

ORIG : Reeves:jz
UNIT :
EXT :
DATE :

CLASSIFIED MESSAGE

SECRET

8-68

ROUTING

1		4	
2		5	
3		6	

TO :
FROM : DIRECTOR

CONF :

INFO :

PAGE TWO

DEFERRED

ROUTINE

TO

INFO

CITE DIR

WH CMT * Hqs requesting ODENVY investigate report of
large shipment ammo from Brownsville to Diaz
Infante followers.

C/S COMMENT: RE REQUEST FOR TRACES ON J. ORITZ.

J. C. KING
C/WH/D

WH/CCPS

CI/LIA - J. Roman (by phone)

T. Flynn (by phone)

CI/OG/WH/F. Hughes (draft)

COORDINATING OFFICERS

SECRET

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downgrading and
declassification

AUTHENTICATING
OFFICER

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Copy No.

ORIG: J. R. Reeves:j
UNIT: WH/3/Mexico
EXT: 6284
DATE: 28 Nov 62

CLASSIFIED MESSAGE

SECRET

1767

8-68

ROUTING

1	4
2	5
3	6

TO: MEXICO CITY

FROM: DIRECTOR

CONF: WH 8

INFO: CI, CI/OPS, FI, FI/INT 2, S/C 2

29 Nov 62 00 34z

SIS CEN
DEFERRED

ROUTINE

TO: OPIM MEXI

INFO

CITE DIR 01719

REF MEXI 2688 (IN 25823)*

NO HQ TRACES SUBJ REF. REQUESTING ODENVY INVESTIGATE REPORT
AND PASS RESULTS TO KUBARK HQ.

END OF MESSAGE

C/S COMMENT: *RE LTR FROM J. CRITZ RE AMMO BOUND FOR DIAZ INFANTE FORCES TO STAGE
WH CNT: * Attached ANTOHE REVOLUTION

W. Hood
J. C. KING
C/WED

CI/STAFF- Mr. Hunt (draft)

WH/COPS *W*

M. Mulman
NED P. HOLMAN
C/WH/3

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CLASSIFIED MESSAGE		ROUTING	
DATE : 363 28 NOV 62	SECRET <i>Ch</i>	1	4
		2	5
		3	6
TO : DIRECTOR		NOV 28 1720Z 62	
FROM : MEXICO CITY		OPERATIONAL IMMEDIATE	
ACTION: WH 8 (WH NOTIFIED AND COPY SLOTTED AT 1225 28 NOV 62) /OJ		IN 25823	
INFO : CI, CI/OPS, FI, S/C 2			

OPIN DIR CITE MEXI 2688 7N25823

1. MORNING 28 NOV LIELEGANT GAVE CURTIS COPY LETTER ADDRESSED LITENSOR WITH PERSONAL REQUEST FROM LATTER FOR URGENT AND IMMEDIATE INVESTIGATION.
2. LETTER POSTMARKED 24 NOV 1962 FROM J ORTIZ 285 LOS ROBLES AVENUE, PASADENA, CALIFORNIA, QUOTE CHECK INTO REPORT OF AMMUNITION FROM BROWNSVILLE, TEXAS, PORT FILLING 22 RAILROAD CARS (960 TONS) BOUND FOR DIAZ INFANTE FORCES TO STAGE ANOTHER REVOLUTION. A LAWYER REPRESENTING HIM IS NORMAN FUCH. THIS MEETING WAS IN OFFICES MILLIKIN AND MONTGOMERY IN PASADENA (CALIF) UNQUOTE.
3. VIEW THIS PERSONAL REQUEST BY LITENSOR REQUEST HQS IMMEDIATE TRACES, INVESTIGATION AND REPLY OPIM. NO STATION TRACES SUBJECTS BUT EXTENSIVE FILE ODENVY REPORTS MARCO ANTONIO DIAZ INFANTE.

END OFMESSAGE

Henry H. Bryant

SECRET

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DECLASSIFICATION

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054

CLASSIFIED MESSAGE

DATE : 30 OCT 62

SECRET

TO : DIRECTOR

FROM : MEXICO CITY

ACTION: C/WH 5

INFO : ADDP, C/CI, D/OL 2, S/C 2

ROUTING

1	4
2	5
3	6

OCT 30 0642Z 62

ROUTINE

IN 48632

DIR CITE MEXI 2372

RYBAT/LIENVOY

(ALSO REV'D 207)

1. REQUEST TWO REVERE 224 TAPE RECORDERS WITH "Y" TYPE CORDS
AND TWO NEW-TYPE IMPULSE RECORDERS MODEL B-1C WITH CONNECTIONS
IN REAR BE SENT MEXICO SOONEST.

2. NEED EQUIPMENT TO DETERMINE MODIFICATIONS NECESSARY

FOR NEW

LIENVOY INSTALLATION.

3. WILL ORDER REMAINING EQUIPMENT WHEN NECESSARY MODIFICATIONS
ARE DETERMINED AND WHAT ADDITIONAL EQUIPMENT IS NEEDED.

END OF MESSAGE

*50-6-75-***SECRET**

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Declassification

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Copy No.

ORIG : A.C. DELANEZ
UNIT : OCI
EXT : 7454
DATE : 25 SEPTEMBER 1962

CLASSIFIED MESSAGE

SECRET

ROUTING

1	<i>Chaffin</i>	4	
2	<i>ref</i>	5	
3		6	

TO : MEXICO CITY

FROM: DIRECTOR

CONF: AD/CI 2

INFO: ADDP, C/CA, C/WH 2, DD/I, S/C 2

25 SEP 62 21 22z

SIT DEN

DEFERRED

ROUTINE

TO PRITY MEXI

INFO

CITE DIR

30685

RYBAT PBBAND

REF: DIR 37635 (OUT 79205)

FOR PASSING TO LITENSOR

1. SOVIET PROPAGANDA ~~RENE~~ CONTINUES TO CHARGE THE US WITH "AGGRESSIVE INTENTIONS" TOWARDS CUBA AND CARRIES DETAILS IN SOVIET BK NEWSPAPERS CONCERNING ALLEGED PROVOCATIVE FLIGHTS BY US PLANES OVER SOVIET MERCHANT SHIPS ENROUTE TO CUBA. WHILE MOSCOW CONTINUES TO MANIFEST GENUINE CONCERN OVER POSSIBLE US ACTION TO INTERDICT SOVIET SHIPMENTS TO CUBA, SOVIET FOREIGN MINISTER GROMYKO IN HIS 21 SEPTEMBER UN ADDRESS NOTED WITH SATISFACTION PRESIDENT KENNEDY'S STATEMENT THAT MILITARY INTERVENTION COULD NOT BE JUSTIFIED AT THE PRESENT TIME. MOSCOW IS EVIDENTLY TRYING TO BUILD A CASE TO SUPPORT ITS ~~FROM~~ CHARGES IN THE UN THAT THE US IS GUILTY OF "PROVOCATIVE ACTIVITIES" THROUGHOUT THE WORLD.

2. RECENT SOVIET PUBLIC STATEMENTS SUGGEST THAT KHRUSHCHEV IS STILL NOT COMMITTED TO A FIRM COURSE OF ACTION ON BERLIN AND CONTINUES TO PROBE AND ASSESS WESTERN REACTION TO SOVIET MOVES. ON THE OTHER HAND, MOSCOW SEEMS INTENT ON CONVINCING THE ALLIED POWERS THAT IT HAS NOT RETREATED FROM A COMMITMENT TO A UNILATERAL SETTLEMENT IF NEGOTIA-

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ORIG :
UNIT :
EXT :
DATE :

CLASSIFIED MESSAGE

S E C R E T

0-00

ROUTING

1		4	
2		5	
3		6	

TO :
FROM : DIRECTOR
CONF :
INFO :

DEFERRED

ROUTINE

OUT 80565 DIR 38385

-2-

TO

INFO

CITE DIR

TIONS LATER IN THE YEAR FAIL TO PRODUCE RESULTS.

