

* October 1950

The QKSTAIR Field Chief learned of DIMITROV through the local peripheral reporting officer and contacted him covertly. DIMITROV made six agents immediately available for infiltration operations.

ATHE 3200 (IN 46672), 25.10.50; Memorandum for the Record, 9.5.51

OCTOBER 1950

Early in October 1950, DIMITROV visited the Lavrion Camp where he met with a number of his Bulgarian friends and advised them that he had been given a "charter and instructions", by certain members of **the American Embassy**, to form a committee of five members for the planning and execution of a fight for the liberation of Bulgaria. This committee, according to DIMITROV, would be established in Athens and would cooperate with other similar committees which have already been formed in France, Germany, and other countries. The committee would later expand to 20 members and would establish a so-called "Democratic Agrarian Bloc". Recruits would come from among the members and sympathizers of the Bulgarian Democratic Party (Moushynov) and from the Gichev Agrarians. Eligible Bulgarian emigres would come to Greece from Western Europe to assist in the work, and pro-

minent members of the Gichev Agrarians and of the Democratic Party would be assisted in escaping to Greece (presumably from Bulgaria) to join the organization.

DIMITROV listed the organization's tasks as follows:

- a. Intelligence activity in Bulgaria.
- b. Organization of an underground resistance movement in Bulgaria, and
- c. Organization of sabotage activity against Bulgaria.

DIMITROV revealed that he was the president of the organization.

DIMITROV took frequent occasion to mention that the committee had its headquarters in the American Embassy where he has a room assigned for his own use. He also stated that the committee maintains offices at 13 Patission Street, 7th floor, rooms 2-4, and there are already working at this address eight Bulgarian-speaking Americans. He also stated that his office has two Bulgarian typewriters and a car with US license plates.

SODB 31992, 14 December 1950

23 October 1950

provisional
EE Division requests ~~an~~/operational clearance for DIMITROV.

Memorandum for II/OS, dated 23 October 1950.

23 January 1951

Chief of EE/1 requested that the attached Provisional Operational Clearance be approved for Dimitri A. DIMITROV be approved. He is to be used as a contract agent in Greece for political, psychological, and guerrilla warfare operations under Project QKSTAIR.

In view of the fact that recruitment of Bulgarian agents who are scheduled shortly to begin covert training must be accomplished through Mr. DIMITROV, his clearance is needed immediately.

Memorandum for EAD, dated 23 January 1951.

13 March 1951

Operational Clearance issued to permit the use of DIMITROV's services as "a contractual agent in Greece engaged in political, psychological, and guerrilla warfare operations" under project QKSTAIR.

Memorandum for Chief, EE/1, dated 13 March 1951

8 April 1951

Discussions held between ADAMSON and HAND of CIA and Colonels COVERDALE, and CARLAN, Mr. TOD, and Captain VILLETTE of G-2. Points (given below) the Army wants covered in a cable to OSO in Panama.

a. Fort Clayton hospital detention war considered best possibility.

b. Has this been discussed with G-2 **USACARIB?** If so, does it meet their approval? Can it be worked without advising Provost Marshal, Washington? (so leave in G-2 channels).

c. AC of S G-2 Washington concurred in principle with proposal of assistance to CIA in this matter.

d. As soon as operational details worked out with **USACARIB**, cable advising generally that can be effected forwarded by G-2 **USACARIB** to ACos S G-2 (personal for BOLLING). Details will come back through CIA.

e. Identification of KELLY (DIMITROV) case.

f. Detention period maximum of one year, relieve Army sooner if **CAS**

12 April 1951

DIMITROV told (his handler - CIA) that he was to tell FLORIMOND by 13 April whether he would work with him. DIMITROV asked for instructions. He was told that his answer was to be a definite and final no. He was not to see the French again.

Memorandum, dated 18 April 1951

19 April 1951

According to Yani KOLOMONOS, DIMITROV's friend, stated that the latter agreed to meet PIRAY at the French Embassy between 11 and 12 o'clock on Thursday, 19 April. At this meeting DIMITROV will (1) give the French detailed accounts of all United States operations of which he is aware, with special emphasis on **Radio Gorianin**, and (2) receive for this information the sum of 10 to 15 million drachmae.

