



MINISTER OF STATE FOR
THE ARMED FORCES

MINISTRY OF DEFENCE

MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 071 21 82216 (Direct Dialling)

071 21 89000 (Switchboard)

D/MIN(AF)/AH/12/1

4 January 1991

Dear Sir,

Charles - I thought we were

Prime Minister
cross 57i

confident that no one
would break into the

computer?? Today's press is not credible (Pat.)
16.1

As you will know, on 17 December 1990 three briefcases containing documents classified up to TOP SECRET, personal effects, £1,000 in cash (part of an imprest) and a laptop computer were taken from the locked boot of a Service car which was being used by the Principal Staff Officer to the Cinc Strike Command and Joint Force Commander British Forces Middle East. He had been returning these items to Strike Command Headquarters in High Wycombe, following a briefing given to the Prime Minister in London. The car had been left unattended for a period while the Staff Officer and the driver visited a car showroom. There is no reason to suspect the theft was anything other than an opportunistic criminal act. The documents were recovered later that day, in circumstances which make it unlikely that they were photographed; it is believed that all have been accounted for.

Most disturbingly, the laptop computer is still missing. It has a hard disc which we believe holds sensitive information related to the Gulf crisis and other matters. The documents of which the hard disc holds the text are believed to include the SECRET text of a presentation by the Cinc Strike Command to the Joint Services Defence College (about mainly non-Gulf matters); a SECRET UK EYES A record of a discussion between the Joint Commander and Prince Khalid; CONFIDENTIAL briefing notes from the Joint Commander's visit to the Gulf in early December; CONFIDENTIAL briefing notes on other Gulf matters; the first 2½ pages of a TOP SECRET presentation by the Joint Commander to the Prime Minister about the Gulf (although it is assessed that these pages are no more than CONFIDENTIAL in isolation); and a report by the Joint Commander to CDS on his visit to the Gulf in late October (classified TOP SECRET at the time but now only SECRET). Some of these documents are highly sensitive in terms of UK/US and UK/Saudi relations. Although their impact on military security in the Gulf may not be as serious as might have been feared, their loss to the Iraqis - or indeed any publication of their contents in the media - would

certainly be highly damaging. It is not inconceivable that other sensitive documents could be held on the laptop computer's hard disc. We would be ready to consider legal action to prevent disclosure of the laptop computer's contents.

The story of the theft broke in the media last Saturday evening. We used the D-Notice procedure to request that the loss of the laptop computer should not be disclosed; and so far this line has held - although it has been widely reported that some of the missing items (including highly classified information) have not been recovered. Yesterday, however, the Dublin edition of the Irish Times reported the loss of the laptop computer, that it was still missing, that it contained 'high level military information' and that the D-Notice procedure had been applied to it within the UK. The story now looks set to break in the British papers.

When it does, Mr Hamilton proposes that MOD and the Metropolitan Police should arrange to brief the Press more fully about it; (the precise arrangements have yet to be decided). We would stress the national importance of recovering this laptop computer and we would publicise a description of it (but not its serial number). Anyone finding himself in possession of it would be asked to take it at once to a police station or to the Ministry of Defence, in the public interest.

Mr Hamilton anticipates that there might then be two difficulties:

a. The person concerned might well expect a reward, especially if (as is most likely) he had purchased the laptop computer in (as he would claim) good faith. We have been advised that Section 23 of the Theft Act prohibits the payment of a reward which in its terms implies immunity from investigation or compensation in respect of monies paid by the individual to obtain the stolen goods. But otherwise we understand that the offer of a reward is not prohibited. In my Minister's view, despite the distastefulness of offering a reward in these circumstances and despite the risk that doing so might lead others to offer a counter-reward, the public interest is very strongly in favour of making such an offer. Mr Hamilton would not propose that the amount should be publicised; and it might of course become the subject of negotiation. He thinks that we should be prepared to make a payment up to the sum which MOD paid for it (just under £1600).

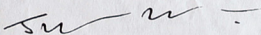
b. If, as is perhaps rather unlikely, the thief still has the laptop computer, he might require an assurance of immunity from prosecution if he returned it. My Minister would not propose that any such offer should be publicised, but, if such an assurance was to be requested, he believes that it would be very strongly in the public interest that it should be given without delay. There is no reason to believe that the thief was anything other than an ordinary criminal; and he was probably horrified to find what sensitive materials

he had stolen. He seem to have lost little time in disposing of the classified papers; but he had presumably not realised what might be held on the laptop computer's hard disc.

Both these questions are, of course, matters for the Attorney General. Mr Hamilton would be most grateful for his help in resolving them. A very early reply would be extremely helpful, since it looks as if the story is about to break. We might, of course, wish to take either of the proposed steps in advance of the story breaking should we receive an approach from the person who holds the laptop computer.

The Attorney General should be aware that last night an unknown person rang the Daily Mail, claiming to have the laptop computer. He said that he wanted to return it to the police; but wished to be accompanied by his lawyer and to have an assurance of immunity from prosecution. He did not ring again (as he had said he would do). He may well, of course, have been a hoaxer or someone fishing for further information (perhaps to enable the story to be released from the D-Notice); but if, by any chance, he has the genuine article in his possession the urgency of my Minister's proposals are still further increased.

I am sending copies of this letter to the Private Secretaries to the Prime Minister, the Foreign and Commonwealth Secretary, the Home Secretary, the Lord Advocate, the Director General of the Security Service, the Director of Public Prosecutions and Sir Robin Butler.

Yours sincerely,


JULIAN MILLER
 Private Secretary

Juliet Wheldon
 Attorney General's Office

He had stated. He seemed to have lost little time in disposing of the classified papers; but he had apparently not realized what might be held on the floppy computer's hard disc.

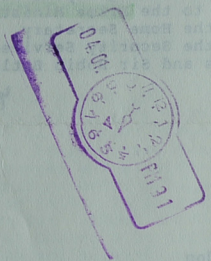
Both these questions are, of course, matters for the Attorney General. He himself would be most grateful for his help in resolving them. A very early reply would be extremely helpful, since it looks as if the story is about to break. We might, of course, wish to take either of the proposed steps in advance of the story breaking should we receive an approach from the person who holds the floppy computer.

The Attorney General should be aware that last night an unknown person rang the Betty Hall, claiming to have the floppy computer. He said that he wanted to return it to the police but wanted to be accompanied by his lawyer and to have an assurance of immunity from prosecution. He did not ring again but he had said he would do. He may well, of course, have been a hoodlum or someone fishing for further information (perhaps to enable the story to be released from the D-Notice); but it is very possible that he has the genuine article in his possession. The urgency of my Minister's proposals are still further increased.

I am sending copies of this letter to the British Embassy in the [redacted], the Foreign and Commonwealth Secretary, the Home Secretary, the Lord Advocate, the Director General of the Security Services, the Director of Public Prosecutions and the [redacted].

[Handwritten signature]

JULIAN MILLER
Private Secretary



Julian Wheldon
Attorney General's Office