82/1

June 2, 1926. 1924

My dearest father and mother:

This is just an addition to my today's letter. We all believe that it was your idea that Alatas should have 8 shares. Each to have one eight interest, the stock to be held together in trust like the shares of the other institutions. Please let me know if this is correct and please write this also to Taruchan. He of course receives $1300 extra for managing Alatas.

With much love and many kisses

Your son
Logvan

June 29, 1924

Purchasing 2 pictures, one of them Song of the Vikings....Both have your signatues on the back. In the back of the Song of the Viking is written fee 2300.- and Mme. Roerich's signature - (bought both for 750.-)

June 29, re. books: "etc no huge profits are left, of course in the future the profits will be enormous.

July 14, 1924. significant letter!

Fear of Thomas!

Aug 11, 1924.

Now that a Museum is opened in your honor you can easily imagine how your standing has grown and now if you take me with you and introduce me, you can easily see what solidarity and standing it will give me.

(unusual letter - Roerich grad.)

Letter No. 7. Par. 3

April 10, 1931

Now, however, Corona Mundi Inc. has been dissolved....

Letter No. 9

April 28, 1931

We have today deposited to your account in the Chemical Bank and Trust Co. $4421.72 which represents interest due you for the first half of 1930-31.
(Important/ask for copies of Prof. Roerich's income tax. Horwath and Horwath.)

Letter No. 12, Page 2

May 11, 1931

Mr. Newberger comes at an average of two or sometimes three meetings per month.

Aug. 22, 1930

Decided not to let my mother as well as sister live at our Hotel - they would be too gossipy and cause difficulties.

Oct. 16, 1930

All financial needs of Prof. Roerich and Mme. Roerich shall come from now on from the Roerich Museum, because Professor Roerich's private bank account has been so heavily burdened during the last few years.

Nov. 13, 1930

We gave 2 rooms to my mother and father in the hotel Would have preferred them not living so close, but we save $1700.- per year and at this serious financial time we have no right to waste money. They will not bother us. They are already well trained.

Dec. 5, 1930

Perhaps we could sell a few pictures in the Museum telling people they are on "Loan Exhibition"....
Sina works hard to build up the School (82)

Dec. 15, 1930

Believe J. C. Phelps Stokes a real friend of the Institution.

Nov. 16-17

This evening Mrs. Schafran resigned her work in the Museum. She spoke very nicely. We will no doubt let Mr. Koerper handle the cleaning of the Museum

---

Nov. 29, 1936.

The law suit of Mrs. Schafran was settled for $350.- and after Nettie speaking boldly pointed out her responsibility in this matter. That we cannot shove our faults upon the Museum - . Mrs. Schafron after "a conference" with Sina decided to personally pay the $350.00 When you take money from people in America it will never be forgotten. Their pocket book is their highest possession - their God -

82/3

COPY

President's Report and Letters from 1 Oct. 30-31. Dec. 31

Dec. 3, 1930

Mrs. Schafron's lawsuit has been settled for $350 and she herself intends to pay for it. It is much wiser to settle thus because otherwise the lawyer fees will eat us up.

June 3, 1931

My dear Prof. Roerich:

The complex situation which has arisen in regard to Urusvati Himalayan Research Institute because of the still unsettled land issue is one of a serious nature. You can readily understand our deep responsibility to the people who have contributed so generously for this humanitarian work. The donors are now questioning us as to the results and plans for its development. We had conveyed to them your conversation with Lord Irvin and the other officials of the Government of India in which they expressed their approval of the development of a scientific research institute at Kulu. Naturally, your generous gift of land and buildings further confirmed their belief and interest in the great work for humanity which could be accomplished there. (Signed L.L. Horch)

Mr. Bolger, former assistant manager

Archaeological Institute of America, General Counsel, Franklin A. Wagner
120 Broadway.
(Dr. Ralph Magoffin, former President.)

Horwath and Horwath - public accountants

Nathan Ballin, Lawyer, Room 1101, 291 Broadway, NYC.

Conclin, Lawyer.

P.N. Johnston, President, Chemical Bank and Trust Co., 165 Broadway, NYC

Patents for Trade - League of Culture. Adamantius (Taken out by L.L.H.)

Judge Bondy (Regent, of the Board of Regents, Albany)

H. M. Diamond Agency - Re Mr. A. R. Hall (Detective Agency)

Mr. Thomas, formerly associated with Horch and Rosenthal

82/4

COPY

May 1, 1931

Mr. Sviatoslav N. Roerich
310 Riverside Drive,
New York City.

My dear Mr. Roerich:

We do herewith accept all your paintings, art objects, real and personal property, which you have this day transferred to us in satisfaction of all claims for money due by you to us.

Very truly yours

President

(Accompanied by Schedule of Property transferred by S.R. to Roerich Museum)

Papers - Prof. N. de Roerich

May 28, 1931
(Page 5, Letter 17)

We should appreciate it if you would let us know if we should place your papers and manuscripts in a vault in the bank or in special safes and place them on the 29th floor.

(Signed L.L.H. President.)

Feb. 16, 1931

Par. 2
Refund from Mrs. Horch: The refund of Mrs. Nettie Horch to Mrs. Lichtmann of sums of rupees 1750 and $300 has been attended to

---

Letter No. 30 Par. 2)

Mar. 18, 1931

Paintings. On our books we have been carrying an item of $5,000,000 which represents the value of paintings in the Museum. This evaluation was placed at the time when we received our loan from the Chemical Bank and Trust Co. Will you be good enough to advise us if we should continue to carry this item on our books?

Letter No. 4, page 2)

March 25, 1931

2nd Mortgage Bonds. East Trustee was given 2nd Mortgage Bonds, due them for the past year. I have placed apart in a vault 2nd Mortgage bonds for yourself, Mme. Helena Roerich and Dr. George Roerich, due you for the past year. Each month the $200 for each trustee will be put aside as you have indicated.

Letter No. 5, par. 7.

March 30, 1931

Administration. In connection with the 2nd Mortgage Bonds which are given each month to each Trustee, do you desire them to pay 4% interest, or should they pay 6½% (Int. at 6½% is printed on the bonds). We shall appreciate your advising us about it (See also letter May 6, 1931)

From Diary October 10th 1930:

"Shocked beyond words that F.once told father "Well, you received a huge sum of money for your paintings" - this is an outrage and certainly was only made up by her small Self. I can imagine how Father was hurt to hear such words - I nearly cried when I heard it and I wish to assure Father and Mother that no such small ridiculous thought came from our mind. This is the lowest - How little, dear Father, Mo.(Fr.) understands your Great Sacrifice. It is appalling. Simply no understanding.

About the same date in his official letter to Prof.Roerich (when the latter was at Paris) he wrote that the Museum should also provide for Father's and Mother's needs, since their account was so heavily burdened during these years.
This will be found, on page #3, at the end of one of the October letters of 1930 to Prof.Roerich to Paris, which are in the beginning of the file called: OFFICIAL LETTERS AND REPORTS Oct.1,1930 to Dec.31,1931, which has already been sent on Saturday, March 7,1936.

page 6, March 16,1932 from LLH's Diary:
Rickaby asked"has Prof.Roerich any money? Is he a well to-do man?" I replied to Rickaby, that Prof.Roerich has given everything to this great Work.

Claims

8216 Rec 7/103

R.S.C

Resume

Settlement of Obligations

Total Debts:	$83,604.78		
	$59,608.83	can be settled for over period of six (6) Months . . .	$4,800.00
	$23,995.95	can be settled for over period of six (6) Months . . .	$ 7,141.14
			$11,941.14

June 15, 1932.

3/31/32

NAME	WE OWE		TO PAY OVER A PERIOD OF 6 MOS.	
Chemical Bank	17,500.00			
J. Lowenstein Estate	17,000.00		3,000.00	
Westinghouse Electric	8,616.00			
Florence Sutro	5,000.00			
Sugarman & Berger	4,000.00			
J. J. Little & Ives	4,917.48	M.	1,000.00	
E. C. Stevens	2,575.35		800.00	
		$59,608.83		$4,800.00
Domestic Electric	1,100.00		900.00	
M. Ballin	1,250.00			
Amer. Bond & Mtge. Co.	2,248.11			
W. A. Conklin	4,100.00			
N. Y. Dept. of Water	2,138.00			
Steurer Press	1,056.20	M.	300.00	
Between $800-900.				
Westinghouse	849.97		400.00	
Beck Engraving	800.00		400.00	
Between $400-600.				
Turck & Reinfeld	462.16		400.00	
E. Prahl	500.00		200.00	
Pacific Hotel	504.29		300.00	
Sobel & Krause	500.00		150.00	
Weiss, Pels & Grant	490.00			
Harry Weinberg & Co.	450.00		200.00	
Campbell Metal Window Co.	325.00		100.00	
Wellbrock-Moreland	400.00		200.00	
Atlas Tile	350.00		75.00	
Congress Paper Co.	425.81		225.00	
Between $200-300				
Chatham Phenix	229.47			
Brentano	209.00	M.	100.00	
Julius Lowry, Inc.	225.00		100.00	
Peyronnet et Cie	200.00		200.00	
Rathbone & Co.	202.99			
Norwalk Lock Co.	250.00		75.00	
Western Waterproofing Co.	200.00		100.00	
Lockwood Agency	200.00		200.00	
Krakaner	230.00		230.00	
Capitol Coal Co.	200.00		100.00	
Braxton Frame Co.	200.00			
		20,296.00		$ 4,955.00
		$79,904.83		$ 9,755.00

82/8 RSC

NAME	WE OWE	TO PAY OVER A PERIOD OF 6 MOS.
Totals (Forw'd)	$79,904.83	$9,755.00
Between $100-200.		
American Mast & Spar Co.	160.00	
Corporation Trust Co.	150.00	
Cosmos Printing Co.	119.00	119.00
Grand Central Printers	135.00	
P. A. Juloy & Co.	148.05	75.00
Linde Paper Co.	143.43	100.00
Manhattan Storage	142.00	100.00
Puro Filter	125.00	100.00
Ream, Wrightson & Co.	109.09	
W; Knabe & Co.	161.61	
S. Appel Co.	135.00	75.00
Frigidaire Sales	116.07	116.07
Horwath & Horwath	166.67	100.00
L'Etoile Boulangeric	146.56	146.56
Lyons & Co.	156.70	156.70
Metropolitan Electric Co.	136.24	100.00
James Stanley & Co.	143.13	100.00
Winant & Co.	183.15	183.15
Albert Pick-Barth Co.	100.00	100.00
R. A. Hamilton	100.00	50.00
Amounts less than $100.		
Atlas Iron	50.00	50.00
O. S. Brassil	46.60	25.00
Central Supply Co.	82.60	40.00
De Mayo Signs	21.50	21.50
Dykes Lumber Co.	77.35	50.00
Foy Coal Co.	55.00	55.00
John Gear	30.86	30.86
Geery Guthrie	50.00	25.00
Harlem Typewriter Co.	55.75	55.75
Mastercraft Printing Co.	96.00	
F. S. Savastano	29.50	29.50
U. S. Frame & Picture Co.	39.48	30.00
Vernon Paper	90.77	50.00
W. Allen Co.	55.50	25.00
Barnett Nephews	57.05	57.05
I. Goldin	43.00	20.00
Sunglo Mills	42.29	
	$3,699.95	$2,186.14
	$83,604.78	$11,941.14

RSC

If they pay the Creditors and Museum $1K and
out of a total of $40,000
per month
Gross, we must have
More than $8,000 net

Bernard J. Clark, *President* Benjamin F. Guttman, *Treasurer* Daniel T. Clark, *Secretary*

Congress Paper Company, Inc.

Paper and Cordage
264-268 West 40th Street
New York

LACkawanna 2405 2406 2407

May 18th, 1932

Mr. Louis L. Horch,
Room No. 403
Roerich Museum,
310 Riverside Drive,
New York, New York

My dear Mr. Horch:-

As per our conversation of today the following is the conversation which took place Saturday, May 7th, 1932.

Some man called up and talking to our telephone operator said he wanted to talk to somebody in reference to the Roerich Museum. She connected him with me and he said he was Mr. Thompson of Thompson & Company, Westfield, N.J. and I inquired what business he was in and he said "hardware" and the Roerich owed him an amount which I think was about $243.00, and would I join him in putting them into bankruptcy. I told him I thought he was a little hasty and all these bankruptcy proceedings generally ate up all the assets and knowing these people I knew that they were absolutely honest and would pay in time.

He says that he has waited and never received any satisfaction, having been shifted from one to the other and that he has spoken to the Receiver to no avail or satisfaction.

He also told me that he has been hanging around the Museum and he sees no activity and he thinks that half a loaf is better than none at all. I told him that my partner, Mr. Guttman was more familiar with the details and that if he would phone me on Monday of the following week that Mr. Guttman would be glad to talk to him,which he promised to do.

I then sat down and wrote a letter to him care of Thompson & Co. Westfield, N.J., hardware dealers, and the letter came back.

Respectfully yours,
CONGRESS PAPER CO. Inc.

Daniel T. Clark.

DANIEL T. CLARK
Secretary

DTC.C

82/10

"Minutes of the 223rd Meeting of the Trustees of Roerich Museum held on July 20th, 1933." Present: L.L.Horch, E.J. Lichtmann, F.R.Grant, M.M.Lichtmann.

Mr. Horch opened the meeting with the reading of the letter of Professor de Roerich to the Trustees of June 26th, 1933.

Para. 1. Mr. Horch states that he is profoundly grateful for the illuminating indications contained in Prof. Roerich's Letter of June 26, 1933, as to the means which would enable us to carry out the "Movements" and the Indi- [illegible] Roerich's Letter of March 29th to Miss E.J. Lichtmann and the letter of May 24th to the Trustees as well as Madame Roerich's beautiful Letters, Mr. Horch and Mrs. Horch have talked dailey how best to carry out these great tasks, which can so uplift the Works and America. If anything, Prof. Roerich should come earlier to America, but certainly not one day later. We shall do everything to fulfill the indications. The work of U. is very close in Spirit to me, and I hope to find the right approaches to some people who have financial means at their disposal.

In reference to our Founder's letter of June 26th to the Trustees and Madame Roerich's letter of June 28th, Miss Lichtmann wishes to express to our Founders her profound gratitude for all the points pertaining to the great Exhibition. Miss Lichtmann regarded and regards her mission of which Madame Roerich speaks in her letter as most sacred - for she realizes the undeferableness of the visit as planned as well as the great significance connected with it. As s he has this cause at heart and understands all the consequences of the delay, she will put all her efforts to fulfill this sacred mission.

[illegible]

The possibilities of approaching people in reference to the mentioned corporation were discussed by the Trustees. Also names of financiers and friends were mentioned by the Trustees. The Trustees would like to know whether in case of special interest a copy of the address printed in 1929 with the Emblem of the Corporation could be given.

Paragraph 5. Miss Lichtmann brings to the attention of the Trustees the following facts that Professor Roerich has graciously loaned the following sums which have enabled the publication of the following books, post-cards, and have made possible Baron de Taube's trip to the Bruges Conference - not to speak of all the generous donations so many by Professor and Madame de Roerich which have enabled the institution to carry out so many great important things. The following is the list of the Museum's debts to Professor Roerich:

Campaign Post-Cards	
$ 85.00	Banner of Peace
100.00	Conflagration
150.00	Queen of Heaven
150.00	Master's Commands
$485.00	

Publications - Books.	
$400.00	Chalice of the East
400.00	Paths of Blessings
300.00	Leaves of M. (first book)
400.00	The Book of the Grand Duke
300.00	Heart of Asia (Alatas)
475.00	Heart of Asia (R.M.Press)
300.00	Monograph of Yaremenko
500.00	Seminarium Kondakovianum
25.00	Reprint Dr. Chklaver's article
$3100.00	
485.00	
100.00	For Baron Taube's trip
$3685.00	

Minutes of the223rd Meeting

(continued)

(para. 5) In addition to this sum total of $3685.00, Prof. Roerich has helped the inauguration of Alates, New Syndicate, by purchasing shares, and has donated $100.00 for the trip of the delegates of the European Center to Bruges Conference. Miss Lichtmann therefore urges the Trustees to give deep consideration to these facts and re-imburse Prof. Roerich these gracious loans which are some of them for years on the accounts of the Museum. Besides these sums Prof. Roerich has laid out $200.00 for the printing of "Sur les Pistes de l'Asie Centrale" and for A.Y. publications etc.

Paragraph 14. Mr. Horch states
re. 39th Meeting Para. 38 (Urusvati)
We hope Mr. M.L.Ernst will fully take advantage of Mr. Rickaby's statement that he has only 30 % deposit of Bonds.
Mr. Ernst has been advised that a public Statement in the Press that a reorganization has been concluded can have many beneficial effects for our Institution. Such a Statement would also be of great benefit to the Bondholders, because it would help the Renting of Apartments and stop some Tenants from moving out. The continuance of the cultural events is of the highest benefit to Bondholders.

Para. 17. Miss Lichtmann heartily appreciates Prof. and Mme. Roerich's approval of her suggestions for the Convention and the initial Committee for the Banner of Peace Convention. The mentioned names by Prof. Roerich will be added to the Committee - of course it is understood that all group leaders of the R. Society will be invited to serve on this Committee.

Para. 24. Miss Lichtmann brings to the Trustees attention the following urgent matters. As we all know Professor Roerich has loaned to Urusvati the sum of 2,400 rupees and it is urgent that we reimburse Professor Roerich this sum.

Minutes of the 224th Meeting of the Trustees
of Roerich Museum held on July 28th, 1933.
Present: L.L.Horch, E.J.Lichtmann, F.R.Grant,
M.M.Lichtmann

Para. 1. Mr. Horch opened the Meeting with the following:
Mr. Horch states that he feels confident that the needed sums for Prof. Roerich's Trip will be forthcoming and therefore asks Prof. Roerich to prepare for his trip so that no delay shall occur.
The Writer pledges all efforts towards the necessary Preparations here - financial as well as otherwise. The Visit of Our Great Leader is of such significance that everything possible must and will be done.

Miss Lichtmann wishes to add to the statement of Mr. Horch her hearty accord with Mr. Horch in regard to Prof. Roerich's coming and preparation for the trip. Our Leader's visit to America is one of most urgent necessity.

Miss Grant feels that she speaks for all Trustees unitedly in expressing appreciation for what Mr. Horch has voiced, since we all feel not only the imperative necessity of Prof. Roerich's visit but the great privilege which is given us at the present moment.

Minutes of the 224th Meeting

(continued)

Para. 17. Mr. Horch suggests that another release should be prepared about the barbaric destruction of the two pannels of Prof. Roerich and the newspapers be approached personally and not by mail, as thus far nothing seems to have appeared except Novoye Russkaye Slovo of July 23rd, where the article "Vandalism" by Prometheus appeared in full.

82/12

SUPREME COURT : NEW YORK COUNTY.

MANUFACTURERS TRUST COMPANY, as Corporate Trustee by merger of Chatham Phenix National Bank and Trust Company, under a certain Trust Mortgage made by Roerich Museum to Chatham Phenix National Bank and Trust Company, Corporate Trustee and Charles C. Moore, Individual Trustee, dated as of June 15th, 1928,

Plaintiff,

—against—

ROERICH MUSEUM, ROERICH MUSEUM, INCORPORATED, CHARLES C. MOORE, as Individual Trustee under Trust Mortgage made by Roerich Museum, dated as of June 15th, 1928, LOUIS L. HORCH, et al.,

Defendants.

PLEASE TAKE NOTICE that pursuant to the order of Mr. Justice Shientag, entered March 2nd, 1934, there is sent to you herewith a copy of said order and a copy of the proposed Plan of Reorganization therein referred to.

PLEASE TAKE FURTHER NOTICE that the first hearing before me, pursuant to said order, will be held at my office, 27 William Street, in the Borough of Manhattan, City of New York, on the 3rd day of April, 1934, at 2:15 P. M.

Dated, New York, March 22nd, 1934.

CHARLES C. BURLINGHAM,
Referee.

82/13

Urusvati
September 15, 1934.

Beloved Brother Logvan,

Our Precious Mother wants me to tell you that you have taken the right course in the Craven matter and how much She has enjoyed your reply to the lawyers concerning this matter in your letter of Aug. 21st. Beloved Mother agrees that a law suit would be untimely now. Besides no matter how bad and ridiculous his statement is about the Art fostered it is still better in Mother's estimation than the "mystery worship"... which may imply almost anything.... The Great Art has won universal recognition and Mr. Craven comes out a little bit too late with his "statement"....

I have just discovered in the New York Times, Sunday edition, the clipping of which I am sending you herewith, a letter to the Editor. I was suddenly attracted to take at this moment this Section and openend it on a page where I found Craven's writings being classified amongst "anti-cultural propaganda".... Beloved Mother enjoyed the entire clipping so much and it would be useful to quote this definition of Craven being an anti-propagandist to Simon and Shuster and our lawyers..... Would you kindly send us another clipping of this letter, as we want to keep it here on file.

When the edition of Craven's book comes out with the rectified para you could approach a few real representatives of the Haiti intelligentsia and they could question WHAT CRAVEN MEANS BY THIS STATEMENT..... This will be some fun and could greatly embarass him and cause him great trouble..... He will yet be sorry for these statments he made...

With my heartiest thoughts to you and Beloved Poroomothka, and best greetings to all,

Yours most devotedly,

Esther

P.S. Of course the last para about the Haiti intelligentsia representatives is merely a suggestion if the occasion arises to speak to such people....

592 82/14

In 1921 Professor Roerich in cooperation with Sina and Maurice Lichtmann founded in New York the Master School of United Arts, later known as the Master Institute of United Arts. In 1922, into this institution, already chartered by the Regents of ~~XXX~~ The University of the State of New York in Albany, then came Mr. Horch, and the officers of the Institute were as follows: Professor N.K. Roerich, Pres. Mr. M. Lichtmann, Vice Pres., Mr. L. Horch, Treas., and Frances Grant, Secretary. The Board of Trustees was made up of seven people: Prof. N.K. Roerich, Mme. E.I. Roerich, Maurice Lichtmann, Sina Lichtmann, Frances Grant, Louis and Nettie Horch, each one ofthese Trustees having a full voting power and possessing also one share in the Corporation. The very same year Prof. Roerich founded the International Art Center and Corona Mundi, in which a great deal of work was done by S.N. Roerich.

In 1923, leaving for India via Europe, Prof. Roerich appointed Mr. Horch President of the Master Institute, remaining himself as Founder Hon. President and Trustee of the Institutions founded by him. Later at the proposal of Prof. Roerich was founded "Alatas" Publications which later became the Roerich Museum Press, while "Alatas" itself was taken over by Mr. Grebenstchikoff. Already during the absence of Prof. Roerich a group of American admirers founded the Roerich Museum in which at present are gathered over 1000 paintings of the artist. Later, according to the advices of Prof. Roerich, were supposed to be opened Departments of American, European and Eastern Art. Then around the Roerich Museum was formed a society of Friends of Roerich Museum which had branches independently working in various countries. In this manner, in the broadest outlines was fulfilled a cultural and educational mission.

From 1923 until 1929 Prof. and Mme. Roerich with George Roerich undertook a Central Asiatic Expedition which resulted im over 500 paintings, also scientific observations which were expressed in a number of publications and are still being compiled in separate articles as well as in complete book form. Thus at present Dr. George Roerich is completing a large Tibetan-English Dictionary and is also working on a HISTORY of CENTRAL ASIA, the materials for which were also collected during the above mentioned Expedition.

In 1928 Prof. Roerich and Mme. E.I. Roerich founded the Himalayan Research Institute.

Toward the end of 1929 during the time of the completion of the new Museum building in New York, the well known and unprecedented financial crisis in America took place which seriously reacted throughout the whole world. Many friends of the INSTITUTIONS suffered during this crisis and thus the activities of the INSTITUTIONS sustained great losses.

- /Holders of the bond issue of the Building of the Institution, naturally also suffered losses because of the general fall of values. Apartment rental values fell, taxes increased and the amount of unemployment grew disast/rously. This general crisis is well known and the increased indebtedness of America bears witness to the scope of what occured. As a result of this crisis there took place the revaluation of property and reorganization of institutions from 1932 to 1934.

On the 24th of February 1935 the lengthy process of reorganization was completed and because of technical considerations the building which bore the name of Master Building previously, was transferred to the first, originally founded Institution - Master Institute of United Arts, which became the administrator of technical questions. Such ruling not only did not impede the general, cultural work, but appeared to be quite natural because Master Institute was the oldest Institution of all those founded by Prof. Roerich and is now entering the 15th year of its existence.

#

- Wholesale bank failures, devaluation of papers and real estate took place.

82/15

On April 15th, 1935 a significant event took place in the White House, - 21 countries signed the famed Roerich Pact for the Preservation of Cultural Treasures. Prof. Roerich himself, together with Dr. George Roerich, was at that time in Mongolia, as the head of the expedition organized by the American Government in search of drought resisting grasses. Thus the activity of the Institutions unfolded in various scientific and artistic directions.

In the middle of 1935 appeared the first definite signs of the astonishing volt-face performed by Mr. Horch and his wife. It is known that all seven shares of the Master Institute which belonged to the seven Trustees were given by them into the safekeeping of Mr. Horch as Treasurer, who handled the entire financial administration of the Institutions. Mr. Horch gave to the Trustees receipts for the shares entrusted to him. When departing for the Expedition, Prof. Roerich gave also full power of attorney to Mr. Horch. But in the middle of 1935 Mr. Horch, without the least cause on the part of Prof. Roerich and the Trustees, willfully announced the ejection of the whole basic group of founders of the Institutions from the Board of Trustees. Or, properly speaking, Mr. Horch and his wife by their two votes ejected five people, i.e. parliamentary law and precedent was totally disregarded because one cannot by the vote of two people dismiss five original founders and participants. By this, Mr. Horch, contrary to all evidence,proclaimed himself the only owner of all seven shares, which is a plain seizure of another's property; because the shares were given to him only in trust for safekeeping. In like manner, willfully, without proper parliamentary proceedure, Mr. Horch appointed as new Trustees Miss Esther Lichtmann and a former business associate of his, Mr. Newberger, who is also his brother-in-law. Thus, these two appear as impostors.

For the defense of Justice and parliamentary principles Mr. M.M.Lichtmann as Vice President instituted a law suit in protest against the actions of Mr. Horch, and also the four other Trustees began a law suit for the recovery from Mr. Horch of the shares of stock of the Master Institute of United Arts, which belong to them. The litigations are being conducted at the present time. It is but natural that the friends of the Institutions are deeply indignant at this seizure by Mr. Horch, and have formed a new Committee of Friends of Roerich Museum for the defense of the basic rights violated by Mr. Horch. As if to complete his inadmissable actions, Mr. Horch began to send out, at the end of 1935 and beginning of 1936, circular letters to various countries, in which were contained malicious hints, without giving any reasons, that the four people, i.e. Mr. Horch, his wife, Miss Esther Lishtmann and Mr. Newberger had renounced the leadership of Prof. and Mme. Roerich, thereby intending to cause confusion in the minds of the recipients of these letters. Naturally, after the seizure by Mr. Horch and his accomplices of shares not belonging to them and the self-willed appointments of other people to trusteeship, there cannot be any talk about any leadership.

In these circular letters Mr. Horch states that Mr. Wallace, Mr. Gil Borges and Mr. Magoffin have resigned from the Roerich Pact Committee. The Committee was inactive, and the resignation of the three above mentioned people of course cannot have a decisive significance, the more so since Mr. Gil Borges just before his recall

to

59 182/16

to Venizuela expressed to Miss Frances Grant his absolute friendship and support. Thus, this communication by Mr. Horch in circular letters bears testimony to a premeditated scheme which is apparent in all the details of the actions of Mr. Horch and his accomplices.

One should not overlook the fact that Mrs. Horch, being president of Roerich Society, during last fall attempted at the meetings of branches of the Society to slander and defame the name of Prof. Roerich and of Mme. Roerich. But she was not successful in this malicious plan, and was forced to listen to sharp condemnation and even to cancel her address, as happened at a meeting of the Roerich Society in Philadelphia.

Thus, in the history of cultural movements one can observe with sadness and indignation how, with malicious intent, attempts are made to impede the flow of the cultural work of many years. There occurs a deliberately sown confusion in the minds of many people who do not know all circumstances, and it was intended to use this confusion so as to complete the preconceived willful usurpation. But at the same time it is joyous to see how enlightened people quickly discriminate as to the true circumstances and arise strongly for the defense of the trampled rights of the cultural workers. The illdoers, as is the custom of all traitors, do not stop at anything, and are ready to invent any lie and distort every action. But everyone who knows, even only about their seizure of others' shares, can judge the quality of all that is conceived and executed by them.

In the life of cultural movements, treason appears as a well-known historic fact as a reaction of opposite forces. But the very same history of humanity speaks sufficiently clearly about the destiny of the traitors as well as about the invincible growth of luminous cultural movements.

82/17

Regret
Prof Roerich

206 N. Patterson Park Avenue
Baltimore, Maryland.
August 19, 1935.

N. K. Roerich
310 Riverside Drive
New York City

Dear Sir :

I should appreciate your considering my application if there will be an opening for some suitable position.

I am a daughter of a Colonel of the Russian Imperial Army, Anthony Vassilievitch Seletzky, and was born in Vilno, Russia on April 12, 1911. Although I speak Russian and French, my English is considered both fluent and idiomatic.

Almost the whole of my education has been recieved in Baltimore, Maryland. I completed my primary education in 1926, and was graduated from Eastern High School in June, 1930. In October of the same year I entered the Maryland Institute of Art as a student in the department devoted to the training of teachers, receiving my certificate as a graduate of that department in June, 1934. In the fall I returned to the Institute to take a post-graduate course in the Rinehart School of Sculpture. In June of this year I received the degree of Bachelor of Fine Arts.

During my five years at the Institute I have specialized in design, pageantry, and play-production. My schooling in art subjects has been supplemented by courses in education, science, history, English, and languages at the College for Teachers, Johns Hopkins University. In addition I have had considerable experience in practice teaching with students of all ages, and I feel that I am well prepared to teach not only all branches of art (design, fine arts, sculpture, crafts, pottery and dramatics) but also to lecture on history of art and art appreciation. I am likewise aquainted with methods of research work, archeology, and all museum work.

For references as to my character and qualifications, I refer you to :

Hans Schuler, Director, Maryland Institute of Art
Mt. Royal Avenue and Lanvale Street
Baltimore, Maryland.

Dr. N. B. Fagin, Johns Hopkins University
Baltimore, Maryland.

Wm. Marks Simpson, Director, Rinehart School of Sculpture
Maryland Institute of Art
Baltimore, Maryland.

Leon L. Winslow, Superintendent of Art
Baltimore Board of Education

I shall be glad to supply any other information that you may desire.

Sincerely yours,
Valentina A. Seletzky
Valentina A. Seletzky

82/18

M/S "ROMANTIC"
OFFICIAL SHIP
COMMANDER S. M. RIIS
COMMANDER OF EXPEDITION
ARTHUR I. HAYMAN
FIELD DIRECTOR
LT. COMMANDER I. SCHLOSSBACH
EXECUTIVE OFFICER
CAPT. BENDICK JOHANSSEN
SAILING MASTER
CHARLES D. ISAACSON
DIRECTOR EXPEDITION
ACTIVITIES & PUBLICITY

TENTATIVE HONORARY COMMITTEE

GEORGE GORDON BATTLE
CHANNING POLLOCK
REV. HERBERT GOLDSTEIN
DR. SIEGFRIED BLOCK
ELBERT HUBBARD II
MAJ. ANTHONY FIALA
DR. JACQUES FAITLOWITCH
Dr. David Sackin
Dr. Bernard Katzenstein

RIIS EXPEDITION

HEADQUARTERS, KNICKERBOCKER HOTEL
NEW YORK CITY

TELEPHONE
BRYANT 9-3300

CHICAGO OFFICE
KELLER-FERRIS
540 N. MICHIGAN AVE.
(ADDRESS REPLIES TO
N. Y. HEADQUARTERS)

August 20, 1935

Mr. Nicholas Roerich
Roerich Museum
310 Riverside Drive
New York City

Dear Mr. Roerich:

I should like to have your name associated with this Expedition as one of the Honorary Committee.

The Riis Expedition, sailing on or about October 1, 1935, for scientific service to humanity and for specific service to certain museums and other scientific organizations, associated with the Expedition, is to be manned with eminent men of science and arts, and will have the cooperation of leading nations.

You can be assured that your name will not be misused, nor will there be any financial obligation or responsibility.

Sincerely yours,

Charles D. Isaacson
Director Expedition Activities
for the RIIS EXPEDITION

CDI:AS

There is a recklessness about_____ that is increasing and very disturbing. He is very fine but too light-hearted about serious matters.

_____ is lovable and charming, but at times does the most appalling things in the most heartless way. As to whether it is thoughtless or the result of a carefully thought out plan, I have not yet been able to decide.

P. is undoubtedly an agent through which great forces are working, but he is provoking to me in the density of his perceptions at times, as I doubtless am to you. He has an exceedingly practical side which is very baffling.

The man at the center has a lovely spirit, but also a certain attitude of "all things to all men" which at times is disconcerting. Everyone is inspired to think his own ideas will be carried out, but there are many ideas and I fear many future conflicts. Ingenious temporary solutions, but statesmanship is yet to appear.

Have mailed what I trust will be an effective J__ letter to H____ and P___. Opportunities along this line are greater than you might suspect, and I am taking full advantage of them.

The rumor is that the E___s are seeking friendship with the J___s so as to divide the land of the C___s between them. The P____ thinks this and is very suspicious of the E___s. He does not like the J___s and wants adequate preparation for two or three years hence.

Several claimed that the J___s and the E___s were hand in glove in all their doings.

Some great J___ plan is brewing, but I have not found the outlines yet.

The J___s are going through various tricks but with respect to them the man now in charge of the old house is excellent. The P___ is soft-hearted toward the J___s and I fear has made commitments of some sort. My feeling has been that P___ is so deeply prejudiced against the J___s that it may not be wise to go all the way. It seems that in a certain matter he and the S. O. were much dissatisfied with the mildness of the old house.

I am worried about the attitude of P___ and many others concerning the J___s. Under their analysis the matter would come to a forcible climax perhaps in cooperation with the E___s about two years hence.

two years hence.

Although Miss E___ is so deeply prejudiced against the
idea, I feel sure that in a certain matter he and the S. O.
If seems that it was not be wise to go all the way.
I___ a fact it may

Miss E___ and I feel has made
considerable progress in cooperation with the E___ s about
friends and analysis the matter would come to a conclusion
and many others concerning the L___ s. Under
the circumstances I think it premature, but
I have not found the conditions yet.

Some great L___ bird is always
ready to help me in all their doings.
Several claimed that the L___ s and
the E___ were hard to plow in all their doings.

The L___ s are going furiously ahead
attacks put with respect to them the man won in
capture of the old house is excellent. The P___ is
self-centered toward the L___ s and I feel has made
comments of some sort. We feeling has been
that P___ is so deeply prejudiced against the
L___ s that it may not be wise to go all the way.
It seems that it is certain matter he and the S. O.
were much dissatisfied with the willingness of the
old house.

I am writing about the affidge of
the E___ s were hard in plow in all their doings.

Several claimed that the L___ s and
P___ and many others concerning the L___ s. Under
their analysis the matter would come to a conclusion
and many others concerning the L___ s. Under
two years hence.

82/21

THE ROERICH MUSEUM has fallen into the hands of despoilers. They are exercising legal rights that amount to piracy and a great institution will fall unless the public voice be raised against the sacrilege.

It can be rescued only by co-workers whose arts and convictions it expounds testifying to the high values which stand to be lost.

Such protest will be lodged at a conference of persons devoted to that culture of beauty and use to which Roerich is dedicated, and so richly serves. As one who shares this inspiration and has been joined with it, you are asked to unite in proclaiming its cause.

What's afoot—and the peril at the gates will be told at a gathering in Roerich Hall, Riverside Drive at 103rd St., at 8:30 the night of May 23rd. Dr. R. V. D. Magoffin, President of the Archaeological Institute of New York, will preside, and among those who will testify are—Dr. Harry A. Overstreet, Morris Ernst, Leon Dabo, Mrs. William D. Sporborg, President of The New York State Federation of Women's Clubs, Dr. Charles A. Fleischer, Dr. Christian Brinton, Dr. Henry Elmer Barnes, Hendrik Van Loon, Dr. John Haynes Holmes, Dr. James Cousins, and others.

Theirs will be brief talks and pointed—and may gain a hearing that will offset the wrong. Send a message if you can't be present.

JOHN O'HARA COSGRAVE,
for THE COMMITTEE

52 East 78th Street,
New York

82/22

September 7th, 1935

Mr. Charles D. Isaacson
Director Expedition Activities
for the RIIS EXPEDITION
Knickerbocker Hotel
New York City

Dear Mr. Isaacson:

Upon my return from a vacation, I found your letter of August 20th awaiting me.

I regret to advise you that Professor Nicholas Rèerich is on an expedition in the East, and at the present time I cannot reach him.

Thanking you for your coutesy, I remain

Sincerely

Louis L. Horch, President

82/23

September 7th, 1935

Miss Valentina A. Seletzky
206 N. Patterson Park Avenue
Baltimore, Maryland

Dear Miss Seletzky:

Upon my return from a vacation, I found your letter awaiting me.

I regret to advise you that Professor Nicholas Roerich is on an expedition in the East, and at the present time I cannot reach him.

Very truly yours

Louis L. Horch, President

3P

505 82/24

COPY

(from a letter by Mr. Horch to Prof. & Mme. Roerich)

September 27, 1935.

Professor Nicholas and Mme. Helena Roerich
Naggar, Kulu, British India.

Dear Professor Roerich and Mme. Roerich:

In conformity with my recent letters and entries in the Minutes, I wish to advise you further that your ways of action are not my ways, and that our relationship has come to an end. We shall no longer accept your leadership and the breach between us is irreconcilable. We have ample causes to reach this conclusion.

In serving the works under your leadership we have expected that high spiritual principles would be brought into actuality, but instead in the works we have experienced the most deplorable and the reverse aspects of human relationship and life. Under the guise of spirituality we have witnessed the service to egotism and self-glorification. Your attitude and actions towards us have been most unjust and your lack of appreciation of all that I have done for you and your family and the works, which glorified your name - is unparalleled.

We shall henceforth conduct the works along the paths of highest principles and ethics, in line with highest ideals. Should you attempt to instigate your favorite co-workers, Mr. and Mrs. Lichtmann, Miss Frances R. Grant or Mrs. Shaffran against us, we wish to notify you that we shall no longer tolerate any further undermining as our lives have been made unbearable during the past 13 years by these co-workers whom you have thrust upon us.

Yours truly,

(signed) Louis L. Horch.

P.S. In speaking of "we" I refer to Mrs. Nettie S. Horch, myself and Miss Esther J. Lichtmann.

82/25

The Observer, Sunday, Oct.6, 1935.

(London)

MONGOLIAN GRASSES FOR AMERICA,-

Seeds that will grow in Desert Sand

PEKING (by mail)

Vast stretches of American farmland which have been transformed into wilderness by drought and dust may be redeemed by Mongolian grasses brought to Peking by an American exploration party.

This expedition, headed by Professor Nicholas N. Roerich, of New York, and sent out by the United States Department of Agriculture, has brought back seeds of approximately 300 varieties of steppe grasses. Two particular varieties may prove of vital importance to the United States.

