

SECRET

18 March 1948

MEMORANDUM FOR THE ASSISTANT DIRECTOR
OFFICE OF SPECIAL OPERATIONS

o/jh - FCS

jlc

Subjects: Leo Yehuda CHEROK, with aliases Leo Y. Chertok and
Leo V. Chertok

1. Pursuant to your oral request of March 17, 1948 there is attached, for the Director, a memorandum summarizing the reports prepared by the Federal Bureau of Investigation in the investigation of the above individual, together with the results of a review of all CGO traces.

2. Where possible, the pertinent individuals in contact with CHEROK have been briefly identified for your information and assistance and for the information and assistance of the Director.

William K. Harvey
WILLIAM K. HARVEY
FCS

1- ENCLOSURE

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ADVISORY
SERIES

16 March 1952

MEMORANDUM FOR THE DIRECTOR
CENTRAL INTELLIGENCE AGENCY

Subject: Leo Yehuda CHESTOK with alias - Leo L. Chestok and
Leo V. Chestok

1. Pursuant to your request there is set out below a summary of the results of the FBI investigation of CHESTOK, together with the results of a review of all GAO traces concerning him. These, per 1945, the individuals mentioned below as being in contact with CHESTOK have been identified briefly for your information.

BACKGROUND

Leo Yehuda CHESTOK was born at Chernov, Russia, on October 9, 1892. He entered the United States in 1912 and was resident in New York City almost continuously since that time. His wife, Peggy CHESTOK, whom he married on January 1, 1927 at New York City, was born in Austria on May 3, 1892. CHESTOK's father, Joseph, became a naturalized U. S. citizen in Boston, Massachusetts, about 1912 and, consequently, CHESTOK is an American citizen by derivation.

In 1945 CHESTOK filed application with the State Department for a U. S. passport for the purpose of a business trip to England, France, and Russia. His application for this passport was refused by the State Department on November 23, 1945, at which time the State Department commented that he "is definitely of the promoter type and first came to the attention of the Department of State around 1936 when his negotiations with the Embassy in London for extensive concessions in Ethiopia were 'unsuccessful' to the point that the State Department also commented at this time that in 1935 CHESTOK made a trip to the Soviet Union and proposed the establishment of a bank in the U. S. with a capital of \$50,000,000 for the purpose of distributing Soviet negotiable paper received in payment for American products shipped to the USSR.

RESULTS OF FBI INVESTIGATION

In October 1942 the FBI instituted an investigation of Leo Yehuda CHESTOK based on information received to the effect that a practice bomb casing had been shipped to him at the Hotel Reform, 24 West 84th Street, New York City. This incident failed to reflect any intelligence significance, but did reflect that CHESTOK had acquired a wide reputation as an opportunist and promoter and that the bomb casing had been shipped to him in connection with efforts on his part to procure U. S. and Mexican Government contracts.

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Soviet agency was the "biggest spy organization in the United States". CHITOK failed to furnish any substantiating details for this statement and his motivation in so reporting to the FBI was never made evident.

It was also ascertained at this time that on March 23, 1946 one ~~CHITOK~~ of the Soviet Embassy in Washington, D. C., advised A. H. [redacted] of the Chain Belt Company of Milwaukee, Wisconsin to contact the Liberty Trading Corporation in New York for information concerning CHITOK, in connection with THOMAS's desire to use CHITOK as a representative in the Soviet Union after World War II.

On March 5, 1946 CHITOK made an appointment to see Mr. Alexander ~~CHITOK~~, Special Secretary of the Soviet Embassy in Washington, D. C. This is of particular interest inasmuch as information exists indicating that ~~CHITOK~~ was implicated in Soviet intelligence activities and that late in 1945 he may have replaced First Secretary of the Soviet Embassy Anatoli Borovikov as ~~CHITOK~~ (now ~~CHITOK~~) in Washington. You will recall that ~~CHITOK~~ was the Soviet agent known as "Al" who was responsible for the operation of an extensive Soviet espionage organization centered in operations of the U. S. Government, the investigation of which by the FBI is commonly known as the Gregory Case.

On March 19, 1946 CHITOK advised CHITOK that General Levit ~~CHITOK~~, of the Soviet Government Purchasing Commission, would like to talk to him. It is recalled that ~~CHITOK~~ was then Chairman of the Purchasing Commission at that time, was identified by the Soviet defector Viktor A. [redacted] as an important representative in the U. S. of the Communist Party of the Soviet Union.

It was subsequently ascertained early in 1946 that D. J. [redacted], attorney and member of the Board of Directors of [redacted] described CHITOK as a "white rascal" who had previously been employed by [redacted]. At the time it was learned that CHITOK had been in contact with [redacted], Acting Soviet Consul General in New York. On March 27, 1946 CHITOK was in contact with Soviet officials concerning his application for a visa to travel to the Soviet Union.

On October 7, 1946 the FBI ascertained that CHITOK had approached the Central Intelligence Group to request the backing for his application to the Soviet Union. The refusal of his application for a passport for this trip is described above in the section entitled "Background". It is interesting to note that on August 7, 1946 CHITOK made a long distance call from New York City to Washington, D. C., phone number National 8444, which is listed to the White House.

2. Inasmuch as this investigation, according to the FBI, failed to reflect that CHITOK was engaged in Soviet espionage, the case was closed on May 12, 1947.

OSO TRACTS

A complete review has been made of the OSO files concerning CHITOK. The only pertinent additional information contained therein is that the investigation presently being conducted by OSO of [redacted] referred to above, has substantiated his association with CHITOK.