3. BUILDUP OF CHICOM FORCES IN TAIWAN STRAITS SPRING AND SUMMER 1962 LEFT PEIPING IN STRONGER MILITARY POSITION THERE BUT POSTURE REMAINS PRIMARILY DEFENSIVE. CHINATS, THOUGH STILL TALKING ABOUT RETURN TO MAINLAND, ARE UNLIKELY TO LAUNCH ANY OPERATIONS LARGER THAN SMALL-SCALE INTELLIGENCE PROBES IN THE FORESEEABLE FUTURE. BOTH SIDES ADHERE TO BASIC POLICY POSITION THAT "TWO CHINAS" SOLUTION^{IS} OUT OF THE QUESTION, AND THAT THE ONLY POSSIBLE SOLUTION IS^P DESTRUCTION, ABSORPTION RIVAL REGIME.

4. INDIA-CHINA: RECENT CLASHES ON ASSAM-TIBET FRONTIER HAVE REFOCUSED ATTENTION ON EASTERN END OF HIMALAYAN BORDER~~XX~~ AND HEIGHTENED SINO-INDIAN TENSION; SKIRMISHING LIKELY TO CONTINUE BOTH IN LADAKH AND NORTHEAST, BUT ONSET OF WINTER CONDITIONS IN MID-OCTOBER AND APPARENT RELUCTANCE OF BOTH SIDES TO EXTEND FIGHTING MAKES OUTBREAK OF LARGE-SCALE HOSTILITIES UNLIKELY.

5. INDIA-PAKISTAN: DESPITE PERIODIC TENSIONS OVER BORDER INCIDENTS~~X~~ AND LACK OF PROGRESS ON KASHMIR DISPUTE, RELATIONS ARE RELATIVELY STABLE AND ~~THE~~ THERE IS LITTLE PROSPECT OF MILITARY ACTION.

6. JAPAN: NO CHANGE IN JAPANESE SECURITY SITUATION. VISIT OF

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S E C R E T

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CLASSIFIED MESSAGE		8-68	
SECRET		ROUTING	
1		4	
2		5	
3		6	

ORIG :
 UNIT :
 EXT :
 DATE :

TO :
 FROM: DIRECTOR
 CONF:
 INFO :

-3-

DEFERRED
ROUTINE

OUT 80565 DIR 38385

TO INFO CITE DIR

KENZO MATSUMURA, RULING PARTY ELDER, TO PEIPING HAS ENCOURAGED OPTIMISM OVER PROSPECT FOR INCREASED TRADE WITH COMMUNIST CHINA DESPITE CHICOM INSISTENCE ON LINKING POLITICS AND ECONOMICS.

7. PHILIPPINES: PRESIDENT MACAPAGAL'S PROMISED DOMESTIC ACTION PROGRAM HAS MADE LITTLE REAL PROGRESS AS YET, BUT HE HAS MAINTAINED THE POLITICAL INITIATIVE BY EMPHASIZING HIS ANTI-CORRUPTION CAMPAIGN.

8. INDONESIA: EARLY CABINET CHANGES ARE EXPECTED, BUT INDONESIAN POLICY WILL NOT BE AFFECTED. THE GOVERNMENT IS PREPARING TO TAKE OVER CONTROL OF NEW GUINEA FROM THE UN NEXT MAY, AND OTHERWISE IS PREOCCUPIED WITH ECONOMIC PROBLEMS.

END OF MESSAGE

NOTE TO CABLE SECRETARIAT: PLEASE FURNISH COPY TO OCI

Joseph L. Gorman
CHIEF, WH/3

RELEASING OFFICER

W. J. M. / M. J. M. / M. J. M.
for 1. Chief, WH/3

2. WH/COFS
COORDINATING OFFICERS

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Copy No.

ORIG : John M. Whitten:js
 UNIT : CWH/3/Mexico
 EXT : 5940
 DATE : 20 Sep 62

CLASSIFIED MESSAGE

1528 **SECRET**

ROUTING

1	4
2	5
3	6

TO : MEXICO CITY

FROM : DIRECTOR

CONF: WH 8

INFO : CI/OPS, FI/INT 2, S/C 2

21 SEP 62 15 46 Z

SIG GEN

DEFERRED

ROUTINE

OUT 79205

TO MEXI

INFO

CITE DIR

37635

REF MEXI 1979 (IN 25427)*

DIR 35657 (OUT 75740)** OF 12 SEP WAS SENT IN ANSWER TO YOUR REQUEST FOR
 SPECIAL BRIEFING FOR LITENSOR. ALL OF IT MAY BE PASSED TO HIM. WILL BRING IT
 UP TO DATE ON 26 OR 27 SEP AS YOU REQUEST.

END OF MESSAGE

WH COMMENT: *Requested additional cable report of whatever COS can pass
 to LITENSOR to arrive Mexi 26 or 27 Sep.
 **PBBAND - Moscow statement re Cuba, situation in Japan and
 Indonesia, etc.

for S. C. KING
 C/WH/3

RELEASING OFFICER

WIL/COFS
 COORDINATING OFFICER

SECRET

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Henry
Stivers
 NED P. HOLMAN
 C/WH/3

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Copy No.

CLASSIFIED MESSAGE

DATE : 060
19 SEP. 62

SECRET

ROUTING

1	<i>officer</i>	4
2	<i>MEXI</i>	5
3		6

TO : DIRECTOR

FROM : MEXICO CITY

ACTION: *C/MH*

INFO: ADDP, C/CA 2, C/CI, C/FI 2, S/C 2

SEP 20 0446Z62

ROUTINE

IN 25427

DIR CITE MEXI 1979 (OUSLER ACTING)

IMMEDIATE ACTION

RYBAT

REF MEXI 1919 (*IN 20593*)1. *PAGE* FOUR REF: PLS CABLE REPORT SOONEST.

2. REQUEST ADDITIONAL CABLED REPORT TO ARRIVE MEXI 26 OR 27

SEPT.

END OF MESSAGE

C/S COMMENT: *MEXI REQUESTED CABLED SITUATION REPORT OF WHATEVER COS
CAN PASS PERSONALLY TO LITENSOR.*Lucy
Simpson*

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Copy No.

ORIG: A.C. DELANEY		CLASSIFIED MESSAGE		9-22	
UNIT: OCI		CONFIDENTIAL		ROUTING	
EXT: 7454		1601		1	4
DATE: 12 SEPTEMBER 1962		(1)		2	5
				3	6
TO: MEXICO CITY				12 SEP 21 59Z	
FROM: DIRECTOR				SIG CEN	
CONF: AD/CI				DEFERRED	
INFO: DDP, ADDP, C/CA 2, C/EE 3, C/WE 2, C/NE 3, C/FE 6, C/SR 4, C/WH 5, C/TFW 5, DD/1, S/C 2				ROUTINE	
				OUT 75740	
TO: PRITY MEXI	INFO	CITE DIR	35657		

R RYBAT PBBAND

REF MEXI 1919 (IN 20593)

1. MOSCOW'S STATEMENT OF 11 SEPTEMBER ON CUBA APPEARS DESIGNED TO ADVANCE VARIETY OF SOVIET OBJECTIVES, FOREMOST AMONG THEM BEING TO DETER US FROM ACTIVE INTERVENTION IN CUBA. ALTHOUGH STATEMENT AGAIN USED VAGUE AND AMBIGUOUS LANGUAGE TO AVOID CLEAR-CUT COMMITMENT TO DEFEND CUBA IN ALL CONTINGENCIES, IT HAS FURTHER ENGAGED SOVIET PRESTIGE IN ENSURING SURVIVAL OF CASTRO REGIME. AS BEFORE, HOWEVER, USSR IS ATTEMPTING TO CREATE IMPRESSION CUBA IS UNDER PROTECTION OF SOVIET NUCLEAR AND MISSILE POWER.

