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LOUIS L. HORCH, *President*
M. M. LICHTMANN, *First Vice-President*
FRANCES R. GRANT, *Second Vice-President*



ROERICH MUSEUM

310 RIVERSIDE DRIVE
NEW YORK, N. Y.

150/11
MASTER INSTITUTE
OF ROERICH MUSEUM
—
CORONA MUNDI
INTERNATIONAL ART CENTER
OF ROERICH MUSEUM
—
ROERICH MUSEUM PRESS
—
URUSVATI
HIMALAYAN RESEARCH INSTITUTE
OF ROERICH MUSEUM

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DUDLEY CRAFTS WATSON, *Chicago*
THEODORE WEICKER, *New York*
IGNACIO ZULOAGA, *Zumaya, Spain*

November 11, 1929.

My dear Miss Grant:
2nd Vice-President, Roerich Museum Press.

In accordance with our new policy, to have only one Bank account for all institutions, under the name of the Roerich Museum, at the National City Bank of New York, we would appreciate it, if you will draw a check for the balance in your account and send it to my office so that the change can be made today.

This change in bank policy necessitates the following notations in regard to bills:

- 1-All bills are hereafter to be sent up to Room #401 as they are received and checked by the head of the Department. Also on this bill and on the requisition, there should appear a notation of the account, to which this bill is to be charged. The reason for this, is the necessity of checking up on the amounts allotted to each account on the Budget for your department. A purchase ledger will be inaugurated, in which daily entries of bills will be made from all departments, so we ask your co-operation in sending these bills up as promptly as possible to #401.
- 2- Should a bill marked for your department have on it items that should be charged to another department, please make a note of this on the original bill.
- 3- If any amount of money is needed for an item for which we have no bill and that should be paid, such as petty cash, etc., please make out a written requisition for this item, so that we can have some record of the payment on hand, that has on it an authoritative signature.

Although your bank account is now merged with the other accounts into one controlling account called the Roerich Museum account, it does not in any way change the financial standing of your department.

Sincerely yours,

Louis L. Horch

RECEIVER OF 310 RIVERSIDE DRIVE ROERICH MUSEUM, et al., SURVEY

The Roerich Museum Apartments at 310 Riverside Drive, New York City, is operated primarily as an apartment hotel.

EXHIBIT "A" is an analysis of the layout of the floors in the building from the fourth up. The second and third floors are not now arranged for rentable space. Apparently the second and third floors and a major part of the fourth floor are being used by the museum, without any rent being paid therefor.

EXHIBIT "B" entitled "Rental Schedule" shows the monthly gross rental as at April 15, 1932, to be \$23,654.90, averaging approximately \$72.00 per room for the unfurnished apartments and \$82.00 per room for the furnished apartments. This gross rental does not include the rent of the vacant apartments, nor of the non-income producing apartments, consisting of the second, third and a part of the fourth floors as noted above and 29 rooms occupied rent free by officers, their relatives and friends.

There are in all 48 rooms occupied rent free, all chargeable to the operations of the museum. These 48 rooms are of an estimated rental value of about \$3,200.00 per month. Nineteen of these rooms are occupied by the offices of the museum and 29 are used by the officers of the museum, their relatives and friends, as living quarters. Exhibit "B" shows which apartments are occupied by the respective officers, their relationship, if any to one another, the monthly rental value of each of their apartments and the monthly salaries, if any, received by such officers, which salaries aggregate \$2,562.12 per month.

In addition to the loss of rent attributable to the operations of the museum, note should be taken of the rental value of the second and third floors, estimated to be \$3,450.00 per month.

The total loss, therefor, of rents from the space occupied by the museum, its offices and officers; is therefor \$6,650.00 per month.

Turning now to the operations of the museum itself, a statement entitled "Statement of Income and Expense Per Books" for March, 1932, apparently prepared by the museum auditor and accountants, we find the following:

Income (all departments and also 321 W. 103rd St. and Roerich Hall Rentals)	\$ 6,089.19
Expenses	10,387.50
Net Deficit for the Month	<u>\$4,298.31</u>

At the foot of the statement there appears the following notation:

To L. L. Horch	\$1,000.00
To N. Roerich	776.62

These last two figures are the monthly salaries of the respective persons, and presumably are not included in the expenses total of \$10,387.50.

Particular note should be taken that the above expenses of the museum do not include a charge for rent for the space occupied by the museum, and the apartments used by the officers and others connected with the museum. It is, therefor, apparent that the books of the museum and of the apartments have been so kept as to show no charge for the occupation by the museum of all of the above mentioned space.

Thus, the actual net loss taking the deficit shown, the salaries of the officers mentioned and the rent value of the premises, we find the net loss on the museum operations to be well over \$12,000.00 per month.

RECEIVER OF 310 RIVERSIDE DRIVE

On turning to the statement of cash receipts and disbursements of the museum for the month of March, 1932, we find the following items included among disbursements:

Interest—L. L. Horch	\$1,000.00
N. Roerich	715.00

Not having had access to the books of the museum, because of the consistent refusal by those in charge thereof to submit same, we have been unable to obtain any explanation for these last items, nor, because of the same reason were we able to prove the facts given above for the museum. However, the above figures relating to the museum have been taken from statements prepared by agents and employees of the museum, and have, therefor, been accepted insofar as they relate to the items hereinbefore mentioned.

With regard to the operations of the hotel a few brief facts are here given:

Gross Room Rentals (not including rents from non-income producing apartments)	\$146,275.56
Net Income (before taxes, interest on mortgages, amortization and depreciation)	80,207.84

These figures are for the period from October 1, 1931, to March 31, 1932.

During this same period of six months there was advanced to the Roerich Museum from the receipts of the Roerich Museum Apartments the sum of \$78,660.00. In view of our inability to examine the books, we have been unable to ascertain the disposition of these funds.

On April 21, 1932, there were 28 delinquent hotel accounts. These accounts represent charges made by the various delinquents for cash advances, dining room and other departments of the hotel. Among these 28 accounts there were the following museum officers:

Miss Grent	\$ 42.79
Mr. L. L. Horch	798.73
Mr. M. Lichtmann	68.82

① The operating surplus account of the Roerich Museum Apartments as shown on the reports of the Roerich Museum on September 30, 1931, was \$359,745.65. This figure, however, is not the true one, since no account is taken of rent of the space occupied by the museum, etc. While it was the practice of the organization originally to charge the museum for rent of its space, nevertheless, in June, 1931, an adjusting entry was made on the books of the Roerich Museum Apartments, taking out from the account rents of \$162,480.06. Were we to add back this adjustment and charge the museum for the rent of its space, its surplus would actually have been September 30, 1931, over \$540,000.00.

On the other hand, the operating deficit of the museum to September 30, 1931, was \$560,185.08, to which should be added rents aggregating over \$180,000.00. The results of the various other activities were as follows:

	Deficit	
Master Institute	\$39,449.89	
International Art Center	44,134.24	
Roerich Museum Press	7,089.43	
Roerich Hall	139.78	
Roerich Society		Surplus
Ursvati Research Institute		\$ 509.96
		1,615.34

