

E 116921

CAS NR 20 MONTINE 3415027

SECRET OR NR 134 TO NEW ORLEANS FI WASHINGTON

TO DIRECT FROM ASHCRAFT BY CIESIELSKI (SUPPORT) - CITE 104-1560

A 116921

CASE 18603 RPT 18603. WE FORWARD THE FOLLOWING FROM NEW YORK:

1. THE INTERESTED FI RPT FI AREA DIVISION WELCOMED YOUR DETAILED INVENTORY OF THE VERNON RPT VERNON MATERIAL. HAVANA FI RPT FI STATION HAS ADVISED THAT VERNON WAS IN TOUCH WITH AMERICAN EMBASSY IN PAST AND IS OF OPINION THAT IMPORTANT PART OF VERNON MATERIAL IS IN CIA POSSESSION. THIS LAST PROBABILITY - SUPPORTED BY YOUR DESCRIPTION AND OPINIONS - HAS PRACTICALLY ELIMINATED DESIRE TO SECURE THE FOLDERS. THE NEED FOR INVOLVING CUSTOMS IN A SERIES OF DELIVERIES AND VERNON'S DESIRE TO HAVE THE FOLDERS RETURNED ARE FURTHER FACTORS COMPLICATING THE SITUATION. FINALLY FI/WH RPT FI/WH DIVISION STATES THAT THE CONDITIONS IMPOSED BY VERNON WARRANT A SUSPICION THAT THIS DEAL HAS BEEN DESIGNED FOR EXPLOITATION OF THE PRIO GROUP RPT PRIO GROUP IN THE NOVEMBER ELECTIONS IN CUBA.

2. IN VIEW OF THE ABOVE, WE HAVE NOT RPT NOT FORWARDED YOUR LETTER BUT SUBSTITUTED A DRAFT ALONG LINES SUGGESTED BY FI RPT FI. WE HAVE POUCHED YOU A COPY AND YOU WILL NOTE THAT IS IS VAGUE AND EVASIVE. THIS HAS BEEN DONE DELIBERATELY WITH THE HOPE THAT IT WILL AROUSE A REPLY; FOR OBVIOUS REASON THE WASHINGTON RETURN ADDRESS IS INDICATED. FI WILL RPT FI WILL CONTINUE TO PREPARE REPLIES UNTIL SUCH TIME AS THE OFFER IS FINALLY REJECTED OR YOU ARE ASKED TO PARTICIPATE IN ANOTHER MEETING.

3. WE TRUST THE ARRANGEMENTS DESCRIBED ABOVE MEET WITH YOUR APPROVAL. IF THERE ARE ANY C E RPT C E ASPECTS YOU CAN CALL TO OUR ATTENTION, ADVISE AND THEY WILL BE USED TO ADJUST THE OPERATION.

20/10/68 GMP CRS

CBS NEW PRIORITY MESSAGE

(PRIORITY) SECRET ON NR 112 TO NEW ORLEANS FROM WASHINGTON

TO DIRECT FROM AIRCRAFT BY CITSIELSKI - CITE WA-9870

THIS IS NEW CASE 16623 RPT 16624 SUBJECT: MEETING WITH  
 REPRESENTATIVES OF CARLOS PRIO SOCARRAS RPT CARLOS PRIO SOCARRAS.  
 RE CONVERSATION SURGE-CHESNICKI ON 1 RPT SEPTEMBER 54. ACCORDING  
 TO FI/WH RPT FI/WH DIVISION, **FRANK JACKSON, RPT FRANK JACKSON OF**  
**MIAMI, FLORIDA** APPROACHED PRESIDENTIAL AIDE SHERMAN ADAMS RPT SHERMAN  
 ADAMS WITH A STORY THAT INTELLIGENCE MATERIAL CONCERNING SOVIET PLANT  
 IN THE CARIBBEAN AREA COULD BE MADE AVAILABLE THROUGH CARLOS PRIO.  
 IT APPEARS THAT SHERMAN ADAMS TOLD **JACKSON** THAT IT MIGHT BE OF  
 INTEREST TO CIA RPT CIA AND INDICATED THAT HE WOULD TAKE APPROPRIATE  
 ACTION.