STATEMENT WAS ALSO CALCULATED TO ENABLE MOSCOW TO CLAIM FULL CREDIT FOR HAVING PROTECTED CUBA IF NO US-SUPPORTED INVASION OR INTERFERENCE WITH SOVIET SHIPPING MATERIALIZES. IN ADDITION TO THIS DETERRENT EFFECT, MOSCOW APPARENTLY IS ATTEMPTING TO CHECK GROWING CONCERN IN US AND LATIN AMERICA OVER SOVIET INTENTIONS IN CUBA. IT STRESSED DEFENSIVE NATURE OF SOVIET MILITARY EQUIPMENT BEING FURNISHED CUBANS ~~IN~~ AND IMPLICITLY DENIED ANY SOVIET INTENTION TO ESTABLISH MILITARY ~~BASES~~ BASES IN CUBA.

STATEMENT, MOREOVER, CONVEYED INDIRECT ASSURANCE THAT USSR WILL

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CLASSIFIED MESSAGE		9-00	
ORIG :	CONFIDENTIAL	ROUTING	
UNIT :		1	4
EXT :		2	5
DATE :		3	6
TO :		598	
FROM: DIRECTOR		ROUTING	
CONF:		DEFERRED	
INFO:		ROUTINE	
		OUT 75 40	

-2-

TO INFO CITE DIR 35657

NOT CONFRONT US WITH SIMULTANEOUS CHALLENGES IN BOTH CUBAN AND BERLIN. IT SUGGESTS THAT LEADERS INTEND TO POSTPONE FURTHER SERIOUS BERLIN TALKS UNTIL LATE THIS YEAR OR EARLY NEXT YEAR, TO GIVE THEMSELVES TIME TO ASSESS IMPACT ON WESTERN POSIT OF PROPAGANDA ATTACKS ON US "AGGRESSIVE ACTIONS" IN UN AND OF MANEUVERS TO INVOLVE UN IN BERLIN SETTLEMENT.

2. CHICOM MILITARY BUILDUP IN STRAITS IS REGARDED AS PRIMARILY DEFENSIVE AND CHINATS ARE SHOWING RELUCTANCE TO UNDERTAKE PROVOCATIONS THAT MIGHT LEAD TO HOSTILITIES, RECENT U-2 INCIDENT NOTWITHSTANDING.

3. ALTHOUGH SINO-INDIAN BORDER REMAINS TENSE WITH RECURRENCE OF SMALL-SCALE SKIRMISHES, CHANCE OF ANY LARGE-SCALE OUTBREAK OF HOSTILITIES IS REMOTE; SKIRMISHING LIKELY TO CONTINUE UNTIL ONSET OF WINTER, 5-6 WEEKS HENCE.

4. IN JAPAN, SITUATION IS QUIET; LEFTISTS APPARENTLY CONSIDER PRESENT INTERNATIONAL AND DOMESTIC ISSUES LACK POTENTIAL FOR CREATING PUBLIC DISTURBANCES.

5. INDONESIAN SITUATION HAS RETURNED TO NORMAL FOLLOWING AGREEMENT WITH NETHERLANDS FOR SETTLEMENT OF WEST NEW GUINEA ISSUE UNDER UN

AUSPICES.

W. O. WEBB
RELEASING OFFICER

C/N 117
END OF MESSAGE
COORDINATING OFFICERS

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087		CLASSIFIED MESSAGE	
DATE : 11 SEP 62		SECRET	
TO : DIRECTOR		ROUTING	
FROM : DJAKARTA		1 <i>M</i> 4	
ACTION: FE 8 (FE TEMPO COPY SLOTTED 0345, 11 SEP)		2 5	
INFO : ADDP, CA 2, CA/PEG, CA/PROP, CA/O 4, CI/OPS, CI/IC 2, FI, FI/D, FI/INT 2, IW 2, WH 7, DD/I, AD/CI 2, S/C 2		3 6	
		SEP 11 0639Z 62	
		PRIORITY	
		IN 19949	

PRITY DIR INFO PRITY MEXI CITE DJAK 8832

REF A DIR 34266 *Out 7336** C/S COMMENT: *FOR BACKGROUND BRIEFING FRIENDLY
 B DJAK 8837 *CA 18892* SERVICE ONLY REQUESTED STATION CABLE SITREP
 INFO MEXI 10 SEPT.

1. IN ABSENCE REPLY REF B DJAK APPRAISING SITUATION IN WEST IRIAN SETTLEMENT AND ASIAN GAMES AS FOLLOWS.

2. INDON OFFICIALDOM INDULGING IN STATE OF EUPHORIA AFTER FINAL REALIZATION TWO LONG SOUGHT OBJECTIVES OF WEST IRIAN AND ASIAN GAMES. OUTCOME OF WHICH EMINENTLY PLEASING TO THEM. SUKARNO IN EXCELLENT SPIRITS AND OBVIOUSLY RIDING HIGH IN FULL CONVICTION HIS PERSONAL AND AUTHORITARIAN POLICIES OF MOBILIZING POPULACE TO CONFORM TO OBJECTIVES OF GUIDED DEMOCRACY ARE BEING JUSTIFIED. ONLY PERSISTENT CLOUD ON HIS HORIZON IS DEBILITATED ECONOMY, WHICH HE NOW MARSHALING STATE APPARATUS TO RECTIFY. ACTUAL PROCEDURES SUKARNO WILL ADOPT TO ATTEMPT RESOLVE SEVERE ECONOMIC PROBLEMS STILL UNCLEAR. HE WELL AWARE, HOWEVER, THAT BY ALLEVIATING ECONOMIC DISTRESS AND INJECTING SOME VIGOR INTO ^{EC} ECONOMY HE WILL BE ABLE CIRCUMSCRIBE WHATEVER LATENT OPPOSITION THERE MAY STILL BE TO HIS REGIME.

3. WESTERN INITIATIVES IN REACHING WEST IRIAN SETTLEMENT SATISFYING INDON CLAIMS HAS HAD IMMEDIATE IMPACT OF REDRESSING PRE-SETTLEMENT

SECRET

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CLASSIFIED MESSAGE

SECRET

DJAK 89

IN 19949

PAGE 2

IMBALANCE OF INDONS PRO-BLOC ORIENTATION. WHETHER THIS NEW BALANCE WILL BE TIPPED IN FAVOR WEST PROBLEMATIC AND DEPENDS ON FURTHER WESTERN INITIATIVES AND CHARACTER OF BLOC COUNTER OFFENSIVE. TWO INDON SCHOOLS THOUGHT PREVAIL. ONE CONSISTING MIDDLE LEVEL BUREAUCRACY APPARENTLY SEE OUTCOME WEST IRIAN ISSUE AS PROPELLING INDONESIA CLOSER TO WEST. OTHER, WHICH REPORTEDLY INCLUDES ELEMENTS PALACE GUARD AND SUCH PROGRESSIONAL STATE PHILOSOPHERS AS RUSLAN ABDULGANI, SEEMS TO BELIEVE SOME OVERTURES TO BLOC NECESSARY IN ORDER BLUNT ANY IMPRESSION THAT WEST IRIAN SETTLEMENT WILL COMPROMISE INDON VERSION NEUTRALISM TO ADVANTAGE WEST.