One id a grass which will grow well in the increasingly dry and semi-arid parts of West and Middle-West United States, and be suitable for livestock, while the other is a grass whose roots will serve to bind the precious soil into a compact mass, and thus prevent the disastrous wind erosion which has done such great damage throughout the Mississippi-Missouri basin during the past two years. The second grass will grow even in desert sand.

British United Press.

82/26

#78 NEW YORK 28 Nov. 1935. 23 w

Rcd Naggar Dec.1, 1935. 8.12 am

DLT ROERICH NAGGAR

Federal tax department placed lien on all your personal properties in America until your full back taxes are paid - Horch

ROERICH MUSEUM
310 Riverside Drive
New York.

Office of the President

November 26, 1935

Professor Nicholas de Roerich
Naggar, Kulu, Punjab,
Br. India.

Dear Professor Roerich,

I am forwarding herewith the registered letter dated November 25, 1935, addressed to you by the United States Treasury Department, containing three bills demanding payments for your personal taxes which have been unfiled and unpaid for the year 1926 amounting to $24,258.57 and for the year 1927, amounting to $23, 937.08, including the penalties; also your tax bill for 1934, amounting to $562.85.

I have cabled you the contents of this communication.

Very truly yours,
(signed) Louis L. Horch
President.

3 enclosures

NOTICE and DEMAND FOR INCOME TAX
United States Internal Revenue Service.

Notice is hereby given that there has been assessed against you the amount stated hereon. Demand is hereby made for immediate payment of said tax. If payment is not made within ten days after date of this notice, the Act provides that interest at the rate of ½ per cent per month will accrue from the date of this notice and demand.
Date, Nov. 25, 1935.

 82/28

NOTICE AND DEMAND FOR INCOME TAX
United States Internal Revenue Service

text as above

NAME AND ADDRESS		ITEMS	Total Assessment
Nicholas Roerich		10680.41	
% L.L.Horch	Penalty	8010.30	
310 Riverside Drive	Int to 11/23/35	5567.86	24258.57

1926 3176 RAR 279
Nov SPL #3 00-P 35 L

Rubber stamp print: IMPORTANT This bill with remittance must be returned to Collector of Internal Revenue 3rd District of New York. U.S.Parcel Post Building 29th St. and 9th Ave., New York City.

NOTICE and DEMAND FOR INCOME TAX
United States Internal Revenue Service

text as above

NAME AND ADDRESS		ITEMS	Total Assessment
Nicholas Roerich		10,824.82	
% L.L.Horch	Penalty	8,118.61	
310 Riverside Drive	Int to 11/23/35	4,993.65	23,937.08
New York City			

1927 3176 279 RAR
Nov SPL #3 01-P 35L

Rubber stamp as above

NOTICE AND DEMAND for INCOME TAX
United States Internal Revenue Service

text as above

NAME AND ADDRESS		ITEMS	Total Assessment
Nicholas Roerich		314 21	
% L.L.Horch	Penalty	235 66	
310 Riverside Drive	Int. to 11/23/35	12 98	562 85

1934 3176 273 RAR
Nov. SPL #3 02-P 35 L

Rubber stamp as above

Kindly refer to
Income Tax department, N.Y.K
for the amount mentioned
in the bill

NOTICE AND DEMAND FOR INCOME TAX

United States Internal Revenue Service

Kindly affix stamp as above

Total Assessment	Items	Name and Address
$80,697.88	1988	Nicholas Koster
	1989	% L.L.Horch
	1990	210 Riverside Drive
		New York City

1988 $58,458.83
1989 $15,118.45
1990 $23,120.60

1988 1989 1990 Inf. of

1988 1989 1990 Year ended Dec 31

Nov. 1917 $3 00-100 22 L

Kindly affix stamp as above

Text as above

NOTICE AND DEMAND FOR INCOME TAX

United States Internal Revenue Service

Kindly affix stamp as above

Total Assessment	Items	Name and Address
$4528.25	1988	Nicholas Koster
	1989	% L.L.Horch
	1990	210 Riverside Drive
		New York City

1988 $3000.00
1989 $1088.41

1988 1989 1990 Inf of

1988 1989 1990 2987.88

1988 1989 1990 Year ended Dec 31

Nov 1917 $3 00-100 22 L

Kindly affix stamp as above

IMPORTANT This bill will affect refund claims must be
returned to Collector of Internal Revenue 3rd
District of New York. U.S. Postoffice Post Building
Sixth St. and 4th Ave., New York City.

Text as above

NOTICE AND DEMAND FOR INCOME TAX

United States Internal Revenue Service

Page 5.

TITLE:

STATE OF NEW YORK)
COUNTY OF NEW YORK) SS.:

LOUIS L. HORCH, being duly sworn, deposes and says:

I am one of the defendants in the above entitled action, and make this affidavit in opposition to the motion for an injunction pendente lite brought on by the order to show cause dated December 16, 1935.

The plaintiffs, claiming each to be the owner of one share of stock in Master Institute of United Arts, Inc. (hereinafter referred to as the "Master Institute"), an educational corporation whose charter provides that the stock is entitled to no dividends or other pecuniary remuneration whose charter provides that the stock is entitled to no dividends or other pecuniary remuneration, move for the following relief pendente lite:

1. That the individual defendant and Nettie S. Horch, who is not a party to the action, be enjoined and restrained from holding an alleged threatened meeting of the corporation.

2. That the individual defendant and said Nettie S. Horch be enjoined and restrained from voting any shares of stock of he corporation, including even the shres of stock to which plaintiffs make no claim.

3. That the individual defendant and said Nettie S. Horch be enjoined from exercising any rights of "ownership or possession" of the shares claimed by plaintiffs.

4. That the individual defendant and said Nettie S. Horch be restrained from disposing of said shares of stock.

5. That the individual defendant and said Nettie S. Horch be enjoined "from carrying out any of he acts or

motions which came before said meeting" i.e. the meeting which it is sought to enjoin.

The defendants oppose the various requests for a temporary injunction on the following grounds:

First: That none of the plaintiffs ever owned any shares of stock; that shares of stock were simply at one time (prior to February, 1935) registered in their names for reasons which will hereinafter appear.

Second: That each of the five items of relief requested is either academic, improper or unnecessary as the following analysis will show:

As to 1: The meeting which is sought to be enjoined has already been held. It was held before the order to show cause was served and, I am informed that the order to show cause had not even been signed before the meeting was held.

As to 2: The next annual meeting of the corporation will not be held until December, 1936, and there will be no occasion to vote the stock prior thereto.

As to 3: The charter does not permit any dividends and hence there are no rights going w th the stock, except voting rights. As already seen, there is no need for an injunction against voting the stock.

As to 4: The owner and holder of the stock does not intend to dispose of or tr nsfer the stock in any way.

As to 5: The only thing that happened at the meeting was the election of trustees, of whom the plaintiff Maurice M. Lichtmann is one, and the adoption of a resolution approving the acts of the officers and trustees for the past year. By this prayer the plaintiffs seek to prevent the corporation from functioning and is improper. The plaintiffs seem to realize this and do not ask, therefore, to enjoin the corporation but seek to do it indirectly by enjoining two of the seven trustees

trustees of the corpor tion.

It must be remembered that this action is brought to recover shares of stock and that the Master Institute is really not involved in the case. There is no ttempt here to set aside the election so that the determination of the issues favorably to the plaintiffs, would merely give them the stock they claim; it would not affect the workings of the corporation. Therefore, the trustees of Master Institute should not be enjoined from carrying on the activities of the corporation.

I now propose to address myself to thefacts which will show that the plaintiffs in this action were never at any time the owners of shares of stock in the Master Institute. They were nothing more than nominees.

The Master Institute is an educational corporation having been first organized in 1922 under a charter which was amended in 1926. The charter provides and has always provided for seven trustees and a capital stock of seven shares, each without par value. Since the organization of the corporation, either by reason of by-laws or charter provisions, no stockholder has ever been entitled to any dividends and no dividends have ever been declared or paid.

It is obvious from the odd number of shares of stock authorized to be issued, which odd number corresponds exactly to the number of trustees, that the purpose of putting the stock in the names of nominees was to make it appear that the trustees or directors of the corporation were also stockholders. The purpose of this was twofold, - first, because I was under the impression that directors of a corporation must be stockholders, and second, because being a non-profit eductional corporation it would not look well, I thought, to have but one stockholder.

As a matter offact I was the only one who paid any money into the corporation and its organization. Thus the charter of the Master Institute granted by the University of the State of New York in 1922 provided that "the corporation shall begin business with a capital of at least $7500.00." I paid into the corporation this required capital of $7500 and no one else has ever contributed anything to the corporation. Also, I paid out of my personal funds for the legal services rendered by Messrs. Bloomberg & Bloomberg in connect on with the corporate organization and for the expenses in connection therewith. This came to about $2000. During the course of the first seven years of the corporation's existence, I put into it over $80,000 of my own money which was expended -

for the purposes of the corporation. Subsequently when it was deemed advisable for the corporation to have a building of its own to house its cultural and educational activities, I paid the sum of $195,000 to acquire the plot of land known as 310 Riverside Drive and turned the same over to the corporation. In addition to this I purchased with my own funds the adjoining plots known as 311-312 Riverside Drive and 321 West 103rd Street, paying therefore respectively *$110,000 and **$50,000. Although I had paid for all these properties with my own funds, I turned said properties over to the Master Institute without any cost or expense to them and without even taking back any purchase money mortgage or agreement for the repayment to me of the various purchase prices. No one else ever invested a single penny in this corporation and more particularly none of the plaintiffs ever contributed anything.

* was not this funds of Am. Bond + mortgage loan to extend our frontage ?

** when this was presumably purchased by Horch's money, Mr. Horch claimed to be completely without funds. How then did he get the funds. We demand explanation of this

letter Geo. G. Battle - witnesses & trustees
Sending data your loan for purchase house

At the time the corporation was organized I caused six of the shares of authorized capital stock to be issued in the name of six nominees, three of whom were the plaintiffs, and one share was registered in my own name. Although these shares of stock were issued in these various names, no one of the shares was ever in the possession of the nominees. Each one of the six nominees indorsed the certificates made out in their names in blank on the reverse side. Also each one of the six signed the stockholders' agreement which is referred to in the moving papers and each one of the six received a receipt in the form mentioned in the moving papers.

The purpose of that agreement was to prevent any of the nominees from attempting to transfer their stock to others and had no other purpose, particularly in view of the fact that my previous experience in Wall Street, where stock is so generally held in the name of nominees and where the signature of the nominee to the blank transfer power on the reverse side of the certificate is regarded as the important document, showed me that the nominee or registered holder is not the true owner.

That these nominees never regarded themselves as the true owners until now, when then seek to make the claim for purely selfish purposes, is attested by the following facts: Among the six in whose names stock was registered and who received receipts similar to those received by the plaintiffs were Prof. and Mme. Roerich. In 1928 in order to carry out the plan of erecting a new building on the plot and to procure a building loan and a first mortgage therefor, it was necessary that the registered holders of the stock be all available here in New York City. I thereupon caused to be transferred to Mrs. Schafran and Miss Esther J. Lichtmann the shares which had theretofore been nominally registered

in the names of Prof. and Mme. Roerich. Mrs. Schafran is the mother of the plaintiff Sina Lichtmann, and Esther J. Lichtmann is a sister of the plaintiff Maurice M. Lichtmann. Both Mrs. Schafran and Esther J. Lichtmann, immediately on the issuance of the shares of stock in their names, indorsed the same in blank and handed them to me. The plaintiffs in this action were fully aware of that transfer, particularly by reason of the fact that since said transfer many documents have been signed by all the stockholders of record including the plaintiffs. Apart from the relationship between the new nominees and the plaintiffs, it was perfectly obvious from those documents that Prof. and Mme. Roerich were no longer even nominal stockholders.

Furthermore, the fact that Mrs. Schafran, the mother of Sina Lichtmann never regarded herself as the real owner, is further attested by the fact that subsequently I caused the stock registered in the name of Mrs. Schafran to be transferred and registered in the name of Sidney Newburger, who also immediately indorsed the certificate in blank and turned it over to me. Mrs. Schafran and the plaintiff were well aware of this but none of them have ever protested. Also annexed hereto is an affidavit of Esther J. Lichtmann which shows that she never regarded herself as a true owner of the stock but merely as a nominee.

Nor did the Roerichs protest the transfer although I personally notified them of the transfer and indeed when Prof. Roerich subsequently returned to this country I spoke with Prof. Roerich but never at any time heard any protest from him.

These facts, I respectfully submit, show that at no time.

were the registered holders of the stock the true owners thereof but that they simply held the stock as my nominees. These facts further establish, I submit, that even if it should ultimately be determined in this action that the plaintiffs did own the stock, it would not follow that their votes would control the corporation. The plaintiffs, in order to make it appear that they would so control the corporation, say, without giving any facts on which to base it, that Prof. and Mme. Roerich would vote with them, but the fact is, that by no stretch of the imagination can it be said that Prof. and Mme. Roerich have any vote in this corporation.

Furthermore, if this injunction were to issue, particularly that part of it which seeks to prevent the trustees who were elected at the last meeting of the stockholders from functioning, it would seriously hamper the work of the corporation and would interfere with its carrying out the plan of reorganization which requires the corporation to do certain acts from time to time.

Before closing this affidavit I desire to deny certain statements and innuendos in the moving affidavits, although I am informed that those statements have no materiality but are put into the affidavits in an effort to create "atmosphere."

Sina Lichtmann alleges on page 2 of her affidavit that she and her husband and the Roerichs put a great deal of money into "the Master School of United Arts." This allegation is misleading and completely irrelevant to this proceeding in view of the fact that the "Master School" was wholly unrelated to the subsequently incorporated Master Institute. I never had any connection with the "Master School." The "great deal" of money, amounting to about $5,000. had been completely dissipated before the Master Institute was organized.

On page 3 of her affidavit, Sina Lichtmann says that the original trustees were made trustees of the corporation for life and that there was an understanding among the trustees to the effect that they were a self-perpetuating body. There is no truth to this statement at all. The original trustees were, by the certificate and charter of incorporation, and the by-laws of the corporation, elected for the term of one year or until their successor could be elected by the stockholders. Furthermore, there was no such agreement that the trustees were a self-perpetuating body and from time to time there have been changes in the Board of Trustees. For example, Mrs. Schafran was a director for a time. Miss Esther J. Lichtmann was not one of the original trustees.

I also object to the imputation contained in the affidavit that my wife and I imposed upon the other trustees because of an alleged inexperience on their part in business matters. All my actions as trustee were with the complete consent of all the other trustees after a full explanation of the pertinent facts. At no time did I take advantage of any alleged lack of experience of

the plaintiffs. It would rather seem the other way. After acquiescing in the arrangement for so long and standing by while I invested my whole life's savings in the Master Institute, they now demand that they be allowed to share in the ownership of a corporation in which they have invested nothing.

The affidavits refer to the devotion of the plaintiffs to the Master Institute, but they fail to state the fact that the plaintiffs have lived handsomely since 1922, and taken many tripsabroad at my expense. They also fail to state the fact that Mrs. Horch and myself have devoted not only all our efforts and time to carrying out the educational purposes of the Master Institute and the Roerich Museum, but that we also contributed our entire resources and are now stripped of our wealth, and I am faced with a personal deficiency judgment growing out of the assistance I gave to the financing of the Roerich Museum.

Mrs. Lichtmann's affidavit speaks of the high purposes for which the action is brought, but the real interest of the plaintiffs is seen on pages 4 and 5 of her affidavit. The interest of the plaintiffs lies not in the cultural work of the Master Institute, but in the rent-free apartments which they occupy at the present time. The chief fear of the plaintiffs is that they may have to pay for their apartments if any of them are not continued in the employ of the Master Institute.

Opposed to this meagre damage to the plaintiffs, which in any event is dammun absque injuria because they have no rights in the apartments unless they are employees, is the extent of the damage which would be caused to the Master Institute if an injunction were issued. The cultural work of the Master Institute would be handicapped and the reorganization threatened due to the inability of the new trustees to fulfill their obligations.

WHEREFORE, I respectfully pray that the motion for an injunction pendente lite be denied with costs.

LOUIS L. HORCH

Sworn to before me this

27th day of January, 1936.

ANN R. ELGAR, Notary Public, Westchester Co.
New York Co. Clk's No. 299, Reg. No. 7E201
Commission Expires March 30th, 1937.

SUPREME COURT, NEW YORK COUNTY

- -X

MAURICE M. LICHTMANN, SINA LICHTMANN and FRANCES R. GRANT,

Plaintiffs,

-against-

LOUIS L. HORCH and MASTER INSTITUTE OF UNITED ARTS, INC.,

Defendants

- -X

STATE OF NEW YORK)
COUNTY OF NEW YORK) SS.:

NETTIE S. HORCH, being duly sworn, deposes and says:

I make this affidavit in behalf of the defendants to this action.

I am a trustee and secretary of Master Institute of United Arts, Inc. and was such prior to the meeting of stockholders held on December 16th, 1935.

In calling said meeting of stockholders, I complied strictly with the by-laws of the corporation and the law of the State of New York, in that I gave timely notice thereof to the sole stockholder of record, i. e. myself.

At that meeting the plaintiff, Maurice M. Lichtmann, was re-elected a trustee of the corporation.

I have never threatened nor do I intend to transfer the shares of stock of Master Institute which I hold.

I should like to state that there is no truth to the allegations contained in the moving papers that there will be an interruption of classes or any interference with the cultural work of the Institute.

At the present time the Institute is functioning as usual, except for the hindrance caused by this legal proceeding. In my opinion, it is essential to the continuance of the cultural and educational work of the Institute that it be free from the interference of court process, since such action will drive away our students and make it more difficult for us to obtain eminent lecturers, teachers and artists. In view of the foregoing, I would like to repeat that any injunction against the Master Institute would be greatly to the detriment of the work we have been carrying on.

Sworn to before me this
27th day of January, 1936.

NETTIE S. HORCH
Nettie S. Horch

ANN R. ELGAR, Notary Public, Westchester Co.
New York Co. Clk's No. 299, Reg. No. 7E201
Commission Expires March 30th, 1937.

SUPREME COURT , NEW YORK COUNTY

- - - - - - - - - - - - - - - - - - - -X

MAURICE M. LICHTMANN, SINA LICHTMANN and FRANCES R. GRANT,

Plaintiffs,

-against-

LOUIS L. HORCH and MASTER INSTITUTE OF UNITED ARTS, INC.,

Defendants.

- - - - - - - - - - - - - - - - - - - -X

STATE OF NEW YORK)
COUNTY OF NEW YORK) SS.:

ESTHER J. LICHTMANN, being duly sworn, deposes and says:

I am a trustee of Master Institute of United Arts, Inc. From July 9, 1928 to February 25, 1935 I was a stockholder of record of Master Institute but I never regarded myself as anything more than Mr. Horch's nominee. When a share of stock was put into my name, I immediately indorsed the certificate in blank and gave it back to Mr. Horch. I had no doubt that Mr. Horch was the real owner of the Master Institute, and had no idea that I really owned a share of the Institute.

Any injunction against the Master Institute cannot fail to injure the activities of the Institute and all its educational affiliates.

Sworn to before me this
27th day of January, 1936.

ESTHER J. LICHTMANN
Esther J. Lichtmann

ANN R. ELGAR, Notary Public, Westchester Co.
New York Co. Clk's No. 299, Reg. No. 7E201
Commission Expires March 30th, 1937

SUPREME COURT - NEW YORK COUNTY

- -x

MAURICE M. LICHTMANN, SINA LICHTMANN and FRANCES R. GRANT,

Plaintiffs

-against-

LOUIS L. HORCH and MASTER INSTITUTE OF UNITED ARTS, INC.,

Defendants

- -x

STATE OF NEW YORK)
: ss.
COUNTY OF NEW YORK)

SAMUEL J. SCHUR, being duly sworn, deposes and says:

I am a member of the firm of Greenbaum, Wolff & Ernst, attorneys for the defendants, and have been, together with other members of my firm, in charge of the legal matters of the Master Institute of United Arts, Inc. for a number of years.

In connection with the reorganization of the property of that Company at 103rd Street and Riverside Drive, New York City, I caused an investigation to be made of the affairs of the Company, and in the course of that investigation Mr. Louis L. Horch, President of Master Institute of United Arts, Inc., explained to me the capital stock set-up of the Corporation. He stated to me that all of the issued capital stock had been paid for by him; that he was the only contributor to the capital of the Corporation, and that the stock was in the names of various nominees, not one of whom paid anything for the stock in his or her name. I advised him that under the law it was unnecessary to have the stock in the names of nominees. Subsequently

he caused all of the stock then standing in the names of the nominees (except the share of stock standing in the name of his wife) to be transferred out of the names of nominees.

I am familiar with the reorganization plan which has been consummated, with the approval of the Court, with respect to the property at 103rd Street and Riverside Drive, title to which is held in the Master Institute. Under the terms of that reorganization, the Master Institute is from time to time required to take action to carry out certain obligations and to comply with certain conditions within time limitations prescribed under the reorganization plan. In view of that fact and the precarious state of the finances of Master Institute, I am of the opinion that any injunction preventing the Trustees of that Corporation from acting would seriously handicap the corporation and might result in the loss of its property.

SAMUEL J. SCHUR

Sworn to before me this
27th day of January, 1936.

ANN R. ELGAR, Notary Public, Westchester Co.
New York Co. Clk's No. 299, Reg. No. 7E201
Commission Expires March 30, 1937.

How can pltf be entitled to order papers Friday - Do not ask for Friday -

82/45

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The Honorable Henry A. Wallace
Secretary of Agriculture
Dept. of Agriculture,
Washington, D.C.

Dear Mr. Secretary.

May I ask you, as the Protector of our Pact for the Preservation of Cultural Treasures, to transmit my heartiest greetings to all who have gathered on this Memorable Day dedicated to Pan American Brotherhood.

As you know, the work of the Expedition does not permit me to be present on this solemn occasion but in spirit I wish to greet all those who have gathered this day and to express my profound wishes for the protection and eternal growth of the universal achievements of culture, those true torches of human progress.

May our united resolve to protect the sacred manifestations of Beauty and Science merge us into one powerful union. For around these unifying monuments humanity will become fortified in mutual respect based upon the study of human genius during all ages and among all peoples.

Upon this reverential occasion, I send my sincere greetings and heartiest wishes.

Believe me to be, Very cordially,

(Signed) Nicholas Roerich

82/ 46

CONFIDENTIAL COPY

MEMORANDUM # 8

On December 17th, 1935 I received from Mr. L.L.Horch a registered letter containing in an opened envelope tax demands as per copies attached hereto. Since Mr. L.Horch in his accompanying note enumerates the contents and text of this opened letter, it is clear that he has himself opened the letter and taken full cognizance of their contents. Thus he has proved once again that he was attending to all my financial and tax matters.

It is of interest to note that by his last letters, dated Sept. 27, 1935, he officially severed all connections with us. Therefore it is incomprehensible, if not even illegal, that after his official notification severing all connections, Mr. Horch yet continues to open my mail and to take cognizance of its contents, instead of forwarding it unopened. This proves that similar actions may have occurred also at other times, the more so as I have very strangely received no letters from the New York address already for a long time.

In view of this strange occurrence we are the more surprised how a lien on my property in the U.S. could have been placed before notifying me of it, unless someone appeared as my representative on that date.

It is further interesting to note that in his accompanying letter, written on the Roerich Museum letter paper, Mr. L.L.Horch states on Nov. 26, 1935: "I have cabled you the contents of this communication", whereas his cable about this matter was dated New York Nov. 28th, 1935 and on that same date, according to the date on his cable, he notified me that a lien has already been placed on all my property in America. While the two cables were sent on the same day, Nov. 28th, the first cable being LC arrived on Nov. 29th at 9 a.m., whereas the second being DLT was only received here on Dec. 1st, at 9 a.m. The fact that both cables were sent on the same date is important.

In this memorandum I do not repeat the facts which were already previously cabled and embodied in previous memoranda and letters, namely that first of all the very nature of the demand is incomprehensible.

NAGGAR

Nicholas de Roerich

Dec. 19th, 1935.

Dec. 14th, 1922.

MAGNA

Microfilm of Magnet

it is therefore recommended that the said manuscript
now in the Morton Museum letter paper, M.L.L. Morton
written on the Morton Museum letter paper, M.L.L. Morton
"Confidential" :2821 ,25 .Nov .Nov 14th 1922. I"
and no part whatever of the contents of the said
letter, or any portion thereof, should be published
in any way whatever without the consent of the
Morton Museum Trustees.

Yours truly,
M.L.L. Morton, Director.

I do not remember that I ever received
any letter from Mr. Morton concerning the
Museum or the Museum Trustees.

Yours truly,

CONFIDENTIAL COPY

8 - MUSEUM NUMBER

Letter to M.L.L. Morton, Director, Dec. 14th, 1922, from Magna

82/47

December 18, 1935

My own Sina, Frances and Maurice;

We are shocked by the wire which we have just received from you. This means that Mr. Horch, like a fratricide, has taken action against his coworkers of many years; against the entire original group of self-sacrificing workers in the cause of culture. What kind of culture is he manifesting, what kind of heart, what type of human image, if he wishes to oust co-workers who gave fifteen of the best years of their lives to this work? This disgraces and shames, not only Mr. Horch, but all who helped him in this horrible conspiracy. It is even impossible to see how - save in the case of a criminal offense - one could attck in this brutal way, co-workers who set their spirits into the foundations of an educational institution. It is impossible to imagine any law which would uphold the ousting of people from their homes, after they spent fifteen years of self-sacrificing, unstained labor. The fratricide is intent on proving that he alone gave everything. But he came to a harvest already sown. No one forgot his dollars - we were always ready to appreciate his gift to the Museum, because this was not a personal gift but a donation to an institution. Now, however, this institution is being reduced to the category of a piece of private property, in which the fist of a tyrannical landlord suddenly reveals itself. Truly in the history of educational institutions, this case becomes one of unprecedented appeal. It is splendid that the true friends of culture are raising their voices and manifesting all possible aid to truth and justice. There cannot be a court in the world which would permit educational workers to be thrown out after fifteen years of labor. Mankind has read enough about all types of greedy stranglers. And it is precisely for the purpose of ridding mankind of such lowness and abomination that educational and cultural institutions exist. But what is to be said if the president of a cultural institution, in a savage culture-phobia, begins to oust his co-workers?

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What is to be said if a school and press suffer oppressions and conspiracies, long since schemed? What is to be said further than that the very wire communicating the actions of Mr. Horch, seems incredible in human life, since we are not dealing with gangsters presumably? We established this educational institution for the inspiration of youth; what will youth say when it discerns not cooperation, but - quite the opposite - human hatred? A few years ago, when we faced the question of the safety of the very walls of the building, this was not as horrible as now when the very foundations are being undermined. It is now not only a question of culture, but of civilization and honesty. Because not only culture, but even civilization is attacked by such acts of human hate, savageness, dishonesty and vileness. There is no vocabulary which can define this dangerous action of a fratricide. Only to think how many dark cunning schemes have been utilized in order that the viper of evil should creep across all thresholds and leave its slanderous poison everywhere.

You trusted the fratricide, you did everything possible for the mutual task, bringing all your possibilities. And now on you, who acted peacefully and in good faith, there is being poured out a fratricidal savagery. Justice and law are not dead letters. And in the evidence of such malice, they must arise. You did not attack - you were attacked. And they attacked in speed as though to finish this dark, deliberate act under the clamor of the New Year. You, as we, labored only for good. To this, all our labors, our sacrifices, our thoughts and striving bear witness. Thousands of persons are aware of this. Is it possible that anyone can find excuses for this malicious and shameful attack?

As for ourselves, we were not even consulted. In our absence, they have ejected us and misused our name and our property. They used our absence for their purposes; God knows what malfeisance was performed, in order to obscure the truth and bring the greatest damage to all. But one cannot obscure the truth. Today someone may try to obscure the truth

under a dusky veil; nevertheless tomorrow its light will glow through all things.

We look at your cable, reread its precise message and even then our hearts cannot realize that such a conspired fratricidal attack against you is being attempted. What a hideous example they are bringing before youth - as though trying to prove that evil can conquer good; that falsehood can conquer truth. In this lies the great criminal offense.

I do not believe, nor will I admit, that without cause or offense, members of a Board of Trustees of a Cultural Institution may be ousted. Not alone is it a matter of destroying a cultural institution, - such a satanic act-, but, perhaps worse, such a conspiracy drives young hearts to believe that gold alone rules the world. "Satan leads the dance." Surely this cannot be! There must be many warriors of culture, who will say "Get thee hence, Satan!" And the land which first pronounces this enlightened command will be the first in the construction of the New Era.

May the Lord send you strength to withstand all these unprecedented, vile conspiracies. Victory is predestined! Victory will be with truth!

In spirit with you.

(signed) R.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

- -x

MAURICE M. LICHTMANN, SINA LICHTMANN and FRANCES R. GRANT,

Plaintiffs,

- against -

LOUIS L. HORCH and MASTER INSTITUTE OF UNITED ARTS, INC.,

Defendants.

- -x

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

MAURICE M. LICHTMANN, being duly sworn, deposes and says:

I am one of the plaintiffs above named; and I make this affidavit in reply to the affidavits submitted in opposition to the motion for an injunction. I have carefully read the affidavits so submitted, that is, the affidavits of Louis L. Horch, Nettie S. Horch, Esther J. Lichtmann, and Samuel J. Schur, all sworn to January 27, 1936.

Before answering the new facts which have been set forth in those affidavits and considering the new matters contained in those affidavits, I wish to point out to the Court that the following essential elements in our application for an injunction are not substantially contested:

(1) <u>There is no substantial dispute that any of the plaintiffs, including myself, were the stockholders of this corporation</u>.

While Mr. Horch claims that we were merely "nominees" (which will be discussed below in this affidavit),

he does not deny that we were and still are the registered stockholders of this corporation. He says on page 6 of his affidavit:

> "Among the six in whose names stock was registered and who received receipts similar to those received by the plaintiffs were Prof. and Mme. Roerich."

Also on page 6:

> "At the time the corporation was organized I caused six of the shares of authorized capital stock to be issued in the names of six nominees, three of whom were the plaintiffs, and one share was registered in my own name."

On page 2:

> "First: * * * that shares of stock were simply at one time (prior to February, 1935) registered in their names * * *."

On page 4:

> "It is obvious from the odd number of shares of stock authorized to be issued, which odd number corresponds exactly to the number of trustees, that the purpose of putting the stock in the names of nominees was to make it appear that the trustees or directors of the corporation were also stockholders. The purpose of this was twofold,- first, because I was under the impression that directors of a corporation must be stockholders and second, because being a non-profit educational corporation it would not look well, I thought, to have but one stockholder."

His statements in the affidavit that

> "none of the plaintiffs ever owned any shares of stock" (p. 2)

and that

> "the plaintiffs in this action were never at any time the owners of shares of stock in the Master Institute" (p. 3)

are bare conclusions in view of the other conceded statements

that the stock was issued in our name and that we were the registered holders.

(2) <u>There is no dispute that the plaintiffs, acting separately, each deposited his share of stock with Mr. Horch on April 23, 1923</u>.

The deposit receipt is set forth in the affidavit of Sina Lichtmann, sworn to December 16, 1935, in support of this motion (p. 6). I received an identical deposit receipt as that recited in the affidavit of Sina Lichtmann, except, of course, that my name was inserted in place of hers. It is significant as well that over the signature of Louis L. Horch in said instrument acknowledging receipt of the share of stock it is acknowledged that the depositor "retains the full right to vote such share of stock despite the deposit as herein mentioned."

(3) <u>It is conceded by the defendants that there has been no change in the contract relationship between the several depositors and Louis L. Horch as the depositee with reference to the ownership of or voting rights attached to the certificates of stock</u>.

So that the record before this Court indicates that prior to April 23, 1923, I, as well as the other depositors, had the right to vote the stock, that ever since the date of the receipt that right to vote has never been relinquished, and that I still possess the right to vote said share of stock.

(4) It is conceded in the answering affidavits that a so-called meeting of stockholders was held on December 16, 1935, notice of which had not been given to me or to the other plaintiffs in this action, and that certain action was taken at such meeting.

Curiously, Louis L. Horch, who claims to be the owner of stock, by some extraneous facts, was not the one who voted the seven shares of stock, but, according to the affidavit of Nettie S. Horch, she was "the sole stockholder of record."

(5) It is not disputed, but on the contrary asserted, that the Horches, husband or wife, purport to be the sole stockholder of record.

On these conceded facts alone, I claim that our right to injunctive relief restraining the corporation or any person connected with it from carrying out any of the measures enacted at such meeting is amply founded. Thus, there has been a meeting of stockholders to which no notice was given to conceded stockholders of record, at which meeting measures were voted upon.

As explained in the accompanying affidavit of Harold Davis, the order to show cause and the restraining order could not be served on the corporation prior to 12 o'clock noon on December 16, 1935, although notice that application for such an order would be made was given to the present attorneys for the defendants; but Mr. Justice Shientag, then sitting in Special Term, Part II, reframed the stay order to enjoin the carrying out of any of the acts taken at such meeting which I claim was illegally held.

It will also be conceded by the defendants that ever since the beginning of this month I have continuously made efforts to be permitted to examine the stock book and the other books and papers of Master Institute of United Arts, Inc. On January 10, 1936, I made a personal demand for inspection upon the defendant Louis L. Horch at the office of the corporation at 310 Riverside Drive. Mr. Horch refused said permission, saying that the books were in the hands of the attorneys. Harold Davis, a member of the firm of attorneys representing the plaintiffs, has informed me that later that day he spoke with Mr. Schur and asked permission to see those books, and that he was refused.

On January 11, 1936, the said Samuel J. Schur wrote a letter to my attorneys in which he stated as follows:

> "Referring to your letter of January 6th we confirm our telephone advices to you of a day or two thereafter that without the consent of our client we are unable to make available the records you desire to examine. To accomodate you, however, we will be happy to supply copies of such documents in our possession as may be matters of public record."

Upon such refusal to permit me to examine the books, I presented a petition to this Court, verified January 13, 1936, for an order of peremptory mandamus permitting me an inspection of the books, papers and records of said Master Institute of United Arts, Inc. An issue of fact was raised in the answer to the petition by the denial of the defendant Horch that neither he nor Nettie Horch, respectively the President and Treasurer, and Secretary, had the

possession of the books, and a denial of the allegation of the petition that a demand was made upon them. They also raised in their answer a defense that the examination was "not for the purpose of securing information to guide him in his conduct as a trustee of the respondent Master Institute of United Arts, Inc., but, on the contrary, is for the purpose of prosecuting a seperate action in which not only the said petitioner but Sina Lichtmann and Frances R. Grant are plaintiffs" meaning this action. The application for a peremptory mandamus was denied because of these issues of fact, but an order of alternative mandamus was granted. The order was signed on January 25, 1936, and was served on January 28, 1936.

I have also instituted an action under Section 10 of the Stock Corporation Law to recover from Louis L. Horch and Nettie S. Horch, the officers of this corporation, the statutory penalty for refusing to exhibit to me the stock book of this corporation.

Thus, the defendant Horch has carefully and persistently refused to exhibit to me or to my attorneys the stock book of this corporation which would indicate not only that I was the registered owner of a share of stock but that said share of stock has never been transferred from me to anyone else, divesting my title to it, or divesting my title to the right to vote it.

Mr. Horch states that there was an odd number of shares of stock authorized to be issued (p. 4, his affidavit). It will be helpful at this time to inform the Court

of the terms of the charter of the corporation, which is as follows:

THE
UNIVERSITY OF THE STATE OF NEW YORK
PROVISIONAL CHARTER OF
MASTER INSTITUTE OF UNITED ARTS, INC.

THIS INSTRUMENT WITNESSETH That the Regents of the University of the State of New York have granted this provisional charter incorporating LOUIS L. HORCH NICHOLAS ROERICH MAURICE LICHTMANN, FRANCES R. GRANT NETTIE HORCH HELENA ROERICH ZENA LICHTMAN and their associates and successors as an educational institution for the instruction of persons of both sexes, in painting, music, languages, literature, drawing, designing, engraving, sculpture, singing, dramatic art, under the corporate name of "Master Institute of United Arts, Inc." to be located at 312 West 54th Street in the Borough of Manhattan, City and State of New York, with seven trustees to be at first the named incorporators, to hold until their successors shall be chosen by the shareholders of the corporation at and for such time or times as their bylaws shall provide; with power in the corporation to have a capital stock to be divided into seven shares of nominal or no par value, to be issued upon such terms as the trustees shall determine, and upon which may be distributed to the holders thereof dividends or shares of the surplus profits of the corporation, subject to the condition that the corporation shall begin business with a capital of at least $7500.00; and this provisional charter will be replaced by an absolute charter if within five years the corporation shall acquire resources and equipment deemed suitable and sufficient by the Regents of the University for its chartered purposes and be maintaining an organization of usefulness and character satisfactory to them.

GRANTED September 28, 1922, by the Regents of the University of the State of New York executed under their seal and recorded in their office. Number 3183

(seal) Chester O. Lord — Chancellor

Frank P. Graves (signed) — President of the University

That charter was granted on September 28, 1922. There were seven shares of stock provided for in that charter. I actually received the possession of a certificate for one share. In spite of what Mr. Horch says about none of the plaintiffs ever having in his possession a share of stock, I state unequivocally that I had such share of stock in my possession and placed it in my safe deposit vault in the Colonial Bank at 102nd Street and Broadway. On April 23, 1923, that stock was handed by me to Mr. Horch under the terms of the agreement embodied in the receipt above referred to. He can hardly deny a physical transfer in view of the terms of the receipt.

Replying now to the various statements of fact contained in Mr. Horch's affidavit, I will do so in the order in which the statements were made by him.

At the bottom of page 2 and top of page 3, he says that because there are no dividends attaching to the stock there is no need for an injunction against voting the stock. This, of course, is a <u>non sequitur</u> because, although no dividends do attach to the stock, the voting right does attach and that voting right is most valuable. The stockholder is entitled to vote for the election of trustees of the corporation. This corporation now is the fee owner of the large building at 103rd Street and Riverside Drive. As a consequence, the voting right is a valuable right, not merely a gesture.

On March 25, 1926, as appears from an excerpt from the journal of a meeting of the Board of Regents of the University of the State of New York, held at the State Educa-

tion Building at Albany, it was voted that the charter of Master Institute of United Arts, Inc., above quoted, should be amended so as to provide that no stockholder should receive directly or indirectly any part or portion of the income, earnings or profits of the corporation and no dividends in any way, shape or form.

I have in my possession the notice sent to the stockholders of the Master Institute of United Arts, Inc., which I received as a stockholder, to attend the meeting of said stockholders on December 28, 1925, at 4 P. M., for the purpose of considering and voting upon a resolution to authorize the above amendment. Not only did I receive such notice but I also subscribed to the notice and the other subscribers to the notice for the meeting were Louis L. Horch, Nettie S. Horch, Sina Lichtmann, and Frances R. Grant. Prof. and Mme. Roerich, the other two stockholders, obviously could not subscribe to the notice because at that time they were in Little Tibet. This hardly looks as though I were a mere nominee or dummy for Mr. Horch, or that I had yielded my stock rights to him because, if, as he suggests in his affidavits, he was the sole stockholder at that time, why did he join in sending a notice of call to the meeting to me and the other plaintiffs and why were we signing as stockholders?

