

UISP NO - EGMA-72654
 FILE NO -
 DATE - 13 MAY 1969
 TO - CHIEF, EUR
 INFO - CHIEF OF BASE,
 FROM - CHIEF OF BASE,
 SUBJECT - CALL/CAPEDAL

EXEMPTIONS Section 3(b)

(2)(A) Privacy (2)(G) Methods/Sources (2)(D) Foreign Relations

Declassified and Approved for Release
by the Central Intelligence Agency

Date: 2002, 2005

MEETING WITH CAPELAL IN

REF 1 - DIRECTOR-90305

1. MET CAPELAL THE AFTERNOON OF 25 APRIL. THEY REVIEWED THE DISCUSSION OF 25 MARCH AND REMINDED HIM OF HIS STATEMENT THAT HE IS A MAN OF HONOR WHO IS NOT SEEKING MONEY BUT ONLY TO LEARN IF HE HAD OBLIGATED HIMSELF NOT TO PUBLISH HIS MEMOIRS, AND THAT UPON SEEING PROOF OF SUCH OBLIGATION HE WOULD DROP THE MATTER. SUBJECT REAFFIRMED HIS STATEMENT AND PRODUCED THE ORIGINAL SECRECY AGREEMENT, POINTING OUT THE INSERTION IN SUBJECT'S HANDWRITING WHICH INDICATES THAT HE MUST HAVE READ AND UNDERSTOOD WHAT HE SIGNED.

2. SUBJECT READ THE AGREEMENT THROUGH AND AFTER A BRIEF PAUSE REMARKED THAT WE COULD CONSIDER THE MATTER CLOSED AND HE COULD ABIDE BY THE AGREEMENT. HE SAID HE HAD BEEN TWICE APPROACHED BY "DER STERN" WITH AN OFFER OF SUBSTANTIAL ADVANCE, BUT THAT HE HAD PUT THEM OFF PENDING CLARIFICATION OF HIS OBLIGATION TO US. ~~HE~~

3. AFTER A FEW MINUTES REMINISCING OF FORMER TIMES AND PERSONALITIES ASKED WHETHER WE COULD CONTINUE TO RELY ON HIM TO REMAIN SILENT. HE RESPONDED WITH A STRONG AFFIRMATIVE AND OFFERED TO SHAKE HANDS SAYING WE HAVE HIS WORD.

~~A. P.~~ THEN EXPLAINED WE REGRETTED OUR INABILITY TO PROVIDE HIM A COVER EMPLOYER WHICH WOULD HAVE ENABLED HIM TO

~~AND~~ THOUGH AS WE BOTH

KNOW, HE WAS THEN WELL AWARE IT WAS THEN IMPOSSIBLE AND HE ACCEPTED EMPLOYMENT AND PAYMENT THEREFORE WITH FULL KNOWLEDGE OF THIS LIMITATION. HE AGREED THIS WAS SO. [] SAID WE HAD NO AFTERTHOUGHTS ABOUT THE LATTER PERIOD /1963-65/ AS WE HAD LIVED UP TO OUR CONTRACT AND HAD MADE A GENEROUS SETTLEMENT ON TERMINATION. HE AGREED THAT WE HAD LIVED UP TO OUR CONTRACT REGARDING TERMINAL PAYMENT BUT FELT WE HAD MADE LITTLE OR NO EFFORT TO HELP HIM FIND OTHER EMPLOYMENT.

5. [] SAID WHILE HE SHOULD UNDERSTAND THAT WE ADMIT NO OBLIGATION TO PAY HIM ANYTHING, IF IT WILL HELP HIM, WE WILL PAY HIM 100 MARKS PER MONTH SO LONG AS HE LIVES, PAYABLE QUARTERLY, PAYMENTS TO CEASE ON HIS DEATH WITH NO RIGHTS OF SURVIVORSHIP TO WIDOW OR CHILDREN. THE AGREEMENT IS ORAL AND PAYMENTS ARE TO BE IN CASH AGAINST RECEIPT. [] EXPLAINED THIS WAS APPROXIMATELY EQUIVALENT TO THE PENSION HE WOULD NOW BE GETTING HAD HE BEEN ABLE TO PAY SOCIAL SECURITY FROM ~~THE START~~ ^{START}

6.] SUBJECT EXPRESSED MUCH GRATITUDE, AND REPEATED HE HAD NOT COME LOOKING FOR MONEY, BUT ONLY TO LEARN IF HE COULD SELL HIS MEMOIRS. [] AGAIN REPEATED THAT WE COULD RELY ON HIM TO CONTINUE TO HONOR THE AGREEMENT AS HE HAS DONE TO DATE.

7. IT WAS AGREED THAT THE PAYMENTS WOULD BEGIN 1 APRIL 1969 WITH THE FIRST QUARTERLY PAYMENT DUE ON 30 JUNE 1969. WE PLAN TO HAVE [] COME TO MUNICH ONCE AGAIN ON THIS CASE IN EARLY JULY SO THAT HE CAN MAKE THE FIRST PAYMENT AND INTRODUCE CAPEDAL TO [] /IN ALIAS/ WHO WILL HANDLE SUBSEQUENT PAYMENTS. PER BONN INSTRUCTIONS, CAPEDAL PAYMENTS WILL BE CHARGED TO GERMAN OOA.