**FRANK JACKSON** IS REPORTED TO BE CONNECTED WITH AN ORGANIZATION  
**KNOWN AS WORLD SURVEYS; HE** ALSO SERVES AS PUBLIC RELATIONS REPRESENTA-  
 TIVE FOR PRIO. IN SPITE OF THIS BUSINESS CONNECTION IT IS BELIEVED  
 THAT **JACKSON'S** MOTIVATION IS CORRECT. THIS CONCLUSION IS BASED ON  
 THE FACT THAT HE HAS HAD SERVICE WITH ONI RPT ONI AND THE SECRET  
 SERVICE, AND IS PERSONALLY VOUCHERED FOR BY A MEMBER OF THE CIA RPT  
 CIA SECURITY OFFICE.

AS YOU KNOW, PRIO IS CURRENTLY INVOLVED WITH THE DEPARTMENT OF  
 JUSTICE AND SCHEDULED TO STAND TRIAL ON AN ARMS SNUCCLING CHARGE.

THE FI RPT FI AREA DIVISION HAS TAKEN INTO CONSIDERATION THE POSSIBILITY  
 THAT THIS CURRENT PRIO OFFER IS A MANEUVER DESIGNED TO PLACE THE US  
 RPT US GOVERNMENT IN AN ADVANTAGEOUS POSITION. ON THE OTHER HAND,  
**JACKSON** STATES THAT THE PRIO GROUP IS MAKING THIS OFFER WITHOUT ANY  
 THOUGHT OF FINANCIAL RETURN OR POLITICAL FAVORS.

THE ABOVE INFORMATION IS FURNISHED FOR BACKGROUND. WE HAVE ASKED SECURITY TO COORDINATE WITH FBI SPT FBI ON A CASE BASIS AND WILL ASK YOU TO TAKE NO ACT OR ACTION UNTIL THIS COORDINATION IS EFFECTED AT THE WASHINGTON LEVEL. PLEASE CONSIDER THIS WISE AS AN ALERT AND ADVISE US OF YOUR ESTIMATED DEPARTURE TIME SO THAT WE CAN NOTIFY YOU BY TELEPHONE THAT THE NECESSARY COORDINATION HAS BEEN COMPLETED. AT MIAMI JACKSON CAN BE CONTACTED THROUGH THE FOLLOWING TELEPHONE NUMBER: 44-6850 RPT 44-6850, AND TOLD THAT YOU ARE IN MIAMI AS A FOLLOW-UP TO THE MEETING HE HAD IN WASHINGTON WITH MR. HENRY THOMAS RPT MR. HENRY THOMAS (THOMAS IS THE SECURITY REPRESENTATIVE DESCRIBED ABOVE AS JACKSON'S FRIEND).

IT IS NOT RPT NOT KNOWN WHETHER PRIO WILL ATTEND PERSONALLY OR SEND REPRESENTATIVES. IT IS BELIEVED THAT A BI-LINGUAL REPRESENTATIVE WILL BE BROUGHT BY THE PRIO PEOPLE. AT THE MEETING YOU ARE ASKED TO DO THE FOLLOWING:

A. SECURE AS MUCH DETAILED INFORMATION ABOUT THE OFFER OF SOVIET INTELLIGENCE PLANS AS POSSIBLE.

B. SECURE THE NAMES OF THE REPRESENTATIVES.

UNFORTUNATELY, YOU WILL BE IN NO RPT NO POSITION TO MAKE ANY COMMITMENTS AND THE PRIO REPRESENTATIVES SHOULD BE SO ADVISED BY

UNFORTUNATELY, YOU WILL BE IN NO RPT NO POSITION TO MAKE ANY COMMITMENTS AND THE PRIO REPRESENTATIVES SHOULD BE SO ADVISED BY YOU. YOU WILL ALSO ADVISE THOMAS ON THIS POINT AT YOUR FIRST MEETING WITH HIM. WE FEEL THAT IT WILL BE BEST IF YOU COULD LIMIT KNOWLEDGE OF YOUR CIA RPT CIA AFFILIATION TO JACKSON AND INTRODUCE YOURSELF TO THE PRIO MEN AS A REPRESENTATIVE OF THE US RPT US GOVERNMENT WHO IS VOUCHER FOR BY JACKSON.

