

## Loews Reduces CNA Bid; I.T.T. Wins Chile Claim

### Levitt Move Pushed

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WASHINGTON, Nov. 4—Two Government agencies announced today actions affecting the International Telephone and Telegraph Corporation, one of them favorable to the company and one unfavorable.

The Overseas Private Investment Corporation, a Federal agency, announced that an arbitrator had decided that the agency must pay all or part of the company's \$95-million insurance claim, based on the expropriation of I.T.T.'s Chile Telephone Company. The exact amount of the award will be determined later.

The Justice Department announced that it had asked a Federal court to name a trustee to carry out the divestiture by I.T.T. of Levitt & Sons, Inc. The action was the second of its kind in less than a week.

#### Bases of Dispute

OPIC said that three arbitrators, selected by the American Arbitration Association in conformity with a standard provision of OPIC insurance contracts, had decided in favor of I.T.T. in the dispute.

The Chile Telephone Company was expropriated in 1971 and I.T.T. was engaged in settlement discussions with the Chilean Government when information became public about the attempts by I.T.T. to influence the election in Chile, and the Government broke off the talks.

A number of members of Congress urged OPIC not to pay the claim on the ground that I.T.T. had lost all entitlement to insurance against ex-

propriation by its intervention in the political affairs of a host country.

However, OPIC disallowed the claim on a different ground: that the company had failed to provide required information to the insurance agency and had failed to protect the insurer's interests.

Fourteen other claims by the companies whose properties were expropriated under the Marxist Government of Salvador Allende Gossens were settled with the Allende Government and five others have been settled with the present Government of Chile.

#### String of Controversies

The Justice Department's request that the District Court in Hartford enforce the I.T.T. divestiture agreement was merely the latest development in a string of controversies following settlement of a group of antitrust suits against the company. Documents demonstrating attempted political interference in the case by officials up to and including then-President Nixon have become public over the last two years.

Mr. Westfall gave no reason for his resignation nor did the company. However I.T.T. said that no replacement for him would be named.

Mr. Westfall had also been a member of I.T.T.'s senior management group, the office of the president, consisting of Mr. Geneen, Francis J. Dunleavy, president, and two other executive vice presidents. Mr. Geneen—who will be 65 in January and who has been chief executive since 1959—signed a new employment contract this year that would extend his active full-time service with I.T.T. until January, 1977.

Under the consent agreements, I.T.T. was to be permitted to retain control of the Hartford Fire Insurance Company, provided it divested itself of four other companies and part of a fifth.

Two of the required divestitures—of the Hamilton Life Insurance Company and the Canteen Corporation—have been made.

With today's addition, the Justice Department has gone to court to force divestiture of each of the three other companies—Avis, Inc., a part of the Grinnell Corporation and Levitt

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