FROM: London
TO: Secretary of State;
MB: 582, July 29, 2 p.m.

PRIO

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OFFICE FROM ROUNTREE.

I am taking UNTEL 90, rptd Wash as 42d immed to Sec Harriman
at Chequers where he is lunching with FRIMIN. In meantime
fol comments relate to Mosaadeg's statements regarding Brit
acceptance of three points of Cab minute;

As indicated in Harriman's telegram July 24 from Tehran to
Wash and London setting forth Iran proposal, he was auth
by Iran Govt to do the fol:

A) Advise Brit Govt of Iran Govt's formula for arranging
mtg as quoted in first para that tel;

B) Inform Brit Govt of Cab minute which, because of manner
in which it was being transmitted, will in no [rpt no] sense
bind Brit shld they agree to make statement principle of
nationalization on behalf of ATOC;

C) Advise Brit that 'Iran Govt is prepared to negotiate
manner in which law will be carried out insofar as it affects
Brit interests'.

In accordance this understanding Brit have been informed of
Iran Govt minute and position, but have been told that minute
is not [rpt not] binding upon them in relation to exact mean-
ing of recognition of principle of nationalization. They also
have been told Iran Govt prepared to negotiate manner in which
law of March 20 will be carried out insofar as Brit interests
affected.

Foregoing for use as needed pending Mr. Harriman's reply which
will be telegraphed soonest.

Gifford

NOTE: Read by Mr. Ferguson (GTI) 12:25 p.m., 7/29/51. EMB.