

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

IN THE MATTER OF THE CLAIM OF

ARTHUR J. FREEMAN
AND
ANNE J. FREEMAN

Under the International Claims Settlement
Act of 1949, as amended

Claim No. CU -2028

Decision No. CU 3207

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 ARTHUR J. FREEMAN and ANNE J. FREEMAN and is based upon the asserted loss sustained in connection with the ownership of common stock interests in Cia. Azucarera Vertientes-Camaguey de Cuba. Claimants have been nationals of the United States since their respective births in the United States.

As is fully set forth in the original decision involving the Cia. Azucarera Vertientes-Camaguey de Cuba (See Claim of Ruth Anna Haskew, Claim No. CU-0849 which is hereby incorporated herein and made a part hereof by reference), this type of claim for loss of a stock ownership is compensable under the conditions and facts set forth in Haskew. There is no need to again detail herein the reasons for such a determination or the method arrived at in determining the value per share of common stock which comes to \$46.3946 per share.

On the basis of evidence of record, in the instant case the Commission finds that claimant ARTHUR J. FREEMAN is, and since prior to August 6, 1960, has been the owner of 75 shares of common stock of Cia. Azucarera Vertientes-Camaguey and has suffered a loss in the amount of \$3,479.60. Further, on the basis of evidence of record, the Commission finds that claimant ANNE J. FREEMAN, is and since prior to August 6, 1960, has been the owner of 25 shares of common stock of Cia. Azucarera Vertientes-Camaguey de Cuba and has suffered a loss in the amount of \$1,159.86 both within the meaning of Title V of the Act, as a result of the nationalization of Cia. Azucarera Vertientes-Camaguey de Cuba by the Government of Cuba on August 6, 1960.

The Commission also concludes that the amount of loss sustained shall be increased by interest thereon at the rate of 6% per annum from August 6, 1960, the date of loss, to the date on which provisions are made for the settlement thereof. (See Haskew, supra).

Included in the claim of ARTHUR J. FREEMAN is the amount of \$701.59 which represents the difference between the purchase price of an additional 50 shares of stock assertedly purchased by him in 1948 and 1951 and the price at which the stock was sold prior to filing this claim with the Commission.

Ownership of a stock interest in a foreign corporation vests, in the owner, two items of property: an interest in the net worth of the corporation and an interest in any claim for nationalization. Upon a sale of that stock interest, the seller transfers all rights incident to that stock. Claimant has not asserted nor proved that he retained any interest in a claim for nationalization of corporate assets. Accordingly, while claimant may have sustained a loss on the sale of his interest, it was not a loss on which the Commission, under the provisions of the Act could render a favorable determination. (See Claim of John A. Stiehler, Claim No. CU-2725, 1967 FCSC Ann. Rep. 70.)

Since claimant ARTHUR J. FREEMAN has not established that he retained any interest in a claim for the nationalization of the company and since a claim for the decrease in value of these shares would not be compensable under the Act, this part of his claim must be, and is, denied.

CERTIFICATION OF LOSS

The Commission certifies that ARTHUR J. FREEMAN 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 Thousand Four Hundred Seventy-Nine Dollars and Sixty Cents (\$3,479.60) with interest at 6% per annum from August 6, 1960 to the date of settlement; and

the Commission further certifies that ANN J. FREEMAN 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 One Thousand One Hundred Fifty-Nine Dollars and Eighty-Six Cents (\$1,159.86) 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

30 OCT 1968

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).)