7404

TO: 7404

FROM: SD

SECRET

D•334

## REORGANISATION SETTEE

APPROVED FOR RELEASE DATE: AUG 20 Lour D.767 of 26th May.

following is a budget received by W/T from MINT:-

Intelligence	•	D.Kr.	25,000
Propaganda	•••••		25,000
M-Udvalg	•••••	11	30,000
Funen	***********	11	35,000
<b>Jutland</b>		*	50,000
Pensions		n	6,000
Radio		**	10,000
Transport	• • • • • • • • • • • • •	*	10,000
General Sabotage		17	<b>30</b> ,000
Upkeep			25,000
Dansk Samling	•••••	11	6,000

Total <u>D.Kr.252,000</u>

2. We have today received another message informing us that funds are very short, that ZEBRA is not complying with his instructions (in other words MINT has not received the other 100,000 kroner against the five code names we gave him), and requesting us for permission to accept 300,000 kroner from Politken. Our reply was as follows:-

"Agree you accept 300,000 from Politken stop Essential you take every security measure stop Presume this is a gift if not telegraph sterling equivalent to be credited London stop ZEBRA has now received one fifty thousand in addition to previous one hundred thousand stop Code names for new sum each worth fifty thousand rpt fifty thousand stop First new code name is BERNARD rpt BERNARD stop Crack ... means you have now received one hundred thousand against first five code words and fifty thousand against BERNARD stop Your budget provisionally agreed and money will be raised but letter follows requesting further information and giving new instructions."

3. We fully endorse the views contained in your a/m letter and we agree that a better system of control should be instituted. I am therefore writing to MINT giving him very clear instructions as to how the money should be distributed in future. Full consideration will be taken of the views you have represented. We have not yet submitted MINT's budget to D/FIN because we require further information on certain items which are doubtful, for instance (1) as you point out, the Intelligence ought to be self-supporting, (2) the amount budgeted for Fyn seems out of proportion to that required for Jutland etc. All these points will be covered in my letter to MINT. Meanwhile, as there will be some delay before we can expect a satisfactory reply to these queries, and before the new system of control can be put into force, D/FIN has agreed to accept the new budget provisionally, and you are to take action accordingly to raise the necessary funds.

SD

P.S. Letter for mint probably in west bag

SECRET