KOLOMONOS suggests that this effort of the French might be ^acommunist inspired attempt to penetrate United States intelligence activities.

Memorandum dated 18 April 1951

S E C R E T**Chief of Station, Athens****XX****Chief, NE****PERAMPART (Subject of Reference)****REF: NEAA-00613, 17 July 1969**

1. Subject of reference may be remembered by some Athens Station officers under the name, Lyle O. KELLY (P). **KELLY was recruited in October 1950 as a P.A. for a political, psychological, and guerrilla warfare project based in Greece and targeted against Bulgaria.** He is the subject of a five volume 301 dossier at Headquarters which goes back to 1949.

2. KELLY was born 7 May 1924 in Hadkovets, Bulgaria. He studied philology for one year at Sofia University from 1942-43. During the war he worked illegally in Greek Macedonia and Vardar, Macedonia to escape the German authorities. He returned home after the war; he was soon disillusioned by the Communists and went to Sofia. Later he made a clandestine tour of Bulgarian towns urging agrarians to take positive action against communism. Finally captured in Sofia, he stated that his life was spared because he was groomed as a witness against PETEV. He escaped to Greece in 1947 and subsequently worked for the Greeks doing occasional propaganda under a shortened version of his true first name.

3. **KELLY was first contacted in October 1950 by the Field Chief of OPC activities in Athens, Greece. During the period October 1950 through March 1951, he was employed by OPC, Athens and provided 21 agents for infiltration into Bulgaria, but he**

Distribution:**3 - COS, Athens**

33-2-6

NEAW-1067**25 August 1969****201-045145****27 AUG 1969**

S E C R E T**NKAA-1067**

never participated in the actual cross-border operations. In early 1951, various operational and administrative difficulties began to manifest themselves and it was decided that KELLY should be removed from his position. In April 1951 it came to OPC's attention that KELLY intended to sell his operational knowledge to the French Intelligence Service. This fact was used as the primary reason for his removal from active participation in **Bulgarian operations.**

4. Because of operational security considerations stemming from KELLY's duplicity and personal make-up, it was deemed inadvisable to leave him at large in Greece. It was decided to transfer him to a holding facility in the Western Hemisphere. He was airlifted from Athens to Frankfurt where he was hospitalized four days for observation, and then flown to the holding facility, arriving on 4 September 1951. He remained there until January 1954 when at that time it was determined whatever operational knowledge he had was obsolete.

5. After unsuccessful efforts to resettle KELLY in Brazil, he was temporarily removed from the holding area to Syros, Greece. A commitment was made to the Greek authorities that KYROCK would not abandon him in Greece and would take steps to have him resettled in one year. Efforts were made to effect KELLY's migration to Canada, New Zealand, Australia, and elsewhere, but to no avail. After due consideration by the authorities concerned, it was decided that the best effective solution would be to let him immigrate to the United States on his own under the Refugee Relief Act program.

6. Since entering the United States, KELLY has been a continual source of embarrassment. Megomania is evident in his various communications with U.S. government agencies. Over the years he has written lengthy letters to the Director, Secretary of State, USIA, Vice President Nixon, President Kennedy, etc. A typical example of this correspondence was his letter to the Vice President requesting an appointment as Mr. Nixon's anti-communist advisor, or the statement in his letter to President Kennedy that he could liberate the Balkan countries from Communism in five years if he were allowed to work actively with financial support. Our first knowledge that KELLY was representing himself as a film producer was a 14 May 1957 notice from the Department of State advising that KELLY was trying to interest them in purchasing a feature length film script.

7. The last correspondence from Athens on KELLY is contained in NKAA-990 of 26 April 1963, written by Philip L. BACHMAN (P). On this occasion KELLY appeared at the American Embassy in Athens asking to talk to the First Secretary. He identified himself as leader of "The Bulgarian Liberation Underground Movement Against Communism." The Station at this time reported no traces, but added a comment that he probably was identical with Subject of 201-045145. However, the Station evidently has no record of his pseudo or his early association with **US.**

8. A final note, concerning his marriage to the Greek woman mentioned in reference, may be of interest considering the events which generated the latest inquiry from the field. At one time during his sojourn in the holding area mentioned above, KELLY confided that his marriage was recognized by both parties as one of convenience. He claimed that he and his former wife agreed to marry in order to be eligible for immigration to the United States

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c. Organizing sabotage activity against Bulgaria.

