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CENTRAL INTELLIGENCE AGENCY  
SOURCE METHODS EXEMPTION 3B2B  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2001 2006

CP/4965

18th February 1965

Dear John,

Frederick SCHWEND

Our Head of Station in LIMA has reported that he has been approached by this man, who claims to have information of great value to sell to the "British Secret Service"; and hinted that this might concern the whereabouts of Nazi archives and gold. He told our representative that he had been taken out of Germany secretly by CIA in 1946 and had worked for them thereafter for three or four years.

2. Our Head Office have traces of SCHWEND as a shady customer who has also used the aliases of WENDIG, SAUTER and Major KEMP. Before the war he was apparently an international arms dealer with big interests in an American firm in BUENOS AIRES. During the war he was arrested in 1941 for espionage by the Italians who handed him over to the Germans. The latter released him and appointed him purchasing agent for the R.S.H.A. and outlet for counterfeit Allied currency. After the war he was alleged to have escaped from Germany to South America and was reported in LIMA in 1955 at the address CASILLA 1201.

3. Our Head Office have advised our Head of Station in LIMA to have nothing to do with this man; but have asked us to advise you of the incident in view of subject's claim to have worked for CIA. We should be grateful for any further information on him.

Yours sincerely,

John C. [ ] XI-6 rep, Wash  
[ ] -- XI-6/COS, Wash.  
[ ] -- DCWESC

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EXEMPTIONS Section 3(b)  
(2)(A) Privacy   
(2)(B) Methods/Sources   
(2)(G) Foreign Relations

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