

King David Hotel Ceded To Haganah in Jerusalem

LAKE SUCCESS, July 13.—

Quiet has settled down once again over the King David Hotel battle-front in Jerusalem, where United Nations representatives had been ranged against embattled Jewish Haganah troops. Philip C. Jessup, acting United States delegate, notified the Security Council today that control of the famous hotel had been peacefully ceded to Haganah, after earlier U. N. truce commission reports announced invasion of the hotel's U. N. headquarters by Jewish troops and

warned of a potential "grave incident."

Dr. Jessup reported the agreement had been reached among Jewish representatives, the truce commission, and Frank Begley, U. N. truce observer. Under this, the U. N. gave up the hotel, removing its flag, and Haganah took over "on condition that U. N. would regain possession if circumstances should permit the return of U. N."

Italy to Return French Ships

ROME, July 13 (UP).—Italy and France will sign an agreement this week for the return to France of warships seized by the Italians at Nice in June and July, 1940, the Foreign Ministry announced today.