

COPY

1

PHOENIX LEVINSON WALTERS & SHANE

Thornton House,
Finsbury Square,
London, E.C.2.

22nd September, 1942.
Tuesday.

Dear Sir,

Re: Continental Transit Co. Ltd.

We enclose:

1. Copy of a letter we have today received from the Liquidator's Solicitors.
2. Copy of the terms of settlement as amended by them. You will also please note the additional Clauses Nos. 10 and 11.

We see no objection to the amendments and the additional clauses and we shall be glad to have your formal instructions thereon.

Yours faithfully,

PHOENIX LEVINSON WALTERS & SHANE.

Señor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W

2

COPY

GILBERT ROBERTSON & CO.

33, West Bute Street,
Cardiff, Dock.

21st September, 1942.

Dear Sir,

CONTINENTAL TRANSIT CO. LTD. ACH/43

Enclosed we send you the draft Terms of Settlement previously approved by you, amended by us in red ink. We are also sending a copy, as amended, to Messrs. Crump & Son today.

The amendments made are to incorporate the agreement arrived at with regard to the items of £75. 5. 0. and £285. 14. 3. also to deal with what we understand to be the Liquidator's instructions upon objections raised by Messrs. Crump & Son with regard to the indemnity required by the Liquidator and with regard to an item of £200 reserved by the Liquidator to meet a liability for Directors fees to the Personal Representatives of Mr. D. A. Barnett, a late Director of the Company.

We have asked Messrs. Crump if they do not accept our alteration to discuss the matter with you, to save time, and when we hear that you and they approve, or with any further amendments you suggest, we will obtain the Liquidator's confirmation and the draft Terms can then be sent on to Mr. A. Herbert Smith.

Yours faithfully,

GILBERT ROBERTSON & CO.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
London, E.C.2.

IN THE HIGH COURT OF JUSTICE CHANCERY DIVISION
COMPANIES COURT MR. JUSTICE UTHWATT

IN THE MATTER OF CONTINENTAL TRANSIT COMPANY LIMITED

- and -

IN THE MATTER OF THE COMPANIES ACT 1929

TERMS OF SETTLEMENT

WHEREAS

- (i) By Deed dated the 17th day of February 1939 and made between Doroteo de Ziaurriz of the one part and Comite Basque de Secours aux Refugies (hereinafter called "the Comite") of the other part and the said Doroteo de Ziaurriz declared that he held 50,000 fully paid shares of £1 each numbered 1 to 30,000 and 40,001 to 60,000 all inclusive in Continental Transit Company Limited (hereinafter called "the Company") upon trust for the Comite.
- (ii) The Undersigned Elias Etxebarria of 6 White Post Hill Redhill Surrey is the Secretary General of the Comite.
- (iii) It has been agreed between the Signatories hereto that all questions outstanding in relation to the liquidation of the Company shall be settled on the following terms.
 - 1. IN adjusting the rights of the contributories of the Company -
 - (a) The sums specified in paragraph 1 to 8 inclusive of the Schedule to the originating Summons in these proceedings and a sum of £75.5.0. paid by the Company to Alfred Dunhill Limited on or about the 22nd September 1939 amounting in the aggregate to £40,960.14.3. shall with the approval of the Comite hereby testified be deducted from the monies payable in the liquidation in respect of the said 50,000 shares standing registered in the name of Doroteo de Ziaurriz.
 - (b) The sum of £5,000 paid by the Company to Luis de Ortuzar before the commencement of the liquidation shall with the approval of the said Luis de Ortuzar hereby testified be deducted from the monies payable in the liquidation to the said Luis de Ortuzar in respect of the 10,001 shares in the Company standing registered in his name.
 - (c) The sum of £1 per share paid by the Liquidator to Management & Shipping Co. Ltd., (after deduction of £10,000 paid by the Company to that contributory prior to the commencement of the liquidation and the sum of £1 paid to David Percival Barnett under the Order made in these proceedings on the 14th October 1941 shall be deducted from the monies payable in the liquidation in respect of 1 19998 and 1 shares standing registered in the names of these Contributories respectively.
 - (d) No interest shall be charged against or allowed to any person or persons in respect of the sums deducted or to be deducted as aforesaid.
 - 2. Luis de Ortuzar and Manuel de Irujo hereby withdraw their respective claims to the said 50,000 shares standing registered in the name of Doroteo de Ziaurriz.
 - 3. The costs, expenses and additional remuneration of the Liquidator

- referred to in paragraph 10 of the said Schedule shall be paid out of the general assets of the Company.
4. Subject as hereafter provided the Liquidator shall as soon as possible after the execution of these terms of Settlement make a distribution of £1.10.0. per share (less the sums to be deducted as aforesaid) to the Contributories of the Company.
 5. The money remaining in the hands of the Liquidator after making the distribution aforesaid shall be applied by him in payment or satisfaction of the outstanding liabilities of the Company, the costs and expenses of the winding up (including Directors fees payable to the personal representatives of David Percival Barnett, the Liquidators costs of the pending proceedings and of these Terms of Settlement and of carrying the same into effect), and the Liquidator shall accept and be entitled to retain the balance in satisfaction of his remuneration. (Lawyers' Note: We understand that the money remaining after making the distribution will be about £2400 which will be required to meet the outgoings referred to in this paragraph. G.R. & Co.)
 6. Each of the parties hereto (other than the Liquidator) shall bear his own costs of the pending proceedings and of these Terms of Settlement and all or any other costs and expenses incurred by him in connection with the Company.
 7. The sum payable as aforesaid in respect of the said 50,000 shares standing registered in the name of Doroteo de Ziaurriz shall be paid by the Liquidator to the Custodian of Enemy Property whose receipt shall be a good discharge to the Liquidator therefor.
 8. The said Elias Etxebarria hereby warrants that he is duly authorised to execute these Terms of Settlement on behalf of the Comite.
 9. The said Elias Etxebarria and Manuel de Irujo hereby jointly and severally indemnify the Liquidator against all loss costs damages and expenses which he may sustain incur or be put to in consequence of his acting in accordance with these Terms of Settlement.
 10. Luis de Ortuzar agrees for his part that should it be hereafter established that the sum payable to him under paragraph 4 hereof is in excess of the amount to which he was legally entitled in the liquidation of the Company, he will repay to the liquidator the whole or such part thereof as shall be found to be in excess of the amount to which he was legally entitled as aforesaid, and will also indemnify the liquidator and the Company against any costs reasonably incurred by the Liquidator or the Company in defending any proceedings in which it is alleged that such payment was in excess of that to which Luis de Ortuzar was entitled as aforesaid.
 11. The sums paid by the Company by way of remuneration to its Directors prior to the commencement of the liquidation shall (except in the case of the said David Percival Barnett) be deemed to have been paid in full satisfaction of all remuneration payable to them and Luis de Ortuzar for himself and Charles Morgan waives any claim they may have against the Company for additional remuneration.
 12. The Liquidator or any Creditor or Contributory of the Company shall be at liberty to apply to the Court in the pending proceedings to determine any questions arising in connection with these terms of Settle-

ment or the carrying of the same into effect.

DATED this

day of

1942

WITNESS to the signature of
Elias Etxebarria:-

For and on behalf of the Comite
Basque de Secours aux Refugies

General Secretary.

WITNESS to the signature of
Luis de Ortuzar:-

WITNESS to the signature of
Manuel de Irujo:-

WITNESS to the signature of
Frank Harold Bennett (Liquidator
of the Company and of Management
& Shipping Company Limited).

For and on behalf of Management &
Shipping Company Limited.

Liquidator

For and on behalf of Continental
Transit Company Limited.

WITNESS to the signature of:-

For and on behalf of the Custodian
of Enemy Property.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL. 4

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.

DBL/BH.

OUR REF.

*Thornton House,
Tinsbury Square,
London, E. C. 2.*

9th September 1942.
Wednesday.

Dear Sir,

Re: Continental Transit Co.Ltd.

Referring to Mr.Gondra's telephone conversation with us of this morning,we have as promised written to the Liquidator's Solicitors in accordance with your instructions and we enclose a copy of our letter.

Yours faithfully,

Phoenix Levinson & Co.

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square,S.W.

DBL/BH.

9th September 1942.
Wednesday.

Dear Sirs,

Re: Continental Transit Co.Ltd.

We are in receipt of yours of the 7th inst and are instructed by our Clients to agree the alteration suggested in your letter.

Accordingly we are instructed by our Clients that they are satisfied that the items of £75. 5. 0. and £286.14. 3. were authorised by Dr.Ziaurriz and are properly chargeable to his account in the books of the Company.

The above items can therefore be included in paragraph 1 (a) of the terms of settlement.

We desire to say that this matter appears to be unduly delayed and we cannot understand why the points now raised could not have been dealt with some weeks ago.

Our Clients desire to have this matter disposed of and we shall be much obliged if you will do what you can to bring it to a conclusion.

Yours faithfully,

Messrs.Gilbert Robertson & Co.
33, West Bute Street,
Docks,Cardiff.

COPY

PHOENIX LEVINSON WALTERS & SHANE

Thornton House,
Finsbury Square,
London, E.C.2.

9th September, 1942.

Dear Sirs,

Re: Continental Transit Co. Ltd.

We are in receipt of yours of the 7th inst. and are instructed by our Clients to agree the alteration suggested in your letter.

Accordingly we are instructed by our Clients that they are satisfied that the items of £75.5.0. and £285.14.3. were authorised by Dr. Ziaurriz and are properly chargeable to his account in the books of the Company.

The above items can therefore be included in paragraph 1 (a) of the terms of settlement.

We desire to say that this matter appears to be unduly delayed and we cannot understand why the points now raised could not have been dealt with some weeks ago.

Our Clients desire to have this matter disposed of and we shall be much obliged if you will do what you can to bring it to a conclusion.

Yours faithfully,

PHOENIX LEVINSON WALTERS & SHANE.

Messrs. Gilbert Robertson & Co.
33, West Bute Street,
Docks, Cardiff.

COPY

9th September, 1942.

Messrs. Phoenix Levinson Walters and Shane,
Thornton House,
Finsbury Square,
London, E.C.2.

Dear Sirs,

I thank you for your letters of the 26th August
and 8th instant.

I agree to the alteration suggested by the Liqui-
dator's Solicitors and you may therefore inform them that
we are satisfied that the items of £75.5.0. and £285.14.3.
were authorised by Dr. Ziaurritz and are properly chargeable
to his account in the books of the Company.

Yours faithfully

Manuel de Irujo.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

7



PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

*Thornton House,
Tinsbury Square,
London, E.C.2.*

YOUR REF
OUR REF DBL/BH.

26th August 1942.
Wednesday.

Dear Sirs,

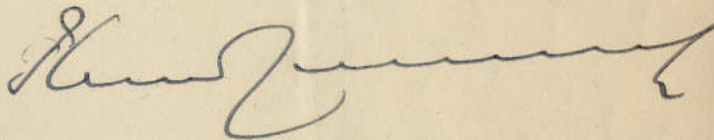
Re: Continental Transit Co.Ltd.

We enclose a copy of a letter we have received from Messrs. Herbert Smith & Co. from which you will see the position.

As we thought, Mr. Ortuzar is making some difficulty over the indemnity which the Liquidator has asked for before paying out.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.



Copy/

AHS / EHB.

HERBERT SMITH & CO.,

62, London Wall,
London,
E.C.2.

25th August, 1942.

D. B. Levinson, Esq., B.A.,
Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
London, E.C.2.

Dear Mr. Levinson,

Your Ref: DBL/BH.

Continental Transit Co., Ltd.

I thank you for your letter of yesterday's date.

I am afraid the Liquidator is wrong in his assumption. The position is that Mr. Newson of Messrs. Crumps is in communication with the Liquidator on one or two minor points, which have not been agreed and in addition, I gather, that Mr. Ortuzar does not want to give any guarantee. Only when these points have been cleared up can I approach Mr. Gregory.

I have written to the Liquidator's Solicitors to-day asking them to expedite matters.

Yours sincerely,

AUBRY HERBERT SMITH.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

8
ENCL.

ENCLOSURE
NO 601
"JUSTICE"

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF

OUR REF

DBL/BH.

*Thornton House,
Finsbury Square,
London, E.C.2.*

8th September 1942.
Tuesday.

Dear Sir,

Re: Continental Transit Co.Ltd.

We enclose a copy of a letter received from
the Liquidator's Solicitors and we shall be glad if you
will consider same carefully and let us hear from you.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

C O P Y.

GILBERT ROBERTSON & CO.

33 West Bute Street,
Cardiff Docks.

7th September, 1942.

Dear Sirs,

CONTINENTAL TRANSIT CO. LTD. ACH/43

Messrs. Crump & Son informs us that they are instructed by Mr. Ortuzar that the items of £285-14-3 and £75-5-0 referred to in Paragraph 1 (b) of the proposed Terms of Settlement were in fact for the account of the Comite Basque, and they say that if the Secretary Generale agrees this, they see no reason why both these items should not be included in Paragraph 1 (a) of the draft.

Upon this question the Liquidator writes us today as follows :-

"Will you enquire of Messrs. Phoenix Levinson whether the
"Secretary Generale of the Comite Basque is satisfied that
"(a) the amounts of £75.5.- and £285-14-3 (50,000 Fcs.) were
"authorised by Dr. Ziaurriz and were for the account of the
"Comite (b) that the above two amounts (together with the
"£3,000 and the £2,000 paid to the Evans & Reid Coal Co.Ltd.
"and the £7,000 paid to Mr. Irujo) are all properly chargeable
"to Dr. Ziaurriz's account in the books of the Continental
"Transit Co. Ltd. If the Secretary's replies are satisfactory
"I have no objection to all the items being included in
"paragraph 1 (a) of the draft Terms of Settlement".

Will you kindly let us hear whether your clients agree to the items in question being deleted from Paragraph 1 (b) and inserted in Paragraph 1 (a) of the draft Terms of Settlement.

Yours faithfully,

GILBERT ROBERTSON & CO.

Messrs. Phoenix Levinson & Co.,
Thornton House,
Finsbury Square,
LONDON, E.C.2.

COPY

PHOENIX LEVINSON WALTERS & SHANE

Thornton House,
Finsbury Square,
London, E.C.2.

8th September, 1942.

Dear Sir,

Re: Continental Transit Co. Ltd.

We enclose a copy of a letter received from the Liquidator's Solicitors and we shall be glad if you will consider same carefully and let us hear from you.

Yours faithfully,

PHOENIX LEVINSON WALTERS & SHANE

Señor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

COPY

GILBERT ROBERTSON & CO.

33 West Bute Street,
Cardiff Docks.

7th September, 1942.

Dear Sirs,

CONTINENTAL TRANSIT CO. LTD. ACH/43

Messrs. Crump & Son informs us that they are instructed by Mr. Ortuzar that the items of £285-14-3 and £75.5.0. referred to in Paragraph 1 (b) of the proposed Terms of Settlement were in fact for the account of the Comite Basque, and they say that if the Secretary General agrees this, they see no reason why both these items should not be included in Paragraph 1(a) of the draft.

Upon this question the Liquidator writes us today as follows:-

"Will you enquire of Messrs. Phoenix Levinson whether the Secretary General of the Comite Basque is satisfied that (a) the amounts of £75.5.- and £285.14.3. (50,000 Fcs.) were authorised by Dr. Ziaurriz and were for the account of the Comite (b) that the above two amounts (together with the £3,000 and the £2,000 paid to the Evans & Reid Coal Co. Ltd. and the £7,000 paid to Mr. Irujo) are all properly chargeable to Dr. Ziaurriz's account in the books of the Continental Transit Co. Ltd. If the Secretary's replies are satisfactory I have no objection to all the items being included in paragraph 1 (a) of the draft Terms of Settlement".

Will you kindly let us hear whether your clients agree to the items in question being deleted from Paragraph 1 (b) and inserted in Paragraph 1 (a) of the draft Terms of Settlement.

Yours faithfully,

GILBERT ROBERTSON & CO.

Messrs. Phoenix Levinson & Co.
Thornton House,
Binsbury Square,
LONDON, E.C.2.

COPY

PHOENIX LEVINSON WALTERS & SHANE

Thornton House,
Finsbury Square,
E.C.2.

26th August, 1942.

Dear Sirs,

Re Continental Transit Co. Ltd.

We enclose a copy of a letter we have received from Messrs. Herbert Smith & Co. from which you will see the position.

As we thought, Mr. Ortuzar is making some difficulty over the indemnity which the Liquidator has asked for before paying out.

Yours faithfully,

PHOENIX LEVINSON WALTERS & SHANE

Señor Manuel de Irujo
The Basque Delegation,
7/8 Hobart Place,
Eaton Square, S.W.1.

COPY

HERBERT SMITH & CO.

62, London Wall,
London, E.C.2.

25th August, 1942.

D.B. Levinson, Esq., B.A.,
Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
London, E.C.2.

Dear Mr. Levinson,

Your Ref: DBL/BH.

Continental Transit Co. Ltd.

I thank you for your letter of yesterday's date.

I am afraid the Liquidator is wrong in his assumption. The position is that Mr. Newson of Messrs. Crumps is in communication with the Liquidator on one or two minor points, which have not been agreed and in addition, I gather, that Mr. Ortuzar does not want to give any guarantee. Only when these points have been cleared up can I approach Mr. Gregory.

I have written to the Liquidator's Solicitors to-day asking them to expedite matters.

Yours sincerely,

AUBRY HERBERT SMITH.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF

OUR REF DBL/BH.

11
Thornton House,
Finsbury Square,
London, E.C.2.

24th August 1942.
Monday.

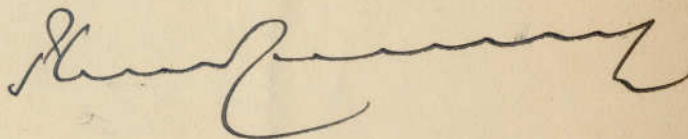
Dear Sir,

Re: Continental Transit
Co.Ltd.

We enclose a copy of a letter received today from Messrs. Gilbert Robertson & Co. from which you will see that they have only just heard from Mr. Ortuzar's Solicitors and that for some reason they have to take further instructions from the Liquidator.

We have written to them in reply and also to Mr. A. Herbert Smith and we enclose copies of our letters from which you will see the position.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.
OUR REF. DBL/BH.

4 ENCLOSURE
ENCLOSURE
N^o 397
"JUSTO"
Thornton House,
Finsbury Square,
London, E. C. 2.

25th September 1941.
Thursday.

Dear Sir,

Continental Transit Co.Ltd.

We enclose copy of a letter received from Gilbert Robertson & Co. from which you will see they have submitted the matter to leading Counsel. At the hearing before the Registrar they were represented by Junior Counsel viz. Mr. Gwyn Rees, but we attended personally.

It would seem that as a result of the arguments which we advanced before the Registrar, Messrs. Gilbert Robertson & Co. acting for the Liquidator deemed it advisable to obtain further advice and they accordingly have consulted leading Counsel viz. Mr. H. B. Vaisey K.C.

You will observe that this Counsel has advised that further information be obtained if possible as to the whereabouts of Dr. Ziaurriz and we shall be glad if you will kindly let us know whether you have any further information on this matter.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, W.1.

C O P Y.

GILBERT ROBERTSON & CO.

33, West Bute Street,
Cardiff Docks.

21st August, 1942.

Dear Sirs,

CONTINENTAL TRANSIT CO. LTD.
Your Ref: DBL.

In reply to yours of the 20th instant, we have only today heard from Messrs. Crump & Son with regard to the proposed Terms of Settlement, and it will be necessary for us to take the Liquidator's further instructions on their communication.

We also understand that Mr. A. Herbert Smith proposed to see the Custodian of Enemy Property in the matter, and we have not yet heard what has transpired at that interview.

Yours faithfully,

GILBERT ROBERTSON & CO.

Messrs. Phoenix Levinson & Co.,
Thornton House,
Finsbury Square,
London, E.C.2.

DBL/BH.

24th August 1942.
Monday.

Dear Sirs,

Re: Continental Transit Co.Ltd.

We are in receipt of yours of the 21st inst and are surprised to note that you have only just heard from Messrs. Crump & Son. We also note that it is necessary for you to take the Liquidator's further instructions. We have been in touch with Messrs. Crump & Son and we were under the impression that the terms of settlement were acceptable to their Client. The only point raised by them related to the indemnity to be given to the Liquidator and we gathered that we had disposed of this when we stated that our Clients were prepared to give the required indemnities on their part as asked.

