

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

**IN THE MATTER OF THE CLAIM OF**

ARTHUR E. PETTIT, CLARENCE F.  
MICHALIS, JOHN C. HOVER and  
MORGAN GUARANTY TRUST COMPANY OF  
NEW YORK, EXECUTORS OF THE ESTATE OF  
CHARLES E. DUNLAP, DECEASED

Claim No. CU -3060

Decision No. CU - 5872

**Under the International Claims Settlement  
Act of 1949, as amended**

Counsel for claimant:

Davis, Polk & Wardwell  
By Edward V. Atnally, Esq.

PROPOSED DECISION

Claimants, ARTHUR E. PETTIT, CLARENCE F. MICHALIS, JOHN C. HOVER and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, EXECUTORS OF THE ESTATE OF CHARLES E. DUNLAP, DECEASED, who owned 3% Cumulative Income Debentures issued by the Consolidated Railroads of Cuba; Preferred stock of The Cuba Railroad Company; and Accrual Certificates issued by the Consolidated Railroads of Cuba, assert a claim under Title V of the International Claims Settlement Act of 1949, as amended, against the Government of Cuba because of its nationalization of said Railroad.

In our decisions entitled the Claim of Edward R. Smith (Claim No. CU-5001); Claim of Irwin Nack, et al, (Claim No. CU-1960); and Claim of Meyer Lobsenz (Claim No. CU-1005) which we incorporate herein by reference, we held that the properties of these Railroads were nationalized or otherwise taken by the Government of Cuba on October 13, 1960, and that this type of claim is compensable to an American national under the facts and conditions set forth therein. We need not again detail here the reasons or the method used in determining the value per \$5,000, 3% Income Debenture bond as \$5,945.41; value of Cuba Railroad preferred as \$100 per share; and the value of accrual certificates as the face value thereof; all including interest to October 13, 1960.

On the basis of evidence in the record in the instant case, the Commission finds that this decedent came within the terms of the Smith, Nack and Lobsenz decisions; that he and the beneficial owners of this claim were


American nationals at the requisite times; that he had been the owner of 3% Income Debentures in the total face amount of \$27,000; of 100 shares of Cuba Railroad preferred; and Accrual certificates in the face amount of 8,700 pesos since prior to October 13, 1960; and that he suffered a loss in the aggregate amount of \$50,605.21 within the meaning of Title V of the Act to which the Executors of his Estate have succeeded. Further, the Commission finds that the amount of loss sustained shall be increased by interest thereon at the rate of 6% per annum from October 13, 1960, the date of loss, to the date on which provisions are made for the settlement thereof. (See Smith, Nack and Lobsenz, supra.)

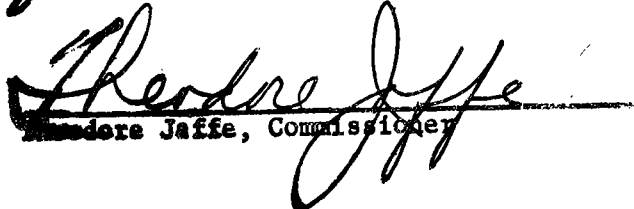
CERTIFICATION OF LOSS

The Commission certifies that ARTHUR E. PETTIT, CLARENCE F. MICHALIS, JOHN C. HOVER and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, EXECUTORS OF THE ESTATE OF CHARLES E. DUNLAP, DECEASED, 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 Fifty Thousand Six Hundred Five Dollars and Twenty-One Cents (\$50,605.21) with interest at 6% per annum from October 13, 1960 to the date of settlement.

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

SEP 30 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).)