ROERICH MUSEUM
ROERICH MUSEUM RENTABLE SPACE

Floor		TOTAL		
		Apts.	Rms.	Baths
4	12 Apts. of 1 rm. 1 bath each, 3 Apts. of 2 rms. 1 bath each, 2 Apts. of 3 rms. 2 baths each (originally 4 Apts.)	17	24	19
5	17 Apts. of 1 rm. 1 bath each, 2 Apts. of 2 rms. 1 bath each, 1 Apt. of 3 rms. 2 baths (originally 2 Apts.)	20	24	21
6	18 Apts. of 1 rm. 1 bath each, 3 Apts. of 2 rms. 1 bath each	21	24	21
7	18 Apts. of 1 rm. 1 bath each, 3 Apts. of 2 rms. 1 bath	21	24	21
8	16 Apts. of 1 rm. 1 bath each, 1 Apt. of 2 rms. 1 bath, 2 Apts. of 3 rms. 2 baths each (originally 4 Apts.)	19	24	21
9	17 Apts. of 1 rm. 1 bath each, 2 Apts. of 2 rms. 1 bath each, 1 Apt. of 3 rms. 2 baths (originally 2 Apts.)	20	24	21
10	15 Apts. of 1 rm. 1 bath each, 2 Apts. of 2 rms. 1 bath each, 1 Apt. of 2 rms. 2 baths, 1 Apt. of 3 rms. 2 baths (originally 4 Apts.)	19	24	21
11	17 Apts. of 1 rm. 1 bath each, 2 Apts. of 2 rms. 1 bath each, 1 Apt. of 2 rms. 2 baths (originally 2 Apts.)	20	23	21
12	16 Apts. of 1 rm. 1 bath each, 3 Apts. of 2 rms. 1 bath each, 1 Apt. of 2 rms. 2 baths (originally 2 Apts.)	20	24	21
14	18 Apts. of 1 rm. 1 bath each, 3 Apts. of 2 rms. 1 bath each	21	24	21
15	17 Apts. of 1 rm. 1 bath each, 2 Apts. of 2 rms. 1 bath each, 1 Apt. of 3 rms. 2 baths each (originally 2 Apts.)	20	24	21
16	14 Apts. of 1 rm. 1 bath each, 2 Apts. of 2 rms. 1 bath each, 2 Apts. of 3 rms. 2 baths	18	24	20
17	8 Apts. of 1 rm. 1 bath each, 2 Apts. of 2 rms. 1 bath each, 1 Apt. of 7 rms. 3 baths each, 1 Apt. 2 baths (originally 2 Apts.)	12	22	15
18	10 Apts. of 1 rm. 1 bath each, 2 Apts. of 2 rms. 1 bath each, 1 Apt. of 2 rms. 2 baths (originally 2 Apts.)	13	16	14
19	6 Apts. of 1 rm. 1 bath each, 4 Apts. of 2 rms. 1 bath each	10	14	10
20	5 Apts. of 1 rm. 1 bath each, 3 Apts. of 2 rms. 1 bath each, 1 Apt. of 3 rms. 2 baths (originally 2 Apts.)	9	14	10
21	2 Apts. of 1 rm. 1 bath each, 4 Apts. of 2 rms. 1 bath each	6	10	6
22	1 Apt. of 1 rm. 1 bath, 3 Apts. of 2 rms. 1 bath each	4	7	4
23	3 Apts. of 1 rm. 1 bath each, 1 Apt. no bath, 1 Apt. of 2 rms. 1 bath	5	6	4
24	1 Apt. of 1 rm. 1 bath, 1 Apt. of 2 rms. 1 bath, 1 Apt. of 4 rms. 2 baths (orig. 2 Apts.)	3	7	4
25	1 Apt. of 7 rms. 3 baths (originally 4 Apts.)	1	7	3
26	1 Apt. of 2 rms., 1 bath	1	2	1
27	1 Apt. of 1 rm. 1 bath	1	1	1
		301	393	321

ABOVE LAYOUT DOES NOT INCLUDE

3rd floor, 2nd floor, Street floor, Below Street—Occupied by the Museum

EXHIBIT "A"

ROERICH MUSEUM

1.—RENTAL SCHEDULE AS OF APRIL 15, 1932

Apts.	Rms.	Baths		Rentals	Average Per Rm.
225	279	238	Unfurnished	\$20,039.87	\$71.83
37	44	37	Furnished	3,615.03	82.16
12	14)	13	Unfurnished—Vacant		
	2)		Furnished		
1	1	1	Furnished—Housekeeper (Room 1221)		
1	3	2	Manager's Apartment (Room 1611)		
1	1	1	Office of Building (Room 419)		
23	48	29	Non-Income Producing Apartments (See Schedule Below)		
					(originally 27 apartments)
1	1		Apt. 2302—Room not rentable; no bath		
			Solarium (3 Rest Rooms—top of building)		
301	393	321		\$23,654.90	

2.—NON-INCOME PRODUCING APARTMENTS

(a) OCCUPIED BY MUSEUM OFFICES

Apt.	Rms.	Baths	Monthly Rental Value	
401	2	1	\$ 125.00	Miss Linden, Sec'y Himalayan Research Dept. of Urusvati
402/3	3	2	225.00	Mr. Horch, Pres. Roerich Society
404	2	1	125.00	Mrs. Horch, Director, Roerich Society, Vice-President
405	1	1	75.00	Miss Lichtmann, Director of School
406	2	1	125.00	Miss Grant Roerich Press Director
407	1	1	75.00	Trustees' Room
408	1	1	75.00	
409	1	1	75.00	
410	1	1	75.00	Mr. Brebentschukoff, Museum Lecturer
414	1	1	75.00	Miscellaneous Material Store Room
415	1	1	75.00	Miscellaneous Material Store Room
416	1	1	75.00	Miscellaneous Material Store Room
419	1	1	75.00	Mr. Plotkin, Auditor Roerich Museum
420	1	1	75.00	Clerks
	19	15	\$1,350.00	

ROERICH MUSEUM

2. NON-INCOME PRODUCING APARTMENTS

(b) APARTMENTS OCCUPIED BY MUSEUM OFFICERS AS LIVING QUARTERS

Apt.	Rms.	Baths	Monthly Rental Value	Monthly Salary Per Month	
1706	2	1	\$ 150.00	\$ 175.50	Miss Grant Roerich Press Director
1707	7	3	400.00	1,000.00	Louis L. Horch, President
1806	1	1	75.00		Mrs. Grebentschukoff, Lecturer
1809	2	1	150.00		Max Horch, President's Father
2004	2	1	125.00		Miss Lichtmann, Vice-Pres., School Teacher
2006	2	1	125.00		Mr. Porter, Relative to Officers
2401/2	4	2	300.00	180.00	Mr. and Mrs. Maurice M. Lichtmann, Brother of Miss Lichtmann and School Teacher
2404	2	1	125.00		Mrs. F. Schafron, Trustee, Mother of Miss Lichtmann
2501/2	3-4	7-3	400.00	776.62	Prof. Nicholas Roerich, Hon. President
	29	14	\$1,850.00	\$2,312.12	
				250.00	George Roerich
				\$2,562.12	

NOTE: 2004 is Dr. George Roerich's apartment, but is being occupied by Miss Lichtmann during Dr. Roerich's absence. Miss Lichtmann's apartment No. 2006 in the meanwhile is being occupied by a Mr. Porter.

SUPREME COURT : NEW YORK COUNTY

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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, INCORPO-
RATED, 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. :

- - - - -X

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

HARVEY WILEY CORBETT, being duly sworn,

deposes and says:

I am Chairman of the Bondholders' Pro-
tective Committee for First Mortgage Series "A" Bonds of
Riverside Drive and 103rd Street Building (Roerich Museum).
The following are members of said Committee:

- Harvey Wiley Corbett, Chairman
John O'Hara Cosgrave
Wilbur F. Holt
Ralph V. D. Magoffin
Arleigh Pelham
Theophile Schneider
Mrs. Lionel Sutro

The said Committee now has on deposit with Empire Trust
Company, First Mortgage Series "A" Gold Bonds of Riverside
Drive and 103rd Street Building (Roerich Museum) in the
face amount of \$369,200.00 and Certificates of Deposit
issued therefor of the Hazlewood Committee hereinafter

referred to in the face amount of \$130,000.00. The Hazlewood Committee, consisting of Craig B. Hazlewood, Chairman, and Frank W. Blair, Frederick G. Curry, H. K. Hallet, Dayton Keith, Joseph E. Otis, Walter J. Sugden, and Charles W. Weston reports that it has on deposit with it First Mortgage Series "A" Gold Bond Certificates of Riverside Drive and 103rd Street Building (Roerich Museum) in the face amount of \$806,500.00.

The said Series "A" certificates are part of an issue of \$1,925,000. principal amount of First Mortgage Series "A" 6% Guaranteed Sinking Fund Gold Bond Certificates issued by Roerich Museum under a Trust Mortgage dated as of the 15th day of June, 1928, between Roerich Museum, Chatham Phenix National Bank and Trust Company, as Corporate Trustee and Charles C. Moore, as Individual Trustee. There are now outstanding \$1,925,000. in aggregate principal amount of said Series "A" certificates.

The mortgage above described covers a twenty-four story building located at Riverside Drive and 103rd Street, New York, N. Y., containing approximately 294 apartments of one room and bath, and 48 apartments of two rooms and bath. The first three floors except the lobby and the restaurant are used by the Roerich Museum for cultural and educational purposes exclusively, together with approximately one-half of the floor space contained on the fourth floor. Five apartments are used by the staff of the Museum. The land upon which the building is located has a frontage of 115 feet on Riverside Drive and 120 feet

on the north side of 103rd Street.

On or about April 1, 1932 foreclosure proceedings in respect to the mortgage above described were commenced by Manufacturers Trust Company, as alleged Successor Corporate Trustee by merger to Chatham Phenix National Bank and Trust Company and Charles C. Moore, as Individual Trustee, in the Supreme Court of the State of New York, County of Bronx. At that time the Roerich Museum had failed to pay three monthly deposits on account of the interest due January 15, 1932 on the Series "A" Certificates and five monthly deposits on account of the interest due on the Serial Series B 6% Guaranteed Gold Bond Certificates due June 15, 1932. Real estate taxes aggregating \$105,956.40 exclusive of interest and penalties thereon as provided by law, were past due and unpaid. Application for a receiver of the mortgaged premises was made in that proceeding by the Trustee and Philip J. Curry appointed receiver. On June 30, 1932 this receivership was vacated.

This action for foreclosure was thereafter instituted in the Supreme Court of the State of New York, New York County, and Philip J. Dunn and Louis L. Horch were appointed receivers. The last mentioned receivers now are and have been in possession of and have been operating the property since the day of their appointment.

The defendant Roerich Museum has answered the complaint herein.