4. INTERNALLY, VAST AND DISCIPLINED PKI (INDONESIA COMMUNIST PARTY), ORGANIZATION SOMEWHAT QUIESCENT AND SEEMINGLY STILL AWAITING GUIDELINES FROM MOSCOW OR PEKING ON TWISTS THEIR SUBVERSION SHOULD TAKE IN WAKE WEST IRIAN SETTLEMENT. HOWEVER, PKI OBSERVED ADDING TO MOMENTUM FROM DEMOBILIZING ARMY AND LESSENING ARMY INFLUENCE, WHICH MAIN OBSTACLE PKI AMBITIONS, IN INTERNAL POLITICAL AFFAIRS. INDON MILITARY COUNTERING THIS MOMENTUM BY SEEKING GUIDE LIMITED DEMOBILIZATION IN MANNER CALCULATED PRESERVE THEIR STATUS UNDER GUIDED DEMOCRACY AS ONE OF FOUR MAIN FUNCTIONAL GROUPS CONTROLLING INDONESIA'S FORTUNES.

5. SUKARNO GIVING NO IMPRESSION HE INTENDS LIBERALIZE HIS AUTHORITARIAN REGIME. ON CONTRARY HIS RETOOLING OF "LIBERAL" ELEMENTS FROM GOVT BUREAUCRACY BEING INTENSIFIED AND NEW IMPETUS BEING GIVEN TO NATIONAL FRONT AS SUKARNO'S CATCHALL AND MAIN POLITICAL INSTRUMENT FOR CONTROLLING AND GUIDING ENERGIES OF EMASCULATED POLITICAL PARTIES (PKI EXCEPTED) AND FUNCTIONAL GROUPS TO CONSOLIDATE PRECEPTS GUIDED DEMOCRACY.

(END OF MESSAGE)

SECRET

110

CLASSIFIED MESSAGE

DATE : 8 SEP 62

SECRET *LD*

ROUTING

1	4
2	5
3	6

TO : DIRECTOR

FROM : DJAKARTA

ACTION: FE 8

INFO : FI, FI/INT 2, WH 7, S/C 2

SEP 8 0649Z 62

ROUTINE

IN 18892

DIR CITE DJAK 8837

REF DIR 34266 (*cont 73306*)^{*}

DJAK UNCLEAR WHAT TYPE SITREP WANTED. IN VIEW PRESSURE OTHER
WORK WE WONDER WHETHER HQS COULD NOT DO A BETTER TAILORED AND MORE
COMPLETE JOB.

END OF MESSAGE

C/S COMMENT: *REQUEST STA CABLE SITREP INFO MEXI 10 DEPT.

*Just same.**Henry
Sargent*

SECRET

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028		CLASSIFIED MESSAGE	
DATE : 7 SEP 62		SECRET	
TO : DIRECTOR		ROUTING	
FROM : MEXICO CITY		1 <i>[Signature]</i> 4	
ACTION: C/WH 2 (C/WH TEMPO COPY SLOTTED 2315, 7 SEP)		2 <i>[Signature]</i> 5	
INFO : ADDP, C/CI, C/FE 6, S/C 2		3 <i>[Signature]</i> 6	
		SEP 8 0243Z 62	
		PRIORITY	
		IN 18811	

PRITY DIR CITE MEXI 1888

RYBAT

REF DIR 33992 *Out 72932 **

1. LITENSOR NOT AVAILABLE UNTIL AFTER 17 SEPT. HE TRAVELLING OUTSIDE MEXICO CITY.
2. COS WITH AMB MANN AND MATERIALS SENT (WHICH NOW IN SPANISH) WILL HAVE MEETING WITH LITENSOR (PRIVATELY) PRIOR TO HIS DEPARTURE.
3. APPRECIATE HQS HELP.

END OF MESSAGE

C/S COMMENT: *MR HENRY HECKSHER AVAILABLE DURING PERIOD 10-17 SEP FOR BRIEFING OF LITENSOR.

For action needed.

SECRET

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ORIG: HENRY D. HECKSHIER
UNIT: CFE/PIA
EXT: 5426
DATE: 5 SEPTEMBER 1962 1771

CLASSIFIED MESSAGE

SECRET

ROUTING

1		4
2		5
3		6

5 SEP 62 23 55 Z

TO: DJAKARTA

FROM: DIRECTOR

CONF: FE 8

INFO: FI, FI/INT 2, WH 7, S/C 2

SIG CEN

DEFERRED

X ROUTINE

OUT 73306

TO: DJAK

INFO

CITE DIR

34266

FOR BACKGROUND BRIEFING FRIENDLY SERVICE ONLY REQUEST STATION CABLE SITREP INTO
MEXI 10 SEPTEMBER.

END OF MESSAGE

*L. Envy
Support*

Desmond Fitzgerald
DESMOND FITZGERALD
CHIEF, FE DIVISION

RELEASING OFFICER

WH (Telecoord w/
COORDINATING OFFICERS) FRS

SECRET

HENRY D. HECKSHIER
CHIEF, FE/PIA

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Copy No.

15
OUG: Vernet Gresham:js
UNIT: WH/COF8
EXT: 7743
DATE: 5 September 1962

CLASSIFIED MESSAGE

SECRET

ROUTING			
1		4	
2		5	
3		6	

TO: MEXICO CITY
FROM: DIRECTOR
CONF: C/WH 5
INFO: ADOP, C/CI, C/FE 6, S/C 2

5 SEP 15 05Z

SIG GEN

DEFERRED

ROUTINE

2932
2932

TO: PRY MKXI

INFO

CITE DIR

33892
33992

RYBAT

DIR 31814 (OUT 69116)*

1. MR. HENRY HECKSHER AVAILABLE DURING PERIOD 10-17 SEP FOR BRIEFING OF LITENSOR.
2. ADVISE DATE MOST CONVENIENT TO LITENSOR AND COS.
3. AS COS AWARE MR HECKSHER HAS EXCELLENT AREA KNOWLEDGE OF INDONESIA, PHILIPPINES AND JAPAN. HE WILL REQUIRE INTERPRETER ASSISTANCE FROM COS.
4. FYI MR. HECKSHER DEPARTING WITHIN FEW DAYS ON TRIP TO CERTAIN CARIBBEAN COUNTRIES IN CONNECTION WITH ANOTHER PROJECT. WOULD APPRECIATE REPLY AS SOON AS FEASIBLE.

END OF MESSAGE

WH CMT *Stated Hq would notify Station when selection of expert in area knowledge firmed up.

CPE/FIA

Hecksher (in draft)

Vernet Gresham
RAUFORD W. HERBERT
AC/WHD

RELEASING OFFICER

COORDINATING OFFICERS

SECRET

Henry Hecksher
NED P. ECLMAN
S/WH/3

GROUP 1
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downgrading and
declassification

AUTHENTICATING
OFFICER

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Copy No.

ORIG. J. R. Reeves:js
UNIT WH/3/Mexico
EXT 5940
DATE 23 August 1962

CLASSIFIED MESSAGE

SECRET

ROUTING			
1		4	
2		5	
3		5	

TO MEXICO CITY
FROM DIRECTOR
CONF. C/WH 5
INFO. ADDP, C/CI, C/FE 6, S/C 2

24 Aug 62 00 10z

SIG CEN

DEFERRED

ROUTINE

OUT 69116

TO MEXI INFO

CITE DIR 31814

RYBAT

REF MEXI 1773 (IN 10046)*

1. BRIEFING PAPERS POUCHED AS ATTACHMENT TO HMM 10862 DATED 20 AUG.
2. DUE AREA KNOWLEDGE AND LANGUAGE REQUIREMENT, SELECTION OF EXPERT STILL UNDER CONSIDERATION. WILL NOTIFY STATION WHEN SELECTION FIRMED UP.