34/24552 SEP C23



Chief, Contact Division

22 September 1958

Chief, New Orleans Office

Case 1663

1. Confirming and supplementing our several long-distance telephone conversations, I report herewith concerning my interview with Mr. Frank Jackson and two members of the Eric Soderma! group in Miami, Florida, on 18 and 19 September 1958. This portion of the report is concerned with the mechanics of the operation and the personalities involved. It would be, I presume, of little interest to SI. A supplemental section contains a description of the material offered by the Cuban refugees, which portion, I assume, you will turn over to SI/MI Division.

2. On arrival in Miami, I called at the office of the FBI with a view to informing that Agency of my presence and of the general nature of the activities I proposed to engage in, so that the Agents of the Bureau would not be unduly surprised if they learned of my activities from other Agents who were presumably keeping my proposed contacts under surveillance. The SAC was absent from the office. I accordingly talked with one of the Duty Officers, a Special Agent named Schallacker, with whom I had not before and who has frequently cooperated with our representatives in Miami, John H. Ryan. Schallacker was most pleasant and cooperative. I informed him that the matter on which I was engaged had been coordinated with FBI headquarters through Mr. Charles Hates and that the Bureau interposed no objections. I then told him, in general terms, about the activities of Mr. Frank Jackson in Washington. The agent said that he had known Jackson for about 10 years and that he considered Jackson to be an unreliable person and a complete opportunist. He said that Jackson had been in Naval Intelligence during World War II and that since the end of his tour of active duty he had held a number of jobs in some of which he had been able to make a success. These jobs included the agency for a wine manufacturer, the position of County Sheriff in Miami Beach, the agency for a maker of concrete blocks and several other enterprises. In one of his jobs Jackson had been suspected of pilferage and had been discharged on that account, although no prosecution was instituted. Jackson is now, according to Schallacker, operating a private detective agency and is also acting as public relations adviser to Pete and his group. He is believed to be the owner of a corporation known as "Enterprise Many, Inc," the exact operations of which are unknown.

3. Schallacker said that Jackson claimed to have excellent sources of information on Cuba and that he particularly had referred to a Captain Salvador Mas y Vercos, a political refugee from Cuba, who had engaged quite intensively in anti-Communist activities. Schallacker said that the "legal attache" (I assume that meant an FBI representative) at the US Embassy in Havana had at one time written to the SAC in Miami about Vercos and had said that the latter had once been in a position to obtain valuable information concerning the activities of the Communists in Cuba, but that, in his belief, Vercos was given to flights of fancy.

22 September 1954

4. Gschlender pointed out that, although the criminal cases against Prio and Gatti had been ended with pleas of solo contendere and fines, cases were still pending against four other Cuban exiles who are allegedly engaged in the gun-running plot. He said that inasmuch as the cases were primarily the interest of the Customs Department, the FBI was not immediately interested. He voiced the opinion that Customs representatives were maintaining surveillance on the defendants in the various suits.

5. Returning from the FBI office, I telephoned Jackson, as arranged, at 3:00 p.m. and identified myself as directed in 28-3779. Jackson said that it would be impossible to arrange a meeting with the Cubans that afternoon, since the leader of the group would not be available. He said that a meeting could be arranged for the following morning, Sunday, 19 September, at 11:00 a.m., and I accordingly arranged to meet the group in a room at the Columbus Hotel which I had reserved for that purpose. I suggested a preliminary meeting with Jackson so as to obtain information about the persons I was to see, but he said that that would not be feasible on Saturday and that he would drop in on Sunday morning a few minutes ahead of the rest of the group.

6. Jackson arrived at the designated room on Sunday morning at 10:45 a.m. He did not request the exhibition of credentials and I did not exhibit them. He said that the meeting with the Cubans would have to be postponed until 4:00 o'clock Sunday afternoon, inasmuch as the leader of the group was at that time engaged in preparing a speech. He said he would bring two members of the group to the Columbus Hotel at 4:00 p.m., and I agreed to meet them at that time.

