__25th March, 1982

FREE TRANSLATION

H.M. Ambassador
Mr. Anthony Williams
Dr. Luis Agote 2412
1425 Buenos Aires

Mr. Ambassador,

With reference to the matter which is of public knowledge arisen in the South Georgia Islands, I take the liberty of leaving on record a series of events which, though already known to the Embassy, would appear to have been overlooked in the analysis of the subject.

I - On 19th September, 1979, I signed a contract with Christian Salvesen Limited with registered offices at 50 East Fettes Avenue, Edimburgh EH4 IEQ, Telephone: 031-552 7101. In that contract, the vendor transferred ownership of "all the equipment and installations pertaining to the lease of our out of use whaling stations (except the KARAKATA)".

II - The abovementioned contract was notarised by Ian Roger Frame, Notary Public of the City of London - De Pinna, Scorers & John Venn, Notary Publics of 101 Salisbury House, London WAI, EC2M.

III - The sale was reported to the authorities in Falkland Islands by letter of the vendor dated 27th August, 1980, mentioning therein that the authorisation arising from the contract for the withdrawal of the material 'will continue in force up to 31st March, 1983, lapsing on that date unless otherwise resolved by us in written form'.

IV - The same letter reported that in the event dismantling work were necessary, this would be carried out subject to the following conditions:

1) Navigation is not to be interfered with;

2) Third parties are not to be perturbed or troubled; and

3) The vendor is not to be involved in any of the following: a) Activities relating to the catching of whales; b) Seizure or appropriation of seals, birds and animals; c) Wilful introduction of live birds, animals, fish or plants; d) obstruction of access to the coast of all people who arrive in the Georgia Islands, duly authorised.

Do. W. Emery & Monsegur

V - On 11th December, 1981, a letter was delivered to the Embassy in which it was stated that a ship of the Argentine Antarctic Group would transport 7/8 people employed by me, with the object of carrying out a photographic survey and making an inventory of the installations of the three ex-whaling stations.

VI - The transportation of my personnel as likewise the programmed tasks were carried out without any difficulty whatsoever, a fact which is also known to the Embassy and, consequently, by the British Authorities.

VII - On the 9th of March another letter was delivered to the Embassy reporting that the s.s. Bahia Buen Suceso would carry a total of 41 (forty one) persons to the Georgia Islands to dismantle installations and prepare for the loading of the various materials purchased from Salvesen.

VIII - On 11th March and as requested over the telephone by the Counsellor of the Embassy, Mr. David Joy, the information previously furnished was amplified, specifying that the transport ship was of Argentine flag, and at the same time furnishing the list of the personnel employed by me to carry out the work.

IX - In February of the current year a telex was sent to Salvesen requesting an extension of the contract up to 31st March, 1984. The extension was granted by telex of 6th February 1981, prior payment of 30,000 (thirty thousand) Pounds Sterling.

In connection with this, another telex was received on 16th March from Salvesen, confirming the extension, always provided the abovementioned sum of money be remitted before 31st March, 1982.

X - The size of the investments made to date and the importance of the project, as likewise the commercial interests of my firm at stake in this deal, have made it necessary for me to formulate the statements contained herein and to reserve the right to excercise the pertinent legal actions. For the purpose of assessment of the value of the materials involved, I am delivering the inventory and photographs taken (on the occasion referred to in Para.v) to Notary Public Agustín O. Braschi.

I am, Mr. Ambassador.

Yours sincerely,

CONSTANTINO DAVIDOFF Suipacha 207-1°Piso-Of.107 (1008) Buenos Aires I.D. N°5.705.204, issued by the Federal Police