END OF MESSAGE

WH CMT: *LITENSOR now tentatively plans depart on Far East Trip 26 Sep.

for R/K team
HERBERT W. HERBERT
AC/WH

WH/COPS

RKD

Malman
NEO P. HOLMAN
C/WH

RELEASING OFFICER

COORDINATING OFFICERS

SECRET

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CLASSIFIED MESSAGE

DATE : 062
23 AUG 62

SECRET

TO : DIRECTOR
FROM : MEXICO CITY
ACTION: C/WH 5
INFO : ADDP, C/CI, C/FE 6, S/C 2

ROUTING

1	4
2	5
3	6

AUG 23 03:22 62

ROUTINE

IN 10046

DIR CITE MEXI 1775

REF DIR 26750

(cont to 1775)

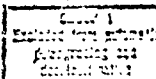
RYBAT

1. LITENSOR NOW TENTATIVELY PLANS DEPART FOR PHILIPPINES (STOPOVER), INDONESIA, JAPAN, INDIA ON 23 SEPTEMBER.
2. APPRECIATE IF HQS COULD PREPARE BRIEFING PAPERS ON INDONESIA, JAPAN AND INDIA; STATION WILL TRANSLATE.
3. WILL CABLE WHEN DEFINITE PLANS AVAILABLE.
4. RE PARA 2 REF CCS CAN INTERPRET AT MEETINGS IF EXPERT COMES.

END OF MESSAGE

C/S COMMENT: *HQS PREPARED OFFER BRIEFING PAPERS PER AND CONCURRED EXPERT COMING MEXI.

SECRET



REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

Lienvoy
August

DISPATCH		CLASSIFICATION SECRET		WH/Mexi	
TO	: Chief of Station, Mexico City	PRO DUCE	XX	MARKED FOR INDEXING	
INFO				NO INDEXING REQUIRED	
FROM	: Chief, WHD			ONLY QUALIFIED HEADQUARTERS DESK CAN JUDGE INDEXING	
SUBJECT	: Briefing Papers for LITENSOR			ABSTRACT	
				MICROFILM	
ACTION REQUIRED REFERENCES					
: See Para 2 below					
: MEXI 1469, 21 July 1962					
<p>1. Forwarded herewith are the briefing papers on the Communist Movement in Japan, India and Indonesia as requested in reference.</p> <p>2. These studies were prepared by KUDINSK and are forwarded for translation by the Station. Also, it is requested that the Station review the studies and sanitize them for passage to LITENSOR as appropriate.</p> <p style="text-align: center;">END OF DISPATCH</p> <p>Attachments: Briefing papers: 1 ea: Japan, India, Indonesia</p> <p>Distribution: OAI - COS Mexico City, w/attachments</p> <p style="text-align: right; font-style: italic;">L. Envo / Sugars</p>					
CROSS REFERENCE TO		DATE TYPED	DATE DISPATCHED		
		20 Aug 62	23 AUG 1962		
		DISPATCH SYMBOL AND NUMBER			
		H25-10862			
		HEADQUARTERS FILE NUMBER			
		201-209529			
CLASSIFICATION SECRET					

ORIG: LEE G. NORRIS:jp
UNIT: WH/3/Mexico
EXT: 5940
DATE: 17 August 1962

1590
20

CLASSIFIED MESSAGE

~~SECRET~~ RYBAT

3-62

ROUTING

1		4	
2		5	
3		6	

TO: MEXICO CITY
FROM: DIRECTOR
CONF: C/WH 5
INFO: ADDP, C/CI, C/FI 2, C/TSD 2, S/C 2

17 AUG 21 03z
OUT 66927

DEFERRED
ROUTINE

OUT 66927
OPERATIONAL IMMEDIATE

TO: MEXI (OPIN) INFO

CITE DIR 30786

RYBAT

REF MEXI 1693 (IN 46148)*

1. WOLLENSACK EQUIPMENT NOT SUITABLE AND NO OTHER NEW EQUIPMENT TYPES AVAILABLE. RECOMMEND TRIP BE POSTPONED UNTIL FURTHER CONSIDERATION POSSIBLE.

2. IF TRIP CAN NOT BE DELAYED, WE WILL ATTEMPT ENTERTAIN AND DIVERT LIENVOY 2 WITH ARSHART'S HELP. ADVISE.

END OF MESSAGE

*WHI CMT: Requested Hqs show LIENVOY-2 Wollensack equipment for New L.P.

Lienvoy Support

TSD/ACB John Castro (in draft)

WH/COPS

RELEASING OFFICER

COORDINATING OFFICERS

~~SECRET~~ RYBAT

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downgrading and
declassification

NED P. HOLMAN
C/WH/3
AUTHENTICATING
OFFICER

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Copy No.

CLASSIFIED MESSAGE

DATE : 342 16 AUG 62	DMCL	SECRET	ROUTING	
TO : DIRECTOR. FROM : MEXICO CITY ACTION : C/WH 5 (WH COPY SLOTTED AT 1525 16 AUG 62) INFO : *ADDP, C/CI, S/C 2			1	4
			2	5
			3	6
			AUG 16 1922Z 62	
			PRIORITY	
			IN 46497	
TO	(PRIORITY) DIR	INFO	CITE	MEXI 1711

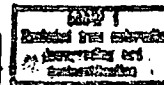
REF DIR 29996 (OUT 66087)**

SEE MEXI 1693. (IN 46148)

END OF MESSAGE

C/S COMMENT: *DISSEMINATION APPLICABLE TO RYBAT CABLES.

**RE INFO THAT AREHART AND LIENVOY 2 COMING WASH 17 AND 22 AUG.

~~SECRET~~

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

00000
CUG: J. WHITTEN
LAT: DC/WR/3/Mexico
EXT: 5940
DATE: 15 August 1962

CLASSIFIED MESSAGE

~~SECRET RYBAT~~

3-42			
ROUTING			
1	<i>W. H. H.</i>	4	
2	<i>W. H. H.</i>	5	
3		6	

TO: MEXICO CITY
FROM: DIRECTOR
CONF: C/WH 5
INFO: ADDP, C/CI, S/C 2

15 AUG 65 22 22Z
OUT 66087
SIG GEN
DEFERRED
ROUTINE
OUT 66087
PRIORITY

TO: PRY MEXI
INFO: R'BAT LIENVOY

CITE DIR 29996

UNDERSTAND FROM MULFORD THAT ARRHART AND LIENVOY 2 COMING
WASH 17 AND 22 AUG TO DISCUSS NEW LIGHT EQUIPMENT FOR PROJECT.
HAS THIS BEEN DELAYED OR CANCELLED IN VIEW OF MEXI 16917* ADVISE.

END OF MESSAGE

C/S COMMENT: *(IN 45535) LI TEMPO-2 HAS ASKED COS SET UP TELEPHONE TAP
OPERATION.

KI
J. C. KING
C/WRD

RELEASING OFFICER

COORDINATING OFFICERS

~~SECRET RYBAT~~

NED P. HOLMAN
C/WR/3

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Copy No.

Lienvoy/Holman

C-7

CLASSIFIED MESSAGE

DATE : 29 MAR 62

~~SECRET~~

TO : DIRECTOR

FROM : MEXICO CITY

ACTION: WH 8

INFO : CI, CI/OPS, CI/IC 2, FI, SR 6, S/C 2

ROUTING

1	4
2	5
3	6

MAR 30 0447Z 62

ROUTINE

IN 11121

DIR CITE MEXI 0415

REDCAP

REF DIR 00232 *Out 65709*

INFO PARA ONE REF PASSED LIELEGANT, AND ALSO TO AMB.

END OF MESSAGE

C/S COMMENT: *CONTAINED INFO SEMEN TARASCVICH BAZAROV.