7. Jackson said that the two men he wanted me to talk to were Sener Carlos Navia and a Captain Verson, whose full name Mr. Jackson did not know. He said that Carlos Navia is a leading Cuban consulting engineer and is a graduate of the US Military Academy of the class of 1919. For a short time he was President of Cuba and was subsequently Ambassador to the US. He is a member of Prio's Authentic Party, but belongs to the conservative wing which is highly critical of some of Prio's actions. Navia was exiled from Cuba when his name was found on an envelope in the possession of Ramirez Arevalo. He is under indictment in the US District Court but has pleaded not guilty to charges of gun-running growing out of the same incident concerning which Prio pleaded "solo contendere."

8. Captain Verson, according to Jackson, is and has been for many years the president of the Anti-Communist League of Cuba. During a part of the terms of Grau San Martin and Prio, Verson held the rank of Captain in the Cuban Army and was in charge of a counter-spying section dealing with Cuban Communists. Verson, in his official capacity, was largely instrumental in having the Soviet Embassy in Havana closed. He was removed by Batista from his Army post in 1952 and, after spending some months in sanctuary in the Uruguayan Embassy in Havana, he came to Miami in June of 1954.

9. Jackson also wished me to meet Prio, Dr. Pedro Martinez Varaga and Mr. Ortega. Prio was currently in New York. Martinez was formerly Ambassador to the US and a delegate to the United Nations. He was described by Jackson as one of the most brilliant persons he had ever met and he said that I could obtain a



22 September, 1955

great deal of information from him concerning the present political and economic situation in Cuba. He was not immediately available and had no connection with the documents allegedly possessed by Versam. Ortega, a former newspaper columnist and member of Batista's Consultative Council, was also described by Jackson as a prolific source of information on Cuban political matters. He too was not immediately available and had no connection with the Versam documents. In the circumstances, I told Jackson that I would defer interviews with Rivas and Ortega until some future time.

10. At 4:00 p.m. on Sunday, 19 September, Jackson returned to the room in the Columbus Hotel, bringing with him Senior Rovia and Captain Versam. Jackson introduced me as Mr. Eraton, a pseudonym I had supplied. He told them that I was a representative of the US Government and that we were interested in the documents in Versam's possession. He assured them that the information which they might give me would be treated as highly classified material, and he then left the meeting. It developed that Captain Versam could not speak any English (Incidentally, Jackson does not speak Spanish), so that it was necessary to converse with him through Rovia, who acted as interpreter. Rovia is fluent in English and Spanish.

11. The substance of the information supplied by Versam concerning the documents in his possession is contained in the second part of this report. Versam appeared to attach a very high historical value to the contents of his documents and record anxious to make them available to US authorities. He disclaimed any desire for a fee and merely said that he wished to retain the originals, since he considered that they constituted an authentic account of the growth of the Communist movement in Cuba, but that we would be entirely welcome to photocopy or otherwise copy the contents of his files.

12. At the conclusion of the interview, I thanked the two Cubans for their courtesy and cooperation and told Senior Rovia that I would get in touch with him later in the week either directly or through Mr. Jackson.

13. I enclose herewith a letter to Rovia confirming our interest in the Versam documents and asking him to notify me when it is expected that they will begin arriving, so that we may attempt to facilitate their entry. You will note that I have signed the letter with the name "Eraton" which is how I was introduced to Rovia and Versam by Jackson. I think the letter should be mailed in Washington rather than in New Orleans, so as to allay any suspicions that Rovia may harbor that I am not actually a government representative. You will note that I have suggested that Rovia write to me in New Orleans in care of Miss Joan H. Yates at Post Office Box 1016. He will, no doubt, assume that this is a letter-drop.

14. In view of the fact that I refer by implication to the Customs Department, I suggest that you hold the letter to Rovia until you or Ciesielski have discussed the matter with Mr. Emerick, who is the superior of Mr. Wyatt, the supervising Customs Agent in Miami. I suggest that the letter be sent air mail, unregistered. I have left the date blank and I request that you insert it before mailing. If you wish to change the letter in any way, please do so. Rovia does not, of course, know my handwriting, so that the letter can be signed by anyone.

