

# **U.S.-Cuba Trade and Economic Council, Inc.**

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## **Follow SEC 10Q Filings To Determine How Defendants Perceive Libertad Act Lawsuits**

The Trump Administration has made operational Title III of the Cuban Liberty and Democratic Solidarity Act of 1996 (known as “*Libertad Act*”).

Title III authorizes lawsuits in United States District Courts against companies and individuals who are using a certified claim or non-certified claim where the owner of the certified claim or non-certified claim has not received compensation from the Republic of Cuba or from a third-party who is using (“trafficking”) the asset.

Publicly reporting companies are required by the United States Securities and Exchange Commission (SEC) to disclose legal proceedings. Thus far, the following are among those publicly reporting companies who have been sued:

### **Booking Holdings**

**Carnival Corporation**

**Expedia**

**Exxon Mobil Corporation**

**Norwegian Cruise Line**

**Royal Caribbean International**

**Travelocity**

**Trivago**

SEC Filings may be located using the EDGAR (Electronic Data Gathering, Analysis, and Retrieval):

<https://www.sec.gov/edgar/searchedgar/companysearch.html>

From SEC: “The federal securities laws require publicly reporting companies to disclose information on an ongoing basis. For example, domestic issuers must submit annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K for a number of specified events and must comply with a variety of other disclosure requirements. The Form 10-Q includes unaudited financial statements and provides a continuing view of the company's financial position during the year. The report must be filed for each of the first three fiscal quarters of the company's fiscal year.”

From the SEC on 29 August 2019: “see Item 103 of Regulation S-K. Also, US GAAP (ASC 450) requires disclosures of loss contingencies, including legal proceedings.”

PART 229—STANDARD INSTRUCTIONS FOR FILING FORMS UNDER SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934 AND ENERGY POLICY AND CONSERVATION ACT OF 1975—REGULATION S-K

§229.103 (Item 103) Legal proceedings.

## U.S.-Cuba Trade and Economic Council, Inc.

Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the registrant or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities. Instructions to Item 103:

1. If the business ordinarily results in actions for negligence or other claims, no such action or claim need be described unless it departs from the normal kind of such actions.

2. No information need be given with respect to any proceeding that involves primarily a claim for damages if the amount involved, exclusive of interest and costs, does not exceed 10 percent of the current assets of the registrant and its subsidiaries on a consolidated basis. However, if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, the amount involved in such other proceedings shall be included in computing such percentage.

3. Notwithstanding Instructions 1 and 2, any material bankruptcy, receivership, or similar proceeding with respect to the registrant or any of its significant subsidiaries shall be described.

4. Any material proceedings to which any director, officer or affiliate of the registrant, any owner of record or beneficially of more than five percent of any class of voting securities of the registrant, or any associate of any such director, officer, affiliate of the registrant, or security holder is a party adverse to the registrant or any of its subsidiaries or has a material interest adverse to the registrant or any of its subsidiaries also shall be described.

5. Notwithstanding the foregoing, an administrative or judicial proceeding (including, for purposes of A and B of this Instruction, proceedings which present in large degree the same issues) arising under any Federal, State or local provisions that have been enacted or adopted regulating the discharge of materials into the environment or primary for the purpose of protecting the environment shall not be deemed "ordinary routine litigation incidental to the business" and shall be described if:

A. Such proceeding is material to the business or financial condition of the registrant;

B. Such proceeding involves primarily a claim for damages, or involves potential monetary sanctions, capital expenditures, deferred charges or charges to income and the amount involved, exclusive of interest and costs, exceeds 10 percent of the current assets of the registrant and its subsidiaries on a consolidated basis; or

C. A governmental authority is a party to such proceeding and such proceeding involves potential monetary sanctions, unless the registrant reasonably believes that such proceeding will result in no monetary sanctions, or in monetary sanctions, exclusive of interest and costs, of less than \$100,000; provided, however, that such proceedings which are similar in nature may be grouped and described generically.

**Previous Post:** *SEC 10Q Filing By Carnival Corporation For Potential Impact By Libertad Act Lawsuits*

<https://www.cubatrade.org/blog/2019/8/27/sec-10q-filing-by-carnival-corporation-for-potential-impact-by-libertad-act-lawsuits?rq=SEC>