The two aforementioned Committees have been endeavoring for several months past to formulate a Plan of Reorganization. The problem has been complicated by the

fact among others that the building is especially constructed for museum purposes and to oust the Museum would mean reconstruction of part of the mortgaged premises, entailing an expenditure estimated at \$100,000. Furthermore, a report has been submitted by L. J. Phillips & Co., a copy of which is hereto annexed, made part hereof and marked Exhibit "A", which indicates that the presence of the Museum in the mortgaged premises and the educational activities which it conducts therein account for at least 10% of the rentals derived from the mortgaged premises.

With these facts in mind, the two Committees, working in cooperation with the Museum, have formulated a proposed Plan of Reorganization, a copy of which is hereto annexed, made part hereof and marked Exhibit "B". No understanding has been reached with respect to the amount of compensation to be paid to the Hazlewood Committee or its counsel or to the counsel or secretary of the Corbett Committee or to counsel for the Roerich Museum. The Corbett Committee is of the opinion that the fairness and reasonableness of any compensation to be paid in connection with this reorganization as well as the fairness and reasonableness of the Plan, should be passed upon by this Court.

The Corbett Committee desires to intervene in this proceeding and to submit the said proposed Plan of Reorganization to this Court for its approval and supervision. The said Committee proposes that the said proposed Plan of Reorganization be referred by this Court to a referee to hear the evidence in respect thereto of any persons interested in the mortgaged property, and to consider suggestions and proposals, if any, for amendments

or changes in furtherance of said proposed Plan; to consider the fairness and reasonableness of the said Plan and any such proposed amendments or changes in respect thereto and to report thereon to this Court with his recommendations for the approval of this Court, and in connection therewith to consider, recommend and report what compensation shall be paid to counsel for the various parties to this action other than counsel for the plaintiff for or in connection with said Plan of Reorganization, to the Committee of which Craig B. Hazlewood is the Chairman, to the Secretary of the Committee of which Harvey Wiley Corbett is the Chairman, and the method and manner of paying such compensation and other expenses of reorganization and the funds against which such payments shall be charged.

WHEREFORE, I respectfully pray that an order be made and entered herein (1) permitting Harvey Wiley Corbett, John O'Hara Cosgrave, Wilbur F. Holt, Ralph V. D. Magoffin, Arleigh Pelham, Theophile Schneider and Mrs. Lionel Sutro, as the Bondholders' Protective Committee for said First Mortgage Series "A" Bonds to intervene herein as parties defendant, and to submit to this Court the proposed Plan of Reorganization, a copy of which is hereto annexed; (2) designating a referee herein to hear evidence in respect thereto of any persons interested in the mortgaged property and to consider suggestions and proposals, if any, for amendments or changes in furtherance of the said proposed Plan; to consider the fairness and reasonableness of said proposed Plan and any such proposed amendments and changes in respect thereto that may be submitted to him and to report thereon to this Court

with his recommendations for the approval of this Court; and in connection therewith to consider and recommend and report what compensation shall be paid to counsel for the various parties to this action other than counsel for the plaintiff for and in connection with the proposed Plan of Reorganization, to the Committee of which Craig B. Hazlewood is the Chairman, to the Secretary of the Committee of which Harvey Wiley Corbett is the Chairman, and the method and manner of paying such compensation and other expenses of reorganization and the funds against which such payments shall be charged; (3) directing said Referee at least ten (10) days before the first hearing to be had before him to mail to each known holder of said Series "A" Certificates secured by the mortgage to foreclose which this action was brought and to each known holder of Certificates of Deposit representing such Series "A" Certificates, a copy of this order and a copy of said Plan of Reorganization and a notice of the time and place of said first hearing; (4) directing the aforesaid Committees to file with said Referee a list showing the names and addresses of all holders of said Series "A" Certificates and Certificates of Deposit therefor known to them; (5) directing the Receivers herein to forthwith pay to the said Referee the necessary expenses for printing and mailing the copies of the said proposed Plan, of this order and of said notice.

Sworn to before me this
28th day of February, 1934)

HARVEY WILEY CORBETT

LOUIS MEHL
Kings County Clerk's No. 569
Kings County Register's No. 5184
New York County Clerk's No. 409
New York County Register's No. 5-M-223
Commission Expires March 30, 1935

150/9

At a Special Term, Part II, of the Supreme Court of the State of New York, held in and for the County of New York, at the County Court House, Centre and Pearl Streets, in the Borough of Manhattan, City of New York, on the 2nd day of March, 1934.

P R E S E N T :

HON. BERNARD L. SHIENTAG,
Justice.

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.

Clerk's No.

32856/1932.

Upon the annexed affidavit of HARVEY WILEY CORBETT, dated the 28th day of February, 1934, and upon the pleadings and all the proceedings heretofore had herein, and upon the consent of the plaintiff and all parties defendant who have appeared in this proceeding, and upon the consent of Craig B. Hazlewood, Dayton Keith, Frederick G. Curry, Walter J. Sugden, Charles S. Tuttle and Charles W. Weston, as members of The Committee for the Protection of Holders of First Mortgage Bonds sold through American Bond and Mortgage Company, and it appearing to the satisfaction of this Court that the making of this order will be to the best interests of the holders of First Mortgage Series "A" Bonds of Roerich Museum secured by the mortgage for the foreclosure of which this action was brought, it is

ORDERED, that Harvey Wiley Corbett, John O'Hara Cosgrave, Wilbur F. Holt, Ralph V. D. Magoffin, Arleigh Pelham, Theophile Schneider, and Mrs. Lionel Sutro, as the Bondholders' Protective Committee for said First Mortgage Series "A" Bonds, be and they are hereby permitted to intervene in this action as parties defendant; and it is

FURTHER ORDERED, that said Harvey Wiley Corbett, John O'Hara Cosgrave, Wilbur F. Holt, Ralph V. D. Magoffin, Arleigh Pelham, Theophile Schneider, and Mrs. Lionel Sutro, as said Bondholders' Protective Committee, be and they are hereby permitted to submit to this Court the proposed Plan of Reorganization for the aforesaid bonds, a copy of which is annexed to the said affidavit of Harvey Wiley Corbett, verified the 28th day of February, 1934; and it is

FURTHER ORDERED, that said proposed Plan of Reorganization be and the same hereby is referred to Charles C. Burlingham, Esq., of 27 William Street, who is hereby appointed Referee to hear the evidence in respect thereto of any persons interested in the mortgaged property and to consider suggestions and proposals, if any, for amendments or changes in furtherance of said proposed Plan; that said Referee shall consider the fairness and reasonableness of said proposed Plan and any such proposed amendments or changes in respect thereto that may be submitted to him and shall report thereon to this Court with his recommendations for the approval of the Court; that in connection therewith said Referee shall consider, recommend and report what compensation shall be paid to counsel for the various parties to this action, other than counsel for the plaintiff, for or in connection with the proposed Plan of Reorganization, to The Committee for the Protection of First Mortgage Bonds, to the Secretary of the aforesaid Bondholders' Protective Committee for said First Mortgage Series "A" Bonds, and the method and manner of paying such compensation and other expenses of reorganization, and the funds against which such payments shall be charged; and it is

FURTHER ORDERED, that the said Referee at least ten (10) days before the first hearing to be had before him shall mail to each known holder of the Series "A" Certificates secured by the mortgage to foreclose which this action was brought, and to each known holder of Certificates of Deposit representing such Series "A" Certificates, a copy of this order and a copy of said Plan of Reorganization with a notice of the time and place of said first hearing; and it is

FURTHER ORDERED, that to facilitate the mailing of such notice the said Committees are hereby ordered to file with the said Referee a list showing the names and addresses of all holders of said Series "A" Certificates known to them, and all known holders of Certificates of Deposit, issued therefor, of the Committee for the Protection of the First Mortgage Bonds sold through American Bond and Mortgage Company constituted under Deposit Agreement dated October 24, 1929, and of the Bondholders' Protective Committee constituted under Deposit Agreement dated as of July 25, 1932; and it is

FURTHER ORDERED, that the necessary expense for printing and mailing the copies of said proposed Plan, of this order and of said notice, as certified by the Referee, shall forthwith be paid to said Referee by Louis L. Horch and Philip J. Dunn, the Receivers of the premises covered by the mortgage for the foreclosure of which this action was brought, out of the funds in their hands.

E N T E R

B. L. S.
J. S. C.

Filed: March 2, 1934.
New York County Clerk's Office.

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.

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, Cor-
porate Trustee and Charles C. Moore, Individual
Trustee, dated as of June 15th, 1928,

Plaintiff,

-against-

ROERICH MUSEUM, ROERICH MUSEUM, INCOR-
PORATED, CHARLES C. MOORE, as Individual Trus-
tee 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.

SUPREME COURT : NEW YORK COUNTY.

-----X

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, INCORPO-
RATED, 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. :

Clerk's No.
32856/1932

-----X

The entry of the annexed order is hereby con-
sented to.

Dated, New York, June 25th, 1934.

