DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCES METHODS EXEMPTION 3B28
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2008

1) A review of the pertinent traffic regarding D's assignment ~~and salary~~ to Libya discloses that there ~~was a~~ apparently was a meeting of minds between him and [ ] prior to the Libyan trip regarding compensation, allowances etc plus a statement by L. that "D L." had made it quite clear there could be ~~a~~ raise [in salary] or supplements at this time".

2) Upon D's return to Rome, he submitted ~~a~~ claims in the amount of 654,700 lire which covered per diem & travel for 93 days although [ ] had envisioned a total cost of not more than 300,000 L. (30 days per diem @ 6,000 lire plus 120,000 or less for transportation.) D arrived ~~Tripoli~~ Tripoli 12 Jan. On 5 May 1959 [ ] called [ ] requesting ETD. [ ] was not notified that he was to be kept longer until after two weeks? ([ ] - 18 May 59)

3) In addition D's operational expenses totaled 368,592 Libyan pounds which according to D. were approved by the [ ] case officer with the exception of special hotel & medical expenses after his accident totalling 38,722 Libyan pounds. On 16 June 1959 [ ] received a dispatch suggesting that "[ ] obtain the necessary accountings" for operational expenses. This was done by [ ] but without the knowledge of the situation in Libya or the op. tasks assigned to D, therefore it was quite impossible for [ ] to evaluate these accountings. D. had practically no receipts for any of his bills except for hotel bills (D. explained he would not be able to produce receipts for his expenses in Libya as in most places he went the people simply did not know

how to read or write)

4) In reviewing D's accounts, [ ] was able to reduce one claim from 87,550 Lilyan pounds to 21.500 Lilyan pounds. D said the difference was attributable to an oversight in separating his accounts from those of his travelling companion (Virginia Reeves)

5) [ ] evaluation of D's performance coincided with [ ]. "information which may be of interest was almost completely initiated --- because of the notable absence of specific detail." [ ] - On the other hand it was pointed out that D was useful in providing operational information and in introducing a Tripoli source to the [ ] community

6) [ ], in discussing D's claims with him advanced the theory that it was probably D's, former travelling companion who gave D the idea of asking for special compensation as at one point, D showed L. an offer of employment to her from the N.Y State Dept of Welfare. The starting salary as a "learner" was at a GS-5 level with steady promotions assured up to GS-8 within 2 yrs. This, D said, proved how well paid Americans were, even in very subordinate positions — and all of them, he added, received $20.00 per day travelling expenses.

7) The question that Rome wished to resolve ~~[illegible]~~ was whether D's op. potential of sufficient worth to warrant his retention. [ ] was of the opinion that his op. potential in Italy was practically nil, also, there was reason to believe that he was at least "singed" in Arab circles in Rome — and even if he were not, it would take the daily attention of a case officer to develop & control this potential. In addition,

h. has been instructed to concentrate on joint operations with [redacted]. Work not to develop exploitive agent.

8) In view of the above it was the view of the [redacted] that D should be dropped. The matter was discussed with [redacted] while they were in Rome. It was the final consensus of opinion that D should be released with a fine settlement that would take into consideration his past services for Kubark and make the break a friendly one.

9) In [redacted] dated 30 Sept 1959 (drafted prepared by N.E.) Hqtrs concurred with this recommendation

10. [redacted] (in 19910) dated 16 Dec 1959 advised that D was terminated 12 Dec 1959 at which time he "signed quit claim + Secrecy Agreement". D requested:—

a) One Month's Salary for every every year of employment (13 years) plus 3 months advance notice, plus $1000.00 for trip he made to Near East:

13 Months pay @ 55,000 lire	715,000 lire
3 " advance notice @ 55,000 lire	165,000 "
Trip Middle East $1000.00 @ 620 lire)	620,000 "
Total	1,500,000 "
Less 160,000 lire (Libya trip advance)	160,000 "
	1,340,000 "