

110

DECLASSIFIED
 Authority 110 765072
 By SR NARA Date 11-5-99

RG 260
 Entry ~~110 765072~~
 File ~~RECORDS MANAGEMENT DIVISION~~
 Box 421

RESTITUTION - Currency

Draft

TO: FED

1. Under authority vested in me to act on behalf of International Refugee Organization, as per cable 5 October 1948 from W. Hallam Tuck, Director General IRO, you are advised that the IRO hereby rejects and permanently relinquishes all claims to the assets on the attached list consisting of 6 pages, entitled "Non-Monetary-Gold" Assets Relinquished by IRO, since these assets are of low intrinsic value.

2. Each page of the aforementioned list bears my signature to this effect.

George Wenzel
 Reparations Officer
 International Refugee
 Organization

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 By SR NARA Date 11-5-99

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 File Records of US Occupation Headquarters WWII
 Box 421

NON-MONETARY GOLD ASSETS REJECTED BY IRO

METALS AND MISCELLANEOUS, JEWELRY AND TABLEWARE, CURRENCIES

A) METALS AND MISCELLANEOUS

FED Form No.	Description	Tentative agreed Valuation
Lot Nos.		Dollars
7300	1) 1 lot of very low grade gold file dust made into the form of thin strips. weight about 2.6 grams	1.-
	2) 1 piece of engraved rectangular wood.	
13277	1 lot of metal, weight about 637 grams	1.-
14827	10,566 undeterminable metal coins without numismatic coins	1.-
6535	1 lot of metal, weight about 1.350 kilograms	none
6160	1 lot of gilded metal, weight 2.590 kilograms	4.-
7688	3 files and 1 whetstone	1.-
8631	1 lot unidentifiable papers	none
7339	1) 1 metal apparatus for measuring thicknesses (make Manser) in good condition, weight about 195 grams	2.-
	2) 1 metal voltmeter in good condition, weight about 90 grams	

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A) METALS AND MISCELLANEOUS

FED Form No.	Description	Tentative agreed Valuation
Lot Nos.		Dollars
15106	1 lot comprising 8 cameras 1 tripod 3 lighters 3 pocket knives 6 fountain pens 2 razors 1 flashlight 1 box containing compass and ruling pen	5.-
15101	1 lot of 28 wooden office stamps	none

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450.-

B) JEWELRY AND TABLEWARE

FED Form No.	Description	Tentative agreed Valuation
		French Francs
X 6547	1 lot of metal brooches, bracelets alarm clocks, cigarette cases etc. all in very poor condition, weight about 19.400 kilograms	500.-
X 6529	1 lot of forks, spoons, knives, all in metal, in poor condition, weight about 8.570 kilograms	300.-
X 6167	1) 1 object representing a cross and a sun in gilded metal, weight 192 grams 2) 1 bronze Buda, weight 91 grams	150.-
X 6146	1 lot of imitation pearls in necklaces or miscellaneous, in very poor condition, weight 1.940 kilograms	250.-
X 6168	1 lot of imitation pearls and imitation corals, weight 1.170 kilograms	100.-
X 6532	1) 97 metal wedding rings, blanks, in new condition, weight about 230 grams 2) 172 metal signet rings, blanks, in new condition, weight about 1.540 kilograms	4,000.-
X 6147	1) 1 lot of metal composed of hand bags) in very poor condition, weight 1.850 kilograms 2) 1 lot of metal table ware, chiefly small spoons and some forks, in good condition, weight 1.205 kilograms 3) 1 metal bread basket and 1 metal candy box in good condition, total weight 905 grams 4) 1 lot of gilded metal wire in very poor condition, weight spoils included 477 grams	450.-

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B) JEWELRY AND TABLEWARE

FED Form No.	Description	Tentative agreed Valuation
	<p>Lot Nos.</p> <p>French Francs</p>	
✓ 6537	1) 2 metal men's pocket watches in re- pairable condition 2) 10 metal men's wrist watches, one of which a chronometer, 2 watches re- pairable, the others are in good) condition 3) 5 metal women's wrist watches in re- pairable condition 4) 7 metal men's and women's watches in poor condition 5) 1 gold plated metal women's wrist watch in good condition, weight about 6.5 grams 6) 9 gold plated metal men's watches, 2 of which pocket watches and 7 wrist watches, repairable, weight about 195 grams 7) 3 wrist watches one of which a women's wrist watch, all in sil- ver, in repairable condition, weight about 32 grams	5,100.-
✓ 7298	1 metal signet ring, weight 2 grams	10.-
✓ 7340	7 metal men's watches of which 1 pocket watch and 6 wrist wat- ches in repairable condition, total weight 140 grams	400.-
✓ 7687	1 silver ⁴ pocket watch and in order, weight about 25 grams 1 ring, all in metal, weight 5.5 grams	400.-
✓ 6689	1 metal cup with a lid, in rather good condition, weight about 705 grams	1,000.-

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Germany 1945-1949Box 121c) Currency (Notes)

<u>FED Form & Tag No.</u>	<u>Country of issue</u>	<u>Total</u>
7910 - 21173	Albania Franga	80.-
7924 - 21155) 21353)		
7925 - 21355)		
7926 - 21354)		
7927 - 21164)		
7929 - 21707		
7937 - 21156		
7931 - 21177		
7938 - 21352		
7939 - 21560)		
7940 - 21183)		
7958 - 21171		
7956 - 21175		
7957 - 21172		
7987 - 21153		
7992 - 21178		
8014 - 21149		
15093 - 28977		
8024 - 21163		
8005 - 21169		
	Algeria Francs	150.-
	Austria Schillings	5.-
	Bulgaria Lewas	200.-
	Bohemia & Moravia Korun	5.-
	China Chin. Dollars	10.-
	Croatia Kuna	510.-
	French Indo-China Francs	5.-
	" Occidentale Africa Francs	5.-
	" Morocco Francs	40.-
	Japan Shill.	1.-
	Madagascar Francs	20.-
	Tunis Francs	4.-
	Hungary Pengos	200.-
	USSR Rubles (issued 1921)	900,000.-
	Poland Marek	1,000.-

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→ second turnover to 1120

c) Currency (metal coins)

<u>FED Form & Tag No.</u>	<u>Country of issue</u>		<u>Total</u>
15049 - 31040	Hungary	Pengos	2.-
15049 - 31040) 8185 - 23983) 8186 - 23984)	Russia	Kopecks	41.-
15098 - 28966	France	Francs	9 1/2
15098 - 28972	Austria-Hungary	Corona	2.-

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DECLASSIFIED
Authority <u>WD-775088</u>
By <u>IE</u> NARA Date <u>11-99</u>

DRO

Sully
"SRO"

Mr. W. Hollis Tuck
 Director General
 International Refugee Organization
 Palais des Nations
 Geneva, Switzerland

Dear Mr. Tuck:

I have your letter of 5 October 1948 in which you submit that special considerations should be given to the funds and accounts of displaced persons and refugees under the Monetary Reform Laws.

I am, of course, deeply conscious of the special status of the displaced persons and refugees within Germany and have, of course, been sympathetic toward special measures which have been taken in order to insure them the greatest possible degree of economic freedom and comfort in the U.S. Zone of Occupation. I cannot agree, however, that in connection with measures of Monetary Reform wherein on a percentage basis units of money have been written down to conform to the existing values within the economy, special consideration of any groups within the economy is called for.

In the consideration of necessary Monetary Reform measures, pleas were made for special, favorable terms of conversion for various groups, such as small savers, religious organizations, charitable organizations, social insurance, political parties, pensioners, United Nations Nationals and other foreign claimants. It is, of course, impossible to grant favorable terms of conversion to these various groups on purely economic grounds; to have granted special conversion privileges to these groups would have been outside the proper scope and purpose of purely monetary measures. We did not attempt to argue that one or another group is not worthy of some special consideration from the German people as a whole, but did feel that political, social, and humanitarian objectives could not and should not be confused with purely economic and financial objectives. Nothing in the Monetary Reform legislation precludes any groups who have cause for special consideration on political, social, or humanitarian grounds from presenting their appeals to the appropriate authorities on the proper basis. The displaced persons and refugees have indisputably been damaged by Germany, and many steps have already been taken in behalf of these groups in recognition of this wrong. What we must recognize, however, is that the value of all monetary claims has been decreased and new units of money have been given in direct proportion to the old units of money. Therefore, were we now to give new units of money on a special conversion basis, that would be tantamount to making new monetary grants as a charge against the German people without legal justification therefor.

C. - and Murphy
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Since you make reference in your letter to special provisions of the Monetary Law relating to private debts due to United Nations National creditors, I should point out that the United Nations National creditors are not thereby granted any larger conversion rights than are accorded to other persons. The special regulation to which you refer merely defers the question of what amount is ultimately to be paid to the United Nations National creditors until consideration can be had in treaty negotiations. If any concessions are made to these United Nations National creditors, it will be done in the treaty and not in the Monetary Reform legislation. The reason for holding open this question is that certain privileges were allowed to United Nations Nationals in the peace treaties with the satellite countries, and we did not desire that our action now should prejudice a similar allowance in the German Peace Treaty if the negotiators should so determine. These United Nations National creditors at this time must either accept payment of their claims on a ten for one basis or must wait and pursue their claim at the time of the peace treaty.

You appear not thoroughly to understand the existing regulations about the foreign currencies held by displaced persons, since special arrangements have been made for such persons to deposit their foreign exchange holdings so long as they remain in Germany, but whereby immediately prior to their departure, the foreign exchange is returned to them. They are not required to accept German currency in exchange for their foreign exchange assets.

Apparently also there has been a misunderstanding of Articles 2 and 16 of Military Government Law 63, since the intention there was merely to allow for an additional percentage of conversion if the financial situation subsequently suggested that additional amounts of money should be put into circulation. There is no intention that this paragraph should be used for granting special privileges to any groups or classes.

You have requested that you be given an opportunity to be represented during the negotiations in the preparation of legislation on equalization of burdens. I must point out that the responsibility for the working out of this legislation has been delegated to the German Legislative Bodies and that these Bodies will themselves prepare the legislation. We have not attempted to tell them what the legislation should contain or how it should be drafted.

You would be interested in knowing that the displaced persons turned in approximately 119,600,000 Reichsmarks for conversion under the Currency Reform Law and received approximately 30,900,000 Deutsche Marks in return.

Sincerely,

Signed + Dispatched
17 Nov 1948

LUCIUS D. CLAY
 General, U. S. Army
 Commander-in-Chief

Written by
Jack Bennett
10 Nov. 1948

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 Entry Finance
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 Box 94

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 Authority AWD 75058
 By 1E NARA Date 11-99

INTERNATIONAL REFUGEE
 ORGANIZATION

OF NATION INTERNATIONALE
 POUR LES REFUGIES

Palais des Nations
 GENEVE

5th October 1948.

My dear General,

I have the honour to submit to you certain considerations concerning the recently enacted reform of the German monetary system in so far as it affects the legitimate interests of the IRO and of the refugees and displaced persons who are its concern.

The consequences of this reform deeply affect the persons under our mandate and thus impose upon us the duty to appeal to you in the exercise of our constitutional function of legal and political protection.

I shall make no more than a passing reference to Law No. 61, as it is of less importance and in any case takes displaced persons into account. Law No. 63, however, which is the most important, does not make the slightest distinction in favour of displaced persons and refugees.

It seems to us quite fair that persons permanently resident in Germany who are working for their living in the ordinary way, should be asked to sacrifice the freedom to dispose of their former assets as they like, and accept the exchange of Reichsmark for D-marks at the rate fixed by law. The position of the refugees and displaced persons, however, is totally different.

These persons are only temporarily resident in Germany, and most of them have no part in German economic life. The same applies to people who have emigrated from Germany as a result of persecution. Thus the persons under our mandate have lost all they possessed, through enemy action or persecution, and it seems illogical to call upon them to make new sacrifices to rebuild the economy of a country which has been the direct or indirect cause of their misfortunes. In most cases the displaced persons came to Germany against their will (e.g. to do forced labour). Those who had a little foreign money had to change it into German currency (cf. Law No. 53), and now they are again suffering as a result of the changes in the monetary system, although they are not German citizens, and are taking no part at all, or only a temporary one through sheer force of circumstances, in the economic life of the country. You will no doubt agree that, from a moral point of view, the results achieved are sometimes regrettable.

If the currency laws had made no provision for exceptions to their general rulings, it would of course be difficult, if not impossible, to make any departure from the latter in favour of the categories of persons who are under our protection, but Article 15 of Currency Law No. 63 gives nationals of the United Nations the right to refuse repayment of debts by German debtors at the rate fixed by law. Displaced persons and refugees are, according to general legislation, on the whole assimilated to United Nations nationals and we feel that this ruling might well be applied as regards currency laws to persons within our mandate.

General Lucius D. Clay,
 Commanding General European Command,
 U.S. Army,
 FRANKFURT, APO 757.

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Moreover, Military Governments can order conversion at a better rate, under the terms of Articles 2 and 16 of Law No. 64, for categories of persons to be determined.

Since provision has been made for exceptions, it seems to us that no one more deserves to benefit than the victims of the former German regime, and particularly the displaced persons under the mandate of the IRO.

