

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

IN THE MATTER OF THE CLAIM OF

EDWARD LABORDE

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU - 1450

Decision No. CU -
5896

PROPOSED DECISION

This claim against the Government of Cuba, filed under Title V of the International Claims Settlement Act of 1949, as amended, in the amount of \$11,750, was presented by EDWARD LABORDE and is based upon the asserted ownership and loss of securities issued by Cuban Electric Company and Cuban Telephone Company. Claimant has been a national 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. 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.

The claim is based on 60 shares of common stock of Cuban Telephone Company; a 4% bond issued by Cuban Telephone Company, due 1965, face value \$1,000; and Cuban Electric Company Mortgage bonds, due 1980, of an aggregate face value of \$4,750. Claimant has submitted copies of custody receipts for these securities held by the Trust Company of Cuba.

Pursuant to Section 505(a) of the Act, debts due from American concerns may only be allowed if they constituted charges on property nationalized, expropriated, intervened or taken by the Government of Cuba (see Claim of Anaconda American Brass Co., Claim No. CU-0112, 1967 FCSC Ann. Rep. 60). The properties of the Cuban Electric Company in Cuba were taken on August 6, 1960 (see Claim of Cuban Electric Co., Claim No. CU-2578).

In the absence of evidence to the contrary, the Commission finds that on August 6, 1960, the aggregate value of the Mortgage Bonds of the Cuban Electric Company was \$4,750 the face amount of the bonds.

The Commission has held that claims based upon debts and stock of the Cuban Telephone Company are 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 claimant's 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 claimant \$1,026.67, representing \$1,000 in principal, and interest in the amount of \$26.67.

Further the Commission has found that each share of common stock of Cuban Telephone Company had a value of \$184.0057 and finds that claimant's 60 shares had a value of \$11,040.34.

RECAPITULATION

Claimant's losses within the scope of Title V of the Act may be summarized as follows:

<u>Item</u>	<u>Date of Loss</u>	<u>Value</u>
Cuban Electric Company Mortgage Bonds	August 6, 1960	\$ 4,750.00
Cuban Telephone Company Bond	August 6, 1960	1,026.67
Cuban Telephone Company common stock	August 6, 1960	<u>11,040.34</u> \$16,817.01

It will be noted that the total amount of loss found herein is in excess of the amount asserted by claimant. However, in determining the amount of loss sustained, the Commission is not bound by any lesser or greater amounts which may be asserted by claimant as the extent thereof. (See Claim of Eileen M. Smith, Claim No. CU-3038.)

The Commission has decided that in certifications of loss 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.

The Regulations of the Commission provide:

Service by first class mail shall be regarded as complete, upon deposit in the United States mail properly stamped and addressed. [FCSC Reg., 45 C.F.R. §501.3(d)(1969).]

Without previous hearing, the Commission may issue a proposed decision in determination of a claim. [FCSC Reg., 45 C.F.R. §531.5(b)(1969).]

Such proposed decision shall be delivered to the claimant or his attorney of record in person or by mail. Delivery by mail shall be deemed completed 5 days after the mailing of such proposed decision addressed to the last known address of the claimant or his attorney of record. One copy of the proposed decision shall be available for public inspection at the office of the Commission. Notice of proposed decision shall be posted on the bulletin board at the office of the Commission on the day of its issuance and for 20 days thereafter. [FCSC Reg., 45 C.F.R. §531.5(c)(1969).]

A copy of this Proposed Decision shall be mailed to claimant's last known address, one copy shall be available for public inspection at the office of the Commission, and notice of this Proposed Decision shall be posted on the Commission's bulletin board on the day of its issuance and for 20 days thereafter. The foregoing shall constitute service of the Proposed Decision in accordance with Sections 501 and 531 of the Commission Regulations.

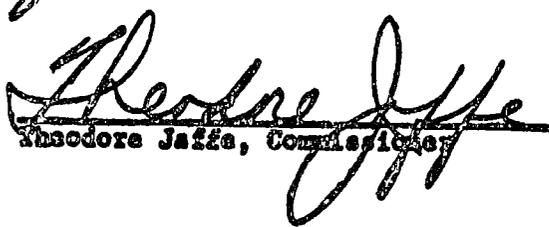
CERTIFICATION OF LOSS

The Commission certifies that EDWARD LABORDE 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 Sixteen Thousand Eight Hundred Seventeen Dollars and One Cent (\$16,817.01) with interest at 6% per annum from August 6, 1960 to the date of settlement.

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

OCT 14 1970


Lyle S. Garlock, Chairman


Theodore Jaffe, 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 claimant establishes retention of the securities or 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).)