

BOARD OF ECONOMIC WARFARE
ECONOMIC DEFENSE BOARD
WASHINGTON, D. C.

Directive No. 1131-B

March 25, 1943

The Honorable
The Secretary of Commerce

Attention: G. Temple Bridgman
Metals Reserve Company

Dear Mr. Secretary:

Metals Reserve Company, by letters dated February 3, 1943, has asked Cape Asbestos Co., Ltd., and Raw Asbestos Distributors, Ltd., to furnish public weigher's certificates in connection with deliveries of asbestos under the three contracts with those companies and with Egnet, Ltd., dated December 18 and December 22, 1942. The contracts do not require such certificates, but the letters of credit established by Metals Reserve Company pursuant to which payment is to be made to the sellers on shipment of asbestos from South Africa have prescribed that such certificates shall be furnished to the bank as a prerequisite to payment.

The sellers have raised objection to this requirement and the Cape Asbestos Company has informed us that in order to obtain payment under the letters of credit it is being required to put up letters of guarantee to the bank.

In view of the fact that the contracts do not impose any such requirement on the sellers, and in view of the sellers' obvious unwillingness to comply with the request that they furnish such certificates, it appears that it will be necessary to accede to the sellers' objections and permit payment to be made without the furnishing of such certificates. Mr. Wasserman, who negotiated the contracts, feels that the reliability of the companies is such that the public weigher's certificates need not be insisted upon.

Accordingly, Metals Reserve Company is hereby authorized and instructed to amend the terms of the letters of credit established to cover payments for shipments of asbestos under the aforementioned contracts, so as to eliminate the requirement for public weigher's certificates.

We will inform the companies that the request for public weigher's certificates is being withdrawn and at the same time will request the sellers to furnish their own certificates of weight, as well as of quality, in the form prescribed by you in your letters of February 3, 1943 to Cape Asbestos Company, Ltd., and Raw Asbestos Distributors, Ltd.

Sincerely yours,

for Morris S. Rosenthal
Morris S. Rosenthal
Assistant Director
In Charge, Office of Imports

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