While we do not underrate the danger that too many exceptions would render the currency reform ineffective, we do not think that the numbers of displaced persons or the size of their assets will amount to such a large sum that granting these persons a more favourable rate of exchange would constitute a threat to the general economy or to the success of the currency reform. At the same time, if the special position of the persons in our care is not taken into account, great hardship will be inflicted upon them, after they have suffered so much already. Besides, a more favourable ruling would considerably facilitate the emigration of displaced persons, and would relieve our Organization of part of the burden of financing their emigration and rehabilitation.

It is on these arguments that we base our hope that you will give sympathetic consideration to our suggestions. Finally, we should be glad if, in view of the importance of the question, you would give us the opportunity to be represented during the negotiations and the preparation of the legislation on equalisation of burdens imposed by the currency reform.

Sincerely yours,

s/ W. HALLAM TUCK

W. Hallam Tuck,
 Director General.

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Authority	WD 75058
By	IE NARA Date 11-99

DND

Berlin, November 19, 1948

MEMORANDUM

To : Mr. Jack Bennett, Finance Adviser
to the Military Governor

From : U. S. Political Adviser

Subject: Fund for Compensation of Racial, Religious
and Political Persecutees.

Thank you for your note of November 12, to which you attached a letter from General Clay to Mr. W. Hallam Tuck as a comment on the request of Dr. Auerbach, Bavarian Commissioner for Religious, Racial and Political Persecutees, for special consideration in currency conversion and a reduction in occupation costs in favor of funds for the persecutees.

Since it would probably be better if this Office did not become involved in a discussion of financial policies with Dr. Auerbach, I wonder whether I might ask that an answer go directly from your office to Dr. Auerbach. I believe I forwarded Dr. Auerbach's letter to you as an attachment to my memorandum of October 13. I am returning the latter and your copy of the letter to Mr. Tuck to you for your convenience.

Robert Murphy

Enclosure:
As stated

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IRO

(11)

IRO

Berlin, Germany
2 March 1948

Mr. William Tusk
Executive Secretary
Preparatory Commission, IRO
Palais des Nations
Geneva, Switzerland

Dear Mr. Tusk,

I have received your letter of 9 February 1948 concerning certain Reichsmark transactions engaged in by the IRO Mission in Germany. You request a copy of the regulations governing the acquisition of Reichsmarks at the time the transactions in question were effected.

The IRO Mission, in taking delivery of "non-monetary gold" under the terms of Article 8 of the FINAL ACT OF THE PARIS CONFERENCE ON REPARATIONS, dated 21 December 1946, is acting in the capacity of "authorized individuals, activities, agencies, etc.," and therefore is subject to the following provisions of EUCOM circular No. 53, dated 27 May 1947.

7. b. Needed foreign currencies indigenous to the occupied zones (AM marks and AM schillings) will be purchased by authorized individuals, activities, agencies, etc., including commercial licensees accredited to the US occupational forces, from US Army or Navy finance facilities with Military Payment Certificates or other acceptable dollar instruments."

Moreover, in view of the status of the IRO Mission, it is a "person outside of Germany" within the meaning of Article I, paras 1.(b) and 2.(a) of Military Government Law No. 53, who is prohibited from engaging in any transactions with a "person within Germany" except as licensed or otherwise authorized by Military Government. A copy of Military Government Law No. 53 is inclosed for your information.

FINANCE-DEPT
Ad V.

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 Box 94

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 Authority NND 775058
 By WDP NARA Date 7/13/00

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IRO

Berlin, Germany
 2 March 1948

Mr. William Tusk
 Executive Secretary
 Preparatory Commission, IRO
 Palais des Nations
 Geneva, Switzerland

Dear Mr. Tusk:

I have received your letter of 9 February 1948 concerning certain Reichsmark transactions engaged in by the IRO Mission in Germany. You request a copy of the regulations governing the acquisition of Reichsmarks at the time the transactions in question were effected.

The IRO Mission, in taking delivery of "non-monetary gold" under the terms of Article 8 of the FINAL ACT OF THE PARIS CONFERENCE ON REPARATIONS, dated 21 December 1946, is acting in the capacity of "authorized individuals, activities, agencies, etc.," and therefore is subject to the following provisions of EUCOM circular No. 58, dated 27 May 1947:

7. b. Needed foreign currencies indigenous to the occupied zones (AM marks and AM schillings) will be purchased by authorized individuals, activities, agencies, etc., including commercial licensees accredited to the US occupational forces, from US Army or Navy finance facilities with Military Payment Certificates or other acceptable dollar instruments."

Moreover, in view of the status of the IRO Mission, it is a "person outside of Germany" within the meaning of Article I, paras. 1.(b) and 2.(a) of Military Government Law No. 53, who is prohibited from engaging in any transactions with a "person within Germany" except as licensed or otherwise authorized by Military Government. A copy of Military Government Law No. 53 is inclosed for your information.

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Ad V.

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By WDP NARA Date 7/13/00

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Mr. William Tuck
2 March 1948

It would appear from the available information that the representatives of IRO were aware of the restrictions on the acquisition of Reichsmarks by the Mission. There is no indication, however, that they made an effort to obtain authorization for the transfer of Reichsmarks from the Jewish Agency for Palestine in Jerusalem.

We shall look forward to receiving your further comments at your earliest convenience.

Sincerely,

LUCIUS D. CLAY
General, USA
Military Governor

incl.

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-2-

Mr. William Tuck
2 March 1948

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We shall look forward to receiving your further comments at your earliest convenience.

Sincerely,

LUCIUS D. CLAY
General, USA
Military Governor

incl.

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I 10

28 January 1948

Mr. William Tuck
 Executive Secretary
 Preparatory Commission, IRO
 Palais des Nations
 Geneva, Switzerland

Dear Mr. Tuck:

In the course of a routine investigation into unrelated matters, there have been discovered certain transactions involving the operations within Germany of the IRO Mission under Mr. Abba P. Schwarz which should be brought to your attention. In fact, it may be necessary to call on the Mission to pay to the European Command a total of \$10,000.00 to purchase Allied Military Marks to replace Marks acquired by the Mission from unauthorized sources. I am submitting a summary of the case as I understand it and invite your comments as a basis for further discussion or adjustment.

It is understood that in connection with a contract entered into between the IRO Mission and the Deutsche Gold and Silber Scheide Anstalt a total of 100,000 Reichsmark became due to DEGUSSA plant in Frankfurt to cover the cost of smelting gold and silver under the jurisdiction of IRO. Despite the fact that the IRO Mission was not authorized by Military Government to acquire indigenous currency from any source other than the Army Finance Officers, and even though the propriety of acquiring Marks elsewhere was specifically discussed with Military Government officials, the IRO Mission did acquire RM 100,000 elsewhere for the purpose of meeting this payment. Documents have been exhibited indicating that RM 10,000 were acquired on 13 September 1947 and RM 90,000 on 4 October 1947 from Mrs. Rachel Adiv on instructions from Mr. Eleazer Kaplan. It has been stated that this delivery of Reichsmarks was on instructions from the head office of the Jewish Agency for Palestine in Jerusalem. At the same time, cognizance must be taken of a transcript of a telephone conversation on 29 August 1947 between Mr. Schwarz in Geneva and a member of his staff in Frankfurt in which references were made to the necessity of sending \$500.00 in traveler's cheques to Geneva which might have to be used to acquire currency. This transcript indicated that Mr. Schwarz had found it was possible to acquire RM 25,000 in Switzerland for \$150.00 and that he was willing to pay that amount to acquire Reichsmarks to meet the smelting charges in Germany.

COMEBACK COPY - MR. JACK BENNETT, 2080 Directors Bldg.

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Mr. William Tuck
28 January 48

I should like to ask that you let me know as soon as possible upon what basis and for what consideration any Reichsmarks were acquired by IRO in Germany from the Jewish Agency for Palestine and what, if any, connections there were between the proposed purchase of Reichsmarks in Switzerland and any of the IRO operations in Germany.

Sincerely yours,

LUCIUS D. CLAY
General, U. S. Army
Military Governor

*This was signed by General Clay and dispatched on 2 Feb 48
T.C.B.
03/01/51*

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 Entry Finance
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 Box 94

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 Authority WD 775058
 By IE NARA Date 11-99

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CRIMINAL INVESTIGATIONS DIVISION

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APO _____

This case originated at: Frankfurt/Main, Germany		File No. 52-CID-252
Report made at: Frankfurt/Main, Germany	Date when made: 7 January 1948	Period for which made: 1 December 1947 to 6 January 1948
Title: Abba P. SCHWARZ, US Civilian, PC IRO Mission, Palais des Nations, Geneva, Switzerland. David ROLBEIN, AGO No U45730, US Civilian, PC IRO Frankfurt/Main, Germany.		Character of case: ILLEGAL CURRENCY TRANSACTION.
<p>Synopsis of facts: On 1 December 1947, Chief Agent Harold W. SWEETMAN requested an investigation of an alleged fraudulent currency transaction.</p> <p>Investigation disclosed that Mr. SCHWARZ and Mr. ROLBEIN of PC IRO (Internation Relief Organization) had obtained approximately 100,000 Reichsmarks from sources other than Military Finance Office. The Reichsmarks were paid to DEGUSSA Co for smelting of gold and silver. No authorization was ever given to PC IRO or Mr. SCHWARZ by Military Government to obtain Reichsmarks in this manner. The 100,000 Reichsmarks were apparently obtained from the Jewish Agency for Palestine, from Munich, Germany.</p> <p>Mr. SCHWARZ and Mr. ROLBEIN are presently in the United States to complete their mission with PC IRO.</p> <p>CASE CLOSED. DETAILS: See next page.</p>		
Report made by: GEORGE H. WRENN Agent, 52nd CID		Distribution of report: 1- OC in C, Hq. Comd., EUCOM, APO 757. 1- PC IRO, Hq. Palais des Nations, Geneva, Switzerland. 1- OMGUS, Berlin, Finance Division, APO 742. 2- CID, OPM, Hq. EUCOM, APO 757. 1- PM, Hq. Comd., EUCOM, APO 757. 2- Files.
Approved and forwarded: <i>Harry J. Painter</i> HARRY J. PAINTER Asst. Chief Agent, 52nd CID		

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DETAILS:

1. On 1 December 1947, Chief Agent Harold W. SOBETMAN, requested investigation of CCD intercept E/47/114/41, dated 18 September 1947, pertaining to a possible illegal currency transaction. Preliminary investigation established that the persons involved were Mr. Abba P. SCHWARZ and Hermann SCHMOLLER, PC IRO (International Refugee Organization) representatives with European Headquarters at Geneva, Switzerland.

2. The Frankfurt representative of the PC IRO, Mr. David L. ROLBEIN, AGO No U 5730, US Civilian was contacted on 2 December 1947. Mr. ROLBEIN stated that he had received approximately 100,000 RM that had been procured through Mr. Abba SCHWARZ, Chief of the IRO Mission. He explained that the Reichsmarks were used to pay the German smelting firm, DEGUSSA Co. for the reduction of various precious metals to bar form. A contract for this work was approved by the Metal Division of Military Government at Wiesbaden, Germany. Mr. ROLBEIN said further that he did not believe the marks had been obtained with dollar instruments through the Military Finance Office. He asserted that the negotiations for the Reichsmarks had been carried on by Mr. SCHWARZ in Geneva, Switzerland. He stated that he had no personal knowledge of the source of the RM'S which were paid to the DEGUSSA Company.

3. Mr. Abba D. SCHWARZ, US Civilian, Chief PC IRO Mission at Palais des Nations, Geneva, Switzerland, gave a complete and detailed statement on 4 December 1947. Mr. SCHWARZ stated that no currencies were ever purchased in Switzerland by himself or any member of his Mission. He explained that the 100,000 RM'S used to pay the DEGUSSA Firm were donated by the Jewish Agency for Palestine at Frankfurt/Main, Germany. He further stated that Mr. ROLBEIN had received the Reichsmarks at Frankfurt/Main from Mrs. Rachel ADIV of Jewish Agency for Palestine, at Friedrichstrasse, Frankfurt/Main, Germany, during September and October 1947. Mr. SCHWARZ stated that no attempt was made to evade the purchase of Reichsmarks through the US Military Finance Office as prescribed by Theatre Directives. He asserted that Mr. Jack BENNETT, Financial Advisor to the Commander in Chief at OMGUS, Berlin, knew and approved of the transaction. He said that he had discussed the gift of Reichsmarks from the Jewish Agency, in Berlin, in complete detail. Mr. SCHWARZ stated that the \$500 in travellers checks referred to in a telephone conversation on 29 August 1947 between himself and Mr. SCHMOLLER'S secretary, Miss GILLERMAN, was used to buy jewelers instruments. He denied emphatically that the \$500 was used to buy Reichsmarks in Switzerland as referred to in his telephone conversation with Miss GILLERMAN. (Exhibit "A").