On page 3, Mr. Horch states that the owner and holder of the stock does not intend to dispose of or transfer the stock in any way. This is a curious statement because throughout his affidavit he claims to be the sole stockholder, and yet in the affidavit of Nettie S. Horch, submitted in

opposition to this motion, she states that "I gave timely notice thereof (i. e., of the calling of the meeting) to the sole stockholder of record, i. e. myself." Consequently, there is a variance between the persons who now purport to be the sole stockholder, Mr. Horch claiming to be the stockholder, and Mrs. Horch claiming to be likewise the sole stockholder. Also, if Mr. Horch is so pious in his statement that there is no intention to dispose of or transfer the stock, including the share which belongs to me, how does it happen that Mrs. Horch voted the stock at that meeting?

On page 3, Mr. Horch states in a naive, half-true manner that the only thing that happened at the meeting was the election of trustees, of whom I am one, and the adoption of a resolution approving the acts of the officers and trustees for the past year. He neglects to state that persons were elected to take the place of Sina Lichtmann and Frances R. Grant as trustees. He probably also had elected successors to Prof. and Mme. Roerich, the inspiration and founders of the corporation. Why I was elected a trustee at that meeting I do not know; I do not claim to be a trustee of this corporation owing my title to whatever acts took place at that meeting. I claim to have been a trustee elected a long time before, to have continued in office, and to never have been superseded. Mrs. Lichtmann and Miss Grant continue to claim that they are trustees and have never been superseded, and I am confident that Prof. and Mme. Roerich have the same feelings.

On page 3, further, Mr. Horch states that there is no attempt here to set aside the election so that the determination of the issues favorably to the plaintiffs would merely give to them the stock they claim; it would not affect the workings of the corporation. In answer to that statement, I claim that the election held on December 16 was an illegal election because notice of the meeting was not given to me. There is no merit to the claim that the trustees of Master Institute should not be enjoined from carrying on the activities of the corporation, because the real trustees, including Miss Grant, Mrs. Lichtmann and myself, are fully competent to carry on the activities of the corporation as we have done in the past. There is no criticism made in any part of the affidavits submitted in opposition to the motion of our activities as trustees at all.

Addressing myself now to the main theme of the Horch affidavit that six of the trustees and stockholders were his nominees, that it was his bought and paid for corporation, and that he was the real owner of this corporation, I beg to inform the Court of these facts:

Shortly after Prof. Roerich first came to this country as an international figure, Mrs. Lichtmann and I met him. At that time Mrs. Lichtmann and I conducted a school of music on whose faculty were very well known musicians. We were enthused by Prof. Roerich's plans for an institution which should unite the teaching of all arts. We took about ten months to evolve our plans. There were just Prof. and Mme. Roerich, Mrs. Lichtmann and myself in this effort at that time. The school was formally opened

on November 17, 1921. We had never heard of either Mr. or Mrs. Horch up to that time, or for several months after. I think it was in June, 1922, when Mr. and Mrs. Horch were introduced to us. From the opening of the school until that time the school was in a good financial standing and needed nobody to contribute funds. Miss Grant became affiliated with the school in the summer of 1922 by resigning from her position as editor of "Musical America." We did not need the Horch's money for the school at all. In July, 1922, the seven of us, Prof. and Mme. Roerich, Miss Grant, Mr. and Mrs. Horch, Mrs. Lichtmann and myself, spent some time in Maine, where the incorporation of the Master Institute School was planned. Mrs. Lichtmann and myself had by this time devoted our entire efforts and all of our time to the furtherance of the activities of the school. Likewise, did Miss Grant. When the corporation was finally formed in September of 1922, we seven became the seven stockholders and trustees.

Mr. Horch would have this Court believe that it was his corporation, that we "sold out" to him, and that we remained merely as his nominees or dummies. That is directly contrary to the fact, because this corporation, devoted to cultural work, was sponsored by all of us. It just happened that Mr. Horch, who was wealthier than any of us, or all of us put together, advanced the money that was needed for the program of expansion. On the other hand, Mrs. Lichtmann and I, who were successful teachers of music, foresook our private school and put all of our efforts and

all of our time, and have done so for the past 15 years, to the enhancement and growth of the school; Miss Grant foresook her professional career as editor of "Musical America" and contributor to other magazines to give her efforts solely in behalf of the school; and Prof. and Mme. Roerich, in their field of art and exploration, devoted their time and energies to its advancement, so that while some were in a position to give money, others gave their efforts. It just so happens that neither Mr. nor Mrs. Horch had any artistic training or background which they could contribute.

As a matter of fact, Mrs. Lichtmann and I, as is admitted by Mr. Horch, turned over approximately $5,000 in cash, our life savings. I resent the imputation that this money was "dissipated"; it was used for the purposes of the school and was spent to enhance the school's reputation.

Bearing again upon the assertion by Mr. Horch that it was his own corporation, that we were merely nominees, it is strange, for instance, that this corporation should have as its President and Chairman of the Board of Trustees, not Mr. Horch, but Prof. Roerich, that Miss Grant should be its Executive Director, and I, its Vice-President, and Mr. Horch, merely its Treasurer. That certainly does not sound consistent with the claim that it was his corporation.

On page 6, Mr. Horch states that the purpose of the stockholders' agreement was to prevent any of us as so-called nominees from attempting to transfer our stock to others. He says that this was his intention, particularly

in view of his background in Wall Street concerning nominees. That is patently sham. None of us ever had any desire to transfer our interests from the Institute to which we had cast our lives and devotions, and as a matter of fact, this very litigation, commenced by us, is for the purpose of preventing him from ousting us from any connection with the Institute.

It says further on page 6 that we never regarded ourselves as the true owners until now. That is not so. As shown above, we acted as stockholders at the meeting to amend the charter. The fact is, however, that the Master Institute became a subsidiary or an affiliate of the Roerich Museum. The Roerich Museum, after its organization, conducted in its name all of the activities of the schools, and the Master Institute became merely a department of the Roerich Museum. It became known as the Master Institute of the Roerich Museum. However, after the property at 103rd Street and Riverside Drive became involved in financial difficulties and a reorganization was had, the property was deeded by the Referee to the Riverside Drive and 103rd Street Corporation (a bond holders corporation) on February 25, 1935, and in turn by the Riverside Drive and 103rd Street Corporation to Master Institute of United Arts, Inc., on that same day. As a consequence, Master Institute of United Arts, Inc. did not really become active after many years of inactivity as a corporation until it reacquired title to the property.

The reason why the property was placed in the hands of the Master Institute of United Arts, Inc. was that the plan of reorganization, submitted by all the parties and approved by Charles C. Burlingham, Referee, provided that the new corporation of bondholders was to convey the property, subject to a first mortgage, to an educational corporation organized by the Roerich Museum interests, which would deliver to the bondholders corporation its bond and mortgage in an amount equal to the principal amount of bonds participating in the plan. In his report, Referee Burlingham stated:

> "One of the principal questions raised by bondholders at the hearings was whether it would be to their interest to alter the building by substituting apartments for the museum, library, meeting hall, etc., now used for exhibitions and lectures. It is estimated by real estate experts that this would cost upwards of $100,000. Counsel for the committees and the Receiver Horch are strongly of opinion that the existence of the museum with its facilities makes tenancy attractive and in normal times will bring in higher rentals than an ordinary apartment house or hotel. Besides, with the museum in the building the owners will be able to retain an exemption of taxation of approximately $15,000 per annum for those portions of the building devoted to educational and artistic purposes.
>
> "I have visited the building and having weighed all the arguments, I am convinced that it is to the distinct advantage of the bondholders not to alter the building, but rather to retain the museum as an essential part of the enterprise.
>
> "One objection to the plan raised by some of the bondholders is that it leaves the management of the property in the hands of the Roerich Museum, or of an educational corporation to be organized and controlled by the present museum interests. The board of

directors of the New Company is designated two by each of the committees and the fifth by agreement between the committees, failing which, by the President of the Real Estate Board of New York; and further the shares of stock of the New Company are to be put in a voting trust consisting of three trustees, one named by each of the committees and the third by agreement, or failing agreement, then by the President of the Real Estate Board. These trustees represent the depositors; they may be removed at any time upon the request of the holders of certificates representing two-thirds of the capital stock of the New Company. The bond which, under the Plan, the new educational corporation must give with the purchase money mortgage to the New Company, specifically states what items may be deducted to determine 'surplus income', requires the Museum to file with the New Company statements of the amount of such income applicable to the payment of interest and gives it the right to have certified public accountants inspect the books of the Museum. This will give the bondholders, through the New Company, sufficient protection and control. It would be unwise to divide the management and thus lessen responsibility. It might, however, be an added safeguard if the selection of the superintendent or manager of the building were subject to the approval of the New Company, and this I recommend."

In the order of Mr. Justice Shientag the Referee's report was approved and the premises were to be conveyed to the bondholders corporation, and by it re-conveyed "to an educational corporation, organized under the laws of the State of New York and controlled by the present Roerich Museum interests."

On page 6 of Mr. Horch's affidavit, he states that we are trying to make our claim now for purely selfish purposes. I think the best answer to Mr. Horch's present claim is his own statement contained in a letter dated April

25, 1932, to the bondholders in which he states as follows:

> "You and we are the only ones vitally interested in saving this venture. You have your money at stake; we have not only our money but our ideals and our life work. * * * Unfortunately the difficulties of the American Bond and Mortgage Company and its failure to market our Bonds in accordance with their agreement, necessitated our disposing of the Bonds at a tremendous discount, with resultant substantial loss. The embarassment caused thereby required our Trustees to drain themselves of their personal resources in order that the Building might be completed and the investment of the Bondholders thereby secured. * * *
>
> "Do you, as reasonable men and women, believe that a Receiver is better able to conduct this property successfully than the unselfish and sacrificing men and women familiar with its work and devoted to its cause, and whose lives are wrapped up in its success? * * *
>
> "I want to assure you that the administration of the Museum's affairs has been scrupulously honest and efficient in the highest degree; that no Trustee as such receives any salary; and that only small salaries are paid to the administrative heads of our various departments who devote their entire time and their efforts to the essential activities of the institution. Without these activities, this Building would be merely another apartment hotel of which as you know there is a tremendous oversupply, and which, as is generally known, are poorly rented, despite very low rentals, and are generally unsuccessful."

And when the reorganization plans were completed, Mr. Morris L. Ernst, a member of the firm now representing the defendants, wrote to our inspiration, guide and associate as follows:

"GREENBAUM WOLFF & ERNST
285 Madison Avenue
NEW-YORK

February 15, 1933.

To Prof. Nicholas Roerich
Naggar, Kulu, Punjab, India

My dear Prof. Roerich:

In behalf of my partners and myself, I want to cordially thank you for your letter of January 7th, expressing your gratification with our efforts in behalf of the Roerich Museum. As capital dwindles in importance, it may be well be that cultural movements will get into the ascendancy. There is no doubt in my mind but that these two movements are antagonistic to each other at present.

With kind regards to you,

Sincerely yours,

(signed) E r n s t."

Also, in a letter which Mr. Horch wrote to Prof. Roerich, a copy of which has been handed to us, is the following under date of February 4, 1931:

"Received the beautiful letters from our Guru (Nicholas Roerich) and Tara (Helena Roerich). I deserved a much severer letter, then the beautiful letters received. From the moment almost when I met Prof. Roerich I had only one wish namely to gather all Paintings of Prof. Roerich in one place, so that no one should ever get them. To keep these Treasures for Humanity for all time! And what did I want to do, to sell a few of them to help some temporary condition. I am heart broken at my great stupidity! How said I was when some pictures were sent on Loan to South America! It is sad to think how small my thoughts became.

When once one thinks in this low Scale one naturally makes other mistakes. Just as stupid was to use different Lighting in the Museum. Certainly I want to go only by the High Road of Hierarchy - and it is the great priveledge to go by this Divine Path. To respect and honor every Indication by the Guru and Tara and toprotect their Name with my life.

One special priveledge given to me was to take all financial worries of the Hands of the Guru and in a moment I spoil anything. To be economical in our Institutions instead of seeing where the real Economy was needed, namely in the Hotel. I can assure My Teachers, that this row of errors made by myself exclusively were not made intentionally or consciously. I am guilty of these errors and I shall torture myself to learn how to think and act better. Also before acting to look at all possible consequences. Once at Santa Fe I made an unprepared speech and this speech was very bad. Now I always prepare speeches and this error once made at Santa Fe, never fails to rise before my mind . -"

Do these statements look as though we were selfish people?

Ever since the beginning of this movement I have never received one cent in salary or any fee except such as I received in my capacity as a teacher. I know for a fact that in the past 22 months Miss Grant has received exactly $700, or approximately $30 a month. Yet Mr. Horch says we are living handsomely.

Continuing on pages 6 and 7, Mr. Horch talks about the transfer of the stock of Prof. and Mme. Roerich. This is a curious statement. If the stock really belonged to Mr. Horch, as he says in other parts of his affidavit, why was it necessary for him to have Prof. and Mme. Roerich's

stock transferred to Mrs. Schafran and Miss Esther J. Lichtmann? If the stock were really his and if he were the sole stockholder he could have voted the stock. Why go through all this hocus-pocus if the stock really belonged to him? Then he says that he further caused another transfer from Mrs. Schafran to Mr. Sidney Newburger (his brother-in-law). Does not this bear out the fact that Horch was not the owner of the stock and, therefore, answers the question in the negative. Of course, neither Mrs. Schafran nor Miss Lichtmann, nor Mr. Newburger, regarded themselves as the owner of the stock. They were not the owner of the stock; that stock was owned by Prof. and Mme. Roerich, and that is the complete answer to Miss Lichtmann's affidavit.

Mr. Horch states that Prof. Roerich never protested and he also states that we have no facts that Prof. and Mme. Roerich would vote with us at any real meeting of stockholders. I can answer that question immediately because I have in my possession a letter signed by Prof. Roerich and dated December 18, 1935, in which he writes to Mrs. Lichtmann, Miss Grant and myself, from which I quote the following:

> "We are shocked by the wire which we have just received from you. This means that Mr. Horch * * * has taken action against his coworkers of many years; against the entire original group of self-sacrificing workers in the cause of culture. What kind of culture is he manifesting, what kind of heart, what type of human image, if he wishes to oust co-workers who gave fifteen of the best years of their lives to this work? * * *

It is impossible to imagine any law which would uphold the ousting of people from their homes, after they spent fifteen years of self-sacrificing, unstained labor. * * * (He) is intent on proving that he alone gave everything. But he came to a harvest already sown. No one forgot his dollars - we were always ready to appreciate his gift to the Museum, because this was not a personal gift but a donation to an institution. Now, however, this institution is being reduced to the category of a piece of private property * * * . Truly in the history of educational institutions, this case becomes one of unprecedented appeal. It is splendid that the true friends of culture are raising their voices and manifesting all possible aid to truth and justice. There cannot be a court in the world which would permit educational workers to be thrown out after fifteen years of labor. * * * We established this educational institution for the inspiration of youth; what will youth say when it discerns not cooperation, but - quite the opposite - human hatred? A few years ago, when we faced the question of the safety of the very walls of the building, this was not as horrible as now when the very foundations are being undermined. * * *

"I do not believe, nor will I admit, that without cause or offense, members of a Board of Trustees of a Cultural Institution may be ousted. * * *

"In spirit with you.

R."

On page 8 Mr. Horch states that an injunction would interfere with the work of the corporation in its carrying out of its plan of reorganization. This cannot be so. The injunction can only require that a real legal meeting be held for the election of trustees. If Referee Burlingham and Mr. Justice Shientag had enough confidence in us, who were the Roerich Museum interests referred to in the report and order, to direct that the building be placed in

our hands, certainly that should be enough evidence that we would not hamper any work of reorganization.

On page 9, Mr. Horch states that he never had any connection with the Master School. I have before me the catalogue of the Master School which was issued in 1922 just at the time when Mr. Horch came, and his name was therein recited as the Treasurer.

In conclusion, this application for an injunction is founded, I am informed by my attorneys, upon strict legal grounds, the holding of a stockholders meeting without giving notice to concededly registered owners of stock. The talk about nominees and dummies is just so much talk. It does not disguise nor conceal the bare fundamental fact that strictly and legally Mrs. Lichtmann, Miss Grant and myself, and Prof. and Mme. Roerich were registered owners of the stock and entitled to receive notice. That Prof. and Mme. Roerich would vote with us needs no further proof than what is indicated above. At such a meeting we would have had five votes against two of Mr. and Mr. Horch. What we want is a legal meeting. And since our confidence in Mr. Horch has been destroyed, we want him to return to us our shares of stock.

Sworn to before me this
30th day of January, 1936.

Milton Reis

Maurice M. Lichtmann

Notary Public, Kings Co. Clerk's No. 247
Certificate filed N. Y. Co. Clerk's No. 824
Commission expires March 30, 1936

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

- -x

MAURICE M. LICHTMANN, SINA LICHTMANN and FRANCES R. GRANT,

Plaintiffs,

- against -

LOUIS L. HORCH and MASTER INSTITUTE OF UNITED ARTS, INC.,

Defendants.

- -x

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

HAROLD DAVIS, being duly sworn, deposes and says:

I am a member of the firm of PLAUT & DAVIS, attorneys for the plaintiffs herein above named.

On Monday, December 16, 1935, plaintiffs herein above named executed the affidavits upon which the order to show cause herein was based, and I attended before Mr. Justice Hofstadter and applied for an order noticing the argument upon the temporary stay to be incorporated in the order to show cause herein for 11 A. M. on said day at the chambers of the Justice presiding at Special Term, Part II. This application was merely to give the defendants, and/or their attorneys, notification, pursuant to the Civil Practice Act, that the plaintiffs intended to request a temporary injunction at the time they applied for their order to show cause.

At 9 A. M., Mr. Justice Hofstadter signed the order notifying the defendants that the application for the temporary stay would be made at 11 A. M.

At 9:15 A. M., on December 16, I returned to the premises of the Master Institute and there attempted to serve Mr. or Mrs. Horch with the papers. I went to Mr. Horch's apartment and there spoke to a colored maid and to Mr. Horch's child. Both of them stated that Mr. Horch was out of town. I asked for Mrs. Horch and was told that she was not at home. I then returned to the lobby of the hotel where I was informed that I would have to leave the premises. Someone apparently had informed the management that I desired to serve some papers. I remained at the premises, however, by going to see one of the plaintiffs who resides there, and Miss Grant accompanied me to the office of the Master Institute where I spoke to the secretary, a young lady whose name I do not know, and I there informed her that I desired to serve some papers upon the Master Institute and upon Mr. or Mrs. Horch. The young lady denied knowledge as to their whereabouts and disclaimed authority to accept service of any papers, although admitting that the office was that of the Master Institute.

At 10 A. M., I called the office of Messrs. Greenbaum, Wolff & Ernst, the attorneys for the Master Institute. I was informed that they were officially the attorneys for the said defendant by the plaintiffs. I asked for Mr. Samuel Schur. I spoke to him. He stated that he was not feeling very well and that he could not attend at the Supreme Court at 11 A. M. He stated that he could not have anyone else take care of this matter. He told me, however, that he would not oppose any stay in the order to show cause

and I informed him of Mr. Justice Hofstadter's order by reading it to him and by stating to him that I desired him to accept service thereof. He stated that the same would not be necessary because he would not oppose any stay.

In speaking to Mr. Schur I also asked him to inform me as to the whereabouts of the meeting so that I could attend the same or serve the necessary papers to restrain the meeting. Mr. Schur would not tell me where the meeting would be held, disclaiming any knowledge thereof except that he stated he knew the meeting would be held in spite of anything I might do. I asked him if he had passed upon the corporate action involved and he stated he had, and my reply was that he must know where the meeting would be held. He insisted, however, that he had no such knowledge.

I immediately went to Special Term, Part II, where I arrived at 10:45 A. M. Mr. Justice Shientag, then presiding, would not accept the papers unless they went through the clerk's office. The clerk submitted the papers at 11:20. I informed the secretary of Mr. Justice Shientag of the urgency of the situation, and at 11:55 Mr. Justice Shientag signed the papers as submitted after first calling the office of Greenbaum, Wolff & Ernst and speaking to someone about this matter. Upon information and belief I think he spoke to Mr. Schur. Mr. Greenberg, Mr. Justice Shientag's secretary, informed me that the defendants' attorney did not object to the stay.

The signed papers were delivered to me at 11:55, but because of the limitation of time and the lack of knowledge as to where the meeting would be held, I was unable to make any use of the order in its then form. I re-applied to Mr. Justice Shientag, who modified his order by staying all proceedings arising out of or as a result of the said meeting, which said order was signed and delivered to me at 12:05 P. M. The moment the order was signed I called the office of Greenbaum, Wolff & Ernst personally and spoke to Mr. Schur who, in spite of his apparent illness, was still at his office. Mr. Schur arranged for the service of the papers upon Mrs. Horch and agreed to ascertain whether he could accept service of the papers in behalf of the other defendants.

Sworn to before me this
29th day of January, 1936. Harold Davis

Milton Reiss

Notary Public, Kings Co. Clerk's No. 244
Certificate filed N. Y. Co. Clerk's No. 424
Commission expires March 30, 1936

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

- -x

MAURICE M. LICHTMANN, SINA LICHTMANN and FRANCES R. GRANT,

Plaintiffs,

- against -

LOUIS L. HORCH and MASTER INSTITUTE OF UNITED ARTS, INC.,

Defendants.

- -x

MEMORANDUM IN SUPPORT OF PLAINTIFFS' MOTION FOR AN INJUNCTION PENDENTE LITE.

The plaintiffs, as stockholders of Master Institute of United Arts, Inc., are seeking by this motion to preserve the status quo during the pendency of this action to save their rights as stockholders. Up until December 16, 1935, there had been no questioning of their rights to have votes in the management of the corporation. Commencing that day, however, the defendant Horch (and his wife, Nettie S. Horch, who is to be added as a defendant) for the first time definitely took the position that the plaintiffs had no voice in the corporation's affairs and that, on the contrary, the Horches were the sole owners of

all the stock of the corporation and the sole persons entitled to vote. To prevent these acts of exclusion and to prevent the corporation from being guided along the paths set for it solely by the Horches, during the pendency of the action itself to test at a trial the ownership of (1) the voting rights, and (2) the shares of stock, the plaintiffs have applied to equity for temporary relief. We conceive, therefore, that the only proper and ultimate question before this Court at this time is whether or not the plaintiffs have enough merit in their position to warrant a temporary restraint until the trial upon the Horches and the corporation they claim to own.

AN ANALYSIS OF THE FACTS.

The affidavits present a set of facts which are organized in the following manner.

A. <u>The situation on December 15, 1935, and the forenoon of December 16, 1935.</u>

From an outside source the plaintiffs casually learned, on Sunday, December 15th, that on the following day at noon Louis L. Horch was going to hold a

meeting of the stockholders of the corporation, at which meeting he would claim that he was the sole stockholder and the only one entitled to vote all of the shares of stock; correlatively, that at this meeting, wherever it was to be held, the plaintiffs would not be recognized as stockholders, and neither would Prof. Roerich and Mme. Roerich.

An order to show cause, supporting affidavits and a complaint were prepared that Sunday night to restrain the holding of that meeting. On December 16, at 9 A. M., Mr. Justice Hofstadter signed an order requiring the defendants to show cause at Special Term, Part II (Mr. Justice Shientag), at 11 A. M. that day, why an order should not be made restraining the defendants from doing that act, i. e. holding such meeting, pending the determination of the motion for a temporary injunction. Efforts were made to serve that order personally on the defendants at 103rd Street and Riverside Drive before that time. Personal service could not be made because at Mr. Horch's residence it was explained he was out of town. At 10 A. M., plaintiffs' counsel telephoned the attorneys for the defendants and explained the situation, told them that the application would be made at 11 A. M., and suggested that they be present

in court at that time. The answer was that the attorneys could not stop the meeting and they had no objection to the stay order being made. Returning downtown to court, counsel presented the papers and order, which did not come to Mr. Justice Shientag's attention until a few minutes before noon --the hour set for the meeting. It was impossible, as a practical matter, then to stay the meeting because there was not enough time to take the order from the court to 103rd Street for service before the meeting.

Accordingly, the order to show cause was changed in order to accomplish the only effectual measure remaining, i. e., restrain any acts taken at the meeting. Such order was made. And, also, Mr. Justice Shientag signed a stay of such acts pending the determination of the motion after his secretary communicated with the defendants' attorneys and ascertained they had no objections (aff. of Harold Davis, 1/30/38).

B. <u>The meeting sought to be enjoined actually was held, at noon, December 16th.</u>

In spite of the telephone calls to defendants' attorneys, referred to above, the meeting was held at noon. Strangely, Louis L. Horch himself did not vote the stock, but, his wife, Nettie S. Horch, voted all of the shares of stock at that meeting (aff. of Nettie S. Horch, 1/27/36). What the foundation of her claimed right to vote six of the seven shares of this stock is remains a mystery --whether she was a proxy, agency, purchaser or transferee from her husband of six shares---which the defendants have chosen not to explain.

Concededly, Mrs. Horch was entitled to vote one share. But, in view of (1) the admitted fact that the three plaintiffs were stockholders at the inception of the corporation, and (2) the admitted fact that they deposited their stock with Louis L. Horch on April 23, 1923, pursuant to the agreement (more fully discussed below) that they retained voting privileges, even adopting for purposes of argument the contention of Louis L. Horch that he was the owner of all the stock, still there is a break in the chain

of that "ownership" between Louis L. Horch and the person who voted at the meeting as the sole person entitled to vote all the stock.

On this state of the record, the defendants have failed to show any source of title to the six shares or the voting rights attached to them in Mrs. Horch; and thus, at this meeting six shares were voted by a stranger to their title.

C. Certain measures were voted at that meeting.

Although (1) Louis L. Horch was not present at the meeting, (2) the minutes of the meeting are not attached to the answering affidavits, and (3) Mrs. Horch says not a word concerning what happened at the meeting. Louis L. Horch (his aff., 1/27/36) states that the acts of the officers for the past year were approved and Maurice M. Lichtmann was re-elected a trustee. He does not say that was all that was done. Actually there was more. Defendants' counsel stated at the argument that the other two plaintiffs were superseded as trustees, but he failed to state who were "elected" in their place. And he did not say that was all that was accomplished at that meeting.

D. Admittedly, no notice of the meeting was given the three plaintiffs (aff. of Nettie S. Horch, 1/27/36).

And, also, while the right to vote of Prof. and Mme. Roerich is not being tested in this action, no notice was given them, either.

E. The plaintiffs have established by undisputed records their right to vote their shares of stock.

1. When the corporation was organized in September, 1922, the three plaintiffs were named in the charter (see aff. of Maurice M. Lichtmann, 1/30/36) as three of the seven stockholders. The other four were Prof. Roerich, Mme. Roerich, Mr. Horch and Mrs. Horch.

2. On April 23, 1923, each of the three plaintiffs (aff. of each, 12/16/35) deposited their stock with Louis L. Horch, each receiving a receipt in this form:

"MASTER INSTITUTE OF UNITED ARTS, INC.

I, LOUIS L. HORCH, DO HEREBY CERTIFY that I have received from SINA LICHTMANN Certificate No. 7 representing one share of the common capital stock of the MASTER INSTITUTE OF UNITED ARTS, INC., which share is deposited with me subject and pursuant to a stockholders' agreement bearing date April 23rd, 1923, and entered into among various stockholders of the said corporation, a copy of which agreement is filed with the corporation's records, and I further certify that any and all dividends declared or paid on said share of stock shall be for the benefit of and payable to said SINA LICHTMANN who also retains the full right to vote such share of stock despite the deposit as herein mentioned, the said share of stock having been deposited with me in order to more fully effectuate the terms of the stockholders' agreement above mentioned.

IN WITNESS WHEREOF, I have hereunto signed this instrument and affixed my seal the 23rd day of April, 1923.

LOUIS L. HORCH L. S."

This is undenied. A photostatic copy over Louis L. Horch's signature was produced upon the oral argument. Significantly, too, the underlying agreement for the deposit, which the plaintiffs stated they did not have, was not produced by the defendants, although they have it.

3. There has been no change or modification of the deposit agreement from the day it was made to the present time. None was even suggested in the opposing affidavits.

F. <u>There is no denial that at one time, at least, the plaintiffs were the registered owners of the stock.</u>

Horch's assertions that they were are collected in the affidavit of Maurice M. Lichtmann, 1/30/36.

G. <u>The only contention advanced by the defendants is that the plaintiffs held their stock as Horch's nominees or dummies.</u>

Even if such were the fact, which of course we deny, the law still requires notice of meeting to be given stockholders even if the equitable title to their stock be in others.

H. <u>The Horch contention that the plaintiffs were his nominees is belied by the actual facts:</u>

1. The set-up of the corporation at its inception indicates a group of contributors of the fruits of each's particular field, each giving to the common cause:

(a) the Roerichs:- their paintings,

(b) the Lichtmanns:- their music, giving up their private music school,

(c) Miss Grant:- her editorial ability, giving up the post as editor of "Musical America,"

(d) the Horches:- their money, $7,500, plus organization expenses.

The Institute was to teach all arts.

2. From 1922 to date each has given to the common cause:

(a) the Roerichs:- over 1,000 paintings and the fruits of their explorations,

(b) the Lichtmanns:- 14 years of teaching at the school, without salary,

(c) Miss Grant:- 14 years of editing the Institute's and Museum's publications, executive direction to its activities, receiving less than $30 a month,

(d) the Horches: over $1,000,000.

Each gave what he or she had to give; some, talents; others, cash. All was helpful.

3. Each gave in the spirit of donation for in 1926 the charter was amended so as to prohibit dividends or income to stockholders (aff. Maurice M. Lichtmann, 1/30/36).

4. The deposit agreement of April 23, 1923, is of two-fold force:

(a) retention of dividends (a right then carried by the stock) and voting is inconsistent with the theory that the depositors were "dummies" for the depositee; and

(b) that such an agreement was made at all is inconsistent with the notion of "dummies."

5. The charter was amended in 1926 pursuant to a resolution passed at a stockholders' meeting (a) held upon call to the plaintiffs, among others; (b) the notice of which meeting was signed by the plaintiffs and the Horches (the Roerichs were then in Little Tibet) (aff. of Maurice M. Lichtmann, 1/30/36).

6. Concededly, all the plaintiffs acted as trustees until December 16, 1935, and even at the complained of meeting Maurice M. Lichtmann was re-elected as a trustee.

7. The stock-juggling with the shares of the Roerichs (no consent on the part of the Roerichs having

been shown) is inconsistent with the notion that the Roerichs were dummies for Horch. If action were needed to be taken by the stockholders in person in New York, and if the Roerichs merely held the stock as "nominees" for Horch, why did he not take back the stock himself, the claimed real owner, instead of placing it in the names of two other persons, Mrs. Schafran and Miss Esther Lichtmann, and then one share further transferred to Mr. Newburger (aff. of Horch, 1/27/36)? That would have been the natural thing to expect.

I. <u>At a meeting of the real stockholders the Horches would be in the minority.</u>

The attitude of the Roerichs is sufficiently indicated by the letter written by Nicholas Roerich, dated December 18, 1935. If the two Roerichs could be present the line-up would be five to two against the Horches. Even if they could not be present, the votes would be three to two against the Horches.

J. <u>There has been shown no danger which would result from a granting of an injunction pendente lite.</u>

Although there is a bald statement that the reorganization of the building would be affected by the granting of relief (aff. of Horch, 1/27/36), there are no explanations for that assertion and no supporting facts. On the other hand:

1. The reorganization plan, approved by Referee Burlingham and Mr. Justice Shientag, provided that the property should be conveyed to the bond-holders' corporation and re-conveyed by the latter to a corporation of "the present Roerich Museum interests," meaning these plaintiffs as well as the Horches (aff. of Maurice M. Lichtmann, 1/30/36).

2. Not a word has been said in the opposing affidavits that the reorganization plans were being interfered with up to December 16, 1935, by the plaintiffs, when they concededly were part of the management voice.

3. The plaintiff Maurice M. Lichtmann, together with Horch, is personally liable for the

POINT I.

deficiency (aff. Maurice M. Lichtmann, 12/16/35).

CONCERNING NETTIE S. HORCH

The proofs of service of the order to show cause will indicate that a copy was left with her on December 16, 1935, before 4 P. M.

No one of the plaintiffs had knowledge that she was the one who was going to vote the stock. How she did is, as discussed above, a mystery.

Injunctive relief against her husband alone would be ineffectual, if she, as his amanuensis, is free to act.

She must have had knowledge of the plaintiffs' rights in their stock for the deposit receipts state that the agreement is on file with the corporation records; and she has been secretary of the corporation for many years.

We desire to inform the Court that a motion is pending at Special Term, Part I, for leave to make her a defendant and to issue a supplemental and amended summons and complaint.

POINT I.

The defendants' contention that a special proceeding should have been taken under section 25 of the General Corporation Law instead of this action in equity is not well founded because

A. that section does not apply to the relief here requested and needed, and, therefore is inappropriate to this matter; and

B. that statutory proceeding is inadequate to cope with the present situation.

Section 25 provides for a speedy method only to try title to a disputed elective office of a corporation. It reads:

> "Powers of supreme court respecting elections. Upon the application of any member aggrieved by an election, and upon notice to the persons declared elected thereat, the corporation and such other persons as the court may direct, the supreme court at a special term thereof shall forthwith hear the proofs and allegations of the parties, and confirm the election or order a new election, as justice may require."

This section gives the court the power to investigate elections.

> "The statute was clearly enacted in order that courts might have power to proceed in a summary manner to test the title of officers of corporations without recourse to the more cumbersome proceeding under the writ of quo warranto."
>
> Matter of Ringler, 204 N. Y. 30, 40.

As Judge Werner pointed out in that case, at page 41, the court thereby is given the power "to investigate elections." And, significantly, the proceeding of quo warranto (see section 1208, C. P. A.), to accomplish the same purposes which section 25 was designed to give but in an easier manner, is brought against a person "who usurps, intrudes into or unlawfully holds or exercises * * * an office * * *."

The section is confined to elections only.

> "The statute purports to deal with elections only, and matters directly related to them."
>
> Matter of Clarke, Inc., 186 App. Div. 216, 220.

See also:

Matter of Utica Fire Alarm Telegraph Co., 115 App. Div. 831, 827;

Farmer v. Farmer & Son Type Founding Co., 83 App. Div. 218, 225, 226.

Matter of Supreme Council, 142 App. Div. 307, 312.

The case at bar, however, is not brought to test title to an elective office but to test title to the stock and the voting privileges appurtenant to said stock and the right to possession of the certificates. The temporary injunctive relief asked for is:

(1) that all acts and resolutions voted upon at the complained-of meeting of December 16th be enjoined;

(2) that no further meetings be held without notice to the plaintiffs as stockholders;

(3) that Louis L. Horch (and now, also, Nettie S. Horch) be restrained from disposing of the plaintiffs' certificates of stock.

The final relief asked for in the complaint adds, in substance, that the plaintiffs be recognized and declared as the

true owners of the stock and that they be given back the physical possession of their certificates.

What is here being litigated are the rights of ownership in and to the stock.

That at the meeting of December 16th there may have been an election of trustees is a mere incident to the main issue of stock and stock voting ownership. There is no prayer for relief anywhere that the persons who were elected trustees vacate the offices to which they were elected or that they be declared usurpers of those offices. As a matter of fact, the opposing affidavits state that Maurice M. Lichtmann, one of the plaintiffs, was re-elected as a trustee at such meeting. There were other measures voted at such meeting, as for example, the opposing affidavits say the acts of the officers for the past year were approved.

At other meetings, stockholders may be called upon for other votes, as, for example, to sell or mortgage corporate property, or to amend the corporation charter.

What this action is aimed at are <u>any</u> and all acts, indiscriminately, taken at any meeting or meetings of

stockholders which disregards the plaintiffs as stockholders or entitled to vote stock.

Thus, section 25 is inappropriate to this situation, and has so been judicially recognized.

In Matter of Utica Fire Alarm Telegraph Co., 115 App. Div. 821, the Cresset Company claimed to be entitled to vote 275 shares of stock of the fire-alarm company. The right to vote 200 of these 275 shares was not disputed--75 shares was disputed. They were held in the names of four former directors of the Cresset Co., with substantial equitable claims by the Cresset Co. that the shares be turned over to it. But at the meeting for election of directors of the fire alarm company the inspectors of election refused to permit the Cresset Co. to vote these shares. The court held that in a special proceeding under the predecessor statute of section 25 the conflicting claims to the stock could not be resolved. At pages 826-827, Kruse, J., wrote:

> "It is, however, not so clear from all the facts and circumstances in the case that the finding would not be warranted

that the Cresset Company has at least an equitable right in the 75 shares, and that in a proper action it might not require the transfer thereof to it upon a proper adjustment between it and the four persons who took the title to the stock in their own name and paid therefor, at least in part. But we do not decide that question.

"This proceeding is brought under the provisions of section 27 of the General Corporation Law (Laws of 1892, chap. 687), which empowers the Supreme Court summarily to inquire into and determine the validity of the elections of corporations and any proceeding, act or matter touching the same. While the court has ample power under this section to determine any question relating to the election, even such as is merely incidental thereto when necessarily involved in the controversy, the proceeding is not an action, and is inappropriate for determining equitable claims or questions not necessarily involved in deciding the primary question."

Similarly, section 25 was held an inappropriate proceeding to test the rights to the stock in Matter of Clarke, 186 App. Div. 216, where the facts were that a stockholder's claim to vote 69 shares recorded in his name was contested on the ground that some of these shares in equity did not belong to him. The court there refrained from inquiring into the question of his ownership of the stock under this type of proceeding. Jenks, P. J., wrote at pages 219-220:

"But such declaration refers to the investigation of the status of a stockholder to vote at the election; it does not mean that the statute authorizes the Supreme Court to substitute a summary proceeding to try out questions which are normally the subject of actions in the law or in the equity side of the court. And there is no good reason why the Supreme Court should be authorized to depart from the normal procedure of a trial by action, to try summarily by affidavit or like proof the legal and equitable rights involved in the promotion and conduct of corporations between promoter, the corporation or its officers or its stockholders. But there is good reason for a summary proceeding that can deal forthwith with elections that involve immediate control of the corporation.

"The statute purports to deal with elections only, and matters directly related to them. Examination of the sole authority cited in Ringler's Case (supra) as to the purpose and scope of the statute (Strong v. Smith), of the cases cited in Strong's case, and of the cases now cited by the learned counsel, will show that in n ne of them did the court presume to go so far afield as to try any such question as is presented by the action and contention of the appellants in this case, or even to intimate that the court had power. On the contrary, the court in those cases considered only the status of the stockholder as a voter at an election. Such matters as are stated as a grievance against Read as a promoter, incorporator, stockholder or officer, do not relate to the election within the intendment and purview of the statute."

Relief under section 25 would, for additional reasons be inadequate, for

(1) it could not hold up the approval given the acts of the officers of the corporation (the Horches) at the meeting;

(2) it could not hold up any other measures voted at the meeting;

(3) it could not impound the plaintiffs' stock so as to prevent it from being transferred;

(4) it could not finally award plaintiffs their stock; and

(5) it could not prevent the Horches or either of them, purporting to be owners of 100% of the stock, from doing anything with the corporati even to the extent of voting its dissolution.

