

Legation sides with Petain, and it is decided by the Government to treat the Petain Government as being legally, what it is in fact, namely, an enemy government, the Legation staff would be required to leave, with due recognition of their diplomatic immunity.

The position taken in relation to the consulates would be essentially the same as in the case of the Legation, subject to this exception, that there should be immediate and strict censorship of French consular mail, including communications to consulates from the Legation. All code and cipher communications to the consulates, as well as to the Legation should be sent to London for the purpose of having the codes and ciphers broken.

Diplomatic bags addressed to the Legation would remain unopened, but would not be delivered. Diplomatic bags sent by the Legation would be received by the Post Office, but could not be transmitted.

It is unlikely that the French diplomatic or consular staffs would be guilty of actual treason in the interests of the Germans. The measures that would ordinarily be adopted could therefore be relaxed. Pending clarification of the position, no police guards should be imposed, and no restrictions upon the movements and activities of the personnel.

(b) Pending clarification of the position, France should be made a "protected area". The private French assets in Canada: Post Office remittances, bank dividends, proceeds of operation of French companies, including insurance companies, should all be dealt with by the Custodian, in the ordinary manner.

The Bank of France's gold, consigned to the Bank of Canada, should be dealt with differently. It should be taken over by the Canadian Government and used for war purposes; in other words, for the liberation of France. Under no circumstances should it be treated as being private property, even though,