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4. The intercept record of the telephone conversation between Mr. SCHWARTZ and Miss Jeannette GILLERMAN on 29 August 1947 does not corroborate Mr. SCHWARTZ'S contentions in his statement. He informed Miss GILLERMAN in the phone call that "The message is that HY should bring \$500.00 in travellers cheques along." He may have to use it to get that currency." Miss GILLERMAN replied "We'll see you in Geneva tomorrow night." Mr. SCHWARTZ said "We would go as high as 25,000 RM, we can get 25,000 RM for \$100." Miss GILLERMAN answered "\$150 would give you 1,500 RM'S." Mr. SCHWARTZ replied "Yes in the zone (American zone of Germany) not here, \$150 would get us in Switzerland 25,000 RM'S." GILLERMAN - "and that you are willing to pay." Mr. SCHWARTZ replied "Yes". The person called "HY" has been identified as Mr. Herman SMOLLER, assistant to Mr. SCHWARTZ in the IRO Mission in Germany. Throughout his statement, Mr. SCHWARTZ repeatedly denied any intent to purchase Reichsmarks in Switzerland. He stated that his telephone call was misconstrued. He further admitted that he knew that it was illegal to purchase Reichsmarks in Switzerland for use in Germany. (Exhibit "E").

5. A statement was received on 5 December 1947, Mr. David L. ROBIN. He stated that he had completed negotiations with the DUCZKA Company to smelt the various silver and gold materials held by IRO into fine gold and silver bars for resale. Payment was to be made in Reichsmarks based on equivalent quotations in Belgium, Switzerland, England and France. Mr. ROBIN said that he received two payments of marks from Mrs. Rachel ADIV of the Jewish Agency for Palestine, one of 10,000 RM'S and one of 90,000 RM'S. He submitted two receipts which indicated that 100,000 RM'S were paid to him by Rachel ADIV. These receipts are included in this report as Exhibits. (Exhibit "C", "C-1", "C-2").

6. On 8 December 1947 an interview was obtained with Mr. Col. Samuel E. GRANAN, O-353299, GMC Heese, in the presence of Mr. ROBIN, concerning the agreement provisions between IRO and DUCZKA Co. Col. GRANAN stated that he approved of the payment of Reichsmarks to DUCZKA. The payment was based on prevailing prices for smelting in other countries. He said that it was his impression that the Reichsmarks would be obtained with dollar instruments at the legal 1 to 1 exchange rate. Col. GRANAN stated that in his opinion these Reichsmarks could only be obtained legally through the U.S. Army Finance Office. He felt that all negotiations for the payment had proceeded on this basis. (Exhibit "D").

7. Legal advice was sought from the Prosecutors Office, Legal Division, Military Government, Wiesbaden, Germany. Mr. Stanley GAINS, special prosecutor stated in an informal opinion based on information submitted by Mr. ROBIN that the gift of the 100,000 Reichsmarks from the Jewish Agency was not possible

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under existing regulations unless it was specifically authorized by OMG Finance Office in Berlin, Germany.

8. On 12 December 1947, Mr. Jack BENNETT, D-095278, Financial Adviser to Commander in Chief denied giving any authorization to Mr. SCHWARZ or PC IRO to use Reichsmarks procured through the Jewish Agencies for payment of work, services or material in Germany. He stated that Mr. SCHWARZ had never discussed the donation of Marks to IRO for use as currency in Germany. He expressed grave doubts as to the source of the Reichsmarks. He felt that in view of the intercept of Mr. SCHWARZ'S conversation, as recorded, that suspicion of an illegal currency transaction was evident. Mr. BENNETT suggested that a full report be forwarded to IRO Headquarters for appropriate action. (Exhibit "E").

9. Mr. Theodore BALL, Dept of Army Civilian, Finance Division, OMGUS, Berlin, stated that he had had several interviews with Mr. SCHWARZ and Mr. SKOLLAR of PC IRO. He said that in preliminary discussion the matter of obtaining Reichsmarks in Switzerland was discussed. He advised Mr. SCHWARZ that it would be illegal to do so. Mr. SCHWARZ asked about the status of a donation of Reichsmarks in Frankfurt. Mr. BALL said that he believed it would be proper but he would require a more detailed plan and that no authorization was given at this time. There were no further discussions of the method of acquiring the currency. Mr. BALL stated that he had no knowledge of any transactions that were made following these interviews with Mr. SCHWARZ and had not given any official sanction to the transaction described by Mr. SCHWARZ. (Exhibit "F").

10. Mrs. Rachel ADIV, Senior Representative of the Jewish Agency for Palestine at Friedrichstrasse, Frankfurt/Main, confirmed the information supplied by Mr. SCHWARZ. She states that funds were collected by the Jewish Agency in Germany for use in Palestine. She believed that the 100,000 Reichsmarks were collected in Munich and turned over to Mr. ROLBEIN in her office. (Exhibit "G").

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11. SUMMARY OF FACTS:

From the foregoing Report of Investigation, it is concluded:

- a. That Mr. SCHWARZ and Mr. ROLBEIN did obtain at least 100,000 Reichsmarks from sources other than the Military Finance Office.
- b. That Mr. SCHWARZ failed to obtain the necessary authorization from Military Government to use these funds in Germany.

George H. Whren
 GEORGE H. WRENN
 Agent, 52nd CID

12. LIST OF EXHIBITS:

- A - Statement of Abba SCHWARZ, dated 4 December 1947.
- B - CCD Intercept E/47/174/41.
- C - Statement of David L. ROLBEIN, dated 3 December 1947.
- C-1 - Receipt for 10,000 RM'S.
- C-2 - Receipt for 90,000 RM'S.
- D - Statement of Samuel S. GRAHAM, dated 8 December 1947.
- E - Statement of Jack BENNEPT, dated 12 December 1947.
- F - Statement of Theodore BALL, dated 12 December 1947.
- G - Statement of Rachel ADIV, dated 6 January 1948.

13. WITNESSES:

- 1 - Rachel ADIV, Senior Representative of the Jewish Agency for Palestine, Friedrichstrasse, Frankfurt/Main, Germany.
- 2 - Lt. Col. Samuel S. GRAHAM, O-333299, OMC Hesse, APO 633.
- 3 - Mr. Jack BENNEPT, D-095278, Finance Advisor to Commander-in-Chief, APO 742.
- 4 - Mr. Theodore H. BALL, Finance Division, OMCUS, APO 742.
- 5 - Paul ASHLOCK, Agent, 52nd CID, Hq. Comd., EUCOM, APO 757.

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RECOMMENDATIONS:

Based upon the foregoing Report of Investigation, it is recommended:

1. That distribution be made as indicated.
2. That this case be closed in the files of this office.

Harry J. Painter
HARRY J. PAINTER
 Asst. Chief Agent, 52nd CID

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CRIMINAL INVESTIGATION DIVISION
 92nd CI Detachment — APO 757 U.S. Army

STATEMENT OF Abba SCHWARZ DATE: 4 December 1947
 ASN: _____ RANK: US Civilian ORGANIZATION: P.C.I.R.O.
Palais des Nations, Geneva, Switzerland. APO: _____

~~"I have been advised of my rights under Article of War 24 by Agent(s) _____
 CID, and I understand that I cannot be compelled to answer any question or questions which might incriminate me. I
 further understand that anything I may say or write can be used against me in the event I should be brought to trial
 before a court-martial. No threats or promises have been made to me and with full knowledge of my rights concerning self-
 incrimination, I hereby voluntarily make the statement which appears below. In witness of my knowledge and understanding
 of the foregoing, I place my signature here:~~

This is a voluntary statement made at the request of Mr. WRENN, 52nd C.I.D., to help clarify questions which C.I.D. has raised with respect to the acquisition by the Preparatory Commission of the International Refugee Organization of Non Monetary Gold in the United States Zone of Germany.

As the appropriate United Nations Refugee Organization, the Preparatory Commission for the International Refugee Organization succeeded under relevant International Treaties to the responsibilities and obligations of its predecessor organization, the Intergovernmental Committee on Refugees, regarding implementation of Reparation Agreements which contemplate the establishment of a fund for the assistance of non-repatriable victims of Nazi oppression. Among the duties and responsibilities which fell to the P.C.I.R.O. upon liquidation of the Intergovernmental Committee on Refugees on 30 June 1947 and the establishment of the P.C.I.R.O. on 1 July 1947, was the implementation of the so called "Non Monetary Gold" provisions of the relevant international agreements and of the United States Joint Chief of Staff Directive of November 1946. Under the provisions of the Reparation Agreements of 18 Allied Governments the P.C.I.R.O., as successor to the I.G.C.R., was charged with accepting unidentifiable looted property (technically referred to as "non monetary gold") from the Military Authorities and of liquidating such property so as to receive the highest possible proceeds, thereby enabling the P.C.I.R.O. to assist the greatest number of non-repatriable victims of Nazi persecution. The Reparations Agreements direct the P.C.I.R.O. to distribute 90 % of the proceeds upon liquidation of the non monetary gold to the two largest operating Jewish organizations, the American Joint Distribution Committee and the Jewish Agency for Palestine, for assistance of Jewish victims of Nazi prosecution, and 10 % to various non Jewish refugee organizations for the assistance of non-Jewish non-repatriable victims.

In November 1946 the Government of the United States implemented the non monetary gold provisions of the relevant Reparation Agreements by a Joint Chief of Staff Directive which ordered the U.S. Occupying Authorities to turn over to representatives of the I.G.C.R., or its successor organization, the unidentifiable looted valuables (non monetary gold) which the U.S. Military Authorities may have discovered in their occupation zones. Pursuant to this Directive the then existing Intergovernmental Committee on Refugees was invited to send a staff into Germany to take a joint inventory, at a tentative agreed value, with the representatives of the U.S. Government, of the unidentifiable looted valuables which were to be turned over to I.G.C.R.

On or about the latter part of October or early November 1946 I was employed by the Intergovernmental Committee on Refugees to act as Reparations Officer in order to implement the reparation program, including the non monetary gold provisions of the treaties and the Joint Chief of Staff Directive above referred to, on behalf of the I.G.C.R. There are other phases of the reparation program

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EXHIBIT A

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which deal with matters other than the acquisition of non monetary gold, and with which I am concerned.

After a visit to the U.S. Military Authorities in Germany about December 1946, when I reviewed with them the problems arising from the Joint Chief of Staff Directive, I returned to the United States in early February 1947 to employ a staff of persons to be engaged in jointly inventorying the non monetary gold which the U.S. Occupying Authorities were prepared to release.

The principal qualification which I sought among the staff employees was unimpeachable integrity, since we were to be concerned with the handling of valuables. Careful check and examination through all available channels was made prior to employment of any of the personnel whom we sent to the Zones of Occupation. I had then and have now unqualified confidence in the integrity of each of the persons who have worked on the joint inventory of non monetary gold on behalf of I.G.C.R. and P.C.I.R.O.

On 30 June 1947, when the Intergovernmental Committee on Refugees was liquidated and the Preparatory Commission for the International Refugee Organization came into being, I, as Reparations Officer, and the members of the Field Staffs in the Zones of Occupation who were engaged in jointly inventorying the non monetary gold with the U.S. Occupational Authorities, were taken over by the P.C.I.R.O. as their employees to continue the implementation of the reparations program.

On 1 July 1947, when we became P.C.I.R.O. employees, Mr. Hyman SMOLLAR was Head of the Reparation Field Staff which worked with the representatives of the U.S. Military Authorities at the Reichsbank, Foreign Exchange Depository, Frankfurt. Mr. SMOLLAR'S staff members worked under his supervision. Mr. SMOLLAR was directly accountable to me at Headquarters. When Mr. SMOLLAR returned to the United States, some time in October 1947, Mr. ROLHEIN, his 1st Assistant, was placed in charge.

Among the non monetary gold which was jointly inventoried by I.G.C.R. - P.C.I.R.O. representatives, there was a large quantity of gold and silver items, such as ring settings, gold teeth etc., which we determined upon the advice of our chief appraiser were of scrap value only and therefore should be smelted into a form suitable for ready sale.

At an early date Col William BREY, Chief of the Foreign Exchange Depository, advised me that there was a plant in Frankfurt which might be suitable for smelting of our scrap gold as well as of other scrap metal items we might receive. Prior to investigating the possibilities of using the facilities of this plant, called the DEGUSSA plant, I checked in Europe to determine whether gold and other metals smelted by DEGUSSA and impressed with a DEGUSSA seal would be accepted by banks or governments which might be interested in purchasing metal bars. Having learned that DEGUSSA was one of the most reputable smelting plants in Europe prior to the war and that his seal was likely to be accepted postwar, though it was not believed that an occasion had yet arisen for governments and banks to determine whether the DEGUSSA seal would be accepted, I determined that, if other factors were favorable, we might use the DEGUSSA facilities. I advised my representatives Mr. SMOLLAR and Mr. ROLHEIN to make the necessary contact with the DEGUSSA plant through Military Government. I believe that Col BREY, at the Reichsbank, placed them in contact with a Col FRUITMAN, of the Metal Section

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of Military Government, at Wiesbaden. My representatives checked other smelting facilities in Europe for cost of operation and capacity to perform the smelting job. Since smelting our materials at a plant near to the Reichsbank would eliminate transportation and handling charges which we otherwise would bear if we transported the property to Holland, Belgium, Switzerland or some other place in Europe for smelting purposes, I advised my representatives that, if Military Government could obtain for us a contract for smelting not in excess of what the actual smelting would cost abroad, and if they felt that adequate security measures could be taken, to proceed with a contract. It was my understanding that the contract would be entered into through Military Government and not directly by P.C.I.R.O.

