

DECLASSIFIED
 Authority: NND775059
 By: SL NARA Date: 3/2/97

IX-19/1

C O P Y

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)
 AG CABLES
 OUTGOING MESSAGE

RECD 171821B JUL/cw

S E C R E T

R O U T I N E

TO : AGWAR FOR WDSOA
 INFO : EUCOM
 FROM : OMCUS SIGNED KEATING
 REF NO : CC-9926

14 July 47

Currencies

Melmer deposits

(Currency heading)

1. Reurad WX-96654 April, Para 2 D. Foreign currencies deliverable to Inter Governmental Committee for Refugees is subject. Report of status as of 15 May 1947 of inventory of foreign currencies at Foreign Exchange Depository is being forwarded you by air.

2. This report includes among other things a listing of amounts of 101 different kinds of currencies deliverable to IGCR under your WX-85682 subject to your final approval per Para 2 D WX-96654. These include:

212,119.57 Belgian francs
 1,579-3-3 English Pounds
 3,049,690.44 French francs
 78,979.81 Dutch guilder
 3,930.69 Swiss francs
 97,045.80 US dollars
 62.37 Swedish kroner

We realize of course that many of these currencies are now worthless and will probably be of no interest to IGCR unless govts of issuing countries agree to honor them.

3. Currencies listed as deliverable to IGCR were contained in boxes of loot found by US Forces near Buchenwald and in 35 "unprocessed" Melmer loot deposits uncovered in Markers Mine, to which they were removed from Reichsbank Berlin for safekeeping by Germans prior to V-E Day. Further details concerning Melmer deposits follow below.

4. During Hitler regime SS man Melmer made 78 deliveries to Reichsbank Berlin. Melmer activities were highly secret, but key Reichsbank personnel testify it was assumed that this deliveries represented loot from concentration camp victims. 35 deliveries containing amounts in over 90 different currencies as well as other valuables, were not processed upon receipt by Reichsbank, but remained in original packing and were transferred to Markers Mine where they were found still unopened by US Forces and transferred to Foreign Exchange Depository, Frankfurt. Contents of these boxes give every appearance of representing loot and we are satisfied they meet conditions WX-85682 for transfer to IGCR.

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5. 43 Melmer deliveries were processed upon receipt at Reichsbank Berlin, that is, packing was broken, contents removed and assimilated in general assets of Reichsbank. Complete accounting records of contents of these processed deliveries including amounts of foreign currencies contained therein was found in Markers Mine and is now available for reference at Foreign Exchange Depository. The foreign currencies themselves have of course lost their identity among the general currency reserves of the Reichsbank and in the case of certain currencies we do not have in our control Reichsbank foreign currency assets sufficient to cover them. The question arises whether, if IGCR is to receive currencies, they should also be informed of the processed Melmer deliveries and invited to submit claim for these amounts. For your information, Reichsbank records of processed deliveries indicated that they included among others:

15,813-5-4½ English pounds
 22,578.24 Swiss francs
 1,130,726.12 US dollars
 2,401.80 Swedish kroner

6. We recognize that if we were to meet as far as we can IGCR claims for these amounts from general foreign currency reserves of Reichsbank, we would in effect be establishing a priority claim which might invite criticism from govts to whom these currencies would otherwise be due under disposal directives. We recommend therefore that the matter not be taken up with IGCR, but wish to invite your attention to the problem for your consideration;

7. For your information, there is no trace of the jewelry and other non-currency contents of the 'processed' boxes. Accounting record reveals these items were disposed of by the Reichsbank through pawnshops, etc. for considerations in Reichsbank.

8. For your further information, we have not discussed above matters with IGCR representatives except to say that we are under instructions not to include currencies in property transferred to them.

9. Your early comments would be appreciated. Information re securities requested Para 2 D your WX-96654 will follow when available.

WX-96654 is AGC IN 55912
 WX-85682 is AGC IN 41877

ORIGINATOR : FIN AUTH: B. H. BROWN
 INFORMATION : FIN AD EUCCM

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