The cases, undoubtedly to be cited by the defendants, do hold that section 25 is an exclusive remedy, but only in situations to try directly the sole issue of title to an office:

Matter of Moscowitz, 206 App. Div. 389. A proceeding by one who had been a director of a Hospital, but who had been removed at a meeting of the Board, to contest the election of his successor in office.

Merchants Loan & Inv. Corp. v. Abramson, 214 App. Div. 252. An action to restrain persons "who claimed to be the directors thereof and to have been elected at a special meeting of the stockholders from interfering with the directors previously elected * * * an action in equity to determine the title to office of the respective directors" (see Headnote).

Hudson River Stg. Co. v. Hay, 14 Abb. Pr., N. S., 191. "An action in the name of the company, without its authority, for the purpose of indirectly trying the title to the offices" (see Headnote).

POINT II

THERE ARE SUBSTANTIAL GROUNDS FOR EQUITABLE RELIEF TO PROTECT THE PLAINTIFFS' INTERESTS UNTIL THE MERITS OF THE ACTION ARE DECIDED AT A PLENARY TRIAL.

Equity gives protection in the form of a temporary injunction to preserve the status quo to "afford the only complete safeguard against the possibility of an ineffectual decree."

Lozier Motor Co. v. Ball, 53 Misc. 375, 383;

Piza v. Butler, 90 Hun 254, 257;

Weiss v. Fox Theatres Corp., 136 Misc. 312.

Accordingly, temporary injunctions have been issued restraining the transfer of stock and from voting the shares at stockholders' meetings pending an action to determine the ownership of the shares.

Weston v. Goldstein, 39 App. Div. 661 (see, also, opinion below, 26 Misc. 171);

Luitwieler v. Luitwieler Pumping Engine Co., 191 N. Y. Supp. 417;

Bedford v. American Aluminum & Specialty Co., 51 App. Div., 537;

Hall v. Lay, 27 Misc. 602.

In Weston v. Goldstein, 39 App. Div. 661, where the facts bear a close resemblance to those in this case, and where Special Term granted an injunction pendente lite restraining defendants from voting upon or disposing of their stock in a corporation, the Appellate Division affirmed, Patterson, J., writing at page 662:

> "That the injunction is not too broad in its scope, if it were properly granted, is manifest. If the defendants are allowed to dispose of this stock, or, by voting upon it, put the company in the control of others, in violation and fraud of the plaintiff's right, a final judgment would be of little use. The present status should be maintained until the trial and decision of the cause."

CONCLUSION

It appearing that defendants' attorneys having had knowledge that an application was being made to the Court to stop the meeting of December 16th, and that nevertheless such meeting was had, equity ought to interfere, to do the next best thing, to prevent the defendants from carrying out what was done at that meeting, to prevent the defendants from seizing control of 100% of the corporation

to do with it as they wish, and to secure the safety of plaintiffs' stock, during the pendency of the action. The plaintiffs have conclusively proved that they were the owners of stock, that the defendant Louis L. Horch is breaching the deposit agreement of 1923, that he is, without basis of right, asserting a title to that stock antagonistic to the plaintiffs, and that there is no foundation whatsoever for the claimed right of Nettie S. Horch to vote six of the seven shares.

Wherefore, it is respectfully submitted that the motion be granted.

Dated, New York, February 5, 1936.

Respectfully submitted,

PLAUT & DAVIS

Attorneys for Plaintiffs.

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SUPREME COURT OF THE STATE OF NEW YORK

COUNTY OF NEW YORK

- x

MAURICE M. LICHTMANN, SINA LICHTMANN and FRANCES R. GRANT,

Plaintiffs,

- against -

LOUIS L. HORCH, MASTER INSTITUTE OF UNITED ARTS, INC. and NETTIE S. HORCH,

Defendants.

- x

New York, March 25th, 1936,
2 o'clock P.M.

Examination of LOUIS L. HORCH and NETTIE S. HORCH, held pursuant to the order of the Hon. Philip J. McCook, Justice, dated March 11th, 1936.

Adjourned by consent to March 25th, 1936 at 2 P.M.

APPEARANCES:

PLAUT & DAVIS, ESQS. (Attorneys for the Plaintiffs,
(By Herbert Plaut, Esq.).

GREENBAUM, WOLFF & ERNST, ESQS. (Attorneys for the
Defendants Louis L. Horch and Nettie S. Horch,
(By Jonas J. Shapiro, Esq.)

IT IS HEREBY STIPULATED AND AGREED as follows:

1. That the examination be held before Rose H. Meyerson, as Notary Public, in place and stead of the Justice sitting at Special Term, Part 11 of the Supreme Court.

2. These depositions may be sworn to before any Notary Public with the same force and effect as if sworn to before any Justice sitting at Special Term.

3. That the filing of the examination be waived and that the attorneys for the defendants be supplied with a copy of this examination, upon paying the charge for the same.

LOUIS L. HORCH, having been first duly sworn, testified as follows:

EXAMINATION BY MR. PLAUT:

Q Mr. Horch, will you kindly state your place of residence? A 310 Riverside Drive, New York City.

Q You are the President of Master Institute of United Arts, Inc.? A Yes, sir.

Q And you have been the President ever since 1922, September, when the corporation was organized? A Yes, sir.

Q When the corporation was organized, there were seven stockholders, is that correct?

MR. SHAPIRO: I object to that as calling for

a conclusion.

Q Do you know who the stockholders were who were indicated in the Certificate of Incorporation?

MR. SHAPIRO: I object to this.

Q I show you a paper which purports to be a photostatic copy of the Provisional Charter of Master Institute of United Arts, Inc. and ask you whether you have seen the original charter that was furnished by the Regents?

Mr. SHAPIRO: Well, I will concede there was a charter; subject to comparison or anything else, why we will concede that is a copy of it.

MR. PLAUT: Will you mark this paper for identification.

(The paper just above referred to was marked PLAINTIFF'S EXHIBIT 1 FOR IDENTIFICATION OF THIS DATE.)

Q Now, there was an organization meeting held after this charter was granted, was there not, Mr. Horch?

A I believe so.

Q And at that meeting you were elected the President? A Yes.

Q Do you recall whether certificates of stock were issued at or about that time? A I believe there were

shares of stock issued at that time, yes.

Q Did you sign these various certificates of stock as the President, and place the seal of the corporation upon them? A Yes.

Q Do you recall whether certificates for shares of stock, or a share of stock was delivered to Mr. Maurice Lichtmann, Miss Frances R. Grant and Mrs. Sina Lichtmann? A They were not delivered.

Q Were they delivered to anybody or were they retained in the book? A They were kept by me.

Q Were they ever torn out of the book of stock certificates at that time? A They were.

Q And you took them? A Yes.

Q Were certificates actually made out in the names of Mr. Maurice Lichtmann, Miss Frances R. Grant and Mrs. Sina Lichtmann? A Yes.

Q Now, when you say you took them into your custody at that time, were these certificates endorsed by these three people? A They were endorsed.

Q Was there any writing at that time to indicate the reason for your taking custody of those certificates?

A They belonged to me.

Q The question was, was there any writing at that time? A You mean, a paper signed to that effect, or so; in what way do you mean, Mr. Plaut?

Q Was there any written agreement? A At that time?

Q Between those people and you, dealing with the custody of those certificates? A No.

Q In April of 1923, there was a writing? A There was.

Q And at that time you gave Mrs. Lichtmann, Mr. Lichtmann and Miss Grant a receipt? A I did.

Q And as closely as you can recall, the receipts that you gave Mrs. Lichtmann and Mr. Lichtmann were in the forms indicated by these photostatic copies, is that so?

MR. SHAPIRO: I think that is the same thing you had on the last examination.

A Yes.

MR. PLAUT: I will have these marked Exhibits 2 and 3 for Identification.

(The papers just above referred to were marked PLAINTIFF'S EXHIBITS 2 and 3 for Identification of this date.)

(Exhibit 2 is the receipt made out to Maurice Lichtmann, and Exhibit 3 is the receipt made out to Sina Lichtmann.)

Q Just to clear the record, because there is a difference in spelling Mrs. Sina Lichtmann, the plaintiff is the same person referred to in the charter, the name being spelled Zena Lichtmann? Is that correct? A That is correct.

Q And Mr. Maurice Lichtmann is the same person referred to in the charter with only one N at the end of his name? A That's right.

Q Was there a similar receipt given to Miss Grant, so far as you can recall? A Yes.

Q The stockholders' agreement, which is referred to in Exhibits 2 and 3, was executed that same day, was it not? A Yes, in April, 1923.

Q And who signed that stockholders' agreement? A It was signed by Mr. and Mrs. Lichtmann, Miss Grant, Nicholas Roerich and Helena Roerich, Nettie Horch and myself.

Q Now, you were acquainted with the substance of that agreement? A Yes, somewhat.

Q Have you the agreement with you? A Yes.

MR. PLAUT: Please mark this for identification.

(The paper just above referred to was marked PLAINTIFFS' EXHIBIT 4 FOR IDENTIFICATION of this date.)

Q This agreement which you have handed me, being Plaintiffs' Exhibit 4 for Identification, was deposited with the records of the corporation? A I think so.

Q Isn't that where you produced it from? A Right.

Q Well, the seven persons who signed this agreement are the same persons referred to in the Certificate of Incorporation or the Provisional Charter which we have already marked Exhibit 1 for identification? A Yes, sir.

Q Now, in Paragraph 7, it states, that "the parties hereto agree to endorse and deliver the shares of stock held by them to" yourself? A Yes.

Q Does that refresh your recollection any as to whether or not the three parties about whom we have been talking, had or had not endorsed the certificates before the date of this agreement?

MR. SHAPIRO: I will object to that; the witness hasn't testified that he can't recall.

Q Well, having had that read to you, do you wish to change the statement that you made before, that the

certificates were endorsed soon after the corporation was organized? A No.

Q In Paragraph 11th of that agreement it was provided that a notation that the shares of stock held by the parties hereto shall be made thereon to the effect that such shares of stock are held subject to the terms and conditions of this agreement. Do you recall now whether a notation was made upon the certificates to the effect as provided in Paragraph 11th? A Yes, sir.

Q And as you recall it, who made the notation upon those certificates of stock? A I saw it was done, it was typed in there.

Q And were those certificates then deposited by you in a vault or safe deposit box, as provided in Paragraph 7th? A As far as I can recall, yes.

Q At the time the corporation was organized, did the corporation have a stock book indicating the names of record holders of the stock? A It did.

Q And inwwhose custody was that book in 1922 and 1923? A As far as I remember, in my custody.

Q Now, in 1922, September, being the date when this charter was granted to Master Institute of United Arts,

Inc., was any entry made in that stock book containing the names of Mr. or Mrs. Lichtmann or Miss Grant? A I think there was.

Q Have you that book with you? A Yes.

Q When the first entries were made in the book, at whatever time they were made, were entries made concerning Mr. and Mrs. Lichtmann and Miss Grant? A They all seem to have been made at the same time, whenever that was.

Q Is there anything in that book to indicate when those entries were made? A There is nothing to indicate when the entries were made.

Q Will you just look at the entries referring to those three people, are there entries in that book or are there any notations in that book as to whether the issue to them was an original issue, or not? A Yes, in each case.

Q Does the book indicate the date when they became owners? A It does; the book under the printed caption "Time Became Owner" bears date in each case of November 22, 1922.

Q Do you recognize the handwriting that appears in the book that wrote the names of these people? A No, I don't recognize it.

Q Do you recognize any of the handwriting there?

A No.

Q Messrs. Bloomberg & Bloomberg were the attorneys who handled the organization of the corporation? A They were.

Q Have you with you the stock certificate book of the corporation? A Yes.

Q Would you mind opening the book and telling me whether there are stubs for stock in the names of Mr. and Mrs. Lichtmann and Miss Grant? A Yes.

Q What numbers did those stubs bear? A Maurice Lichtmann #3; Frances R. Grant #4; and Sina Lichtmann #7.

Q Were there original issue stamps placed on those stubs? A Yes.

Q Is there any writing to indicate a receipt on the stubs for the three certificates of stock? A No.

Q What date is indicated on the stubs as being the date when those certificates were issued? A November 22, 1922.

Q Is there any notation made on any of those stubs concerning the stockholders' agreement which has been marked Plaintiffs' Exhibit 4 for Identification? A No.

Q Ever since April 23, 1923, the date of this agreement, Plaintiffs' Exhibit 4 for Identification, up to 1935, you have retained in your custody those three certificates of stock in the names of Mr. and Mrs. Lichtmann and Miss Grant? A Yes.

Q In 1926 your Provisional Charter was amended, isn't that correct? A As far as I know that is correct.

Q And this photostat that I am showing you, so far as you can recall, is the amendment to that charter? A Yes, as far as I recall it is.

MR. PLAUT: Will you mark this for identification.

(The paper just above referred to was marked PLAINTIFFS' EXHIBIT 5 FOR IDENTIFICATION of this date.)

Q Now, in 1925 or 1926, prior to this action being taken by the Regents, there was a meeting had where you were present to authorize that amendment? A Yes, sir.

Q Will you look at your stockholders' Minute Book for December 28th and 31st, 1925 and see if you find any reference to a meeting for that purpose? A The Minute Books do not reveal any such meeting.

Q Do you recall, apart from the Minute Books, that there was a meeting, or that there were meetings of stockholders in 1925 to authorize or petition the Board of Regents to amend the charter? A I don't remember, but I think there must have been a Trustees meeting at the time.

Q No, I mean a stockholders meeting? A I don't remember.

Q Could it have been a combined meeting of stockholders and trustees, if you remember? A I don't remember.

Q I am going to show you a photostat, and ask you if that refreshes your recollection at all? (Handing witness paper). A I don't recall the meeting.

Q Don't you recall the situation where five of the seven persons had a meeting, and two, Prof. Roerich and Mme. Roerich were absent in Asia somewhere, and certain action was then taken to authorize the amendment? A I fully remember the amendment was made and I don't doubt some meeting was to have taken place, but I don't just remember that.

Q When you say that you have no doubt there was

an amendment made - - A I know there was an amendment - -

Q - - do you have any doubt that action was taken by the stockholders or trustees of your corporation first to submit a proposed amendment to the Regents? A I can only repeat to you, that meetings took place.

Q Well, now, I show you this certified photostatic copy, and ask you to look at pages 4, 5 and 6, and tell me if your signature appears on them? (Handing witness paper). A It seems to be my signature, yes.

MR. PLAUT: Mark this for identification.

(The paper just above referred to was marked PLAINTIFFS' EXHIBIT No.6 for Identification of this date.)

Q Now, on page 3, paragraph 8th of this petition it is stated that there was a Special Meeting of stockholders of Master Institute of United Arts, Inc. held on the 28th day of December, 1925 at the office of the corporation at No. 310 Riverside Drive, New York City; and in the preamble it is stated, that resolutions were duly adopted at meetings of the stockholders and trustees of the corporation, held on the 28th and 31st days of December, 1925 respectively. Now, bearing that in mind, would you mind looking through your book again to see if there is

any record of any such meetings? A There isn't.

Q At that time, you recall Prof. and Mme. Roerich were somewhere abroad? A I believe so.

Q Do you recall the names of the attorneys who handled this business for you? A No.

Q Wasn't it Morris Plante and Saxe? A That's right.

Q Do you recall, after the petition was sent to the Regents in Albany, there was some question raised as to the absence of the signatures of Prof. and Mme. Roerich?
A I don't remember.

Q And don't you recall they went through the procedure insisting upon a notice and a hearing as to why this amendment should not be made, in view of the fact that Prof. and Mme. Roerich were not signatories of this paper? A I don't remember.

Q Do you recall signing this paper? A Which paper is that?

Q Exhibit 6 for Identification. A There is my signature.

Q Do you remember the physical act of signing it?
A No, I don't remember.

Q Looking at the signatures on that paper, do you recall any of those people signing it? A No, I don't remember.

Q Is there anything in your books or minutes that you have here that would indicate any action taken at any meeting, to authorize the amendment, if it were not those two days?

MR. PLAUT: If there is, when you come to sign this deposition, will you kindly indicate in the blank space after this question the date of any such meeting or meetings, and whether it was a meeting of the Board of Directors or the Stockholders, and who was present; and if you don't find any such reference, will you kindly indicate that fact.

Q These Minutes that you have been consulting have been in your custody for many years, haven't they? A Well, with one exception; they also have been sent to the office of the attorneys on numerous occasions.

Q Well, the Minute Book was kept by the Secretary, is that right? A Yes, sir.

Q And Mrs. Horch has been the Secretary ever since

the corporation was organized? A That's right.

Q Now, in 1928, some action was taken by stockholders, isn't that so? A There was.

Q What date was that action taken?

MR. SHAPIRO: I object to that. I don't think that comes within the scope of the examination.

Q In 1928, if there were meetings of stockholders to take any action, Mr. and Mrs. Lichtmann and Miss Grant participated in such meetings, did they not?

MR. SHAPIRO: I object to that on the ground as to the form and also not within the issues.

Q In 1935 some changes were made in the stock book which you testified about before? A Right.

Q And would you mind opening to pages of Mr. and Mrs. Lichtmann and Miss Grant and state what entries were made at that time; I presume they were the same? A On February 25, 1935 the certificate of stock issued in the name of Frances R. Grant was transferred to myself. The same is noted with respect to Maurice Lichtmann. There is no notation with respect to Sina Lichtmann.

Q In whose handwriting were those notations made?

A Mine.

Q Up to that moment when those entries were made, and going back to the time the certificates were placed in your custody, had those certificates been in your vault or safe deposit box?

MR. SHAPIRO: I object to the form of that question.

Q Where were the certificates on February 25th, 1935? A What place?

Q Where were they, physically? A I don't exactly know whether at the office of the attorneys, or mine; I don't remember.

Q Whether notations were made, or not, for Mrs. Lichtmann, was similar action taken with respect to the certificate in her name, as were with the other two certificates? A Yes.

Q And is there any special reason for not having it in the book? A The only explanation seems to be, it was on the back of the page, and missed.

Q There was no difference whatever with respect to Mrs. Lichtmann than for the other two? A No.

Q Now, then, the certificates which had been in the names of Mr. and Mrs. Lichtmann and Miss Grant, were then turned in to the corporation, is that correct?
A Yes.

Q And new certificates were issued in their place? A That's right.

Q And where are the old certificates? A Attached to the stubs.

Q And they are in this book today? A Yes, they are.

Q What numbers do the certificates bear which were issued in their places? A One certificate No. 13 for five shares was issued in place of certificates Numbered 3,4,7,8 and 12.

Q Those are the three certificates of Mr. and Mrs. Lichtmann and Miss Grant and also Prof. and Mme. Roerich? A No; those include the three certificates which had been issued in the names of Mr. and Mrs. Lichtmann and Miss Grant.

Q And in whose name was that new certificate made? A In the name of Louis L. Horch.

Q Do you know the date when that new certificate

was made out to you? A February 25th, 1935.

Q Up to that time you had been indicated on the stock book as being the holder of one share of stock, isn't that right? A In my name, yes.

Q That is all the stock book indicated to your name? A Yes.

Q Then you endorsed that certificate for five shares to Mrs. Horch and delivered it to her, isn't that right? A Yes.

Q And that was done on February 26th, 1935? A Yes.

Q Prior to February 25th, and in 1935, had there been any meetings of your stockholders? A Prior to February, 1935?

Q Prior to February 25th, 1935 or in the year 1935? A No.

Q But there had been action taken by your stockholders at a meeting, hadn't there? A It wasn't in that time; there was none held in 1935.

Q Didn't you have a meeting of stockholders to authorize the granting of a mortgage? A Yes.

Q When was that meeting? A February 18th, 1935.

Q And you find reference to that meeting in your book of minutes that you have before you now? A Yes, sir.

Q Was that a meeting of stockholders or trustees? A Stockholders.

Q And where was that meeting held? A At 310 Riverside Drive.

Q And were you present? A Yes, I was present.

Q Mrs. Horch was present? A Yes.

Q Who else was present? A Mr. Lichtmann; Sina Lichtmann, Frances R. Grant, Sophie Schafran and Mrs. Sidney M. Newberger.

Q Was there a call sent out to that meeting, or did these people waive notive of call? A Waiver.

Q Was there a waiver with their signatures on, and it appears in your Minutes? A Yes.

Q And at that meeting a resolution was adopted in effect which authorized the granting of a mortgage of almost Two Million Dollars? A Yes.

Q Were there any other meetings of stockholders in 1935, up to February 25th? A That is all there is.

Q Now, looking at your Minute Book again, retracing back from February 18th, 1935, when was the next prior meeting of stockholders?

MR. SHAPIRO: I will object to that; I don't see that has anything to do with the issues.

Q Will you look back at your Minute Book and find that Mr. and Mrs. Lichtmann or Miss Grant attended a meeting of stockholders at any time prior to February, 1935 and going back to 1926?

MR. SHAPIRO: I object to that.

Q After February 26th, 1935, you were no longer a stockholder of the corporation? A That's correct.

Q And your wife, Mrs. Horch, acquired the five shares from you in the manner you have described? A Correct.

Q And she also had one share of her own? A That's right.

Q And she acquired another share? A That's right.

Q So that she, on your Stock Book, was the owner of record of seven shares from and after February 26, 1935?

A Nettie S. Horch, that's right.

Q Prior to the day, which I think you told us was February 25th, 1935, when you turned in the three shares of stock in the names of Mr. and Mrs. Lichtmann and Miss Grant, had you received written authorization from them to you to do such act? A You mean, from Miss Grant?

Q Yes, from any of those three people? A No.

Q You know there was a meeting on December 16th, 1935? A Yes.

Q Were you present at that meeting? A I was not.

Q Where were you at the time?

MR. SHAPIRO: I object to that.

Q So far as you know, was any notice of call to that meeting, or any notice of any kind of the holding of the meeting given to Mr. and Mrs. Lichtmann and Miss Grant? A No, I don't know.

Q Do your Minutes of December 16, 1935 show a waiver of notice signed by them, or that the call had been sent to them? A No.

Sworn to before me this
day of 1936.

NETTIE S. HORCH, having been first duly sworn, testified as follows:

EXAMINATION BY MR. PLAUT:

Q You have been present during the examination of Mr. Horch? A Yes.

Q When this corporation was organized in September 1922, you were one of those persons who were incorporators in Master Institute of United Arts, Inc.? A Yes.

Q In November, 1922, was a certificate for one share of stock issued to you?

MR. SHAPIRO: I will object to that.

Q Did you join with others in executing this agreement of April 23, 1923, which has already been marked Plaintiffs' Exhibit 4 for Identification? A Yes.

Q Was your certificate for one share of stock delivered to your husband?

MR. SHAPIRO: I will object to that.

Q Do you recall any meetings of stockholders of Master Institute of United Arts, Inc. on December 28th or 31st, 1925? A I can't remember.

Q You recall that the Charter was amended in 1926 by action of the Board of Regents? A Yes.

Q Do you recall any meeting at which a resolution was adopted to authorize the amendment of the Charter? A I cannot remember.

Q Your signature appears on Plaintiffs' Exhibit 6 for Identification, doesn't it? (Handing witness paper). A That is my signature.

Q In three places? A Yes.

Q Have you any recollection of signing this instrument? A I can't recollect.

Q Do you have any recollection of any of the people whose signatures appear on page 5 signing it? A No.

Q In 1935, February 18th, you were present at a meeting of stockholders of this corporation, were you not? A I can't remember.

Q Now, you were the Secretary of this corporation in 1935, weren't you? A Yes.

Q And you were Secretary of the corporation ever since it was started? A Yes.

Q And you kept the Minutes, didn't you? A

Yes.

Q There are Minutes of a meeting of February 18th, 1935, aren't there? A If they are in the book, yes.

Q And you subscribed your name at the end as the Secretary? A Yes.

Q And did you type out those Minutes yourself? A No, I didn't type them myself.

Q Probably the attorneys typed them? A Probably the attorneys.

Q And that Minute Book has been in your hands ever since it was first kept? A Both in mine and in the attorneys.

Q Which attorneys? A Greenbaum, Wolff & Ernst.

Q Does that Minute Book run back to 1922 that you have before you? A The earliest Minutes in here are 1932.

Q What do you call that book? A Master Institute of United Arts, Inc. Volume 2. Stockholders.

Q And that book has the Minutes of Stockholders meetings from 1932 to the present time? A Yes.

Q And there is a Volume 1 as well? A No, this is of the Trustees meetings.

Q Is there another book besides those that you have before you of Minutes of stockholders previous to 1932? A I don't have it.

Q Had there been any meetings of stockholders prior to 1932? A The meetings I remember were Trustees meetings.

Q Well, you had meetings of Trustees of other organizations as well, didn't you? A Yes.

Q But there is no book that you now know of of Minutes of Stockholders meetings of the Master Institute of United Arts, Inc. prior to 1932? A No.

Q Looking at those Minutes of February 18th, 1935, you will see that there is a page there of signatures of persons waiving notice of the meeting? A Yes.

Q Whose signatures appear on those pages? A Louis Horch, Nettie Horch, Maurice Lichtmann, Zena Lichtmann, Frances R. Grant, Sophie Schafran and Mrs. Sidney Newberger.

Q At the beginning of the Minutes of that meeting, is there a notation that there was called a special meeting of stockholders, and that the following stockholders were present, or some such notation? A Yes.

Q And did it recite who were present? A The same people.

Q You mean, the same people whose signatures appear on the page waiving notice of the meeting? A Yes.

Q Do you recall issuing a certificate that a meeting was had of stockholders, and that such persons acted as stockholders authorizing the granting of the mortgage?

A What do you mean by "Certificate"?

Q Did you certify to the Riverside Drive and 103rd Street Corporation, who was to become the mortgagee, that you had a meeting of stockholders of Master Institute of United Arts, Inc. and that such people at such meeting of stockholders authorized the giving of a mortgage? A Yes.

Q I will show you a photostatic copy and ask you if your signature appears at the end? (Handing witness paper). A Yes.

Q That was drawn up in the office of Greenbaum, Wolff & Ernst, wasn't it? A Yes.

MR. PLAUT: I will have that marked for identification.

(The paper just above referred to was marked PLAINTIFFS' EXHIBIT 7 for identification of this date.)

Q And in that certificate you signed as the Secretary of the corporation? A Yes.

Q And in the first full paragraph on the first page, you refer to a Consent of Mortgage dated February 18th, 1935; the paper that I show you is that Consent, is it not? (Handing witness paper). A Yes.

Q And your signature appears on it, does it not? A Yes.

MR. PLAUT: I will have that marked for identification.

(The paper just above referred to was marked PLAINTIFFS' EXHIBIT 8 for identification of this date.)

Q On February 25th, 1935, your husband testified that some changes were made in the Stock Book and some entries were made in that book; you recall hearing that testimony? A Yes.

Q And that is your recollection too, is it not? A Yes.

Q On February 25th, 1935, that Stock Book was in your possession, was it not? A It is difficult for me to remember the exact dates, where or when. Things were done either at the attorneys or at 310 Riverside Drive. I can't

remember. Q Do you recall that such changes were made on or about that date? A Yes.

Q And when the entries were made in the book, the Stock Book, you were at that time aware that such entries were being made, were you not? A Yes.

Q On February 25th or 26th - I don't recall which - 1935, I think your husband testified that he endorsed a certificate for five shares of stock of the corporation and delivered it to you. Is that your recollection? A Yes.

Q And you remember receiving that certificate? A Well, what do you mean, receiving, in what effect, physically?

Q Was there a physical transfer of that certificate from him to you? A I don't remember whether it was given physically to me, or asked to keep it in the book as issued.

Q Where is that certificate for five shares at the present time? A It is in the book.

Q It is in the Stock Certificate Book? A Yes.

Q Now, was that certificate for five shares then turned in and a certificate for seven shares made out to

you? A Yes.

Q And that certificate for seven shares is in your possession now? A Yes.

Q It is not in the book? A The book is in my possession, therefore it must be in my possession. I have the certificate, it is in my possession.

Q When the five shares were delivered to you and inserted in the book, did they have on them any transfer stamps? A I don't remember.

Q Do they have stamps on them now? A No.

Q At the meeting of December 16th, 1935, was there anybody present besides yourself? A Yes.

Q Who was present? A Mr. H. Cavanaugh; Mrs. Emma Kraft, Mr. Eugene Kline and Miss Catherine Linden.

Q Would you mind telling me who these people were, or describe them so we can identify them a little more? A Just as witnesses.

Q They weren't there, of course, as stockholders? A I was the only stockholder.

Q And where was that meeting? A 310 Riverside Drive.

Q And in whose apartment? A My apartment, 1707.

Q And there is a door leading from your apartment to the vestibule? A Yes.

Q Well, Mr. Kline, you know, was a representative from the office of Greenbaum, Wolff & Ernst? A Yes.

Q And he brought up the minutes to the meeting? A Yes.

Q What time was that meeting, Mrs. Horch? A Around 12 o'clock.

Q So far as you know, no notice of that meeting was sent to Mr. and Mrs. Lichtmann and Miss Grant, and they did not waive notice? A No, no notice was sent.

Q And you now claim that you are the owner of the seven shares of stock, and you refuse to turn back any of those shares of stock to Mr. and Mrs. Lichtmann or to Miss Grant?

MR. SHAPIRO: I will object to that.

EXAMINATION CLOSED.

Sworn to before me this

day of 1936.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

- -

NICHOLAS ROERICH and HELENA ROERICH,

Plaintiffs,

- against -

LOUIS L. HORCH, NETTIE S. HORCH, and MASTER INSTITUTE OF UNITED ARTS, INC.,

Defendants.

- -

TO THE ABOVE NAMED DEFENDANTS:

YOU ARE HEREBY SUMMONED to answer the complaint in this action, and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance, on the plaintiffs' attorneys within twenty days after the service of this summons, exclusive of the day of service. In case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.

Dated, March 24, 1936.

PLAUT & DAVIS
Attorneys for Plaintiffs
Office & P.O. Address:
76 Beaver Street
Borough of Manhattan
City of New York.

82/109

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

- -
:
NICHOLAS ROERICH and HELENA ROERICH,
:
Plaintiffs,
:
- against -
:
LOUIS L. HORCH, NETTIE S. HORCH, and
MASTER INSTITUTE OF UNITED ARTS, INC., :
:
Defendants. :
:
- -:

Plaintiffs, by PLAUT & DAVIS,
their attorneys, for their
complaint, allege:

1. The defendant, Master Institute of United Arts, Inc., is a corporation duly organized and existing under the Education Law of the State of New York; and at all the times mentioned herein, the outstanding and issued capital stock of said corporation was and is seven shares of common stock without par value.

2. At all times mentioned herein, the plaintiffs were and now are the owners of one share each of the issued and outstanding capital stock of the defendant, Master Institute of United Arts, Inc., and entitled to vote said stock at each and every meeting of the stockholders of said corporation.

3. During the period of 1923 to 1935 the defendant Louis L. Horch acted as the confidential agent and attorney in fact for the plaintiffs. The plaintiffs had and reposed great trust and confidence in the said defendant, and he accepted such trust and confidence.

4. On or about April 23, 1923, the plaintiffs deposited their two shares of the capital stock of the defendant Master Institute of United Arts, Inc. with the defendant Louis L. Horch for safe keeping and upon the agreement made that day with the said defendant that they, the plaintiffs, were to retain the ownership and title in and to said shares of stock and retain all the voting privileges appurtenant to said stock. Upon information and belief, the said agreement or a copy of it was deposited with the records of the defendant, Master Institute of United Arts, Inc.

5. At all the times mentioned herein, the defendant Louis L. Horch was the owner of one share of the issued and outstanding capital stock of the defendant Master Institute of United Arts, Inc., and its president and a member of its Board of Trustees.

6. At all times mentioned herein, the defendant Nettie S. Horch was the wife of the defendant Louis L. Horch; and she was the owner of one share of the issued and outstanding capital stock of the defendant Master Institute of United Arts, Inc. and its secretary and a member of its Board of Trustees.

7. Upon information and belief, on or about the 26th day of February, 1935, secretly and without notice to the plaintiffs, the defendant Louis L. Horch, in breach and in violation of the fiduciary duties imposed upon him by the relationship of confidential agent and attorney in fact for the plaintiffs and in breach and in violation of the agreement dated April 23, 1923, aforesaid,

between him and the plaintiffs, wrongfully converted the two shares of stock of the plaintiffs which were deposited with him as aforesaid unto himself and declared himself to be the owner of said two shares of stock, and, upon information and belief, on or about February 26, 1935, the said Louis L. Horch assumed to and did convey the said two shares of stock of the plaintiffs unto his wife, the defendant Nettie S. Horch.

8. The defendant Nettie S. Horch, at all the times mentioned herein, had knowledge of the fiduciary relationship between the defendant Louis L. Horch and the plaintiffs and of the terms of the agreement of April 23, 1923, aforesaid.

9. At all times mentioned herein, the defendant, Master Institute of United Arts, Inc., had knowledge of the fiduciary relationship between the defendant Louis L. Horch and of the terms of the agreement of April 23, 1923, aforesaid.

10. Upon information and belief, on or about the 26th day of February, 1935, the defendants Louis L. Horch and Nettie S. Horch, who were and still are in possession of the books and records of the defendant Master Institute of United Arts, Inc., secretly and without notice to the plaintiffs made entries in the said books and records of said corporation to indicate therein that the defendant Nettie S. Horch was the sole owner of all of the issued and capital stock of the defendant Master Institute of United Arts, Inc., including the shares of stock of the plaintiffs; and the records of said corporation now purport to show

that the defendant Nettie S. Horch is the sole stockholder and that the plaintiffs are not stockholders.

11. On or about the 16th day of December, 1935, the defendant Nettie S. Horch, claiming to be the sole stockholder of the defendant Master Institute of United Arts, Inc., and the only person entitled to vote said shares at said meeting or at any meeting of stockholders of said corporation, purported to hold a meeting of stockholders of said corporation; but no notice of the time, place, or the holding of the said meeting was given to the plaintiffs, and the plaintiffs had no knowledge thereof.

12. Upon information and belief, at said purported meeting, the defendant Nettie S. Horch, purporting to be the sole stockholder, voted upon certain resolutions and measures, and took action as the purported stockholder of the said corporation, which resolutions were inimical to the rights of the plaintiffs and contrary to their wishes and desires. Among such measures were the removal of the plaintiffs as members of the Board of Trustees of said corporation and the election of relatives of the defendants Louis L. Horch and Nettie S. Horch to take the plaintiffs' places on said Board of Trustees, and the removal of Sina Lichtmann and Frances R. Grant, collaborators of the plaintiffs and co-founders with the plaintiffs of the defendant Master Institute of United Arts, Inc., and the election of other persons to take their places on said Board of Trustees.

13. The defendants Louis L. Horch and Nettie S. Horch have failed and refused to return to the plaintiffs their two shares of the capital stock of Master Institute of United Arts, Inc.

14. Unless the defendants are restrained, irreparable damage and harm will be caused the plaintiffs, and the functions of the defendant Master Institute of United Arts, Inc. will cease and determine. There is no adequate remedy at law.

15. The defendant Louis L. Horch has never rendered the plaintiffs an account of the performance of his duties with respect to the two shares of stock of the defendant Master Institute of United Arts, Inc., deposited by the plaintiffs with him, and of the disposition made by him of the said two shares of stock.

16. By reason of the acts aforementioned, the deposit agreement of April 23, 1923, between the plaintiffs and the defendant Louis L. Horch should be rescinded, and the plaintiffs do hereby elect to rescind such agreement.

WHEREFORE, plaintiffs demand judgment as follows:

1. That the defendant Louis L. Horch be directed to render to the plaintiffs a just and full accounting of the two shares of capital stock of the defendant Master Institute of United Arts, Inc., deposited with him by the plaintiffs, and return said two shares of stock to the plaintiffs;

2. That the agreement of April 23, 1923, between the defendant Louis L. Horch and the plaintiffs be rescinded and annulled;

3. That the defendants Louis L. Horch and Nettie S. Horch be ordered and required to return, transfer, deliver and hand over unto the plaintiffs the two certificates of stock in the defendant Master Institute of United Arts, Inc. which the plaintiffs deposited with the defendant Louis L. Horch, and that the defendant Master Institute of United Arts, Inc. be ordered to issue unto the plaintiffs certificates representing two shares of its capital stock;

4. That the defendant Master Institute of United Arts, Inc. be ordered and required to make entries and notations in its books, records and documents that the plaintiffs are stockholders of record of two shares of its capital stock, and that neither the defendant Nettie S. Horch nor the defendant Louis L. Horch is the owner or holder of either or both such shares of stock;

5. Enjoining, restraining and preventing the defendants from carrying into effect or acting upon the measures, resolutions or acts voted upon at the meeting of December 16, 1935;

6. Enjoining, restraining and preventing the defendants Louis L. Horch and Nettie S. Horch, or either of them, from holding any meeting of

stockholders of the defendant Master Institute of United Arts, Inc. in which they, or either of them, claim or purport to be the owners or holders or persons entitled to vote the plaintiffs' two shares of the capital stock of said corporation;

7. Enjoining, restraining and preventing the defendants from holding any meeting of stockholders of Master Institute of United Arts, Inc. at any time unless due notice of the holding of such meeting or meetings is given in the manner provided by law to the plaintiffs and unless the plaintiffs and the persons who are stockholders of record of said corporation are given the right to vote at said meeting;

8. Enjoining, restraining and preventing the defendants Louis L. Horch and Nettie S. Horch and each of them, their agents, servants, employees, and attorneys, from exercising any of the rights of ownership, voting, or disposing, transferring or assigning, the plaintiffs' two shares of capital stock of the defendant Master Institute of United Arts, Inc.;

9. That injunctions in due form issue during the pendency of this action enjoining, restraining and staying the defendants from doing any of the acts mentioned in subdivisions (5), (6), (7) and (8) of this prayer for relief.

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10. For such other and further equitable relief as to the Court may seem just and proper.

PLAUT & DAVIS
Attorneys for Plaintiffs
76 Beaver Street
Borough of Manhattan
City of New York.

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

HERBERT PLAUT, being duly sworn, deposes and says:

I am a member of the firm of PLAUT & DAVIS, attorneys for the plaintiffs herein. I have read and know the contents of the foregoing complaint and the same is true of my own knowledge, except as to the matters therein stated to be alleged on information and belief, and as to those matters I believe it to be true.

The reason why this verification is made by me and not by the plaintiffs is that they are not within the county where I have my office for the practice of law.

The sources of my information and the grounds for my beliefs are: examination by me of copies of the books, records and papers relating to the facts hereinabove contained.

Sworn to before me this
24th day of March, 1936.
(signed) Milton Reiss

Herbert Plaut

244
824
30

File: n Roerich Museum

82/118

NAGGAR,
Kulu, Punjab, Br. India.

June 12, 1936.

My dear Major Stokes,

In every letter from our friends-coworkers there are enthusiastic references to your cordial interest and assistance. Verily, these news fill our hearts with joy.

It is most valuable to realize that such an enlightened spiritual person as you not only sympathize but guide and head the Cultural Crusade. Indeed in the whole world Armageddon is thundering and the more so all cultural forces should be closely united to withstand successfully the ferocious attacks of darkness.

For every unprejudiced mind our case appears quite clear: we with Mr and Mrs Lichtmann and Miss Grant had founded the Master Institute of United Arts, we all are shareholders and trustees of it, Mr.H. alone misappropriates these shares and tries to exclude the true founders of the Institute. All this is irrefutable and is confirmed by their own affidavit. And yet the dark forces try to annihilate everything and endless time, energy, patience and means are required to proof what is so clear. We all only wish justice and Truth.