Since the nature of the operation was such as to require my delegating broad authority to my representatives in the Field I authorized Mr. SMOLLAR, then Head of the Field Staff, to make the necessary arrangements.

A contract was entered into between Military Government and DEGUSSA which called for payment in Reichsmarks. I do not recall whether DEGUSSA was authorized under the contract to take any small portion of gold in the course of the smelting process as compensation. In any event, if the contract did call for such procedure, it was an extremely small amount and would have been approved by Military Government. In the course of the smelting process I was advised by my representatives that a check of the finished product against the amount of materials sent to DEGUSSA revealed that DEGUSSA had taken a rather substantial amount of gold which he claimed was a customary pre war practice in Europe, among smelters. My representatives checked other smelting facilities in Europe and found that it was not considered a customary practice. After lengthy negotiations by Mr. SMOLLAR with the Metal Section at Wiesbaden and with DEGUSSA, and I believe also with the Finance Division of OMGUS in Berlin, the gold taken by DEGUSSA was returned. It is my recollection that this gold which we recovered was in the neighborhood of \$ 10,000 in value. With the return of this gold, this phase of the operation was satisfactorily settled.

With respect to payment of DEGUSSA in Reichsmarks for the smelting process: I do not recall the exact basis on which the Reichsmark payment to DEGUSSA was to be made. I do recall however that I was particularly concerned about the total probable cost for the entire smelting operation by DEGUSSA. The best estimate which I received from my representatives was that the total smelting cost in Reichsmark for our scrap gold and silver would be in the neighborhood of 100,000 to 125,000 Reichsmarks.

As noted above the American Joint Distribution Committee and the Jewish Agency for Palestine are the ultimate recipients of 90 % of the proceeds which we received upon liquidation of the non monetary gold. For this reason, both the American Joint Distribution Committee and the Jewish Agency for Palestine, are interested parties in our operation involving the acquisition of non monetary gold. Some months ago, about the time when the Executive Committee of the Jewish Agency for Palestine was holding a meeting in Zuerich, Switzerland, I discussed with Dr. Eleazer KAPLAN, treasurer of the Jewish Agency for Palestine, the overall reparation program, which is of vital interest to the Jewish Agency, as one of the two participants in 90 % of the funds. Among other things I discussed with him the problems which we faced with respect to jointly in-

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ventorying the non monetary gold which the U.S. Government was turning over to us at the Reichsbank in Frankfurt; the cost of the non monetary gold operation which we were attempting to keep to a minimum, to discharge our obligation to receive the highest proceeds. I advised Dr. KAPLAN that I had determined to smelt the metal items of scrap value at the DEGUSSA plant in Frankfurt, in order to reduce the expense which would be involved in transporting to another European country for smelting purposes. I also told him that it would cost us between 100,000 and 125,000 Reichsmarks; that the contract for smelting was negotiated by Military Government; and that I therefore felt confident that it was safe to use the facilities which I understood were under Military Government control.

In view of the fact that the cost of putting the non monetary gold into saleable form would properly come out of the ultimate proceeds so that the recipient agencies are in fact bearing the expense involved in acquiring the property, and in view of the fact that the P.C.I.R.O. has extremely limited funds, I asked Dr. KAPLAN whether there was not some way in which the Jewish Agency and the American Joint Distribution Committee might in the first instance bear the smelting expense for the DEGUSSA operation. Dr. KAPLAN said he believed it could be arranged so that the necessary Reichsmarks could be placed at our disposal for payment. I advised him that this would be most helpful to our operation since it would alleviate the necessity of P.C.I.R.O. laying out many thousands of dollars to purchase the Reichsmarks to pay DEGUSSA. I also advised Dr. KAPLAN that it was proper for P.C.I.R.O. to accept a gift of Reichsmarks from the Jewish Agency for this purpose under its charter. Dr. KAPLAN advised me that he would contact the necessary Jewish Agency officials and that the Jewish Agency representatives in Munich or Frankfurt would be authorized to make the Reichsmarks available to my representatives in the Field in order that they might meet the necessary payments for DEGUSSA.

At a subsequent date, I spoke to some of the representatives of the Finance Division OMOGUS concerning the acceptance of the gift of Reichsmarks. Mr. ROLBEIN, one of my Field representatives, also spoke to OMOGUS Finance Division and we heard no objection to our accepting the gift of Reichsmarks.

At a later date, during the time when the United Nations' Special Committee on Palestine was holding hearings in Geneva, I advised Mr. S. A. RUDEL, of the London Office of the Jewish Agency, of my earlier conversation with Dr. KAPLAN; told him that we would need the Reichsmarks in the near future for payment, and asked him to follow through the previous negotiations which I had had with Dr. KAPLAN who, by that time, had returned to Palestine. Mr. RUDEL contacted other Jewish Agency officials and advised me that Mr. ROLBEIN could pick up the Reichsmarks for payment to DEGUSSA at the Frankfurt office of the Jewish Agency for Palestine. I do not recall the name of the person to whom Mr. RUDEL referred me; but, in any event, I then advised Mr. ROLBEIN; and, at some subsequent date, he received from the Jewish Agency for Palestine, Frankfurt Office, Reichsmarks which we used to pay DEGUSSA for the smelting. Mr. ROLBEIN signed two receipts on the two occasions when he received Reichsmarks. One receipt was retained by the Jewish Agency Office, the other receipt is a true copy which Mr. ROLBEIN has retained for our files. The acceptance of the Reichsmarks from the Jewish Agency

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is recorded in our books of account which are now enroute to the United States where they will be audited and certified.

With respect to the giving of food packages to DEGUSSA personnel: Mr. Nicholas WINTON, my assistant at the Geneva P.C.I.R.O. Office, was assigned by me to assist the Reparations Field Staff in Frankfurt in connection with observing the smelting process at DEGUSSA to assure that all necessary security measures were taken. Mr. WINTON spent many weeks at the DEGUSSA plant watching the operation. On the occasion of one of my visits to Frankfurt I was advised by Mr. WINTON and Mr. ROLBEIN that the DEGUSSA workers had done an extraordinary job, beyond what would ordinarily be required under the terms of a contract. In particular, since we were extremely anxious to complete the smelting operation as quickly as possible in order that the finished products might be made available for sale, my representatives, Mr. WINTON and Mr. ROLBEIN, urged that the DEGUSSA works put in extra time and effort which they did. In addition, I understood that DEGUSSA had recovered many carats of diamond chips which might otherwise not have been recovered. Mr. WINTON and Mr. ROLBEIN urged me to permit the giving to the DEGUSSA workers of some food packages. At that time I told them that I thought it best to complete our operation and, if they felt that it would be a kind gesture to give them some food packages, we might do it then. On my most recent visits to the United States I received a cable from Mr. ROLBEIN requesting authorization to purchase some food packages to be given to the DEGUSSA workers. I concurred in Mr. ROLBEIN'S suggestion and authorized the expenditure of funds for this purpose.

It did not occur to me and I am sure, it did not occur to Mr. ROLBEIN that we were violating any regulation of Military Government by sending CARE packages to DEGUSSA workers. I have been advised this morning by C.I.D. that we have probably violated a Military Government Regulation prohibiting payment in food for services performed by Germans. I have assured the C.I.D. representatives that we were certainly unaware of breaching any Military Government Regulation. The CARE packages which I authorized Mr. ROLBEIN to purchase for DEGUSSA workers were given as a gesture of gratitude. We, of course, do not desire to violate any regulation and, if it is possible, we request that the food packages be withdrawn to avoid any possible criticism.

I wish to unqualifiedly state that I, as Director of the Reparation Operations of the P.C.I.R.O., and all of my Reparation Field Staff have, to my knowledge, conducted themselves and the operation in which we are engaged in the most creditable manner. I have never purchased any currency in Switzerland which has been brought into the U.S. Military Zone of Germany or into any other Military Zone. I am confident that neither Mr. ROLBEIN nor any other member of our Field Staffs has purchased any currency abroad and imported it into the zone. C.I.D. representatives have this morning referred me to intercepts of telephone conversations reported between me and some of my Field representatives in Germany, in particular with Mr. SMOLLAR when he was there. There is a reference in these conversations to bringing \$ 500.00 to Geneva and the conversation read to me sounds as if I requested this money to be brought for the purpose of purchasing currency. I wish to make it unqualifiedly clear that no currency was ever purchased with the \$ 500.00 referred to in this conversation and brought into the zone, nor with any other currencies on

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any other occasions. To the best of my recollection the \$ 500.00 referred to in this conversation reported to me had reference to transferring from the current expense fund held by my Field Staff in Frankfurt a sum of money to keep on hand in Geneva for the purchase of materials which were needed in the course of the joint inventory operation. Because of the peculiar nature of the joint inventory operation, at an early date, while we were still I.G.C.R. employees, a fund was established by I.G.C.R. which was retained by my Field Staff for the purpose of meeting out of pocket expenses, such as cable charges, payment of services of experts who might come in to assist us, etc. During the course of the joint inventory my chief appraiser, Mr. Emile KLIPPER, required certain jeweller's instruments and tools in order to break out stones which he, as my chief appraiser, determined were more readily saleable as loose stones rather than in their old fashioned settings. Since we had established an expense fund for operations at the Reichsbank under P.C.I.R.O. procedure, such fund would be used for direct expenditure for the purchase of equipment such as that which Mr. KLIPPER needed. I therefore, in this conversation, suggested to transfer a sum of the funds to Geneva where we would hold it in special account and where it would be available for the purchase in Switzerland of various items of equipment which might be currently needed by my Field Staff. To the best of my knowledge the \$ 500.00 referred to were not immediately transferred to the Geneva office; but at a later date, upon one of my subsequent visits to Frankfurt, I took from the expense account \$ 500.00 in Travellers' Checks, the receipt for which is in our records and files. I retained these Travellers' Checks at the Geneva office for a short time. To the best of my recollection the necessary tools which we required for the operation were purchased by Mr. WINFON, my assistant in Geneva, at a shop in Zuerich, at a time when I was not in Geneva. It was not necessary for me therefore to retain these funds on hand for the purchase of this equipment. The funds had originally been brought there for the purchase of this and other equipment that we might need, including packing materials, such as boxes for diamonds, etc. The packing material which I thought we would purchase in Switzerland was obtained from the United States. It became apparent that the fund was not needed in Geneva and upon a subsequent visit to the Reichsbank, the Travellers' Checks were returned to the expense fund and the necessary book entry was undoubtedly made by Miss GILBERMAN, book keeper and administration assistant. I distinctly recall Miss GILBERMAN'S returning to me the receipt which I had originally signed for the transfer of the funds.

I am told that the reported conversation between me and Mr. SMOLLAR refers to the difference in price of Reichsmarks purchased in the zone and in Switzerland. I do not recall this specific item, but unqualifiedly state, that on no occasion was there ever any intent on my part or, to the best of my knowledge, on the part of any of my representatives to purchase currency in Switzerland for import into the zones. I again unqualifiedly state that this was never done. I have never even seen a German Reichsmark, since I have had no occasion to use such currency.

Reference was made at my meeting this morning with C.I.D. representatives to the fact that there was disagreement between my chief appraiser, Mr. KLIPPER, and the Army's appraisers, as to the value to be

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placed on the diamonds and other non monetary gold which we jointly inventoried and receipted for at the Reichsbank. I was informed by the C.I.D. representatives that my appraiser had appraised one item at some three hundred and odd dollars which the Army's appraisers had valued at some four thousand dollars, and that my representative, Mr. KLIPPER, had compromised at some two thousand five hundred dollars in value.

I am not familiar with the valuations which are listed in the joint inventory which my representatives have signed, with the exception of the overall total amount. I had no technical knowledge of jewelry values or quality and therefore am in no position to pass any judgement on the valuation of my appraiser or of the Army's. From the stand point of P.C.I.R.O. the tentative agreed valuation which is called for by the Joint Chief of Staff Directive and to which we had to agree is of little practical use to P.C.I.R.O. We have realized all along that whenever valuation was placed upon the jewelry in the course of the joint inventory it was of no use to us for ultimate sales purposes. This is because the sales price for which the items will be sold depends upon market conditions, place of sale and other factors, such as extent of customs duties etc. Therefore I am in no way concerned with the valuations listed in the joint inventory for which we receipted as far as estimate sales prices are concerned. I had instructed my Field Staff, particularly Mr. KLIPPER, to agree to any valuation which seemed reasonable to him. We, Mr. KLIPPER and I, had only one slight concern, - namely, that we did not wish to receipt for valuations which might be grossly disproportionate to what we might ultimately receive upon liquidation. This was merely a protective feeling on our part, since we did not wish to place ourselves in a position where we would have receipted for property valued disproportionate to what it could bring which might thereby expose P.C.I.R.O. to unjustified criticism that it had not obtained the highest possible proceeds as is its responsibility.