SIEGFRIED F. HARTMAN
Attorney for Corbett Committee

SIMPSON, THACHER & BARTLETT
Attorneys for Hazlewood Committee

GREENBAUM, WOLFF & ERNST
Attorneys for Roerich Museum

No objection is made to the entry of the
annexed order.

Dated, New York, June 25th, 1934.

CARTER, LEDYARD & MILBURN
Attorneys for Plaintiff

JOSEPH KAHN
Attorney for Receivers

At a Special Term, Part II, of the Supreme Court of the State of New York, held in and for the County of New York, at the County Court House, Centre and Pearl Streets, in the Borough of Manhattan, City of New York, on the 26th day of June, 1934.

P R E S E N T :

HON. BERNARD L. SHIENTAG,

J U S T I C E.

-----X

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,

Clerk's No. 32856/1932

-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.

-----X

On the affidavit of Harvey Wiley Corbett, dated the 28th day of February, 1934, on the proposed Plan of Reorganization, a copy of which is annexed to said affidavit, on the order of Justice Bernard L. Shientag herein dated the 2nd day of April, 1934, on the report of Charles C. Burlingham, as Referee appointed pursuant to said order, upon the record of the hearings held before the said Referee, and the Court having found that notice of the time and place of the first hearing before the said Referee was mailed at least ten (10) days before the first hearing

to each known holder of Series A Certificates and to each known holder of Certificates of Deposit representing such Series A certificates, together with a copy of said order and a copy of said Plan of Reorganization, all as provided in said order, and that hearings have been held upon the terms and conditions of said Plan of Reorganization, at which said hearings all persons to whom it is proposed to issue securities in exchange, as provided in said Plan, had the right to appear, and on all of the pleadings herein, and on all of the proceedings heretofore had herein, it is

ORDERED, that the report of Charles C. Burlingham, as Referee herein, dated the 28th day of May, 1934, and the supplementary statement of the Referee dated May 29th, 1934, both filed on the 26th day of June, 1934, be and the same are hereby in all respects confirmed and approved, and it is

FURTHER ORDERED, that the Plan of Reorganization referred to in said report be and the same is hereby amended by adding in Exhibit "B" thereof the following covenant on the part of the mortgagor:

"That the employment by the mortgagor of any managing agent or agents to supervise the operation of the mortgaged premises as an apartment hotel, shall be subject to the approval of the mortgagee."

and it is

FURTHER ORDERED, that the said Plan of Reorganization as so amended and with the blanks therein

properly filled in is hereby declared fair and reasonable and confirmed and approved as and for a Plan of Reorganization of Roerich Museum Inc., and it is

FURTHER ORDERED, that the following fees be and the same are hereby approved and allowed in connection with the said Plan of Reorganization:

To: Simpson, Thacher & Bartlett, as Attorneys for Hazlewood Committee	\$15,000.00
Siegfried F. Hartman, as Attorney for Corbett Committee	15,000.00
Arleigh Pelham, as Secretary of Corbett Committee	1,500.00
Members of Hazlewood Committee	6,000.00
Greenbaum, Wolf & Ernst, as Attorneys for Roerich Museum, Inc.	5,000.00

and it is

FURTHER ORDERED, that said fees be paid out of such funds as may be received by the Committees or their designees from the Trustee herein and from such funds as may be raised by a new first mortgage as specified in the said Plan, and it is

FURTHER ORDERED, that this Court does hereby take jurisdiction and supervision over all matters arising out of or in connection with said Plan of Reorganization and all matters preliminary or incidental thereto, and over any amendments or modifications thereof or alternatives thereto for reorganization of Roerich Museum Inc., of the property thereof referred to in the said Plan, and that the said

reorganization is a reorganization under the supervision of this Court, and it is

FURTHER ORDERED, that the expenses of the Committees and any other expenses incurred or to be incurred in connection with the said Plan of Reorganization be referred to this Court for approval and allowance, if and to the extent approved, in such manner and from such funds as the Court may direct, and it is

FURTHER ORDERED, that a copy of said Plan of Reorganization, together with a copy of this order, be mailed by the Committees to all known holders of Certificates of Deposit of either of said Committees, advising the said holders of the conditions under which they may withdraw their deposits, as specified in the respective Deposit Agreements of the said Committees, in the event the said holders dissent from the said Plan, and it is

FURTHER ORDERED, that the said Committees mail a copy of said Plan, together with a copy of this order, to all known holders of Series A First Mortgage Certificates who have not deposited the same with either of said Committees, advising said holders that they may participate in said Plan by depositing their Certificates within such times as may be specified by the Committee, and it is

FURTHER ORDERED, that said Committees be and they are directed to furnish to the Trustee herein upon the request of the Trustee, copies of said Plan with copies of this order attached thereto so that the Trustee

may furnish the same upon the request of any non-depositing certificate holder, and it is

FURTHER ORDERED, that the Committee take such further steps as may be necessary to consummate the said Plan and issue the new securities provided for therein, and it is

FURTHER ORDERED, that no action taken pursuant to this order by any of the parties to this proceeding or by the Committees or their designees in distributing the Plan, issuing securities in exchange thereunder, or otherwise, shall be deemed to be in contravention of any provisions of the Securities Act of 1933 as amended, and it is

FURTHER ORDERED, that Charles C. Burlingham, as Referee herein, be and he hereby is allowed the sum of \$3,000.00 for his services as Referee herein and the sum of \$262.31 as and for his expenses in connection with said reference, and Louis J. Horch and Philip J. Dunn be and they are hereby authorized and directed to pay the said sum of \$3,000.00 and the said sum of \$262.31 forthwith to Charles C. Burlingham, out of such funds as they may have in their hands as Receivers herein, and it is

FURTHER ORDERED, that this Court hereby retains jurisdiction and supervision of all further steps in this action, with leave to any party to apply for further or other relief at any time upon such notice as this Court may direct.

E N T E R,

B. S.

J. S. C.

At a Special Term, Part II, of the Supreme Court of the State of New York, held in and for the County of New York, at the County Court House, Centre and Pearl Streets, in the Borough of Manhattan, City of New York, on the 26th day of June, 1934.

PRESENT :
HON. BERNARD L. SHIENTAG,
Justice.

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.

Clerk's No.
32856/1932

On the affidavit of HARVEY WILEY CORBETT, dated the 28th day of February, 1934, on the proposed Plan of Reorganization, a copy of which is annexed to said affidavit, on the order of Justice Bernard L. Shientag herein dated the 2nd day of April, 1934, on the report of Charles C. Burlingham, as Referee appointed pursuant to said order, upon the record of the hearings held before the said Referee, and the Court having found that notice of the time and place of the first hearing before the said Referee was mailed at least ten (10) days before the first hearing to each known holder of Series A Certificates and to each known holder of Certificates of Deposit representing such Series A Certificates, together with a copy of said order and a copy of said Plan of Reorganization, all as provided in said order, and that hearings have been held upon the terms and conditions of said Plan of Reorganization, at which said hearings all persons to whom it is proposed to issue securities in exchange, as provided in said Plan, had the right to appear, and on all of the pleadings herein, and on all of the proceedings heretofore had herein, it is

ORDERED, that the report of Charles C. Burlingham, as Referee herein, dated the 28th day of May, 1934, and the supplementary statement of the Referee dated May 29th, 1934, both filed on the 26th day of June, 1934, be and the same are hereby in all respects confirmed and approved, and it is

FURTHER ORDERED, that the Plan of Reorganization referred to in said report be and the same is hereby amended by adding in Exhibit "B" thereof the following covenant on the part of the mortgagor:

"That the employment by the mortgagor of any managing agent or agents to supervise the operation of the mortgaged premises as an apartment hotel, shall be subject to the approval of the mortgagee."

and it is

FURTHER ORDERED, that the said Plan of Reorganization as so amended and with the blanks therein properly filled in is hereby declared fair and reasonable and confirmed and approved as and for a Plan of Reorganization of Roerich Museum Inc., and it is

FURTHER ORDERED, that the following fees be and the same are hereby approved and allowed in connection with the said Plan of Reorganization:

To: Simpson, Thacher & Bartlett, as Attorneys for Hazlewood Committee	\$15,000.00
Siegfried F. Hartman, as Attorney for Corbett Committee	15,000.00
Arleigh Pelham, as Secretary of Corbett Committee	1,500.00
Members of Hazlewood Committee	6,000.00
Greenbaum, Wolf & Ernst, as Attorneys for Roerich Museum Inc.	5,000.00

and it is

FURTHER ORDERED, that said fees be paid out of such funds as may be received by the Committees or their designees from the Trustee herein and from such funds as may be raised by a new first mortgage as specified in the said Plan, and it is

FURTHER ORDERED, that this Court does hereby take jurisdiction and supervision over all matters arising out of or in connection with said Plan of Reorganization and all matters preliminary or incidental thereto, and over any amendments or modifications thereof or alternatives thereto for reorganization of Roerich Museum Inc., of the property thereof referred to in the said Plan, and that the said reorganization is a reorganization under the supervision of this Court, and it is

