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NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

MEMORANDUM FOR: []
Chairperson, Proprietary Review Board

FROM: []
Chief, Political and Psychological Staff

SUBJECT: Status of Plans for QRPLUMB Termination

REFERENCES: A) PPS memo to PRB, dated 30 April 1990;
B) Memo for the Record of 17 May 1990: Meeting with QRPLUMB Principals on Termination Plan;
C) DC/PPS Contact Report from 16 May meeting with QRPLUMBs.

1. On 16 May 1990, DC/PPS and the PPS QRPLUMB case officer met with the QRPLUMB principal agents to inform them formally of the decision to terminate the project and to discuss plans for secure and effective transition from government to private support. The main points of discussion were the intent of QRPLUMBs regarding continuation of the project and the amount of termination payment which would be required for a secure transition. The QRPLUMBs stated that they definitely wish to carry on with the work of their organization, taking advantage of the new and constantly evolving opportunities to promote the cause of democracy and economic freedoms in Ukraine. They estimate that in order to make a secure transition and continue the work at the present level for an indefinite period of time, a capital investment of ten million dollars would be required. DC/PPS said that this amount of money is simply not available. He indicated that the amount of termination payment presently being considered is [] which possibly could be increased somewhat but not by much. QRPLUMBs were asked to prepare a detailed plan for transition, listing specific needs and financial requirements. They were told that a cleared management consultant could be made available to them to assist in planning for their financial future and they said that they wish to avail themselves of this offer. The exact date for termination will be determined mainly by the required termination audit. We are now aiming for around the end of FY-90. Further details of the discussion with QRPLUMBs and other points raised during the meeting are provided in the attached Memorandum for the Record of 17 May 1990 (Reference B).

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2. DC/PPS briefed the representatives of the "ad hoc QRPLUMB working group" on the discussion with QRPLUMBs during a meeting on 22 May 1990. Attending the meeting were:

C/PPS/SEO
 C/PPS/SIB
 QRPLUMB C/O
 C/PPS/PM
 PPS/PMO
 PPS/PP
 CIC/PPS
 ORMS/PPS
 AGC/DO
 OGC/SAD
 C/SE/CA

3. At the meeting there was a full consensus that we will keep close to [] for the termination payment. However, if the QRPLUMBs present a case that their obligations cannot be met with this amount and the security of the project could be seriously jeopardized, the figure could be revised, possibly using available FY-90 funds. The [] will come from the FY-91 budget, therefore the termination payment will be made after 30 September 1990. The method and timing of payment will be determined once we have the chance to examine all the tax implications of the one time payment.

4. The timing of the termination will depend on the termination audit which cannot be scheduled until after the final financial statement is prepared by the project accountants. Ron Helgemo will get an estimate from Delaney and Duvall as to when they expect to have the financial statement ready and provide the information in a memo.

5. [] and [] will travel to New York the week of 4 June to meet and assess the management consultant proposed by [] in preparation for introducing him to the QRPLUMBs.

6. PPS will prepare a termination plan after further discussions with QRPLUMBs and examination of their requirements and proposals. OGC agreed to provide the language for the quit claim document.

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DO/PPS/SIB/C 7 - 72444 .

(22 May 1990)

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