With further respect to the valuations - The diamonds and jewelry have arrived in the United States; P.C.I.R.O. has organized an Advisory Liquidation Committee of the most substantial business men and industrialists in the United States who are undertaking to liquidate the property on behalf of P.C.I.R.O. at no profit to any intermediaries and at the least possible selling expense. This Committee is arranging for the re-appraisal of all the jewelry in the light of ^{current market} market, is not concerned with the accuracy of values listed in the joint inventory. The appraisal for sales purposes in the United States is being done by persons furnished by the Advisory Liquidation Committee and not by the P.C.I.R.O. chief appraiser, Mr. KLIPPER. This is not meant to reflect in any manner upon Mr. KLIPPER'S ability or upon my reliance and confidence in him, but is merely stated to reassure whoever is interested that P.C.I.R.O. has made all necessary plans for liquidation of the property in the best possible manner. With respect to the divergence of opinion between Mr. KLIPPER and the Army's appraisers, if this is of any importance to Military Government, I am sure that Mr. KLIPPER will be willing to back up any appraisals or valuations which he might have made. Mr. KLIPPER is one of the most reputable diamond experts in New York, of unimpeachable integrity, and in whom I have complete confidence.

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To recapitulate briefly I should like to state:

1. That neither I nor, to the best of my knowledge, any member of my staff has ever purchased any currency in Switzerland and imported it into the Military Zones.
2. That there is nothing confidential from my view point with respect to the arrangement which I made with the Jewish Agency for Palestine to bear the expenses of the smelting of non monetary gold at the DEGUSSA plant; that, to the best of my knowledge, it was appropriate for P.C.I.R.O. to accept a gift of Reichmarks for this purpose and for the Jewish Agency to make such a gift.
3. That the difference there may have been in valuations between those of the Army's appraisers and the P.C.I.R.O. appraisers is a technical matter of no practical concern to P.C.I.R.O. since all of the jewelry is being revalued by other experts in the United States before it is placed on sale; and that I have complete confidence in Mr. KLIPPER and his ability as a diamond expert.
4. That the purchase of food CARE packages for the DEGUSSA personnel was by no means intended to violate any regulations of Military Government, but was done as a gesture of gratitude to the DEGUSSA workers; but since there is some question as to the legality of the presentation of food packages under these circumstances to DEGUSSA workers I should like to clarify the situation completely by requesting that the packages be returned to us if at all possible and that we will dispose of them to refugee camps in the Frankfurt area.
5. That I have full confidence in each member of the P.C.I.R.O. Operation Field Staff; that they have performed an unusual difficult task in the shortest possible time; and that I and the members of my Field Staff have, at all times, worked closely with the Military Government officials and regret very much if we have unwittingly violated any regulation by ordering the food CARE packages above referred to.

This statement is made with the hope that it will clarify any questions which the C.I.D. representatives may have had concerning the Reparation Field Operation of P.C.I.R.O. and that they will feel free to request any further clarifying statements or documents if they deem such necessary.

This is a true and accurate statement to the best of knowledge, given freely without any threatening or influence. I make this statement with full knowledge of my rights.

This statement, which consists of 8 pages, has been read by me, and it is true. I have signed each page and initialed all corrections which have been made in the statement.

Abner P. Schwartz
 (Signature)

(Subscribed and sworn) (witnessed to before me this 4th day of December 1947
 at Frankfurt/Main, Germany

Harry J. Painter
 (Summary Court Officer)
 Harry J. Painter
 52 C. I. Detachment

ET FORM 19-13 c (7 Sept 46) (old TPM Form 16 c)

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RG 260
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 Authority WD 775 058
 By IE NARA Date 11-99

Exo

CONFIDENTIAL

U.S. CIVIL CENSORSHIP SUBMISSION TELEPHONE
 CIVIL CENSORSHIP DIVISION, USFPT

Date of Call: 29 Aug 47 Time Start: 1545 Minutes: 11 Warn? No Topic: Trade Station & Record No.: E/47/11441 PKT-47-1701

From:	To:
Address: Abba SCHWARZ	Address: Female voice
(Tel. No. and List): Rue de Paquis 52	(Tel. No. and List): Hermann SCHMOLLER
(Ident. No. and Natlty): Geneva	(Ident. No. and Natlty): REICHSBANK
Occup: 28508	Occup: Frankfurt
	Occup: 33729

List: L/B 1787 /b

Language: English Rec. Film: 890 Track: 64-70 Serial No.: 351-26 Previous Relevant Records: Not consulted
 Circuit: Zuerich Monitor: 20/20/70 Typing Date: 18 Sep 47 ap

ALLOCATION:

A. LOCAL POSSIBLE ILLEGAL DEALING IN CURRENCY AND PRECIOUS METALS INVOLVING AMERICANS.
 52nd CID (Verbatim quotation)

B. US ZONE CALLING: "The message is that HY should bring \$ 500.00 in travellers cheques along."
 CALLED : "Why?"

C. OEGUS CALLING: "We may have to use it to get that currency."
 CALLED : "We'll see you in Geneva tomorrow night."

D. ALLIED CALLING: "I already arranged something for the other place."
 CALLED : "I wanted to ask you something: Platinum is very hard to detect and sometimes it can be mistaken for whitegold or silver. We have not separated the platinum from the gold."

E. WASHINGTON CALLING: "If at all possible, I would gin it."
 CALLED : "You see HY and PHIL said they would, they can do it in a process."

F. SPECIAL CALLING: "The Swiss told me that it would not pay to smelter pointed ware. They said you get about 50 to 75 gr. of silver out of one kilo and it costs about 50 to 75 gr. of work."
 .../CALLING

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E/47/11441
 PKT-47-1701
 18 Sep 47 ap

CALLED : "According to the figures you gave me it would cost about £860.00".

CALLING: "How much silver do you have?"

CALLED : "About 367 to 370 kilos."

CALLING: "You see the Swiss, when I talked to them yesterday reversed themselves a little bit on the smelting charges. The 3 1/2 franc charge will be only one franc. Even the British charges will be less than that, because I gave you a separate smelting and refining figure, the smelting figure includes the refining. There will be a small charge of £ 1.60 per bar."

CALLED : "But even that comes to £740.00 that is pretty high."

CALLING: "It is high, but it is less than half of what the Swiss ask."

CALLED: "In Marks it would be RM 75,000.00 if it's RM 15,000.00 to RM 20,000.00 for the whole works."

CALLING: "We would go as high as RM 25,000.00 for the whole works we can get RM 25,000.00 here for £100.00."

CALLED : "£150.00 would give you RM 1,500.00."

CALLING: "Yes, in the zone, not here. £ 150.00 would get us in Switzerland RM 25,000.00."

CALLED : "And that you are willing to pay?"

CALLING: "Yes."

CALLED : "We have in gold some £ 1,500.00, so far we have recovered 368, we three and four times as much in silver. Now you want to find the cheapest place possible."

CALLING: "Yes, we are trying to pull a hard bargain. Well, we talk about this with HY over the week-end."

CALLED : "Yes we have to talk about the 60 kilos of silver-ware, the metal is not worth much and has to be disposed of."

CALLING: "We could give it to the D.P. camps, get rid of it quickly."

CALLING : "That's right."

CERTIFIED TRUE COPY
Harry J. Painter
 HARRY J. PAINTER
 Summary Court

CONFIDENTIAL

(e) hm/k

EXHIBIT 'B'

306600

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Handwritten mark

C RIMINAL INVESTIGATION DIVISION
 52nd CI Detachment — APO 757 U.S. Army

STATEMENT OF David L. ROLBEIN DATE 3 December 1947
 ASN: USFET 5730 RANK: Civilian ORGANIZATION: PCIRO
 APO: 757

"I have been advised of my rights under Article 31 of the Geneva Convention by Agent(s) ASHLOCK - WRENN, CID, and I understand that I cannot be compelled to answer any question or questions which might incriminate me. I further understand that anything I may say or write can be used against me in the event I should be brought to trial before a court-martial. No threats or promises have been made to me and with full knowledge of my rights concerning self-incrimination, I hereby voluntarily make the statement which appears below. In witness of my knowledge and understanding of the foregoing, I place my signature here:

David L. Rolbein

Negotiations with the DEGUSSA Smelting firm were first undertaken by the PCIRO during June 1947 when it appeared that quantities of the jewelry received from the U.S. Army under the Paris Reparations Agreement could not be sold in their original forms. At that time, Hyman SMOLLER was Chief of the PCIRO Reparations Mission in Frankfurt and conducted all negotiations. My knowledge of such activities was obtained from Mr. SMOLLER verbally. His original contract (or agreement) with DEGUSSA was drawn up in the Office of Military Government for Hesse with Col. FRUITMAN as the Precious Metals representative for OMGUS. This contract provided for a payment in Reichsmarks and also for DEGUSSA to retain some 5% of the precious metals resulting from the refining process. The first delivery of scrap gold was made to DEGUSSA in early July 1947 under these terms. When this fine metal was returned it became apparent to both OMGUS and PCIRO that the portion of metal being retained by DEGUSSA was excessive and probably outside the legal limits of Public Law 53.

With this realization SMOLLER began negotiations with DEGUSSA through OMGUS to obtain the return of this metal. During this period of negotiations (July - August 1947) I was at Geneva Headquarters of PCIRO and did not take an active part. In early September, SMOLLER returned to the United States and I returned to Frankfurt as Chief of the Mission. I then took over all negotiations with DEGUSSA and made all future agreements. It was the understanding when SMOLLER left that future agreements with DEGUSSA would take into account prevailing rates for smelting and refining in other countries.

I obtained such rates in Belgium, Switzerland, England and France before agreeing to future work by the DEGUSSA firm. All these agreements provided for payment in Reichsmarks and for withholding a small amount of metal to cover losses in smelting and refining processes.

All agreements that I made with DEGUSSA were inspected by Colonel GRAHAM, Precious Metal Division of OMGUS at Wiesbaden and approved by him.

Operations at DEGUSSA were scrutinized very carefully by our staff to prevent loss of metal and checks were obtained on the operation by having duplicate assays made in London. These checks indicated that we were receiving back the entire quantity of metal to which PCIRO was entitled.

David L. Rolbein
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With regard to the Reichsmarks received by me for payment of the DEGUSSA Company, I obtained these marks under instructions from the Geneva Headquarters of PCIRO. Mr. Abba SCHWARTZ, Director of the Reparations Division, informed me that the Reichsmarks were to be obtained at the offices of the Jewish Agency for Palestine here in Frankfurt. I was to receive 100,000 Reichsmarks from this office in accordance with these instructions. These Reichsmarks were received from Mrs. Rachel ADIV in the Jewish Agency for Palestine Office on two different occasions - 10,000 Reichsmarks on 13 September 1947 and 90,000 Reichsmarks on 4 October 1947. Payment of marks to DEGUSSA was made as the operation progressed with a total of 98,000 marks having been paid as of this date.

During the course of my dealings with DEGUSSA, one of their representatives (either Mr. OCHS or Mr. FURLER) brought up the question of Care Packages as a partial compensation for the work performed for PCIRO. My first reaction to this request was to turn it down. After watching the operation I however began to feel that for extra services such as right work and general allround cooperation it might be possible to provide the firm with these packages. The original request by DEGUSSA was for many more packages than we finally gave to them. Determination of the exact number to be given them was made simply on the basis of an outlay of \$250 to \$300 rather than on the numbers of packages involved. The packages delivered were obtained in Switzerland through Geneva Office of the PCIRO with vouchers delivered to Frankfurt and packages to be obtained here. It should be emphasized that distribution of these packages was for extra and vigorous services rendered and that the illegality of such distribution never entered my mind until brought to attention by the Agents.

With regard to deliveries of precious metal to DEGUSSA and receipt of metal from them, the movements under question are as follows:

During the period in question I made a delivery to DEGUSSA of silver for assay and refining. This delivery was made, according to my best recollection on either Wednesday November 19, or Thursday, November 20. It consisted of one bucket of silver corn (silver in refined form but in droppings rather than bars) and either 5 or 6 small parts of bars which had been turned over to PCIRO by the U.S. Army in Salzburg. These metals were in a wooden box of about 18" x 18" x 24" filled mostly with excelsior with the lid partially opened and the bars and bucket on top. The box was removed from the lower air raid shelter of the Reichsbank by myself and Major REED, Security Officer. Two D.P. Laborers (or perhaps three) helped carry the box to my jeep Station Wagon which I had parked at the rear of the bank for this purpose. I then drove to DEGUSSA with this metal and left it there, obtaining receipt therefor. No unusual or otherwise note-

This statement, which consists of pages, has been read by me, and it is true. I have signed each page and initialed all corrections which have been made in the statement.

David L. Kolbein
 (Signature)

(Subscribed and sworn) (witnessed to before me this day of 19.....
 at
 (Geographical location)

Signed
 (Summary Court Officer)

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worthy incident transpired at this time.