William P. Burke

Surkerg  
B-100-1016

SECRET  
Security Information

26 August 1953

MEMORANDUM FOR: Chiefs All Field Offices

FROM : Chief, Contact Division (L/A)

SUBJECT : Case 14063

REFERENCE : CO-B-67546 (AKIS-3539)  
CO-A-20309 (RJ-3094)

CUBA - Economic

1. For your information, the following requirements were submitted by  
OCI for action by FI.

2. Background

CO-A-20309 states that Carlos Prio has been transferring funds from his Miami bank to his ~~BROTHER~~ Francisco Prio, c/o Guaranty Trust Company, New York. CO-B-67546 states that there is a rumor that Carlos Prio has invested money in a chain of hotels in Switzerland.

For some months past Carlos Prio has been suspected of preparing an invasion of Cuba to oust Batista; however, other reports indicate that Francisco Prio is engaged in handling transfers out of the US for Carlos "for investment abroad", i. e., for unspecified non-revolutionary purposes.

3. Requirements

a. Evidence that Carlos Prio has been investing in Swiss hotels and details of the transaction, e.g., date, price paid, intermediaries, etc.

b. Any information available of other foreign investments that he has made.

RHeller/th

Info: All Field Offices

FILE: Source of CO-B-67546  
NO-Y-83.6 ✓

SECRET

~~F 27877~~  
F 116921

Office of Collection & Dissemination

8 September 1953

Contact Division, CO (L/A Branch)

Transfer of Funds by Frio Socarran (BB-4-5993, ID-946)

A 116921-3-27877 S-116921

US bank at which Carlos and Francisca Frio Socarran have accounts. Neither Carlos nor Francisca has sought the bank's advice on investments.

Francisca's account shows that in early June 1953 there was a balance of \$11,641.72, that the highest balance reached was \$11,641.72 on 19 June 1953, and that by 30 July 1953 the account had fallen to \$1,434.38. There has been no activity since that date.

Carlos' account shows the following:

|        | Debit      | Credits | Prev. Bal US\$7,724.12 |
|--------|------------|---------|------------------------|
| May    |            | 50,000  | 57,724.12              |
| June   | 340.39     |         | 57,383.73              |
| June   | 150.00     |         | 57,233.73              |
| June   | 5,000.00   |         | 52,233.73              |
| June   | 40,000.00  |         | 12,233.73              |
| June   | 2,000.00   |         | 10,233.73              |
| June   | 2,300.00   |         | 7,933.73               |
| July   |            | 80,500  | 88,433.73              |
| July   |            | 15,000  | 103,433.73             |
| July   | 5,000.00   |         | 98,433.73              |
| August | 100,000.00 |         | -1,566.27              |

The deposit of US\$4,500 on 3 July was in the form of a check drawn by the wife of Miguel Socarran, Fla.

The deposit of US\$15,000 on 9 July was in the form of a check on the Bank of America, New York, the drawer's signature illegible.

The withdrawal of 26 August was in cash. Carlos asked for one thousand dollars and was given mostly one hundred dollar bills and a few five hundred.

During 1952, the most unusual activity of Carlos' account was the deposit of US\$100 on 25 September, a US\$150,000 deposit on 25 September, and a withdrawal of US\$140,000. Since the withdrawal was by check, which was cashed by the depositor after cancellation, the identity of the payee is not known.

Mrs. Frio has a safety deposit at a branch of this bank and her husband.



8 Sep 53

as access to it. We probably could learn the extent of the activity which has taken place with regard to this box if it would serve any good purpose.

2. During the week of 28 August-4 September 1953, Carlos presented one hundred thousand pesos in new bills at the bank, requesting dollars therefor. He was told the currency would have to be sent to the Banco Nacional de Cuba for valuation and that the bank in all probability would want to know the identity of the person exchanging the pesos. Carlos reluctantly agreed to this but said he had previously sold a large sum of pesos to another bank without difficulty. Carlos said his reason for requesting the exchange was that he feared a devaluation of the Cuban peso because of the rapid depletion of the gold reserves in the US.