We shall be glad to know whether there is anything further we can do to expedite this matter as we are anxious to bring it to a finality.

Yours faithfully,

Messrs. Gilbert Robertson & Co.
Solicitors,
33, West Bute Street,
Docks, Cardiff.

DBL/BH.

24th August 1942.
Monday.

Dear Sirs,

Re: Continental Transit Co.Ltd.

We have today heard from the Solicitors to the Liquidator that they understood that you were seeing the Custodian of Enemy Property and they were awaiting to hear the result of your interview.

We were of the opinion that you had satisfied the Liquidator that provided the funds were paid over to the Custodian, he in turn would hand same over to the Comite Basque. We do not know therefore to what Messrs.Gilbert Robertson refer when they say that they understood you were having an interview with the Custodian.

We are somewhat disappointed at the delay that is taking place in the final settlement and we shall be grateful if you can do anything to expedite the matter.

Yours faithfully,

Messrs.Herbert Smith & Co.
Solicitors,
62, London Wall,
E.C.2.

TELEPHONE NUMBERS :-
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF
DBL/BH.
OUR REF

*Thornton House,
Finsbury Square,
London, E.C.2.*


20th August 1942.
Thursday.

Dear Sir,

Re: Continental Transit Co.Ltd.

Referring to your telephone conversation with us of this morning, we have written the Liquidator's Solicitors again urging them to hasten this matter on. You will appreciate however, that it is not always possible to get firms of Solicitors to act quickly and there are four firms involved in this settlement. We returned the document to Messrs. Gilbert Robertson, & Co. within a couple of days of our receiving it but we do not think that Mr. Ortuzar's Solicitors were quite so expeditious.

However we will do what we can to get the matter disposed of.

Yours faithfully,
Phoenix Levinson 

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.

17th August, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I thank you for your letter of the 13th August, and note that the resolution is in order. We do not however propose to avail ourselves of this means, in order not to cause further delays, and the funds should therefore be paid over direct to the Secretary General.

We are somewhat concerned about the Liquidation Deed, as it is now some time since we heard anything about it, and delays at this point might raise new complications. Perhaps therefore you would be kind enough to do your best to hasten matters.

Yours faithfully,

Manuel de Irujo.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Continental

ENCL.

19

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX,
D. B. LEVINSON, B.A.,
J. L. WALTERS,
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.
DBL/BH.
OUR REF.

*Thornton House,
Finsbury Square,
London, E. C. 2.*

13th August 1942.
Thursday.

Dear Sir,

Re: Continental Transit Co.Ltd.

We are in receipt of yours of yesterday's date with its enclosures. We had already considered the Resolution passed by the Comite on the 12th May 1942 and we confirm having advised Mr.Lizaso and Mr.Gondra that in our opinion the Secretary General of the Comite had no power to appoint an Attorney.

We expressed the Opinion that all that was necessary was for the Council of the Comite to authorise the Secretary General to pay over the funds receivable from the Liquidor of Continental Transit Co.Ltd. to your President for the better administration of these funds, according to the purposes of the Comite as set out in its constitution. We are of the opinion that the Resolution passed on the 12th May 1942 is fully sufficient to entitle the Secretary General to transfer the funds to the President and that there is no need for any document to be authenticated before a Notary or otherwise.

We would advise however that you give to the Secretary General evidence in writing that you are duly authorised to receive the money for and on behalf of your President and this written evidence should be preserved by the Secretary General and duly recorded in the Minutes of the Comite.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

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12th August, 1942.

Messrs. Phoenix Levinson Walters & Shyne,
Thornton House,
Finsbuey Square,
E.C.2.

Dear Sirs,

I beg to acknowledge receipt of your letter of the 7th August, enclosing copy of the letter from the Custodian to Messrs. Herbert Smith & Co.

With respect to the conversation that Mr. Lizaso and Mr. Gondra had with you this morning regarding the Power of Attorney which the Secretary General of the Comite would be required to give, I referred to this matter in my letter to you of the 5th June, enclosing a copy of the Certificate of the Minutes of the Extraordinary meeting of the Comite, at which the Secretary General was authorised to give this Power of Attorney. Nevertheless, I now enclose a further copy for your consideration. If this is in order, perhaps you would be kind enough to prepare the draft Power of Attorney required, but if, on the other hand, this certificate is not adequate for the purpose, perhaps you would draft a suitable resolution.

Yours faithfully,

Manuel de Irujo.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL. _____

21

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

Thornton House,
Finsbury Square,
London, E. C. 2.

YOUR REF. _____

OUR REF. DBL/BH.

7th August 1942.
Friday.

Dear Sir,

Re: Continental Transit Co. Ltd.

We confirm having read to you the letter received by Messrs. Herbert Smith & Co. from the Custodian and we enclose a copy for your records.

We have returned the Terms of Settlement back to the Liquidator's Solicitors duly approved.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

[Handwritten notes and scribbles at the bottom of the page, including the number 25.]

TRADING WITH THE ENEMY DEPARTMENT

(Treasury and Board of Trade)

24, Kingsway,
London, W.C. 2.

T/E Gen.21/8842

8th July, 1942

Dear Mr Herbert Smith,

With reference to our conversation some days ago about the monies due to the Comite de Secours aux Refugies Basques, I am writing to say that after full consideration I find it possible for us to assist you to secure the monies.

I am prepared, if the Liquidator will pay over to the Custodian, to arrange for a release of the monies so paid over to the Secretary General of the Comite for the use of the Comite.

I return herewith the document you left with me relating to Continental Transit.

Yours sincerely,

J.P. GREGORY

A. Herbert Smith Esq.,
Herbert Smith & Co.,
62, London Wall, E.C. 2.

COPY

PHOENIX LEVINSON WALTERS & SHANE

Thornton House,
Finsbury Square,
London, E.C.2.

7th August, 1942.

Dear Sir,

Re: Continental Transit Co. Ltd.

We confirm having read to you the letter received by Messrs. Herbert Smith & Co. from the Custodian and we enclose a copy for your records.

We have returned the Terms of Settlement back to the Liquidator's Solicitors duly approved.

Yours faithfully,

PHOENIX LEVINSON.

Senor Manuel de Irujo
The Basque Delegation,
7/8 Hobart Place,
Eaton Square, S.W.

23
Etxebarria

Muchas gracias por su carta de ayer. 30 Julio y 3 Agosto

Es conforme el documento cuyo texto incluye *en esta última*
complace que Vd. encontrarán razonable nuestra
Nos permitimos oponer una observación. El artículo septimo, al

disponer que el dinero sea entregado al Custodio de Propiedad Enemiga, ~~reconoce, según se ha expresado en el artículo~~ que, el titular de esos fondos se encuentra en territorio enemigo y ^{es} que sus fondos deben ser congelados hasta terminar la guerra. ~~Después de esto~~ Este

que quedaron congelados

reconocimiento equivale a una renuncia formal a percibir los fondos de tal manera ~~por acto voluntario, congelados, pues que, nadie puede ir contra sus propios actos,~~ *mientras su situación legal no varíe.* Nos hubiera satisfecho mas que, en

el documento se dijera, pura y simplemente, lo convenido y que consta en la carta de Mr Smith ~~por el artículo de la ley de 18 Julio:~~ *relacionada por Vd en la suya de 18 Julio:* ~~manifiesta que el dinero que se encuentra en el campo de las propiedades~~

~~manifiesta que este dinero será entregado por el liquidador al Custodio Don Elias de Etxebarria.~~ *Don* y por el Custodio al Secretario General del Comité Basque ~~Don~~ *Don* Elias de Etxebarria.

es por qué mal

Claro que, esto no ~~impone~~ *es por qué mal* que una observación. Si Vd. cree que el asunto *queda así resuelto el problema con la carta del Custodio* va bien, que siga adelante. Firmaremos el documento y proseguiremos la gestión, tal como ha sido enfocada,

citando a Vd. y felicitándonos unos a otros mutuamente el día que la liquidación y entrega se realice de facto.

dirigida al Sr Smith por el Custodio en 30 Julio,

7th August, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I thank you for your letters of the 30th July and 5th August, and am in agreement with the document enclosed with the latter.

We are glad that you find our observation reasonable. Article seven, in stating that the money must be handed to the Custodian of Enemy Property, implies that the holder of these monies is in enemy territory and that they must be frozen until the end of the war. Such an acknowledgement is equivalent to a formal renunciation of the receipt of the monies, which would thereby become frozen by voluntary action. We should have been more satisfied had the document stated, purely and simply, what was agreed upon and what was made clear in the letter from Mr. Smith referred to in yours of the 15th July: that this money will be handed over by the liquidator to the Custodian and by the Custodian to the Secretary General of the Comité Basque, Don Elias de Etxebarria.

Of course, this was no more than an observation. If you think that the matter is covered by the letter sent to Mr. Smith by the Custodian on the 8th July, we will sign the document and proceed with the matter as it stands, congratulating you and ourselves on the day when the liquidation is completed and the money transferred.

I also confirm Mr. Lizaso's telephone conversation with you this afternoon, giving you the name and address of the Secretary General of the Comité, which is as follows: Elias de Etxebarria, 6 White Post Hill, Redhill.

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

25
ENCL.

ENCLOSURE
No 432
"JUSTO"

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF
OUR REF

DBL/BH.

Thornton House,
Finsbury Square,
London, E.C.2.

5th August 1942.
Wednesday.

Dear Sir,

Re: Continental Transit Co.Ltd.

We enclose copy of the draft terms of settlement received today from the Liquidator's Solicitors.

This Deed is to be entered into by the various parties mentioned at the end of the document and you will observe that they are as follows:

1. Comite Basque de Secour aux Refugies.
2. Louis de Ortuzar.
3. Manuel de Irujo.
4. The Liquidator of Management & Shipping Co.Ltd.
5. Liquidator of Continental Transit Co.Ltd.
6. The Custodian of Enemy Property.

You will observe the various arrangements to be made in dealing with the payments that had been made prior to the Liquidation of the Company.


As far as we can see the amount payable in respect to the 50,000 Shares claimed by you at £1.10. 0. per share, amounts to £75,000 and from this will be deducted the sum of £40,600 mentioned in Paragraph 1(a) of the terms of settlement, leaving a balance of £34,400.

Please insert the name and address of the Secretary General of the Comité in Paragraph 11, and also in Clause 8 & 9.

We shall be glad to have your instructions and approval of the document.

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

Yours faithfully,



9158.

No. 00209 of 1941.

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

COMPANIES COURT.

MR. JUSTICE UTHWATT.

IN THE MATTER OF CONTINENTAL TRANSIT COMPANY LIMITED

- and -

IN THE MATTER OF THE COMPANIES ACT, 1929.

TERMS OF SETTLEMENT.

WHEREAS

(i) By Deed dated the 17th day of February 1939 and made between Doroteo de Ziaurriz of the one part and Comite Basque de Secours aux Refugies (hereinafter called "the Comite") of the other part the said Doroteo de Ziaurriz declared that he held 50,000 fully paid shares of £1 each numbered 1 to 30,000 and 40,001 to 60,000 all inclusive in Continental Transit Company Limited (hereinafter called "the Company") upon Trust for the Comite.

(ii) The Undersigned of is the Secretary General of the Comite.

(iii) It has been agreed between the Signatories hereto that all questions outstanding in relation to the liquidation of the Company shall be settled on the following terms.

1. IN adjusting the rights of the contributories of the Company -

(a) The sums specified in paragraphs 1 to 7 inclusive of the Schedule to the originating Summons in these proceedings amounting in the aggregate to £40,600 shall with the approval of the Comite hereby testified be deducted from the monies payable in the liquidation in respect of the said 50,000 shares standing registered in the name of Doroteo de Ziaurriz.

(b) The sum of £285.14.3. specified in paragraph 8 of the said Schedule together with a sum of £75.5.0. paid by the Company to Alfred Dunhill Ltd. and a sum of £5,000 paid by the Company to Luis de Ortuzar before the commencement of the liquidation shall with the approval of the said Luis de Ortuzar hereby testified be deducted from the monies payable in the liquidation to the said Luis de Ortuzar in respect of the 10,001 shares

in the Company standing registered in his name.

(c) The sum of £1 per share paid by the Liquidator to Management & Shipping Co. Ltd. (after deduction of £10,000 paid by the Company to that contributory prior to the commencement of the liquidation) and the sum of £1 paid to David Percival Barnett under the Order made in these proceedings on the 14th October 1941 shall be deducted from the monies payable in the liquidation in respect of the 19998 and 1 shares standing registered in the names of these Contributories respectively.

(d) No interest shall be charged against or allowed to any person or persons in respect of the sums deducted or to be deducted as aforesaid.

2. Luis de Ortuzar and Manuel de Irujo hereby withdraw their respective claims to the said 50,000 shares standing registered in the name of Doroteo de Ziaurriz.

3. The costs, expenses and additional remuneration of the Liquidator referred to in paragraph 10 of the said Schedule shall be paid out of the general assets of the Company.

4. Subject as hereafter provided the Liquidator shall as soon as possible after the execution of these terms of Settlement make a distribution of £1.10.0. per share (less the sums to be deducted as aforesaid) to the Contributories of the Company.

We understand 5. The money remaining in the hands of the Liquidator after making the that the money distribution aforesaid shall be applied by him in payment or satisfaction of remaining after making distribution the outstanding liabilities of the Company, the costs and expenses of the will be about £2400 which winding up (including the Liquidators costs of the pending proceedings and of these will be re- Terms of Settlement and of carrying the same into effect), and the Liquidator et the out- shall accept and be entitled to retain the balance in satisfaction of his re- goings re- munerated. referred to in this para- graph. G.R.&CO.

6. Each of the parties hereto (other than the Liquidator) shall bear his own costs of the pending proceedings and of these Terms of Settlement and all or any other costs and expenses incurred by him in connection with the Company.

7. The sums payable as aforesaid in respect of the said 50,000 shares standing registered in the name of Doroteo de Ziaurriz shall be paid by the Liquidator to the Custodian of Enemy Property whose receipt shall be a good discharge to the Liquidator therefor.

Insert name of the Secretary General of the Comite.G.R&CO.

8. The said hereby warrants that he is duly authorised to execute these Terms of Settlement on behalf of the Comite.

9. The said Luis de Ortuzar and Manuel de Irujo hereby jointly and severally indemnify the Liquidator against all loss costs damages and expenses which he may sustain incur or be put to in consequence of his acting in accordance with these Terms of Settlement.

10. The Liquidator or any Creditor or Contributory of the Company shall be at liberty to apply to the Court in the pending proceedings to determine any questions arising in connection with these Terms of Settlement or the carrying of the same into effect.

DATED this _____ day of _____ 1942.

WITNESS to the signature of :-

For and on behalf of the Comite Basque de Secours aux Refugies
General Secretary.

WITNESS to the signature of Luis de Ortuzar :-

WITNESS to the signature of Manuel de Irujo :-

WITNESS to the signature of Frank Harold Bennett (Liquidator of the Company and of Management & Shipping Company Limited)

For and on behalf of Management & Shipping Company Limited

Liquidator.

For and on behalf of Continental Transit Company Limited.

Liquidator.

WITNESS to the signature of

For and on behalf of the Custodian of Enemy Property.

9148.
No. 00209. of 1941.

IN THE HIGH COURT OF JUSTICE.
CHANCERY DIVISION.
COMPANIES COURT.
MR. JUSTICE UTHWATT.

IN THE MATTER OF CONTINENTAL
TRANSIT COMPANY LIMITED.

- and -

IN THE MATTER OF THE COMPANIES
ACT, 1929.

Draft.

TERMS OF SETTLEMENT.

General Secretary.

WITNESS to the signature of

Enemy Property.

For and on behalf of the Custodian of

Liquidator.

For and on behalf of Continental
Transit Company Limited.

Liquidator.

For and on behalf of Management &
Shipping Company Limited

WITNESS to the signature of Frank
Herold Bennett (Liquidator of the
Company and of Management &
Shipping Company Limited)

WITNESS to the signature of
Mannell de Luján :-

WITNESS to the signature of
This is Order :-

1. The Liquidator or any Creditor or Contributor of the Company shall
be acting in accordance with these Terms of Settlement.

2. Damages and expenses which he may sustain in or be put to in consequence of
hereby jointly and severally indemnify the Liquidator against all loss costs

3. The said

This is Order and Mannell de Luján

4. I hereby authorize to execute these Terms of Settlement on behalf of the Comite.
5. The said
6. I hereby warrant that he is

Comite G.M.C.C.
of the
of the
of the
of the

COPY

PHOENIX LEVINSON WALTERS & SHANE

Thornton House,
Finsbury Square,
London, E.C.2.

5th August, 1942.

Dear Sir,

Re: Continental Transit Co. Ltd.

We enclose copy of the draft terms of settlement received today from the Liquidator's Solicitors.

This Deed is to be entered into by the various parties mentioned at the end of the document and you will observe that they are as follows:

- 1. Comite Basque de Secours aux Refugies.
- 2. Louis de Ortazar.
- 3. Manuel de Irujo.
- 4. The Liquidator of Management & Shipping Co. Ltd.
- 5. Liquidator of Continental Transit Co. Ltd.
- 6. The Custodian of Enemy Property.

You will observe the various arrangements to be made in dealing with the payments that had been made prior to the Liquidation of the Company.

As far as we can see the amount payable in respect to the 50,000 Shares claimed by you at £1.10.0. per share, amounts to £75,000 and from this will be deducted the sum of £40,600 mentioned in Paragraph 1(a) of the terms of settlement, leaving a balance of £34,400.

Please insert the name and address of the Secretary General of the Comité in Paragraph 11, and also in Clause 8 and 9.

We shall be glad to have your instructions and approval of the document.

Yours faithfully,

PHOENIX LEVINSON

Senor Manuel de Irujo
The Basque Delegation,
7/8 Hobart Place,
Eaton Square, S.W.

IN THE HIGH COURT OF JUSTICE CHANCERY DIVISION
COMPANIES COURT. MR. JUSTICE UTHWATT

IN THE MATTER OF CONTINENTAL TRANSIT COMPANY LIMITED

- and -

IN THE MATTER OF THE COMPANIES ACT, 1929

 TERMS OF SETTLEMENT

WHEREAS

(1) By Deed dated the 17th day of February 1939 and made between Doroteo de Ziaurriz of the one part and Comite Basque de Secours aux Refugies (hereinafter called "the Comite") of the other part of the said Doroteo de Ziaurriz declared that he held 50,000 fully paid shares of £1 each numbered 1 to 50,000 and 40,001 to 60,000 all inclusive in Continental Transit Company Limited (hereinafter called "the Company") upon Trust for the Comite.

(ii) The Undersigned of is the Secretary General of the Comite.

(iii) It has been agreed between the Signatories hereto that all questions outstanding in relation to the liquidation of the Company shall be settled on the following terms.

1. IN adjusting the rights of the contributories of the Company -

(a) The sums specified in paragraphs 1 to 7 inclusive of the Schedule to the originating Summons in these proceedings amounting in the aggregate to £40,600 shall with the approval of the Comite hereby testified be deducted from the monies payable in the liquidation in respect of the said 50,000 shares standing registered in the name of Doroteo de Ziaurriz.

(b) The sum of £285.14.3. specified in paragraph 8 of the said Schedule together with a sum of £75.5.0. paid by the Company to Alfred Dunhill Ltd. and a sum of £5,000 paid by the Company to Luis de Ortuzar before the commencement of the liquidation shall with the approval of the said Luis de Ortuzar hereby testified be deducted from the monies payable in the liquidation to the said Luis de Ortuzar in respect of the 10,001 shares in the Company standing registered in his name.

(c) The sum of £1 per share paid by the Liquidator to Management & Shipping Ltd. (after deduction of £10,000 paid by the Company to that contributory prior to the commencement of the liquidation) and the sum of £1 paid to David Percival Barnett under the Order made in these proceedings on the 14th October 1941 shall be deducted from the monies payable in the liquidation in respect of the 19998 and 1 shares standing registered in the names of these Contributories respectively.

(d) No interest shall be charged against or allowed to any person or persons in respect of the sums deducted or to be deducted as aforesaid.