On Friday A.M. 21 November I went to the DEGUSSA plant at about 9 A.M. to receive some silver bars. In all, 22 silver bars were loaded aboard a DEGUSSA truck to transport back to the Reichsbank. Normally, I would have had an officer attached to the Bank accompany me on such a trip but the nature of the day's operations at the bank was such that it would have been impossible to obtain one. Moreover, Mr. KELLER, Chief of the Depository at the Bank had told me prior to the beginning of their large scale operation that no officers would be available during that period to assist me. I returned from DEGUSSA at about 1000 and drove to the rear entrance of the Bank. I noticed immediately that there was great confusion inside the bank. The door was barred and I had difficulty getting someone to unlock it. Finally after a few minutes, Mr. GREEN (or Major REED) opened the door for me and explained hurriedly that something had happened and we could not take the silver bars to the air raid shelter. We did however, wheel a small wagon to the door where the DEGUSSA truck was parked and loaded the bars to that wagon. I dismissed the DEGUSSA employees at once. They did not enter the bank at all - and wheeled the wagon inside. I remained with the wagon for from 1/2 to a full hour just inside the bank waiting for clearance to carry the bars downstairs to the air raid shelter. At about 1100 or 1130, Mr. GREEN, Major REED, and either one or two GI'S stationed ourselves along the route to the air raid shelter and supervised four DP laborers who carried the 22 bars to their vault. No unusual incidents occurred during this operation and no PCIRO property is missing.

This statement, which consists of 3 pages, has been read by me, and it is true. I have signed each page and initialed all corrections which have been made in the statement.

David L. Kolbein
 (Signature)

(Subscribed and sworn) (witnessed to before me this 4th day of December 1947
 at 37 Wiesenhuetttenplatz, Frankfurt/Main, Germany
 (Geographical location)

Signed _____
 (Summary Court Officer)

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CRIMINAL INVESTIGATION DIVISION
 52nd CI Detachment — APO 757 U.S. Army

STATEMENT OF: Theodore H. Ball DATE: 12 December 1947
 ASN: _____ RANK: _____ ORGANIZATION: Finance Division,
OMGUS APO: 742

"I have been advised of my rights under Article of War 24 by Agent(s) _____ CID, and I understand that I cannot be compelled to answer any questions which might incriminate me. I further understand that anything I may say or write can be used against me in the event I should be brought to trial before a court-martial. No threats or promises have been made to me and with full knowledge of my rights concerning self-incrimination, I hereby voluntarily make the statement which appears below. In witness of my knowledge and understanding of the foregoing, I place my signature here:

1. I understand that in the course of an investigation of certain activities of representatives of IRO, statements have been made that I had authorized various actions. Unfortunately, it has not been brought to my attention exactly which actions I am supposed to have authorized. However, in connection with certain statements in various papers submitted to me on the investigation I would like to give certain recollections which I have regarding activities mentioned in the report.

2. The problem of using Degussa as the organization to smelt the gold was discussed with me and it had been my basic feeling at that time that it probably would be safer for them to have this gold smelted outside Germany. However, this was the affair of the IRO representatives and once they made the decision to have the smelting done at Degussa, the problem was in their hands. Mr. Smollar ran into some difficulties with the Degussa Smelting Company regarding their retention of approximately 5% of the gold that was being smelted. This seemed to me like an extremely high percentage particularly as these funds were being used to assist persons who were victims of Nazi aggression and at that time I had one of my assistants discuss the matter with either the people at Frankfurt or Wiesbaden and I believe it was settled in such a way that Degussa returned this gold to representatives of the IRO.

3. In connection with the statements regarding the obtaining of marks as a gift from an organization, either Mr. Schwartz or Mr. Smollar approached me with this problem explaining that discussions were in preliminary stage and asking me what my provisional feeling was on the subject. At that time I stated basically I could see no objection to the proposition but before making any final decision I would prefer to discuss the matter in more detail and certainly to have a clearer picture of what the actual transaction would entail before I could give an official authorization. To the best of my recollection that is the first and last time that this problem was discussed with me.

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4. In connection with the possibility of purchasing marks in Switzerland, this I believe was also discussed with me and at that time I pointed out that it was illegal to import marks into Germany and that I certainly could not authorize any such transactions.

5. I have had other discussions with both Smellar and Schwartz on administrative problems of their operations but at the present time, as far as I can remember, these were the only three major problems which were discussed with me outside of general operational problems as to where IRO would take delivery, method of transportation out of Germany, etc. In general, it was always my impression that Mr. Schwartz was attempting to carry out his operations with in Germany on a basis which was satisfactory to Military Government.

CERTIFIED TRUE COPY:

Harry J. Painter
HARRY J. PAINTER
Summary Court

/s/ Theodore H. Ball
/t/ THEODORE H. BALL
Director
Finance Division

This statement, which consists of 2 pages, has been read by me, and it is true. I have signed each page and initialed all corrections which have been made in the statement.

/s/ Theodore H. Ball
(Signature)

(Subscribed) ~~Bellevue~~ Berlin, Germany (Witness) before me this 12th day of December 1947
at (Geographical location)

Signed: /s/ PATRICK J. GALLAGHER
(Summary Court Officer)

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52ND CRIMINAL INVESTIGATION DETACHMENT

Office of the Provost Marshal
Headquarters Command
European Command
U. S. ARMY. APO 757

STATEMENT OF Rahel ADIV DATE 6 January 1948
ASN: Senior Representative RANK: 11 ORGANIZATION: Jewish Agency
for Palestine, Frankfurt/Main, Germany APO: 757

I have been advised of my rights under Article of War 24 by Agent(s) PIERCE (GID) and I understand that I cannot be compelled to answer any question or questions which might incriminate me. I further understand that anything I may say or write can be used against me in the event I should be brought to trial before a court-martial. No threats or promises have been made to me and with full knowledge of my rights concerning selfincrimination, I hereby voluntarily make the statement which appears below. In witness of my knowledge and understanding of the foregoing, I place my signature here.

R. Adiv

I found out in the Head Office of the Jewish Agency for Palestine in Munich that a total of 100,000 Reichsmarks has been given to Mr. ROBBIN, an IRO official from Geneva on instructions from our office in Jerusalem. We drew this sum from KEREN KAYEMETH, Jewish National Fund. Money for the above mentioned fund is being collected by contributions in Jewish D.P. Camps in the US Zone of Germany.

The legitimacy of dealing in these marks has been confirmed by a copy of a letter from Abraham S. HYMAN, Major, JAGD, Legal Consultant to Adviser on Jewish Affairs to Commander in Chief, European Command.

Our financial officer, Mr. Joshua LEVI, would confirm my words.

This statement has been read by me and it is true. I have signed and initialed all corrections which have been made in the statement.

R. Adiv
(Signature)

(Subscribed and sworn) (witnessed) to before me this 6th day of January 1948

at Frankfurt/Main, Germany
(Geographical location)

Signed Harry J. Painter
(Summary Court Officer)

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EXHIBIT 'G'

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HEADQUARTERS
 EUROPEAN COMMAND



APO 757

1 December 1947

AG 322 GSP-AGC

SUBJECT: US Army Logistical Support of IRO Operations and IRO Personnel in the US Occupied Zone of Germany.

TO: Commanding Generals:
 Office of Military Government for Germany (US)
 US Constabulary
 US Air Forces in Europe
 First Military District
 Second Military District
 Bremerhaven Port of Embarkation
 Headquarters Command, European Command
 Chiefs of Technical Services

I. GENERAL

1. Rescissions. a. Letter, this headquarters, AG 400 GSP-AGC, 6 August 1947, subject as above.

b. Section IX, Weekly Directive No. 5, this headquarters, 12 September 1947.

c. Any other instructions which may be in conflict with this directive.

2. References. The following references relative to the support of UNRRA and ICCF are applicable to IRO:

- a. AR 35-780, 8 April 1946, and changes thereto.
- b. AR 40-590, 21 April 1946, and changes thereto.
- c. Circular 56, Hq USFET, 1946, as amended.
- d. Circular 77, Hq USFET, 1946, as amended.
- e. Circular 84, Hq USFET, 1946, as amended.
- f. Circular 131, Hq USFET, 1946, as amended.
- g. Circular 165, Hq USFET, 1946, as amended.
- h. Circular 185, Hq USFET, 1946, as amended.
- i. Circular 22, this headquarters, 1947.
- j. Circular 38, this headquarters, 1947.

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Ltr, AG 322 GSP-AGO, 1 Dec 1947, Contd.

- k. Circular 57, this headquarters, 1947, as amended.
- l. Circular 60, this headquarters, 1947.
- m. Circular 94, this headquarters, 1947.
- n. USFET-SOP 17, 10 April 1946, as amended.
- o. USFET-SOP 24, 22 February 1947, as amended.
- p. USFET-SOP 65, 14 March 1947, as amended.
- q. USFET-SOP 75, 1 March 1947, as amended.
- r. USFET-SOP 80, 20 May 1946, as amended.
- s. EUCCOM-SOP 37, 6 October 1947, as amended.
- t. EUCCOM-SOP 52, 2 August 1947, as amended.
- u. EUCCOM-SOP 98, 12 September 1947.
- v. EUCCOM-SOP 100, 7 April 1947, as amended.
- w. EUCCOM-CAD Tech Supply Inst. No. 1, of July 1947.
- x. EUCCOM Signal SOP 4, 1 March 1947.
- y. Letter, this headquarters, AG 322 GCT-AGO, 15 April 1947, "Plan for Reorganization of US Forces in the European Command."
- z. Section IV, Weekly Directive No. 16, this headquarters, 28 November 1947.

3. Scope. This directive covers the procedures for requisitioning, issuing, selling and documenting US Army supplies, services and facilities for IRO operations and IRO personnel. It applies to all US Army installations located in the US Occupied Zone of Germany including the Bremen Enclave and Berlin Sector.

4. Compliance. Procedures outlined herein are effective retroactively to 1 July 1947 unless otherwise specifically indicated. Immediate action will be taken by all commanders concerned to revise all policies, procedures and instructions in conflict with this directive.

5. Definitions. a. For the purpose of this directive the term "IRO" (International Refugee Organization) includes the functions, activities and personnel of the following accredited voluntary agencies, and such other voluntary agencies as may later be accredited:

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American Friends Service Committee
 American Joint Distribution Committee
 American Polish War Relief
 Church World Service
 Czechoslovak Red Cross
 Jewish Agency for Palestine
 World's Organization for Rehabilitation through Training Union
 Hebrew Immigrant Aid Society
 International Rescue and Relief Committee
 Italian Red Cross
 Jewish Committee for Relief Abroad
 National Catholic Welfare Conference
 Netherlands Red Cross
 Polish Red Cross
 Unitarian Service Committee
 US Committee for Care of European Children
 Vaad Hahatzala
 World's Association of Girl Scouts
 World's YMCA/YWCA
 World's Students Relief
 Yugoslav Red Cross

b. The term "IRO personnel" used herein is limited to US, Allied and neutral employees of IRO and of the above named accredited voluntary agencies who have been issued IRO identity documents, and to their authorized dependents.

II. US ARMY LOGISTICAL SUPPORT OF IRO OPERATIONS

6. Transfer of Real Estate and Property. a. Real Estate. Post commanders will effect the reassignment to IRO of all former UNRRA (including voluntary agencies) and ICGR assembly centers, offices, buildings, warehouses, garages and similar installations and facilities which IRO requires to accomplish its mission. The procedure prescribed in EUCOM-SOP 37, 6 October 1947, as amended, is applicable to acquisition, transfer or release of real estate.

b. Property. Inventories of the property will accompany the transfer of real estate referred to in paragraph 6a, above. Post commanders will be responsible for separate inventories being made to cover:

- (1) Non-expendable US Army property issued to IRO on memorandum receipt. Reports of survey will be initiated by military personnel holding memorandum receipts for property lost or damaged, in accordance with the provisions outlined in EUCOM-SOP 100, 7 April 1947, as amended.
- (2) Any other non-expendable property in the installation at the time of reassignment to IRO.
- (3) For the purpose of this inventory:

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- (a) Property acquired by UNRRA (including voluntary agencies) and ICCR, through purchase outside the US Occupied Zone of Germany, will not be included.
 - (b) The following former US Army stocks transferred from UNRRA to IRO on 1 July 1947 will be considered expendable property: Blankets, comforters, mattress covers, forks, knives, spoons, cups, saucers, meat cans and plates. This does not include similar type property held on memorandum receipt.
- (4) At the time of reassignment of real estate referred to in paragraph 6a, above, IRO representatives will sign the inventories and accept responsibility for property listed thereon. A copy of each inventory will be retained by the post commander.
- (5) When no longer required by IRO, non-expendable property will be released as follows:
- (a) Memorandum receipt property will be returned to post supply agencies in accordance with EUCOM-SOP 98.
 - (b) German owned property, reference subparagraph b(2), above, will be released by post commanders to the German corporation designated in EUCOM-SOP 102, 31 August 1947, ("Gesellschaft zur Erfassung von Ruestungsgut"). Since these items are already German property, no quantitative receipt need be prepared as prescribed in EUCOM-SOP 102; however, care will be taken to adjust inventories of appropriate post supply officers.

7. US Army Non-Expendable Property Required for IRO Operation. The US Army non-expendable property retained by IRO on memorandum receipt as of this date will constitute IRO's authorized list of equipment. Replacements for property loaned on memorandum receipt to IRO is not authorized. Additional property may be sold to IRO. IRO, US Zone Headquarters, will submit requests for the purchase of US Army non-expendable property to this headquarters (Attention: Civil Affairs Division).