The foregoing information was made available with the understanding that it would be for CIA internal use only. If there are inquiries concerning this, please call Harry L. Sadron, extension 2241.

E. L. SADDRAFT

100-101

Guaranty Trust Co. of New York

SECRET TO WASHINGTON FROM NEW YORK

TO ASHCRAFT FOR LA (MCCREA) FROM LEA--SECURITY INFORMATION--CITE  
NY-9115

CASE 14,863 RPT 14,863

FOR CIA INTERNAL USE ONLY.

OUR CONTACT AT THE GUARANTY TRUST ADVISED THAT INsofar AS HE WAS  
ABLE TO LEARN NEITHER CARLOS NOR FRANCISCO PRIO HAS SOUGHT THE  
ADVICE OF ANY OFFICER OF THE BANK CONCERNING FOREIGN INVESTMENTS.  
BOTH CARLOS AND FRANCISCO HAVE ACCOUNTS AT THE GUARANTY TRUST.

THE ACCOUNT OF FRANCISCO SHOWS THAT IN EARLY JUNE 53, RPT 53,  
THERE WAS A BALANCE OF \$4,841.72 RPT \$4,841.72; THAT THE HIGHEST  
BALANCE REACHED WAS \$14,841.72 RPT \$14,841.72 ON 19 RPT 19 JUNE;  
AND THAT AS OF 30 RPT 30 JUL 53 RPT 53 THERE WAS A BALANCE IN THE  
ACCOUNT OF \$1,434.38 RPT \$1,434.38; THERE HAS BEEN NO ACTIVITY  
SINCE THAT DATE.

A TRASS RPT TRANSCRIPT OF CARLOS' ACCOUNT SHOWS THE FOLLOWING  
ACTIVITY IN 53 RPT 53:

CARLOS PRIO SOCARROS

64/1988Z

|        | DEBITS     | CREDITS   |                   |
|--------|------------|-----------|-------------------|
|        |            |           | PREV BAL 7,718.12 |
| MAY 27 |            | 52,800.00 | 57,718.12         |
| JUNE 1 | 340.89     |           | 57,377.13         |
| 12     | 190.00     |           | 57,227.13         |
| 17     | 5,760.00   |           | 51,527.13         |
|        | 48,000.00  |           | 11,527.13         |
|        | 2,000.00   |           | 9,527.13          |
| 18     | 2,800.00   |           | 6,727.13          |
| JULY 3 |            | 86,500.00 | 93,227.13         |
| 9      |            | 15,000.00 | 108,227.13        |
| 29     | 3,000.00   |           | 105,227.13        |
| AUG 26 | 100,000.00 |           | 5,227.13          |

THE DEPOSIT OF 86,500

BUST THIS PARA PLEASE. THANKS.

THE DEPOSIT OF 86,500 RPT 86,500 ON 3 RPT 3 JULY WAS IN THE FORM OF A CHECK DRAWN BY MARIA SOLEDAD ALBA RPT MARIA SOLEDAD ALBA, MIAMI BEACH, FLORD RPT FLORIDA.

THE DEPOSIT OF 15,000 RPT 15,000 ON 9 RPT 9 JULY WAS IN THE FORM OF A CHECK DRAWN ON THE BANK OF NOVA SCOTIA, NEW YORK. THE DRAVER'S SIGNATURE WAS ILLEGIBLE.

THE DEBIT OF 100,000 RPT 100,000 ON 26 RPT 26 AUGUST WAS A WITHDRAWAL IN CASH MADE ON THAT DATE BY CARLOS WHO ASKED FOR BILLS OF ONE THOUSAND DOLLAR DENOMINATION BUT WAS GIVEN MOSTLY ALL ONE HUNDRED DOLLAR BILLS AND A FEW OF FIVE HUNDRED DOLLAR DENOMINATION.