2. Luis de Ortuzar and Manuel de Irujo hereby withdraw their respective claims to the said 50,000 shares standing registered in the name of Doroteo de Ziaurriz.

3. The costs, expenses and additional remuneration of the Liquidator referred to in paragraph 10 of the said Schedule shall be paid out of the general assets of the Company.

4. Subject as hereafter provided the Liquidator shall as soon as possible after the execution of these terms of Settlement make a distribution of £1.10.0. per share (less the sums to be deducted as aforesaid) to the Contributories of the Company.

5. The money remaining in the hands of the Liquidator after making the distribution aforesaid shall be applied by him in payment or satisfaction of the outstanding liabilities of the Company, the costs and expenses of the winding up (including the Liquidators costs of the pending proceedings and of these Terms of Settlement and of carrying the same into effect), and the Liquidator shall accept and be entitled to retain the balance in satisfaction of his remuneration. (Marginal Note by Lawyers: We understand that the money remaining after making distribution will be about £2,400 which will be required to meet the outgoings referred to in this paragraph. G.R. & CO.)

6. Each of the parties hereto (other than the Liquidator) shall bear his own costs of the pending proceedings and of these Terms of Settlement and all or any other costs and expenses incurred by him in connection with the Company.

7. The sums payable as aforesaid in respect of the said 50,000 shares standing registered in the name of Doroteo de Ziaurriz shall be paid by the Liquidator to the Custodian of Enemy Property whose receipt shall be a good discharge to the liquidator therefor.

8. The said _____ hereby warrants that he is duly authorized to execute these Terms of Settlement on behalf of the Comite. (Marginal Note by the Lawyers: Insert name of the Secretary General of the Comite. G.R. & CO.)

9. The said _____ Luis de Ortuzar and Manuel de Irujo hereby jointly and severally indemnify the Liquidator against all loss costs damages and expenses which he may sustain incur or be put to in consequence of his acting in accordance with these Terms of Settlement.

10. The Liquidator or any Creditor or Contributory of the Company shall be at liberty to apply to the Court in the pending proceedings to determine any questions arising in connection with these Terms of Settlement or the carrying of the same into effect.

DATED this _____ Day of _____ 1942

WITNESS to the signature of:- For and on behalf of the Comite Basque de Secours aux Refugies

General Secretary.

WITNESS TO THE signature of Luis de Ortuzar:-

WITNESS to the signature of Manuel de Irujo:-

WITNESS to the signature of Frank Harold Bennett (Liquidator of the Company and of Management & Shipping Company Ltd) For and on behalf of Management & Shipping Company Limited
Liquidator

For and on behalf of Continental Transit Company Limited.
Liquidator

WITNESS to the signature of For and on behalf of the Custodian of Enemy Property.

COPY

PHOENIX LEVINSON WALTERS & SHANE

Thornton House,
Finsbury Square,
London, E.C.2.

30th July, 1942.

Dear Sir,

Re: Continental Transit Co. Ltd.

We are in receipt of yours of yesterday's date and we note what you say.

We spoke to Mr. Smith and informed him of your agreement and he is taking immediate steps to have the monies paid over to the Custodian.

We think this matter will be settled shortly.

Yours faithfully,

PHOENIX LEVINSON & CO.

Senor Manuel de Irujo
The Basque Delegation,
7/8 Hboart Place,
Eaton Square, S.W.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

30

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF
OUR REF DBL/BH.

*Thornton House,
Finsbury Square,
London, E.C.2.*

30th July 1942.
Thursday.

Dear Sir,

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We think this matter will be settled shortly.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

COPY

29th July, 1942.

Messrs. Phoenix, Levinson Walters and Shane,
Thornton House,
Finsbury Square,
London, E.C.2.

Dear Sirs,

I thank you for your letter of yesterday together with statement of the Liquidator.

The liquidation is correct. I find no difficulty in accepting any formula of the book-keeping, so long as the balance remains the same. You may therefore take the necessary steps in order that the document which must be signed is prepared without delay.

The sums which according to the books appear as paid to Sr. Ortazar, were in fact received by Dr. Ziaurritz. We have no objection therefore that the book-keeping formula which is agreed upon may contain this detail. It seems that this is the reason for the second part of the Statement.

Yours truly,

Manuel de Irujo.

Acuso recibo a su atenta del
muchas gracias .

La liquidación es conforme. No encuentro dificultad en aceptar cualquier formula de contabilidad, con tal de que no varíe el saldo. Puede Ud. pues disponer lo necesario para que sea redactado el documento que ha de firmarse. Le agradeceré sea sin perder tiempo.

Las cantidades que aparecen antes segun la contabilidad entregadas ~~por~~ el Sr. Ortuzar, fueron realmente recibidas por ~~por~~ Ziaurriz. Por lo tanto no encontramos incobveniente en que la formula de contabilidad que se apruebe contenga este detalle. Parece ser que ese es el motivo de la segunda parte de la nota de calculo .

Suyos...

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

33
ENCL.

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF

OUR REF

DBL/BH.

*Thornton House,
Finsbury Square,
London, E.C.2.*

28th July 1942.
Tuesday.

Dear Sir,

Continental Transit Co.Ltd.

We enclose a copy of the Statement prepared by the Liquidator and which has today been submitted to us.

You will note that the legal and Liquidator's fees amount to £1294. 9. 4. and particulars of this will be necessary.

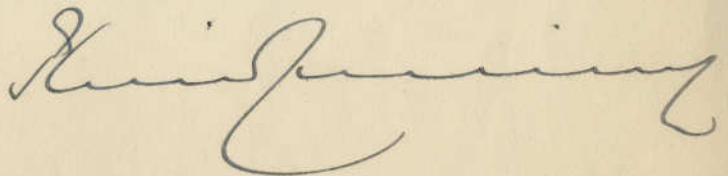
You will also note that no interest is charged on the payments which have been made up to now on behalf of Dr.Ziaurriz. You will recollect that we objected to any such charge at the meeting we attended. According to the Statement the balance to be received by you will be £34114. 5. 9.

We cannot understand the second calculation which suggests that Mr.Ortuzar may take debit for the payments made to Evans & Reid and to you as this has never before been suggested.

We shall now be glad to have your instructions so that the figures may be finally agreed and arrangements made for distribution.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square,S.W.



Continental Transit Co. Ltd. (In Voluntary Liquidation)

Cash position 13.7.42.

Petty cash	£ 5. 9. 2.
Barclay's Cardiff	354. 9. 4.
Bank of England Liquidation A/c.	1014. 11. 7.
£55000 Treasury Bills due 17.7.42 say	<u>55000. 0. 0.</u>
Amount available 18.7.42.	<u>£ 56,374 10. 1.</u>

Position re interim distribution

Cash as above	£56,374. 10. 1.
L. de Ortuzar advances	5,075. 5. 0.
Dr. Ziarriz advances (including Evans & Reid & Irujo payments)	40,885. 14. 3.
Management and Shipping (already received)	<u>19,999. 0. 0.</u>
	£122,334. 9.4

Deduct for outstanding items:-

Income Tax on interest	340		
Board Of Trade fees on Liq. account 3d. in £ on £56000	700		
Legal fees, liquidator's fees Directors' fees 1939 etc. say	<u>1294. 9. 4.</u>	SAY	<u>2,334. 9.4</u>
			£ 120,000. 0.0

£120,000 distribution on £80,000 paid up capital
= 30/- per share

Dr. Ziarriz (50,000 shares of £1 each) is entitled to 75,000. 0.0

Deduct advances (including say Evans & Reid
and Irujo payments but no interest) 40,885.14.3

Amount Ziarriz to receive subject to interest
and Custodian's fee (if any) £34,114. 5.9

L. de Ortuzar (10,000 shares of £1 each) is entitled to 15,000. 0.0

Deduct advances (not including Evans & Reid &
Irujo payments) 5,075. 5.0

Amount Ortuzar to receive (subject to
payments to Evans & Reid & Irujo) £ 9,924.15.0

Management & Shipping (20,000 shares of £1 each) are
entitled to £30,000. 0.0

Less amount already had 19,999. 0.0

Amount to receive. £10,001. 0.0

If L. de Ortuzar takes the debits for Evans & Reid payments
of £2,000 and £3,000 and Irujo's payments of £7,000 and
payment to L. de Ortuzar of £285.14.3. a grand total of
£12,285.14.3. - then position would be as follows:-

Dr. Ziarriz 30/- per share on 50,00 shares £75,000. 0.0

Deduct total of advances debited to him 40885.14.3.

Less amount taken over by L. de Ortuzar 12285. 14.3 28,600. 0.0

Amount Ziarriz to receive subject to interest
on advances and Custodian's fee (if any) £ 46,400. 0.0

<u>L. de Ortuzar</u> 30/- per share on 10,000 shares	15,000. 0. 0.
Deduct advances made	5075. 5. 0.
Add amount of advance taken from Ziaurriz's account	<u>12285.14. 3.</u>
	<u>17,360.19. 3.</u>
Dr. balance to recover from Ortuzar (From his proportion of Management & Shipping assets if Ortuzar consents)	2,360.19. 3.
<u>Management & Shipping</u> 30/- per share on 20,000 shares	30,000. 0. 0.
Less interim distribution per Court Order	<u>19,999. 0. 0.</u>
Amount to receive	<u>£10,001. 0. 0.</u>

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Continental 35

ENCL.

P

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX,
D. B. LEVINSON, B.A.
J. L. WALTERS,
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF. DBL/JL

22nd July, 1942.
Wednesday.

Dear Sir,

Re Continental Transit Co. Ltd.

We are in receipt of yours of yesterday's date
and note contents.

We have to-day written to the Liquidator's
Solicitors pressing for the draft document they are to
prepare.

Yours faithfully,

Phoenix Levinson Walters

Senor Manuel De Irujo,
Basque Delegation,
7/8 Hobart Place,
Eaton Square,
London, S.W.1.

21st July, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I thank you for your letter of the 20th
July.

The copy of the letter sent on the 28th
February 1940 to Sr. Ortuzar by Sr. Ziaurritz is very
interesting. This document shows the reason for the
endorsement of the certificate of the Continental Transit
shares by Sr. Ziaurritz, which did not mean a transfer but
a power of attorney. At the same time the date is
established, prior to the Power of Attorney granted in my
favour. The thesis we have maintained throughout the
case is fully confirmed and that of Sr. Ortuzar - the
transfer to him of the shares - destroyed.

In all probability we shall not need to use
this knowledge in the future. But that does not detract
from the interest of the document. Any more details of
this kind which you may be able to acquire will be very
much appreciated by us.

We are awaiting the document to prepare the
transfer of the liquid balance. It would be advisable
to carry this through as soon as possible, avoiding any
possible further complications which might change the
situation.

Yours faithfully,

Abogados

Muchas gracias por su carta de -----

Es muy interesante la copia de la carta dirigida el 28 de Febrero de 1940 por el Sr. Ziaurritz al Sr. Ortuzar. Ese documento acredita la razon del endoso puesto en el resguardo de las acciones de Continental Transit por el Sr. Ziaurritz, que no ~~era~~ significaba una cesión, sino un poder. Así mismo acredita la fecha, anterior al Poder otorgado en mi favor. Nuestra tesis mantenida a lo largo del pleito queda plenamente confirmada y la del Sr. Ortuzar ~~destruida~~ -la cesion a él de las acciones- destruida.

Es lo regular que no necesitemos en el futuro utilizar este conocimiento. Pero, ello no obsta para estimar el interés del documento. Cuantos ~~datos~~ datos de esta naturaleza puedan ser adquiridos por Vd, serán apreciados por nosotros.

Esperamos la minuta anunciada para preparar la entrega de la cantidad líquida. Conviene aprovechar los momentos actuales, evitando posibles ulte- riores complicaciones que los hagan variar de situación.

Suyo....

COPY

37

Phoenix Levinson Walters & Shane,

Thornton House,
Finsbury Square,
London, E.C.2.

20th July, 1942.

Dear Sir,

Continental Transit Co. Ltd.

At our interview with the other parties on the 15th inst. we took the opportunity of asking the Solicitors to Mr. Ortuzar to send us a copy of the receipts for the various sums of money paid to Evans & Reid Coal Co. Ltd. and others.

We enclose a copy of these documents which have now been furnished to us so you may consider same.

Yours faithfully,

PHOENIX LEVINSON WALTERS & SHANE.

Senor Manuel de Irujo,
7/8 Hobart Place,
Eaton Square, S.W.

2d
Stamp

12th Feb. 1940.

RECEIVED from CONTINENTAL TRANSIT CO. LTD.

The sum of TWO THOUSAND Pounds ----- Shillings and ----- Pence.

AS PER INSTRUCTIONS OF DR. DE ZIAURRITZ

For Evans and Reid Coal Co. Ltd.

(Sgd) A. M. HANCOCK.

£2,000. 0. 0.

Telephone:
Kleber 7563

11 Avenue Marceau
PARIS, 16.

I have received from Don Luis de Ortuzar Director
of "Continental Transit Co." as advance, the sum of THREE HUNDRED
AND FIFTY-TWO THOUSAND ONE HUNDRED AND FIFTY-EIGHT FRANCS,
SEVENTY-FIVE CENTIMES (352,158.75frs.) the equivalent of TWO
THOUSAND POUNDS (£2,000)

Paris, 13th February 1940.

(Sgd) DOROTEO ZIAURRIZ.

21 Feb. 1940

RECEIVED from CONTINENTAL TRANSIT CO. LTD.

the sum of THREE THOUSAND Pounds ----- Shillings and ----- Pence

AS PER INSTRUCTIONS OF DR. DE ZIAURRIZ

for EVANS AND REID COAL CO. LTD.

(Sgd.) A. M. HANCOCK.

sp. 2d.

£3,000. 0. 0.

Telephone:
Kleber 75-63

Dr. DOROTEO DE ZIAURRIZ
11 Avenue Marceau
Paris, 1t.

I have received from Mr. Lasry, for account of D. Luis de Ortuzar, Manager of "Continental Transit Co." the sum of THREE THOUSAND POUNDS (£3,000) which will be debited to my account.

PARIS, 28th February, 1940.

(Sgd) DOROTEO ZIAURRIZ.

COPY.

Telephone:
Kleber 75.63

Dr. Doroteo de Ziaurriz
11 Avenue Marceau
PARIS, 16.

PARIS, 28th February 1940.

Sr. Dr. Luis de Ortuzar,
Director of "Continental Transit Co."
Colum Building,
Mount Stuart Square,
CARDIFF.

Dear Friend,

This evening Alberro will see Mr. Lasry, in order to complete the operation facilitated by you. I am grateful for your diligence and will send you the corresponding receipt.

I request you to place at the disposal of our mutual friend Jose Ignacio de Lizaso the sum of: £450 (four hundred and fifty pounds). Lizaso has acknowledged receipt to me of the £300 which you handed him on the 21st February, for my account.

I have just received your letter of the 21st confirming the telegram which I also received, referring to the expediency of my transfer to England. The requisite steps are being taken to obtain a Permit but I should like to know what are the reasons which counsel my transfer. Is the authorisation-power of attorney which I handed you not sufficient for you? Is there any difficulty in using it? If for some reason I should be unable to go, could I delegate to represent me either by simple or notarial power of attorney one of my friends in Paris or Capbreton?

I shall be obliged for a speedy reply in order to know where I stand.

Very cordial greetings in JEL

(sg.) DOROTEO ZIAURRITZ

2d

Stamp 12th Feb. 1940.

RECEIVED from CONTINENTAL TRANSIT CO. LTD.

the sum of TWO THOUSAND Pounds -----Shillings and
-----Pence.

AS PER INSTRUCTIONS OF DR DE ZIAURRITZ.

for EVANS AND REID COAL CO. LTD.

(Sgd) A.M. HANCOCK.

£2,000. 0. 0.

Telephone:
Kleber 75.63

11 Avenue Marceau
PARIS. 16.

I have received from Don Luis de Ortuzar
Director of "Continental Transit Co." as
advance, the sum of THREE HUNDRED AND
FIFTY-TWO THOUSAND ONE HUNDRED AND FIFTY-
EIGHT FRANCS, SEVENTY-FIVE CENTIMES
(352,158.75 frs.) the equivalent of TWO
THOUSAND POUNDS (£2,000).

PARIS, 13th February 1940.

(Sgd) DOROTEO ZIAURRIZ.

21 Feb, 1940.

RECEIVED from CONTINENTAL TRANSIT CO. LTD.

the sum of THREE THOUSAND Pounds -----Shillings
and -----Pence.

AS PER INSTRUCTIONS OF DR DE ZIAURRIZ

for EVANS AND REID COAL CO. LTD.

(Sgd) A.M. HANCOCK.

sp. 2d

£3,000. 0. 0.

Telephone:
Kleber 75.63

Dr. DOROTEO DE ZIAURRIZ.

11 Avenue Marceau

Paris, lt.

I have received from Mr. Lasry, for
account of D. Luis De Ortuzar, Manager
of "Continental Transit Co." the sum
of THREE THOUSAND POUNDS (£3,000) which
will be debited to my account.

PARIS, 28th February, 1940.

(Sgd) DOROTEO ZIAURRIZ.

Telephone:
Kleber 75.63

Dr. Doroteo de Ziaurriz

11 Avenue Marceau

PARIS, 28th February 1940.

PARIS, 16.

Sr. Dr. Luis de Ortuzar,
Director of "Continental Transit Co".
Colum Building,
Mount Stuart Square,
CARDIFF.

Dear Friend,

This evening Alberro will see Mr. Lasry, in order to complete the operation facilitated by you. I am grateful for your diligence and will send you the corresponding receipt.

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I shall be obliged for a speedy reply in order to know where I stand.

Very cordial greetings in JEL
(Sgd) DOROTEO ZIAURRITZ

Abogados

Continental 39
20 Julio 1942

Muchas gracias por su carta del 15 cts.

Entiendo que las

~~mis~~ peticiones del liquidador ~~anteriormente~~ son correctas y están contenidas en su affidavit. Claro es que las cifras no son a deducir del saldo que en aquel documento arroja, ~~después de deducir las partidas~~ pues que, aquel saldo es líquido, después de deducir las mencionadas partidas.

La de 285.14. 3 abonada ~~por~~ el Sr. Ortuzar es también correcta deducción y aparece en el affidavit de referencia. No así la partida de intereses, en cuya estimación estamos conformes con Vds. Pero, si hubiera de aplazar la discusión de esa partida ~~no~~ de servir para ~~prolongar~~ una hora más la solución del asunto, le ~~rogamos~~ rogaríamos que la aceptara. ~~calificados~~ Tenemos/motivos para desear una rápida solución, que nos cubra de los riesgos inherentes siempre que para moverse ha de ser consultado el centro que Vd conoce.

Esperamos pues el documento que ha de ser suscrito por el Secretario General del Comité, como previo para recibir los fondos. Quizá pudiera incluirse en el Poder ~~anteriormente~~ a que en la mía de 13 de Julio hace referencia, la facultad precisa para realizar esos reconocimientos exigidos por el liquidador.

En todo caso, sabemos bien que Vds no perderán momento en el que pueda avanzarse en la solución del asunto y les rogamos nos tengan al corriente.

20th July, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I thank you for your letter of the 15th July.

I understand that the requests of the liquidator are in order and are contained in his affidavit. Of course, these sums are not to be deducted from the balance mentioned in that document, since that balance is liquid, after deducting the sums in question.

The item of £285.14.3. paid to Sr. Ortazar is also a correct deduction, and appears in the affidavit. Not so, the claim for interest, on which matter we are of the same opinion as yourselves. But, if discussion of this claim is going to put off settlement of this matter even for an hour, we would ask you to accept it. We have good reasons for wanting a rapid settlement, which will cover us from the inherent risks, since in taking action the centre you know of has to be consulted.

We await the document which has to be signed by the Secretary General of the Comité prior to receiving the money. Perhaps the authority necessary to make the acknowledgment required by the liquidator, could be included in the Power of Attorney mentioned in my letter of the 15th July.

In any case, we know that you will lose no time in hurrying on the settlement of the matter, and we ask you to keep us informed.

Yours faithfully,

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF : 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.
OUR REF. DBL/BH.

15th July 1942.
Wednesday.

Dear Sir,

Re: Continental Transit Co. Ltd.