It was a great joy for us to hear that you have accepted the Chairmanship of the Committee of Friends of R.M. and also of the Agni-Yoga Committee, which may be revived under "Agni Press" the new title. We and all our friends unanimously welcome this election, which in itself already predicts the success of the activities. There, where real spiritual strivings are laid at the foundation, there is already Truth and benevolent victory.

The malice of the evil-doers goes so far that they not only remove the title of the Museum, but even in a fit of vandalism as we hear from the last letters, in an ugly manner eradicate the inscriptions from the stained windows. These convulsions of hatred show neither logic, dignity nor decency. For forty-five years of my activity I have not changed my ideals, confirmed by all my books, and what takes place now can only be explained as a desire of Mr.H.to hide the committed by him misappropriation. Your formula of his breach of trust precisely defines the real nature of the case.

Mme de Roerich's health is lately slightly better and we pray that this slight improvement may not be only temporary.

Mme de Roerich and we all are sending to you our best greetings and thanks,

in Spirit with you

N. de Roerich

Miss Grant will show you
my last article "Combatting ignorance" .Hope you will like it.

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Reprinted from THE YOUNG BUILDER (*Karachi*) *for June 1936*

Beautiful Unity

By *Nicholas Roerich*

Colour, sound and fragrance are corner-stones of great synthesis. From times immemorial people have felt the great inner meaning of these expressions of the human soul. Quite recently people have again begun to remember how close are colour and sound and that the three are the basic remedies against human diseases. Thus he who thinks about the conception of colour does not at all associate it with paint as such, but he has in mind one of the greatest concepts of our existence.

The colour value of a painting, indeed, does not mean mere value of paint, but of its harmonic co-relation, as the French say "valeur." What does such co-relation mean? Again we must say, that for him who is ignorant of the concepts of synthesis and symphony such co-relation will be an empty word.

Let us not dwell here on the deep significance of art for human life—this axiom should be clear to everyone. But nowadays we must especially stress the meaning of synthesis and symphony of life. Synthesis will be understood by everyone to whom is close the concept of Culture. If human thinking were to remain but on the level of elementary civilization, then it would be too early to mention sacred synthesis, but where the human spirit has travelled towards

Culture—that is to say, the Cult of Light—there one may already find co-operation and understanding on the basis of synthesis.

If civilization has not saved humanity from disunity and mutual hatred, then Culture has opened the beneficial gates of synthesis, behind which we can find a true co-operation.

The artists do not rest on primitive considerations of paint, but the very understanding of sonority of colour leads them to such beautiful gardens from where may be seen superb vistas of the glorious future. When we speak of synthesis and of the symphony of life, we shall not avoid powerful and enthusiastic expressions. All these domains of synthesis and symphony are uplifting and lead to the summits. Often the human eye can hardly stand the radiance of snowy peaks and it is not for the human eye to judge the splendour of these summits. But we have not been called into this world to criticize, but to labour, to admire and to follow these leading summits in continuous creation.

Create, Create and Create! Create in daytime, create at night; for creation in thought is as essential as our physical expression. In this creativeness you shall overcome the most hideous habits of vulgarity, triviality and quarelling. People sometimes think that creators are very selfish and conceited. But these ugly properties belong to the domain of darkness. When a person "climbs" to the Light, then such an abhorrent husk drops off by itself and man becomes enlightened. His "I," is changed into the conception of "We."

On the same path towards the summits, man will understand the true meaning of *Gurushíp*. From the depth of darkness one can hear at present disgusting cries: "Down with culture," "Down with heroes," "Down with teachers." It is a shame on humanity, but such outcries of crass ignorance one witnesses even nowadays. But he who thinks of such a refined conception as colour and sound, culture and harmony, he will understand the infinite Hierarchy of Beauty and Knowledge and having ascended the majestic stairs of achievement, he will lead also the pilgrims of life following behind.

It is splendid that you all are young. Some in age, and some in spirit. Around creativeness there must be this perpetual feeling of youth, which gives incessant striving towards heroism. Countries measure their glory not by captains of industry, but by artists and scientists. Such a requirement of history places upon us the duty of incessant perfectioning. He who never ceases in this ascension, never becomes old.

I send you my heartiest greetings on this path towards the radiant summits and I trust that you, forgetting all petty divisions and small human moods, will progress in continuous creation, cherishing the glorious traditions of your great Motherland, India!

Nolini Kanta Gupta writes in the *Triveni*, in the course of his article on the "Beautiful in the *Upanishads*:"

"Art at its highest tends to become also the simplest and the most unconventional; and it is then the highest art, precisely because it does not aim at being artistic. The æsthetic motive is totally absent in the *Upanishads*; the sense of beauty is there, but it is attendant upon and involved in a deeper strand of consciousness."

Verily Art at its highest does not tolerate any conventionality, nor violence. In the very foundations of Be-ness lives the concept of Beauty, in all its convincingness.

We, as builders, do not deny, nor reject.

"In Beauty we are united!

Through Beauty we pray!

With Beauty we conquer!"

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New York Supreme Court

COUNTY OF NEW YORK.

NICHOLAS ROERICH, HELENA ROERICH, MAURICE M. LICHTMANN, SINA LICHTMANN and FRANCES R. GRANT,

Plaintiffs,

against

LOUIS L. HORCH, NETTIE S. HORCH and MASTER INSTITUTE OF UNITED ARTS, INC.,

Defendants.

Summons

Plaintiff designates New York County as the place of trial.

To the above named Defendants:

YOU ARE HEREBY SUMMONED to answer the complaint in this action, and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance, on the Plaintiffs' Attorneys within twenty days after the service of this summons, exclusive of the day of service; and in case of your failure to appear, or answer, judgment will be taken against you by default, for the relief demanded in the complaint.

Dated, June 13, 1936.

PLAUT & DAVIS,
Attorneys for Plaintiffs,
Office and Post Office Address:
76 Beaver Street,
Borough of Manhattan,
City of New York.

EXHIBIT No. K
IN EVIDENCE
H. BIRNBAUM - STENO.

Complaint

SUPREME COURT OF THE STATE
OF NEW YORK,

COUNTY OF NEW YORK.

[SAME TITLE]

Plaintiffs, by Plaut & Davis, their attorneys, for their complaint, allege:

1. The defendant, Master Institute of United Arts, Inc., is a corporation duly organized and existing under the Education Law of the State of New York. A provisional charter was granted to it on or about September 28, 1922, by the Regents of the University of the State of New York. In and by said charter, the plaintiffs and the defendants Louis L. Horch and Nettie S. Horch, their associates and successors, were incorporated as an educational institution for the instruction of persons of both sexes, in painting, music, languages, literature, drawing, designing, engraving, sculpture, singing and dramatic art.

2. At all the times mentioned herein, the said charter provided that the authorized capital stock of the defendant Master Institute of United Arts, Inc. should be seven shares of nominal or no par value.

3. Until amended, as hereinafter set forth, the said charter of the defendant Master Institute of United Arts, Inc. provided that dividends or shares of the surplus profits of the said defendant Master Institute of United Arts, Inc. might be distributed to the holders of the shares of its capital stock.

4. On or about March 25, 1926, the said charter of the defendant Master Institute of United Arts, Inc. was duly amended so that, among other matters, the power of the defendant Master Institute of United Arts, Inc. to distribute to the holders of its capital stock dividends or surplus profits

was revoked, and in place of the said power was inserted the following:

> "providing that no stockholders shall receive directly or indirectly any part or portion of the income, earnings or profits of the corporation and no dividends in any way, shape or form shall be paid to the holders of the stock of the corporation from and out of its surplus earnings; that all income, earnings and profits of the corporation from any and all sources whatsoever shall be devoted entirely to and appropriated exclusively for the maintenance, support and enlargement of the educational institution conducted by it, the creation of scholarships for students, and such other educational purposes as its trustees may direct; and that no person in any way associated with the corporation or any institution maintained by it, either as officer, trustee, stockholder, employee, or otherwise shall profit in any way from such connection and receive any remuneration, profit or recompense from the corporation or any institution maintained by it, except reasonable compensation for services rendered in effecting some object and purpose for which the corporation was created."

The said charter, as amended as above, is now, and at all the times mentioned herein from and after the date of the said amendment was, existing and in effect.

5. Prior to the incorporation of the defendant Master Institute of United Arts, Inc., the plaintiffs devoted considerable time and energy in the formation of a school which would teach all forms of art under one roof, which was an unique and unusual idea. The plaintiffs Maurice M. Lichtmann and Sina Lichtmann gave up and relinquished a lucrative income from a music school which they had been conducting, the plaintiff Frances R. Grant resigned from her position as editor of a nationally famous music publication which was a position which gave her fame and a substantial income, so that they could devote all

their time and energy to form that kind of school; and the plaintiffs Nicholas Roerich and Helena Roerich contributed to the formation and conduct of the school considerable effort and donated large amounts of works of art. Such a school was founded and formed in 1921 under the name of Master School of United Arts by the plaintiffs. The plaintiffs Maurice M. Lichtmann and Sina Lichtmann became teachers at the said school. The plaintiff Frances R. Grant became executive director of said school. The plaintiffs Nicholas Roerich and Helena Roerich assumed the active leadership of the school and formulated its ideals, policies and principles. The defendants Louis L. Horch and Nettie S. Horch, who were introduced to the plaintiffs after they had devoted their efforts and time to the formation of such school, as aforesaid, were anxious and desirous of joining the plaintiffs in continuing the said school and in furthering its activities. In order to give the school a more permanent form, the plaintiffs and the defendants applied to the Regents of the University of the State of New York for a charter, and, as aforesaid, as a result thereof a provisional charter was granted to them incorporating them under the name of Master Institute of United Arts, Inc. The school and school activities of Master School of United Arts were transferred to the defendant Master Institute of United Arts, Inc. which continued such activities. In 1922 the plaintiffs Maurice M. Lichtmann and Sina Lichtmann became teachers and directors of the school of the defendant Master Institute of United Arts, Inc.; the plaintiff Frances R. Grant became the executive director at said school, and the plaintiffs Nicholas Roerich and Helena Roerich assumed the active leadership of the school and formulated its ideals, policies and principles. The plaintiffs have continued to be such teachers, executives and leaders in the principles and ideals of said school, and they have received much gratification in the expansion of the school activities and in the uniqueness of the educational activities there carried on, and they expected to receive much gratification in conducting such educational activities in the future.

6. The plaintiffs, as well as the defendants Nettie S. Horch and Louis L. Horch, subscribed for, and immediately after the incorporation of the defendant Master Institute of United Arts, Inc. became the owners of, one share each of its capital stock, with full power, among other things, each to vote said one share of its capital stock at each and every meeting of the stockholders.

7. At all the times mentioned herein, the defendant Louis L. Horch was an officer of the defendant Master Institute of United Arts, Inc., to wit, its president and treasurer, and a member of its Board of Trustees; and upon information and belief, he now is its president and treasurer and a member of its Board of Trustees.

8. At all the times mentioned herein, the defendant Nettie S. Horch was an officer of the defendant Master Institute of United Arts, Inc., to wit, its secretary; and upon information and belief, she now is its secretary and a member of its Board of Trustees.

9. At all the times mentioned herein the plaintiffs were inexperienced in business or financial affairs and matters, which fact was known to the defendant Louis L. Horch. The defendant Louis L. Horch, prior to his participation in the affairs of the defendant Master Institute of United Arts, Inc. was active in business, commerce and finance; and he represented to the plaintiffs that because of his greater knowledge and experience than theirs of affairs of business and finance he would undertake on their behalf to handle their personal business and financial affairs and matters. The plaintiffs had and reposed great confidence in the defendant Louis L. Horch. Because of his representation aforesaid and because of the trust and confidence which the plaintiffs had in him, the plaintiffs allowed and permitted him to handle on their behalf from 1922 to 1935 their business affairs and matters, including their personal affairs and matters and business affairs and matters in connection with the defendant Master Institute of United Arts, Inc. and its activities. From 1922 to 1935 the defendant Louis L. Horch

was the trusted and confidential agent and attorney in fact for the plaintiffs. The defendant Louis L. Horch accepted such trust and confidence and acted in such period as the plaintiffs' confidential agent and attorney in fact.

10. On or about April 23, 1923, the plaintiffs and the defendants Louis L. Horch and Nettie S. Horch were the owners of one share each of the capital stock of the defendant Master Institute of United Arts, Inc.; and as such, the said seven persons being desirous, among other things, that the affairs and management of the defendant Master Institute of United Arts, Inc. should be in the unified control of the said seven persons at all times and that in the event of the death of any of said persons the survivors of the group of the said seven persons should be in a position to carry on the work originally and prior to such death undertaken by all of the said persons, and that in the event of the death of any of the said persons to succeed to the rights and interests in the defendant Master Institute of United Arts, Inc. of such persons as might die, entered into a written agreement, dated that day, a true copy of which is attached hereto and marked Exhibit "A" and made a part hereof.

11. Because of the trust and confidence which the plaintiffs had and reposed in the defendant Louis L. Horch, he was selected by the plaintiffs as the person to hold the certificates of stock of the defendant Master Institute of United Arts, Inc. in escrow in accordance with the terms, provisions and conditions of the said agreement.

12. The plaintiffs duly performed each and every covenant and condition of the aforesaid agreement on their part to be performed. Because of the trust and confidence which the plaintiffs had and reposed in the defendant Louis L. Horch, and acting pursuant to the aforesaid agreement, they each endorsed in blank his or her certificate for one share each of the capital stock of the defendant Master Institute of United Arts, Inc. and delivered the said certificates to him in accordance with the aforesaid agreement. Upon information

and belief, the defendants Louis L. Horch and Nettie S. Horch each endorsed and delivered his or her certificate for one share each of the capital stock of the defendant Master Institute of United Arts, Inc. to the defendant Louis L. Horch pursuant to the terms of the aforesaid agreement. Upon information and belief, a notation was made or placed upon the said stock certificates to the effect that such certificates of stock and the shares of stock represented thereby were held subject to the terms and conditions of the aforesaid agreement. Upon information and belief, the aforesaid agreement or a copy of it was deposited with the records of the defendant Master Institute of United Arts, Inc.

13. Upon information and belief, the aforesaid agreement continued and was in full force and effect when breached and violated by the acts of the defendants Louis L. Horch and Nettie S. Horch taken on or about February 25-26, 1935, hereinafter alleged; and the plaintiffs remained the owners of the said shares of stock, in law or in equity, at all the times herein stated except that the wrongful acts of the defendants hereinafter set forth have purported to deprive the plaintiffs of the record ownership thereof.

14. Upon information and belief, on or about February 25, 1935, the defendant Louis L. Horch, secretly and without notice to the plaintiffs and without their knowledge or consent, in breach and violation of the fiduciary duties imposed upon him by the relationship of confidential and trusted agent and attorney in fact for the plaintiffs, the trust and confidence which they reposed in him and which he accepted, and in breach and violation of the aforesaid agreement, turned in and delivered for cancellation the five certificates for one share each of the capital stock of the defendant Master Institute of the United Arts, Inc., originally made out in the names of the plaintiffs respectively and which they respectively had endorsed and delivered to him to be held by him in escrow pursuant to the terms and conditions of the aforesaid agreement to the defendant Master

Institute of United Arts, Inc. and for the re-issue to him and in his name of one certificate for five shares of its capital stock, and without offering any of such shares of stock to the plaintiffs or any of them.

15. Upon information and belief, on or about February 25, 1935, the defendants Louis L. Horch and Nettie S. Horch, or either of them, purporting to act as officers of the defendant Master Institute of United Arts, Inc. thereupon cancelled the said five certificates for one share each of the capital stock of the defendant Master Institute of United Arts, Inc.; and the defendant Master Institute of United Arts, Inc., through them, issued in their place and stead one certificate for five shares of its capital stock to the defendant Louis L. Horch and in his name, and delivered it to him.

16. Upon information and belief, thereafter and on or about February 26, 1935, the defendant Louis L. Horch, secretly and without the knowledge or consent of the plaintiffs, and in further breach of the fiduciary duties imposed upon him by the relationship of confidential and trusted agent and attorney in fact for the plaintiffs, the trust and confidence which they reposed in him and which he accepted, and in breach of the aforesaid agreement, endorsed, assigned, transferred and delivered (a) the said certificate for five shares of the capital stock of the defendant Master Institute of United Arts, Inc. which had been issued to him on or about February 25, 1935, as hereinbefore set forth, and (b) the certificate for one share of the capital stock of the defendant Master Institute of United Arts, Inc. which had been issued to him and in his name originally and which he had been holding, and should have been holding in escrow under the terms of the agreement, to the defendant Nettie S. Horch, and he also delivered to her (c) the certificate for one share of the capital stock of the defendant Master Institute of United Arts, Inc. which had been issued to her and in her name originally and which he had been holding, and should have been holding, in escrow under the terms of the agree-

ment, without offering any of said shares of stock to the plaintiffs or any of them; and she and he thereupon delivered and turned in for cancellation said three certificates for a total of seven shares of the capital stock to the defendant Master Institute of United Arts, Inc. and for the re-isssue to her, the defendant Nettie S. Horch, of a single certificate for seven shares of the capital stock, that is to say, for all of the authorized capital stock of the defendant Master Institute of United Arts, Inc.

17. Upon information and belief, on or about February 26, 1935, the defendants Louis L. Horch and Nettie S. Horch, or either of them, purporting to act as officers of the defendant Master Institute of United Arts, Inc. thereupon cancelled the said three certificates for a total of seven shares of stock of the defendant Master Institute of United Arts, Inc.; and the defendant Master Institute of United Arts, Inc., through them, issued in their place and stead one certificate for seven shares of its capital stock, that is to say, for all of its authorized capital stock to the defendant Nettie S. Horch and in her name.

18. Upon information and belief, on or about February 25-26, 1935, the defendant Master Institute of United Arts, Inc. acting through and by the defendants Louis L. Horch and Nettie S. Horch, as officers of it, secretly and without notice to the plaintiffs and without their knowledge and consent, wrongfully removed the names of the plaintiffs as stockholders of record of it for one share each from the books and records of the defendant Master Institute of United Arts, Inc., particularly the stock book and stock certificate book, where their names had been and had a right to be ever since the incorporation of the defendant Master Institute of United Arts, Inc., and inserted in the said books and records, particularly the stock book and stock certificate book, in place and stead thereof the name of the defendant Nettie S. Horch as the only and sole stockholder and the owner and holder of record of all the outstanding and issued capital stock of the defendant Master Institute of United Arts, Inc.

19. Upon information and belief, from and after February 26, 1935, and at all the times thereafter herein stated, and at the present time, the books and records of the defendant Master Institute of United Arts, Inc., particularly the stock book and the stock certificate book, show that the defendant Nettie S. Horch is the record owner and holder of all of its outstanding issued and authorized capital stock, and the sole person to vote any and all of said shares of stock, and that none of the plaintiffs is the record owner or holder of any of its stock and none of the plaintiffs is entitled to vote any of its stock.

20. The defendant Nettie S. Horch claims by reason of the above transfers to be the sole stockholder of the defendant Master Institute of United Arts, Inc., and she has proceeded to act as though she were such sole stockholder. On or about the 16th day of December, 1935, the defendant Nettie S. Horch, claiming to be the sole stockholder of the defendant Master Institute of United Arts, Inc. and the only person entitled to vote the stock of the defendant Master Institute of United Arts, Inc. at said meeting or at any meeting of stockholders of said corporation, purported to hold a meeting of stockholders, consisting of herself, of the defendant Master Institute of United Arts, Inc., but no notice of the time, place or the holding of the said meeting was given to the plaintiffs, and the plaintiffs had no knowledge thereof.

21. Upon information and belief, at said purported meeting, the defendant Nettie S. Horch, purporting to be the sole stockholder, voted upon certain resolutions and measures, and took action as the purported sole stockholder of the defendant Master Institute of United Arts, Inc., which resolutions and measures were contrary to the wishes and desires of the plaintiffs and against which they would have cast their votes if they had been allowed to exercise their votes.

22. Upon information and belief, the single certificate for seven shares of capital stock of the defendant Master Institute of United Arts, Inc.,

which is in the name of the defendant Nettie S. Horch and which is now in her possession, nowhere bears any notice or notation on it that it or the stock represented thereby is subject to the aforesaid agreement; and unless restrained, the defendant Nettie S. Horch may negotiate the said certificates to an innocent purchaser for value.

23. The defendant Nettie S. Horch now claims to be the owner of all of the stock and the sole person entitled to vote all or any of the outstanding and issued capital stock of the defendant Master Institute of United Arts, Inc., and she refuses to return to the defendant Louis L. Horch as the escrowee under the terms and conditions of the agreement aforesaid any shares of stock of the plaintiffs or the share of stock originally issued to the defendant Louis L. Horch or the share of stock originally issued to her; and she claims to hold said stock as her property free of and unhindered by the restrictions or obligations imposed by the agreement aforesaid.

24. Upon information and belief, the defendant Louis L. Horch has refused and refuses to demand and accept from the defendant Nettie S. Horch the seven shares of stock to be held by him in escrow under the terms and conditions of the agreement aforesaid and to make suitable notations on the certificates of stock that they are held subject to the terms and conditions of the agreement aforesaid.

25. The five shares of stock and the voting rights thereto appertaining of the plaintiffs represent the control of the defendant Master Institute of United Arts, Inc., there being a total of seven shares authorized. By reason of the above, the defendant Nettie S. Horch has seized control of the defendant Master Institute of United Arts, Inc. and has ousted the plaintiffs from any control or vote in the management of the affairs of the defendant Master Institute of United Arts, Inc. The defendant Master Institute of United Arts, Inc. now is dominated and controlled by the defendant Nettie S. Horch. The defendant Master Institute of United Arts, Inc. recognizes the de-

fendant Nettie S. Horch, and her alone, as the sole stockholder of it.

26. At all the times stated herein, the defendants Nettie S. Horch and Master Institute of United Arts, Inc. had knowledge of (a) the relationship of trusted agent and attorney in fact which the defendant Louis L. Horch bore to the plaintiffs, (b) the trust and confidence which the plaintiffs had and reposed in the defendant Louis L. Horch, and (c) the agreement aforesaid.

27. The defendant Master Institute of United Arts, Inc., which is now controlled entirely by the defendant Nettie S. Horch, refuses and will continue to refuse, unless otherwise directed by this Court, (a) to cancel the said certificate for seven shares of its capital stock in the name of the defendant Nettie S. Horch, (b) to change its books and records, particularly its stock book and stock certificate book, so as to indicate that the plaintiffs are the record holders and owners of five shares of its capital stock and entitled to vote them, and that the defendant Nettie S. Horch is not the record holder and owner of said five shares of its capital stock nor entitled to vote them, and (c) to permit the plaintiffs to exercise any rights, privileges or duties of stockholders, including the right to vote said five shares of its capital stock at any meeting of stockholders.

28. By reason of the acts of the defendants Louis L. Horch and Nettie S. Horch herein, above set forth, they have breached and violated the agreement aforesaid.

29. There is no adequate remedy at law, for:

A. The certificates for the shares of stock and the stock represented thereby, including the five shares of the plaintiffs, have no market value or value which can be accurately measured by any reliable estimate in terms of money. By reason of the peculiar nature of the defendant Master Institute of United Arts, Inc., the provisions of the charter as amended as aforesaid, the provisions of the agreement aforesaid, and because the said five shares out of a total of seven which are

authorized represent the control of the defendant Master Institute of United Arts, Inc. and an educational institution, it is impossible to determine their value in terms of money;

B. Upon information and belief, the defendant Louis L. Horch is insolvent and unable to respond to a judgment for money damages even if such a judgment could be had;

C. The plaintiffs cannot replevy the five shares of stock of the plaintiffs for the defendants have cancelled the five certificates for one share each of the plaintiffs and the two certificates of the defendants Louis L. Horch and Nettie S. Horch have issued a new single certificate for seven shares of stock in their place and stead.

D. The right to vote the five shares of the capital stock of the defendant Master Institute of United Arts, Inc. represents the right to control the affairs and management of the said defendant Master Institute of United Arts, Inc.

E. The defendants have disrupted, interfered with, and stopped the educational and school activities of the defendant Master Institute of United Arts, Inc., and have diverted the purposes of the defendant Master Institute of United Arts, Inc. from an educational institution to a real estate holding corporation engaged in the business of owning and operating an apartment house or hotel, contrary to the wishes and desires of the plaintiffs, and such conduct on their part, if continued and unless restrained by this Court, will result in the revocation of the charter of the defendant Master Institute of United Arts, Inc. by the Regents of the University of the State of New York.

F. Upon information and belief, the defendants Nettie S. Horch and Master Institute of United Arts, Inc., unless restrained, will exclude the plaintiffs from any vote or participation in the affairs and management of the defendant Master Institute of United Arts, Inc., and the defendant Nettie S. Horch will continue to vote the stock according to her sole wishes and desires.

G. The entries in the books and records of the defendant Master Institute of United Arts, Inc.

to the effect that the plaintiffs are no longer the owners or holders or persons entitled to vote the said five shares of stock constitute an impediment to the exercise of the plaintiffs' rights in and to the said shares of stock and a cloud on plaintiffs' title.

H. The defendant Nettie S. Horch may, unless restrained by this Court, negotiate the said certificate for seven shares of the capital stock of the defendant Master Institute of United Arts, Inc. to an innocent purchaser for value.

I. For full and adequate relief and protection, the defendant Nettie S. Horch must be compelled to endorse the certificate for seven shares of the capital stock of the defendant Master Institute of United Arts, Inc. and to deliver, surrender and turn in the same for cancellation to the defendant Master Institute of United Arts, Inc., the defendant Master Institute of United Arts, Inc. must be compelled to accept said surrender and to issue in place thereof five new certificates of its capital stock for one share each to the plaintiffs, and a certificate or certificates for two shares to whomsoever shall be entitled thereto, the defendant Master Institute of United Arts, Inc. must be compelled to change its records and books, particularly its stock book and stock certificate book, so as to indicate that the plaintiffs are the record owners and holders of one share each and did not cease to be the record owners and holders thereof ever since the certificates were issued to them originally.

J. The defendants Louis L. Horch and Nettie S. Horch should be excluded from any claims, options or rights in and to the plaintiffs' stock forever.

WHEREFORE, plaintiffs demand judgment as follows:

1. That the defendant Nettie S. Horch be ordered and decreed to indorse, surrender and deliver to the defendant Master Institute of United Arts, Inc. for cancellation the stock certificate or certificates for seven shares of its capital stock in her name;

2. That the Court foreclose and bar forever the defendants Louis L. Horch and Nettie S. Horch from any claims, options or rights in and to the plaintiffs' shares of stock in the defendant Master Institute of United Arts, Inc.;

3. That the defendant Master Institute of United Arts, Inc. be ordered and decreed to accept the delivery of the certificate or certificates for seven shares in the name of Nettie S. Horch, cancel the same, issue in its or their place and stead certificates for one share each of its capital stock in the names of each of the plaintiffs and such other persons as may be entitled to the remainder, and deliver each of said certificates to the persons whose names thereupon shall appear on said certificates;

4. That the defendant Master Institute of United Arts, Inc. be ordered and decreed to correct and change its books, records and documents, particularly its stock book and its stock certificate book, so as to indicate that the plaintiffs never ceased being stockholders of record of it, that each of them is, and always was, entitled to vote one share each of its capital stock, and that the transfers of the plaintiffs' stock to the defendant Louis L. Horch and to the defendant Nettie S. Horch were and are void and of no effect;

5. That the plaintiffs be declared and adjudged to be the owners and the persons entitled to vote one share each of the capital stock of the defendant Master Institute of United Arts, Inc.;

6. Enjoining, restraining and preventing the defendants Louis L. Horch and Nettie S. Horch, or either of them, from holding any meeting of stockholders of the defendant Master Institute of United Arts, Inc. in which they, or either of them, claim or purport to be the owners or holders or persons entitled to vote the plaintiffs' five shares of the capital stock of said corporation;

7. Enjoining, restraining and preventing the defendants Master Institute of United Arts, Inc., Louis L. Horch and Nettie S. Horch, or either of them, from holding any meeting of stockholders of Master Institute of United Arts, Inc. at any

time unless due notice of the holding of such meeting or meetings be given in the manner provided by law to the plaintiffs and unless the plaintiffs and the persons who are stockholders of record of said corporation are given the right to vote at said meeting;

8. Enjoining, restraining and preventing the defendants Louis L. Horch and Nettie S. Horch and each of them, their agents, servants, employees and attorneys, from exercising any of the rights of ownership, voting or disposing, transferring or assigning, the plaintiffs' five shares of capital stock of the defendant Master Institute of United Arts, Inc.;

9. That injunctions in due form issue during the pendency of this action enjoining, restraining and staying the defendants Master Institute of United Arts, Inc., Louis L. Horch and Nettie S. Horch from doing any of the acts mentioned in subdivisions "6," "7" and "8" of this prayer for relief;

10. For such other and further equitable relief as to the Court may seem just and proper.

PLAUT & DAVIS,
Attorneys for Plaintiffs,
76 Beaver Street,
New York, New York.

(Verified by Maurice M. Lichtmann, one of the plaintiffs, on June 13, 1936.)

EXHIBIT A, ANNEXED TO FOREGOING COMPLAINT

AGREEMENT made this 23rd day of April 1923, between LOUIS L. HORCH and NETTIE HORCH, both residing at No. 271 Central Park West, Borough of Manhattan, New York City, NICHOLAS ROERICH and HELENA ROERICH of No. 312 West 54th Street, Borough of Manhattan, New York City, MAURICE LICHTMANN and SINA LICHTMANN, both residing at No. 730 Riverside Drive, in the Borough of Manhattan, City of New York, and

FRANCES R. GRANT, residing at No. 605 West 115th Street, Borough of Manhattan, New York City,

WITNESSETH:

WHEREAS the parties hereto are the owners and holders of all the issued and outstanding capital stock of MASTER INSTITUTE OF UNITED ARTS, INC., a corporation organized under the laws of the State of New York, and

WHEREAS all the parties hereto have been the founders of the corporation specified herein and have devoted considerable time and energy in its promotion and desire that the affairs of such corporation shall be in the unified control of the parties hereto at all times and in the event of the death of any of the parties hereto that the survivors may be in a position to carry on the work originally and prior to such death undertaken by all of the parties hereto and in order to more effectually carry out the purpose and intent hereinbefore specified and in order to enable the survivors during their lifetime to reap whatever reward and benefit may accrue by virtue of their holdings of shares of stock and in order to further enable such survivors in the event of the death of any of the parties hereto to succeed to the rights and interests of such parties as may die;

NOW, THEREFORE, in consideration of the sum of One ($1) Dollar and other good and valuable considerations, by each of the parties hereto to the other in hand paid, the receipt of which is hereby acknowledged, and of the promises hereinafter contained,

IT IS AGREED AS FOLLOWS:

FIRST: None of the parties to this agreement will at any time hereafter sell or dispose of all or any part of the shares of stock now held by such party without first offering all of the said shares for sale to the other parties to this agreement for the sum of Ten ($10) Dollars for the entire holdings of shares so held by such party, and with respect to such shares so offered the other

parties hereto shall have the right to acquire same in proportion to their then holdings of shares of stock in the corporation.

SECOND: In the event that any of the parties to whom such shares of stock shall be so offered shall not desire to acquire same, then the remaining parties shall have the right to acquire same proportionately to their then holdings.

THIRD: In the event, however, that such shares of stock are not so acquired by any or all of the parties to whom such offer shall be made wither in whole or in part, then such rejected shares may be disposed of by the offering party to any other person or persons whatsoever.

FOURTH: The offer by any of the parties hereto to sell shall be communicated in writing to the other parties hereto who shall have thirty days after the date of such notice within which to accept or reject such offer and upon the expiration of such thirty (30) day period, unless payment for the said shares of stock shall be then made, the parties to whom such offer shall be made shall be deemed to have waived the right to purchase.

FIFTH: It is further understood and agreed that upon the death of any of the parties hereto, the remaining parties shall have the right to acquire from the legal representatives of the decedent the shares of stock so held by such decedent for the sum of Ten ($10) Dollars upon giving notice to such legal representative within thirty (30) days after such legal representative shall have qualified and notice thereof given to the other parties hereto of the intention of the parties hereto to so acquire the share of stock of the decedent.

SIXTH: All notices required herein shall be given by registered mail addressed to the parties hereto at the address mentioned herein or at his or her last known address.

SEVENTH: In order to more fully effectuate and carry out the provisions of this agreement, the

parties hereto agree to endorse and deliver the share of stock held by them to Louis L. Horch, one of the parties hereto, in escrow, and to be retained by him in a suitable vault or safe deposit box, and that upon any transfer to be effected in accordance with the terms of this agreement, the said Louis L. Horch, upon receipt of the payment of Ten ($10) Dollars as herein provided, is authorized to cause the said shares so acquired to be deposited pro rata among the remaining parties hereto and to make payment of the said sum of Ten ($10) Dollars to the party entitled thereto or the legal representative of such party in the event of death.

EIGHTH: It is distinctly understood and agreed that the said sum of Ten ($10) Dollars is to be considered as and for the purchase price of all the shares of stock held by the individual so disposing of same, and this provision shall apply to all the shares of stock whether originally held and in addition, to any subsequently acquired under and pursuant to the provisions of this agreement. The parties hereto distinctly bind themselves that said sum of Ten ($10) Dollars shall be in full for the purchase price of all the shares of stock which may be held by them at any time.

NINTH: It is distinctly understood and agreed, however, that despite the delivery of the shares of stock to the said Louis L. Horch as herein provided, that any dividends which may be declared upon the shares of stock so deposited shall be for the sole use and benefit of and payable to the party depositing his or her respective shares of stock and that the said sum of Ten ($10) Dollars was fixed regardless of the intrinsic or book value of the shares of stock at the present or any future time.

TENTH: It is distinctly understood and agreed that the transfer or delivery of the said shares of stock to the said Louis L. Horch as herein provided shall not deprive the depositors thereof of the right to vote said shares of stock and which right shall during the period of such legal owner-

ship by the depositing shareholder be and remain vested in such shareholder.

ELEVENTH: A notation that the shares of stock held by the parties hereto shall be made thereon to the effect that such shares of stock are held subject to the terms and conditions of this agreement.

TWELFTH: The provision with respect to the limitation of the disposition of the shares of stock as herein mentioned shall be binding upon the parties hereto, their executors, administrators and assigns.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above mentioned.

In the Presence of:

LOUIS L. HORCH	(L. S.)
NETTIE HORCH	(L. S.)
N. ROERICH	(L. S.)
H. ROERICH	(L. S.)
MAURICE LICHTMANN	(L. S.)
SINA LICHTMANN	(L. S.)
FRANCES R. GRANT	(L. S.)

STATE OF NEW YORK,
CITY OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this 23rd day of April, 1923, before me personally appeared LOUIS L. HORCH, NETTIE HORCH, NICHOLAS ROERICH, HELENA ROERICH, MAURICE LICHTMANN, SINA LICHTMANN and FRANCES R. GRANT, to me known and known to me to be the individuals described in and who executed the foregoing instrument, and they severally duly acknowledged to me that they executed the same.

Amended Answer

SUPREME COURT OF THE STATE
OF NEW YORK,

COUNTY OF NEW YORK.

[SAME TITLE]

The defendants herein, by their attorneys Greenbaum, Wolff & Ernst, for their amended answer to the complaint herein

First: Deny each and every allegation contained in the paragraph of the complaint marked "5" except that they admit that prior to the incorporation of the defendant Master Institute of United Arts, Inc., the plaintiffs formed a school in 1921 under the name of Master School of United Arts and that the plaintiffs Maurice M. Lichtmann and Sina Lichtmann became teachers at the said school and that plaintiff Frances R. Grant became executive director of said school, and that a charter was applied for to the Regents of the University of the State of New York and as a result thereof a provisional charter was granted under the name of Master Institute of United Arts, Inc. and that in 1922 plaintiffs Maurice M. Lichtmann and Sina Lichtmann became teachers and directors of the school of the defendant Master Institute of United Arts, Inc., and that plaintiff Frances R. Grant became the executive director at said school.

Second: Deny each and every allegation contained in the paragraph of the complaint marked "6", except that they admit that Louis L. Horch subscribed for and immediately after the incorporation of the defendant Master Institute of United Arts, Inc. became the owner of all of its capital stock with full power, among other things, to vote the stock at each and every meeting of the stockholders.

Third: Deny each and every allegation contained in the paragraph of the complaint marked

"9", except that they admit that the defendant Louis L. Horch, prior to his participation in the affairs of the defendant Master Institute of United Arts, Inc., was active in business, commerce and finance.

Fourth: Deny each and every allegation contained in the paragraphs of the complaint marked "10" and "11".

Fifth: Deny each and every allegation contained in the paragraph of the complaint marked "12," except that they admit that plaintiffs each endorsed in blank his or her certificate for one share each of the capital stock of the defendant Master Institute of United Arts, Inc., and that Nettie S. Horch endorsed and delivered her certificate for one share of the capital stock of the defendant Master Institute of United Arts, Inc. to the defendant Louis L. Horch.

Sixth: Deny each and every allegation contained in the paragraph of the complaint marked "13."

Seventh: Deny each and every allegation contained in the paragraph of the complaint marked "14", except that they admit that on or about February 25, 1935 the defendant Louis L. Horch turned in and delivered for cancellation five certificates for one share each of the capital stock of the defendant Master Institute of United Arts, Inc. to the defendant Master Institute of United Arts, Inc. and for re-issue to him and in his name of one certificate for five shares of its capital stock and without offering any of such shares of stock to the plaintiffs or any of them.

Eighth: Deny each and every allegation contained in the paragraph of the complaint marked "15", except that they admit that on or about February 25, 1935 the defendant Master Institute of United Arts, Inc. thereupon cancelled the five certificates for one share each of the capital stock of the defendant Master Institute of United Arts, Inc., and that the defendant Master Institute of United Arts, Inc. issued in its place and stead one

certificate for five shares of its capital stock to the defendant Louis L. Horch and in his name, and delivered it to him.

Ninth: Deny each and every allegation contained in the paragraph of the complaint marked "16", except that they admit that thereafter and on or about February 26, 1935 the defendant Louis L. Horch endorsed, assigned, transferred and delivered (a) the certificate for five shares of the capital stock of the defendant Master Institute of United Arts, Inc. which had been issued to him on or about February 25, 1935, and (b) the certificate for one share of the capital stock of the defendant Master Institute of United Arts, Inc. which had been issued to him, and in his name originally, to the defendant Nettie S. Horch, and he also delivered to her (c) the certificate for one share of the capital stock of the defendant Master Institute of United Arts, Inc. which had been issued in her name originally, and she and he thereupon delivered and turned in for cancellation the said three certificates for a total of seven shares of the capital stock to the defendant Master Institute of United Arts, Inc. and for the re-issue to her, the defendant Nettie S. Horch, of a single certificate for seven shares of the capital stock, that is to say, for all of the authorized capital stock of the defendant Master Institute of United Arts, Inc.

