioned to join as a co-claimant. This matter having been considered, it is so ordered. Claimant, ANNA VEGA, has been a national of the United States since birth. Claimant, MARIO VEGA, has been a national of the United States since his naturalization on May 19, 1947.

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.

Real Property and Equipment

Claimants contend that they lost an investment in improved real property and automotive equipment valued at \$84,000.00. They submitted a statement of the Tax Department of Matanzas dated June 21, 1956, evidencing the tax assessment on the property; a receipt dated December 17, 1958 for rents deposited with Banco Continental Cubano; claimant MARIO VEGA's sworn statement of June 11, 1958; a picture of the improved real property taken in 1954 prior to the building of additions thereto; receipts from the Texas Company beginning on April 12, 1955, for automotive and other equipment purchased by claimants; and an itemization of automotive and other equipment purchased with the approximate prices paid for each item.

Based upon the entire record, including information received from the Department of State, the Commission finds that the claimants each owned a one-half interest in improved real property and automotive and other equipment at 40 Avenue of the Tenth of October, Matanzas.

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. Accordingly, this law applies to claimants who had left Cuba prior to that date; and the Commission finds that this property was nationalized on December 6, 1961, pursuant to Law 989.

In arriving at the value of the improved real property and equipment, consideration was given to all of the evidence of record including claimant MARIO VEGA's sworn affidavit, the tax assessment, the receipt for rents deposited with the Banco Continental Cubano, information received from the Department of State, and the itemization and approximate prices paid for the equipment. The Commission finds that the value of the improved real property

amounted to \$80,000.00; and that the value of the equipment after depreciation amounted to \$4,316.65. Accordingly, the Commission concludes that claimants suffered a loss in the amount of \$84,316.65 within the meaning of Title V of the Act, as the result of the taking of the improved real property and equipment by the Government of Cuba as of December 6, 1961.

Mortgage

Claimants also contend that they loaned one Benjamin Viera Villareal the sum of \$30,000.00 which sum was secured by a second mortgage on the mortgagor's building at Maceo 40, Artemisa, Pinar del Rio Province. Claimants have submitted a loan agreement executed on October 1, 1958 by the mortgagor and mortgagee, as well as an affidavit of Benjamin Viera Villareal, which was executed on June 6, 1966, wherein Villareal affirms the existence of the mortgage.

On the basis of the entire record the Commission finds that claimants each owned a one-half interest in a second mortgage on improved real property at Maceo 40, Artemisa, Cuba. On October 14, 1960, the Government of Cuba published in its Official Gazette, Special Edition, its Urban Reform Law. Article 30 of this Urban Reform Law had the effect of cancelling all mortgages and, accordingly, the Commission finds that the mortgage was cancelled by the Government of Cuba on October 14, 1960 pursuant to the Urban Reform Law.

The Commission further finds that at the time of loss the value of the mortgage amounted to \$30,000.00 and concludes that claimants suffered a loss in that amount within the meaning of Title V of the Act.

Bank Accounts

Claimants further contend that they lost two bank accounts in Cuba having an aggregate balance of \$1,927.76. In support of this item the claimants

submitted statements of The Chase Manhattan Bank, Cuban branch, reflecting the last balance as of May 5, 1959 to be \$460.20 and a statement of the National Bank of Cuba showing the last balance as of November 30, 1961 to be \$1,467.56.

The Commission finds that claimants owned the above-described bank accounts, totalling \$1,927.76, that they were taken by the Government of Cuba on December 6, 1961, pursuant to Law 989 (supra), and concludes that claimants suffered a loss in that amount within the meaning of Title V of the Act.

Bank Bonds

Claim is also made for four installment bonds issued by Banco Capitalizador Cubano each with a face amount of \$5,000.00 on the date of maturity. Claimants have submitted the original installment bonds issued by Banco Capitalizador Cubano, two of which were issued on December 1, 1951 to mature on November 30, 1961 and two which were issued on March 1, 1952 to mature on February 28, 1962. The amount of each installment per bond was \$40.00 a month beginning on the date of issuance. Claimants stated that monthly installments were paid on each bond from the date of issuance through January 1, 1960.

The Commission finds that the claimants' above-described bank bonds were taken by the Government of Cuba on December 6, 1961, pursuant to Law 989 (supra), at which time they had an aggregate paid-in value of \$15,440.00. Accordingly, the Commission concludes that claimants suffered a loss in the aforementioned amount within the meaning of Title V of the Act.

Accordingly, the Commission finds that claimants suffered the following losses within the scope of Title V of the Act:

<u>Summary</u>		
Mortgage	October 14, 1960	\$ 30,000.00
Real Property	December 6, 1961	80,000.00
Equipment	December 6, 1961	4,316.65
Bank Accounts	December 6, 1961	1,927.76
Bank Bonds	December 6, 1961	<u>15,440.00</u>
Total		\$131,684.41

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.

CERTIFICATION OF LOSS

The Commission certifies that ANNA VEGA 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 Sixty-five Thousand Eight Hundred Forty-two Dollars and Twenty Cents (\$65,842.20), with interest thereon at 6% per annum from the respective dates of loss to the date of settlement; and

the Commission certifies that MARIO VEGA 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 Sixty-five Thousand Eight Hundred Forty-two Dollars and Twenty-one Cents (\$65,842.21), 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

MAR 14 1989

Leonard v. B. Sutton

Leonard v. B. Sutton, Chairman

Theodore Jaffe

Theodore Jaffe, Commissioner

Sidney Freidberg

Sidney Freidberg, Commissioner

NOTICE TO TREASURY: The above-referenced securities may not have been submitted to the Commission or if submitted, may have been returned; accordingly, no payment should be made until claimants establish retention of the securities for the loss here certified.

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).)