

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

IN THE MATTER OF THE CLAIM OF

PAGE BELTING COMPANY

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU-0207

Decision No. CU 173

Counsel for claimant:

Perkins and Perkins
By: Francis E. Perkins, Esq.

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 PAGE BELTING COMPANY in the amount of \$399.72 based upon the asserted loss of payment for merchandise shipped to 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) of the Act defines the term "national of the United States" as "(B) 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 Secretary of the claimant corporation has certified that the claimant was organized on July 3, 1872 under the laws of the State of New Hampshire and that at all times between November 1959 and presentation of this claim on July 12, 1965, more than 50% of the outstanding capital stock of the claimant has been owned by United States nationals. The Commission holds that claimant is a national of the United States within the meaning of Section 502(1)(B) of the Act.

The Secretary of claimant corporation states further that 90 per centum of its 130 stockholders were residents of the United States and assumes that substantially all of them were United States nationals.

The record contains a copy of claimant's invoice No. 2974 dated November 13, 1959 reflecting the sale to Ferreteria J. Fernandez y Cia, S.A., of Havana, Cuba, of goods totalling \$454.22.

Additionally, the record includes a letter dated June 23, 1967 from The First National Bank of Boston, to claimant, in which it is stated that the collection of \$454.22 less 2% discount was paid by the consignee (Ferreteria J. Fernandez y Cia, S.A.) and that the branch bank in Havana, Cuba was still awaiting a dollar reimbursement release from the Cuban Monetary Stabilization Fund. The bank further stated that from the collection, a payment of \$45.42 had been paid to claimant's agent in Cuba as authorized by claimant. Claimant states that it has not received the balance of the funds owing.

The Government of Cuba, on September 29, 1959, published its Law 568, concerning foreign exchange. Thereafter the Cuban Government effectively precluded transfers of funds, in this and similar cases, by numerous, unreasonable and costly demands upon the consignees, 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 into 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 the Claim of The Schwarzenbach Huber Company, FCSC Claim No. CU-0019.)

Accordingly, in the instant claim the Commission finds that claimant's property was lost as a result of intervention by the Government of Cuba and that, in the absence of evidence to the contrary, the loss occurred on December 30, 1959 as to \$399.72, one day after the collection was acknowledged by the Havana branch of The First National Bank of Boston.

The Commission has decided that in payment of losses on claims determined pursuant to Title V of the International Claims Settlement Act of 1949, as amended, interest should be allowed at the rate of 6% per annum from the date of loss to the date of settlement (See the Claim of American Cast Iron Pipe Company, FCSC Claim No. CU-0249).

Accordingly, the Commission concludes that the amount of the loss sustained by claimant shall be increased by interest thereon at the rate of 6% per annum from the date on which the loss occurred, to the date on which provisions are made for the settlement thereof.

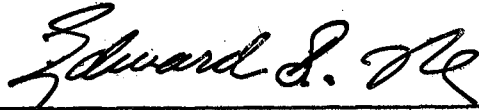
CERTIFICATION OF LOSS

The Commission certifies that PAGE BELTING COMPANY suffered a loss, as a result of actions of the Government of Cuba, within the scope of

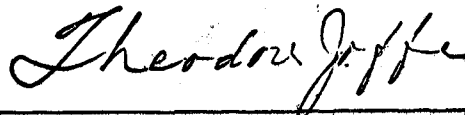
Title V of the International Claims Settlement Act of 1949, as amended in the amount of Three Hundred Ninety Nine Dollars and Seventy Two Cents (\$399.72) with interest thereon at 6% per annum from the date of loss to the date of settlement.

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

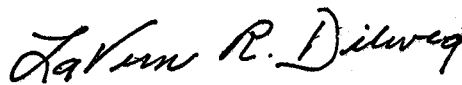
AUG 23 1967



Edward D. Re, Chairman



Theodore Jaffe, Commissioner

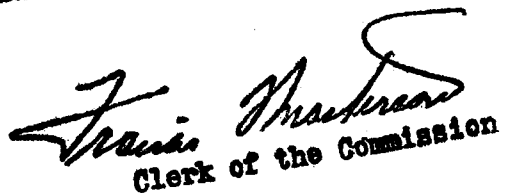


LaVern R. Dilweg, Commissioner

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).)

CERTIFICATION

This is a true and correct copy of the decision
of the Commission which was entered as the final
decision on SEP 25 1967



Clerk of the Commission