FURTHER ORDERED, that the expenses of the Committees and any other expenses incurred or to be incurred in connection with the said Plan of Reorganization be referred to this Court for approval and allowance, if and to the extent approved, in such manner and from such funds as the Court may direct, and it is

FURTHER ORDERED, that a copy of said Plan of Reorganization together with a copy of this order, be mailed by the Committees to all known holders of Certificates of Deposit of either of said Committees, advising the said holders of the conditions under which they may withdraw their deposits, as specified in the respective Deposit Agreements of the said Committees, in the event the said holders dissent from the said Plan, and it is

FURTHER ORDERED, that the said Committees mail a copy of said Plan, together with a copy of this order, to all known holders of Series A First Mortgage Certificates who have not deposited the same with either of said Committees, advising said holders that they may participate in said Plan by depositing their Certificates within such times as may be specified by the Committees, and it is

FURTHER ORDERED, that said Committees be and they are directed to furnish to the Trustee herein upon the request of the Trustee, copies of said Plan with copies of this order attached thereto so that the Trustee may furnish the same upon the request of any non-depositing certificate holder, and it is

FURTHER ORDERED, that the Committees take such further steps as may be necessary to consummate the said Plan and issue the new securities provided for therein, and it is

FURTHER ORDERED, that no action taken pursuant to this order by any of the parties to this proceeding or by the Committees or their designees in distributing the Plan, issuing securities in exchange thereunder, or otherwise, shall be deemed to be in contravention of any provisions of the Securities Act of 1933 as amended, and it is

FURTHER ORDERED, that Charles C. Burlingham, as Referee herein, be and he hereby is allowed the sum of \$3,000.00 for his services as Referee herein and the sum of \$262.31 as and for his expenses in connection with said reference, and Louis Horch and Philip J. Dunn be and they are hereby authorized and directed to pay the said sum of \$3,000.00 and the said sum of \$262.31 forthwith to Charles C. Burlingham, out of such funds as they may have in their hands as Receivers herein, and it is

FURTHER ORDERED, that this Court hereby retains jurisdiction and supervision of all further steps in this action, with leave to any party to apply for further or other relief at any time upon such notice as this Court may direct.

E N T E R

B. L. S.
J. S. C.

8238

August 22, 1935

My dear Mrs. Lichtmann:

I am herewith sending you minutes for your signature, and Miss Grant's. I would appreciate it if after you have read and signed them, if you would ask Miss Grant to also read and sign them and return them to me in a sealed envelope in the same manner as I am sending them to you. I would appreciate it if you could return them to me today.

Sincerely yours,

Louis S. Horeh

TO THE REGENTS OF THE UNIVERSITY OF THE STATE OF NEW YORK:

WE, THE UNDERSIGNED, President and Secretary of the MASTER INSTITUTE OF UNITED ARTS, INC. respectively for the purpose of securing an alteration or amendment of the charter of the said corporation, do hereby make, sign and acknowledge the following statement pursuant to resolutions duly adopted at meetings of the stockholders and Trustees of the said corporation held on the 28th and 31st days of December, 1925 respectively:

FIRST: The name of the said corporation is MASTER INSTITUTE OF UNITED ARTS, INC.

SECOND: A provisional charter was granted to the said Master Institute of United Arts, Inc. by the Board of Regents of the University of the State of New York on the 28th day of September, 1922.

THIRD: In and by the said provisional charter and the application therefor, it was provided that the institution to be maintained by the said corporation would be located at No. 312 West 54th Street, in the Borough of Manhattan, City of New York; and that the said corporation would "have a capital stock to be divided into seven (7) shares of nominal or no par value, to be issued upon such terms as the Trustees shall determine, and on which may be distributed to the holders thereof dividends or shares of the surplus profits of the corporation".

FOURTH: That the capital stock of the corporation consists of seven (7) shares without nominal or par value, and all of the said seven (7) shares of stock have been issued and are outstanding.

FIFTH: That the said corporation has maintained an educational institution since its incorporation for the instruction of persons of both sexes in music, painting, languages, literature, and other arts; and the said institution is now located at No. 310 Riverside Drive, in the Borough of Manhattan, City, County and State of New York.

SIXTH: That the names and addresses of the Trustees of the Master Institute of United Arts, Inc. are as follows:

<u>Names</u>	<u>Post Office Addresses</u>
Nettie S. Horch,	915 West End Avenue, New York.
Louis L. Horch,	915 West End Avenue, New York.
Sina Lichtmann,	311 Riverside Drive, New York.
Maurice Lichtmann,	311 Riverside Drive, New York.
Francis R. Grant,	310 Riverside Drive, New York.
Nicholas Roerich,	310 Riverside Drive, New York.
Helena Roerich,	310 Riverside Drive, New York.

SEVENTH: That the names and post office addresses of all of the holders of the capital stock of the Master Institute of United Arts, Inc., and the number of shares of stock owned or held by each are as follows:

<u>Names</u>	<u>Post Office Addresses</u>	<u>No. of Shares</u>
Nettie S. Horch,	915 West End Avenue, New York,	1
Louis L. Horch,	915 West End Avenue, New York,	1
Sina Lichtmann,	311 Riverside Drive, New York,	1
Maurice Lichtmann,	311 Riverside Drive, New York,	1
Francis R. Grant,	310 Riverside Drive, New York,	1
Nicholas Roerich,	310 Riverside Drive, New York,	1
Helena Roerich,	310 Riverside Drive, New York,	1

EIGHTH: That at a special meeting of the stockholders of the 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, which said meeting was attended by the holders of all of the issued and outstanding capital stock of the corporation, to wit: seven (7) shares (five of said stockholders being present in person and two by proxy) the following Resolution was duly adopted by the unanimous vote of all the stockholders of the said corporation:

"BE IT RESOLVED that the Trustees and officers of the MASTER INSTITUTE OF UNITED ARTS, INC. be and they hereby are respectfully requested and directed to take such action as may be necessary to alter or amend the charter of the MASTER INSTITUTE OF UNITED ARTS, INC. to provide, that no Stockholder 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

its 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."

NINTH: The undersigned respectfully petition and request the Regents of the University of the State of New York to alter and amend the charter of the said Master Institute of United Arts, Inc. in accordance with the Resolution particularly set forth in the preceding paragraph.

TENTH: The undersigned also respectfully request that the statement with respect to the location of the institution maintained by the said corporation be changed, and that the location thereof be stated as at No. 310 Riverside Drive, in the Borough of Manhattan, New York City.

IN WITNESS WHEREOF, we have made, subscribed and acknowledged this Certificate this 31st day of December, 1925.

Louis L. Horch
President.
Nettie L. Horch
Secretary.

WE, THE UNDERSIGNED, Trustees of the MASTER INSTITUTE OF UNITED ARTS, INC. and holders of the number of shares of the capital stock of the said corporation set opposite our respective names do hereby join in the foregoing application and respectfully petition and request the Regents of the University of the State of New York to alter and amend the charter of the said Master Institute of United Arts, Inc. in accordance with the resolution adopted at a meeting of the stockholders of the said corporation, which resolution is set forth at length in the preceding application, to which and every part of which we jointly and severally assent and agree.

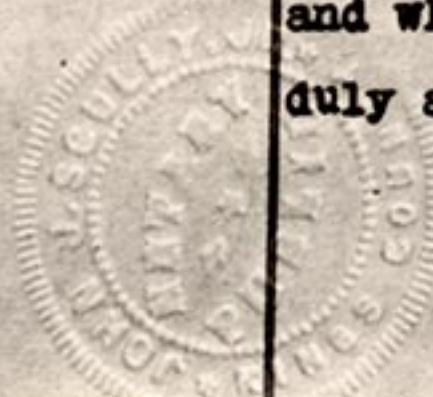
Dated, New York, December 31, 1925.

<u>Names</u>	<u>No. of Shares Owned</u>
<u>Sina Lichtmann</u>	1
<u>Nettie Horch</u>	1
<u>Maurice Lichtmann</u>	1
<u>Louis Horch</u>	1
<u>Francis R. Grant</u>	1

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

On this 31st day of December, 1925, before me personally came NETTIE S. HORCH, LOUIS L. HORCH, SINA LICHTMANN, MAURICE LICHTMANN and FRANCIS 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 that they executed the same.

John Stully
 NOTARY PUBLIC, Kings County No. 365
 Registers No. 6410
 Certificate filed in New York County
 Clerk's No. 1124, Registers No. 6866.
 Commission expires March 30, 1926



Meeting held June 5, 1936 at 6:05 P.M. in Room 407 Fourth Floor of 310 Riverside Drive. Present Louis L. Horch, Nettie S. Horch, Mr. and Mrs. Sidney Newberger, Mr. Philip Hiss, Miss E.J. Lichtmann also present were Mr. Lichtmann, Mr. Kline and Mr. Plaut. The meeting was called to order by Mr. Horch, Miss Lichtmann made a motion that the meeting be a closed one, seconded by Mrs. Horch, and carried.