~~SECRET~~

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

Henry J. Simpson

~~SECRET~~

7 February 1962

MEMORANDUM FOR: WH/Personnel

SUBJECT : Request for Outside Translator

1. It is requested that you contact the appropriate Career Boards to try to locate candidates to fill the job now being held by George Misko in Mexico City, but under deep cover. He must have the following qualifications:

- a. Languages: Russian (fluent), Czech (fluent), Spanish (would be expected to bring proficiency of Spanish up to good). Also provide names of candidates having only Russian and Spanish.
- b. Job: translating telephone tap tapes
- c. Age: any age acceptable
- d. Sex: male or female but male preferable
- e. Grade: grades 9 through 12 should be considered
- f. Security: Would be sent to Mexico City to work in a basehouse with Mexican liaison personnel and one KUBARK Staff Agent. Must be willing to expose himself as KUBARK to Mexican Government.
- g. Cover: Would be provided by Mexico, could bring family and limited household effects. Will have no contacts with Embassy or have any Embassy privileges.
- h. Type of Employee: Career Agent or Contract Agent preferred. If not available, Staff Agent or Contract Employee Type 3 would be suitable.

2. Any questions on this request should be directed to Charlotte Bustos-Videla, WH/3/Mexico, X2555.

3. It is the intention of this desk to slot this new employee into a LIENVOY slot and vacate the Station/Embassy slot for another FI Case Officer.

Distribution:

- Orig. & 1 - Addressee
✓ 1 - LIENVOY/Support
1 - Outgoing memo chrono

NED P. HOLMAN
C/WH/3

~~SECRET~~

PROJECT: LIENVOY (2135-5701-5170) Mexico

Staff Agent: AREHART, Arnold F.

		<u>FY 1962</u>	<u>FY 1963</u>
Approved: 1 July 1961 - 31 January 1962	\$40,340		
(Pending) 1 February 62 - 31 Jan 1963	<u>25,482</u>	\$65,822	\$39,758

SUPPORT EXPENSES: Salary	5,000	
10% S.A. Premium	500	
Equalization	250	
Retirement	326	
Housing	2,100	
Education	400	
AREHART auto upkeep & travel	4,900	

AREHART home leave travel		2,000
Salary and cover travel for AREHART and family	<u>8,330</u>	<u>11,670</u>
Total Support Expenses	<u>21,806</u>	<u>13,670</u>

OPERATIONAL EXPENSES:	<u>44,016</u>	<u>26,088</u>
-----------------------	---------------	---------------

TOTAL	<u>\$65,822</u>	<u>\$39,758</u>
-------	-----------------	-----------------

~~SECRET~~

DISPATCH

CLASSIFICATION

~~SECRET~~

PROCESSING

PRO
POSTED

X

ONLY QUALIFIED
HEADQUARTERS DESK
CAN JUDGE INDEXING

ABSTRACT

MICROFILM

ACCOM
PLISHED

Chief of Station, Mexico City

INFO

FROM

Chief, WH Division

SUBJECT

Material for Passage to Liaison

101 Questions to a Guerrilla Fighter

ACTION REQUIRED REFERENCES

1. Attached are two copies of General Alberto Bayo's book (in Spanish) for use in briefing or training agents or members of security forces with which we have liaison. This book is a "do-it-yourself" guide to paramilitary and sabotage techniques. It demonstrates Cuban support for such activities and the need for training in counter-measures by friendly security forces.

2. Headquarters has recommended that all WH Stations have one or more of these books, especially those where official or unofficial liaison exists with a security force.

3. It Station Mexico is interested in this book, a limited number of copies can be obtained. Prior to releasing any of these copies, Headquarters must know the individual and service receiving the book thereby allowing its clearance release.

END OF DISPATCH

Distribution:

2 Mexico City, w/att

DATE TYPED

25 Jan 1962

DATE DISPATCHED

26 JAN 1962

CROSS REFERENCE TO

DISPATCH SYMBOL AND NUMBER

HDCS-2218

HEADQUARTERS FILE NUMBER

CLASSIFICATION

~~SECRET~~

♦

25 January 1962

SUBJECT: Request for LIENVOY Project Renewal

1. In accordance with the new policy of charging all costs in connection with Staff Agents to Station Support and not to a project, there is an adjustment required in the budget figures quoted in the attached memorandum requesting project renewal.

2. The LIENVOY Project should be approved for a total of \$43,240; \$17,151 for fiscal year 1962 and \$26,089 for fiscal year 1963. Funds totaling \$8,333 in fiscal year 1962 and \$13,670 in fiscal year 1963 will be transferred to Mexico City Support to fund Arnold P. ARNHART, Staff Agent.

Distribution:

1 - LIENVOY/Support
1 - LIENVOY/Dev & Plan

HOUSE SELECT COMMITTEE ON ASSASSINATIONS STAFF MEMBERS

FILE TITLE/NUMBER/VOLUME: REFLECTOR
Photographic Surveillance Operation
Folder 11, 50-6-74/3 Operations

INCLUSIVE DATES: 1958 THRU 1973 (TERMINATES)

CUSTODIAL UNIT/LOCATION: Archives (Job no. 7S-970)

ROOM: _____

DELETIONS, IF ANY: _____

DATE RECEIVED	DATE RETURNED	REVIEWED BY (PRINT NAME)	SIGNATURE OF REVIEWING OFFICIAL
2-25-78	2-25-78	DAN HARDWAY	Dan Hardway
28 June		DAN HARDWAY	Dan Hardway
2/7/78		DAN HARDWAY	Dan Hardway
25 JUL 1978		HARDWAY	Hardway
10/31	10/31	Hardway	Hardway
15 NOV 78		DAN HARDWAY	Hardway
12/20/78		HARDWAY	Hardway
12-2-78		SENZMAN	Senzman
1-12-78		Beck	Beck

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422044
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IMMEDIATELY AFTER USE
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RETIRED FILE
DESENSITIZED
BY 03-70-17

FOLDER 11

REFLECTOR
/3
OPERATIONS

File No 50-6-74/3

Other Agency Documents
(2 Enclosed)

SECRET

FORM 10-63

(Headquarters component)		SUBJECT AND PROJECT FILE REQUEST AND FIELD NOTIFICATION OF ACTION	
WH/1			
TO : (Station/Base)		FROM: (Division)	
Mexico City		WHD	
INFORMATION FOR REQUESTERS			
COMPLETE ITEMS 1 THROUGH 12. ITEM 3-ALL FILE TITLES MUST BE STERILE SINCE THEY WILL APPEAR ON THE FIELD COPIES AND ON MACHINE LISTS. ITEM 6-ALL REMARKS MUST BE STERILE. ITEM 7 AND 8-USE FIRST THREE LETTERS OF DISPATCH SYMBOLS FOR FIELD STATIONS AND LIST HEADQUARTERS ELEMENTS ACCORDING TO ESTABLISHED NUMERIC CODES.		ITEM 10-ENTER OLD TITLE WHEN AMENDING A TITLE. CITE ANY FILES, SUCH AS 701 OR PROJECT FILES THAT ARE RELATED TO THE FILE COVERED BY THIS REQUEST. ITEM 10 MAY ALSO BE USED TO GIVE REASONS FOR THE ACTION BEING REQUESTED, TO IDENTIFY THE TYPE OF MATERIAL TO BE PLACED IN A FILE OR TO MAKE OTHER EXPLANATORY REMARKS. ITEM 11-A RECORDS OFFICER MUST SIGN ALL FILE ACTION REQUESTS. CONSULT YOUR NMO ON ANY PROBLEMS THAT ARISE.	
INFORMATION CONCERNING FILE			
1. TYPE OF FILE		2. COUNTRY NUMBER	
<input type="checkbox"/> SUBJECT <input checked="" type="checkbox"/> PROJECT		050	
		CODE (FILE) NUMBER	
		006	
		SPECIFIC SUBJECT NUMBER	
		074/3	
3. FILE TITLE (SPECIFIC SUBJECT) (PROJECTS LIMITED TO 15 SPACES)			
KDFACTOR			
ACTION REQUIRED			
4. ANALYSIS ACTION		5. DISPOSITION	
<input type="checkbox"/> OPEN FILE <input checked="" type="checkbox"/> CLOSE FILE (INDICATE DISPOSITION) <input type="checkbox"/> AMEND FILE TITLE <input type="checkbox"/> REOPEN		<input checked="" type="checkbox"/> RETAIN <input type="checkbox"/> DESTRUCTION RECOMMENDED THRU (DATE)	
6. REMARKS (FOR FIELD DISTRIBUTION)			
7. INTERESTED STATIONS (PROJECTS ONLY)		8. INTERESTED HEADQUARTERS DESK (LIST ACTION DESK FIRST)	
HMM		050	
9. FILES ACTION			
<input checked="" type="checkbox"/> HOLD IN CS FILES <input type="checkbox"/> RESTRICTED <input checked="" type="checkbox"/> UNRESTRICTED		<input type="checkbox"/> PREPARE FOLDER AND SEND TO REQUESTER <input type="checkbox"/> CHARGE PERMANENTLY TO OFFICER & DESK	
10. COMMENTS (INCLUDE SPECIAL HEADQUARTERS ROUTING INSTRUCTIONS)			
11. ENDORSEMENT		12. COORDINATION	
SIGNATURE OF BRANCH/DESK R. O.		SIGNATURE OF BRANCH/DESK R. O. (WHEN APPLICABLE)	
<i>[Signature]</i>		<i>[Signature]</i>	
EFFECTIVE DATE		13. RID APPROVAL	
23 July 1973		REQUEST APPROVED BY	
		<i>[Signature]</i>	
		CODE (FILE) NUMBER	
		50 06 74/3	

