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~~SECRET~~  
 SUPREME HEADQUARTERS  
 ALLIED EXPEDITIONARY FORCE  
 G-5 Division  
~~SECRET~~

8 May 1945

SUBJECT: SS Loot and the Reichsbank.

TO : Colonel B. Bernstein, Finance Division, US Group CG.

Summary and recommendation

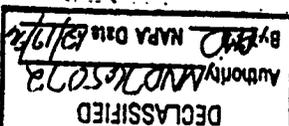
1. The Reichsbank appears to have acted as the personal agent of Himmler in converting SS loot into orthodox financial assets. The Bank concealed its activities by use of false names: the loot was received for the account of an individual called MELMERY its value after assessment was credited to the account of MAX HEILIGER. Only about a dozen persons knew these names.
2. Also implicated in handling the loot are the Finance Minister, the Mint, the Reich Pawnshop, and the precious metals firm "Degussa", the latter associated with I.G. Farben through certain agreements and an important agency of the German "East Asia Consortium".
3. It is planned to question Albert Thoms, chief of the Reichsbank Precious Metals Dept., in detail on the gold control books due to arrive from Magdeburg, for a full record of the Melmer-Heiliger transactions.
4. CG (USSR) might be approached concerning search for and examination of the records of the Pawnshop in Berlin and Degussa.
5. Special Finance Det. should make Degussa (Deutsche Gold- und Silber-Scheidanstalt) a special target in regard not only to SS loot but as a very likely medium of evasion of Allied financial controls.

I. Contents of SS loot found at Merkers.At the mine

When the Wintershal AG salt mine at Merkers, Germany, was found by US forces on or about 12 April 1945, it contained not only a gold hoard but a special pile of stuff identified by Albert Thoms, chief of the Precious Metals Dept., Reichsbank, Berlin, as SS loot. This loot consisted of 189 containers (suitcases, boxes, etc.) and 18 bags. The lot was carefully piled in a corner of the cave, separate from other items, occupying an area about 20 ft. by 30 ft.

Each container bore a packing slip showing contents. Each bore a shipping tag of the sender: Deutsche Reichsbank, Hauptkasse, (1) Berlin O 111. Each tag bore the name "Melmer", the number assigned to the suitcase, box, package or bag, and the weight.

Some suitcases and boxes were wired together. Some had sprung open; others appeared to have been tampered with.



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Examination of contents in Reichsbank, Frankfurt

About half the containers were opened on 17 April 1945 after removal from the mine and further examination was made on 7 May 1945. They contained every conceivable kind of personal article of value and considerable currency. Here is a rough list:

ornamental silver--trays, candlesticks, etc. (231 lbs of it  
in one suitcase alone)  
flat silver--knives, forks, spoons  
Passover cups, silver  
gold and silver dental work, some melted down (bags full)  
watch chains and cases, gold and silver  
cigarette cases, gold and silver, some with engraved names,  
some with name scratched out  
powder puff cases  
silver thimbles  
opera glasses  
spectacle frames  
rings, gold and silver and precious stone--wedding, engagement,  
anniversary, etc.--strung on strings or  
wires  
necklaces and strings of beads--diamond, pearl, silver, gold  
earrings  
bracelets  
stick pins  
cufflinks  
tiaras  
coins and currency of many nations and denominations--includ-  
ing 10 and 20 dollar gold pieces, silver pounds  
sterling, US and British paper money, great  
amounts of Polish sloty.  
silk stockings

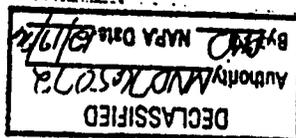
Case 71, for example, contained 1,536 bracelets of gold, silver and lacquer. There were 2,656 gold watch cases listed in one box. There were coins and currency totalling \$50,500 Polish sloty in a suitcase. A box with a shipping tag dated 15 Sept 1944 listed 600 pieces of table silver. Silver dental work weighing nearly 22 lbs were in one suitcase.