Before Mr. Kline and Mr. Plaut left, Mr. Lichtmann read a statement: By being present here I do not concede that this is a meeting of the Board of Trustees of Master Institute of United Arts Inc. There are some persons here who I dispute are members of the Board of Trustees. Other persons who should be present at any true or real meeting of the Board of Trustees are not here; I have been advised they were not given any notice of a meeting. I shall stay here simply as an observer of what you individuals do.

The waiver of notice was presented to Mr. Lichtmann who refused to sign it. Mrs. Horch then stated that notices of the meeting had been sent out, and read the notice of meeting.

Mr. Newberger then read the following resolutions:

1. That the office of director of the school department of the Master Institute be abolished.
2. That Mrs. Lichtmann be relieved of her duties as director of the Master Institute of United Arts.
3. That the office of the Dean of Music be abolished and that Mr. Lichtmann be relieved from his duties as Dean. *Research*
4. All relations of Master Institute and Himalayan Institute be vacated
5. That all rooms occupied by Himalayan Research Institute be *terminated*
6. That the name of the Master Institute of Roerich Museum be abolished and never used on any circumstance.
7. That the Roerich Museum Press be abolished.
8. That the rooms and bookstand of the Roerich Museum Press be vacated.
9. That Miss. Frances Grant be relieved of her duties as director of the Roerich Museum Press and other duties.
10. That the relationship of the Master Institute with Urusvati, with Master Institute of Roerich Museum, With Roerich Museum Press be abolished.
11. That the president of the Master Institute be empowered to enforce the above resolutions.

The meeting was thereupon adjourned.

150/28

(COPY)

COLUMBIA BROADCASTING SYSTEM, Inc.
485 Madison Avenue
New York

Deems Taylor
Consultant of Music

January 28th, 1937

Mrs. Sina Lichtmann,
Master Institute of United Arts,
310 Riverside Drive,
New York City.

Dear Mrs. Lichtmann:

I was more than happy to have the chance
to speak, even briefly, of Professor Roerich and his re-
markable work.

I often think of you and hope to steal
a few minutes in the near future to run up and pay you a visit.

Sincerely yours,

(signed) Deems Taylor

150/29

Wednesday, Feb. 10th, 1937.

Lowy, a Picture Frame Concern, today called by telephone, the Roerich Museum, saying that there is an amount due them, over \$300.00, dating from March, 1930, payable every three months, \$5.00 to \$10.00 per month, by check. They received the last payment on November 10th of \$10.00. They are located at 730 Fifth Ave, New York, N. Y. There is one more payment of \$10.00 due them. The checks are usually signed by Nettie S. Horch.

150/30

Telephone Journal Square 2-5480

INTERNATIONAL CREDITORS' ASSOCIATION

We make a specialty of reporting the credit standing of the consumer to the merchants in general.

A NATIONAL ORGANIZATION CLAIM DEPARTMENT

Judgments obtained and wages garnished through bonded Attorneys everywhere.

Suit brought on any claim if necessary forcing party sued, to pay all Court costs.

LOCAL REPRESENTATIVE

MR. E. BARRY

P. O. BOX 63 JOURNAL SQ.
JERSEY CITY, N. J.

ROOM 317 LINCOLN BLDG., 76 MONTGOMERY ST.
JERSEY CITY N. J.

RE: Howard S. Neiman
Amount \$10.00

March 23, 1937

Mr. S. Roerish
Roerich Museum
310 Riverside Drive
New York City, N.Y.

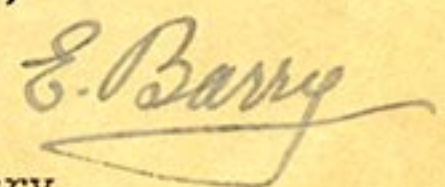
Dear Sir:

Our records show that we have communicated with you several times regarding this matter, and you have failed even to reply to our recent correspondence.

We therefore wish to inform you, that if we do not receive payment in full within ten days, we will without further notice to place this claim in the hands of the local attorney and you can pay the costs thereof.

Any embarrassment, expense and trouble that you may have on this account, will be entirely up to you.

Truly yours,



Mr. E. Barry

K

310 Riverside Drive,
New York City.
March 25, 1937.

Mr. E. Barry,
P.O. Box 63,
Journal Square,
Jersey City, N.J.

My dear Mr. Barry:

I have received your letter of March 23rd addressed to Mr. Svetoslav Roerich, as Mr. Roerich is at present not in the United States.

I am quite astounded at your repeated demands for \$10.00 which you claim Mr. Roerich owes to Mr. Howard S. Neiman. This sum of \$10.00 was paid by me approximately a year ago, as per your correspondence then, to settle this very same claim. Surely you must have it entered in your books and therefore I do not understand your present letter.

I will appreciate your explanation.

Yours very truly,

Sina Lichtmann.

March 25, 1937.

Mr. Richard S. Child, President,
The City Club of New York
55 West 44th Street,
New York City.

My dear Mr. Child:

Your letter in the absence of Prof. Nicholas Reerich, who is at present in India, has come to my attention.

It is with deep gratification that I note your electing Prof. Nicholas Reerich as a member of the City Club of New York, the organization well known for its noble aims.

I am transmitting your letter to Prof. Reerich, who, I am confident, will personally communicate with you.

Yours most sincerely,

Sime Lichtmann
Vice President.

COPY

March 31, 1937.

To the Holders of Voting Trust Certificates,
Representing Capital Stock of
RIVERSIDE DRIVE & 103rd ST. CORPORATION.

Dear Sirs:

By notice dated January 30, 1937 you were advised by the undersigned that the Voting Trust Agreement with respect to the Capital Stock of Riverside Drive & 103rd St. Corporation had terminated on December 31, 1936 and that the Voting Trustees were prepared to distribute the Capital Stock represented by said Voting Trust Certificates to the registered holders thereof upon presentation and surrender of such certificates properly endorsed for transfer at Manufacturers Trust Company, No. 45 Beaver Street, New York, N.Y.

Pursuant to a notice dated March 5, 1937 a special meeting of stockholder of Riverside Drive & 103rd St. Corporation was called for March 16, 1937. At said meeting it was not possible to transact business because a quorum was not present.

It is expected that a new meeting of stockholders will be called for May 18, 1937. It is important that you procure your stock certificates before that day in order that you may receive notice of and be entitled to vote at such meeting. A quorum is necessary at the stockholders' meeting in order that business may be transacted. Progress cannot be made otherwise.

Very truly yours

Arleigh Pelham

Harry Hall

C. W. Weston

Voting Trustees under Voting Trust
Agreement dated as of January 1, 1935.

150/34

January 30, 1937.

To the Holders of Voting Trust Certificates Representing Capital Stock of
Riverside Drive & 103rd St. Corporation.

Dear Sirs;

Pursuant to the provisions of the Voting Trust Agreement with respect to the Capital Stock of Riverside Drive & 103rd St. Corporation, dated as of January 1, 1935, under which the undersigned have been acting as Voting Trustees, said Agreement terminated on December 31, 1936. Accordingly, the Voting Trustees are now prepared to distribute the Capital Stock represented by said Voting Trust Certificates to the registered holders thereof upon presentation and surrender of such Certificates, properly endorsed for transfer at the office of the agent for the Voting Trustees, Manufacturers Trust Company, No. 45 Beaver Street, New York, N.Y.

Steps will be taken to call a meeting of stockholders to elect new directors as soon as possible after February 20, 1937. It is important that you procure your stock certificate before that date in order that you may receive notice of, and be entitled to vote at, such meeting.

Very truly yours,

Arleigh Pelham

Harry Hall

C. W. Weston

Voting Trustees under Voting Trust Agreement
dated as of January 1, 1935.

MODERN CREDIT SERVICE BUREAU

Collections and Adjustments

245 BROADWAY

NEW YORK CITY

May 26, 1937.

Svetslav Roerich
c/o Roerich Museum Apts.
103rd St. & Riverside Drive
N.Y.C.

RE: L.B. Van Dusen
\$50.00

Dear Sir:

Our client has placed with us for collection
a claim against you amounting to \$50.00.

Will you kindly communicate with this office
at once regarding payment of this indebtedness,
so that this matter may be disposed of amicably.

Very truly yours,
MODERN CREDIT SERVICE BUREAU.

JR:MM

On April 27, 1938 at about one-thirty in the afternoon Mrs. Sina Lichtmann, together with Mr. Gene Fosdick, visited the Roerich Museum at 310 Riverside Dr., New York City, N.Y. Upon entering the second floor of the Museum they noted the following:

Gallery 27 was closed and the following typewritten notice was posted on the door:

GALLERIES TEMPORARILY CLOSED NEW EXHIBITIONS OF AMERICAN AND ORIENTAL ART WILL OPEN SHORTLY

In Gallery 19 all small paintings of the second row, which formerly hung over the large paintings, had been removed. Paintings numbered 583, 587, 596, 600 and a painting without number known as The King of the World, all of which bear the stamp "Property of Nettie S. Horch" on their reverse sides, which stamp was placed there by her order several months ago, were not removed.

In Gallery 21 all small paintings of the second row, which formerly hung over the large paintings had been removed.