Tenth: Deny each and every allegation contained in the paragraph of the complaint marked "17", except that they admit that on or about February 26, 1935 the defendant Master Institute of United Arts, Inc., thereupon cancelled the said three certificates for a total of seven shares of stock of the defendant Master Institute of United Arts, Inc. and the defendant Master Institute of United Arts, Inc. issued in its place and stead one certificate for seven shares of its capital stock, that is to say, for all of its authorized capital stock to the defendant Nettie S. Horch and in her name.

Eleventh: Deny each and every allegation contained in the paragraph of the complaint marked "18", except that they admit that on or about February 25-26, 1936 the defendant Master Institute of United Arts, Inc. inserted in the books and records of the Master Institute of United Arts, Inc. particularly the stock book and the stock certificate book, the name of the defendant Nettie S. Horch as the owner and sole stockholder, and the owner and holder of record of all the outstanding and issued capital stock of the defendant Master Institute of United Arts, Inc.

Twelfth: Deny each and every allegation contained in the paragraph of the complaint marked "19", except from and after February 26, 1935, and at all times thereafter, and at the present time, the books and records of the defendant Master Institute of United Arts, Inc., particularly the stock book and the stock certificate book, show that the defendant Nettie S. Horch is the record owner and holder of all of its outstanding issued and authorized capital stock, and the sole person to vote any and all of said shares of stock, and that none of the plaintiffs is the record owner or holder of any of its stock and none of the plaintiffs is entitled to vote any of its stock.

Thirteenth: Deny each and every allegation contained in the paragraph of the complaint marked "20", except that they admit that the dedefendant Nettie S. Horch claims to be the sole stockholder of the defendant Master Institute of United Arts, Inc. and that on or about the 16th day of December, 1935 the defendant Nettie S. Horch claiming to be the sole stockholder of the defendant Master Institute of United Arts, Inc. and the only person entitled to vote the stock of the defendant Master Institute of United Arts, Inc. at any meeting of stockholders of said corporation, held a meeting of stockholders, consisting of herself, of the defendant Master Institute of United Arts, Inc., but no notice of the time, place or the holding of the said meeting was given to the plaintiffs.

Fourteenth: Deny each and every allegation contained in the paragraph of the complaint marked "21", except that they admit that at said meeting the defendant Nettie S. Horch, the sole stockholder, voted upon certain resolutions and measures and took action as the sole stockholder of the defendant Master Institute of United Arts, Inc.

Fifteenth: Deny each and every allegation contained in the paragraph of the complaint marked "22," except that they admit that the single certificate for seven shares of capital stock of the defendant Master Institute of United Arts, Inc., which is in the name of the defendant Nettie S. Horch and which is now in her possession, nowhere bears any notice or notation on it that it or the stock represented thereby is subject to any agreement.

Sixteenth: Deny each and every allegation contained in the paragraph of the complaint marked "23", except that they admit that the defendant Nettie S. Horch now claims to be the owner of all the stock and the sole person entitled to vote all or any of the outstanding and issued capital stock of the defendant Master Institute of United Arts, Inc. and she claims to hold said stock as her property free of and unhindered by the restrictions or obligations imposed by any agreement.

Seventeenth: Deny each and every allegation contained in the paragraph of the complaint marked "24".

Eighteenth: Deny each and every allegation contained in the paragraph of the complaint marked "25", except that they admit that the defendant Master Institute of United Arts, Inc. recognizes the defendant Nettie S. Horch, and her alone, as the sole stockholder of it.

Nineteenth: Deny each and every allegation contained in the paragraphs of the complaint marked "26", "28" and "29".

AS AND FOR A FIRST, SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO ANY CAUSE OF ACTION PURPORTED TO BE ALLEGED IN THE COMPLAINT AGAINST

LOUIS L. HORCH AND NETTIE S. HORCH, THE DEFENDANTS ALLEGE:

Twentieth: The plaintiffs have a complete and adequate remedy at law against the defendants Louis L. Horch and Nettie S. Horch in that the relief herein sought against them can be obtained in an action for the recovery of the stock, or in an action for damages.

AS AND FOR A SECOND, SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO ANY CAUSE OF ACTION PURPORTED TO BE ALLEGED IN THE COMPLAINT AGAINST LOUIS L. HORCH AND NETTIE S. HORCH, THE DEFENDANTS ALLEGE:

Twenty-first: That any cause of action the petitioners Helena Roerich and Nicholas Roerich might have for the recovery each of one share of stock originally registered in the name of each, did not accrue within the six years next preceding the commencement of this proceeding.

Twenty-second: That by reason of the foregoing the said Nicholas Roerich and Helena Roerich have no right, title or interest in or to the two shares of stock of which they claim to be the owners.

AS AND FOR A FIRST COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH, ALLEGES:

Twenty-third: That on or about the 15th day of February, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing of which the following is a copy:

"$8,000. February 15, 1923

Three Months after date I promise to pay
to the order of Louis L. Horch
Eight thousand ..... 00/100 ..... Dollars
at

Value received with interest at the rate of 6 per cent per annum No. 1 Ex. 2 Due May 15, 1923

N. Roerich"

Twenty-fourth: Upon information and belief that the plaintiff Nicholas Roerich departed from this State on or about May 8, 1923, and remained continuously thereafter absent from this State until on or about November 1, 1924; that thereafter he departed from the State on or about December 10, 1924, and remained continuously thereafter absent from this State until on or about June 18, 1929; that thereafter he departed from this State on or about April 4, 1930, and remained continuously thereafter absent from this State until on or about March 14, 1934; that thereafter he departed from this State on or about April 22, 1934 and has since remained continuously absent from this State and is still absent therefrom.

Twenty-fifth: Upon information and belief that no designation was ever made by the plaintiff Nicholas Roerich of any resident of the State upon whom a summons might be served.

Twenty-sixth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $8,000 with interest from February 15, 1923, which the plaintiff claims.

AS AND FOR A SECOND COUNTERCLAIM AGAINST THE PLAINTIFF, NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH, ALLEGES:

Twenty-seventh: That on or about the 7th day of March, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$8,353.19/100 March 7th, 1923.

Three months after date I promise to pay to the order of Louis L. Horch
Eight thousand, three hundred fifty-three 19/100 .....Dollars
at
Value received with interest at the rate of 6% per cent per annum. No. 3, Ex. 2, Due June 7, 1923.

N. Roerich."

Twenty-eighth: Repeats, reiterates and realleges each and every allegation contained in the

paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as thought the same were fully set forth herein.

Twenty-ninth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $8,353.19 with interest from March 7th, 1923, which the plaintiff claims.

AS AND FOR A THIRD COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Thirtieth: That on or about the 28th day of December, 1922, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$5,000♯ December 28th, 1922.

Three months after date I promise to pay to the order of Louis L. Horch
Five Thousand ♯/100 .....Dollars
at
Value received with interest at the rate of 6% per cent per annum. No. 4, Ex. 1 Due March 28th, 1923.

N. Roerich."

Thirty-first: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Thirty-second: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $5,000 with interest from the 28th day of December, 1922, which the plaintiff claims.

AS AND FOR A FOURTH COUNTERLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Thirty-third: That on or about the 31st day of March, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$1587.69/100 March 31, 1923.

Three months after date I promise to pay to the order of Louis L. Horch
Fifteen hundred eighty seven 69/100..Dollars at
Value received with interest at the rate of per cent per annum No. 6, Ex. 1 Due June 30, 1923

N. Roerich."

Thirty-fourth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Thirty-fifth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $1,587.69 with interest from the 30th day of June, 1923, which the plaintiff claims.

AS AND FOR A FIFTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Thirty-sixth: That on or about the 31st day of March, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$1613.91/100 March 31, 1923.

Three Months after date I promise to pay to the order of Louis L. Horch
Sixteen hundred Thirteen 91/100....Dollars
Value received with interest at the rate of per cent per annum No. 7, Ex. 1, Due June 30, 1923.

N. Roerich."

Thirty-seventh: Repeats, reiterates and realleges each and every allegation contained in the

paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Thirty-eighth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $1,613.91 with interest from the 30th day of June, 1923, which the plaintiff claims.

AS AND FOR A SIXTH COUNTERLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Thirty-ninth: That on or about the 6th day of February, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$8375‡ May 6th 1923

Three months after date I promise to pay to the order of Louis L. Horch
Eigthy three hundred seventy five
‡/100 ..... Dollars
at
Value received with interest at the rate of
per cent per annum. No. 9, Ex. 1. Due
August 6th, 1923
N. Roerich."

Fortieth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Forty-first: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $8,375. with interest from the 6th day of August, 1923, which the plaintiff claims.

AS AND FOR A SEVENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Forty-second: That on or about the 21st day of February, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$6083.50/100 February 21, 1923

Three months after date I promise to pay to the order of Louis L. Horch
Six Thousand Eighty Three 50/100..Dollars at
Value received with interest at the rate of per cent per annum. No. 10. Due May 21, 1923.

N. Roerich."

Forty-third: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Forty-fourth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $6,083.50 with interest from the 21st day of May, 1923, which the plaintiff claims.

AS AND FOR AN EIGHTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Forty-fifth: That on or about the 13th day of March, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$1000♯ March 13th 1923

Three Months after date I promise to pay to the order of Louis L. Horch
One Thousand ♯/100 .....Dollars at
Value received with interest at the rate of per cent per annum No. 11 Due June 13, 1923

N. Roerich."

Forty-sixth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Forty-seventh: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $1,000 with interest from the 13th day of June, 1923, which the plaintiff claims.

AS AND FOR A NINTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Forty-eighth: That on or about the 19th day of March, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$3200♯ March 19—1923

Three months after date I promise to pay to the order of Louis L. Horch
Thirty two hundred .....Dollars at

Value received with interest at the rate of per cent per annum No. 12 Due June 19, 1923

N. Roerich."

Forty-ninth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Fiftieth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $3,200 with interest from the 19th day of June, 1923, which the plaintiff claims.

AS AND FOR A TENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Fifty-first: That on or about the 2nd day of April, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

$2,500 ♯ April 2d—1923

Three months after date I promise to pay to the order of Louis L. Horch
Twenty five hundred ♯/100 .....Dollars at
Value received with interest at the rate of per cent per annum. No. 13 Due July 2, 1923

N. Roerich.''

Fifty-second: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked ''Twenty-fourth'' and ''Twenty-fifth,'' with the same force and effect as though the same were fully set forth herein.

Fifty-third: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $2,500 with interest from the 2nd day of July, 1923, which the plaintiff claims.

AS AND FOR AN ELEVENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Fifty-fourth: That on or about the 6th day of April, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

''$1440 ♯ April 6th 1923

Three months after date I promise to pay to the order of Louis L. Horch
Fourteen hundred forty ♯/100.....Dollars at
Value received with interest at the rate of 6% per cent per annum No. 14 Due July 6, 1923

N. Roerich''

Fifty-fifth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Fifty-sixth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $1,440 with interest from the 6th day of April, 1923, which the plaintiff claims.

AS AND FOR A TWELFTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Fifty-seventh: That on or about the 11th day of April, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

$25000♯ April 11th 1923

Three months after date I promise to pay to the order of Louis L. Horch
Twenty five Thousand ♯/100.....Dollars at
Value received with interest at the rate of 6% per cent per annum No. 15 Due July 11, 1923

N. Roerich."

Fifty-eighth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Fifty-ninth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $25,000 with interest from the 11th day of April, 1923, which the plaintiff claims.

AS AND FOR A THIRTEENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Sixtieth: That on or about the 12th day of April, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$1625 00/100 April 12th 1923

Three months after date I promise to pay to the order of Louis L. Horch
One Thousand six hundred twenty-five
♯/100 ..... Dollars
at
Value received with interest at the rate of 6% per cent per annum No. 16 Due July 12, 1923

N. Roerich."

Sixty-first: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Sixty-second: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $1,625 with interest from the 12th day of April, 1923, which the plaintiff claims.

AS AND FOR A FOURTEENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Sixty-third: That on or about the 12th day of April, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$6550 ♯ April 12th 1923

Three months after date I promise to pay to the order of Louis L. Horch
Six Thousand five hundred fifty ♯/100 Dollars
at
Value received with interest at the rate of 6% per cent per annum No. 17 Due July 12th, 1923

N. Roerich."

Sixty-fourth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Sixty-fifth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $6,550 with interest from the 12th day of April, 1923, which the plaintiff claims.

AS AND FOR A FIFTEENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Sixty-sixth: That on or about the 23rd day of April, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$6,000♯ April 23rd 1923

Three months after date I promise to pay to the order of Louis L. Horch
Six Thousand ♯/100.....Dollars
at 27 Pine Street .....
Value received with interest at the rate of 6% per annum No. 18 Due July 23rd, 1923

N. Roerich."

Sixty-seventh: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth", with the same force and effect as though the same were fully set forth herein.

Sixty-eighth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $6,000 with interest from the 23rd day of April, 1923, which the plaintiff claims.

AS AND FOR A SIXTEENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Sixty-ninth: That on or about the 29th day of April, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$7,000♯ April 29th 1923

Three months after date I promise to pay to the order of Louis L. Horch
Seven thousand ♯/100.....Dollars
at 27 Pine Street, N. Y. City
Value received with interest at the rate of 6% per cent per annum No. 19 Due July 29th, 1923

N. Roerich"

Seventieth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth", with the same force and effect as though the same were fully set forth herein.

Seventy-first: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $7,000 with interest from the 29th day of April, 1923, which the plaintiff claims.

AS AND FOR A SEVENTEENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Seventy-second: That on or about the 5th day of September, 1923, in the City of Paris, France, the plaintiff Nicholas Roerich made and delivered by mail to the defendant Louis L. Horch, who was then in the City of New York, his promissory note in writing, of which the following is a copy:

"$10,000♯ Paris, September 5th, 1923

Six months after date I promise pay to the order of Louis L. Horch
Ten thousand ♯/100.....Dollars
at
Value received with interest at the rate of—per cent per annum

Nicholas Roerich

No. 20 Due March 5th, 1924."

Seventy-third: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth", with the same force and effect as though the same were fully set forth herein.

Seventy-fourth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $10,000 with interest from the 5th day of March, 1924, which the plaintiff claims.

AS AND FOR AN EIGHTEENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Seventy-fifth: That on or about the 7th day of March, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$2500♯ March 7th, 1923

Three months after date I promise to pay to the order of Louis L. Horch
Twenty-five hundred ♯/100.....Dollars
at
Value received with interest at the rate of —per cent per annum No. 2 Ex. 2 Due June 4th, 1923

N. Roerich".

Seventy-sixth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth", with the same force and effect as though the same were fully set forth herein.

Seventy-seventh: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of Two thousand, five hundred ($2,500) Dollars with interest from the 4th day of June, 1923, which the plaintiff claims.

AS AND FOR A NINETEENTH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Seventy-eighth: That on or about the 2nd day of March, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$2500♯ March 2nd, 1923

Three months after date I promise to pay to the order of Louis L. Horch
Two thousand, five hundred ♯/100....Dollars
at

Value received with interest at the rate of 6% per cent per annum No. 5 Ex. 1 Due June 2, 1923

N. Roerich".

Seventy-ninth: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth", with the same force and effect as though the same were fully set forth herein.

Eightieth: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $2,500 with interest from the 2nd day of March, 1923, which the plaintiff claims:

AS AND FOR A TWENTIETH COUNTERCLAIM AGAINST THE PLAINTIFF NICHOLAS ROERICH, THE DEFENDANT LOUIS L. HORCH ALLEGES:

Eighty-first: That on or about the 9th day of April, 1923, in the City of New York, the plaintiff Nicholas Roerich made and delivered to the defendant Louis L. Horch his promissory note in writing, of which the following is a copy:

"$5000♯ April 9th, 1923

Three months after date I promise to pay to the order of Louis L. Horch
Five thousand ♯/100 .....Dollars
at

Value received with interest at the rate of —— per cent per annum No. 8, Ex. 1 Due July 9th, 1923

N. Roerich."

Eighty-second: Repeats, reiterates and realleges each and every allegation contained in the paragraphs of the Amended Answer marked "Twenty-fourth" and "Twenty-fifth," with the same force and effect as though the same were fully set forth herein.

Eighty-third: That no part of the said note has been paid and that there is now due thereon to the defendant Louis L. Horch from the plaintiff Nicholas Roerich the sum of $5,000 with interest from the 9th day of July, 1923, which the plaintiff claims.

WHEREFORE the defendants demand judgment herein dismissing the complaint, together with costs, and the defendant Louis L. Horch demands judgment against the plaintiff Nicholas Roerich, in the amount of $113,328.29, with interest as aforesaid:

GREENBAUM, WOLFF & ERNST,
Attorneys for Defendants,
Office & P. O. Address,
285 Madison Avenue,
Borough of Manhattan,
City of New York.

(Verified by Louis L. Horch on August 7th, 1936.)

Reply

SUPREME COURT OF THE STATE
OF NEW YORK,

COUNTY OF NEW YORK.

[SAME TITLE]

Plaintiff, Nicholas Roerich, by Plaut & Davis, his attorneys, for his reply to the counterclaims of the defendant Louis L. Horch contained in the amended answer herein:

1. Denies each and every allegation contained in paragraphs "Twenty-third," "Twenty-fifth," "Twenty-sixth," "Twenty-seventh," "Twenty-ninth," "Thirtieth," "Thirty-second," "Thirty-third," "Thirty-fifth," "Thirty-sixth," "Thirty-eighth," "Thirty-ninth," "Forty-first," "Forty-second," "Forty-fourth," "Forty-fifth," "Forty-seventh," "Forty-eighth," "Fiftieth," "Fifty-first," "Fifty-third," "Fifty-fourth," "Fifty-sixth," "Fifty-seventh," "Fifty-ninth," "Sixtieth," "Sixty-second," "Sixty-third," "Sixty-fifth," "Sixty-sixth," "Sixty-eighth," "Sixty-ninth," "Seventy - first," "Seventy - second," "Seventy-fourth," "Seventy-fifth," "Seventy-seventh," "Seventy - eighth," "Eightieth," "Eighty-first," "Eighty-third," and such of said allegations as are repeated in paragraphs "Twenty - eighth," "Thirty - first," "Thirty - fourth," "Thirty-seventh," "Fortieth," "Forty-third," "Forty-sixth," "Forty-ninth," "Fifty-second," "Fifty-fifth," "Fifty-eighth," "Sixty-first," "Sixty-fourth," "Sixty-seventh," "Seventieth," "Seventy-third," "Seventy-sixth," "Seventy-ninth," and "Eighty-second."

AS AND FOR A FIRST, SEPARATE AND COMPLETE DEFENSE TO THE SAID COUNTERCLAIMS, PLAINTIFF NICHOLAS ROERICH ALLEGES UPON INFORMATION AND BELIEF:

2. Prior to the commencement of this action, plaintiff Nicholas Roerich fully paid, satisfied and discharged the defendant Louis L. Horch's al-

leged claims set forth in the counterclaims contained in the amended answer herein by payment to him of the full amount thereof.

AS AND FOR A SECOND, SEPARATE AND COMPLETE DEFENSE TO THE SAID COUNTERCLAIMS, PLAINTIFF NICHOLAS ROERICH ALLEGES UPON INFORMATION AND BELIEF:

3. The alleged causes of action contained in the counterclaims in the amended answer did not accrue within six years next preceding the commencement of this action.

AS AND FOR A THIRD, SEPARATE AND COMPLETE DEFENSE TO THE SAID COUNTERCLAIMS, PLAINTIFF NICHOLAS ROERICH ALLEGES UPON INFORMATION AND BELIEF:

4. Plaintiff denies that the notes set forth in the counterclaims contained in the amended answer were given for any consideration whatsoever, and there never was any valuable or other legal consideration for the making and delivery of the notes.

AS AND FOR A FOURTH, SEPARATE AND COMPLETE DEFENSE TO THE SAID COUNTERCLAIMS, PLAINTIFF NICHOLAS ROERICH ALLEGES UPON INFORMATION AND BELIEF:

5. The promissory notes alleged in the counterclaims contained in the amended answer were made for the benefit and accommodation of the defendant Louis L. Horch and without receiving any value therefor and for the purpose of lending plaintiff Nicholas Roerich's name to the said defendant.

6. At the time said notes were executed and delivered to the said defendant it was agreed by and between the said plaintiff and the said defendant that there should be no liability upon said notes from the said plaintiff to the said defendant.

WHEREFORE, plaintiff Nicholas Roerich demands judgment dismissing the counterclaims contained

in the amended answer, together wtih the costs and disbursements of this action.

PLAUT & DAVIS,
Attorneys for Plaintiffs,
76 Beaver Street,
Borough of Manhattan,
City of New York.

(Verified by Herbert Plaut, as attorney, on August 26, 1936.)

NICHOLAS ROERICH

TO

KATHERINE S. CAMPBELL

Power of Attorney

Dated, October 7th, *193* 6.

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3117—Power of Attorney. A. ME. O. Goldsmith Bros., Stationers and Printers 75-77-79-81 Nassau Street, N. Y.

Know all Men by these Presents,

THAT I, NICHOLAS ROERICH, of Naggar, Kulu, Punjab, India,

have made, constituted and appointed, and by these presents do make, constitute and appoint

KATHERINE S. CAMPBELL, of Brookfield, Connecticut,

my *true and lawful attorney* *for* me *and in* my *name, place and stead* to do any and all acts which I could do if personally present, hereby intending to give her the fullest power and not intending by anything hereinafter contained to limit or cut down such full power, giving and granting unto her full power to ask, demand, sue for, recover and receive all manner of goods, chattels, debts, rents, interest, sums of money and demands whatsoever, due or hereafter to become due and owing or belonging to me on any account, and to make, give and execute acquittances, receipts, releases or other discharges for the same, whether under seal or otherwise, and to make, execute, endorse, accept and deliver in my name or in the name of my said attorney, all checks, notes, drafts, warrants, acknowledgments, agreements and all other instruments in writing of whatsoever nature, as to my said attorney may seem needful.

With full power and authority to negotiate and contract for the exhibition and sale of any painting or paintings or other works of art which belong to me or in or to which I may have any right, title or interest; to execute and deliver bills of sale or other instruments conveying the title thereto with or without warranties or covenants; to receive payment therefor; to sell, transfer or do any other act concerning any stocks or bonds which I may have or possess, and to transfer the same in any manner required by any corporation, company or law; to subscribe for stock in any body corporate, joint stock association or similar organization organized or to be organized under any provision of law and to act as incorporator of any body corporate, joint stock association or similar organization organized or to be organized under any provision of law; to sign any certificate of incorporation; to vote as my proxy at any and all meetings, general or special, of stockholders of any corporation, joint stock company or other corporation at which I may be entitled to vote, including meetings for the election of directors, in respect of any shares of stock which may be issued to me or of which I may be record owner; with full power and authority and for me and in my name to commence and prosecute any suits or actions or other legal proceedings for the recovery of the possession of any property, real or personal, goods, chattels, debts, duties, demands, cause or thing whatsoever, due or to become due or belonging to me and to prosecute and follow and discontinue the same, if she shall deem proper, and for me and in my name to take all steps and remedies necessary and proper for the conduct and management of my affairs and business and for the recovery, receiving, obtaining and holding possession of any lands, tenements, rents or real estate, goods and chattels, debts, interest, demands, duties, sum or sums of money or any other thing whatsoever, that is or shall be by my said attorney thought to be due, owing, belonging to or payable to me and in my own right or otherwise; and also for me and in my name and stead, to appear, answer and defend in all actions and suits whatsoever, which may be commenced against me; and also for me and in my name to compromise, settle and adjust with each and every person or persons all actions, accounts, duesand demands, subsisting or to subsist between them or any of them, and in such manner as my said attorney shall think proper; and for the better doing, executing or performing of any or all of the premises, I do hereby further give unto my said attorney full power to constitute, appoint and authorize in her place and stead as her substitute one or more attorney or attorneys for me with full power of revocation;

giving and granting

unto my *said attorney* *full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, as fully, to all intents*

and purposes, as I *might or could do, if personally present, with full power of substitution and revocation, hereby ratifying and confirming all that* my *said attorney or* her *substitute shall lawfully do or cause to be done by virtue hereof.*

In Witness Whereof, I *have hereunto set* my *hand and seal the* 4 ~~7th~~ 2cd *day of* ~~October~~, December *in the year one thousand nine hundred and* thirty-six. 4

Sealed and delivered in the presence of

Nicholas Roerich (L.S.)

State of
County of } ss.:

Be it Known, *That on the* 2cd *day of* December *one thousand nine hundred and* thirty-six *before me a Notary Public in and for the* ~~State of~~ Kulu Subdivision of the Punjab - India *duly commissioned and sworn, dwelling in the personally came and appeared*

NICHOLAS ROERICH

to me personally known, and known to me to be the same person described in and who executed the Power of Attorney, and he *acknowledged the within Power of Attorney to be* his *act and deed.*

In Testimony Whereof, *I have hereunto subscribed my name and affixed my seal of office, the day and year last above written.*

H. J. B. Taylor. I.C.S.
A.C. Kulu Punjab India.

MAGISTRATE 1st CLASS KANGRA DISTRICT.

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SUPREME COURT OF THE STATE OF NEW YORK

COUNTY OF NEW YORK

- - - -

A G R E E M E N T

between

Mrs. Katherine S. Campbell

a n d

Mr. Dudley Fosdick

PLAUT & DAVIS
~~111 JOHN STREET~~ 76 Beaver Street
NEW YORK

MEMORANDUM made this 28th day of October, 1936 between Dudley Fosdick and Katherine S. Campbell.

WHEREAS Nicholas Roerich, Helena Roerich, Frances R. Grant, Maurice M. Lichtmann and Sina Lichtmann are engaged in a litigation to set aside as illegal the election of Sidney Newberger, Jessie Newberger, Philip H. Hiss and Esther J. Lichtmann as members of the Board of Trustees of Master Institute of United Arts, Inc.; and both of the undersigned are deeply interested in this litigation on behalf of the said five persons who are seeking to set aside that election; and they are anxious to do whatever is in their power to aid those five persons in this litigation; and

WHEREAS in that litigation the Supreme Court granted a temporary injunction, but on appeal to the Appellate Division of the Supreme Court that latter Court, while sustaining the injunction ordered that a bond for Five Thousand ($5,000.00) Dollars be filed; and

WHEREAS in order to obtain such a bond for such an amount the American Surety Company required indemnification by two persons financially able to give such indemnity in such amount; and

WHEREAS Mr. J. G. Phelps Stokes and Mrs. Katherine S. Campbell agreed to indemnify the American Surety Company upon said bond, and as a result the said two persons are jointly and severally liable upon said bond, so that as between them in case of a claim upon the indemnification agreement, Mr. Stokes and Mrs. Campbell may each in the future be called upon to pay $2,500.00 (Twenty-five Hundred Dollars); and

WHEREAS Mrs. Campbell has made it known that

she did not care to undertake an obligation of this size, and would not do so, if she were not in turn indemnified by someone else for a portion of that liability; and

WHEREAS Mr. Fosdick desires to help the cause of the five persons above mentioned, and to induce Mrs. Campbell to indemnify the American Surety Company,

IT IS AGREED by Mr. Fosdick that in consideration of Mrs. Campbell's joining on the indemnification agreement with Mr. Stokes to the American Surety Company, he will indemnify Mrs. Campbell and hold her harmless from liability to the extent of One Thousand ($1,000.00) Dollars so that if Mrs. Campbell is requir ed to pay Twenty-five Hundred ($2,500.00) Dollars in satisfaction of any claims or liability that may be incurred by her in consequence of having indemnified the American Surety Company, Mr. Fosdick will pay her One Thousand ($1,000.00) Dollars; and if Mrs. Campbell should be liable for any smaller sum than Twenty-five Hundred ($2,500.00) Dollars, then Mr. Fosdick will indemnify her for that portion of the sum which she is held liable as One Thousand ($1,000.00) dollars bears to Twenty-five Hundred ($2,500.00) Dollars.

IT IS UNDERSTOOD AND AGREED that the total of Mr. Fosdick's liability shall be the sum of One Thousand ($1,000.00) Dollars.

IT IS FURTHER AGREED that this agreement shall be binding upon and to the benefit of the parties to this agreement and their respective executors and administrators but to no one else.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals.

_____ Dudley Fosdick

STATE OF NEW YORK)
COUNTY OF NEW YORK)SS:

On this day of October, 1936, before me personally came Mrs. Katherine S. Campbell, to me known to be one of the individuals described in and who executed the foregoing instrument, and acknowledged to me that she executed the same.

STATE OF NEW YORK)
COUNTY OF NEW YORK)SS:

Date corrected by notary Ann Lewis

On this 2 day of ~~October~~ November, 1936, before me personally came Mr. Dudley Fosdick, to me known to be one of the individuals described in and who executed the foregoing instrument, and acknowledged to me that he executed the same.

Clinton Hemmeter

NOTARY PUBLIC, Nassau County
Certificate filed in New York County
New York County Clerk's No. 616
New York Co. Register's No. 8-S-354
Commission expires March 30, 1938

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Peters Ex 44
Dec 17/36
03

Petitioners' Exhibit 44.

FINANCIAL STATEMENTS

J.L.P. 3d C4

D O N A T I O N S

DATE	NAME	AMOUNT
1921	Mr. and Mrs. M. M. Lichtmann	$4,000.00
1925		
March	S. M. Newberger	500.00
April	" " "	500.00
November	" " "	1,000.00
1926		
October	" " "	1,000.00
November	" " "	500.00
1928		
April	F.R. Grant	150.00
July	" " "	250.00
1929		
September	D. Ansbacher	1,000.00
October	C.N. Rosenthal	5,000.00
November	E. Bistran	311.82
December	" "	95.00
"	J.R. Bennett	25.00
"	J.G. Phelps Stokes	25.00
1930		
January	S. Brooks	50.00
February	Prof. Roerich	100.00

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DATE	NAME	AMOUNT
1931		
Mar.	Mr. and Mrs. M.M. Lichtmann	$142.20
Mar.	L. L. Horch	71.10
Mar.	S. Roerich	37.38
Apr.	F. R. Grant	37.38
Apr.	G. Roerich	37.38
Apr.	Lillian E. Terry	100.00
1930		
April	Lauretta Schinasi	500.00
"	Virginia Palmer	500.00
"	Theodora Palmer	500.00
"	Mrs. Henry Ittleson	500.00
"	Willian D. May	100.00
"	Henry Ittleson, Jr.	100.00
Nov.	S. Kellogg, Jr	500.00
"	" " "	977.00
Dec.	" " "	300.00
Dec.	Lillian E. Terry	400.00
1931		
Jan	M. S. Horch	160.00
Feb.	J. G. Phelps Stokes	250.00
April.	" " " "	250.00
"	A. Kast	5.00
"	N.P. Dobbin	10.00
"	J. G. Phelps Stokes	750.00
"	Donations	50.00
"	Captain Noel Lecture	50.00
May	J. G. Phelps Stokes	9,219.75

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DATE	NAME	AMOUNT
1931		
May	Educational Fund	$250.000
"	A. Lisberger	50.00
"	M. S. Campbell	1,000.00
June	S. Roerich	500.00
"	M. S. Campbell	1,000.00
Sept.	Leonie Ferris	5.00
Oct.	Lionel Sutro	2,500.00
1923 - 1929	(1) Nettie and Louis L. Horch	1,108,317.84
11/2/ 1929	(2) Prof. N. Roerich	221,086.00

(1) Prior to October 11th, 1931, the Roerich Museum received from Mr. and Mrs. Louis L. Horch, donations totalling $1,108,317.84 with the understanding that the principal would remain in perpetuity with the Roerich Museum for the development of its educational, cultural and scientific works; the Roerich Museum to pay to Mr. and Mrs. Horch interest on the principal sum at the rate of (4%) per cent per annum. The accrued interest up to Oct. 1st, 1931, was never requested and has been donated to the Roerich Museum by Mr. and Mr. Horch.

On October 11, 1931, Mr. and Mrs. Horch completely liberated from interest payments, the principal sum of $500,000 of their total donation to the Roerich Museum, waiving the payment of interest for all times on this sum. On the balance of $608,317,84 of the principal sum (4%) per cent is to be paid to Mr. and Mrs. Horch, annually.

(2) The $221,086 contribution by Prof. Roerich consisted of a series of paintings donated in perpetuity to the permanent collection of Roerich Museum and funds advanced by Prof. Roerich on behalf of the Institution. On the principal sum of $221,086 donated in perpetuity, the Roerich Museum is to pay to Prof. Roerich (4%) per cent per annum

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Master Institute of United Arts

DONATIONS:

Apr.	30, 1925	F. W. Trabold	$2,000.00
Sept.	17, 1925	A. L. Stamm	200.00
Oct.	13, 1925	Elizabeth Hall	120.00
	19	F. W. Trabold	1,000.00
Nov.	7	Florence Rosenthal	500.00
Dec.	11	Allen Cohn	1,000.00
Mar.	4, 1926	" "	72.00
June	11, 1926	L. L. Horch	120.00
	22,	F.W. Trabold	500.00
Oct.	7	Alfred F. Stamm	200.00
	8,	Constance Towne	200.00
Nov.	10, 1926	C. Rosenthal	500.00
	"	Allen Cohn	108.00
	3	S.M. Newberger	288.00
	19	Mrs. Constance Towne	100.00
Dec.	11	" " "	200.00
	17	R. B. Hall	120.00
Jan.	17, 1927	F. T. Steinway	100.00
	21,	Mrs. C. Towne	100.00
Feb.	7	F. W. Trabold	500.00
Apr.	4	Mrs. Constance Towne	100.00
July	11	" " "	150.00
Sept.	29	A. L. Stamm	200.00
	9	F. W. Trabold	250.00
	12	L. L. Horch	288.00
	14	Mrs. Constance Towne	100.00
	23,	R. W. Hall	120.00
	23	Mrs. Constance Towne	50.00
Oct.	10	Julian Steinway	100.00
	12	C. Rosenthal	500.00
	13	Steinway & Sons	100.00
	15	" "	93.75
Nov.	3	Jos. Isidor	250.00
Apr.	30, 1928	Steinway & Sons	81.25
	25	Contribution	25.00
July	31	Steinway & Sons	43.75
Sept.	30	A.L. Stamm	200.00
		Steinway & Son	100.00
		Contribution	15.00
Oct.	1	C. Rosenthal	500.00
Nov.	8	F. W. Trabold	300.00
	30	" " "	500.00
		J. Bleibtreu	200.00
Jan.	31, 1929	Jos. Isidor	125.00
		Steinway Piano Sale	98.75
May		Steinway & Son	65.00
Sept.	11	Mr. Rosen	500.00
	11	Donations	400.00
	7	""	100.00

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1929 Oct 23

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Sept.	1929	Donation	$140.00
Oct. 31		F. W. Brabold	500.00
Jan. 3,	1930	Linnel Sutro	1,000.00
7		J. Bleibtreu	200.00
Feb. 20,	1930	Steinway & Sons	100.00
Oct. 6		A. L. Stamm"	100.00
10		Al L. Stamm	400.00
20		Julian D. Steinway	100.00
Nov. 4		J. R. Bennett	8.50
Dec. 8		" " "	13.50
22		Mr. Migel	500.00
Jan. 10,	1931	J. R; Bennett	8.50
19		Mrs. Lionel Sutro	1,000.00
Feb. 6		J. R. Bennett	8.50
Mar. 5		"	10.60
Apr. 9		"	10.00
May 4		"	9.00
June 3		"	13.50
			$4119.50

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ORIGINALS DELIVERED TO PLAUT AND DAVIES September 18, 1936

Diary of L.L.Horch August 8th - December 15, 1930 84 pages

Diary of L.L.Horch 1931 271 pages

Diary of L.L.Horch 1932 650 pages (approx)

Diary of L.L.Horch 1933 576 pages

Diary of L.L.Horch 1934 199 pages

Presidents Reports and letters from October 1, 1930 - December 31, 1931

Presidents Reports 1932

Presidents Reports 1933

Presidents Reports 1934

All the above mentioned books carry an index in front.

Original letter addressed to Professor Nicholas Roerich written by Louis L. Horch and signed in his own handwriting. The letter is dated December 8, 1924
one page letter

Original letter addressed to Professor Nicholas Roerich written by Louis L. Horch and signed in his own handwriting. The letter is dated January 3, 1931
three page letter

Original letter addressed to Professor Nicholas Roerich written by Louis L. Horch and signed in his own handwriting. The letter is dated April 22, 1931
three page letter

Received by:

MEMORANDMEMORANDUM

1. (Also # 4). The undersigned's work in the field of archaeology went far beyond mere interest. In Russia the undersigned was member of the Impe rial Russian Archaeological Society, Honorary Member of the Imperial Moscow Archaeological Institute and lectured on archaeology at the Imperial Archaeological Institute of St. Petersburg. Reports of his excavations in North Russia have appeared in the Journal of the Imperial Russian Archaeological Society (Section of Russian and Slavonic archaeology). In 1910 the undersigned conducted excavations of the Novgorod Kremlin on behalf of the Museum of Pre-Petrian Art, of which he was President, The undersigned is Member of the Societe Prehistorique (Paris), of the Societe des Antiquaires (Paris), of the Academy of Rheims, Societe d'Ethnographie (Paris), of the Royal Asiatic Society of Bengal. The undersigned possessed the largest private prehistoric collection in Russia.

8. The undesigned possesses a series of newspaper clippings from several countries outside of the USA, showing how widely the slanderous story was circulated. It is to be noted that other news agencies, such as Reuters and the Associated Press had instructed their representatives abroad to abstain from publishing the story, because of its slanderous character.

#11. Neither the undersigned, nor any of the members of his party had any difficulties with Japanese military authorities while engaged in field work in Manchuria. All of the undersigned's actions were taken with the full knowledge of Secretary Wallace. The undersigned was never regarded as a spy by Manchukuo officials, and the expedition in Manchuria was never curtailed or deported. The defendant's information must be based on an entirely false and unverified source. The undersigned was never engaged in any political work, either before the Mongolian expedition, or afterwards, and the allegations of political activities must have originated from a malicious source responsible for the whole intrigue , the origin of which we are now trying to discover.

#12. The expedition experienced no difficulties with authorities in China, who on the contrary have been extremely helpful. The expedition had no "White Russian bodyguard" in its service. The staff consisted outside of the undersigned and of Mr. G. de Roerich, of two Chinese botanists, one assistant in charge of supplies, one botanical collector, and two drivers. Four of the assistants were former Russians and two of them were naturalized Chinese citizens.

#13. We have no evidence to this effect. Since the appearance of the slanderous newspaper story of January, 1936, circulated in the American Press and distributed by the United Press abroad, we have tried to investigate these alleged "informal protests" said to have been received by the Department of Agriculture, and must state here that so far we were unable to locate any of them. The Department of Agriculture in all its correspondence with the undersigned or his son, Mr. G. de Roerich, never mentioned such "informal protests". The letter of the Japanese Foreign Office, dated February 14, 1935, and the open letter of Prince Teh-Wang which appeared in the North China Star of Sept 21, 1935 (copy enclosed) prove on the contrary a complete absence of suspicion towards the expedition. The defendant must prove the existence of such informal protests and state the source of their information.

