

VALLARINO, Cesar
Lima, Peru

CONFIDENTIAL

ONI

It is reliably reported that Subject was arrested as he left the Canal Zone bound for Lima. He was charged with carrying five letters concealed in his shoe. These letters made reference to large transfers of American funds to Lima in connection with the firm of VALLARINO Y GAJARDO, for whom Subject acts as agent.
FBI, MIS, State cognizant.

To: 15ND
November 16, 1942

B-7-F

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Copy to G-2, PCD; CIS; Zone 4; 11/30/42 B-7 CDE

75876

REFER TO No.

A8-5/Vallarino/Int/tj
Serial

8106-16

OFFICE OF
COMMANDANT FIFTEENTH NAVAL DISTRICT

BALBOA, CANAL ZONE

December 4, 1942

SECRET

A-3 3487

DEC 8 1942

RECEIVED - FILED
Room 465
DEC 7 1942
ROUTE 10- 16
Op File No. (SD) A8-5/ND15
Doc. No. 68606
Case No. 1
C-2631

MEMORANDUM

From: District Intelligence Officer.
To : Director of Naval Intelligence.
Subject: VALLARINO, Cesar
References: (a) 15ND; Same Subject; December 3, 1942; #3202
(b) ONI; November 16, 1942
Enclosure: (A) Reference (a)

1. This memorandum is supplementary to the information contained in reference (a), which is intended to correct the possible inference from reference (b) that SUBJECT is now in custody. The following facts as to SUBJECT's detention have been classified as "Secret" by G-2, Panama Canal Department, who supplied the information:

2. On September 3, 1942 SUBJECT was apprehended by a special agent, CIC, of G-2, Panama Canal Department, at the airport, Balboa, C.Z. SUBJECT was attempting to take five letters and a note out of the Canal Zone for delivery in Lima, Peru, in violation of the Trading with the Enemy Act. He had concealed these papers in his shoes, and failed to declare them.

3. One of the letters, from Anibal VALLARINO addressed to Teodoro VALLARINO in Lima, Peru, evidently referring to the purchase of five Peruvian boats, stated that all transactions should be made in SUBJECT's name to facilitate a later transfer.

4. Consultation with the District Attorney of the Canal Zone revealed that the concealment of these letters by SUBJECT constituted an overt act if charges of conspiracy should subsequently be brought against SUBJECT and Teodoro and Anibal VALLARINO within three years. Therefore, a signed confession was obtained from SUBJECT showing that he had knowingly and willfully attempted to evade the censorship laws and implicating Anibal VALLARINO as an accessory before the fact. SUBJECT was released on September 4, 1942, after signing the confession and was permitted to depart for Lima, Peru, on September 5, 1942.

Reg. No. C-2631

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5. G-2, Panama Canal Department is engaged in the investigation of this case and will keep this office advised of further developments.

6. It is hereby certified that the originator considers it impracticable to phrase this document in such a manner as will permit a classification other than "Secret."



R. P. Noisat,
Lieutenant Commander, USN.

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