In Gallery 22 all small paintings of the second row, which formerly hung over the large paintings, had been removed. Also three paintings known as "Krishna", "Mongolian Woman" and "Tibetan Lama" had been removed.

In Gallery 24, known as Helena Roerich Hall, all paintings had been removed.

In Gallery 26, known as Charles Wharton Stork Hall, all Paintings had been removed.

In Gallery 27, known as Louis and Nettie Horch Hall, all paintings had been removed.

Music stands, wires and picture hooks were scattered about the empty and darkened galleries.

The total number of paintings remaining on the second floor of the Roerich Museum was 298, hanging as follows:

- 147 small sketches in the narrow corridors
- 43 paintings in Gallery 21
- 16 " " " 22
- 16 " " " 19
- 48 " " " 23
- 22 paintings in the second floor lobby and walls of the staircase, in addition to the portrait of Prof. Nicholas Roerich by Sviatoslav Roerich and two large, framed bronze medals.

The Roerich Museum had over 1000 paintings by Nicholas Roerich listed in its catalogue, hanging on the walls of the Museum and accounted for by all the Trustees of the Museum, prior to this discovery.

Gallery known as the Hon. Charles R. Crane Hall was closed. The above is true.

SIGNED _____

SIGNED _____

CITY COURT OF THE CITY OF NEW YORK
COUNTY OF NEW YORK

----- X

NETTIE S. HORCH, :

Plaintiff, :

- against - :

KATHERINE S. CAMPBELL, :

Defendant. :

----- X

Plaintiff by her attorneys, Greenbaum, Wolff & Ernst,
complaining of the defendant alleges:

FIRST: That between on or about the 28th day of December, 1932, and the 16th day of June, 1933, in the City of New York, the defendant borrowed from the plaintiff various sums aggregating Twelve Hundred (\$1200) Dollars, the dates and items whereof are set forth in Schedule "A" hereto annexed and made a part hereof, which sums the defendant promised to pay with interest upon demand.

SECOND: That thereafter and before this action was commenced, the plaintiff duly demanded payment of the aforesaid sums of money from the defendant, but no part of said sums has been paid, and the sum of Twelve Hundred (\$1200) Dollars is now due and owing from the defendant to the plaintiff, with interest on Five Hundred (\$500) Dollars from December 28, 1932, on One Hundred (\$100) Dollars from March 6, 1933, on One Hundred (\$100) Dollars from April 10, 1933, and on Five Hundred (\$500) Dollars from July 26, 1933.

WHEREFORE, plaintiff demands judgment against the defendant in the sum of Twelve Hundred (\$1200) Dollars and interest as aforesaid, together with the costs and disbursements of this action.

GREENBAUM, WOLFF & ERNST,
Attorneys for Plaintiff,
Office & P.O. Address,
#285 Madison Avenue,
New York, N. Y.

(Verified by plaintiff December 21, 1938)

SCHEDULE "A"

December 28, 1932	\$500.00
March 6, 1933	100.00
April 10, 1933	100.00
July 26, 1933	500.00

Re: Roerich vs. Horch
 Grant vs. Newberger
 Roerich vs. Commissioner of
 Internal Revenue
 Master Institute vs. Lichtmann
 and Grant
Lichtmann (Mandamus)

Disbursements:

From 12/15/35 to 3/7/36 as per statement rendered 3/9/36	\$ 301.01
From 3/9/36 to 4/4/36 as per statement rendered 4/4/36	94.46
From 4/4/36 to 5/4/36 as per statement rendered 5/4/36	49.28
From 5/4/36 to 7/14/36 as per statement rendered 7/14/36	609.83
From 7/14/36 to 10/30/36 as per statement rendered 10/30/36	28.72 173.27
From 10/30/36 to 1/18/37 as per statement rendered 1/18/37	322.71
From 1/18/37 to 4/4/37 as per letter dated 4/14/37 which, however, did not include payments made 2/10/37 as follows:	80.63
Bonyngé	\$398.32
Crosby Press	85.68
Federal Shorthand	<u>16.00</u>
	500.00
4/14/37 Bonyngé	444.37
4/23/37 Mahoney	25.00
6/4/37 Bonyngé	385.31
7/2/37 Expenses to Washington	35.00
7/30/37 Printing reply brief	48.71
Premium on bond	10.00
11/6/37 Printing	300.00
11/11/37 Premium on bond	10.00

11/16/37	Printing	200.00
12/2/37	Printing	250.00
12/18/37	Photostats	2.96
1/18/38	Printing	250.00
2/7/38	Jury fee	12.00
2/10/38	Printing	150.00
2/14/38	Subpoena fees	5.75
	Photostats	1.53
6/27/38	Fee, Court of Appeals	1.00
7/25/38	Printing	350.00
	Premium on bond	10.00
10/25/38	Albany expenses	25.00
1/24/39	Printing	350.00
12/20/37	to 11/29/38	
	Petty cash disbursements	<u>8.33</u>
	Total	\$5,034.87

Payments on account received:

12/20/35	\$ 250.00	K ² .
1/17/36	1,000.00	
2/21/36	500.00	
4/6/36	300.00	
6/2/36	600.00	
7/20/36	1,000.00	
8/19/36	500.00	
12/18/36	1,000.00	
2/9/37	500.00	
3/12/37	500.00	
3/16/37	600.00	
4/15/37	500.00	
6/2/37	500.00	
6/22/37	50.00	
7/29/37	500.00	
11/6/37	500.00	
11/16/37	250.00	
12/1/37	500.00	
1/8/38	500.00	
2/10/38	250.00	
7/22/38	1,000.00	
11/1/38	150.00	
1/23/39	<u>350.00</u>	
Total	\$11,800.00	

12 April 1939

150/42

Mr. and Mrs. Maurice M. Lichtmann
Miss Frances R. Grant
Professor and Mme. Nicholas Roerich

Roerich vs. Horch

Grant vs. Newberger

Preparation of pleadings, motions for injunctions, appeal from order granting injunction, preparation for trial, trial before Referee on 9/23/36, 11/12/36, 11/20/36, 12/8/36, 12/12/36, 12/12/36, 2/3/37, 2/15/37, 2/17/37, 2/26/37, 3/9/37, 3/18/37, 3/23/37, 3/26/37, 3/30/37, 4/6/37, 4/14/37, 4/16/37 and 4/28/37, preparation of briefs on final submission to Referee, proposed findings, and opposition to motion to confirm report \$10,000.00

Appeals to Appellate Division, including preparation of records and briefs and argument 1,500.00

Appeal to Court of Appeals, for preparation of records and briefs 500.00

\$12,000.00

Received Payment

Mr. and Mrs. Maurice M. Lichtmann
Miss Frances R. Grant
Professor and Mme. Nicholas Roerich

12 April 1939

In Re: Lichtmann (Mandamus)

Preparation of pleadings, trial 10/27/36, preparation of briefs and appeal to Appellate Division \$200.00

Received Payment.

12 April 1939

150/43

Mr. and Mrs. Maurice M. Lichtmann
Miss Frances R. Grant

Master Institute
vs. Lichtmann and Grant

Preparation of pleadings, preparation for trial,
trial before Municipal Court 2/16/38 and 2/17/38,
preparation of briefs and final order, preparation
of briefs at Appellate Term and argument, preparation
of paper in opposition to motion in Supreme Court
for writ of assistance, argument \$250.00

Received Payment

12 April 1939

Professor Nicholas Roerich

Roerich
vs. Commissioner of Internal Revenue

Preparation of petition and other pleadings, taking of
depositions, trial before U. S. Board of Tax Appeals
2/4/38, 2/7/38, 2/8/38 and preparation of briefs \$750.00

Received Payment

150/44

THE GUARDIAN LIFE INSURANCE COMPANY
OF AMERICA

Established 1860 Under the Laws of the State of New York

50 Union Square New York

Mortgage Department
Robert McDowell
Manager

April 24, 1940

Burlve B. Pouncey
Assistant Manager

City Collector, Borough of Manhattan
Bureau of City Collections
Department of Finance
Room 200, Municipal Building
New York, N. Y.

In Re: - Mtge. # 1760 - 321 West 103rd Street, New York, N. Y.
Section - 7 Block - 1890 Lot 45

Dear Sir:

We are enclosing herewith our check drawn to your order
in the sum of \$309.75. to be used in payment of the following
taxes on the above property:-

Last half 1939-40 taxes - \$309.75

Will you kindly return the enclosed bill properly receipted
to show this payment to us in the enclosed, self-addressed enve-
lope.

Very truly yours,

Mortgage Department

(signed) R. McDowell
Manager

RMCD/CR
Encls.