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#14. The undersigned was never informed of his discharge by the Department of Agriculture and cause was never stated either in writing or verbally. The undersigned, while engaged in field work in Inner Mongolia received from the Department of Agriculture a cable dated Aug. 21. 1935, recommending the transfer of the expedition to the Kuku-ner area. As this was impossible due to the political situation in the area and because of late season, the undersigned advised the Department of the impossibility to carry out the Department's recommendation by cable dated August 24th 1935. The Department realizing the impracticability of such a transfer instructed the undersigned to return to Peiping and from there to proceed to India where seed collecting was being carried out under instructions of the Department. The work in India was to be completed by February 1st, 1936. The defendant's information is incomplete and omits to mention the transfer of the expedition to the Kuku-ner Province, which recommendation could not be carried out by the undersigned on account of the adverse situation in Kansu and the Kuku-ner region. Neither the undersigned, nor his son, had any intention of being re-employed by the Department of Agriculture.

#16. The undersigned, nor any other member of his party was ever under arrest or deported in Chinese Turkestan, and the information secured by the defendant is clearly based on a malicious distortion of facts. Most of the scientific expeditions engaged in field work in Central Asia experienced difficulties of some sort: for example the Trinkler expedition to Chinese Turkestan, Sir Aurel Stein's expedition to Chinese Turkestan who had his passport withdrawn and had to abandon his plans of exploration, Dr. Sv. Hedin's recent expedition to the same area, during which Dr. Hedin was detained for several months. While the undersigned's expedition was detained at Chu-na-khe, Nag-chu-ka in Tibet (not arrested or detained in custody as stated by the defendant), Dr. Filchner's expedition was detained in the same area and under similar conditions. Dr. Filchner's party consisted of an American missionary and of a British subject. The detention of an expedition cannot be considered as proof of political activity by its members. This paragraph of the defendent's answer must have been drawn by persons totally ignorant of local conditions under which scientific expeditions have to work. The attached copy of the official letter of the Tibetan Government dated October 1928 (the sixth day of the Tibetan ninth month of the Earth-Dragon year) makes it clear that the said Government neither arrested the expedition nor detained in custody as implied by the defendants.

#17. The undersigned never made any statements of a political nature, and was never a member of any political party.

#18. While the undersigned experienced delays in securing his return visa to India in 1930, it was not because of alleged pro-Soviet attitude. The New York Times of July 18, 1930 did state that the British Government regarded the undersigned as pro-Soviet, but this was subsequently denied by the Foreign Office, London, as can be seen from the attached copy of Mr. S. Gazelee's letter to Mr. G.de Roerich of July 30, 1930. The undersigned received his visa to India in December 1930.

#20. The undersigned came to the United States on an invitation from the Chicago Art Institute which institution arranged a tour through forty cities for the exhibition of the undersigned's paintings.

#21. The undersigned was never instructor of painting. In 1921 he founded together with Mr. & Mrs. M. Lichtmann an art school known as the Master School of United Arts which was located at 312 West 54 Street, New York, and of which he was elected President.

#22. The undersigned was internationally known as an artist and writer long before his arrival to the USA in 1920. In 1915 he was feted on the occasion of the twenty-five years of his artistic and cultural work. The majority of monographs dedicated to his art have been published prior to his arrival to the USA and prior to his meeting of Louis Horch, a New York broker, who was introduced to him by Miss Frances R. Grant.

#23. The undersigned was always interested in philosophical thought and in psychic research, as in every other science for the advancement of human knowledge.

#24. All of the undersigned's books are signed by his name and a list of them can be produced.

#25. Not the undersigned caused the inauguration of the Museum, but as stated in official publications and said by L Horch himself, a group of American citizens interested in the undersigned's art, founded the Museum in honour of the undersigned.

#27. The funds for the expedition were supplied by the Museum of which L. Horch was a donor. There were no reasons to ask the State Departments permission to leave British India, as this was an expedition which never intended to reside permanently in any place, and moreover that the necessary permissions for the trip to Leh and the crossing of the Indian border to Chinese Turkestan were obtained through direct negociations with the British authorities in India.

#28. The attitude of the Khotan authorities is typical of the official attitude to all foreign expeditions visiting Chinese Turkestan. The baggage of the expedition was examined by the Customs and the statement that the Expeditions' house was searched is a malicious distortion of facts. The expedition's arms were subsequently returned to the expedition and prior to its departure from Khotan. The expedition was never placed under arrest.

#30. The guard of soldiers referred to in the paragraph was an escort given to all expeditions travelling inthe area. The expedition was never expelled from Kashgar and the defendants will have to show cause for their incorrect statements of facts. The expedition was never engaged in topographical work and had no topographer on its staff. The expedition was not forbidden to visit places of interest. The expedition was not sent through the desert, but travelled along the northern caravan route and received assistance from local Chinese officials.

#31. The expedition headquarters were never searched by police at Urumchi and the local Governor and members of the Provincial Government feted the undersigned and his party. Because of the state of war in Kansu, the expedition had to journey further to Mongolia and Tibet through the USSR.

#33. The undersigned has to state again that he never was engaged in any kind of political work. His only interest being the promulgation of goodwill among nations through cultural work.

#34. This communication must have been based on the undersigned's intention to visit Abyssinia at a later date. Members of the undersigned's family had previously visited Abyssinia as members of official missions sent by the Imperial Russian Government. Being on expedition it was difficult to control the press.

#35. The painting presented to the Government of the Mongolian Republic depicted the King of Shambhala, and was drawn according to Tibetan iconography. The painting was subsequently reproduced in the Paris art periodical Revue du Vrai et du Beau, Sept. 1929, p.11.

#36. The book in question is not written by the undersigned, all of whose books are always signed by his name.

#37. As stated above the undersigned's expedition was detained at Nagchuka Tibet, but never arrested or detained in custody, as can be seen from the attached letter of the Tibetan Government. Nagchuka is the usual place for stopping caravans coming from the north. Dr. Filchner's expedition was similarly detained at Nagchuka and then permitted to proceed to India by the long route through Ladak and Kashmir. The undersigned's expedition was on the contrary permitted to proceed to India via Nag-tchang and the Tsang Province of Central Tibet, which is a much shorter and direct route to India and in parts coincided with the route followed by the Everest expeditions. The detention in mid-winter caused great hardships but at no time was there any question of arresting members of the expedition's staff or interfering with their freedom. The detention at Nagchuka has been the fate of all expeditions coming from the Kuku-nor area.

#38. As stated above the Museum was founded by a group of American citizens and the Museum building was erected by decision of the Museum board. L. Horch always stated that the institutionshad long outgrown its previous quarters and needed larger premises on a self-supporting basis.

#40. The Times statement of July 18th 1930 to which para. refers, has been denied by the Foreign Office, London. See attached letter.

#41. This paragraph misrepresents facts. The undersigned was promoting the protection of artistic and cultural treasures already since 1904. In Russia he published a number of articles which were printed in Russian daily papers and in the art monthly "Starye Gody" and was a member of several governmental commissions entrusted with the preservation and restoration of Russian artistic treasures (ex. the Commission on the restoration of the St. Basil Cathedral in Moscow). In 1914 he presented a plan for the preservation of artistic treasures in times of war and national upheavals to the late Emperor Nicholas II and the Grand Duke Nicholas, Commander-in-Chief of the Russian Army. After the undersigned's return from the expedition in 1929, he published an open letter about the Pact in the N.Y. Times and personally launched a campaign for the adoptation of the Roerich Pact and which he later continued in England and continental Europe and which resulted in the two International Conferences held in Bruges both prior to its being actively taken up in the United States. It may be added here that America was not officially represented at these two Conferences and that these conferences were not attended by members of the Museum administration in New York.

#46. The undersigned never induced Secretary Wallace to engage his son Mr. G. de Roerich, who was invited by the Secretary to accompany the expedition in the capacity of Mongolian and Tibetan expert.

47. The information given in this paragraph about the salry of Mr. G. de Roerich is incorrect. A tentative budget for the expedition was given by Mr. G. de Roerich in his letter to Secretary Wallace dated March 22nd, 1934, and therein his salary was calculated at US $ 4.600 a year. The particle 'de' is commonly attached abroad to Russian family names belonging to the former nobility. This practice was observed in all official documents prior to the Russian Revolution of 1917 and is still observed in France and elsewhere, as can be seen from the attached letter from the Foreign Office, London. The French particle 'de', corresponding to the German and Baltic 'von' has been always used in connection with the undersigned's name in foreign official documents (see attached photo of the certificate of the Royal Swedish Order of the Northern Star).

49. The undersigned's departure from the USA and arrival to Japan took place according to schedule, established during conversations with Sec. Wallace and other officials of the Department of Agriculture.

#50. The statement contained in this paragraph is entirely wrong. The undersigned accompanied by Mr. G. de Roerich visited the U.S.Ambassador Mr. J.C.Grew on their arrival to Tokyo and had a conference with him during which the Ambassador told them that "because of the very delicate situation with the new state in Manchuria, it was better for the undersigned to use his personal connections in negotiations with local authorities". This interview was reported to the Department of Agriculture in the undersigned's report dated October 24th 1934. The U.S.Ambassador and other members of the Embassy were present at the luncheon arranged in honour of the undersigned by the Japan-America Society. Throughout his stay in Japan the undersigned was treated as guest of the Japanese Government and was even given free passages on Japanese railways and the use of governmental cars while in Tokyo. During his stay in Japan the undersigned made no political statements and it is therefore wrong to describe his stay as an embarrassment to the United States.

#51. All of the undersigned's actions in Japan in connection with matters partaining to the expedition and his address on Culture have received full approval of Secretary Wallace who in a letter dated Sept. 27th, 1934, wrote: "I was delighted to learn through articles in the Japanese and Manchurian press which were brought to my attention here of the splendid reception which you have received both in Japan and Harbin. I am not surprised since I am well aware of the high regard in which you are held there. Permit me to congratulate you for these tributes to your great personal accomplishments". This passage completely dismisses all allegations contained in the defendant's statement. The interview with the Japanese War Minister was essential in order to obtain the cooperation of the army authorities (Manchuria being under military occupation), was in the interest of the expedition, and had no political character. As can be seen from newspaper reports, both the Minister and the undersigned carefully abstained from matters which could be interpreted as political. Thanks to this interview the Japanese army authorities in Manchuria placed no obstacles in the path of the expedition, though previously to this, they had refused permission to Dr. Andrews to continue his research work in eastern Mongolia. It may be added here that in May 1934, a number of prominent American citizens have called on the War Minister in Tokyo and such action was not considered detrimental to the interests of the United States.

#53. This paragraph deals with matters which were of no concern to the expedition which was of a purely scientific character. It may be only stated here that notwithstanding the nonrecognition of the new state in Manchuria by the United States, Amercian Consuls and private citizens continued to reside in the country and negotiate with local authorities, this recognizing the change that had taken place in the three North-eastern Provinces of China.

#54. The undersigned was never informed of Mr. Macmillan's delay in leaving the USA and the first cable about Messrs Macmillan and Stephen was received by him on June 3rd addressed to Harbin, Manchuria, which proves that the Department expected him to be by that date in Harbin.

#55. The situation which had been created by the refusal of Mr. Macmillan to follow the undersigned's instructions as leader of the expedition, has been fully described in our report covering the period from April 28th, 1934 to August, 1934. (see report).

#56. American representatives never informed the undersigned of this allege d embarrassment and no American official ever mentioned it, though the undersigned had on several occasions met the American Consul in Harbin and the U.S. Minister in China.

#57. The audience with the Emperor of Manchukuo had no political character and on the contrary facilitated the field work of the expedition. The defence of artistic and scientific treasures does not belong t o the political domain, as it is the duty of every cultured man. This paragraph implies that the undersigned carried on a correspondence with persons in the USA concerning certain of his plans which were wholly unconnected with the expedition. While failing to understand the meaning of this statemnt, the undersigned takes that this refers to a proposal to establish a cooperative society for the cultural and economic upliftment of the local population of North Manchuria and adjoining Mongolia. The program of such a cooperative was forwarded to the undersigned before his departure from the United States and was communicated by him to Sec. Wallace who not only expressed his interest in the project but even invested a sum of money to help the said cooperative. The cooperative had no political character whatsoever and it was thought that it may have an economic interest as an outlet for American produce. Sec. Wallace's interest in cooperative movements is evidenced by his latest book on the subject. Incidently it may be stated here that agricultural explorers sent out on foreign missions by the Department of Agriculture not only report on matters connected with their scientific research but also are supposed to report on various economic questions of interest to the Department. The undersigned, prior to his departure from the USA, was requested to report to the Department on cattle-breeding in Manchuria and Mongolia, and the question was even considered to import Mongol horses to the USA. At a later date while conducting field work in Mongolia, the undersigned was asked about the possibility of securing a life musk-deer for the Department. The expedition's report includes a whole chapter on cattle and horse breeding in Mongolia. The paragraph also implies political activities on the part of the undersigned's brother, resident of Harbin. This malicious invention is hard to explain. My brother, and agriculturist by education, was never engaged in any sort of political activity, neither in Russia prior to the revolution, nor afterwards in Manchuria where he was employed by the Chinese Eastern Railway and by the firm Tschurin & Co, as agricultural expert.

#58. The Hailar events have been fully described in our report and need not be repeated here. The expedition had no White Russian bodyguard, the arms of the expedition consisting only of two revolvers, one rifle with 20 rounds of ammunition, and one shotgun, belonging to the undersigned and Mr. G. de Roerich. The staff consisted, besides the undersigned and Mr. G. de Roerich, of Prof. T. Gordeev, botanist, two botanical collectors, one cook and one camp servant. The expedition was accompanied by the Japanese Secretary and by an officer deputed by the Hailar authorities. While Messrs Macmillan and Stephen were not permitted to proceed further that Hailar, the undersigned and his party were permitted to carry out their research work in Barga. The defendant seems to imply that it was a political crime to employ Russians on the staff of the expedition. Previous expeditions sent by the Department of Agriculture to Manchuria employed Russian camp followers and this was never put against them. North Manchuria has a large Russian population especially along the Chinese Eastern Rly. The whole anti-Russian tone of the defendant's statement should be noted, as it is incompatible with the traditional friendship which existed be tween the United States and Russia regardless of political creeds. The same paragraph states that the me mO-randum presented by the undersignedto the Hsinking authorities included, among others, archaeology and the study of local customs of the people. This is again entirely wrong for the submitted programme did not include archaeology which, by the way, is not permitted in Manchukuo territory.

#59. Sec. Wallace recalled Messrs. Macmillan and Stephens because of unsubordination (see the Secretary's cable marked Harbin 1.2.21. and his letter of Sept. 27th, 1934.)

##60-74. These paragraphs refer to the malicious newspaper campaign started by two Japanese Russian language daily papers in Harbin. The statements made in these papers are too ridiculous to merit a denial. The reputation and methods of these two papers are too well known and it is surprising that the defendant should take them seriously, The paper Nash Put" rendered as "Our Way" in the defendant's statement is the organ of the Japanese supported so-called Fashist party in Harbin. The "Harbin Times" is a Japanese daily registered in the Japanese Consulate at Harbin and published by a reactionary Japanese group. Its editor is a Mr. Tanaka who is assisted by a Russian editor. Both newspapers are violently anti-American and anti-Soviet (which often means anti-Russian regardless of political colour) and recently made it a point to slander and discredit the names of prominent Russian personalities visiting or residing in the Far East. Besides the undersignedthey have attacked a number of well-known and respectable persons such as H.E.N.L.Gondatti, the former Governor-General of the Amur-Province, Professor. Gins, a well-known scholar and former member of the Russian Government under Admiral Kolchak, the Metropolitan Sergius, Head of the Orthodox Church of Japan, and the great Russian singer Shaliapin who has since issued a statement of his experience in Harbin, which was printed in the Russian Paris paper, and a clipping of which was sent to N.Y. The undersigned has to state that prior to the beginning of the above mentioned campaign, the newspaper "Our Way" asked the undersigned to contribute Five Hundred Mexican dollars to their political fund, which the undersigned of course refused, with the immediate result that the said paper started a violent campaign against the undersigned, accusing him of being a prominent mason working in the interests of American capital and International Jewry. The defendant , while quoting from the above papers, omitted some of the most colourful "accusations", that the undersigned was an antichrist, that the undersigned and his associates were partaking of human flesh (sic) and that the undersigned was the head of the Finintern (Financial International) with headquarters in America, and head of the Commintern! These grotesque inventions concocted by a group of renegade persons are enough to prove the value of these newspaper reports with which the defendants attempt to defend themselves. Similar attacks were periodically made against foreign, American firms and the YMCA in

Harbin. These malicious statements have been since denied by a letter of the Japanese Foreign Office dated February 14, 1935, and which appeared in the Russian daily paper "Novaya Zarya" in Tientsin, in Harbin Russian papers and the Peking Chronicle. The defendant should have known this letter before quoting slanderous statements published by the Harbin papers.

#75. This paragraph states that the expedition left Harbin without waiting to arrange and ship the collections to the Department of Agriculture. This is not true. The collections could not have been sent before the expedition's departure due to the fact that Prof. Gordeev, who remained in Harbin, was studying them and making identifications. On the completion of his work, the collections were duly forwarded to the Department. The large collections of seeds and herbarium material collected in Inner Mongolia have been all forwarded from Peiping under the personal supervision of the undersigned and prior to his departure from China. All these collections have been received by the Department. This para. again tries to imply that the expedition was accompanied by an armed force of Russians who had theretofore military training. Russia being a country of compulsory military training it is even difficult to find an able-bodied Russian who did not serve in the army or had at least military training in one of the colleges where such training formed part of the programme. The staff of the expedition consisted of three young men, two of them being naturalized Chinese citizens, who were born in 1904, 1908, and 1911 and thus were much too young to participate in the Great War or in the Civil War in Russia. The second assistant in charge of supplies was an ex-colonel of the Imperial Russian Army who was for several years a school teacher in Harbin. The defendant again seems to imply that it was a political crime to engage Russians, apparently ignoring the fact that Russians form part of the local population in Manchuria, that they are commonly employed throughout the Far East by foreign firms and governmental institutions, that the Tientsin foreign police largely consists of Russians and that the Shanghai Volunteer Corps includes x whole Russian regiments, paid and equipped by the British Municipality of Shanghai.

#77. This entire paragraph must be based on a misunderstanding of some sort. The undersigned fails to see any political implication in the words of the Deloba Gegen who is alleged to have visited the American Minister in Peiping. It is entirely untrue to state that the expedition had frictions with Prince Teh Wang and the Minister must have misunderstood the words of the representative. The letter of Prince Teh-Wang published in the North China Star, Tientsin, Sept. 21, 1935, referring to an article which appeared in the said paper on July 23 and which curiously enough repeated the above statements alleged to have been made by the American Minister in China, completely refutes all statements about difficulties in Mongolia. In April 1935 the expedition possessed only one riding horse and hired a car from Mr. Larson, a former Swedish missionary engaged in trading in Mongolia. With six men, one horse and one second-hand car it was difficult to put up a "fierce appearance" and impress warlike Mongols who are not easily intimidated!

#80. The article referred to in the paragraph of the defendant's answer was written by a John Powell, Editor of the China Weekly Review of Shanghai, who passed through Kalgan in June 1935. In his articel John Powell stated that he obtained some of his information from an American lady Mrs. Larson, married to a former Swedish missionary, resident of Kalgan. On receiving a clipping of the above article, the undersigned asked by letter Mrs. Larson to explain the statements whe is said to have made to newspaper correspondents and which contained false information. In answer to this, the undersigned received the following letter:

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"Dear Prof. Roerich,

I inadvertently heard something had been in a Manila paper of a remark I made - it looked so discorteous, I feel quite badly about it. Someone quoted me as saying the "Roerich party ate a great deal and were always busy". I probably did say it for I was often surprised at the way food disappeared but I said it in a joking way and it was not very nice to have it put in a paper. I never felt that you underpaid for anything you used, in fact you were always so courteous about any bills. Please pardon me for those words, I would not intentionally be unkind. We would be glad to see you any time if you come this way. Very sincerely, /sign/ M. Larson. Dated Aug. 13, 35. "

The above letter shows on what sort of information John Powell's articles were based. In his articles John Powell freely quoted officials from the United States Legation in Peiping. I know that surprise was expressed among the foreign colony in China that he was permitted to quote statements alleged to have been made by Legation officials, thus breaking the traditional attitude of neutrality prescribed to diplomats.

#84. The statement alleged to have been made by a Soviet citizen or official to an American official stationed in Moscow strangely coincides with the reports that appeared in the Chicago Daily Tribune of June 25, 1935, the North China Star and other American papers in China in July 1935, and must have originated therefrom. The undersigned's son George was born in August, 1902, and thus could not be an officer of the Imperial Russian Army during the Great War, a fact which certainly ought to have been known to Russian officials. None of the undersigned's assistants were former followers of Semenov. Col. Burt, commanding the 15th Infantry never refused to supply arms to the expedition and on Nov. 30, 1934, he and Mr. G. de Roerich sent a cable to the Secretary of Agriculture /copy attached/ American army authorities in China are authorized to issue Governmental arms to Governmental expedition, for purposes of hunting and protection, and even the Andrews expedition, though organized by a privated corporation was equipped with rifles obtained from the Legation Guard in Peiping. Prior to our departure from the USA, Mr. G. de Roerich was asked by the Department of Agriculture to visit the War Department and to chose rifles and pistols for the expediton. At that time we preferred to carry our own firearms, but after Mr. Macmillan had taken away with himself all rifle ammunition, which he was supposed to bring to Harbin, the expediton was forced to ask for governmental firearms. The arms (six rifles and four pistols) were accordingly obtained through the Department of Agriculture and the issue of such arms was authorized by Sec. Dern of the War Department on Dec. 6th 1934. The arms were delivered to the expedition by the 15th Infantry on Dec. 11th, 1934 and returned by the undersigned and Mr. G. de Roerich to the 15th Infantry through the Legation in Peiping (the 15th Infantry's receipt is dated Sept. 23, 1935 and signed by Major W.R.Buckley, ordonance Officer). The statement that czarist circles in Washington succeeded in overruling the Tientsin military authorities is ridiculous and belongs to the domain of fairy-tales, just as the alleged intention to the undersigned to march against the Soviet Union and rally former white elements from among Russians and discontented Mongols! The person who invented these stories should be placed in a lunatic assylum, for it is too ridiculous to think that six men with six rifles and two Chinese botanists could march against the Russian Far Eastern Army or rally nonexistent White Russian elements in Inner Mongolia. The utter stupidity of these allegations is the best proof of the mythical character of the whole story concocted by John Powell and his associates and then circulated in the American Press.

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#85. As stated above the undersigned refused to proceed to the Kuku-nor area, and was then directed to proceed to India to complete work there.

#86. We never received any notice of the disbandment of the expedition. Prior to our departure from Peiping we had asked ourselves that the

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Legation should take over our firearms for transmission to the 15th Infantry at Tientsin. The Leagation authorities said that they could not do it without authority from the State Department. The undersigned then communicated with the Department of Agriculture requesting that the Legation should be authorized to take over arms and ammunition.

#89. The Department's notification of discharge alleged to have been made to the Roerich Museum in December 1935 (exact date not indicated) was never received by the undersigned though he is still in correspondence with the Department and such notice should have been sent to his Indian address and not to the Roerich Museum in N.Y. As stated above neither the undersigned nor his son had any intention to be re-employed by the Department of Agriculture. Their connection with the Department was only of a temporary nature and they accepted the offer to serve on the expedition only because of Sec. Wallace's invitation.

#90. This truly unprecedented case must have been created by some malicious persons and it is our moral duty to find out the true inspirers of John Powell's articles in which he did not abstain from mixing up officials who by their position should have remained neutral.

#91. The undersigned was never arrested or deported in the years 1926 and 1927 and the whole statement is a complete lie. The defendant will have to show cause for their statements. While the defendants have freely quoted from slanderous statements which appeared in the American and Far Eastern Press they have consistently refrained from mentioning official denials which appeared in the same papers and thus made all previous statements void.

Naggar,

Kulu, Punjab

British India.

Dated: Dec. 24, 1936.

(Signed) NICHOLAS de ROERICH

Bro 82/145

C O P Y

NAGGAR
Kulu, Punjab, Brit. India

Dec. 24th 1936

/Messrs Plaut & Davis
76 Beaver Street, NY, USA

Dear Mr. Plaut,

Herewith I am sending you a memorandum referring to the statement of the "Sun" and "United Press". I cannot but express my utter surprise that these corporations based themselves on unverified and unreliable absurd material, as the two Harbin papers, which I describe in my memorandum. You see that all these absurd allegations of the Harbin Press are completely contradicted by the official statement of the Gaimusho (Ministry of Foreign Affairs), Tokyo and by the letter of the Mongol Prince Teh-Wanh in the Newspaper North China Star. By publication of unverified slanderous inventions, which were officially denied and by omitting to mention the latter, the "Sun and United Press" have caused all the damage for which we sue them and this point remains. From the annexed copy of the official letter of the Tibetan Government you will see that all the slanderous inventions concerning Tibet are also completely baseless.

The "Sun and United Press" repeatedly say that we were arrested. To this I wish to state that in my whole life neither I nor any other member of my family was ever arrested. The only time when I proceeded under police escort was in Ne w York in 1929, when this escort on motorcycles accompanied our car on the way to the Town Hall for a Honorary Reception arranged by the Mayor. The speech of the Mayor on this occassion you have no doubt read in the Museum's literature and I believe it would be useful to mention also this fact in the reply, thus contradicting the absurd references to maliciously alleged "arrests". No doubt you will show ~~inxfwxi~~ to the court in full all monographs, the bibliography and other material with which Mr. M.M.Lichtmann will supply you. The

biographical data in the London "Who is Who" for the current year is rather complete.

We note that the "Sun and United Press" liberally quote from Departamental correspondence. We could substantiate this by further correspondence with the Secretary of Agriculture but out of deference to the United States we have so far abstained from referring to this otherwise very elucidating correspondence. However if we are challenged and the internal correspondence is anyhow revealed, we shall be compelled to quote such correspondence also in full. (Miss F.R.Grant is in possession of this material).

You have a large collection of clippings of articles published in the foreign press after the slanderous publication in the "Sun" and by the "United Press". These clippings contradict the absurd allegation that no harm has been caused and that nothing appeared abroad. We received these clippings from friends in different countries, who were full of indignation that such slander is circulated widely. It is evident that the "Sun" and "United Press" never gave themselves tha trouble to read my books and to glance at my paintings, the contents of which sufficiently proves for forty years that politics were always outside of my activities, which concentrated on cultural, educational, scientific and artistic aims only.

You will agree that the irresponsible absurd babbling of the two Harbin papers, of which one poured out its venom solely because I did not comply with their extortional demand for money, does not in the least justify the "Sun" and "United Press" to cause world wide circulation of articles with grave allegations of "espionage". The "Sun" in its partiality deliberately overlooks all the very favorable articles in other newspapers of Harbin and the Far East, which by far outweigh the few articles in the "Harbin Times" and "Our Way" (part of these favorable articles is enumerated in the "Bibliography" published by the Young Builder, on page 33 and elsewhere).

The fact the Mr. N. Levy at the referee trial asked what am I a profe ssor of, show that they do not or do not wish to know the entire scope of my work

nor my true standing. Therefore the full presentation of biographical and bibliographical material and all the monographs and my books is essential, in view of this it is advisable to have the London " Who is Who" on hand also, to refresh their memory.

Being in possession of such a large material for refuting their allegations, you will no doubt use it to the best advantage for the re-establishment of Truth.

Yours very sincerely,

(Signed) N. de ROERICH

P.S. I also note that the "Sun has mentioned a great deal of extraneous matter, for example about the purchase of paintings in Europe, Etc which has no bearing whatsoever on this case of slander.

ENCLOSURES:

1) Memorandum (11 pages)

2) Photograph of Diploma of the Royal Order of the Northern Star, Commander, 1st Cl.

3) Translation of Letter from the Tibetan Govt. 1928.

4) Copy of letter from Mr. Gaselee, Foreign Office, London. July 30th 1930.

5) Cable from Burt to Secretary of Agric. Nov. 30, 1934.

6) Copy of letter from the Gaimusho, Feb. 14, 1935

7) Copy of accompanying letter from Japanese Legation, March 8, 1935.

8) Copy of clipping from North China Star, Sept. 21, 1935 (Letter from Prince Teh-Wang).

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Translation of a letter

from the Tibetan Council of Ministers, dated Lhassa the 6th day of the Tibetan ninth month of the Earth-Dragon year
to Prof. Nicholas K. Roerich, Head of the Roerich American Expedition.

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"To the Most Excellent American Sahib, Nicholas K. Roerich - letter from the Tibetan Council of Ministers.

Just recently a letter dated June 13th 1928 of the European year, in English with English and Tibetan copies and addressed to the Sovereign Protector, the Precious Dalai-Lama, has been transmitted to the Council of Ministers with the strict order to enquire into the case of Roerich, Sahib and the alleged interdiction to sell him food and other necessities, and to see whether anything injuring the good understanding between governments has been committed.

To this: - Since former times there has never been permission granted to foreign subjects to visit the country of Tibet. The most excellent Sahib having arrived last year at Chu-na-khe, was refused permission to proceed into the kingdom of Lhassa. The frontier authorities having been instructed to act friendly in every way, the High Commissioner of Hor-Kapshöpa accorded hospitality and presented a petition to the Government. After this the officials of Nag-chu reported about the requirements of the most excellent Sahib, and subsequently petitioned again for a grant of passport and caravan animals free of charge, and this was granted. The most excellent Sahib arrivedto Tibet in a year of exceptional snowfalls. In this region all birds and wild animals, as also the cattle of the subjects of the Tibetan Government perished by myriads. The communications between the different districts were interrupted. All these conditions the most excellent Sahib was able to witness himself. Unable to protect yourself from the dreadfully cold season you experienced difficulties. We never had evil thoughts nor intended to be displeasing. As regards the interdiction to buy foodstuffs and other necessities, we are ready to give satisfaction on enquiry. The receipt for the sum of Indian Rupees 1826.-- covering cost of transport from Nag-tsang Shentsa to Thang-gu, which had been sent by you through Colonel Bailey, the British Resident in Sikkim, has been duly forwarded to you care of Colonel Bailey and we trust you received it.

The present letter is offered with a complimentary scarf on the auspicious dixth day of the Tibetan ninth month of the Earth -Dragon Year.

o Seal
of the Tibetan
Council of Ministers.

24 82/119

Copy.

Foreign Office, S.W.I.

30th July, 1930.

No. L. 3588/1129/405

Dear Monsieur de Roerich,

I have now at least been able to get hold of a copy of the "New York Times" for July 18th, and I have made enquiries as to communications between this newspapers' london Office and official quarters here.

Twice, during the days immediately preceding July 18th, United States newspaper offices in London made telephone enquiries about the refusal of a visa for India to your party, and one of these undoubtedly came from the "New York Times".

The enquirers were informed that the granting or refusal of the visa were matters entirely within the competence of the Government of India, who had made their decision after a full consideration of all facts of the case. The enquirers asked whether the refusal was based on any alleged sympathies of Professor Roerich with the Soviet Government. To this it was replied that no such suspicion were entertained here, but that the Government of India had all the particulars at their disposal, and had made their decision accordingly.

You will thus see that any mention of "Soviet sympathies" was imported into the matter by the form of the messages to the United States newspapers in London from their head offices in America.

Yours sincerely,

/signed/ S.Gaselee

Copy

November 30, 1934.

Secretary of Agriculture,
Washington, DC

Thirtieth request that authority be obtainedfrom Chief Ordnance War Dept for the Ordnance Officer American Barracks Tientsin to loan or sell rifles pistols and ammunition for expedition stop reason impossible to obtain commercial stocks locally stop Previous ammunition taken by Macmillan from Dairen stop Weapons believed necessary in the Gobi for self defense signed Roerich Burt

Official business: Don F. Pratt, Captain, 15th Infantry, Adjutant.

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COPY

THE GAIMUSHO
TOKYO

February 14, 1935.

Dr. Nicholas Roerich
c/o Japanese Legation
Peiping, China.

Dear Dr. Roerich:

After a delay which was unavoidably caused chiefly by making enquiries, I wish to acknowledge the receipt of your letter of December 14 last, concerning the unpleasant news appeared in some newspapers published in Harbin.

When I was trying to take up the matter with appropriate authorities in Manchoukuo, we received the reports about it from Mr. Morishima, our Consul General at Harbin, and General Minami, our Ambassador at Hainking, who had evidently made inquiries upon receipt of your letters.

They inform us that the incidents occurred because of the sheer ignorance and misunderstanding on the part of those people you mentioned in the letter and of the conflicting groups of the white Russians in Harbin, of cour your noble mission and work.

Mr. Morshima furthher informs that he has taken adequate measures to eradicate the ignorance and misunderstanding of these ill-informed people, while Ambassador Minami's note indicate that he has instructed the Manchoukuo news agency in Hsingking to carry the article explaining the true nature of your meritable work for the advancement of world culture and civilization and your cooperation with Japan in the field of culture. This article was printed in almost all newspapers in Manchoukuo including the Harbin papers.

Having all this information in hand, I am happy to be able to assure you that the incident of this sort will not happen again, and I sincerely hope that you may no more be annoyed by such matters.

Hoping your future trip will be a pleasant and beneficial one,

I am,

Yours very sincerely

(signed) Eiji Amau.

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COPY

JAPANESE LEGATION

PEPING.

The Japanese Legation presents its compliments to Dr. Nicholas Roerich and encloses herewith a letter, which the Legation has received from the Gaimusho for transmission to Dr. Roerich.

Peping, March 8th, 1935.

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COPY

NORTH CHINA STAR. September 21, 1935.

Letters to the Editors:

Pailingmiao, Suiyuan

Sept. 7, 1935.

To the Editor
North China Star.
Tientsin.

Dear Editor,

Referring to an article in your issue of July 23 regarding the U.S.Department of Agriculture's Expedition into Inner Mongolia headed by Professor and Dr. Roerich and in which article an ill-feeling was said to exist between myself and them, I wish to draw your attention to the following correction:

The truth is that from our first meeting with the Roerichs until their departure, we have been on the best of terms. There has been no dealings of such a nature as to bring about signs of enmity. I desire that the error in your former issue may be corrected and that it be known to all the readers of the North China Star that we have had respectful dealings with the Roerichs while they were located with us.

Yours thankfully

Teh Wang.

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COPY

Plaut and Davis
76 Beaver Street,
New York City.
April 7, 1937.

Mrs. Maurice M. Lichtmann
310 Riverside Drive,
New York City.

Re: Roerich v. Lichtmann and Horch
(Replevin Action)

Dear Mrs. Lichtmann:

Can you find out for me at the earliest possible moment whether Madame Roerich is physically able to travel to Karachi to have her deposition taken for the purposes of this replevin action. I suppose you will have to cable abroad to find this out.

If there is a possibility, we can have the papers prepared within two or three weeks so that the deposition could be held approximately six weeks or two months from the present time.

Sincerely Yours

HERBERT PLEAUT (Signed)

HP:hs

COPY

SUPREME COURT OF the STATE OF NEW YORK
COUNTY of NEW YORK

- -X

HELENA ROERI^h :

Plaintiff :

-against- :

NETTIE S. HORch and ESTHER J. LICHTMANN :

Defendants :

- -X

New York, February 23,1937
12 o'clock M.

Examination before trial held pursuant to notice to take the examination, dated February 15, 1937

APPEARANCES:

PLAUT & DAVIS, ESQS., (By Herbert Plaut, Esq.)
Attorneys for the Plaintiffs,
GREENBAUM, WOLFF & ERNST, ESQS., (By Harold H Stern, Esq." Attorneys for the Defendants.

IT IS STIPULATed by and between the attorneys for the respective parties:

1. That the examination may be sworn to before a Notary Public with the same force and effect as though sworn to before a Justice of this Court.

2. A copy of this examination will be furnished to the attorneys for the defendants, upon payment of the stenographer's charges for the same.

ESTHER J. LICHTMANN, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. PLAUT:

Q. Miss Lichtmann, will you state your residence, please? A. 310 Riverside Drive.

Q. What is your occupation? A. I am a Trustee of the Master Institute of United Arts.

MR. STERN: You are a teacher?
THE WITNESS: I am a teacher, a teacher of music.

Q. Did you ever see manuscript diaries written in the handwriting of Helena Roerich beginning with the date of March 24th and continuing through and including February 3rd, 1935? A. I don't know any diaries of Madame Roerich.

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Q. Or about manuscripts? A. What kind of manuscripts?

Q. Written in her handwriting. A. Referring to what?

Q. Referring to the matters which we are suing about in this litigation, namely, certain material written by her in her handwriting and written in the Russian language? A. Well, you are suing on diaries of Madame Roerich, will you kindly read to me what you are suing on?

Q. The complaint reads: "That the plaintiff was and still is the owner of manuscript diaries written in her handwriting contained in copy books beginning with the date of March 24th and continuing through to and including the date of February 3rd, 1935". Do you have any recollection of [redacted] ever seeing those writing? A. I have a recollection of seeing manuscripts in Madame Roerich's handwriting pertaining to spiritualistic seances; part of those manuscripts have been made public property in the Agni Yoga books and those were copies of Madame Roerich's copies which she has made from and during spiritualistic seances. I have never owned those books, but I have seen them --

MR. STERN: Just answer the question

Q. You were in the midst of saying something, you say you saw them in printed form too? A. Yes.

Q. In these Agni Yoga books? A. In the Agni Yoga Books.

Q. Did you ever see the originals in the manuscript form? A. I have seen them in typewriting which were sent to New York. I have translated some with Madame Roerich and they are public property. Some of those books were issued anonymous and the teaching came from a Mahatma of the East.

Q. You have seen the books, have you? A. Some of them.

Q. How many of them, would you say? A. A few; two or three, I haven't seen many.

Q. I am talking of the manuscript books, did you ever see any of those? A. Not all the diaries of Madame Roerich, those manuscripts of spiritualistic seances. I haven't seen any diaries of Madame Roerich. There doesn't exist such a thing of Madame Roerich.

Q. Did you see these manuscripts in black covers? A. Some.

Q. How many of those, would you say? A. I don't recall. Madame Roerich gave me, when I was in the East, a few books which state on it "copy", to bring as a gift to Mrs. Horch. That was when I was in the Himalayas, when I was living with Madame Roerich in the Himalayas, in Naggar, Kulu.

Q. What year? A. 1931.

Q. And you brought some of those books with you? A. Yes, a copy of Madame Roerich's copy which she has made specifically for Mrs. Horch as a gift.

Q. Were those copies which you brought with you in handwriting? A. In handwriting.

Q. Whose handwriting was it? A. Mrs. Roerich.

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Q. Do they bear any date on the fly leaf, on the first page? A. I could not remember.

Q. Were all that you say in black covers? A. The ones I saw had black covers.

Q. Did you see any one with the blue and gilt cover? A. I don't remember.

Q. And you brought some with you in 1931? A. Right, and I brought one or two in 1935, in March, when I returned the second time also for Mrs. Horch, a copy of a copy.

Q. Can you give me any idea of how many you brought with you in 1935? A. In 1935, it must have been; I don't remember exactly, perhaps two or three, not more. I don't recall exactly.

Q. And the other occasion was in 1931 that you brought the copies. A. 1931.

Q. How many of them did you bring with you then, have you any idea? A. No. I packed them together --

Q. Mmm It was more than one? A. Yes, it was more than one.

Q. Would you say it might be six? A. I don't remember, it was a few books.

Q. A few of them? A. Yes.

Q. Did you look at it that time to see whether they had any dates in the first part of the books? A. They might have had dates, and even the places where those spiritualistic seances have taken place.

Q. You mean, besides the dates they might have contained places, names of places, is that what you mean? A. Names of places.