A suitcase of ornamental silver had the stamp of the Dargig Main RR station, 31 Mar 1944. A couple of suitcases actually had what looked like "SS" written in red pencil on an outside label; one of these contained the 231 lbs of silver items noted above.

The 18 bags contained gold and silver bars.

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*1 suitcase - ladies' small travelling bag. still had odor of women's perfume inside.*



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## II. First statement by Albert Thoms

Albert Thoms, Reichsbankrat, chief of the Precious Metals Dept. of the Reichsbank, was in charge of storing the Reichsbank gold hoard and other valuables including this SS loot in the Wintershal salt mine at Merkers. He was found attempting to get away from the mine and taken into custody. In his first interview, 12 April 1945, he made the following reference to the SS loot:

"The first time we brought coins and gold which took four days to unload. The second shipment was unloaded in about two days. The silver and gold articles in the cases came from the SS Economic Dept. We got orders to hold them here because they were in danger of being destroyed by bombing. All the cases in one corner came from the SS. I think they came from the East. The Reichsbank was approached on the matter of keeping the articles in the mine."

## III. Second statement by Albert Thoms

Thoms elaborated a little in his interview on 18 April 1945:

"The total of precious metals in Merkers was around 500,000,000 RM, perhaps more, not including the SS holdings there. The deposit of SS was kept only for last year. This is an innovation. The stuff was turned over and the Reichsbank took only the weight of the contents from a scale. The contents were then put in bags and sent to the municipal pawnshop. This institution made an appreciation of the value to the Reichsbank which reported it to the Reich Finance Minister.

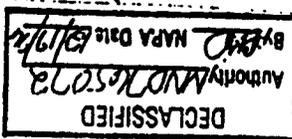
"The pawnshop already had paid about 7,000,000 to 10,000,000 RM through the Reichsbank to the Finance Minister. The stuff in Merkers was given to the Reichsbank but not yet pawned.

"Reichsbank notes and foreign currency notes turned over by the SS were bought directly by the Reichsbank at full value.

"The pawnshop sold the gold, gold teeth, etc. from the SS abroad."

## IV. Third statement by Albert Thoms

Arrangements to have Thoms stay in Frankfurt were made so he would be available for questioning in regard to gold control books covering the Merkers hoard. Sgt Gurtis conducted several interviews alone and on 6 May 1945 was joined by T/S Kaybur for specific questioning on the SS loot. Following information was obtained:



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#### Arrangements to handle the loot

Thoms retracted his statement of 18 April 1945 that this was an "innovation" of last year. A look at his gold control books now in our hands recalled to him that the account began in 1942. SS Brigade-Fuhrer PHASEK telephoned to Reichsbank Vice-Prus. FUHL. SS Brigade-Fuhrer WOLF was also involved in the arrangements. Reichsbankdirektor BRONKHRODT of the Kassendepartement instructed Thoms to receive the deliveries. During the past two and a half years upwards of 60 deliveries were made. Deliveries varied in size.

#### How Reichsbank disguised its participation

Loot was received for the account of an individual called MELMER. Value of the loot after assessment was credited to the account of an individual called MAX HEILIGER. These names stood for SS or SS Reichsfuhrer Himmler. Thoms and his clerks were not allowed to write "SS" in the books. The accounts are listed somewhat illegibly in the gold control books we have and in those we await from Magdeburg; a rough compilation of "Melmer" entries which Thoms helped identify is shown below under value of loot. Thoms said only five or six persons in his department know the identity of these accounts.

#### How Reichsbank received the loot

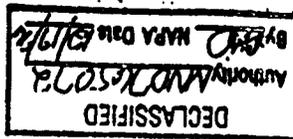
Melmer came as a private individual with truck-loads of suitcases, boxes, packages, bags, etc. He received a receipt from Thoms or a clerk for the itemized contents of each container. Once or twice he noted a container stamped "Konzentrationslager". Once some Polish zloty came in wrappers of the Reimons Bank, Lublin. Thoms however claims to have regarded the stuff as ordinary "booty" or spoils of war from Jews and other peoples in the Occupied East. Of concentration camps he claimed to have known only of Dachau and Oranienburg until his recent trip with you to Buchenwald.