We attended the Meeting arranged at Messrs. Herbert Smith's office this morning, and there were present Mr. Aubrey Smith, Mr. Bennett the Liquidator, Mr. Ortuzar's Solicitor and our Mr. Levinson.

Mr. Smith handed us a letter he had received from the Custodian Trustee stating that if the Liquidator would pay over the monies due on the Shares of Senor Ziaurritz to him the Custodian would arrange to pay same over to the Comite Basque.

The Liquidator stated that he would require from the Comite their acknowledgement that the following sums had been paid out on its account:

1. £2000 paid to Evans & Reid Coal Co. Ltd. on the 12th February 1940.
2. £3000 paid to the same Company on the 21st February 1940.
3. £7000 paid to you on the 10th May 1940.
4. £300 paid, to Mr. Lizaso on the 21st February 1940.

These sums will be deducted from the total amount payable and the balance will be paid to the Custodian Trustee.

There are one or two minor questions to be settled as follows:-

1. Mr. Ortuzar claims that interest at 4% should be paid on the above mentioned amounts as they had been paid out in advance.

We objected to this on the ground that these monies belonged to the Comite and they could not be asked to pay interest on their own money.

[Signature]
P.T.O.

TELEPHONE NUMBER
MILWAUKEE 1202, 1203, 1204
MILWAUKEE, WIS.

ROBERT LEVINSON & SHANK
SOLICITORS
COMMISSIONERS FOR BANK

2. The sum of £285.14. 3. was paid to Mr. Ortuzar on the 31st May 1940 and unless Mr. Ortuzar agrees that this sum was paid to him on his own account the Liquidator will claim to be entitled to deduct it from the balance now payable.

It was arranged that the Liquidator's Solicitors should submit to us the document which they would require the Secretary General to sign, and after receipt of this document Mr. Smith and our Mr. Levinson will see the Custodian in order to ascertain from him what his further requirements will be before he pays out the money to the Comite.

We will write you as soon as we hear from the Liquidator's Solicitors.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

We objected to this on the ground that these monies belonged to the Comite and they would not be sent to the Liquidator on their own account.

13th July, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I thank you for your letter of the 10th July.

I am glad you are attending the meeting you mention, and I give you all the facilities necessary to settle the affair, leaving nothing outstanding. The persons in whose favour the Power of Attorney of the Comité Basque should be granted to receive the payment, should be Don José Ignacio de Lizaso and Don Angel de Gondra, Delegate and Secretary of the Delegation respectively, to act jointly. But I do not want this wish of mine to cause new difficulties or consultations. If any question is raised against it, the Secretary and Vice-President of the Comité, the interested parties, will sign.

Looking forward to hearing from you,

Yours faithfully,

Manuel de Irujo.

A los abogados

Recibas gracias por su carta de _____

Me parece bien que asista Vd a la reunion ~~por la~~ que anuncia. Le ruego de las facilidades precisas para llegar a termino en la empresa, sin dejar nada pendiente. ~~Siempre en nombre~~ ~~según me informo~~ Las personas en cuyo favor deberá otorgarse el poder ~~del~~ del Comité Basque para realizar el cobro, serán Don José Ignacio de Lizaso y Don Angel de Gondra, Delegado y Secretario respectivamente de la Delegacion de Euzkadi en Londres, con mandato solidario. ~~Si alguna dificultad me surge con esto, puede Vd. expresarme en todo momento la formalidad~~ No quiero que este deseo mio de lugar a nueva dificultad ni consulta. Si se opone cualquier reparo, firmaran los propios interesados Secretario y Vicepresidente del Comité.

Espero sus noticias y le saludo...

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

42
ENCL.....

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX,
D. B. LEVINSON, B.A.,
J. L. WALTERS,
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF
DBL/BH.
OUR REF

Thornton House,
Finsbury Square,
London, E.C.2.

10th July 1942.
Friday.

Dear Sir,

Continental Transit Co.Ltd.

Mr. Smith spoke to us today and stated that the Custodian Trustee had intimated that he was prepared to help. Mr. Smith therefore now proposes that a meeting be held at which they and we would meet the Liquidator and Mr. Oruzar's Solicitor so as to decide upon the next step to be taken. The meeting may be held next Wednesday and we will report to you in due course.

Yours faithfully,

Phoenix Levinson

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

COPY

Trading with the Enemy Department,
Treasury and Board of Trade,
24, Kingsway, W.C.2.

8th July, 1942.

A. Herbert Smith, Esq.
Messrs. Herbert Smith & Co.
62, London Wall,
E.C.2.

Dear Mr. Herbert Smith,

With reference to our conversation some days ago about monies due to the Comite de Secours aux Refugies Basques, I am writing to say that after full consideration I find it possible for us to assist you to secure the monies.

I am prepared, if the Liquidator will pay over to the Custodian, to arrange for the release of the monies so paid over to the Secretary General of the Comite for the use of the Comite.

I return herewith the document you left with me relating to Continental Transit.

Yours sincerely,

(Sg.) J. P. GREGORY

(Representative of the Custodian Trustee).

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

44

ENCL. **ENCLOSURE**
N^o 520
"JUST 50"

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

**SOLICITORS,
COMMISSIONERS FOR OATHS.**

J. T. PHOENIX,
D. B. LEVINSON, B.A.,
J. L. WALTERS,
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF _____

OUR REF DBL/BH.

*Thornton House,
Tinsbury Square,
London, E.C.2.*

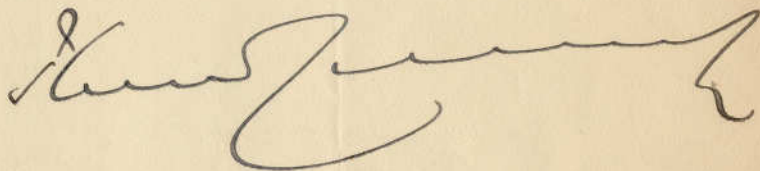
8th July 1942.
Wednesday.

Dear Sir,

Re: Continental Transit
Co.Ltd.

We enclose copy of a letter we have received
from Herbert Smith & Co. from which you will see the
position.

Yours faithfully,



Senor Manuel De Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

HERBERT SMITH & CO.

62 London Wall,
London,
E.C.2.

6th July, 1942.

Dear Sirs,

CONTINENTAL TRANSIT CO LTD - DBL/BH

We are in receipt of, and thank you for your letter of the 3rd instant re the above about which our Mr. Aubrey Herbert Smith spoke to Mr. Levinson on the telephone today. We will let you know as soon as we hear anything further from the Trading with the Enemy Department.

Yours faithfully,

Herbert Smith & Co.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

44
ENCL.....

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF.....

OUR REF DBL/BH.

*Thornton House,
Tinsbury Square,
London, E.C.2.*

6th July 1942.
Monday.

Dear Sir,

Continental Transit Co.Ltd.

Mr. Aubrey Smith of Herbert Smith & Co. telephoned us today and stated they understood the Custodian Trustee was in communication with the Foreign Office and the possibility of an appointment for him and ourselves to meet the Custodian depended upon the result of the discussions.

We will write you again as soon as we hear further.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS.
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A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

*Thornton House,
Finsbury Square,
London, E.C.2.*

YOUR REF
DBL/BH.
OUR REF

19th June 1942.
Friday.

Dear Sir,

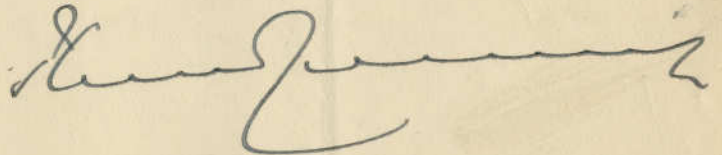
International Transit Co.Ltd.

Referring to our telephone conversation with Mr.Lizaso yesterday, we were surprised to hear that you had not been informed of the appointment with the Custodian Trustee which had been made for yesterday afternoon but which was later cancelled.

We gathered from Mr.Smith that the appointment had been fixed up with your concurrence and that we were merely asked to accompany him with Mr.Irujo.

In any case as soon as we hear of a fresh appointment being made we will take care to inform you ourselves.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.

OUR REF. DBL/BH.

5th June 1942.
Friday.

Dear Sir,

Continental Transit Co. Ltd.

We enclose a copy of a letter we have today received from Messrs. Gilbert Robertson & Co. We need hardly say that this letter came as a complete surprise in view of the steps which are now being taken for the release of the money of which Messrs. Gilbert Robertson & Co. must be fully aware.

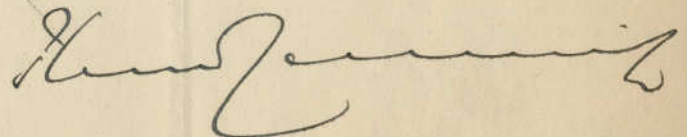
It may be that the request for the repayment of the £7000 is merely formal as the Liquidator is bound to take up the attitude that the amount appears in the Company's books as a loan to you and he therefore takes the ordinary step as a Liquidator of demanding payment.

Please consider the matter so that we may decide upon the form of reply to be sent. In our view we can only state what has already appeared in the Affidavits before the Court viz. that the £7000 was a payment on account of the capital due on the shares standing in the name of Dr. Ziaurriz.

We suggest you telephone us on Monday with a view to making an appointment.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.



46

ENCL

ENCLOSURE
NO 188
"JUSTO"

Gilbert Robertson & Co.,

33 West Bute Street,
Cardiff Docks.

4th June, 1942.

Dear Sirs,

Re. CONTINENTAL TRANSIT CO.LTD. IN VOLUNTARY
LIQUIDATION. ACH/43.

The Liquidator of the above Company has instructed us to apply for repayment of the £7,000 paid by the above Company to your client, Mr. Manuel de Irujo on or about the 10th May 1940, with interest thereon at the rate of 4% per annum until repayment.

We shall be glad to hear from you with remittance accordingly.

Yours faithfully,

GILBERT ROBERTSON & CO.

Messrs. Phoenix, Levinson & Walters,
Thornton House, Finsbury Square,
LONDON.E.C.2.

5th June, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

On the 3rd June, Mr. Bruce Ottley called to see us, and Mr. Lizaso communicated to you the gist of the conversation. Briefly it may be summed up as follows: "We have seen the Custodian and the Liquidator. They are agreeable to hand over the amount of the shares registered in the name of Sr. Ziaurritz in the Continental Transit. It seems to be clear to them that the beneficiary is the Comité Basque de Secours aux Réfugiés. Before putting these funds in the hands of the Secretary General, they would like to be as certain as possible that the said Secretary has the power to receive them in accordance with the Articles of the Comité. For this purpose they have asked that a French lawyer should be consulted on the point. We asked the Foreign Office for the name of a French lawyer. Our lawyers, Mr. Smith and your own lawyer, said Mr. Ottley, have had a consultation. The French lawyer thinks the matter is quite clear. He will forward his opinion in writing this week."

In case the said French lawyer should find legal difficulties, we told Mr. Ottley that there are in England six of the seven members of the Committee, who could in any case complement the powers. He noted this as a valuable detail, without remembering, apparently, that this detail together with many others appeared in the first report presented to the Foreign Office on this matter. We have added still another, that the Comité has already met to facilitate the operation and has agreed to reaffirm the Secretary in these powers, and to authorise the Vice-President and Secretary to issue a notarial document empowering a specific person or persons to carry out the operation in their name and to hand the funds over to the legal owner. Mr. Ottley regarded this also as a prudent move, in view of which we have given him a certified copy of the

agreement, another copy of which we enclose for your information.

Mr. Lizaso at once telephoned you the result of this meeting. We were awaiting news from you, which we have not received yet, since you proposed to get in touch with Mr. Smith on the same day.

Later we heard, though not through Mr. Ottley, that because of complaints made in Washington by our President, Sr. Aguirre, Mr. Smith, before interviewing us, had had long conversations with Mr. Ortuzar, whom he asked to declare the sources of his personal fortune and the means employed to increase it, all of which was the object of a detailed report, in which Mr. Smith set forth his favourable impression of the personal correctness and moral conduct of Mr. Ortuzar as a business man. Mr. Ottley did however tell us that Mr. Ortuzar agreed that the Comité should receive the money.

Hoping to hear from you,

Yours faithfully,

P.S. Since writing the above, we have received your letter of the 4th June.

Abogados

El día _____ nos visitó el Sr. _____. El Sr. Liza
so trasladó a Vd. sus informaciones. En resumen pueden redu-
cirse a lo siguiente: "Hemos visitado a los Sres Custodia y
efectiva
Liquidador. Estan conformes en realizar la entrega/de los fon
a las acciones registradas a nombre del
dos correspondientes/~~añ~~ Sr. Ziaurritz en la Continental Tran
sit. Les parece claro que el beneficiario es el Comité Basque
esos
de Secours aux Refugiées. Antes de poner ~~dicchos~~ fondos en ma
nos de su Secretario General, querrían adquirir la maxima cer
teza de que, dicho Secretario ~~General~~ tiene facultad para re
cibirlos con arreglo a los Estatutos del Comité. A tal fin
han rogado que se pida un informe a letrado francés sobre tal
extremo. ~~Nuestros abogados, meñ Sr. Smith y meñ Vds. asím~~
~~añón meñ Sr. _____ han solicitado~~ Hemos pedido al F.O.
el nombre de un abogado francés. Nuestros abogados, el Sr.
Smith y el de Vds -así dijo el Sr. _____-, le han consul-
El abogado ~~francés~~ francés cree cosa clara el asunto.
tado./~~En el caso de Francia meñ Sr. _____~~ Dentro de
esta semana enviará su informe escrito."

En previsión de que el aludido letrado francés encontrara
dificultades reglamentarias, hemos dicho al Sr. _____
que en Inglaterra se encuentran seis de los siete vocales que
que podrian en todo caso complementar los poderes.
integran la Junta,/Lo ha anotado como detalle precioso, sin
recordar a lo que parece, que ese detalle con otros muchos
mas, figuraba en el primer raport pasado sobre este asunto
al F.O. Aun hemos añadido mas. Y es que, el Comité, se habia

reunido ya, para facilitar la operacion y habia acordado reiterar tales poderes al Secretario y facultar a los Sres Vicepresidente y Secretario para otorgar una ~~poder~~ ^{escritura} notarial en el cual se apodere a persona o personas determinadas para que realicen la operacion en su nombre y den a los fondos el destino reglamentario. Tambien este hecho lo ha encontrado como una ~~medida~~ ^{prudente} medida ~~en~~ ^{del Sr. _____,} en vista de lo cual, le hemos facilitado una copia certificada del acuerdo, otra copia del cual le incluimos.

El Sr. Lizaso comunicó a Vd en el acto por teléfono el resultado de esta reunión. Esperabamos sus nuevas que no han llegado aun a nosotros, ya que Vd se proponia dirigirse ~~aquehnmismomonia~~ en la misma fecha al Sr. Smith.

-aunque no por el Sr. _____-, que Posteriormente hemos sabido/~~quiza~~ con motivo de quejas formuladas en Whasignton por nuestro Presidente Sr. Aguirre, el Sr. Smith, antes de entrevistarse con nosotros, habia mantenido largas conversaciones con el Sr. Ortuzar, al cual le rogó pusiera de manifiesto los principios de su fortuna personal y medios de que se habia valido para incrementar-
que
la, todo lo ~~man~~ fué obgeto de informe detallado, en el cual, el Sr. Smith manifestaba su impresion favorable a la corrección personal y conducta moral del Sr. Ortuzar como hombre de negocios. Lo que si nos advirtió el Sr. _____ es que el Sr. Ortuzar estaba conforme con que cobrara el Comité.

Esperamos sus noticias y nos reiteramos...

COPY

48

PHOENIX LEVINSON WALTERS & SHANE

Thornton House,
Finsbury Square,
London, E.C.2.
5th June 1942
Friday.

Dear Sir,

Continental Transit Co. Ltd.

We enclose a copy of a letter we have today received from Messrs. Gilbert Robertson & Co. We need hardly say that this letter came as a complete surprise in view of the steps which are now being taken for the release of the money of which Messrs. Gilbert Robertson & Co. must be fully aware.

It may be that the request for the repayment of the £7000 is merely formal as the Liquidator is bound to take up the attitude that the amount appears in the Company's books as a loan to you and he therefore takes the ordinary step as a Liquidator of demanding payment.

Please consider the matter so that we may decide upon the form of reply to be sent. In our view we can only state what has already appeared in the Affidavits before the Court viz. that the £7,000 was a payment on account of the capital due on the shares standing in the name of Dr. Ziaurriz.

We suggest you telephone us on Monday with a view to making an appointment.

Yours faithfully,

PHOENIX LEVINSON WALTERS & SHANE

COPY

GILBERT ROBERTSON & CO.

33 West Bute Street,
Cardiff Docks.

4th June, 1942.

Dear Sirs,

Re. CONTINENTAL TRANSIT CO. LTD. IN VOLUNTARY
LIQUIDATION. A CH/43

The Liquidator of the above Company has instructed us to apply for repayment of the £7,000 paid by the above Company to your client, Mr. Manuel de Irujo on or about the 10th May 1940, with interest thereon at the rate of 4% per annum until repayment.

We shall be glad to hear from you with remittance accordingly.

Yours faithfully,

GILBERT ROBERTSON & CO.

Messrs. Phoenix, Levinson & Walters,
Thornton House, Finsbury Square,
LONDON, E.C.2.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL. 49

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX,
D. B. LEVINSON, B.A.,
J. L. WALTERS,
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.

OUR REF. DEL/BH.

*Thornton House,
Tinsbury Square,
London, E. C. 2.*

4th June 1942.
Thursday.

Dear Sir,

Continental Transit Co. Ltd.

We confirm informing you yesterday that we had spoken to Messrs. Herbert Smith & Co. and they informed us that they had seen the Custodian Trustee in company with a representative of the Foreign Office and the Custodian stated that before he could move in the matter at all he had to be satisfied that the Constitution of the Comite Basque was a valid document; that payment of cash could be made to the Secretary General; and particularly that such payments could be made to him outside France. The Custodian stated that in order to satisfy him he would require the opinion of a Lawyer experienced in French Law.

Mr. Smith further stated that he had accordingly submitted the papers and a short resumé of the material facts before a Mr. Johnson who was an English Lawyer who had practised in France before the War. This gentleman had acknowledged the papers and promised his opinion by the end of the week. He had in acknowledging the papers stated that at first sight the matter appeared to be a simple one.

Mr. Smith stated that as soon as he had received the opinion he would see us with a view to collaborating in the further steps to be taken.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

18th May, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I am in receipt of your letter of the 13th
May.

I also beg to confirm our telephone conver-
sation of to-day, and now have the pleasure to enclose
a copy of the letter received from Mr. Ottley, together
with a copy of my reply.

Yours faithfully,

Manuel de Irujo.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

51
ENCL.....

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF.....

OUR REF.....

DBL/BH.

*Thornton House,
Finsbury Square,
London, E.C.2.*

13th May 1942.
Wednesday.

Dear Sir,

Continental Transit Co.Ltd.

Referring to our telephone conversation with you on the 11th inst, when we recounted to you the major points of the interview we had had with Mr. Smith representing the Foreign Office, we have since received from you a copy of the verbal report we gave you.

Mr. Smith impressed upon us the fact that the Foreign Office were anxious to assist in getting the release of the money in the Liquidator's hands and distributing same to the people properly entitled thereto.

We discussed the position and constitution of the Comite Basque and the various claims which had been set up by Mr. Ortuzar and yourself on behalf of Dr. Ziaurriz and he referred to the Trust Deed which Mr. Ortuzar had exhibited to his Affidavit. We pointed out that Mr. Ortuzar had by his own Affidavit virtually established that the money really belonged to the Comite Basque and we contended that the money in the Liquidator's hands should be paid out to the Comite. Mr. Smith in the course of the discussion referred to Mr. Ortuzar's contention that the shares in the Company had been endorsed over to him but we gathered that this contention would not be persisted in by Mr. Ortuzar, and that there was every reason to believe that he would now not oppose the paying out of the money to the Comite Basque.