8. Sale of US Army Expendable Property to IRO. a. Expendable property within the command disposition level may be sold by posts to IRO. If items are in short supply, approval of the appropriate chief of service will be obtained prior to release.

b. For items in short supply chiefs of services will insure that procurement of replacement has been initiated before approval of release is given. In emergency cases, however, approval may be granted without waiting for initiation of procurement of replacement.

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c. Expendable property above the command disposition level (excess property) will be sold in accordance with general principles on sale of excesses contained in paragraph 9, below.

d. Special cases of expendable items are detailed in paragraphs 9, 10 and 13, below.

e. All IRO requisitions will be submitted on Property Issue Slips.

f. A normal IRO requisition will be for 30 days' supply.

9. US Army Excess Stocks. Excess, surplus and CA/MC stocks may be sold direct to IRO at a fair value to be determined by the Command Pricing Board, this headquarters, without charges for landed costs, provided IRO accepts such stocks in bulk from service depots; IRO will submit requirements to this headquarters (Attention: Civil Affairs Division). The documentary procedure contained in paragraph 19, below, will apply.

10. POL. POL coupons will be furnished by the Chief Quartermaster, this headquarters, to IRO, US Zone Headquarters, upon IRO's presentation of monthly POL consolidated requirements for IRO administration and assembly center operations. Requirements will be prepared on Property Issue Slips (WD AGO Form 446) and submitted by IRO, US Zone Headquarters, in five signed copies to the Chief Quartermaster, this headquarters. Upon receipt, the Chief Quartermaster will review requirements and forward the necessary number of POL coupons to IRO, US Zone Headquarters. The documentary procedure prescribed in paragraph 19, below, will apply in effecting reimbursement of POL coupons furnished. Post commanders will furnish POL products in bulk to authorized IRO representatives and/or IRO vehicles bearing "E" and "IM" type license plates upon surrender of POL coupons.

11. Engineer Construction, Supply and Maintenance. a. Post commanders are responsible for the maintenance of all US Army requisitioned real estate in accordance with EUCOM-SOP 37, 6 October 1947, as amended. This includes buildings occupied by IRO for administration or for displaced persons.

b. Requests for the maintenance, repair and construction of buildings occupied or to be occupied by IRO activities will be forwarded by post commanders to IRO, US Zone Headquarters, with an estimate of the dollar cost to IRO.

c. Upon receipt of approval from IRO, US Zone Headquarters, post commanders will effect the necessary repairs, maintenance or construction. Property Issue Slips will be executed on all supplies expended.

d. In cases of emergency, necessary repairs and maintenance will be effected without prior reference to IRO, US Zone Headquarters.

e. Where IRO withholds approval of repairs or construction considered essential by the post commander, the matter will be referred to the Chief Engineer, this headquarters.

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12. Vehicle Maintenance and Repair. a. Post commanders are responsible for field maintenance and proper evacuation for base maintenance of all vehicles operated by IRO for their official use. This includes all military vehicles on loan to IRO and voluntary agencies (bearing "LM" plates), and official vehicles owned by IRO (or voluntary agencies) and bearing "E" license plates, regardless of origin. Vehicles privately owned by members of IRO and voluntary agencies are specifically excluded.

b. Post commanders will require IRO to perform, or be responsible for the performance of, organizational maintenance on all vehicles operated by IRO for official use as defined in subparagraph a, above. In areas where IRO has less than 30 vehicles organizational maintenance will be performed in existing post motor pools unless the point where IRO vehicles are concentrated is too distant to make this procedure practical. In such special cases, or wherever IRO has a concentration of more than 30 vehicles, the organization will establish and operate its own organizational maintenance shops whenever practical.

c. To facilitate operation by IRO of organizational maintenance shops it is desired that post commanders release, on memorandum receipt and within the limits of availability, necessary tools and other maintenance implements. The following scale of issue of tool sets is established for this purpose: One General Mechanic Tool Set for each 10 vehicles or major fraction thereof; in addition, one Tool Set, Second Echelon, Set No. 1, and one Charger, Battery (4700-9635) for shops servicing less than 30 vehicles; or one Tool Set, Second Echelon, Sets Nos. 2 and 3, for shops servicing more than 30 vehicles. This scale is based on ASF Catalog ORD-6-SML-C-27, Section III, 1 July 1945.

d. Post commanders will accept for necessary repair and/or evacuation all standard vehicles, including standard non-military type vehicles as follows:

(1) Medium passenger sedans of the following makes and year of manufacture 1940 or later:

- (a) Packard Clipper.
- (b) Buick, all models.
- (c) Cadillac.
- (d) LaSalle.

(2) Light passenger sedans of the following makes and year of manufacture 1940 or later:

- (a) Chevrolet.
- (b) Ford.
- (c) Plymouth.

(3) Other sedans, including five-passenger convertible sedans, of the following types only, and year of manufacture 1937 or later:

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- (a) Opel, Kapitän.
- (b) Mercedes-Benz, 3.2-3.4, 2.3 and 1.7 liter.
- (c) Volkswagens.

For other vehicles, if repairs including repairs to bodies of vehicles are within capabilities of field maintenance shops, such repairs will be performed therein; if repairs are not within capabilities of field maintenance shops, post commanders will procure maintenance services from indigenous sources to the maximum extent possible and execute procurement forms in accordance with the provisions of paragraph 1b, below.

e. The issue or installation in IRO vehicles of assemblies, sub-assemblies, tires and tubes will be on an exchange basis. Parts so issued or installed will be charged at a percentage of the catalog prices or such revised prices as may be published by the Chief of Ordnance, this headquarters; such percentages to be agreed to by IRO and this headquarters. In those cases where there is no exchange of items, full catalog prices, or full revised prices as may be published by the Chief of Ordnance, will be charged for the items issued or installed. In any event, the overhead charge to cover handling, storage and transportation will be added to catalog prices or revised prices as may be published by the Chief of Ordnance, this headquarters.

f. IRO vehicles bearing "IM" plates are subject to that part of the European Command directive quoted below which was published in Message No. SC-130919, this headquarters, 24 July 1947:

"Post commanders are responsible that all military vehicles (including vehicles bearing loan military license plates) in their posts present a good appearance and are properly maintained. Satisfactory appearance of vehicles will be construed to include proper identification marking and painting as prescribed in Change 1 to USFET-SOP 65, 20 June 1947. It is not considered practicable to give post commanders actual command of units or activities operating motor vehicles nor of the organizational maintenance shops pertaining thereto which are not now assigned to their posts. Post commanders are, however, hereby given authority effective 1 September 1947 to impound vehicles of unsatisfactory appearance or vehicles upon which required organizational maintenance has not been performed. Major commanders and post commanders will delegate impounding authority only to qualified technical personnel to avoid unwarranted and unjustified withdrawal of vehicles from users. Vehicles so impounded will be held until appearance or maintenance has been brought up to a satisfactory standard. If, in improving appearance or maintenance, it is desirable to permit vehicles to be taken to their own organizational area or shops, this may be authorized by the post commander but such vehicles must remain under the control of the post commander, and may not be used until released by him. When it is determined that damage has resulted from abuse or negligence on the performance of organizational maintenance pecuniary responsibility will be determined."

g. Markings of vehicles loaned to and vehicles owned by IRO and accredited voluntary agencies will be made in accordance with USFET-SOP 65, 14 March 1947, as amended.

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13. Office and Sanitary Supplies and Publications. Stationery, office supplies, cleaning and preserving materials, and publications and blank forms will be sold to IRO by the Chief Quartermaster and the AG Publications Depot, this headquarters, respectively, upon presentation by IRO, US Zone Headquarters, of monthly consolidated requirements in accordance with the procedures prescribed in paragraph 19, below.

14. Communications. a. The Chief Signal Officer, this headquarters, will be responsible for providing communications for IRO in the US area of control in Germany. These communications services will be provided in accordance with Signal SOP No. 4, headquarters USFET, 1 March 1947. These services will include telephone communications of displaced persons assembly centers, IRO offices and other IRO operational installations. Teletype and courier service will be provided on the same basis as for US military agencies. Message precedence classifications are authorized for use of IRO within the US military communications network.

b. Official communications services provided for IRO within the US Occupied Zone of Germany will be without charge. Requests for additional Signal facilities will be presented by IRO, US Zone Headquarters, to this headquarters (Attention: Civil Affairs Division) for approval.

c. The cost of communications services outside the US Occupied Zone of Germany will be chargeable to IRO and billed as follows:

- (1) Upon presentation of bills to the Chief Signal Officer, this headquarters, by the foreign communications companies, the Chief Signal Officer will obtain certification of charges from IRO, US Zone Headquarters, prior to payment.
- (2) Payment will be made by the Chief Signal Officer direct to the foreign communications companies from funds allocated to this command.
- (3) The Chief Signal Officer will require five credit vouchers or paid receipts from foreign communications companies. Three copies will be forwarded to the Chief of Finance, this headquarters, for effecting reimbursement from IRO. One copy will be forwarded to IRO, US Zone Headquarters.

15. Transportation. a. General. The United States Army is responsible for delivery of IRO supplies at assembly center breakdown points during the balance of calendar year 1947, and will be responsible for all transportation to that level subject to reimbursement as provided in paragraph 11, Section VII, CINCEUR/IRO Agreement.

b. Motor.

- (1) (a) IRO will furnish the Chief of Transportation, this headquarters, not later than 22nd of each month, the number of vehicles required for the following month by type and location.

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- (b) The Chief of Transportation will furnish post commanders, not later than the 25th of each month, a list of the number of vehicles IRO will require for the following month by type and location.
- (c) Post commanders will be responsible for the daily dispatch to IRO of the vehicles required for the movement of displaced persons and IRO supplies. This dispatch will be made in accordance with the list of IRO vehicle requirements transmitted to the posts (reference subparagraph b, above). To meet changes in local conditions, daily adjustment in vehicle requirements may be made by mutual agreement between the post commander and local IRO representatives.
- (2) Utilization. Vehicles will be dispatched daily from motor pools to locations as requested by the local IRO representative, and will be available for a full work day of eight hours. Drivers, maintenance, antifreeze and POL will be furnished by the post commander. After vehicles have been reported to the IRO representative their use will be the responsibility of IRO. This does not relieve the post Transportation officer from technical supervision and inspection for proper utilization in accordance with operational standards.
- (3) Reports. Effective 1 September 1947, post commanders will submit in septuplicate a recapitulation of vehicles furnished IRO; five copies to the Chief of Transportation, this headquarters (Attention: Fiscal Branch) to arrive not later than the 10th of each month following the month the transportation is furnished, and two copies to the IRO representative; the original and all copies will be signed prior to dispatch by both the post commander (or his authorized representative) and the IRO representative. The inclosed form, (Inclosure 3, "Motor Transportation Furnished IRO," Reports Control Symbol ECGSP-66), will be used.
- (4) Rates. Charges for Transportation Corps vehicles rented to IRO will be computed on following basis:

<u>TYPE</u>	<u>Monthly Rate</u>	<u>Hourly Rate</u>
Sedan or 1/4-ton Truck	\$ 31.17	\$ 0.15
3/4-ton Truck	51.61	.25
1 1/2-ton Truck	65.23	.31
2 1/2-ton Truck	73.85	.35
4-5-ton Tractor-Trailer (10 Ton Cap)	129.37	.62

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- (5) The Chief of Transportation, this headquarters, will prepare summary form "RECAPITULATION OF CHARGES TO IRO" (see Inclosure 2) and enter thereon the appropriate transportation rental charges. Three copies of the summary will be dispatched to the Chief of Finance, this headquarters, and one copy to IRO, US Zone Headquarters.

c. Rail.

- (1) Rail transportation within the US Occupied Zone of Germany will be provided IRO at no charge and without expenditure of Department of the Army appropriated funds, since all costs therefor will be paid in reichsmarks for displaced persons being shifted, repatriated or resettled. Such movements will be given appropriate priorities. Procedure for reporting charges is contained in paragraph 17, below.
- (2) Freight and/or express shipments for IRO within the US Occupied Zone of Germany, including the Bremen Enclave and Berlin Sector, will be documented in the same manner as shipments of Army supplies, in accordance with existing procedures. Warrants will be clearly stamped or marked "IRO." Cost of rail transportation in Germany will be charged to the German budget "Care and Maintenance of Displaced Persons."
- (3) All cost for IRO rail movements outside Germany which are a charge against Department of the Army appropriated funds will be paid from European Command funds and reimbursed by IRO, as in the case of communications (see paragraph 14, above). Warrants will be clearly stamped or marked "IRO."

d. Barge.

- (1) The use of barges owned by German companies or individuals for transporting IRO supplies within Germany is chargeable to the German economy and will be reported in accordance with instructions contained in paragraph 17, below. IWT Bill of Lading will be used for these shipments and will be clearly marked or stamped "IRO."
- (2) The use of barges owned by companies or individuals of Allied or neutral countries for transporting IRO supplies to or from points within or outside Germany, which are charged against Department of the Army appropriated funds, will be paid from European Command funds and reimbursed by IRO as in the case of communications (see paragraph 14, above). IWT Bills of Lading will be clearly marked or stamped "IRO."