THE MOST UNUSUAL ACTIVITY IN THE ACCOUNT OF CARLOS DURING 1952  
RPT 1952 WAS THE DEPOSIT OF \$45,000 RPT \$45,000 ON 23 RPT 23 SEPTEMBER  
1952 RPT 1952 AND A \$150,000 RPT \$150,000 DEPOSIT ON 29 RPT 29  
SEPTEMBER 1952 RPT 1952, NEITHER OF WHICH CAN BE IDENTIFIED, AND A  
WITHDRAWAL IN OCTOBER 1952 RPT 1952 BY CHECK IN THE SUM OF \$140,000  
RPT \$140,000. SINCE ALL CANCELLED CHECKS ARE RETURNED TO THE  
DEPOSITOR AT THE END OF EACH MONTH THIS CHECK IS NOT AVAILABLE  
FOR EXAMINATION.

WE HAVE ALSO BEEN INFORMED THAT THERE IS A SAFETY DEPOSIT BOX IN  
THE NAME OF MRS. CARLOS PRIO AT THE BANK, TO WHICH HER HUSBAND  
HAS ACCESS. WE HAVE NOT ATTEMPTED TO FIND OUT THE EXTENT OF THE  
ACTIVITY WHICH HAS TAKEN PLACE IN CONNECTION WITH THIS BOX BUT  
COULD POSSIBLY DO SO IF IT WOULD SERVE ANY GOOD PURPOSE.

WITHIN THE PAST WEEK CARLOS PRIO PRESENTED ONE HUNDRED THOUSAND  
PESOS TO THE BANK AND REQUESTED CASH IN EXCHANGE THEREFOR. WE  
UNDERSTAND THAT THE ENTIRE AMOUNT WAS IN NEW BILLS. HE WAS TOLD  
THAT THE CURRENCY WOULD HAVE TO BE SENT TO CUBA FOR EXAMINATION  
AND THAT IN ALL PROBABILITY THE BANCO NACIONAL DE CUBA WOULD WANT  
TO KNOW THE IDENTITY OF THE PERSON EXCHANGING THE PESOS. CARLOS  
SAID HE WOULD RATHER NOT HAVE HIS NAME DISCLOSED BUT CONSENTED TO  
BE NAMED IF THE BANK INSISTED UPON IT. AT THAT TIME, CARLOS TOLD  
THE BANK OFFICIALS THAT HE HAD PREVIOUSLY SOLD A LARGE SUM OF PESOS  
TO ANOTHER BANK WITHOUT ANY DIFFICULTY.

APPARENTLY IN THE COURSE OF THE NEGOTIATIONS FOR THE EXCHANGE  
OF THE PESOS CARLOS REMARKED THAT HE FEARS A DEVALUATION OF THE  
CUBAN CURRENCY BECAUSE OF THE RAPID DEPLETION OF CUBAN GOLD RESERVES  
IN THIS COUNTRY, WHICH WOULD RESULT IN A LARGE FINANCIAL LOSS TO  
HIM.

OUR CONTACT IS AT THE MAIN OFFICE OF THE GUARANTY TRUST AND THE  
ACCOUNT AND SAFETY BOX OF THE PRIO'S ARE LOCATED IN ONE OF THE  
BRANCHES. BECAUSE OF THE IDENTITY OF THE DEPOSITOR AND THE MANNER  
IN WHICH THE ABOVE INFORMATION WAS NECESSARILY OBTAINED, OUR  
CONTACT HAS ASKED THAT THE DATA BE TREATED IN THE STRICTEST  
CONFIDENCE. ACCORDINGLY THIS INFORMATION MUST BE RESTRICTED TO  
CIA RPT CIA INTERNAL USE ONLY.

Chief, Office of Collection & Dissemination

10 September 1953

Chief, Contact Division, CO (I/A Branch)

Financial Activities of Carlos Prío Socarras (ID-A-5555, IE-966)

1. On 2 September 1953, Carlos Prío Socarras converted 78,000 Cuban pesos to US currency at a US bank. The bank is not that referred to in our memorandum of 6 September 1953 on the same subject. In this second transaction, the bank kept a record of some of the bills issued to Prío.

2. If there are inquiries concerning this conversation, please call Harry A. McGee, extension 2231.

E. M. ASHCRAFT

HM:GMA/25

File: NO 79-91.6

Orig filed in 35519