Hanco. German Rela G254/4. seer RC. SECRET AND PERSONAL 11th December, 1941. My dear Welles, I have just had a telegram from the Foreign Office in which they wish the State Department to be informed for their secret and confidential information of the following:-His Majesty's Government have learnt from several independent sources in confirmation of previous reports that Vichy has agreed to hand over Borth African bases to the Germans and has also agreed to certain arrangements for transport of German troops. Their information, which is fairly extensive, goes to show that Hitler is very probably contemplating large scale operations in the Mediterranean. The plan is believed to include a request to the Spanish Covernment for permission for the passage of important contingents of German troops and also of war material across Spain to North Africa as well as a sea borne expedition to Oran from Marseilles. His Majesty's Government believe the Vichy Government

His Majesty's Government believe the Vichy Government to have acquiesced in these arrangements, but have no firm information about the attitude of the Spanish Sovernment.

Yours very sincerely, (Sd.) HACIPAX