FORM 812

OBSOLETE PREVIOUS EDITIONS
MAY 1963

SECRET

38

1-CS COPY

ABLE DEL CDSSEM BY		PER		DIVISION		BY		DATE		REF ID: A1000000	
PERSON/UNIT NOTIFIED		SECRET		...		...		...		REF ID: A1000000	
ADVANCE COPY DESK/PLOTTED		BY		AT		Z		...		AGENCY MESSAGE	
ACTION UNIT		1		2		3		4		5	
WH8		FILE		VR		PLAN, DOO, SBS, FI		1		4	
ACTION 3		923		...		...		2		5	
...		...		...		...		3		6	
T 182863		PAGE 01-01		IN 895416		...		...		...
TORI192050Z APR 73		MEXI 23439		...		...		...		...

SECRET 191915Z APR 73 STAFF
 CITE MEXICO CITY 23439
 TO: DIRECTOR INFO DIRTECH, PANTECH;
 REDLEG KDALCOVE TECHS

REF: MEXICO CITY 22902 (IN 850655) 50-6-74/3

1. KDALCOVE PHOTO EXPERIMENTS NOW CONCLUDED. TEST
 PHOTOS AND INSTALLATION DETAILS ARE BEING FORWARDED BY
 DISPATCH ALONG WITH REQUEST FOR APPROVAL TO INSTALL CLOSED
 CIRCUIT TV TO MINIMIZE OPERATOR FATIGUE AND MAXIMIZE OP
 EFFICIENCY, ALTHOUGH STILL TROUBLED AT TIMES BY TRAFFIC
 AIR POLLUTION; OVERALL PRODUCT IS GOOD QUALITY AND FUL-
 FILLS OUR REQUIREMENTS.

2. PER DISCUSSIONS WITH TDY MKSPICE TECHS, TV
 SYSTEM ENSTALLATION APPEARS FEASIBLE. ALSO GOOD POSSIBILITY
 THEY MAY HAVE NEEDED EQUIPMENT WHICH COULD BE MADE
 AVAILABLE ON EXTENDED LOAN BASIS. IF APPROVED, MKSPICE
 PHOTO TECH WOULD BE REQUESTED ASSIST IN INSTALLATION.

3. FILE: 50-6-74/2. E2: IMPDET.

AN	1943
AB	X
IN	
ES	
EX	
BES	STD
FI	
CUH/1	

SECRET

RECORD COPY

50-6-74/3
 19 APR 73

CABLE SECRETARIAT DISSEMINATION		CLASSIFIED MESSAGE		TOTAL COPIES		ROUTING AND/OR INITIALS-SEEN BY	
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				2		6	
				3		7	
				4		8	
BY: _____ AT: _____							
DISSEM BY <u>449</u> PER _____							
ACTION UNIT		FILE, VR					
ACTION NO. <u>797</u>							

SECRET 060033Z MAR 73 STAFF

CITE MEXICO CITY 22902 (ROSTEDT ACTING)

TO: DIRECTOR INFC DIRTECH, PANTECH.

RYBAT REDLEG KDALCOVE TECHS

REF: MEXICO CITY 22495 (P 820452)

850655

1. ~~KDALCOVE PHOTO BASEHOUSE OPERATIONAL 1 MAR 1973.~~

KDALCOVE-1 AND -2 GIVEN ON SITE TRAINING AND BRIEFING 28 FEB
BY OLIVER J. MANKUNAS AND STATION TECH CHARLES F. HIPPEN.
KDALCOVE-1 TOOK FIRST OPERATIONAL FILMS FOLLOWING DAY AND
PRODUCT WAS RETRIEVED USING KDALCOVE-2 AS CUTOUT. ALTHO EARLY
MORNING PHOTOS WERE EXCELLENT QUALITY, HEAVY BUILDUP OF TRAFFIC
AIR POLLUTION BY MID-MORNING SERIOUSLY AFFECTED PHOTO DEFINITION.
BEFORE DAYBREAK 5 MAR, MANKUNAS AND HIPPEN AGAIN RETURNED TO
PHOTO SITE TO TEST VARIOUS FILTERS AND SPEED SETTINGS IN EFFORT
TO ALLEVIATE PROBLEM. TEST PHOTOS TAKEN WITH DARK ORANGE HAZE
FILTER SHOWED IMPROVEMENT AND PRODUCED USABLE PRODUCT. WE INTEND
TO CONTINUE EXPERIMENTING TO OBTAIN OPTIMUM RESULTS. TEST PHOTOS
AND INSTALLATION DETAILS WILL BE FORWARDED BY POUCH.

2. FILE: 50-6-74/8. E2, IMPDET..

S E C R E T

CS COPY

SECRET

-6 MAR 1973

Factor
50-6-74/3

ORIG: R. SWIDER:1f
UNIT: WH/1
EXT: 9354
DATE: 5 February 1973

MESSAGE FOR 1
TOTAL COPIES
SECRET

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1	2	3
4	5	6
7	8	9
10	11	12

CABLE SECRETARIAT DISSEMINATION

☐ INDEX ☐ NO INDEX ☐ RETURN TO

DOC. MICRO. SER.
BRANCH ☐ FILE RID

BY 13 PER

☐ FILE IN CS FILE NO.

FEB 15 1973

MICROFILMED

CONF

9/11/73

FILE VR

(classification)

(date and time 1973)

(reference number)

(page)

SECRET

CITE DIRECTOR 367346

TO ☐ MEXICO CITY

07573 117 022

RYBAT TYLOTE REDLEG KDALCOVE

REFS: A. MEXICO CITY 22495 (IN 820452)

B. DIRECTOR 362309

1. APPRECIATE REF (A) DETAILS. CONCUR IN YOUR PLAN.
2. FILE: 50-6-74/3; 50-6-58/3. E2, IMPDET. WN-SISM.

END OF MESSAGE.

WH COMMENTS: Ref A requested Mexico City provide details
desirability one safesite over another.
Ref B complied with Ref A request.