#### How the Reichsbank "cashed in" the loot for the SS

Ordinary Wehrmacht booty went to the Reichshauptkasse, or Treasury; coins and currency seized by the Wehrmacht were bought by the Reichsbank. In the case of SS loot, however, the Bank handled everything, coins and currency and personal booty. Gold and silver bars ~~maxx~~ and currency were bought by the Bank at full value. Of the precious metals for re-smelting come, usually small items like gold rings, went to the Mint and were smelted. Larger items for re-smelting went mostly to the Reich pawnshop, the biggest share of these items was probably smelted by Degussa which paid a higher price for precious metals for re-smelting than the Mint, and was the biggest firm in the precious metals business. Some of the better jewelry was sold abroad instead of being smelted.

Melmer's deliveries thus went through the Precious Metals Dept., were bought by the Bank (bars and currency); or the Pawnshop (personal booty) for re-sale <sup>(gold rings)</sup> abroad (some jewelry) ~~or to the Mint (gold rings)~~ or <sup>(to Degussa)</sup> to Degussa (larger items). Credit from all these sales was transferred via Giro account to the Minister of Finance for the Konto MAX HEILIGER, i.e. the account of the SS.

1/ which kept account at the Reichsbank



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Value of SS loot handled by Reichsbank since 1942

Total value of Melmer's 60 or more deliveries should be accounted for by the total amount already "cashed in" and credited to the account of Heiliger, plus the value of the unsorted loot found in Merkers. Thoms estimates very cautiously that the Konto Heiliger ran up to around 7,000,000 to 10,000,000 RM. He estimates the Merkers loot at roughly half of all Melmer's deliveries. If this loot ran at about the same value as lots already cashed in, the total handled by the Bank would be between 14,000,000 and 20,000,000 RM.

A compilation of "Melmer" entries in books now on hand shows only the equivalent of 1,400,000 dollars, broken down as follows:

Received direct from Melmer:	<u>fine grams gold</u>
On hand 1 Mar 45	20,823.2
Previously released	390,864.8
Smelted by Degussa (all released)	<u>866,730.2</u>
	1,278,418.2

Degussa

Degussa's Berlin premises were destroyed by bombing late in 1944. Thoms believes the vaults were not destroyed and important records would have been kept there. Berlin transactions were recorded there and not at the headquarters in Frankfurt.

Normally Degussa was allotted 200 kilograms of gold a month by the Reichsbank for industrial uses. In addition the firm was allowed to maintain a large stock of gold--Thoms first said it might have been as high as 2,000 kilograms (6,000,000 RM), later said it was less. Any surplus over anticipated needs was to be returned to the Reichsbank. Stock was for dental, chemical, photographic uses, etc. Since August 1944 no gold has been allotted for industrial purposes, so that Degussa's stock may be low.

Degussa figures prominently in Metallgesellschaft records seized at the castle of the Duchess of Hesse. Firm was not only largest in precious metals but also had agreements with Farben and Metallgesellschaft for producing gas masks and other items. After the German attack on Russia, Degussa helped transmit German mail to Japan and USA; mail was flown in Italian planes to Rio de Janeiro for stamping and postmarking and thence dispatched. Degussa has an office in Shanghai which handles affairs of the German "East Asia Consortium".

Conclusion

The sums estimated by Thoms appear an understatement for the loot handled by the Reichsbank since 1942. Certainly they cannot begin to represent the total extent of the operations of the SS "economic department" which for 12 years has disposed of the personal and household valuables of millions of racial and political victims of the calculated Nazi policy of extermination. Search and identification of financial assets originating in SS operations is a vital objective of Allied policy concerned with elimination of German predatory militarism. Detection will doubtless be extremely difficult. A beginning can be made with data given by Thoms as to the role of the Reichsbank, the Finance Minister, the Mint, the Pawnshop and Degussa in the SS financial operations.