

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

IN THE MATTER OF THE CLAIM OF

WESTINGHOUSE ELECTRIC COMPANY S.A.

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

Claim No. CU -1237

Decision No. CU 6099

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 WESTINGHOUSE ELECTRIC COMPANY, S.A. in the amount of \$46,293.82 based upon the asserted loss of its assets in Cuba and debts owed by a Cuban enterprise.

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)(B) of the Act defines the term "national of the United States" as 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 Westinghouse Electric Corporation has certified that it is the owner of all the outstanding capital stock of the claimant herein which was organized under the laws of the State of Delaware in 1926 and that more than 50% of the outstanding capital stock of the parent company was owned at all times by nationals of the United States. The Commission finds that claimant is a national of the United States within the meaning of Section 502(1)(B) of the Act.

Claim is made in the amount of \$46,293.82 for personal property and debts owed by nationalized enterprises. The value of the personal property consisting of office furniture and equipment is asserted to be \$13,645.40 and the amount of debts claimed is \$32,648.42.

The record establishes and the Commission finds that claimant was doing business in Havana, Cuba through a branch office and that the assets of claimant in Cuba were nationalized on October 24, 1960 by Resolution No. 3.

In support of the amount claimed for its Cuban losses, claimant has submitted a copy of a balance sheet for its Cuban office dated September 21, 1960, a bank statement, a list of its office furniture and equipment, affidavits of company officials and a statement of account for a Cuban distributor. The September 26, 1960 balance sheet lists the Cuban assets as follows:

Cash	\$14,120.00
Accounts Receivable WECOSA	2,400.00
Advances to Employees	871.00
Other deferred charges	<u>.46</u>
Total Assets	\$17,391.46

The amount of \$2,400.00 for a receivable for WECOSA appears to be a debt owed by the main office to the Cuban branch and is not considered as part of the assets taken by the Government of Cuba since it would not have been available to Cuba for taking. The balance sheet does not list any amount for the office equipment and furniture, which apparently was completely written off the books of the branch office. The list of the office equipment and furniture for the total cost of \$13,645.40 reflects the purchase of such items before 1948 for the sum of \$3,020.00 and purchases in 1950 for \$60.00; 1953 for \$1,145.00; 1956 for \$820.00; 1957 for \$8,205.40; and in 1958 for \$395.00.

On the basis of the evidence of record and after applying the appropriate depreciation to the office equipment and furniture, the Commission finds that the value of claimant's assets in Cuba which were taken by the Government of Cuba were \$14,991.46 for the items listed in the balance sheet and \$6,895.28 for the office equipment and furniture, for a total loss of \$21,886.74

The Commission concludes that claimant suffered a loss in the amount of \$21,886.74 on October 24, 1960 within the meaning of Title V of the Act.

Claimant has also made claim for debts owed by nationalized enterprises in the amount of \$32,648.42. This amount does not appear in the balance sheet for the Cuban branch although a portion of that sum may have been included. Letters dated February 18, 1970 and September 3, 1970 requesting an explanation of this item have not been answered. Accordingly, this portion of the claim must be and is hereby denied.

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.

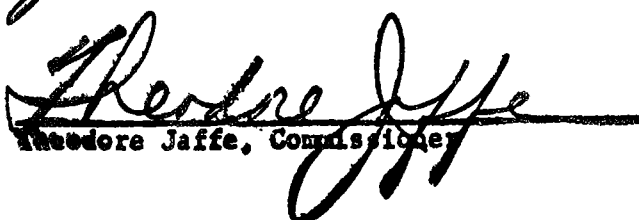
CERTIFICATION OF LOSS

The Commission certifies that WESTINGHOUSE ELECTRIC COMPANY S.A. 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 Twenty-One Thousand Eight Hundred Eighty-Six Dollars and Seventy-Four Cents (\$21,886.74) with interest thereon at 6% per annum from October 24, 1960 to the date of settlement.

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

**MAR 11 1971**

  
Lyle S. Garlock, Chairman

  
Theodore Jaffe, Commissioner

The statute does not provide for the payment of claims against the overnment of Cuba. Provision is only made for the determination by the ommission of the validity and amounts of such claims. Section 501 of the tatute specifically precludes any authorization for appropriations for ayment of these claims. The Commission is required to certify its indings to the Secretary of State for possible use in future negotiations ith the Government of Cuba.

OTICE: Pursuant to the Regulations of the Commission, if no objections re filed within 15 days after service or receipt of notice of this roposed Decision, the decision will be entered as the Final Decision of he Commission upon the expiration of 30 days after such service or receipt f notice, unless the Commission otherwise orders. (FCSC Reg., 45 C.F.R. 31.0(e) and (g), as amended (1970).)