Cc to:- Roerich Museum
310 Riverside Drive
New York, New York

& Receipt of "Cancellation Note" by Dudley.
 Photostat of Miss Grants' letter



Dear Judge -

3

The enclosed of course pertains to what we call the "cancellation note", liquidating any & all notes & debts etc. But on the letter itself is written "Pl. Ex. E 13" while on the accompanying letter from Pl & Davis to G W & Ernest appears in pencil "Pl. Ex. E 12". — Dudley



DIRECTOR

ROERICH ACADEMY OF ARTS

CARNEGIE HALL • NEW YORK CITY

SUITE 1114 •

• CIRCLE 5-5377

On this day, April 17th, 1941, I have received from Miss Ingeborg Fritchie for safe keeping an original letter dated December 8th 1924, addressed to Professor Nicholas Roerich and signed by Louis L. Horch, identified as Plaintiffs Exhibit E 13, together with a legal notice to Greenbaum, Wolf and Ernst from Plaut and Davis pertaining to Plaintiffs Exhibit 12 and dated April 7, 1937.

Dudley Fosdick

Dudley Fosdick

Why were ^{id} the Proceedings so delayed? Soon their usefulness will be

exhausted. It is a pity that we do not know how to ^{fulfill} catch the dates. How many possibilities are being lost because of such a constant delay! All the delays are from the earth, but we are from the fire and all our actions must follow the fiery rhythm. Thus let us be fiery and let us acquire the rhythm of accelerando.

150/47

Handwritten notes in red ink on the left margin.

150/48

630 730

(50)

TOP-7-6136-

When can I phone
- Brew - Sunday Noon.
Sunday 11-9-78

with great shock

1 "On behalf of the majority of Trustees of the Roerich Museum, we ~~announced~~
~~regret to announce~~ that secretly and without knowledge whatsoever of the Board
of Trustees of the Roerich Museum, Louis L. Horch and his wife, members of the
Board of Trustees, removed from the walls of the Museum in the Roerich Museum
Building, 310 Riverside Drive, approximately 1000 works by Nicholas Roerich, ~~given by him~~
~~xxxx~~ from the permanent collections of the Roerich Museum.

2 including the Horches
"These works have hung continuously on the Museum walls of the present
building since 1929, when by unanimous vote of all the Trustees/they were declared
a permanent public collection to be presented to the nation.

3 "The paintings were removed secretly and obviously hurriedly, on the
day when the Roerich Museum was closed to the public, ^{during the week of 11/9/78} and their loss was discovered
when the usual public exhibition day arrived and the walls of the Museum were
found to have been completely stripped of the paintings. *this vandalism*

4 "In addition to the paintings, it was found that some of the Tibetan
and Asiatic works of art which were in the Tibetan Library of the Roerich Museum
had also been secretly removed without the knowledge of the Trustees including
also some Nepalese-Tibetan and Tibetan works ~~made~~ by private donors. ~~in~~
given

5 "All knowledge of the whereabouts of the paintings and the works of art
have been withheld by Mr. Horch ~~(and his attorneys, Greenbaum, Wolff and Ernst,~~
who takes the position that since Mr. Horch was the largest financial contributor
to the Roerich Museum, the collections belong to him.

6 "It is extremely difficult for us who have devoted years of work to
the upbuilding of the Roerich Museum and to its wide program of educational ~~ix~~,
to be compelled to make such an announcement as this, specially when we remember the
thousands of visitors through the years who have expressed deep gratification in the
collections of paintings, which was open daily to the public ~~xxxxxxx~~ free, and
which was unique in its character.

Roerich
as one of the
best of art
in the world

7 "Moreover we express our especial regret to those other contributors and
friends of the Roerich Museum, who in the belief that it was a permanent collection
and who believed that the Roerich Museum was doing a work useful to America, contri-
buted thousands of dollars to its support and to its educational and ~~xxxx~~ ^{cultural}
activities. ^{of great value}

8 "It is still to be legally determined whether any man because he is a large
--even the largest ^{financial} contributor to a Museum can regard it and its possessions as
his own. But above any legal question, it would seem ~~morally~~ ^{morally} unbelievable that
those who, ~~xxxxxxx~~ unable to give financially, but who contribute years of
service, and the public who gave to its support, however small a contribution,
have not given equally or even in greater measure of service. ~~xxxx~~ ^{xxxx} even the largest
financial contributor.

9 "As a moral obligation to the public, to whom in all good faith, we the
Trustees dedicated the Roerich Museum and its widely varied work on behalf of
culture, we make this announcement with deep regret and in explanation of the
sudden ~~xxxxxxx~~ closing of the Museum by ~~one man~~, ~~xxxxxxx~~ without
knowledg of the Trustees, and the secret and unexplained ~~xxxxxx~~ ^{hiding} of the collections."

hiding
removal
disappearance

150/49 Riv. Dr. and 103 d Str. Co.

10 Shares of stock (8.-a share)

Morris Stein and Co

60 Broad Str. Hanover 2 = 4341

Mr. Nat

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ADDITIONAL INSTRUCTIONS TO PRINTER

Argued by

?

Appellate Division of the Supreme Court,

FIRST JUDICIAL DEPARTMENT.

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, NETTIE S. HORCH, MAURICE M. LICHTMANN, *et al.*,

Defendants.

MEMORANDUM ON BEHALF OF BONDHOLDERS' PROTECTIVE COMMITTEE, HARVEY WILEY CORBETT, CHAIRMAN.

Upon the hearing of this motion at Special Term, the undersigned as attorney for the Bondholders' Protective Committee for the First Mortgage Series "A" Bonds of Roerich Museum, of which Committee Harvey Wiley Corbett is Chairman, made an affidavit setting forth the position of that Committee in relation to the Roerich Museum's application.

As shown by said affidavit the Corbett Committee has consistently taken the position that:

1. The continued existence and activity of the Museum are necessary, not merely for cultural considerations, but because the Museum is a factor of great importance from a business standpoint in maintaining the value of the security behind the bonds.

2. The Museum and its cultural and educational work are indispensable for keeping up the present high rental value of the building, which constitutes the security, as well as for ensuring a continuance of the present high percentage of rented space and are also indispensable in holding down the maintenance and carrying charges of the building through the partial tax exemption which this educational institution secures as a matter of law for the property.

It is definitely the opinion of the Corbett Committee that the interests of the bondholders would suffer if the Museum were compelled to discontinue its local activities thereby depriving the building of the partial tax exemption which it now enjoys and reducing the rental value of the premises. In the opinion of the Corbett Committee the Museum and its local educational and cultural activities are an integral feature of the entire enterprise to which primarily the bondholders must ultimately look for a return of their investment. Its position in that regard is considered analogous to any other element contributing to the ensemble which tenants and prospective tenants regard as their home. In the opinion of the Corbett Committee, from the standpoint of maintaining the partial tax exemption and the comparatively high percentage of rented space and rental value of the building, the

Roerich Museum is in the category of the facilities or appurtenances of the property the maintenance of which is necessary to maintain the enterprise as a going concern.

The Committee after investigation believes that the interests of the bondholders generally would be greatly prejudiced if the Museum ceased to carry on in the building.

There is no doubt that the defendant Roerich Museum has been guilty of serious defaults under its obligations to the bondholders. Stress also is laid by those opposed to the application of the Roerich Museum upon the contention that the Museum has not contributed financially to the enterprise in the manner originally stated at the time of the issue of these securities. The Committee which I represent has no disposition to gloss over defaults of the Museum. On the other hand, this application involves solely a financial question looking to the future. There is no reason upon this particular application for vindictive or exemplary action against the Roerich Museum because of its past behavior. The question here involved is solely whether, so far as the future is concerned, it is for the best interests of the bondholders that the Museum receive a subsidy calculated to continue its existence for the benefit of the property. If, as the Committee believes, the existence of the Museum adds to the value of the property so that its continued existence should be subsidized to a certain extent for the benefit of the bondholders generally, it is entirely aside from the point to stress the past defaults of the defendant. Those, including the alleged Corporate Trustee, who seem to oppose the defendant's application are apparently influenced in their attitude by a desire to punish the defendant because of matters in the past which have nothing whatever to do with the only material point here involved, namely, whether it will benefit or

hurt the bondholders if the Museum is not permitted to continue.

At the time of the said motion this Committee represented several hundred thousands of dollars of the Roerich Museum bonds in connection with which this foreclosure action has been brought, including almost \$100,000. of Certificates of Deposit issued by the Committee for the protection of Holders of First Mortgage Bonds sold through the American Bond and Mortgage Company of which Mr. Craig B. Hazlewood is Chairman, and which was represented before the lower court by Mr. Hamilton C. Rickaby. Since that time the deposits of this Committee have substantially increased, both with respect to bonds and Certificates of Deposit of the other committee.

This Committee is emphatically of the opinion:

1. That the best interests of all of the bondholders will be subserved and promoted by relief such as directed by the Court at Special Term in the order appealed from.

2. That while this Committee has not taken a position as to the specific amount of the allowance to be made, it is definitely of the opinion that the amount as allowed by the lower court is not more than is fair and reasonable under the circumstances.

3. That the Court had unquestionably the legal power to make the order appealed from.

It is therefore respectfully submitted that in the interests of the Bondholders as well as in accordance with law, the order appealed from should be affirmed.

Respectfully submitted,

SIEGFRIED F. HARTMAN,
Attorney for Bondholders'
Protective Committee.