The difficulty now therefore, was firstly to get the Liquidator to recognise the Comite Basque as the rightful owners, entitled to the money, and secondly to establish that the Comite Basque should not be classed as an enemy owing to its registration being in France. In respect to this we referred Mr. Smith to the Constitution of the Comite Basque and he agreed that Clause 9 thereof conferred upon the Secretary General wherever he may be, to receive all monies belonging to the Comite and to give valid receipts therefor. It therefore remained to satisfy the Liquidator. We suggested that we might

P.T.O.

try to satisfy the Liquidator so that he could pay out to the Comite but if this were impossible as the Liquidator would contend that in law he could only regard the registered shareholder as the person entitled to the money, the best course would be for the Liquidator to pay over the monies to the Custodian Trustee as representing Dr.Ziaurriz.

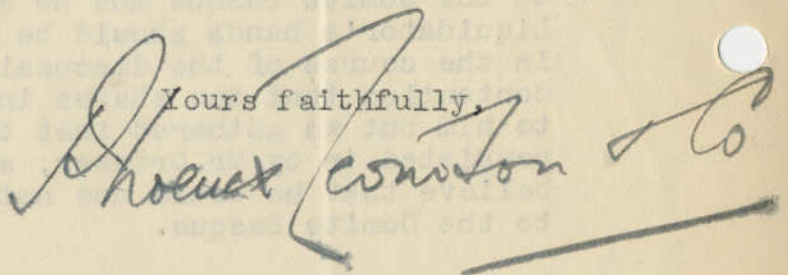
Mr.Smith then suggested that he and an official from the Foreign Office would consult the Custodian Trustee in order to ascertain whether he would be prevailed upon to accept the fact that Dr.Ziaurriz was merely a Trustee for the Comite Basque and so hand over the monies to them.

We discussed this aspect of the case very fully and we both agreed that if Affidavits were sworn by you and by Mr.Ortuzar exhibiting the Trust Deed or a true copy thereof, the Custodian would undoubtedly consent to accept this as sufficient evidence of the claim of the Comite Basque.

Our interview closed therefore on the understanding that Mr.Smith would report to the Foreign Office official dealing with the matter and they would then see the Custodian Trustee. If they think it advisable we will of course accompany them to the Custodian.

We will report further developments to you in due course.

Yours faithfully,



Senor Manuel de Irujo,
7/8, Hobart Place,
Eaton Square,
S.W.

Phoenix

Memorandum from Mr. Levinson, 11th May, 1942.

Mr. Smith, of Messrs. Herbert Smith & Co. acting on behalf of the Foreign Office, saw me to-day, and he stated that the Foreign Office was anxious that the monies in the hands of the Liquidator should be paid out, if at all possible, to the Comite Basque.

I referred Mr. Smith to the copy of the Trust Deed, which established that the money in Continental Transit Co. Ltd. was held by Sr. Ziaurriz upon trust for the Comite Basque de Secours.

We then referred to the constitution of the Comite Basque, and Mr. Smith agreed that paragraph 9 of the constitution empowered the Secretary General to receive monies due to the Comite Basque and to give good receipts for them. I suggested, in the circumstances, that if a way could be found for the Liquidator to agree that the Comite Basque were the only people entitled to the money, he might be induced to pay it out to them.

Mr. Smith then suggested that the Custodian Trustee of Enemy Property should be consulted, because technically the shareholder, was Dr. Ziaurriz, and as he was in enemy territory, the money due by the Liquidator was properly payable to the Custodian Trustee, and if the Custodian could then be prevailed upon to recognise that the money in fact belonged to the Comite Basque, certain pressure could be brought to bear upon him to pay this money out.

It would be necessary to establish, therefore, that the copy of the constitution of the Comite Basque was a true copy and an affidavit could be sworn by Mr. Irujo, and possibly by Mr. Ortuzar, verifying the declaration of trust. This could then be submitted to the Custodian Trustee, and Mr. Smith and I agreed that subject to the sanction of the Foreign Office, the Custodian Trustee would no doubt accept these affidavits, and would be prepared to pay out the money to the Comite Basque as the rightful owners. Mr. Smith promised to see the officials at the Foreign Office without delay, and to see the Custodian Trustee, in order to ascertain whether he would agree to act upon the evidence, when it was submitted to him.

There the interview ended, on that understanding.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Continental 53
ENCL. _____

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF. _____
OUR REF. DBL/BH.

*Thornton House,
Tinsbury Square,
London, E. C. 2.*


29th April 1942.
Wednesday.

Dear Sir,

Continental Transit Co.Ltd.

We are in receipt of yours of the 27th inst with
its enclosures which we have carefully perused and which
we find in order.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL. _____

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF. _____
OUR REF. DBL/BH.

*Thornton House,
Finsbury Square,
London, E. C. 2.*

27th April 1942.
Monday.

Dear Sir,

Continental Transit Co. Ltd.

We are obliged by yours of the 24th inst
enclosing copy letters and the draft cable. We approve the
terms of your letter to Mr. Bruce Ottley.

Yours faithfully,



Senor Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

27th April, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I now have the pleasure to enclose a further letter received from Mr. Bruce Ottley, together with a copy of the cable as despatched, and a copy of my reply.

Yours faithfully,

Manuel de Irujo.

Abogados

Incluyo copia de las dos cartas recibidas de Mr. Bruce Ottley, de los textos de cables recibidos con ellas y de mis respuestas.

24th April, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I have received a letter, a copy of which is enclosed, together with the draft of the cable. I have answered, as attached copy.

Yours faithfully,

Manuel de Irujo

Lizaso

COPY

Foreign Office,
Downing Street,
S. W. 1.

24th April, 1942.

Dear Senor Irujo,

Attached you will find a draft of a cable which, immediately on receipt of your agreement, we will telegraph to America. You will observe there are two small alterations; in line six of the draft the word "of" instead of "for", and the sentence "the only person who has such power since the date of liquidation is the liquidator", which Mr. Aubrey Smith thinks desirable to insert so as to complete the storey.

Perhaps you would be so good as to return one copy of the cable by the bearer, duly initialled by you?

Believe me,

Yours sincerely,

BRUCE OTTLEY.

Senor Manuel de Irujo.
7/8 Hobart Place,
Eaton Square, S.W.1.

Lizaso

DRAFT

After full discussion with Senor Irujo, we are authorised to inform you that he, Mr. Irujo, is convinced that Mr. Ortuzar has not got the power to procure the distribution of the funds represented by the shares in the name of Dr. Ziaurriz in the Continental Transit Company nor to procure the completion of the liquidation of that Company; the only person who has such power since the liquidation is the liquidator. Mr. Irujo has presented a report containing several formulas to realise the funds, which are being explored. Mr. Irujo is in agreement with any demarches required to procure the payment of these funds and the handing over of same to President Aguirre. Mr. Ortuzar is also in agreement with the encashment and payment over of such funds to the President Aguirre if and when it can be arranged. Mr. Irujo believes preferable presence President Aguirre in London.

signed

24th April, 1942.

Higado

He recibido la carta cuya copia
se incluye con la propuesta de despacho
cable. La he contestado con arreglo
a la ~~que~~ adjunta.

TELEPHONE NUMBERS :
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

56

ENCL. **ENCLOSURE**
N^o 505
"JUSTO"

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

*Thornton House,
Tinsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF. DBL/BH.

22nd April 1942.
Wednesday.

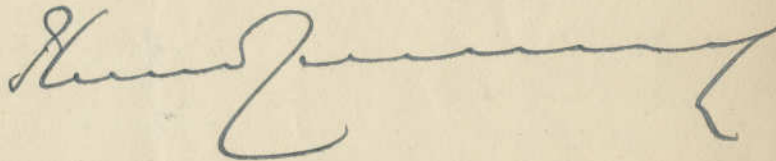
Dear Sir,

Continental Transit
Co.Ltd.

We are obliged by yours of yesterday's date
enclosing your cheque value £80. 2.11. balance due for our
costs and disbursements herein.

We enclose our Bill together with formal receipt.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

Continental.

57

21st April, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I am in receipt of your two letters of the 17th and 20th April, and now have the pleasure to send you cheque for £80.2.11. in payment of your account, less the £50 mentioned.

You will notice that in the account you state, under the date 26th June, that we handed you a cheque for £5. This, as you know, is an error, and as you say in your letter, it was £50. Perhaps you will kindly make the necessary alteration.

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL. _____

58

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF. _____

DBL/BH.

OUR REF. _____

*Thornton House,
Finsbury Square,
London, E. C. 2.*

20th April 1942.
Monday.

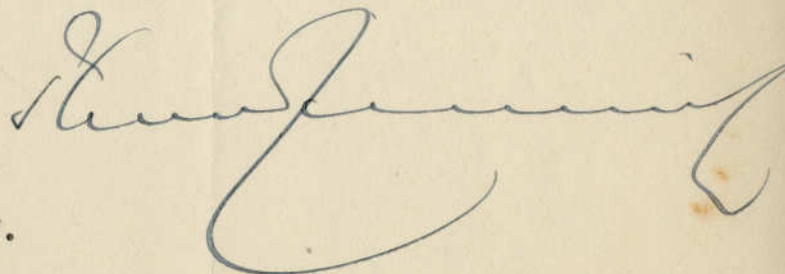
Dear Sir,

Continental Transit Co. Ltd.

Referring to our Bill of Costs sent you on the
17th inst, kindly note that you have paid us £50 on account
so that the balance now due is £80. 2.11. made up as follows:

Costs & disbursements as per Bill.	£130. 2.11.
Less received on a/c.	<u>50. 0. 0.</u>
	<u>£ 80. 2.11.</u>

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL. 59

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.

OUR REF. DBL/BH.

*Thornton House,
Finsbury Square,
London, E. C. 2.*

17th April 1942.
Friday.

Dear Sir,

Continental Transit Co. Ltd.

We beg to enclose our Bill of Costs herein.

Yours faithfully,

Phoenix Levinson Walters & Shane

Senor Manuel de Irujo,
7/8, Hobart Place,
Eaton Square,
S.W.

13th April, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

We have duly received your letter of the 20th
March.

For your information, we can now say confidentially, that through a friend of ours we have heard that, at the meeting of the Continental Transit Co., when the Liquidator informed Sr. Ortuzar that he had received a formal withdrawal from you, Sr. Ortuzar said all was well then and that the Liquidator should pay him the money. The Liquidator however replied that unfortunately he could not do so, as Dr. Ziaurriz might give a new Power of Attorney to somebody else. Sr. Ortuzar asked the Liquidator to put this in writing, and this letter has been sent to our President. We do not, of course, know for certain whether this is true, but at least it is what Sr. Ortuzar has sent to the President.

I confirm our telephone conversation of this afternoon, and as agreed I will accompany Captain Eguia to see you on Wednesday at 11 o'clock.

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Continental

61

ENCL.

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

*Thornton House,
Finsbury Square,
London, E. C. 2.*

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

YOUR REF.
OUR REF. DBL/MC.

20th March, 1942.
Friday.

Dear Sir,

Continental Transit Co. Ltd.

We are in receipt of yours of the 18th instant. We note that you maintain your reserve but this does not concern the Liquidator who will now in accordance with your withdrawal strike out your claim.

We shall be interested to know what Sr. Ortuzar proposes to do.

Yours faithfully,

Senor Manuel de Irujo,
Basque Delegation,
7/8, Hobart Place,
Eaton Square,
S.W.1.

Handwritten notes in bottom left corner, including numbers and illegible text.

Extensive handwritten notes and scribbles in bottom right corner.

Continental

62

18th March, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.

Dear Sirs,

We thank you for your letter of the 16th March, enclosing copies of the communications you have sent to the Liquidator and his lawyers, which are in order.

We have obeyed and carried out the orders of our President, because it is our duty to do so. But we maintain our reserve, thinking as you do, and we have now sent by hand to Brazzaville a complete dossier of documents of the Comite Basque de Secours aux Refugies, so as to be prepared for a possible failure of the present arrangement, which our President ordered.

We will keep you informed of the progress of this matter.

Yours faithfully,

Amigos

Leuro recibo de tu carta 16 del etc con
copias de las enviadas al liquidador
y a tus abogados. Tout va muy bien.
Muchas gracias.

Los otros hemos obedecido y ejecutado
las ordenes del Presidente porque era
nuestro deber. Pero mantenemos nues-
tra reserva, pensando como Vd. y
con el fin de vivir preparados, hemos
aprovechado ocasión propicia para
enviar con un propio a Brazzaville
la documentación completa del Comi-
té Barque, con el fin de estar prepa-
rados al evento de un posible fracaso
de la gestión actual que ^{nuestro} Presidente

ordena. Tendremos a Vd. al corriente
del curso de ~~sueltas~~ en expediente.

Se saluda afectuosamente

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL. 63

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX,
D. B. LEVINSON, B.A.,
J. L. WALTERS,
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF

OUR REF DBL/BH.

*Thornton House,
Finsbury Square,
London, E.C.2.*

16th March 1942.
Monday.

Dear Sir,

Continental Transit Co.Ltd.

Referring to your telephone conversation with us of this morning, we have written to the Liquidator of the Company and to Messrs. Gilbert Robertson & Co. his Solicitors.

We enclose copies of our letters.

Yours faithfully,

Phoenix Levinson Walters & Shane

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

DBL/BH.

16th March 1942.
Monday.

Dear Sirs,

Continental Transit Co.Ltd.

We are instructed by our Client Senor Manuel de Irujo to withdraw his claim to the shares in the above Company standing in the name of Dr.Ziaurriz and to the proceeds thereof.

We have written to the Liquidator in similar terms.

Yours faithfully,

Messrs.Gilbert Robertson & Co.
Solicitors,
Post Office Chambers,
Docks,Cardiff.

DBL/BH.

16th March 1942.
Monday.

Dear Sir,

Re: Continental Transit Co.Ltd.

We are instructed by our Client Senor Manuel de Irujo to withdraw his claim to the shares standing in the name of Dr.Ziaurriz and to the proceeds thereof.

We are writing to your Solicitors confirming this.

Kindly make the necessary record in your books and let us have your acknowledgement.

Yours faithfully,

F.H.Bennett Esq.,
Meeting of Continental Transit Co.Ltd.
Ground Floor, Algeria House,
33-4, Bury Street,
E.C.3.

14th. March 1942
Saturday 1 p.m.

Messrs. Phoenix Levinson Walters and Shane,
Thornton House,
Finsbury Square,
LONDON
E.C.2

Dear Sirs,

CONTINENTAL TRANSIT CO. LTD.

We confirm our letter of yesterday and acknowledge receipt of your letter of same date.

We would agree with your suggestion to attend the meeting if it were not for the order cabled by our President for an immediate withdrawal.

Under the circumstances we should appreciate it if you would communicate the withdrawal as suggested in our letter - by letter to the lawyers of the Liquidator - and reiterate this by another letter addressed to the place of the meeting, to be forwarded at the time of the meeting or before it takes place.

We have particular interest that these gentlemen may never say that our communication of withdrawal did not reach them in time.

We should like to have copies of both letters.

Yours faithfully,

MANUEL DE IRUJO
P.O.

Continental

A los abogados

Recibimos

~~Recibimos~~ su atta 13 cts acompañada de las dos notas del liquidador.

El parecer de Vds sería el nuestro, si no se hubiera recibido la orden del Presidente de una retirada absoluta.

Rogamos a Vds pues, tengan la bondad de hacer llegar la carta a que nos referiamos en la nuestra de ayer, reiterandola con otra dirigida a las señas indicadas en la citacion, la cual, sea entregada en el momento de celebrarse esta Junta o antes.

Tenemos singular empeño en que no puedan decir esos señores que no se ha hecho la manifestacion de retirada a tiempo.

Agradeceremos copia de ambas cartas s ugeridas.

Suyos etc.

Sábado. 14 Marzo 1942

Escrita y
firmada por
Gondra

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF. DBL/BH.

13th March 1942.
Friday.

Dear Sir,

Continental Transit Co.Ltd.

We enclose a letter and accompanying Notice received today from the Liquidator who states that they were returned to him through the Dead Letter Office. You will observe that the letter was addressed to 14, Eccleston Square, S.W.1.

The meeting is a formal one required to be held at the end of the first year of the liquidation for the purpose of receiving the Liquidator's report. As the meeting is to be held in London we suggest that you attend.

Yours faithfully,

Phoenix Levinson

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
S.W.

13th March, 1942.

Messrs. Phoenix Leginson Walters & Shane,
Thornton House,
Rinsbury Square,
E.C.3.

Dear Sirs,

I have just received the following cable from our
President: WITHDRAW AT ONCE YOU AND LAWYERS FROM SUIT IN
ORDER I MAY GIVE URGENT INSTRUCTIONS FOR IMMEDIATE LIQUIDATION
GREETINGS.

I understand that the order refers expressly to the
letter which you must write to your colleagues, the lawyers of
the liquidator and of Sr. Ortuzar, stating that I withdraw
entirely and definitely my claim to the monies.

I should be glad if you would send me copies of the
letters sent to this end, so that I may convey them to the
President as soon as possible.

Yours faithfully,

2 Mayo 1942

Continental al inglés

y amistoso, para la definitiva ~~liquidación~~ *al inglés* por crear su cliente que no es precisa la continuación de los autos.
AL ABOGADO,

Este sería medio adecuado a nuestro parecer para dar la debida Acusamos recibo de su atentado del 27 epdo. Presidente, a las que tenemos el En la práctica forense regular por las leyes procesales españolas, existe para los demandados en juicio un procedimiento de apartarse de los autos judiciales, si no que se ^{produceir} precisa renuncia definitiva en su derecho. Como confianza en Vds. agradeceremos tengan la bondad de informarnos las partes están representadas en el pleito con arreglo a la ley por un Procurador de los Tribunales, designado mediante poder otorgado ante notario, público. El procurador actúa con la asistencia de un letrado. Un sistema que los litigantes pueden emplear para retirarse de los autos es el de que el procurador renuncie al poder por escrito presentado ante el Tribunal, o que el litigante se lo retire, revocándolo ante notario. En cualquiera de ambos casos, el litigante queda separado de los autos, sin que renuncie a su derecho, el cual, mientras la acción esté viva puede ser reclamado, compareciendo más adelante mediante nuevo procurador. Cuando se trata de parte demandada, el pleito puede continuar su curso, quedando dicho demandado en rebeldía.

Aquí no existe el Procurador de los Tribunales. La representación del litigante es ostentada por el abogado. Tampoco es acostumbrado el otorgamiento de un poder notarial, siendo suficiente la designación de abogado hecha por las partes por escritos sencillos. *Se da* otra importante diferencia entre la práctica forense inglesa y las leyes procesales españolas. Con arreglo a estas últimas, la retirada o revocación *del* poder otorgado en favor del Procurador, o el desistimiento de la acción en su caso, han de quedar formalizados mediante escrito presentado al Tribunal. En Inglaterra el abogado del demandado debe dirigirse por carta a su compañero del demandante, comunicándole su retirada de los autos.

Entendemos nosotros que, sin que el Sr. Ziaurritz ni su apoderado formule *la* renuncia alguna al derecho de aquel, pudieran Vds. dirigirse a su compañero, el abogado liquidador, manifestándole la retirada o renuncia de la representación ostentada por Vds. en juicio, estando tan solo dispuestos a continuar interviniendo en procedimiento extrajudicial

y amistoso, para la definitiva liquidación y finiquito del asunto, por creer su cliente que no es precisa la continuación de los autos.

Este sería medio adecuado a nuestro parecer para dar la debida ejecución a las órdenes recibidas del Sr. Presidente, a las que tenemos el deber de atenernos, cualesquiera que sean las consecuencias que de la puesta en práctica de las mismas puedan derivarse.

Como somos legos en legislación procesal y práctica forense inglesa y tenemos confianza en Vds. agradeceremos tengan la bondad de informarnos sobre los extremos que quedan expuestos, rogándoles expliquen nuestra insistencia por el ferviente deseo de cumplir las instrucciones presidenciales, sin perjuicio forzoso e irreparable para los derechos vascos.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

68 ENCL.....

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.,)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

*Thornton House,
Tinsbury Square,
London, E.C.2.*

YOUR REF _____
OUR REF DBL/BH.

3rd March 1942.
Tuesday.

Dear Sir,

Continental Transit Co. Ltd.

We are in receipt of yours of yesterday's date and were very interested to read the account you give of procedure in the Spanish Courts. This procedure is of course entirely different from the procedure in England.

