

CONFIDENTIAL



LAW OFFICERS' DEPARTMENT
ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

H. STEEL, CMG OBE
LEGAL SECRETARY

LAT

Our Reference: 400/84/117

18 February, 1985

*CDP
19/2.*

RL

C D Powell Esq
Private Secretary
The Prime Minister's Office
10 Downing Street
London SW1

Dear Charles,

File on slip

NUM ASSETS

As a follow-up to my letter to you of 11 February, you will be interested to see the enclosed copy of a letter, dated 15 February, which I have just received from Gerald Hosker. This would seem to show pretty conclusively that the account which we were originally given of the Luxembourg Government's attitude was correct and that it was the strong representations that the FCO made to them that caused them to back down.

Judgment in the Dublin proceedings is still awaited. On a different front, you will have seen reports that the Receiver applied to Nicholls, J. on Friday for the sequestrators to be discharged. However, we have heard today that the application has been rejected by the Judge. He has apparently ordered the sequestrators to be reimbursed, out of funds now in the hands of the Receiver, for all their costs so far incurred. It is not yet clear to what extent this includes costs incurred in the Dublin proceedings. We understand that the Receiver has in fact recently laid his hands on a further £600,000 of NUM funds - we think that these are the funds that were in Switzerland.

I am copying this letter and its enclosure to Len Appleyard, Michael Reidy and Richard Hatfield and (without enclosure) to Gerald Hosker.

*Jan ev,
H. Steel*

H STEEL

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28 Broadway London SW1H 9JS

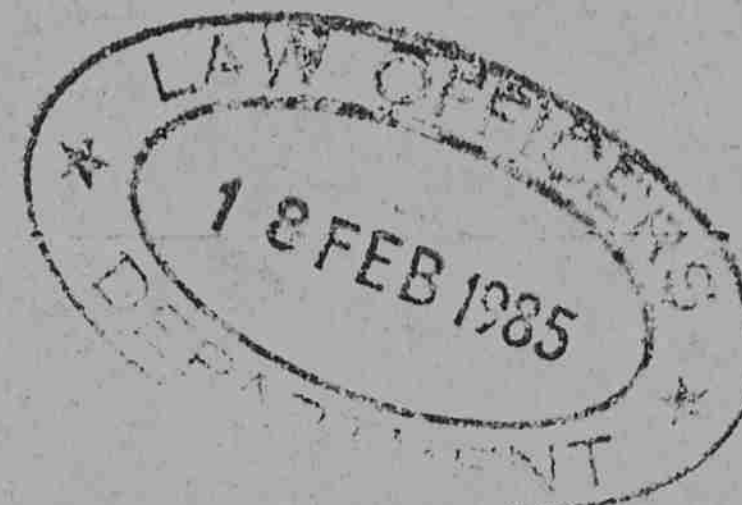
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15th February 1985

Our reference A84/289/PT XII/GAH

Your reference

H Steel Esq CMG OBE
Legal Secretary
Attorney General's Chambers
Law Officers Department
Royal Courts of Justice
Strand
London WC2



Dear Henry,

National Union of Mineworkers

Further to my letter of 8th February, I am now able to report that there have recently been discussions between the Solicitors who act for the Receiver and Messrs Clifford-Turner who, as you know, are instructed by the Sequestrators. Although their clients are not well disposed towards each other at present, there is no animosity between the Solicitors and Mr Staple was able to obtain confirmation that the Ministry of Foreign Affairs in Luxemburg was indeed hostile to the negotiations between the Receiver and Nobis Finance and there was an implied threat to withdraw the banking licence. It seems very clear, therefore, that the successful conclusion of the deal must be attributed to the intervention by the Foreign and Commonwealth Office. However, since the information was conveyed to Mr Staple in confidence, will you please ensure that if it is passed to others they will also treat it as confidential.

Yours ever
Gerard Hosker

G A Hosker

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