5. Subject also revealed that the members of the committee at present were: himself as president; Ivan Mitev Hristonov, secretary; Ivan Donev Ivanov; Dimitar Donev Ivanov; and a fifth member whose name was not supplied by source.

6. In addressing the group at Lavrion, Subject took frequent occasion to mention that the committee has its headquarters in the American Embassy where he has a room assigned for his own use. He also stated that the committee maintains offices at 13 Patission Street, 7th Floor, rooms 2-4, and he stated that eight Bulgarian-speaking Americans are already working at this address. Possibly in an effort to impress his listeners, Subject commented that his office had two Bulgarian typewriters and a car with U. S. A. license plates.

7. Following his address to the group at Lavrion, Subject and Ivan Mitev Hristonov, secretary of the so-called committee, prepared a list of prospective members of the organization based on their screening of the refugees at Lavrion on the basis of birthplace, education, military training, and similar factors, the list having been prepared for submission to the American Embassy for approval, according to Subject.

8. On 1 November 1950, Subject again visited the Lavrion Camp to inform his recruits that they would shortly be moved to a pleasant home in Athens which the Americans were repainting for the purpose. On the occasion of this visit, the recruits were divided into three groups, as follows:

- a. A group of 10 men to specialize in intelligence,
- b. A group of 6 men to be trained in radio in Germany,
and
- c. A group of 15 men to specialize in sabotage.

9. On or about 10 November 1950, the following six members of Group "A" moved to Athens: Peter Zlatev, Krustyu Kiryanov, Ivan Hristonov, Ivan Gogov, Todor Djadiev, and one whose name is unknown. The others were to follow shortly.

10. According to our source, the radio group comprises Ivan Iskrov, Boris Popov, Georgi Nikolov, and others, while the sabotage group includes Serafim Vangelov Kouyoumdjiev, Nikola Manev, Todor Nikolov Todorov, Marko Korchev and others.

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DATE	21 APR 51
FILE NUMBER	IN 56897
SUBJECT: (6-1)	

NO PARAPHRASE REQUIRED

EDITED BY: _____

TO: ATHEG, WASH INFO: **HEID3**, MUNIG CITE: FRAND
 EGRESS
 GKSTAIR
 RE ATHE 5150 (IN 3630)

1. HTSTEIN HAS NEITHER STAFF NOR FACILITY HOLD CHARACTER SUCH AS KELLY AND EXTENDED PERIOD.

2. IN VIEW KELLY'S KNOWLEDGE 22 DREAMER TRAINEES NOW HTSTEIN AND PAST CONTACTS HTOURIO PERSONNEL, ROCHELL DOUBTS TEMPORARY CONFINEMENT ANY PERIOD WOULD ELIMINATE RISK TO GKSTAIR OPERATIONS. MOREOVER, KELLY'S ATTEMPTED MANEUVER LAST SENTENCE PARA 1 REF SUGGESTS PERMANENT DISPOSAL NOT ONLY JUSTIFIED BUT ONLY SOLUTION REALLY SECURE.

3. AS MANFIELD AWARE, IDENTITY (A) BEING CROOKED FOR ROLE AS IDENTITY (B). DO NOT HIS RELATIONS KELLY SO CLOSE AS TO OVERWEIGH HIS LOYALTY TO US, PARTICULARLY WHEN GRIEVED CIRCUMSTANCES.

4. ROCHELL WILL EXPLORE POSSIBILITIES USING IDENTITY (A) THIS MISSION SOON AS ADVISED WHETHER ZRNETAL WOULD CONSIDER THIS MEASURE.

5. IF ZRNETAL APPROVES, SUGGEST KELLY BE REMOVED FROM SCENE IMMEDIATELY PRIOR IDENTITY (A)'S INFILTRATION CHEVALAND. 7.3 CONSIDERING FURTHER DETAILS METHOD PERMANENT DISPOSAL, BUT FEEL "DO" UNDESIRABLE TO INVOLVE HTSTEIN.