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16. Local Procurement. Subject to the limitations contained in Part I, USFMT-SOP 75, 1 March 1947, as amended, post commanders will be responsible for effecting local procurement on behalf of IRO. All requisition demands (Form 6CA) will have indicated thereon certification as to availability of funds, citing code symbol CARIOA C-811 "Care and Maintenance of Displaced Persons, not to be charged to Occupation Costs." It is stressed that IRO representatives are not authorized to procure supplies, services or facilities in the US Occupied Zone of Germany, and that all procurements for IRO must be effected by authorized post purchasing and contracting officers.

17. Charges for Indigenous Labor and Services. a. Funds for the expenses of direct IRO activities within the limits of a post will be included in the quarterly budget estimate as directed by the Deputy Budget and Fiscal Director, this headquarters.

b. Chiefs of technical services will submit to this headquarters (Attention: Deputy Budget and Fiscal Director) a quarterly statement summarizing costs of indigenous labor and services expended on behalf of IRO by units or installations directly under the operation of the chief of service concerned. These summaries will be available in this headquarters for inspection by IRO. These costs will be withdrawn from the appropriation CARIOA, Project 811, and transferred to the applicable service appropriation.

18. Security. For security purposes, IRO supplies in transit will be considered to fall within the scope of USFMT-SOP 52, 22 June 1946, as amended, which deals with the security of non-US supplies in the custody or under the protection of US Army forces. Railway security guards will be assigned to IRO supplies on a priority similar to that established by European Command directive for US supplies of a like class. No IRO shipments will be accepted for guarding which are not documented in accordance with the provisions of paragraph 10, USFMT-SOP 21, 22 February 1947, as amended.

19. Documentation Procedure. The following documentation procedure will be used in the sale of supplies and services to IRO:

a. Military agencies issuing supplies and services will require that:

- (1) Property Issue Slips (WD AGO Form 416) be submitted by IRO representatives for distribution as follows: One for the IRO representative receiving the supplies or services; original and five copies to be forwarded to the appropriate chief of service. One copy will be retained by the issuing agency as a temporary stock record account credit voucher. Separate Property Issue Slips will be submitted for each class of supply (see Inclosure 1).
- (2) Property Issue Slips are headed "CASH REIMBURSABLE BY IRO," and that all entries are double-spaced to permit pricing by chiefs of services.

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- (3) The column headed "STOCK NUMBER" contains the appropriate condition code of the property for each item issued, as provided in paragraph 20, below.
- (4) The authorized IRO representative sign and block-print or typewrite his name on all copies of issue slips.
- (5) That six signed copies of issue slips are forwarded as registered documents by Signal messenger service so as to reach the appropriate technical service by the 10th of each month following the month the supplies or services are furnished.
- (6) In the case of automotive assemblies, sub-assemblies, tires and tubes, if a like item is returned the notation "Like Item Returned" will be stated on the Property Issue Slip under the nomenclature of the item. If no notation is stated it will be assumed that no like item was turned in.

b. Chiefs of technical services will:

- (1) Upon receipt of six copies of issue slips, approve and return one copy to the property accountable officer making the issue, for use as a permanent stock record account credit voucher and enter on the remaining copies, under column headed "NOMENCLATURE," the unit catalog price for each item. Where the catalog price is not available, an estimated cost will be made and entered. (Chiefs of technical services, at their discretion, may require issuing agencies to enter catalog prices.)
- (2) Indicate on all copies the fair value in accordance with the procedure outlined in paragraph 20, below, on the same line as the unit catalog price under column headed "NOMENCLATURE." Extension of the unit catalog price and fair value will be indicated on the same line as unit fair value under the columns headed "QUANTITY REQUESTED" and "ACTION," respectively. Total all extensions. Property Issue Slips supporting the monthly summary will be numbered consecutively.
- (3) Initiate summary form "RECAPITULATION OF CHARGES TO IRO" and enter, when applicable, appropriate charges for overhead expenses for both landed and European Command costs in accordance with the procedure outlined in paragraph 20, below and enter the proper appropriations listing, with amounts (see inclosure 2 for example).
- (4) Prepare in quadruplicate, and forward in triplicate to the Chief of Finance, this headquarters, "RECAPITULATION OF CHARGES TO IRO," supported by three sets of Property Issue Slips. These summaries will be forwarded as registered documents by Signal messenger service or by officer courier.

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so as to reach the Chief of Finance, this headquarters, not later than the 30th of the month following month of issue. When no issues are made or services furnished, negative monthly report will be furnished the Chief of Finance, this headquarters, by the following: Chief Quartermaster, Chief Engineer, Chief Surgeon, Chief Signal Officer, Chief of Ordnance, Chief of Transportation and the AG Publications Depot, this headquarters.

(5) Simultaneously with forwarding the above papers to the Chief of Finance, one complete set will be forwarded to IRO, US Zone Headquarters.

c. It will be the responsibility of IRO, US Zone Headquarters, to:

- (1) Furnish commanders of supply installations concerned the names and specimen signatures of IRO personnel authorized to sign for and receive property from US Army sources.
- (2) Adjust with the chief of technical service concerned any discrepancies pertaining to quality, quantities or issue or accounting errors that may occur in Property Issue Slips or Recapitulation of Charges.

d. The Chief of Finance, this headquarters, will submit accounts for collection in accordance with existing procedures.

e. Reports required in subparagraphs b and d, above, are exempted from Reports Control Procedure by paragraph 4c, AR 305-15, 25 August 1947.

f. Documentation procedure for CA/MC supplies will be as provided in EUCOM Civil Affairs Division Technical Supply Instructions No. 1, 1 July 1947.

20. Determination of Charges. a. Condition Code. Property issued to IRO, with the exception of Ordnance property, will be coded as to condition by military agencies issuing supplies in accordance with the following schedule:

<u>Condition Code</u>	<u>Condition</u>
A	New
B-1	Good
B-2	Fair
B-3	Poor

Ordnance items such as automotive parts, supplies, accessories, tools and equipment will not be coded.

b. Fair Value. The Command Pricing Board, this headquarters, will review and price CA/MC surplus or excess military supplies and services furnished IRO. A fair value will be determined, based on the category of supplies prescribed in subparagraph a, above. The board will advise the chiefs of

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technical services concerned the fair value, by item or group of items, in order that chiefs of technical services may complete documentation of vouchers.

c. Indigenous Supply Percentages. IRO will receive indigenously procured supplies at the expense of the German economy. Chiefs of technical services will determine, subject to the concurrence of the Command Pricing Board and the Department of the Army, what percentage deductions are to be credited IRO as compensation for indigenously procured supplies which are a part of those supplies IRO purchases from the United States Army. This percentage deduction will be made in Part I of "Recapitulation of Charges to IRO" (see Inclosure 2).

d. Landed Costs. To the price of European Command stocks other than CA/MG, surplus and excess property stocks, a percentage will be added to cover costs of packing, shipping, handling, warehousing and transportation from the Zone of Interior to port of entry. The chief of technical service concerned will determine this percentage, subject to review by the Command Pricing Board, Department of the Army and IRO.

e. European Command Overhead Costs. To the price of European Command stocks other than CA/MG, surplus and excess property stocks, a percentage will be added to cover overhead dollar expense for packing, shipping, handling, warehousing, transportation and distribution from Bremerhaven to post service depots. Average distances will be used as a basis of computation. Chiefs of technical services will determine this percentage subject to review by the Command Pricing Board, Department of the Army and IRO.

f. Charges for Supplies Shipped from the Zone of Interior for IRO. The Department of the Army will compute charges to port of discharge for all supplies purchased from the Zone of Interior against IRO requirements. Chiefs of technical services concerned will compute the dollar expenditures incurred in the US Zone. No other entry will be made on the "Recapitulation of Charges to IRO" (Inclosure 2).

g. Charges for Supplies Purchased in Allied and Neutral Countries for IRO. Chiefs of technical services will compute dollar expenditures for supplies purchased and shipped from Allied and neutral countries to meet specific IRO requirements.

21. Army Postal Service. a. Facilities of the Army Postal Service for official and personal mail will be made available to IRO and IRO personnel upon payment of the standard postage rate. (See USFET-SOP 17, 10 April 1946, as amended). Free mailing privilege is not authorized.

b. IRO use of Reichspost facilities is authorized, subject to the provisions of paragraph 16, above.

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III. US ARMY LOGISTICAL SUPPORT TO IRO PERSONNEL

22. General. a. Personal supplies, services and facilities will be extended to those IRO personnel as defined in paragraph 5b, above, in the same manner as they are extended to civilian employees of the US occupation forces in like status.

b. Cash payments as used in this section will be made only in US military payment certificates or in other acceptable dollar instruments as provided in Circular 38, this headquarters, 1947.

c. No supplies, services or facilities other than specifically authorized in this section will be furnished to IRO personnel and their authorized dependents without prior approval of this headquarters.

23. Accommodations. Post commanders will transfer all former UNRRA and ICCR accommodations to IRO personnel effective 20 October 1947 and, beginning 21 October 1947, will collect rentals therefor in accordance with rates prescribed in Circular 165, Hq USFEET, 1946, as amended by Section II, Circular 185, Hq USFEET, 1946. Transient billets and hotels will be furnished IRO personnel traveling on official orders on duty status at no charge, except for service charges made to defray dollar costs.

24. Rations. IRO personnel are authorized to be subsisted under the provisions of Circular 191, Hq USFEET, 1946, as amended. All meals furnished in Army messes will be paid for in cash. Commissary purchase privileges are authorized to IRO personnel having authorized dependents in the command.

25. Post Exchange Privileges. IRO personnel are authorized access to post exchanges and their facilities under the provisions of Circular 56, Hq USFEET, 1946, as amended.

26. ROL. POL for private use will be sold to IRO personnel in accordance with the provisions of Circular 94, this headquarters, 1947.

27. Class VI Supplies. Post commanders will sell Class VI supplies to IRO personnel in accordance with the provisions of Section III, Circular 22, this headquarters, 1947.

28. Medical and Dental Aid and Hospitalization. Necessary medical and dental aid and hospitalization will be furnished IRO personnel and their authorized dependents in accordance with the provisions of Section II, Circular 83, this headquarters, 1947. Retroactive to 1 October 1947 charges for medicine and prescriptions as outlined in paragraph 3, Circular 83, will be collected direct from patients by the medical installation furnishing treatment.

29. Mortuary Services. IRO personnel and their authorized dependents are authorized European Command mortuary facilities in accordance with the provisions of Circular 60, this headquarters, 1947.

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30. Transportation. Rail transportation within the US Occupied Zone of Germany will be provided those IRO personnel possessing official duty orders, the cost to be charged to the German budget account "Care and Maintenance of Displaced Persons." Travel of IRO personnel on a non-duty or leave status will be governed by Circular 57, this headquarters, 1947, as amended.

31. Recreation Privileges. IRO personnel are authorized recreational privileges on the same basis, and subject to the same restrictions, as applicable to civilian employees of the occupation forces in like status.

32. For the purpose of this directive, the AG Publications Depot, this headquarters, is designated a technical service.

BY COMMAND OF GENERAL CLAY:



GENERAL CLAY
 Lt Col, ACD
 Assistant Adjutant General

DISTRIBUTION: A and D, plus
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OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)

Public Information Office

APO 743

(OMGUS - 9-10)

Berlin, Germany

5 September 1947

FOR IMMEDIATE RELEASE:

Finance Division, Office of Military Government for Germany (U.S.), announced today the turnover to International Refugee Organization (IRO) of assets looted by the Nazis from their political, religious, and racial victims. These assets are deposited at the Foreign Exchange Depository, Frankfurt, and include such items as gold, silver, diamonds, jewelry, and precious stones. Only those items which cannot be identified as to individual owner or country from which removed will be transferred to the International Refugee Organization.

These unidentifiable items will be sold for hard currencies and the proceeds will constitute a fund under the jurisdiction of the International Refugee Organization, a specialized agency of the United Nations. This organization, which on 1 July 1947 took over the responsibility for care and maintenance of United Nations displaced persons, will assist homeless, stateless nationals of Europe to rehabilitate themselves in a new life on the continent of Europe or in another part of the world.

This action is in accordance with the decision of the Paris Conference on Reparations of December 1945. There, 18 Allied powers agreed to the allocation of certain assets for the rehabilitation and resettlement of stateless victims of Nazi persecution. This agreement was subsequently implemented by a Five Power Conference in June 1946. The administrative responsibility for this humanitarian program was assigned at first to the Inter-Governmental Committee on Refugees (IGCR) and now rests with the International Refugee Organization (IRO) which is responsible for assets turned over to it by the Finance Division, OMGUS. Persons eligible for benefits under this plan are those Jewish and non-Jewish nationals of Germany and Austria who do not desire to be repatriated or who are still in Germany or Austria and wish to emigrate to such countries as they choose. Also included are the Jews of occupied countries in Europe who suffered under the heel of Nazi oppression. The total number of eligible persons is estimated to be in excess of 200,000.

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