

(I have added the name, in accordance with Maj. Stokes' own revised memo)

Memo

It appears that the Plan of Reorganization submitted to the Supreme Court of this State by the two Bondholders Committees early in 1934, as referred by Mr. Justice Shientag of the Supreme Court to Mr. Burlingham as Referee, under date of March 2, 1934, and as later recommended by the said Referee (with minor modifications irrelevant to the present considerations) and as approved by the said Court, June 26, 1934, provided that the proposed New Company (the present Riverside Drive & 103rd St. Corporation), if it should buy the Museum's premises at foreclosure, should reconvey same, upon terms designated, "to an educational corporation, organized under the laws of the State of New York, and controlled by the present Roerich Museum interests" (i.e., controlled by the "Roerich Museum interests" as existing March 2, 1934).

The joint statement of the two Bondholders Committees, dated July 31, 1934, informing Certificate Holders of the Court's approval of the said plan, declared similarly that the educational corporation to whom the premises would be conveyed, if Certificate Holders approved, would be "controlled by the present Roerich Museum interests". The said Bondholders Committees jointly recommended to the Certificate Holders the approval of the said plan, including the provision quoted, and the said plan was thereupon approved.

On December 27, 1934, pursuant to the foreclosure proceedings provided for in the said plan, as so approved, the property "known as Roerich Museum" was purchased by the Riverside Drive & 103rd St. Corporation, the latter being, as aforesaid, "the New Company provided for in the Plan of Reorganization dated July 31, 1934" (see the said Company's Distribution Letter of August 20, 1935); title passing on February 23, 1935. On same date the "New Company" transferred the premises to Master Institute of United Arts, Inc.; declaring in the said Distribution Letter of August 20, 1935, the said Master Institute of United Arts, Inc. to be "the educational corporation provided for in said Plan".

It will be observed that the Referee's recommendation aforesaid, as approved by the Supreme Court, June 26, 1934, and as alleged by the Riverside Drive & 103rd St. Corporation in their said Distribution Letter to have been complied with to date of said letter, expressly provided that the transfer of the premises by the New Company should be "to an educational corporation *** controlled by the present Roerich Museum interests", i.e., controlled by the same Roerich Museum interests as controlled the said premises on the said dates, viz., March 2, 1934 and July 31, 1934. The Roerich Museum interests that controlled the said premises on the said dates were the ^{then trustees of} Roerich Museum, viz., Prof. & Mme. Roerich, Mr. & Mrs. Horch, Mr. & Mrs. Lichtmann and Miss Grant. It was apparently the intent of the Court to place and confirm control of the premises in the hands of seven persons, five of whom, viz., Prof. & Mme. Roerich, Mr. & Mrs. Lichtmann and Miss Grant, are now sought by adverse interests to be excluded from all participation in the control of same. It would appear that an injunction would lie to prevent such exclusion of said five trustees from participation in the control of the said premises, as being not merely inconsistent with the agreement and declared intent of all the parties, but as being in effect in contempt of the decree of the Court.

Roerich Mrs. Lichtmann
Mrs. Schoffron

Mrs. Lichtmann

Mr. George Roerich, Mrs. Roerich
Mrs. Schoffron

(over)

Memo

Although greatly handicapped by the complete lack of official documents which Mr. Horch insisted on keeping in his own home, beyond access to us, we may answer the questions regarding the paintings according to our firm recollection and understanding. This record is supported by the Decade Book of 1931, which was printed with the approval of the entire Board of Trustees:

On its opening, on March 24, 1924, the Roerich Museum possessed 315 paintings of Professor Roerich -- these are identified as Nos. 1 to Nos. 315 in the accompanying catalogue. The Museum was opened ten months after the departure of Professor Roerich from America/

In the year of 1924, the Museum Collections were enlarged by two paintings, "Song of the Viking", and "Building of the Temple". These are Nos. 316 and 317 in the Catalogue, and were bought from a private owner, not Prof. Roerich.

In the year 1925, during the Fall, the Eighty paintings comprising Nos. 1 to 540 were added.

In the same year Ninety-five sketches of Finland, comprising Nos. 325-420 in the Catalogue were added. These sketches had been in Finland with other properties of Prof. Roerich, and were sent to America in that year, being added to the Museum.

In 1925, just before crossing the Karakorum Passes into almost impenetrable parts of Central Asia, Prof. Roerich sent back seventy-two paintings, comprising 541 to 613.

Henceforth from the end of 1925 through 1926 and in long periods of 1927 and the beginning of 1928 Prof. Roerich was in inaccessible regions, and frequently beyond communication.

In 1927, however, he was able to send back 107 paintings including Nos. 629 to 735.

In 1926, four paintings comprising Nos. 616, 619, 617 and 618 were added, these being paintings which had been exhibited in the International Exhibition at Rome and returned to America.

In 1927 the remaining small sketches either from Prof. Roerich's American sketch books which remained, or from his early sketch books, were placed in the Museum. These appear as Nos. 318 to 460 and 614 to 628.

Prof. Roerich was not paid for any of the paintings received between the years 1924-27, or thereafter. The sum of \$200,000 was never given to him but donated by him, under the same conditions as ~~xxxx~~ Mr. Horch's donations --with a 4% interest per annum. This interest was not paid to Prof. Roerich.

It may be of interest that Mr. Horch, during the various financial statements made, placed the value of the paintings at \$5,000,000. We also call attention to the fact that there was established in the year 1923, the NICHOLAS ROERICH HOLDINGS AND PAINTINGS Corp., which had seven trustees, and which was organized for the protection of the Paintings and their perpetual maintenance. The status of this Trustee-ship should be investigated.

We also call attention to the facts that during the year 1926, 1927 purchases of Tibetan and Asiatic art objects were made for the International Art Center, at the request of Mr. Horch, by the Roerich Expedition. These art objects, many of which were subsequently sold by Mr. Horch and the International Art Center, were a great pride of the institution, as testified in the Decade, Page 58. Undoubtedly a part of the moneys for their purchase came from the mentioned sum.

It is also noteworthy that when Mr. and Mrs. Lichtmann met the Expedition in 1926 and 1927, their expedition funds were entirely exhausted, indicating they had spent the entire funds for the expedition only. The same thing was true in 1928, when the Expedition was forced to borrow funds at Gangtok, after their escape from Tibet, in order to pay their caravaneers, from the British Resident there.