1607 21 APR 51

SECRET

STANDARD FORM NO. 64

SECRET
Security Information*Office Memorandum* • UNITED STATES GOVERNMENT

TO : Acting Chief, SE

DATE: 21 July 1953

FROM : Michael A. Hemovich, SE/2

SUBJECT: Lyle O. KELLY

1. In accordance with your instructions received through Mr. Donald F. Ewing, CSE/2, and in coordination with Mr. Mahoney of WH Division, I flew to DTROBALO, arriving there at noon on 26 May 1953, for the purpose of determining whether Subject has current operational information concerning SE operations and personnel that would make him a security risk if he were allowed to re-settle within the next calendar year.

2. Upon arrival at DTROBALO I discussed the case with KELLY's case officer, Mr. Philip A. Tocmey, and the Station Security Officer and learned that KELLY had been in detention until approximately 15 May when he was released from confinement and allowed to attend classes and live with other persons who are being prepared for resettlement.

3. Between 1300 and 1600 hours on 26 May, I reviewed the DTROBALO Station files on KELLY and made an appointment with KELLY's case officer to have a conference with KELLY at 0800 hours 27 May. It was decided to use the office of the Station Security Officer for the meeting because of its invulnerability to other agents and to the laborers who were working in the area. The Security Officer stated that the office would be made available for the time specified.

4. At 0800 hours 27 May KELLY's case officer escorted me to the pre-arranged meeting site and introduced me as Mike Vargas to KELLY who had been waiting in the office. The case officer informed KELLY that I had arrived from Washington, D. C. to discuss his problems with him and would endeavor to resolve all matters possible. KELLY appeared elated and in broken English said that he was very happy to learn that the organization (I presume he meant CIA) finally acknowledges him as a friend. KELLY stated that he has been waiting 25 months to speak to someone from Washington. The case officer departed from the room and left KELLY and me standing in the center of the room. I asked KELLY to be seated and told him that I speak Serbo-Croatian and inquired if he understood Serbo-Croatian. KELLY replied that he does speak Serbian and is glad that I speak the language also because his English was not fluent and he has difficulty expressing himself. All conversations hereafter were conducted in Serbo-Croatian.

5. I opened the conversation by telling KELLY that his reports and letters were received and studied very carefully at Washington and assured him that pressing duties made it impossible for anyone to visit him at any time prior to the present. KELLY replied that he felt relieved that he was not forgotten by his friends and that he could now reveal everything that has been a puzzle to him since his apprehension by the Greeks in 1951, and perhaps learn the causes

for certain

SECRET

File Kelly

Re KELLY CASE

4 April 1952

1. A well-placed, reliable source (A-1) has stated that the 1949 files of French Intelligence network "Ulysse" of Captain Michel de la Roncier (Military Attache of the French Embassy, Athens) listed Dimitri Dimitrov as an agent and contains the following information:

"30 years old, a member of the Bulgarian Agrarian Party. He is a student and fled to Greece in 1946. He was in contact with the British brothers Baret (or Barev) while the latter were in Greece. He is a contact of the Aliens Directorate. He received an order from the Americans requesting him to go to Washington for a time. His file contains two reports, one dated 10 April 1949 concerning the military situation and the other dated 6 April 1949 containing an account of the Greek Government Council of Coordination. (Translations of these two documents was not made because the contents no longer seem to be of any importance)."

2. His prior connection with the French in 1949 doubtless led Dimitrov to make the later offer to Florimond to sell US information for 16,000,000 drachmas. Florimond was chief of the other French network in Greece operating from Salonica while de la Roncier conducted French operations out of Athens.

3. The Baret or Barev brothers undoubtedly are Tsenko and Ivan Barev, now worked in Paris and Rome, respectively. They are Bulgarians who have/and may be still working with the British.

IT

Above memo given to Col Smith. The info was furnished by Mr. Driscoll of SO-3. French Intel documents giving the above were intercepted by a penetration of French Intel files. Dimitrov was designated as Uly 62 on the list of agents. IT