In the present proceedings the Liquidator of the Company received claims to the shares standing in the name of Dr. Ziaurriz from Senor Ortuzar on the one hand and from you on the other. The position therefore was that there were three people apparently claiming the shares as follows:-

1. Dr. Ziaurriz as the registered shareholder.
2. Yourself as his Attorney.
3. Senor Ortuzar.

In addition Senor Ortuzar set up in his Affidavit that the Comité Basque were the people really entitled in the first place to the shares.

The Liquidator thereupon applied to the Court for directions as to who should be regarded as the true owner of the shares and he required the Court to adjudicate upon the rival claims. He issued his notice of the proceedings to all the claimants including yourself. It therefore followed that you had to set up your claim which you did in the form of an Affidavit.

You will observe therefore that the proceedings were commenced by the Liquidator and you are merely a Defendant.

P.T.O.

In order that you may comply with the command of your President it will only be necessary for you to notify the Liquidator that you relinquish your claim. If you merely notify him that legal representation is withdrawn but that your claim still stands although you intend merely to have the matter settled amicably, the Liquidator will still have to await the decision of the Court unless the other claimant will agree to an amicable settlement with you.

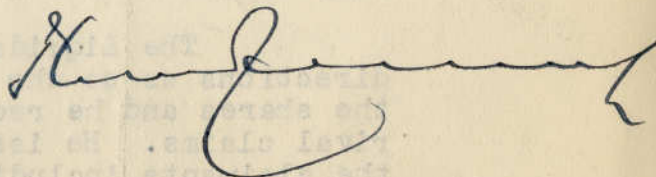
The difficulty however that the Liquidator will find himself in is that in English Law the registered shareholder is primarily the only person entitled to the share and as Dr.Ziaurriz is the registered shareholder he in law is the only person entitled to the shares. You will remember that we put this point of law forward when the matter came before the Court and it was in fact accepted.

We are of the opinion therefore that although you and Sr.Ortuzar withdraw your claims the Liquidator will refuse to pay out the money to anyone without the direction of the Court unless Dr.Ziaurriz can put forward a personal claim from a Country which is not Enemy Country within the meaning of the Law. If on the other hand the present whereabouts of Dr.Ziaurriz cannot be ascertained and the Liquidator chooses to regard France as his last known place of residence then the funds in his hands can only be paid over to the Custodian Trustee.

We trust that this makes the position clear to you.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.



TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Confidential

ENCL.

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES)

YOUR REF
OUR REF DE/BH.

*Thornton House,
Tinsbury Square,
London, E.C.2.*

27th February 1942.
Friday.

Dear Sir,

Continental Transit Co.Ltd.

We are in receipt of yours of yesterday's date and note contents.

We confirm our telephone conversation of yesterday with Senor Lizaso when we stated that the proceedings in this case were started by the Liquidator and you are one of the Respondents. You have taken no step except to make your claim as the attorney to Dr.Ziaurriz.

There is nothing you can do so far as the Court proceedings are concerned except to notify the Liquidator that you withdraw your claim. If you do this the proceedings which the Liquidator commenced will still stand and Senor Ortuzar's claim will still remain.

You cannot of course compel the Liquidator to withdraw the proceedings and we shall be glad to know whether in view of your President's command you wish us to write to the Liquidator withdrawing your claim.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

Continental 69

26th February, 1942.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.

Dear Sirs,

In confirmation of the telephone conversation between you and Mr. Lizaso to-day, I beg to inform you that the President has told us by cable today: CONFIRM WITHDRAWAL IRUJO LAWYERS AS ORDERED PRESIDENT.

We would ask you to confirm or amend your initial opinion in view of the above text.

Yours faithfully,

Manuel de Irujo.

Continental
Conversation with Mr. Levinson. 26.2.42

70

The proceedings were commenced by the Liquidator of the Continental Transit Co. Ltd. and we are the respondents. It is for the Liquidator to withdraw his summons. This will put an end to the proceedings. We have taken no proceedings, we have merely defended. Since we received notice from Sr. Irujo not to do anything further we have taken no step at all, and so far as we are concerned, the proceedings are at an end.

If your President desires the proceedings to end amicably, then all the parties should come together and a friendly settlement be reached. If Sr. Irujo gives up his claim, then Ortuzar will get his money, unless Ortuzar withdraws his claim.

We complied with the President's command immediately.

If we do that we leave it to the other parties to do what they like.

We should write to the solicitors acting for the Liquidator withdrawing our claim, but the lawyer hopes we will not do that.

Ortuzar's claim, unless withdrawn will still stand. So far as the Liquidator is concerned he can only regard Dr. Ziaurritz, but he went to the Court because Ortuzar claimed the money, so that the Court should decide whose is the money. And then we also claimed the money. The position was Dr. Ziaurritz as shareholder, and Sr. Irujo and Sr. Ortuzar as opposing claimants. Then there is the Comite Basque, who are also claimants. We are endeavouring to register the Comite Basque in Brazzaville.

If Mr. Irujo gives up his claim, then proceedings will follow between Ortuzar and the Liquidator, and Mr. Levinson would not like this to happen.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Continental 71

ENCL.

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS,
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.
OUR REF. DBL/BH.

*Thornton House,
Finsbury Square,
London, E. C. 2.*

6th January 1942.
Tuesday.

Dear Sir,

Continental Transit Co.Ltd.

We are obliged by your letter of yesterday's date and you will no doubt have seen that our letter of the 2nd inst, endeavoured to analyse the position and in writing it we thought it wise to deal with the matter from the start and fully explain the position of the Liquidator so far as the Shares of Dr.Ziaurriz are concerned.

We would be interested to know what Senor Ortuzar has decided to do in response to the President's letter. Up to the present he has adopted a very defiant attitude and we are wondering whether he will accede to the President's orders.

Ph ad 7/1/42
regarding this
omission

We note that you have heard nothing from Brazzaville except that the papers have been received there and we also note that you have heard from Chile in reference to the embarkation of Dr.Ziaurriz.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.

Continued

72

5th January, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I am in receipt of your letters of the 1st and 2nd of January, and thank you for your information, a copy of which I will send to the President.

If you consider that any other point requires clarification, I should be glad if you would let me know. I value your opinion and should like the President to understand it clearly and in full. Your letter leads one to believe that, as a logical conclusion from the facts set forth, you may perhaps have arrived at a definite opinion regarding our present position now that Sr. Ortuzar has received the President's letter.

We have no further news from Brazzaville, except that contained in the cable advising us that none of the six copies sent with the certified documents by several different posts, had been received.

We have heard from Chile that the Foreign Ministry has repeated its demarches to facilitate the embarkation of Sr. Ziaurritz, instructing the Consul in Gothenburg to reserve two passages for him and his wife.

Yours faithfully,

Abogado

Continente

Tanto recibo de tus cartas 1 y 2 del
etc. agradezco ~~de veras~~ ^{su} informe y
~~que~~ lo envié literalmente al Presidente.

~~Quiso en lo que val~~

Si algún extremo requiera aclaración,
a juicio de Ud, serégo me lo haya
saber por igual medio. Quiso en mu-
cho su criterio y tengo verdadero interés
en que el Presidente lo conozca en toda
su extensión y con absoluta claridad.
La lectura de tu carta induce a torpe-
zas que, como lógica deducción de los
hechos sentados, tal vez Ud. haya
llegado a fijar en su ánimo ^{mal convenientemente} ~~con relación~~

nuestra actual posición después de ^{puesta en} recibida ~~recibida~~
poder del Sr. Ortúzar la carta del Presidente.

De Brazzaville no tenemos otras noti-
cias que las contenidas en ~~un~~ cable ~~recibido~~
~~hace~~ que informaba no haber recibido
ninguna de las ~~seis~~ ~~copias~~ ~~se-~~
~~mitadas~~ con los documentos legalizados.

De Chile sabemos que el Ministro de
Relaciones Exteriores ha reiterado sus dispo-
siciones para que se facilite el embarque
del Sr. Liauritz, encargando ^{o tu} ~~al~~ Consul
en Gotemburgo, que ^{tenga} ~~reservados~~ ~~los~~ ~~pasajes~~
~~de~~ ~~los~~ ~~pasajes~~ para el ^{mismo} ~~Sr. Liauritz~~
y su familia.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

73
ENCL.

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.

OUR REF. DBL/BH.

*Thornton House,
Tinsbury Square,
London, E. C. 2.*

2nd January 1942.
Friday.

Dear Sir,

Continental Transit Co. Ltd.

Further to our letter of yesterday's date we have now further considered your President's letter to Senor Ortuzar and his order to you to abandon the case.

We think it right to point out to you that the payment out of the monies to the various persons entitled is of course a matter for the Liquidator. In view of the conflicting claims of the various parties to the shares standing in the name of Dr. Ziaurriz, the Liquidator applied to the Court for its directions as to what he should do and which of the parties he should recognise as the true owner of the shares.

You are aware of how this application proceeded and of the fact that we prevented the Liquidator from parting with any of the monies payable in respect to these shares and that we established that the only person whom the Liquidator could recognise as the owner of the shares was Dr. Ziaurriz whose name appeared in the Company's Register as the registered holder.

In our view therefore the Liquidator can only pay the monies due in respect to the shares in question to Dr. Ziaurriz or someone representing him. The matter is however complicated by the fact that the present whereabouts of Dr. Ziaurriz are unknown and that according to the last information concerning him he was resident in Enemy occupied territory. Unless therefore it can be established that Dr. Ziaurriz is no longer in Enemy territory the monies in the hands of the Liquidator can only be paid to the Custodian of Enemy property.

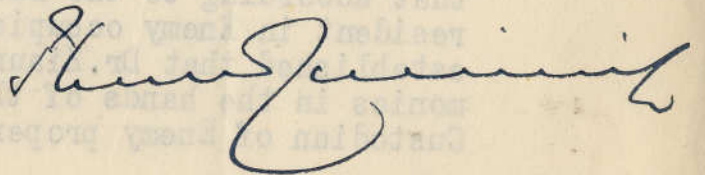
AA
P.T.O.

In point of fact however Dr. Ziaurriz although the registered shareholder was merely the nominee for the Comite Basque and to prevent the Liquidator from paying the monies to the Custodian of Enemy property we advised that the claim of the Comite Basque to the shares, should be established so that the name could be registered in the Company's Register as the owner of the shares in the place of Dr. Ziaurriz. The difficulty however in the way of this was that the Comite Basque was a charitable institution registered in Vichy, France, which in present conditions is regarded in English Law as Enemy territory. In order to get over this difficulty steps were undertaken by you to have the constitution of the Comite Basque transferred to Brazzaville the Capital of Free France and as you know the completion of this registration is now being awaited.

In the above circumstances it seems to us that even though all parties including Senor Ortuzar withdraw from the present dispute, the Liquidator will still be in the position of having to treat Dr. Ziaurriz as the only person at present entitled to the shares and so long as the latter's residence is unknown the Liquidator will be compelled by Law to treat him as an Enemy alien and he will not be able to part with the funds except to the Custodian of Enemy property.

We shall be glad if you will kindly consider the whole position and perhaps you may find a means of placing same before your President.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Continental

ENCL. 74

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF. _____

OUR REF. DBL/MJ

1st January, 1942.
Thursday.

Dear Sir,

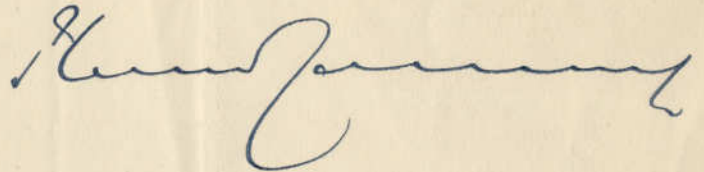
Continental Transit Co. Ltd

We are obliged by yours of yesterday's date enclosing a translation of your President's letter to Senor Ortuzar.

We note your instructions to us with which we will of course comply.

We trust that this matter will now be settled in accordance with the Orders of your President.

Yours faithfully,



Senor Manuel de Irujo,
Basque Delegation,
7-8, Hobard Place,
Eaton Square,
W.1.

31st December, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.

Dear Sirs,

I have received from the President of Euzkadi a letter containing the following paragraph which is translated into English:

"I order both parties to abandon the case, withdrawing your respective representatives and then by joint effort, either directly, or through those representatives or a third person representing you jointly, to proceed to the rapid liquidation at an early date of the property, and its transfer to those persons whom I shall indicate to you."

For me, this order is definite. I desire then, that no further judicial action whatever should be taken in my name, whatever may be the attitude of the other side.

I also desire that you should represent me, if occasion arises, in what the President calls "the rapid liquidation".

Sr. Ortuzar has received from the President a letter, a copy of which has been sent to me and a translation of which I enclose.

I should be glad to have your comments upon this.

Yours faithfully,

Sr. Don Luis de Ortuzar,
10 Bicklescombe Park Road,
Ilfracombe, Devon.

Basque Delegation,
30 Fifth Avenue,
New York.

27 de Noviembre 1941

Mi querido amigo y compatriota

Me avisan de Marsella que han sido cursadas las instrucciones pertinentes para que te pongas en absoluto a mis ordenes. Hubiera preferido recibir un cable o aviso tuyo en este sentido. Me dirijo a ti con referencia al pleito que manteneis el Sr. Irujo y tu. Has reconocido que los bienes son del Gobierno Vasco. Pues bien, sabes que yo soy su President y el unico que legitimamente puede ordenar lo conducente a sus bienes como a la politica general de los vascos. Y sabes que mis ordenes eran obedecidas por todos. Invoco tus sentimientos patrioticos para que ponga fin al litigio. Escribo tambien al Sr. Irujo en carta cuya copia adjunto.

Propongo y os ordeno que abandoneis el litigio retirando vuestras representaciones respectivas del mismo, uniendo vuestros esfuerzos para llegar inmediatamente a la liquidacion, entregando los bienes a las personas que yo indicare. En mi deseo de cordialidad y de no herir susceptibilidades, te ruego me indiques algunos nombres de personas idoneas, a este fin, que habiten actualmente en Inglaterra.

Me he informado detalladamente del pleito, no en los comentarios de parte interesada, sino estudiando durante muchos dias el texto de los escritos presentados ante el Juez. He leido tambien toda tu correspondencia. Las dos partes sabeis y lo reconoceis que esos bienes corresponden al Gobierno Vasco, sea que se invoque su nombre, sea el nombre de la "Societe de Secours aux Basques", como medio habil de eludir reclamaciones adversarias. Irujo asi como la Delegacion de Londres estan disciplinadamente a mis ordenes, segun despachado que me han cursado. Yo espero de ti identica actitud.

He recibido indicaciones muy altas que expresan el deseo de ver conculcadas entre los vascos estas diferencias, que son las unicas y bien desagradables, ocurridas a lo largo de mi Gobierno, tanto en Euzkadi como en el exilio. Una conducta politica que ha producido tantos beneficios, a nuestra causa nacional, no puede empanarse con el escandalo que produce siempre una divergencia sobre todo de esta naturaleza.

Luego podreis todos, pero en nuestro terrano y no en el ajeno, justificar todo lo ampliamente que querais vuestra actitud y las razones a que obedecio.

Ahora a terminar el pleito acatando esta orden mia. Y luego a luchar todos unidos por la libertad de euzkadi y por el triunfo de la causa aliada. Espero recibir tu conformidad utilizando este mismo medio, que la amabilidad de buenos amigos me proporciona.

Te agradezco el afectuoso saludo que me enviaste por conducto de Manu Sota.

Deseandote toda suerte de felicidades te saluda

JOSE ANTONIO DE AGUIRRE.

COPY

President Aguirre
30 Fifth Avenue
NEW YORK

RECEIVED LETTER 27TH NOVEMBER STOP HAVE PASSED LAWYERS LITERALLY
YOUR ORDERS STOP HAPPY NEW YEAR

IRUJO

31st December, 1931

COPY

PHOENIX LEVINSON WALTERS & SHANE
Thornton House,
Finsbury Square,
London, E.C.2.

1st January, 1942.

Dear Sir,

Continental Transit Co. Ltd.

We are obliged by yours of yesterday's date enclosing a translation of your President's letter to Senor Ortuzar.

We note your instructions to us with which we will of course comply.

We trust that this matter will now be settled in accordance with the Orders of your President.

Yours faithfully,

D. B. LEVINSON.

PHOENIX LEVINSON WALTERS & SHANE,
Thornton House, Finsbury Square,
London, E.C.2.

79

Dear Sir,

2nd January, 1942.

Continental Transit Co. Ltd.

Further to our letter of yesterday's date we have now further considered your President's letter to Senor Ortuzar and his order to you to abandon the case.

We think it right to point out to you that the payment out of the monies to the various persons entitled is of course a matter for the Liquidator. In view of the conflicting claims of the various parties to the shares standing in the name of Dr. Ziaurriz, the Liquidator applied to the Court for its directions as to what he should do and which of the parties he should recognise as the true owner of the shares.

You are aware of how this application proceeded and of the fact that we prevented the Liquidator from parting with any of the monies payable in respect to these shares and that we established that the only person whom the Liquidator could recognise as the owner of the shares was Dr. Ziaurriz whose name appeared in the Company's Register as the registered holder.

In our view therefore the Liquidator can only pay the monies due in respect to the shares in question to Dr. Ziaurriz or someone representing him. The matter is however complicated by the fact that the present whereabouts of Dr. Ziaurriz are unknown and that according to the last information concerning him he was resident in Enemy occupied territory the monies in the hands of the Liquidator can only be paid to the Custodian of Enemy property.

In point of fact however Dr. Ziaurriz although the registered shareholder was merely the nominee for the Comite Basque and to prevent the Liquidator from paying the monies to the Custodian of Enemy property we advised that the claim of the Comite Basque to the shares, should be established so that their name could be registered in the Company's Register as the owner of the shares in the place of Dr. Ziaurriz. The difficulty however in the way of this was that the Comite Basque was a charitable institution registered in Vichy, France, which in present conditions is regarded in English Law as Enemy territory. In order to get over this difficulty steps were undertaken by you to have the constitution of the Comite Basque transferred to Brazzaville the Capital of Free France and as you know the completion of this registration is now being awaited.

In the above circumstances it seems to us that even though all parties including Senor Ortuzar withdraw from the present dispute, the Liquidator will still be in the position of having to treat Dr. Ziaurriz as the only person at present entitled to the shares and so long as the latter's residence is unknown the Liquidator will be compelled by Law to treat him as an Enemy alien and he will not be able to part with the funds except to the Custodian of Enemy property.

We shall be glad if you will kindly consider the whole position and perhaps you may find a means of placing same before your President.

Continental

80

30th December, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

We are in receipt of your letter of the 29th December, and have no further news to give you regarding the registration of the Comité Basque at Brazzaville. We know that the documents have not yet arrived there, but if we receive any information we will advise you.

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. S. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF. DBL/MJ

29th December, 1941.
Monday.

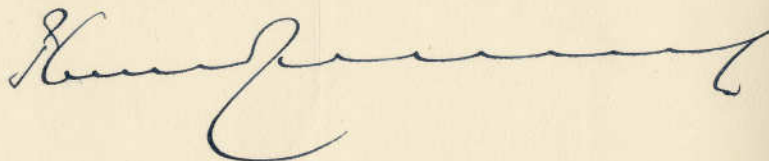
Dear Sir,

Continental Transit Co. Ltd

We are in receipt of yours of the
23rd instant and note contents and we have written
to Messrs. Gilbert Robertson & Co. accordingly.

We shall be glad to know whether any
progress has been made in the ^{matter} of the registration of
the Comité Basque at Brazzaville.

Yours faithfully,



Senor Manuel de Irujo,
Basque Delegation,
7-8, Hobart Place,
Eaton Square,
London, S.W.

23rd December, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

We are in receipt of your letter of the 22nd December, and agree that it would be sufficient to say that the efforts of the Chilian Government to receive Dr. Ziaurriz in their country were being continued and the only difficulty in the way is that of shipping accommodation.

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL. _____

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

YOUR REF. _____

OUR REF. DBL/BH.

*Thornton House,
Finsbury Square,
London, E. C. 2.*

22nd December 1941.
Monday.

Dear Sir,

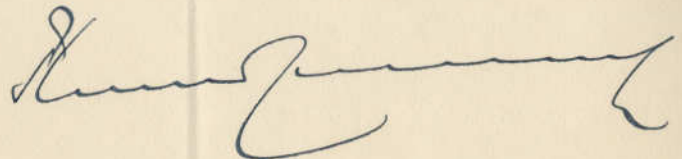
Continental Transit Co. Ltd.

