

From: J. Moreton, DS13e.



MINISTRY OF DEFENCE
Main Building, Whitehall, LONDON S.W.1
Telephone: WHITEhall 7022, ext. 5850

Our reference: D/DS13/900/6/1
Your reference: 2DM/35/643/01

5th. September, 1967

Dear Patterson,

Bernhardt?
[Signature]

Employment of Agents

Although we have authority to appoint agents without reference to the Treasury (provided, of course, cases are not contentious) you may wish to know what we have decided to do in an attempt to land a Dutch order for Chieftain tanks. Our endeavours in this direction indicate that it would be in our interests to recruit someone on an "agency" basis.

2. An influential person in Dutch Government circles is known to us and he is willing to assist us by promoting interest in the tank. We intend therefore to make an arrangement with this person on the basis that if he works for us on this deal and we succeed in getting an order for the full number of tanks now being discussed, i.e. four hundred at least at a cost of £40/50M, we would be prepared to pay him the sum of £50,000 for his services.

3. The order for tanks if obtained would be negotiated on a Government-to-Government basis. Also, we do not intend to employ this person on any long-term basis until we have had experience of his activities and his effectiveness in this deal.

Yours sincerely,
J Moreton

T 2251
29/8

I see no need to comment on this. The reference shows that DS 13 have not forgotten Mr. Truman's letter of 19th May. You will wish to see *Van Chieftain sales*

DMCS

Mr. Jackson

J. Moreton
6/9

J. Patterson, Esq.
HM Treasury,
Treasury Chambers,
Great George Street,
London, S.W.1.

I agree:

J. Patterson
6/9

Yes, though it is rather high looked the "commission" is of in the abstract. My philosophy is to leave the commercial judgment to the *subcontractor* as a percentage of the whole *8/9/67*