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SPECIFICATIONS OF CHARGES AGAINST
HORCH AND HIS ASSOCIATES

1. Incapacity.

Horch has incapacitated himself to act faithfully as a Trustee of Roerich Museum by having taken and now holding interests adverse to the Museum in the paintings of Prof. Roerich which the Museum claims to own.

He asserts that many of these paintings have been bought by him for Mrs. Horch; that some 400 others have been transferred by the Roerich Museum to Master Institute of United Arts, Inc., all the shares of stock of which he claims Mrs. Horch to be the owner. The mortgage given by the Roerich Museum and subsequent deeds do not specifically mention the paintings. While a claim may be asserted that under the words "furniture * * * used in the operation of the building" the paintings were transferred, that is a very doubtful contention and one which obviously is not in accordance with the intentions of the parties. It is the unquestionable duty of the Trustees of Roerich Museum to assert its ownership in these paintings, both in those which Horch claims belong to his wife and in those which he claims belong to the Master Institute of United Arts, Inc. Our laws do not permit a man who is a trustee to take a position adverse to the interests of the trust. In asserting the ownership of these paintings

by his wife and the Master Institute of United Arts, Inc., Horch is taking a position adverse to the trust and consequently has rendered himself incapable of faithfully performing his duties as Trustee.

2. Misconduct.

In February 1935 Horch induced the other Trustees of Roerich Museum and of the Master Institute to consent to various steps necessary to carry out the plan of reorganization of its properties under which they were to be turned over to an educational corporation which would represent the Roerich interests. This he did at a time when he had secretly transferred all the shares of stock of the Master Institute of United Arts, Inc. to his wife and was obviously planning to oust from the directorate of that corporation Prof. and Mrs. Roerich and their associates who were the real representatives of the Roerich interests. In thus fraudulently inducing the consent of the other Trustees he betrayed his trust to the Roerich Museum and was guilty of gross misconduct.

Horch's diary has entries showing that in the year 1932, in his efforts to conceal the Roerich Museum's interest in the paintings, he caused the books of that corporation to be altered. He also caused paintings which belonged to it to be stamped so as to indicate that they were the property of the Nicholas Roerich Paintings & Art Collection, Inc. The

alteration of the books and records of the corporation under such circumstances is illegal and constitutes misconduct.

In attempting to give title and possession to his wife of paintings which belong to the Roerich Museum, Horch misconducted himself as a Trustee of the Roerich Museum.

3. Neglect of Duty.

In permitting the Master Institute of United Arts, Inc. to store the Nicholas Roerich paintings and oust the Roerich Museum from all possession and rights of possession of the rooms heretofore occupied by it in the building and to take steps which will result in wholly terminating the activities of Roerich Museum, Horch has neglected his duty as a Trustee thereof. This neglect of duty is also "misconduct".

Blomfield Horch

CO-OPERATIVE SOCIETY

NEW YORK