

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

IN THE MATTER OF THE CLAIM OF

ERNEST A. COMPAIN

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU-0343

Decision No. CU 684

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 ERNEST A. COMPAIN in the amount of \$11,172.38 based upon the asserted loss of payment for merchandise shipped to Cuba. ERNEST A. COMPAIN has been a United States National 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.

ERNEST A. COMPAIN presents this claim as the successor in interest of Ciappi, Compain & Co., Inc. a corporation in which the claimant held a one-half interest and which was dissolved in December, 1962.

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."

An officer of the former corporation has certified that Ciappi, Compain & Co., Inc. was organized in New York and that at all times between February 2, 1959 and its dissolution in December, 1962, one half of the corporation was owned by the claimant ERNEST A. COMPAIN, and one half was owned by Luis Ciappi, a non-United States national. The Commission holds therefore that Ciappi, Compain & Co., Inc. was a national of the United States within the meaning of Section 502(1)(B) of the Act.