We are in receipt of yours of the 19th inst
and note the position of Dr. Ziaurriz.

1.6 We are wondering how far we should disclose this
information to Gilbert Robertson & Co. It seems to us suffic-
ient if we simply stated that you understand that the efforts
of the Chilian Government to receive Dr. Ziaurriz in their
country were being continued and the only difficulty in the way
is that of shipping accommodation.

Please consider this and let us have your instructions.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
S.W.1.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

82

Continental

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS,
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.
OUR REF. DBL/BH.

18th December 1941.
Thursday.

Dear Sir,

Continental Transit Co.Ltd.

The Solicitors to the Liquidator have written us to inquire whether there is any further news of Dr.Ziaurriz. We shall be glad to know whether you have any information.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

Handwritten notes and scribbles at the bottom of the page, including the word 'Continental' and various initials and numbers.

Continental

19th December, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

We are in receipt of your letter of the 18th
December.

We have had further information from our Delegation in Chile advising us that the Chilean Foreign Office has reported that the previous demarche made on behalf of Dr. Ziaurriz in order that he might embark at Gotenburg, failed owing to the short notice for making arrangements, and that a new demarche is being made to this end in order to facilitate and embarkation of Dr. Ziaurriz from the port of Gotenburg.

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Continental

ENCL.

83

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.
DBL/BH.
OUR REF.

*Thornton House,
Finsbury Square,
London, E. C. 2.*

11th November 1941.
Tuesday.

Dear Sir,

Continental Transit Co. Ltd.

We are in receipt of yours of yesterday's date and note contents.

We have written the Liquidator and enclose copy of our letter but would point out that unless definite claims are put forward he is entitled to ignore our notice.

We will however await the effect of our letter.

Yours faithfully,

Phoenix Levinson & Co

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.

DBL/BH.

11th November 1941.
Tuesday.

Dear Sir,

Continental Transit Co.Ltd.

We are in receipt of yours of the 4th inst,
and would point out that Mr.Ortuzar is still aware there
are claims pending against him in respect to the funds payable
to him both under the Continental Transit Co.Ltd. and Management
& Shipping Ltd.

In these circumstances we shall hold you liable for
any consequences resulting with your parting with any of the
funds to Mr.Ortuzar.

Yours faithfully,

F.H.Bennett Esq.,
28, Lewes Road,
Friern Barnet,
N.12.

Continental

84

10th November, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I am in receipt of your letter of the 7th November enclosing copy of the letter from the Liquidator.

You are quite correct in what you say, but we would suggest the addition of an indication that by our request we are trying to prevent future litigation, and to settle outstanding questions. Doubtless Sr. Ortuzar would prefer that these questions should remain pending. We do not oppose that. He knows how to estimate the consequences.

If you think this suggestion advisable, perhaps you would include it in the reply.

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.

OUR REF. DBL/BH.

Continental ENCL. 85

*Thornton House,
Finsbury Square,
London, E. C. 2.*

7th November 1941.
Friday.

Dear Sir,

Continental Transit Co.Ltd.

We enclose copy of a letter we have received from the Liquidator of Management & Shipping Co.Ltd. and who is also the Liquidator of Continental Transit Co.Ltd.

We would advise that he is right in stating that our Notice is not sufficient to prevent him from winding up the Company and paying out to Mr.Ortuzar anything due to him in respect to Management & Shipping Co.Ltd. unless some action is taken to restrain him.

We shall be glad if you will kindly consider the matter and let us have your instructions.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

F. H. BENNETT. & CO.

Continental

28, Lewes Rd.,
Friern Barnet,
N.12.

ref. FHB/DF.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Sq.,
E.C.2.

Dear Sirs,

Continental Transit Co. Ltd.

Referring to your letter of the 27th ult., I have now been advised that I cannot recognise your notice of the 14th October 1941 as on the information in my possession, there is no justification therefor and I have no knowledge of anything that entitles me to withhold a distribution to Mr. Ortuzar in due course in the liquidation of Management & Shipping Co. Ltd.

Unless you reprove to my satisfaction that your client holds a charge lien or claim on or in respect of Mr. Ortuzar's shares in Management & Shipping Co. Ltd. which can be recognised by me as Liquidator, or unless you commence proceedings to establish any right which your client claims to possess or to show good and sufficient reasons why I should not make a distribution to Mr. Ortuzar, such distribution as I may deem advisable will be made on the 18th inst. without regard to your notice.

Yours faithfully,
(sgd) F. H. BENNETT.
(Liquidator)

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Continental

ENCL.

86

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF. DBL/BH.

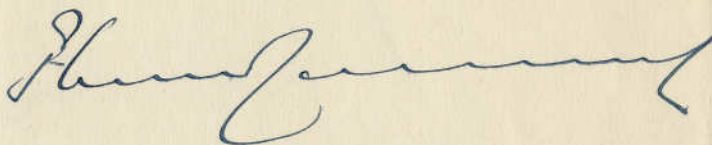
31st October 1941.
Friday.

Dear Sir,

Comite Basque.

We now enclose Power of Attorney with Notarial Certificate attached and duly authenticated by the Free French representative.

Yours faithfully,



REGISTERED.

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.

Continental

87

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

*Thornton House,
Tinsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF. DBL/EF.

27th October, 1941.
Monday.

Dear Sir,

re Continental Transit Co. Ltd.

We are obliged by your letter of the 23rd instant
and enclose a copy of the letter we have written to the
Liquidator from which you will see the position.

Yours faithfully,

Phoenix Levinson Walters & Shane

Senor Manuel de Irujo,
The Basque Delegation,
7/8 Hobart Place,
Eaton Square,
S.W.1.

DBL/LK

27th October 1941.
Monday.

Dear Sir,

Re: Continental Transit Co Ltd.

We are in receipt of yours of the 17th instant and note contents. This matter will be dealt with in due course, and in the meantime we are making enquiries.

It will be necessary too, that the accounts of the Company be closely investigated, so that the real position as between our client Mr. Ortuzar may be ascertained.

Yours faithfully,

F. H. Bennett Esq.,
28 Lewes Road,
Friern Barnet,
N.12.

Continued

88

23rd October, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

We are in receipt of your letter of the
22nd October.

We suggest that the reply to the Liquidator
should be, that in order to answer the point raised
we must previously ~~see~~ the account and certificates
of the liquidation.

In this way, since they have already shown
their unwillingness to supply us with such details,
we shall maintain our position, and if they do ~~send~~ *show*
us such documents we can then study them carefully
and discover all possible information.

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

ENCLOSURE
No 574
"JUSTSO"

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF.

DBL/BH.

22nd October 1941.
Wednesday.

Dear Sir,

Continental Transit Co.Ltd.

We enclose copy of a letter we have received from the Liquidator.

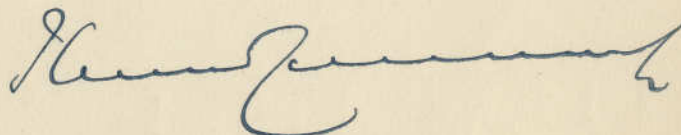
You will recollect that at the hearing before the Registrar we referred to possible claims that you may have to the monies alleged to be due to Mr.Ortuzar. As you know according to the Affidavit of the Liquidator payments made by the Company amounting to about £40,000 were debited to the Account of Dr.Ziaurriz.

We stated to the Registrar that we were in doubt as to whether the whole of these payments were properly debited to Dr.Ziaurriz and it was possible that some of them ought to be debited to Mr.Ortuzar. The Liquidator now requires to know which of the payments alleged to have been made on account of Dr.Ziaurriz are disputed.

We shall be glad if you will kindly consider this with a view to our replying to the Liquidator.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.



F.F.BENNETT & CO.

28, Lawes Road,
Frien Barnet,
N.12.

17th October, 1941.

FHB/DF.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
London, E.C.2.

Dear Sirs,

Continental Transit Co. Ltd.

I am in receipt of your letter of the 14th inst. reference DBL/BH. I understood your representative to mention to the Registrar that some of the payments making up the £40,000 odd debited to the account of Dr. Ziaurriz, were disputed by your client, and that he maintains that they should be chargeable against Mr. Ortuzar. He went on to say that the amount eventually due to Mr. Ortuzar in respect of his own shares might not offset these disputed items and that in that event moneys payable to Mr. Ortuzar in respect of the shares he owns in Management & Shipping Co. Ltd. might be available to meet any deficiency. For my own guidance, will you kindly let me know which of the amounts now standing to the debit of Dr. Ziaurriz are disputed by your client.

Yours faithfully,

(Sgd.) F.H.Bennett.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX,
D. B. LEVINSON, B.A.
J. L. WALTERS,
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

YOUR REF.

OUR REF. DBL/BH.

21st October 1941.
Tuesday.

89
ENCL.



Continental
Thornton House,
Finsbury Square,
London, E. C. 2.

Dear Sir,

Continental Transit Co. Ltd.
Re: Comite Basque.

We enclose draft Power of Attorney for your approval.

Kindly let us have same back with your comments and we will complete it for signature by MM. Arredondo and Etxebarria before a Notary Public.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

Confidential

90

22nd October, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

We are in receipt of your letter of the 21st October, enclosing draft Power of Attorney. This is quite in order, and we are now returning it to you for preparation in final form.

You will no doubt advise us when Mr. Arredondo and Mr. Etxebarria are required to attend to sign it.

We also beg to acknowledge receipt of your second letter, enclosing the correspondence referred to in the Affidavit of Mr. Ortuzar.

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

Continental

ENCL.

91

PHOENIX LEVINSON WALTERS & SHANE
(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.
OUR REF. DBL/EH.

21st October 1941.
Tuesday.

Dear Sir,

Continental Transit Co. Ltd.

We now enclose a copy of the correspondence referred to in the Affidavit of Mr. Ortuzar.

If you require it we will arrange for you to inspect the originals.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.

Phoenix Levinson Walters & Shane D.B.L./B.H.

14 de Octubre de 1.941

Continental Transit Co. Ltd.

Muy Sr. mío:

La comparecencia hecha en virtud de la demanda del Liquidador y aplazada hasta esta fecha, se vió hoy por la tarde ante el Magistrado Registrador.

El Liquidador estaba representado por un Abogado mayor y un Abogado menor; el Sr. Ortuzar estaba también representado por Abogado; también el Custodio estaba representado. En nombre de Vd. compareció personalmente nuestro Mr. Levinson.

El Magistrado-Registrador después de una larga discusión decidió que él no se ocuparía de la reclamación presentada por el Sr. Ortuzar. También declinó dar una Orden para que la cantidad pagable en relación a las Acciones del Dr. Ziaúñiz fuera hecha efectiva al Custodio.

El Abogado del Liquidador tenía interés en que el Magistrado-Registrador extendiera una Orden para el pago de los fondos y arguyó que estando el Dr. Ziaúñiz en territorio enemigo sus acciones eran propiedad pagable al Custodio. Nosotros argüimos por nuestra parte, sin embargo, que ~~como~~ el Dr. Ziaúñiz hacia esfuerzos para llegar a Chile y por otra parte él era exclusivamente un Depositario a nombre del Comité Vasco y Vd. es su Apoderado residente en Inglaterra. El Magistrado-Registrador admitió la fuerza del hecho de que el Dr. Ziaúñiz como accionista no pudiera ser habido y que su último domicilio estuviera en territorio enemigo, pero accedió a nuestro argumento de que en cualquier momento el Dr. Ziaúñiz podía dejar de estar en territorio enemigo y en conformidad no extendió la Orden para que el dinero fuera pagada al Custodio.

Igualmente, estimó imposible para él ordenar que el dinero fuera pagado a Vd. a causa de la reclamación formulada por el Sr. Ortuzar.

Llegado este momento de la discusión, surgió una cuestión muy grave.

El Sr. Ortuzar había presentado para registro una Declaración jurada en la cual establece que el dinero utilizado para la compra de las acciones, pertenecía al Gobierno Vasco. El Abogado del Liquidador, sugirió entonces que en vista de esta declaración la Corte (Juez) se pusiera en comunicación con el Foreign Office a fin de que se establezca el "status" del Gobierno Vasco. El Magistrado-Registrador hizo observar que si el Gobierno Vasco era un Gobierno rebelde, en rebeldía contra un poder amigo, como España, podrían surgir graves complicaciones si se tomara resolución judicial sobre estos fondos y fueran entregados al Gobierno Vasco.

A ésto, argüimos nosotros que el Sr. Ortuzar era la única persona que había alegado que estos dineros procedían del Gobierno Vasco y que Vd. negaba el hecho. Nosotros establecimos que no habíamos tenido ocasión de examinar la Declaración jurada del Sr. Ortuzar hasta

hoy y que una contestación adecuada podría darle a su alegato.

Nosotros mantuvimos que los dineros pertenecían al Comité Vasco que era una Asociación Filantrópica y que los fondos procedían de contribuciones voluntarias.

Por último, el Magistrado-Registrador extendió una orden para que sean pagados una libra por acción menos cualquier cantidad pagada a cuenta, a la "Shipping & Management Co. Ltd. y que no se pague ninguna cantidad ni a Vd. ni al Sr. Ortuzar. El resultado es que, el saldo del dinero continúa en las manos del Liquidador y será ingresado en una Cuenta de Liquidación.

En momento apropiado el Comité Vasco tendrá que reclamar estos fondos. El resultado principal, sin embargo, es que hemos logrado demorar la resolución del asunto.

Le incluimos copia de la Declaración jurada del Sr. Ortuzar.
Suyo affmo.

(firmado)

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

ENCLOSURE
NO 542
"JUSTSO"

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.....

OUR REF. DBL/BH.

14th October 1941.
Tuesday.

Dear Sir,

Continental Transit Co.Ltd.

The adjourned Summons issued by the Liquidator herein came before the Registrar this afternoon.

The Liquidator was represented by leading and junior Counsel and Mr.Ortuzar was also represented by Counsel and the Custodian Trustee was also present. Our Mr.Levinson appeared personally on your behalf.

The Registrar after a long argument decided that he would not deal with the claim put up by Mr.Ortuzar. He also declined to make an Order that the money payable in respect to the Shares of Dr.Ziaurriz should be paid to the Custodian Trustee.

Counsel for the Liquidator was anxious that the Registrar should make an Order for the payment out of the funds and he argued that as Dr.Ziaurriz was in enemy territory his Share was properly payable to the Custodian. We contended however that Dr.Ziaurriz was endeavouring to reach Chile and in any event he was merely a Trustee for the Comite Basque, and you were his Attorney residing in England.

The Registrar felt the force of the fact that Dr.Ziaurriz as the Shareholder was not available and that his last address was in enemy territory, but he acceded to our suggestion that at any moment Dr.Ziaurriz may not be in enemy territory, and he accordingly would not make an Order that the money be paid to the Custodian.

He also felt it impossible for him to order that ~~that~~ the money be paid to you because of the claim set up by Mr.Ortuzar. At this point in the discussion a serious question then arose.

P.T.O.

Continued.

-2-

14th October 1941
Tuesday.

Mr.Ortuzar had sworn and filed an Affidavit in which he stated that the money used for buying the Shares belonged to the Basque Government. Counsel for the Liquidator then suggested that in view of this statement the Court should communicate with the Foreign Office, with a view to ascertaining the status of the Basque Government. The Registrar pointed out if the Basque Government was a rebel Government in revolt against a friendly power viz. Spain, serious complications might arise if these funds were now dealt with and passed over to the Basque Government.

Upon this we pointed out that Mr.Ortuzar was the only person who had alleged the monies had come from the Basque Government and that you disputed this. We pointed out that we had had no opportunity of seeing Mr.Ortuzar's Affidavit until today and a reply could easily be given to it.

We maintained that the monies belonged to the Comité ~~de~~ Basque which was a philanthropic institution and the monies had been contributed voluntarily.


In the end the Registrar made an Order that Shipping & Management Co.Ltd. be paid £1 per share less any monies already paid to it, and that no monies be paid to either you or Mr.Ortuzar. The result is that the balance of the monies remains in the Liquidator's hands and will be paid into a Liquidation Account.

In due course a claim will have to be made by the Comité Basque to these funds. The principal result however is that we have succeeded in holding the matter up.

We enclose a copy of Mr.Ortuzar's Affidavit.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square,
S.W.1.



14 Octubre

93

Con referencia a la Orden del Registrador hecha hoy para realizar un pago con relacion a las Acciones ^{que de} ~~de~~ la Compania arriba citada tiene la Management & Shipping Co. Ltd., queremos recordar a Ud. que nosotros dijimos al Registrador que podria haber reclamaciones a estas acciones, opuestas al Señor Ortuzar quien entendemos es el principal accionista en la Management & Shipping Co. Ltd.

Entendemos es Ud. el Liquidador de ~~esta Compania~~ dicha Management & Shipping Co. Ltd. y por lo tanto damos a Ud. aviso de que no debe Ud. pagar esos fondos de la Compania mientras no se arreflen las reclamaciones ante mencionadas.

Suyos.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & Co.)

SOLICITORS,
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE,
TEL. 5534 (4 LINES).

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF. RVC/WW

15th October, 1941.
Wednesday.

Dear Sir,

Continental Transit Co. Ltd.

As arranged we enclose a copy of the letter
of the 14th instant which we sent to the Liquidator.

Yours faithfully,

Senor Manuel de Irujo,
Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.1.

COPY.

DBL/BH.

14th October, 1941.
Tuesday.

Dear Sir,

Continental Transit Co. Ltd.

Referring to the Order of the Registrar made today for a payment to be made in respect of the Shares held in the above Company by Management & Shipping Co. Ltd. we desire to remind you that we mentioned to the Registrar that there may be claims raised to these Shares as against Senor Ortuzar who we understand is the principal Shareholder in Management & Shipping Co.Ltd.

We understand that you are the Liquidator of the latter Company and we therefore give you notice that you are not to part with any of the funds of that Company pending the settlement of the above mentioned claims.

Yours faithfully,

F.H.Bennett Esq.,
28, Lewes Road,
Friern Barnet,
N.12.

Phoenix Levinson Walters & Shane D.B.L./B.H.

14 de Octubre de 1.941

Continental Transit Co. Ltd.

Muy Sr. mío:

La comparecencia hecha en virtud de la demanda del Liquidador y aplazada hasta esta fecha, se vió hoy por la tarde ante el Magistrado Registrador.

El Liquidador estaba representado por un Abogado mayor y un Abogado menor; el Sr. Ortuzar estaba también representado por Abogado; también el Custodio estaba representado. En nombre de Vd. compareció personalmente nuestro Mr. Levinson.

El Magistrado-Registrador después de una larga discusión decidió que él no se ocuparía de la reclamación presentada por el Sr. Ortuzar. También declinó dar una Orden para que la cantidad pagable en relación a las Acciones del Dr. Ziaufiz fuera hecha efectiva al Custodio.

El Abogado del Liquidador tenía interés en que el Magistrado-Registrador extendiera una Orden para el pago de los fondos y arguyó que estando el Dr. Ziaufiz en territorio enemigo sus acciones eran propiedad pagable al Custodio. Nosotros argüimos por nuestra parte, sin embargo, que ~~como~~ el Dr. Ziaufiz hacia esfuerzos para llegar a Chile y por otra parte él era exclusivamente un Depositario a nombre del Comité Vasco y Vd. es su Apoderado residente en Inglaterra. El Magistrado-Registrador admitió la fuerza del hecho de que el Dr. Ziaufiz como accionista no pudiera ser habido y que su último domicilio estuviera en territorio enemigo, pero accedió a nuestro argumento de que en cualquier momento el Dr. Ziaufiz podía dejar de estar en territorio enemigo y en conformidad no extendió la Orden para que el dinero fuera pagada al Custodio.

Igualmente, estimó imposible para él ordenar que el dinero fuera pagado a Vd. a causa de la reclamación formulada por el Sr. Ortuzar.

Llegado este momento de la discusión, surgió una cuestión muy grave.