Q. And just so that we can identify them a little more, do you recall any of those places? A. No. Well, perhaps if it is the books I brought down they must have been from spiritualistic seances which Professor and Madame Roerich had about that time.

Q. In 1931. A. Yes, they used to have seances and table tapping.

Q. In 1935 too? A. In 1935 too.

Q. Now, have you seen any of these books since your arrival in March, 1935? A. Yes, I have, in the Summer of 1935, some of those books in Moriah, Mrs. Horch's summer home.

Q. Moriah is somewhere in the Adirondacks, in New York State? A. In the Adirondacks.

Q. Did you see all that you brought with you in 1931 and 1935 at that place in Moriah, in 1935? A. I think Mrs. Horch has kept them there; I don't remember how many I saw, but I saw many of them.

Q. The ones you saw in Moriah in 1935, included those you brought in 1931 and 1935? A. I think so.

Q. Have you seen them since? A. No.

Q. You haven't got them? A. I never had them. After I brought them I gave them to Mrs. Horch and I never saw them and they never belonged to me.

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Q. They were delivered by you personally to Mrs. Horch. A. Yes, they were delivered by me personally to Mrs. Horch.

Q. And as far as you know, they are not in your possession? A. No.

Q. As far as you know, the last time you saw them, they were in her possession? A. You remember when you sent up the sherriffs to my place?

Q. Yes. A. Yes, before they came up, whether you sent them up, there were two sheriffs and a lawyer, and they went through my closets, and they cautioned me then--they were annoying me plenty, and were ringing the bell for two hours and banging on the door, and they came into my apartment and asked for those books, and I said, I don't have them, and I didn't have them.

Q. The last time you saw any of those books was in the summer of 1935? A. A. The last time I saw them was in the summer of 1935, in Moriah, in the summertime.

Q. When you say "in Moriah" you mean in Mrs. Horch's summer resident? A. Mrs. Horch's summer residence.

Q.,You mentioned before that some of them were put in printed form in the Agni Yoga books? A. I can mention the names, if you want it -- the books --

Q. I just want to know. A. -- (continuing excerpts in those books--

Q. Were those exerpts made after the summer of 1935, when you last saw them in Moriah? A. No, all those books were published before.

Q. The ~~xxxxx~~ excerpts were printed previously to that time? A. They were printed previously to that time, unless I believe they are publishing now some new book by the name of OM or AUM; it is an Eastern word, and I think they are publishing a new book.

Q. Do you recall attending a meeting of the Roerich Museum in India on April 28th, 1931, at which were present Prof. Roerich, Dr. George de Roerich, Mr. V. Shibayeff and yourself? A. I don't remember, perhaps; I was present at some meetings, I don't remember the date.

Q. Well, I show you what purports to be a copy of Minutes of that meeting, does that refresh your recollection? (Handing witness paper). A. Yes, I signed it.

Q. And do you recall that this set of papers, consisting of six pages, does that seem to you to be the Mimutes of the meeting held on April 28th, 1931, at which you were present? A. I didn't read the rest of the Mimutes. I acknowledge Paragraph 8.

Q. And your signature appears in the last page? A. My signature appears in the last page.

MR. PLAUT: Would you mark it for identification, so we will know what we are talking about.
(The paper just above referred to was marked PLAINTIFF'S EXHIBIT 1 For Identification of this date.)

Q. Now, in Paragraph 8 of these Minutes which have been marked as Plaintiff's Exhibit 1 for Identification, there is this: "All manuscripts and letters of Professor and Madame de Roerich must be kept in a special vaulght, and the original manuscript of ALTAI HIMALAYA in Professor Roerich's own handwriting

should be kept in full order, likewise all manuscripts of all other articles by Professor de Roerich. Please inform us when this will have been completed". Now, having heard that read, can you state whether these books that you brought in 1931 and 1935 are the manuscripts of Madame de Roerich referred to in that paragraph? A. Not at all.

Q. They are different ones? A. Completely different ones, and they are manuscripts which we have referred to as having been published. They are also written in their own handwriting and they are published now, and Mr. Horch has bought a vault and they have put away there the ALTAI HIMALAYA, and they had some of those manuscripts written in Madame Roerich's handwriting; they have nothing to do with the books. That is again a copy of a copy, also in her handwriting.

MR. STERN: And has nothing to do with the books?

THE WITNESS: Has nothing to do with the books. These manuscripts are also written in Madame Roerich's handwriting.

Q. Which manuscripts are you talking about which were put in vaults? A. The manuscripts which ere published by Agni Yoga and not only those, but Roerich has published a book called Commune in Russian, it is called OBSCHINA that Roerich published in Mongolia, and I don't know whether that manuscript was also there, but I think it was there, then there were other books, Leaves of Morya's Garden. I think there were took books, I could not specify exactly but some of those books written in Madame Roerich's handwriting were in Mr. Horch's vault which he has bought.

BY MR. STERN:
Q. None of those that you have been talking about now, did they have anything to do with these books that are in this suit? A. They have nothing to do with it. Those are different manuscripts. The manuscripts mentioned in Paragraph 8 just read by Mr. Plaut have nothing to do with the copies of copies of the spiritualistic seances given by Mrs. Roerich as a gift to Mrs. Horch.

BY MR. PLAUT:
Q. Those books and manuscripts that you have been just talking about and said were not the books and manuscripts referred to in the lawsuits, are they all in the vault? A. I don't know.

Q. I thought you said they were? A. They were at that time.

Q. In 1931? A. Yes, they must have been there. Whenever it was executed. I was in the Himalayas, I don't know when it was executed, but there was a vault bought by Mr. Horch and some of those loose-leaf manuscripts in Madame Roerich's handwriting were in that vault, but they have nothing to do with the books.

BY MR. STERN:
Q. What are those loose-leaf manuscripts? A. The loose-leaf manuscripts are excerpts of the same spiritualistic seances which have been published.

Q. Entitled Altai Himalaya? A. No.

Q. That is what the vault was for, for Altai Himalaya? A. No, not only for Altai Himalaya, but for those loose-leaf manuscripts of books which have been printed.

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Q. In other words, everything that is in the vault has now been printed?
A. I believe so.

Q. And in the public domain? A. And in the public domain. I can enumerate the books, but I don't know whether they are all there; there were some typewritten manuscripts; I believe so, I am not so sure.

BY MR. PLAUT:

Q. This stuff that was put in the vault, does that include the manuscripts of Madame Roerich that are referred to in Paragraph 8 of these Minutes, Plaintiff's Exhibit 1 for Identification?A.I don't know what was placed. I only saw those manuscripts when I was there. I understood that the reference of Madame Roerich referred to those loose-leaf manuscripts.

Q. What did you have in mind when you attended this meeting at which this was read, by "manuscripts"? A. I had the same thing in mind. I had in mind the manuscripts -- the loose-leaf manuscripts in Madame Roerich's handwriting of copies of spiritualistic seances which were supposed to come from an entity from the spirit world under the initials M.M. and which were published throughout these years.

Q. Those manuscripts referred to in Paragraph 8 had nothing to do with the manuscripts that were brought in 1931 and 1935 and gave to Mrs. Horch? A. No I didn't have those in Mind.

Q. Is that correct? A. That is correct.

Q. They are entirely separate from the books you brought with you 1931 and 1935? A. Yes.

Q. Something entirely different? A. Well, they had extracts of the same copies. Those were copies--

Q. Those books you brought with you in 1931 and 1935, so far as you know, were not placed in the vault? A. I don't know, I have given them to Mrs. Horch.

Q. That is the last place you say them? A. That is the last place I saw them.

Q. Do you claim that you own them? A. I never owned them.

Q. You don't claim that now? A. No.

Q. Did Madame Roerich ever ask you for the return of those things that you brought with you in 1931 and 1935? A. Not to me directly.

Q. Whom did she ask? A. When the sheriffs came, I believe you wrote a letter, if I am not mistaken--.
MR. STERN: Meaning, Plaut & Davis?
THE WITNESS: Yes.

Q. You said, not to you directly. A. She didn't ask me directly, I have received no letters from Madame Roerich to this effect.

Q. Then, what you had reference to when I asked you whether a demand had been made, was the letter from my firm. A. The letter from your firm.

Q. You haven't returned those manuscripts or attempted to return those manuscripts to Madame Roerich, either directly or to me? A. I didn't have any manuscripts to return.

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Q. And the reason for that is, that you gave them to Mrs. Horch in 1931 and 1935? A. Those few that I had brought.

CROSS-EXAMINATION BY MR. STERN:

A. In 1931 and 1935 you received some manuscripts from Mrs. Roerich, is that right? A. I received copies of manuscripts of the Spiritualistic Seances from Mrs. Roerich, to be brought to Mrs. Horch as a gift, and I was the messenger.

Q. When you arrived in America, did you give them to Mrs. Horch? A. I gave them to Mrs. Horch, as per instructions.

Q. You said also that you saw them in Moriah? A. I saw them in Moriah in the summer of 1935.

Q. Were you in Moriah in 1935? A. Yes, sir.

Q. Have you ever seen them since? A. No.

Q. Have you ever seen them in New York? A. No, only in the summer of 1935 was the last time I saw them.

Q. Do you know whether they are still in Moriah? A. I could not tell you.

RE-DIRECT EXAMINATION BY MR. PLAUT:

Q. You don't know now where they are, do you? A. I don't know.

Q. In your talks with Mrs. Horch, the question of where they are hasn't come up? A. I didn't ask her.

Q. That isn't the question. I asked you, has the subject of where they are come up in the conversation between you and Mrs. Horch? A. It has not come up between us.

Q. You say you were the messenger to bring those manuscripts from Madame Roerich to Mrs. Horch? A. I was the messenger to bring those manuscripts from Madame Roerich to Mrs. Horch.

Q. What did Madame Roerich say to you? A. Madame Roerich told me that Mrs. Horch is supposed to be her heiress and I should take down to the United States these books for Mrs. Horch's children, for posterity as a gift from her.

RE-CROSS EXAMINATION BY MR. STERN:

Q. Did she tell you this or something similar to this on both occasions? In 1931 and in 1935? A. Yes, Mrs. Horch happened to be in India--Mrs. Horch I believe it was 1930, if I am not mistaken, was over in India and at that time Madame Roerich has given similar books, copies of the copies of the Spiritualistic Seances to Mrs. Horch as a gift, in my presence before she left.

BY MR. PLAUT:

Q. You were present at tha time? A. Yes I was present.

Q. Who else was present? A. Madame Roerich and Mrs. Horch.

Q. Nobody else? A. No.

Q. In 1931 and 1935, when you say you had these conversations with Madame Roerich as to what should be done with the books, where were those conversations? A. In Naggar Kulu.

Q. Who was present at those conversations? A. Nobody was present outside of Mrs. Roerich and Mrs. Horch.

Q. No, you misunderstand me--Mrs. Horch wasn't there in 1931 and 1935?

A. No, that pertained only to the books she has given personally to Mrs. Horch.

MR. STERN: He means, in the conversations Mrs. Roerich had with you in 1931 and 1935?

A. Nobody was present.

Q. Did you take any letter with you from Madame Roerich to Mrs. Horch concerning those books? A. I don't think so.

Q. On either one of those occasions? A. I don't think so.

Examination closed.

Subscribed and sworn to
before me this day
of March, 1937.

_____

_____

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PLAUT & DAVIS
ATTORNEYS

HERBERT PLAUT
HAROLD DAVIS

CABLE OLDBERTLAW
TELEPHONE DIGBY 4-4644

76 BEAVER STREET
NEW YORK

December 18, 1936.

Mrs. Katherine S. Campbell,
34 Gramercy Park,
New York, N. Y.

Dear Mrs. Campbell:

On behalf of my firm I acknowledge receipt from you of the sum of $840, $600 of which is to be applied as a retainer against our fees in these two matters:

(1) The continuance of the prosecution of the replevin action in favor of Mme. Roerich and Miss Lichtmann.

(2) The discovery of the books, papers, records and documents of Nicholas Roerich Paintings and Art Collection, Inc.

The balance of $240 is to be applied by us towards the payment of disbursements in connection with these two matters.

I should like to add that the work of discovering the records of Nicholas Roerich Paintings and Art Collection, Inc. has been proceeding for the last month with the result that I have seen practically all the corporate records of the Company. The documents of title to the paintings have been demanded by me of Mr. Horch. Messrs. Greenbaum, Wolff & Ernst have stated to me that he cannot find them. I have pointed out to these attorneys the existence of these documents. They are going once more to Mr. Horch to endeavor to locate these papers. Whether they are acting in good faith or not I cannot judge, except to say that upon past performances I have my doubts. However, I think a week or two might well elapse before commencing a mandamus proceeding to compel the production of these papers.

Very sincerely yours,

Herbert Plaut

HP:s

821/64

PLAUT & DAVIS
ATTORNEYS

HERBERT PLAUT
HAROLD DAVIS

CABLE OLDBERTLAW
TELEPHONE DIGBY 4-4644

76 BEAVER STREET
NEW YORK

December 27th, 1938

Mrs. Katherine S. Campbell
34 Gramercy Park
New York, New York

Re: Roerich v. Horch
Grant v. Newberger

Dear Mrs. Campbell:

I beg to confirm that I have brought the total amount of the settlement on the two bonds down an additional $100.00 so that it now stands at the sum of $3,900.00. The bond on which you were the sole indemnitor has been compromised at $200.00 and the bond on which Mr. Stokes, Mr. Fosdick and yourself are the indemnitors has been compromised at the sum of $3,700.00.

For our services in further reducing the amount of the payment, we are charging an additional $50.00 so that the net saving is $50.00. To be added to the $3,700.00 are the premium of $50.00 and our fee which will now be placed at $300.00.

I explained the matter of the $50.00 premium on the bond in my letter to you of December 21st and I also explained that our charges on the basis of a $4,000.00 settlement would be $250.00.

The gross total of money to be paid to Messrs. Greenbaum, Wolff & Ernst, the premium on the bond and our fee will come to the figure of $4,050.00 or $50.00 less than the amount previously authorized. Mr. Stokes' share of this amount is $2,025.00, Mr. Fosdick's is $810.00 and yours is $1,215.00.

I made these arrangements on the basis that the money would be paid this week and consequently I would be pleased to receive your share of this particular bond for $1,215.00 plus the $200.00 on the other bond or a total of $1,415.00.

Very truly yours,

/Herbert Plaut

HP:hs

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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

- -x

HELENA ROERICH,

Plaintiff

-against-

NETTIE S. HORCH and ESTHER J. LICHTMANN,

Defendants.

-v- -x

S I R S:

PLEASE TAKE NOTICE that the enclosed are the interrogatories proposed on behalf of the defendants in pursurance of the order made and entered on September 3, 1937.

Dated, November 5, 1937.

Yours, etc....
GREENBAUM, WOLFF & ERNST
Attorneys for Defendants
Office & P.O. Address
285 Madison Avenue,
Borough of Manhattan
City of New York.

TO: PLAUT & DAVIS, Esqs.,
Attorneys for Plaintiff
76 Beaver Street
Borough of Manhattan
City of New York

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

- -x

HELENA ROERICH,

Plaintiff

-against-

NETTIE S. HORCH and ESTHER J. LICHTMANN

Defendants.

- -x

DEFENDANTS' CROSS-INTERROGATORIES

1. Are you a citizen of the United States?

2. If your answer to Interrogatory No. 1 is in the negative, of what country are you a citizen?

3. What is your present residence?

4. What is the total number of copy books and/or manuscript diaries in your handwriting that you made?

5. Did you make or did you cause to be made any exact duplicates of all of the copy books and/or manuscript diaries which are the subject of this action?

6. Did you make or cause to be made duplicates of any part of the copy books and/or manuscript diaries which are the subject of this action?

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7. If your answer to Interrogatory No. 5 is in the affirmative, state how many duplicates or copies were made of the copy books and/or mamuscript diaries which are the subject of this action?

8. If your answer to Interrogatory No. 5 is in the affirmative, describe in detail those copy books and/ or mamuscripts diaries which were duplicated, by giving the general content of the entire copy book and/ or mamuscript diary duplicated, the general appearance of the copy books and/or manuscript diaries, and the dates over which the same covered.

9. If your answer to Interrogatory No. 6 is in the affirmative, state how many duplicates or copies were made of any part of the copy books and/or mamuscript diaries which are the subject of this action.

10. If your answer to Interrogatory No. 6 is in the affirmative, describe in detail those parts of the copy books and/ or mamuscripts diaries which were duplicated, by giving the general content of that part of the copy book and/or manuscript diary duplicated, the general appearance of the copybooks and/or manuscript diaries, and the dates over which the same covered.

11. If your answer to Interrogatory No. 5 is in the affirmative, state in whose handwriting duplicates were made.

~~10. If your answer to Interrogatory No. 5 is in the affirmative, state in whose handwriting duplicates were made state how many duplicates of each copy book and/or manuscript diary was made.~~

12. If your answer to Interrogatory No. 5 is in the affirmative, state how many duplicates of each copy book and/or mamuscript diary were made.

13. If your answer to Interroggtory No. 6 is in the affirmative, state in whose handwriting duplicates were made.

14. If your answer to Interrogatory No. 6 is in the affirmative, state how many duplicate of each part of each copy book and/or manuscript diary was made.

15. If your answer to Interrogatory No. 5 or Interrogatory No. 6 is in the affirmative, state how the duplicates were made.

16. If your answer to Interrogatory No. 5 or Interrogatory No. 6 is in the affirmative, state whether carbon paper was used in making the duplicates.

17. If your answer to Interrogatory No. 5 or Interrogatory No. 6 is in the affirmative, do you still have in your possession any part of the copy books and/or manuscript diaries?

18. If your answer to Interrogatory No. 17 is in the affirmative, state which original copy books and/ or manuscript diaries you still have in your possession by describing the general content of the copy books and/ or manuscript diaries, the general appearance of the copy books and/or manuscript diaries, and the dates over which the same cover.

19. If your answer to Interrogatory No. 5 or Interrogatory No. 6 is in the affirmative, state whether you have any of the duplicate copy books and/or manuscript diaries in your possession at the present time.

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20. If your answer to Interrogatory No. 19 is in the affirmative, state which duplicate copy books and/or manuscript diaries are in your possession by describing the general content of the copy books and/or manuscript diaries, the general appearance of the copy books and/or manuscript diaries, and the dates over which the same cover

21. Is it claimed that the defendant Nettie S. Horch has the original copy books and/or manuscript diaries?

22. Is it claimed that the defendant Nettie S. Horch has part of the original copy books and/or manuscript diaries?

23. If your answers to Interrogatories No. 21 or No. 22 are in the affirmative, describe which copy books and/or manuscript diaries it is claimed the defendant Nettie S. Horch has in her possession.

24. Is it claimed that the defendant Esther J. Lichtmann has the original copy books and/or manuscript diaries?

25. Is it claimed that the defendant Esther J. Lichtmann has all of the original copy books and/or manuscript diaries?

26. Is it claimed that the defendant Esther J. Lichtmann has part of the original copy books and/or manuscript diaries?

27. If your answer to Interrogatories No. 25 and No. 26 are in the affirmative, describe which copy books and/or manuscript diaries it is claimed the defendant Esther J. Lichtmann has in her possession.

28. If your answer above given indicate that you do not claim that Nettie S. Horch and Esther J. Lichtmann has all or any part of the original copy books and/or manuscript diaries, who, is it claimed, now possesses all of the original copy books and/or manuscript diaries?

29. If your answers above given indicate that you do not claim that Nettie S. Horch and Esther J. Lichtmann has all or any part of the original copy books and/or manuscript diaries, who, is it claimed by you, now possesses part of the original copy books and/or manuscript diaries?

30. If your answers given above indicate that other persons besides the defendants herein possess at the present time all or any part of the original copy books and/or manuscript diaries, describe in detail such original copy books and/or manuscript diaries possessed by the person or persons indicated by giving the general content of the copy books and/or manuscript diaries, the general appearance of the copy books and/or manuscript diaries, and the dates over which the same cover.

31. If your answers to Interrogatories No. 5 and No. 6 are in the affirmative, state whether it is claimed that Nettie S. Horch has duplicates of the original copy books and/or manuscript diaries.

32. If your answer to Interrogatory No. 31 is in the affirmative, state whether you claim that Nettie S. Horch has a complete set of the duplicate originals of the copy book and/or manuscript diaries.

33. If your answer to Interrogatory No. 31 is in the affirmative, state whether it is claimed that the defendant Nettie S. Horch has only a part of the duplicate originals of the original copy books and/or manuscript diaries in her possession.

34. If your answer to Interrogatory No. 31 is in the affirmative, describe in detail exactly which duplicates of the original copy books and/or manuscript diaries are in her possession.

35. If your answers to Interrogatories No. 5 and No. 6 are in the affirmative, state whether it is claimed that Esther J. Lichtmann has duplicates of the original copy books and/or manuscript diaries.

36. If your answer to Interrogatory No. 35 is in the affirmative, state whether you claim that Esther J. Lichtmann has a complete set of the duplicate originals of the copy book and/or manuscript diaries.

37. If your answer to Interrogatory No. 35 is in the affirmative, state whether it is claimed that the defendant Esther J. Lichtmann has only a part of the duplicate originals of the original copy books and/or manuscript diaries in her possession.

38. If your answer to Interrogatory No. 35 is in the affirmative, describe in detail exactly which duplicates of the original copy books and/or manuscript diaries are in her possession.

39. If your answers given above indicate that the originals or part of the original copy books and/or manuscript diaries were given to Nettie S. Horch, when were each or all of them so given?

40. If your answers given above indicate that the originals or part of the original copy books and/or manuscript diaries were given to Nettie S. Horch, where and under what circumstances were each or all given to Nettie S. Horch?

41. If your answers given above indicate that the originals or part of the original copy books and/or manuscript diaries were given to Esther J. Lichtmann, when were each or all of them so given?

42. If your answers given above indicate that the originals or part of the original copy books and/or manuscript diaries were given to Esther J. Lichtmann, where and under what circumstances were each or all given to Esther J. Lichtmann?

43. If your answers to Interrogatories No. 5 and No. 6 are in the affirmative, state whether it is claimed that Nettie S. Horch has duplicate of all or of part of the copy books and/or manuscript diaries.

44. If your answers to Interrogatories No. 5 and No. 6 are in the affirmative, state whether it is claimed that Esther J. Lichtmann has duplicates of all or of part of the copy books and/or manuscript diaries.

45. Were any of the copy books and/or manuscript diaries which are the subject of this action, published?

46. If your answer to Interrogatory No. 45 is in the affirmative, describe which of the copy books and/or manuscript diaries were published.

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47. If your answer to Interrogatory No. 45 is in the affirmative state whether any of the copy books and/or manuscript diaries were wholly published.

48. If your answer to Interrogatory No. 45 is in the affirmative, state whether just parts of the copy books and/or manuscript diaries were published.

49. If your answer to Interrogatory No. 45 is in the affirmative, describe which of the copy books and/or manuscript diaries were published, describing each of said copy books and/or manuscript diaries by their appearance, general content, dates covered and describe in particular the part or parts of such copy book and/or manuscript diary so published.

50. If your answer to Interrogatory No. 45 is in the affirmative, state whether such publications of part or all of the copy books and/or mamuscript diaries were sold to the general public.

51. I show you a lavendar book approximately 4-3/4" x 6-1/4", entitled "Hierarchy" bearing date on the outside cover "1931", copyrighted in 1933, printed in the United State of America and containing on the third page of the said book, the following "Signs of Agni Yoga" and ask you whether such book is a publication of any part of any of the copy books and/or manuscript diaries.

52. If your answer to Interrogatory No. 51 is in the affirmative, state whether such publication entitled "Hierarchy" is a part of one copy book and/or manuscript diary.

53. If your answer to Interrogatory No. 51 is in the affirmative, state whether such publication entitled "Hierarchy" contains parts of more than one copy book and/or manuscript diary in the same form.

54. If your answer to Interrogatory No. 51 is in the affirmative, state whether such publication entitled "Hierarchy" contains all of one copy book and/or manuscript diary.

55. If your answer to Interrogatory No. 51 is in the affirmative, state whether such publication entitled "Hierarchy" contains the contents of more than one complete copy book and/or manuscript diary.

56. If your answer to Interrogatory No. 51 is in the affirmative, describe the copy book and/or manuscript diary by giving its general appearance, general content and dates covered.

57. If your answer to Interrogatory No. 51 is in the affirmative, the publication "Hierarchy" bearing date on the outside cover "1931", copyrighted in 1933, printed in the United State of America and containing on the third page of the said book the following "Signs of Agni Yoga", said book being approximately 4-3/4" x 6-1/4", is herewith offered in evidence.

58. I show you a blue book approximately 4-3/4" x 6-1/4", entitled "Agni Yoga" bearing date on the outside cover "1931" copyrighted in 1929 and 1930, printed in the United State of America and containing on the third page a statement as to "The Blessed Mahatma", and ask you whether such book is a publication of any part of any of the copy books and/or manuscript diaries?

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59. If your answer to Interrogatory No. 58 is in the affirmative, state whether such publication entitled "Agni Yoga" is a part of one copy book and/or manuscript diary.

60. If your answer to Interrogatory No. 58 is in the affirmative, state whether such publication entitled "Agni Yoga" contains parts of more than one copy book and/or manuscript diary in the same form.

61. If your answer to Interrogatory No. 58 is in the affirmative, state whether such publication entitled "Agni Yoga" contains all of one copy book and/or manuscript diary.

62. If your answer to Interrogatory No. 58 is in the affirmative, state whether such publication entitled "Agni Yoga" contains the contents of more than one complete copy book and/or manuscript diary.

63. If your answer to Interrogatory No. 58 is in the affirmative, describe the copy book and/or manuscript diary by giving its general appearance, general content and dates covered.

64. If your answer to Interrogatory No. 58 is in the affirmative, the publication "Agni Yoga" bearing date on the outside cover "1931", copyrighted in 1929 and 1930, printed in the United States of America and containing on the third page a statement as to "The Blessed Mahatma", being approximately 4-3/4" x 6-1/4", is herewith offered in evidence.

65. I show you a yellow book approximately 4-3/4" x 6-1/4" entitled "Heart, bearing date on the outside cover "1932", copyrighted in 1934, printed in the United States of American and containing on the third page of the said book, the following "Signs of Agni Yoga", and ask you whether such book is a publication of any part of any of the copy books and/or manuscript diaries ?

66. If your answer to Interrogatory 65 is in the affirmative, state whether such publication entitled "Heart is a part of one copy book and/or manuscript diary.

67. If your answer to Interrogatory 65 is in the affirmative, state whether such publication entitled "Heart" contains parts of more than one copy book and/or manuscript diary in the same form.

68. If your answer to Interrogatory No. 65 is in the affirmative, state whether such publication entitled "Heart" contains all of one copy book and/or manuscript diary.

69. If your answer to Interrogatory No. 65 is in the affirmative, state whether such publication entitled "Hear" contains the contents of more than one complete copy book and/or manuscript diary.

70. If your answer to Interrogatory No. 65 is in the affirmative, describe the copy book and/or manuscript diary by giving its general appearance, general content and dates covered.

71. If your answer to Interrogatory No. 65 is in the affirmative, the publication "Heart" bearing date on the outside cover "1932", copyrighted in 1934, printed in the United State of America and containing on the third page of the said book, the following "Signs of Agni Yoga", being approximately 4-3/4" x 6-1/4, is herewith offered in evidence.

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72. I show you a purplish grey book, approximately 4-3/4" x 6", entitled "Leaves of Morya's Garden", special translation copyrighted 1923, printed in New York, and ask you whether such book is a publication of any part of any of the copy books and/or manuscript diaries?

73. If your answer to Interrogatory No. 72 is in the affirmative, state whether such publication entitled "Leaves of Morya's Garden" is a part of one copy book and/or manuscript diary.

74. If your answer to Interrogatory No. 72 is in the affirmative, state whether such publication entitled "Leaves of Morya's Garden" contains parts of more than one copy book and/or manuscript diary in the same form.

75. If your answer to Interrogatory No. 72 is in the affirmative, state whether such publication entitled "Leaves of Morya's Garden" contains all of one copy book and/or manuscript diary.

76. If your answer to Interrogatory No. 72 is in the affirmative, state whether such publication entitled "Leaves of Morya's Garden" contains the contents of more than one complete copy book and/or manuscript diary.

77. If your answer to Interrogatory No. 72 is in the affirmative, describe the copy book and/or manuscript diary by giving its general appearance, general content and dates covered.

78. If your answer to Interrogatory No. 72 is in the affirmative, the publication "Leaves of Morya's Garden", special translation copyrighted 1923, printed in New York, being approximately 4-3/4" x 6", is herewith offered in evidence.

79 Are the copy books and/or manuscript diaries which are the subject of this action, the record of your personal and private activities?

80. If your answer to Interrogatory No. 51 is in the affirmative, state in whose name the copyright was obtained.

81. If your answer to Interrogatory No. 51 is in the affirmative, state in what country the copright was obtained.

62. If your answer to Interrogatory No. 58 is in the affirmative, state in whose name the copyright was obtained.

83. If your answer to Interrogatory No. 58 is in the affirmative, state in what country the copyright was obtained.

84. If your answer to Interrogatory No. 65 is in the affirmative, state in whose name the copyright was obtained.

85. If your answer to Interrogatory No. 65 is in the affirmative, state in what country the copyright was obtained.

86. If your answer to Interrogatory No. 72 is in the affirmative, state in whose name the copyright was obtained.

87. If your answer to Interrogatory No. 72 is in the affirmative, state in what country the copyright was obtained.

88. Did Nettie S. Horch, one of the defendants in this action, ever lend you any money?

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89. If your answer to Interrogatory No. 88 is in the affirmative, how much money was loaned, giving the dates of each loan?

90. If your answer to Interrogatory No. 88 is in the affirmative, were any of said loans repaid by you to Nettie S. Horch?

91. Did Louis L. Horch, the husband of Nettie S. Horch, ever lend you any money?

92. If your answer to Interrogatory No. 91 is in the affirmative, then give the exact amount of each loan and the dates when the sums were loaned.

93. If your answer to Interrogatory No. 91 is in the affirmative, state whether any of the loans have been repaid by you to Louis L. Horch.

94. Did Nettie S. Horch, the defendant in this action, give any moneys or things of value to you?

95. If your answer to Interrogatory No. 94 is in the affirmative, state exactly what was given and the dates and place when each was given.

96. Did Louis L. Horch, the husband of the defendant Nettie S. Horch, ever give any money or things of value to you?

97. If your answer to Interrogatory No. 96 is in the affirmative, state exactly what was given and the date and place each item was given.

98.

96. Did Louis L. Horch and/or Nettie S. Horch ever lend any moneys to your husband, Nicholas Roeruch?

99. If your answer to Interrogatory No. 96 is in the affirmative, state the amount of such loans and the dates when such loans were made.

100. If your answer to Interrogatory No. 98 is in the affirmative, state whether any such loans were repaid and give the dates of repayment.

101. Did Louis L. Horch and/or Nettie S. Horch ever give any money or things of value to you or your husband?

102. If your answer to Interrogatory No. 101 is in the affirmative, state exactly what was given and the date and place on which each item was given.

103. In the copy books and/or manuscript diaries, which are the subject of this action, do any of the same or any part of the same refer to "A Mahatma of the East"?

104. If your answer to Interrogatory No. 103 is in the affirmative, please state who the "Mahatma of the East " is or was.

105. In the copy books and/or manuscript diaries, which are the subject of this action, do any of the same or any part of the same refer to "Urusvati"?

106. If your answer to Interrogatory No. 105 is in the affirmative, state what or who "Urusvati" is or was.

107.

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107. In the copy books and/or manuscript diaries, which are the subject of this action, do any of the same or any part of the same refer to "M.M."?

108. If your answer to Interrogatory No. 107 is in the affirmative, state who or what"M.M." is.

109. Were any part of the copybooks and/or manuscript diaries, which are the subject of this action, devoted to a discussion of or compilation of spiritualistic seances?

110. Were any part of the copy books and/or manuscript diaries which are the subject of this action, devoted to discussing the technique of seances?

111. Were any part of the copy books and/or manuscript diaries, which are the subject of this action, devoted to a discussion of occult names?

112. Were any part of the copy books and/or manuscript diaries, which are the subject of this action, devoted to prophesies and/or prediction of events to occur in the future?

113. Were any part of the copy books and/or manuscript diaries, the subject of this action, devoted to a discussion of the government of any presently existing country.

114. Do any of the copybooks and/or manuscript diaries, which are the subject of this action, contain any reference to "Fujama" or "Fuyama"?

115. If your answer to Interrogatory No. 114 is in the affirmative, state who"Fujama" or "Fuyama" is?

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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

- -x

HELENA ROERICH,

Plaintiff,

-against-

NETTIE S. HORCH and ESTHER J. LICHTMANN,
Defendants

- -x

S I R S :

PLEASE TAKE NOTICE that the enclosed are the interrogatories prepared on behalf of the plaintiff in pursuance of the order made and entered on September 3, 1937.

Dated, September 8, 1937.

Yours, etc.,
PLAUT & DAVIS
Attorneys for Plaintiff
76 Beaver Street
Borough of Manhattan
City of New York

To:
MESSRS. GREENBAUM, WOLFF & ERNST
Attorneys for Defendants
285 Madison Avenue,
Borough of Manhattan,
City of New York

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

- -x

HELENA ROERICH,

Plaintiff,

-against-

NETTIE S. HORCH and ESTHER J. LICHTMANN
Defendants.

- -x

Interrogatories to be administered to HELENA ROERICH, of Naggar, Kulu, Punjab, British India, plaintiff herein, a witness to be examined under the commission directed to be issued by order entered herein on the 3rd day of September, 1937, proposed on behalf of the plaintiff in the above entitled cause:

FIRST INTERROGATORY: What is your full name and your age?

SECOND INTERROGATORY: Where do you now reside and how long have you resided at that place?

THIRD INTERROGATORY: Are you married or single; if married, state the full name of your husband and where he resides.

FOURTH INTERROGATORY: What is the condition of your health?

FIFTH INTERROGATORY: Are you able to travel to New York?

SIXTH INTERROGATORY: Are you the owner of certain manuscript diaries written in your handwriting and contained in copybooks containing dates

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beginning with March 24, 1920 and continuing through to and including February 3, 1935?

SEVENTH INTERROGATORY: If your answer to interrogatory numbered Sixth is in the affirmative, describe in detail the appearance of said copybooks.

EIGHTH INTERROGATORY: If your answer to interrogatory numbered Sixth is in the affirmative, are the said manuscripts, contained in said copybooks, in your own handwriting?

NINTH INTERROGATORY: If your answer to interrogatory numbered Eighth is in the affirmative, state when and where you wrote the manuscript therein contained?

TENTH INTERROGATORY: State the general nature and substance of said manuscripts contained in the said copybooks.

ELEVENTH INTERROGATORY: Was any portion or portions of any said manuscripts contained in said copybooks published?

TWELFTH INTERROGATORY: If your answer to interrogatory numbered Tenth is in the affirmative, state (a) the name or names of such publications, and (b) the date or dates of publication?

THIRTEENTH INTERROGATORY: Did you ever deliver any of the said copybooks to anyone?

FOURTEENTH INTERROGATORY: If your answer to interrogatory numbered Thirteenth is in the affirmative, did you ever deliver any of said copybooks to Esther J. Lichtmann and Nettie S. Horch, who are the defendants in this action?

FIFTEENTH INTERROGATORY: If your answer to interrogatory numbered Fourteenth is in the affirmative, did you have any conversation or conversations concerning said copybooks with Esther J. Lichtmann at or prior to the time or times when you delivered any of the said copybooks to her?

SIXTEENTH INTERROGATORY: If your answer to interrogatory numbered Fifteenth is in the affirmative, state (a) the place or places where such conversation or conversations took place; (b) the date or dates when such conversation or conversations took place; (c) what was said by you and what was said by Esther J. Lichtmann in such conversation or conversations; and (d) what, if anything, took place at or following said conversation or conversations.

SEVENTEENTH INTERROGATORY: If your answer to interrogatory numbered Fourteenth is in the affirmative, did you have any conversation or conversations concerning said copybooks with Nettie S. Horch at or prior to the time or time you delivered any of the said copybooks to her?

EIGHTEENTH INTERROGATORY: If your answer to interrogatory numbered Seventeenth is in the affirmative, state (a) the place or places where such conversation or conversations took place: (b) the date or dates when such conversation or conversations took place; (c) what was said by you and what was said by Nettie S. Horch in such conversations; and (d) what, if anything, took place at or following said conversation or conversations.

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NINETEENTH INTERROGATORY: Did you ever deliver any of the said copybooks to Nettie S. Horch or Esther J. Lichtmann, except by delivering them directly to either or both of said persons?

TWENTIETH INTERROGATORY: If your answer to interrogatory numbered Nineteenth is in the affirmative, state (a) the number of said copybooks, (b) the dates when, and (c) the names of the persons by whom, you delivered the said copybooks to Nettie S. Horch or Esther J. Lichtmann.

TWENTY-FIRST INTERROGATORY: Were you present at a meeting of certain Trustees of Roerich Museum at Naggar, Kulu, Punjab, British India, on April 28, 1931?

TWENTY-SECOND INTERROGATORY: If your answer to interrogatory numbered Twenty-First is in the affirmative, state who besides yourself was present at said meeting?

TWENTY-THIRD INTERROGATORY: If your answer to interrogatory numbered Twenty-Second is in the affirmative, was anything said or done at said meeting concerning the said copybooks, the subject of this action?

TWENTY-FOURTH INTERROGATORY: If your answer to interrogatory numbered Twenty-First is in the affirmative, what was said or done at said meeting concerning said copybooks?

TWENTY-FIFTH INTEROGATORY: Did you ever instruct anyone on your behalf to make demand for the return to you of the said copybooks?

TWENTY-SIXTH INTERROGATORY: If your answer to the Twenty-Fifth interrogatory is in the affirmative, state the name of the person whom you so instructed.

TWENTY-SEVENTH INTERROGATORY: Have any of the said copybooks been returned to you?

December 27th 38 82/177

Mr. H. Plant
76 Beaumont.
V.Y.C.
Dear Sir:

Mrs. Campbell asked me to send you the enclosed check of $1430.00 which she understands is the amount to be paid on the two bonds, (One bond 1230.— & the other of $200.—)

Very sincerely Yours.
J.S.T.

2000.—
1680.—
320.—

1430.—
250
1680

Hot water with lemon when awake

Breakfast fruit juice, coffee

middle of morning fruit juice

Lunch, Ry Krisp Yogurt salad of veg or greens

Dinner Clear soup. Salad. fish or lean meat veg. Ry Krisp

Not more than 2 grants Cayenne a day.

J

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May 24th. 1941 The envelope of photostats of Frances Grants letters has been returned to Mr. L.C.Stern.

There were 180 pages of photostats and an envelope with explanations of the various names. (11 slips of papers in Miss Grants hand-writing.)

PPhotostat of letter written to Prof. Roerich we kept out and is herewith attached.

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Copies of exhibits in evidence

In re GRANT et al v. NEWBERGER e

(Master Institute of United Arts, Inc.)

P E T I T I O N E R ' S E X H I B I T S



From PLAUT & DAVIS

76 Beaver St., New York

To HON. LOUIS A. VALENTE

JUSTICE OF THE SUPREME COURT

NEW YORK COUNTY

Sold for Westchester Cancer Committee, American Society for the Control of Cancer