El Sr. Ortuzar había presentado para registro una Declaración jurada en la cual establece que el dinero utilizado para la compra de las acciones, pertenecía al Gobierno Vasco. El Abogado del Liquidador, sugirió entonces que en vista de esta declaración la Corte (Juez) se pusiera en comunicación con el Foreign Office a fin de que se establezca el "status" del Gobierno Vasco. El Magistrado-Registrador hizo observar que si el Gobierno Vasco era un Gobierno rebelde, en rebeldía contra un poder amigo, como España, podrían surgir graves complicaciones si se tomara resolución judicial sobre estos fondos y fueran entregados al Gobierno Vasco.

A ésto, argüimos nosotros que el Sr. Ortuzar era la única persona que había alegado que estos dineros procedían del Gobierno Vasco y que Vd. negaba el hecho. Nosotros establecimos que no habíamos tenido ocasión de examinar la Declaración jurada del Sr. Ortuzar hasta

hoy y que una contestación adecuada podría darle a su alegato.

Nosotros mantuvimos que los dineros pertenecían al Comité Vasco que era una Asociación Filantrópica y que los fondos procedían de contribuciones voluntarias.

Por último, el Magistrado-Registrador extendió una orden para que sean pagados una libra por acción menos cualquier cantidad pagada a cuenta, a la "Shipping & Management Co. Ltd. y que no se pague ninguna cantidad ni a Vd. ni al Sr. Ortuzar. El resultado es que, el saldo del dinero continúa en las manos del Liquidador y será ingresado en una Cuenta de Liquidación.

En momento apropiado el Comité Vasco tendrá que reclamar estos fondos. El resultado principal, sin embargo, es que hemos logrado demorar la resolución del asunto.

Le incluimos copia de la Declaración jurada del Sr. Ortuzar. Suyo afmo.

(firmado)

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

95 Continental

ENCL.

*Thornton House,
Finsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF. DBL/BH.

13th October 1941.
Monday.

Dear Sir,

Continental Transit Co. Ltd.
Re: Comite Basque.

We are in receipt of yours of the 10th inst
with its enclosure.

We are proceeding with the preparation of the Power
of Attorney.

Yours faithfully,



Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

Confidential 96

11th October, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

With reference to our letter of yesterday,
I now have the pleasure to enclose the certificate
referred to.

Yours faithfully,

JE SOUSSIGNE, ELIAS DE ETXEBARRIA OTAOLA SECRETAIRE GENERAL
DU COMITE BASQUE DE SECOURS AUX REFUGIES.

C E R T I F I E:

Que le comité directeur du C.B.S.R. réuni
le huit Octobre dix-neuf cents quarante et un, à Redhill,
Surrey, sous la présidence de M. Luis de Arredondo et en
présence du secrétaire général de l'Association, M. Elias
de Etxebarria et de MM. Gamarra, Ormaechea, Zabalo et
Onaindia, -- les deux derniers représentaient respectivement
les deux membres du Comité Directeur MM. Izaurieta et Garate, --
prit les décisions suivantes:

" L'avocat de Brazzaville, Maitre Proncel, c/o
"Haut Commissariat de l'Afrique Française Libre", a demandé
un pouvoir lui conférant la représentation de l'Association
à Brazzaville. Le Comité Directeur décide d'autoriser le
Vice-Président M. Arredondo, et le Secrétaire Général,
M. Etxebarria, à comparaître devant un Notaire public afin
de rédiger ce pouvoir. Par ce document, Maitre Proncel
sera autorisé à entreprendre les démarches en vue du transfert
de domicile legal d'Anglet à Brazzaville; à fixer ce
domicile au lieu et dans le local qu'il désigne, et à
mener à bonne fin les activités inhérentes aux pouvoirs qui
lui seront accordés. Dans l'avenir il sera fondé à
accomplir tous les actes, même ceux qui ne se réfèrent pas
à ce transfert de domicile, qui seraient confiés à ses soins
par carte ou document timbré par l'Association, signé par
deux des membres du Comité présents en ce jour, et scellé
avec le sceau du Comité".

Redhill le dix Octobre 1941

Vo.Bo.

Luis de Arredondo
Vice-President

Elias de Etxebarria
Secrétaire Général

10th October, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.2.

Dear Sirs,

I am in receipt of your letter of the 9th October. I absolutely agree with you that with the documents being supplied it is not at all necessary for a Power of Attorney to be sent to Maitre Proncel on the question of registering the Comite in Brazzaville, but that is what he asks and we shall have to comply with his wishes.

I cannot give you the full name of Maitre Proncel. We have consulted with the Free French Forces here, and they do not know it, but they have stated that the correct address should be as follows: Maitre Proncel, C/o Haut Commissariat de l'Afrique Française Libre, Brazzaville.

The Comite Basque held a meeting on the 8th October to consider the question of sending Maitre Proncel the Power of Attorney required, and they accordingly agreed to the request. A minute of this meeting of the Comite, in the form of a certificate signed by the Secretary General and the Vice-President will be sent you as soon as possible, but in the meantime I send you a copy of it in order that you may at once proceed with the preparation of the document.

Yours faithfully,

En Redhill a primero de Octubre de mil novecientos cuarenta y uno se reune la Junta de Gobierno de la Asociacion bajo la presidencia del Sr. Arredondo y con asistencia de los Sres Gamarra, Ormaechea, Onaindia, Zabalo y Echeverria. Los Sr. Onaindia y Echeverria sustituyen a los titulares Sr. Izaurieta y Eparate.

Se da cuenta de la situacion del pleito provocado por el liquidador de Continental Transit y de su suspension hasta el 15 cts para dar lugar a que el Sr. Ziaurritz, reclamado por el Gobierno de Chile, pueda llegar a aquel pais, evitandose de tal manera el congelamiento de los fondos puestos a su nombre.

Maitre Proncel c/o Haut Commissariat BRAZZAVILLE

El Abogado de Brazzaville ha solicitado un poder para actuar en aquella villa en nombre de esta Asociacion. Se acuerda ~~autorizar~~ autorizar a los Sres Vicepresidente y Secretario, Sres Arredondo y Echeverria, para que, comparezcan ante notario y otorguen dicho poder. En el mismo le facultaran para instar el expediente de traslado de domicilio social de Anglet a Brazzaville, fijarlo en el lugar o local que designe y llevar a termino aquellas actividades que sean consecuencia de estas facultades. En adelante, quedara facultado para ejecutar todos aquellos actos, aunque no se refieran a este traslado de domicilio, que consten encargados a su gestion, por carta u oficio timbrado de esta Asociacion, firmado por los dos otorgantes y sellado con el cunio ~~del~~ del Comite.

Sin otros asuntos se levanta el acta

10 de octubre

de l'Afrique Française Libre.

ACTE DE LA REUNION DU COMITE DIRECTEUR DE
L'ASSOCIATION EN DATE DU 8 OCTOBRE

"Le Comité Directeur de l'Association s'est réuni à Redhill, le huit Octobre dix-neuf cents quarante et un, sous la Présidence de M. Arredondo. Etaient présents le secrétaire général de l'Association, M. Elias de Etxebarria, et MM. Gamarra, Ormaechea, Zabalo et Onaindia. Ces deux derniers représentaient respectivement des deux membres du Comité Directeur MM. Izaurieta et Garate.

Il fut rendu compte du procès provoqué par le liquidateur de la société "Continental Transit" et de sa suspension jusqu'au 14 courant afin que M. Ziaurritz réclamé par le Gouvernement du Chili puisse arriver dans ce pays, évitant ainsi la congélation des fonds déposés à son noms.

L'avocat de Brazzaville, Maître P ronceL, c/o "Haut Commissariat de l'Afrique Française Libre", a demandé un pouvoir lui conférant la représentation de l'Association à Brazzaville. Le Comité Directeur décide d'autoriser le Vice-Président M. Arredondo, et le Secrétaire Général, M. Etxebarria, à comparaître devant un Notaire public afin de rédiger ce pouvoir. Par ce document, Maître Proncel sera autorisé à entreprendre les démarches en vue du transfert de domicile legal d'Anglet à Brazzeville; à fixer ce domicile au lieu et dans le local qu'il désigne, et à mener à bonne fin les activités inhérentes aux pouvoirs qui lui seront accordés. Dans l'avenir il sera fondé à accomplir tous les actes, même ceux qui ne se réfèrent pas à ce transfert de domicile, qui seraient confiés à ses soins par carte ou document timbré par l'Association, signé par deux des membres du Comité présents en ce jour, et scellé avec le sceau du Comité.

La séance ayant été livrée sans autres affaires, il a été procédé immédiatement à la rédaction de l'Acte".

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

160
ENCL.

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

*Thornton House,
Tinsbury Square,
London, E. C. 2.*

YOUR REF.

OUR REF. DBL/BH.

9th October 1941.
Thursday.

Dear Sir,

Continental Transit Co. Ltd.

As you are aware the Summons issued by the Liquidator comes before the Registrar on Tuesday next the 14th inst and the Registrar will then consider the course to be taken.

The Liquidator's Solicitors indicated that they will ask for leave to pay the disputed amount to the Custodian of Enemy property. We cannot understand why they ask for this because they obviously do not require the Leave of the Court to do so.

We are informed too, by the Solicitors to Mr. Ortuzar that they intend applying for the payment of the amount due to Messrs. Management & Shipping Ltd. as there is no dispute as to their ownership of their Shares.

We shall also no doubt be acquainted with the true nature of Mr. Ortuzar's claim if he intends to persist in same.

We will report fully to you after the proceedings.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

Como sabe Vd. la citación hecha por el Liquidador se verá ante el Registrar el próximo martes 14 de los corrientes y el Registrar considerará entonces el curso a tomar.

Los abogados indicaron que pedirán autorización para pagar la cantidad en disputa al Custodio de propiedad enemiga. No podemos comprender por qué piden aquélla, porque es obvio que no requieren la autorización de la Corte para hacerlo.

Los Abogados del Sr. Ortuzar nos informan también que se proponen pedir autorización para el pago en la cantidad debida a la Management & Shipping Ltd. ya que no existe disfruta sobre la propiedad de sus acciones.

Sin duda sabremos también la verdadera naturaleza de las reclamaciones del Sr. Ortuzar si se propone persistir en ellas.

Le comunicaremos el detalle de lo que ocurra después de la vista.

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
(4 LINES)

ENCL.

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS.
COMMISSIONERS FOR OATHS.

J. T. PHOENIX.
D. B. LEVINSON, B.A.
J. L. WALTERS.
A. L. SHANE.

CARDIFF: 8/9, DUMFRIES PLACE.
TEL. 5534 (4 LINES).

YOUR REF.

OUR REF.

DBL/BH.

9th October 1941.
Thursday.

101
Thornton House,
Finsbury Square,
London, E. C. 2.

Dear Sir,

Continental Transit Co. Ltd.
Re: Comite Basque.

Further to our letter of yesterday's date, we shall require the full name and address of Maitre Proncel for insertion in the Power of Attorney.

With regard to the Power of Attorney itself, it is not clear to us why Maitre Proncel requires it. The documents despatched to him appear to us to be complete for the purpose of registering the Comite in Brazzaville, and Maitre Proncel as your lawyer and representative there, would seem to have full authority for carrying through such registration.

You will appreciate that the difficulty in the matter too arises out of the fact that as the Comite Basque is not at present fully constituted in London, and the members of the executive Committee are scattered, we do not know how it is proposed by you to convene and hold a meeting of the Executive Committee so as to authorise the grant of a Power of Attorney to Maitre Proncel.

By Article 8 of the Constitution the Vice President will replace the President in the latter's absence and by Article 9 the Secretary General is invested with very full and wide powers of administration. It may be that the last sentence in Article 9 may be sufficient to cover the grant of a Power of Attorney to Maitre Proncel by the Secretary General.

In our view however, it will be best for the Comite Basque to hold a Meeting of such of the members of the Executive Committee as it is possible to call and that the Vice President

P.T.O.


TELEPHONE NUMBERS:
KELSO 1200, 1201, 1202, 1203
11 1200

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5 17 BROADWAY
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and Secretary General be formally authorized to grant the Power of Attorney. If this is not convenient or possible then we propose to grant the Power of Attorney in pursuance of the provisions of Article 8 which gives certain powers to the Vice President and Article 9 which gives wide powers to the Secretary General.

We shall be glad to have your views.

Yours faithfully,

Senor Manuel de Irujo,
The Basque Delegation,
7/8, Hobart Place,
Eaton Square, S.W.

By Article 8 of the Constitution the Vice President will replace the President in the latter's absence and by Article 9 the Secretary General is invested with very full and wide powers of administration. It may be that the last sentence in Article 9 may be sufficient to cover the grant of a Power of Attorney to the Secretary General.

In our view however, it will be best for the Committee to hold a meeting of each of the members of the Executive Committee as it is possible to call and that the Vice President

Gobierno Vasco, lo mismo que los fondos depositados a nombre del Sr. Ziaurritz. El Sr. Ortuzar tiene verdadero interes en que Vds, como abogados nuestros, den su visto bueno al pago de las mencionadas acciones, sin hacer constar reserva alguna. Ya antes ~~haciamos~~ el liquidador trajo a su affidavit el balance de liquidacion de la Management, sin ^{demanda} necesidad. El objeto de aquella relacion pudiera muy bien ser, como el de la notificacion hecha ~~a Vd~~ ahora, lograr de Vds una manifestacion de asentimiento. El Sr. Ortuzar teme que, algun dia, los vascos traten de pedirle esos y otros fondos. Y para aquella fecha, se prepara con documentos, en los cuales, aparezcamos, de alguna manera, dando nuestra conformidad a la situacion legal que el disfruta hoy sobre tales fondos.

Nosotros nos inclinariamos, resueltamente, a que, de alguna manera, fuera hecha la reserva ~~manera~~ que nos permita, ese dia de mañana, hacer la reclamacion aludida.

Vds habran observado que, los abogados no consultan ~~manera~~ el pago que deba hacerse de las acciones puestas nominalmente a nombre del Sr. Ortuzar. En cambio comunican el pago que se proponen efectuar de las registradas a nombre de la Management. Y se da la particularidad de que el Sr. Ortuzar ^{ha afirmado reiteradamente} ~~afirma~~ que 5.000 libras de acciones le fueron "regaladas" a él por el Consejero de Hacienda del Gobierno Vasco, "como premio" por el negocio. No obstante ese extraño, irregular e ilegal regalo, no se ha consultado sobre el pago de tales acciones y sí sobre el correspondiente a la Management.

Por cierto que, bueno sera que se provea Vd del texto de la escritura social de la Management. Probablemente nos hara falta proxicamente.

Espero sus nuevas noticias

10th October, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.3.

Dear Sirs,

I am in receipt of your letter of the 9th October.

If it is possible for you to delay the date of the hearing, I should be very much obliged. I have a reason for asking this. The President of Euzkadi, who was in Belgium when the German troops occupied that country, arrived yesterday in Montevideo, where the authorities and the people received him enthusiastically. I should very much prefer President Aguirre to know the facts of this case before it goes any further. I appreciate that this reason, sufficient for me, may not justify an adjournment of the hearing, but I feel I must make the request. If you think that the solicitors of the liquidator and Sr. Ortuzar would consider this matter, I authorise you to inform them. The Basque National Council, over which I preside, has put itself at the disposition of the legally elected President of our country. And I should very much like him to be acquainted with and to participate in the proceedings.

We can guess the reason why the liquidator's solicitors wish to bring before the Registrar the question of paying the amount to the Custodian. You must not forget that the liquidator is Sr. Ortuzar's agent. The latter wants to freeze the funds; but he wants this to result from a judicial order. If the liquidator does it on his own account, the freezing of the money could be held against him. But, if it is ordered by the Judge, he hopes to use this order as his defence. And they suppose that the Registrar will take this decision.

The information given you by the liquidator's solicitors, that they intend applying for the payment of the amount due to the Management and Shipping Co. may be much more important than it appears, in our opinion. The funds of this Company might well

proceed from activities carried on in the name of the Basque Government, the same as the funds deposited in the name of Sr. Ziaurritz. Sr. Ortuzar is particularly concerned that you, as our solicitors, should accept, without any reserve whatever, the fact of the payment for these shares. Before this, the liquidator had put in his affidavit the balance sheet of the Management and Shipping Co., without any need to do so. His object in doing so, as in the notification now made, may well be to obtain from you an expression of consent. Sr. Ortuzar is afraid that, one day, the Basques will ask him for these and other sums. And against that time, he is preparing with documents, in which we appear in some way to be giving our consent to the legal situation which he now enjoys in relation to these funds.

We strongly favour that in some way a reserve should be made, which will allow us at this future date to make the demand referred to.

You will have noticed that the solicitors are making no mention of the payment which should be made on the shares placed nominally in the name of Sr. Ortuzar. On the other hand, they notify the payment which it is proposed to make in the case of the shares held in the name of the Management and Shipping Co. As a matter of fact, Sr. Ortuzar has repeatedly stated that £5,000 worth of shares were "presented" to him by the Counsellor of Finance in the Basque Government, "as reward" for the deal. Notwithstanding this unusual, irregular and illegal present, the matter of the payment of such shares has not been discussed, whilst the question of those belonging to the Management and Shipping Company has been raised.

It would therefore be as well if you would obtain the text of the Articles of Association of the Management and Shipping Co. as we shall probably need it later.

Awaiting your further information,

Yours faithfully,

TELEPHONE NUMBERS:
KELVIN 1802, 1803, 1804, 1805
 (4 LINES)

ENCL.

PHOENIX LEVINSON WALTERS & SHANE

(INCORPORATING LEWIS SHANE & CO.)

SOLICITORS,
 COMMISSIONERS FOR OATHS.

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*Thornton House,
 Finsbury Square,
 London, E. C. 2.*

8th October 1941.
 Wednesday.

Dear Sir,

Continental Transit Co.Ltd.
 Re: Comite Basque.

We are in receipt of yours of the 6th inst and note that Maitre Proncel of Brazzaville requires a Power of Attorney.

We are of the opinion that the Executive Committee should certainly authorise the grant of the Power of Attorney and the Committee should also nominate the Vice President and Secretary to give such Power of Attorney on behalf of the Comité Basque.

We agree that Maitre Proncel should be granted all such powers as may be necessary for the purpose of fully representing the Comité.

Kindly let us have a copy of the Resolution of the Executive Committee so that we may incorporate same in the Power of Attorney.

Yours faithfully,

Senor Manuel de Irujo,
 The Basque Delegation,
 7/8, Hobart Place,
 Eaton Square, S.W.1.

Continental

6th October, 1941.

Messrs. Phoenix Levinson Walters & Shane,
Thornton House,
Finsbury Square,
E.C.3.

Dear Sirs,

The lawyer appointed in Brazzaville to carry out the transfer there of the Comite Basque de Secours aux Refugies, Maitre Proncal, asks us for a Power of Attorney.

You have the text of the articles of association, and of the present membership and registration of the association. Would you please be kind enough to have this Power of Attorney prepared by your friend the notary, so that Sr. Arredondo, or Sr. Echeverria, or both may sign it. Perhaps you will also kindly tell us if it is necessary for the authorisation granting this Power to appear in the Minutes of the Executive Committee.

It occurs to us that, in any case, this document should comprise the demarches arising out of the registration of the Association in Brazzaville, its representation in whatever activities it may be necessary to carry out in French Equatorial Africa, and all future moves for the modification, extension or action of the Committee which may be advisable.

When the Power is ready for signature, you will no doubt let us know.

Yours faithfully,

Carta al Abogado

El Abogado designado en Brazzaville para gestionar el traslado a aquella villa del Comite Vasque de Secours aux Refugies, Sp..... nos pide un poder notarial.

Vd tiene el texto de los estatutos sociales y de la actual y registro inscripcion/de la asociacion. Ya tendra Vd la bondad de preparar en la notaria de su amigo la escritura de mandato, para que la firme el Sr. Arredondo, el Sr. Echeverria, o ambos. Le rogamos nos diga si es preciso redactar un acta de la Junta de Gobierno, dando la autorizacion ~~mm~~ para el otorgamiento de esa poder.

Nos ocurre que, en cualquier caso, debe abarcar las gestiones inherentes a la inscripcion en Brazzaville de la Asociacion, la representacion de la misma para cuantas actividades sea preciso desarrollar en Africa Ecuatorial Francesa, y todas las futuras gestiones que para la modificacion, ampliacion o gestion del Comite sean convenientes.

Cuando este preparado para la firma el poder, ya tendra la bondad Vd de comunicarnoslo