DIV/D CIB Anita Potocki - in draft

Factor

4/6/73
THEODORE G. SHACKLEY
C/MID

R. Swider
RAYMOND J. SWIDER
AC/WH/1

50-6-74/3

7 FEB 1973

WARNING NOTICE
SENSITIVE RELEASING OFFICER
FIDELITY IS INVOLVED

COORDINATING OFFICERS
SECRET

LX-2 CLASSIFIED BY
AFDR WH-SISM

AUTHENTICATING
OFFICER

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

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REPRODUCTION OF THIS COPY PROHIBITED		GROUP 2		6	
		GROUP 3		7	
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BY _____ AT _____

DISSEM BY 33 PER _____

ACTION UNIT CDIVA 4 FILE VR CDIVAN DDP ADOP CSB 5 d/SB 5 d/WN 8

578

DOC. MICRO. SER.
MAR 19 1973
MICROFILMED

SECRET 310036Z JAN 73 STAFF

CITE MEXICO CITY 22495 MEXI

TO: DIRECTOR.

RYBAT TYLOTE REDLEG KDALCOVE

REF A. DIRECTOR 362309

B. MEXICO CITY 22429 (IN 815792)

1. IN RESPONSE REF A QUESTION, AVAILABILITY IS MAIN FEATURE, BUT EASE IN ADMINISTRATION AND SECURITY ARE ALSO FACTORS INFLUENCING OUR PROPOSAL TO COMBINE PHOTO OPERATION WITH KDVAULT TECHNICAL OPERATION. APARTMENT UNDER EARLIER CONSIDERATION WILL NOT BE AVAILABLE UNTIL PROBABLY SOMETIME IN MAY, AND WE DO NOT NOW HAVE ANY SUITABLE CANDIDATES TO TAKE POSSESSION WHEN IT BECOMES AVAILABLE. COMBINING BOTH OPERATIONS WILL REDUCE NUMBER ASSETS INVOLVED, COSTS, AGENT MEETINGS AND PROJECT ADMIN. SECURITY WILL BE ENHANCED BECAUSE TWO ACTIVE SITES IN SUCH CLOSE PROXIMITY CKPOLAR INSTALLATION WOULD DOUBLE COVER PROBLEMS AND DOUBLE NUMBER OF CLANDESTINE MEETINGS TO RETRIVE PRODUCT.

2. IN SUM, BOTH APARTMENTS IN QUESTION HAVE ESSENTIALLY SAME DESIRABILITY FEATURES FOR KDVAULT OPERATION. HOWEVER,

2P 820452
M

AN	/
AB	/
IN	/
PS	/
DES	NPD
FI	/
WH	/

B

CS COPY
SECRET

DSO-6-58/3

31 JAN 1973
50-6-74/3

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BY: _____ AT: _____		REPRODUCTION OF THIS COPY PROHIBITED		3	7
DISSEM BY _____ PER _____				4	8
ACTION UNIT		FILE VR			
ACTION NO.					

PAGE 2 MEXICO CITY 22495 S E C R E T

BELIEVE ACQUIRING BOTH APARTMENTS FOR SUPPORT ACTIVITIES NOT
JUSTIFIED BECAUSE OF MANPOWER DRAIN AT TIME WE NEED EMPHASIS
ON RECRUITING MORE AND BETTER ACCESS AGENTS AGAINST PRIORITY
TARGETS.

3. FILE: 50-6-74/3; 50-6-58/3. E2 IMPDET.

S E C R E T

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ADVANCE COPY <input type="checkbox"/> ISSUED <input type="checkbox"/> SLOTTED			2	6	
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ACTION NO.					

PAGE 2 MEXICO CITY 22307 S E C R E T

FOR THIS PHOTO OPERATION (SUBJECTS OF REF C) WERE, AS YOU KNOW,
 DIVERTED LAST WEEK TO OCCUPY LP FOR MPCHEEK AUDIO OPERATION.

4. WE HAVE NOT YET ASKED SUBJECT REF A AND WIFE IF THEY ABLE
 AND WILLING RUN PHOTOPOINT FOR US, BUT OLIVER J. MANKUNAS WHO
 KNOWS THEIR PERSONAL AND FINANCIAL CONDITION BELIEVES THEY WOULD
 WELCOME OPPORTUNITY.

5. REQUEST APPROVAL PROCEED BY PRIORITY CABLE. NEED APPROVAL
 PRIOR COB 13 JAN. SUGGEST ASSIGN NEW CRYPT TO THIS OPERATION.
 WILL FORWARD COMPLETE PRQ I AND II ASAP.

6. FILE: 50-6-74/3 201-906628 E2, IMPDET.

S E C R E T

FORWARDED
 1P/ED1

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MAR 21 1 44 PM '73

MAR 13 2 53 PM '73

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MICROFILM

TO
Chief, Western Hemisphere Division

INFO.
Chief, Soviet Bloc Division

FROM
Acting Chief of Station, Mexico City

SUBJECT
KDFACTOR Operational Report, 1 March 1972 through 31 July 1972

ACTION REQUIRED - REFERENCES

ACTION REQUIRED: None; for your information and files.

REFERENCE : HMMA-41,734, 10 March 1972 (Previous Report)

INTRODUCTION

1. The KDFACTOR Project has been terminated because of developments reported in other channels. This will be the last of the operational reports forwarded to Headquarters and primarily a wrap-up of developments to date.

OPERATIONS

2. The KDFACTOR Project supported two visual and photographic surveillance points (KDLITERAL and KDABSINTHE) directed against the MHHARSH installation. Operations from the KDLITERAL surveillance point were suspended on 4 July 1972, the equipment removed on 7 July, and the operator, KDFACTOR-2, terminated the same date. Operations from the KDABSINTHE surveillance point were suspended on 28 July, the equipment removed on 29 July, and termination of KDFACTOR-5 and his family accomplished the same date.

ADMINISTRATION

3. Oliver J. MANKUNAS continued to have responsibility for inside administrative chores and agent handling throughout the period. Processing of the photo product was accomplished inside the Station.

PERSONNEL

4. The project included five salaried assets. KDFACTOR-2 operated the KDLITERAL basehouse. KDFACTOR-5 operated the KDABSINTHE basehouse with the assistance of his wife KDFACTOR-6 and his two sons KDFACTOR-8 and -9. Both KDFACTOR-2 and -5 have served BKTRUST in their photo specialty since 1957.

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§ 58(1), (2), (3) or (4) (which one or more)
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CONTINUED . . .

WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES
AND METHODS INVOLVED

CROSS REFERENCE TO

100 in 56/1/10

DISPATCH SYMBOL AND NUMBER (SEE IF EVENT)

HMMA-42,197

DATE

CLASSIFIED BY
1 August 1972

CLASSIFICATION


SECRET

HQS FILE NUMBER

50-6-74/3

FILE

Factor

CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA-42,197												
<p>5. KDFACTOR-2 will continue to reside in the KDLITERAL building, as part of his termination agreement, until probably sometime in December when he will move to new quarters of his own. The KDLITERAL building (MEXI-03, Unit 15) is part of the KDVAULT complex of buildings which will be disposed of as reported in other channels. If this occurs before December, KDFACTOR-2 will move at the time of disposal.</p> <p>6. KDFACTOR-5 and his family will vacate the KDABSSIN THE apartment o/a 31 August. KDABSSIN THE is located in a building owned by KDABBEY who plans to dispose of his equity in the property in the near future.</p> <p><u>PRODUCTION</u></p> <p>7. KDLITERAL: Before being closed down, KDLITERAL, through KDFACTOR-2, was the source of within-the-compound photographic coverage of PCS and TDY MHHARSHers. He provided an average of three rolls of film a week and provided weekly written reports based on his visual observation of the target area.</p> <p>8. KDABSSIN THE: Operated by KDFACTOR-5, KDABSSIN THE produced an average of six rolls of film a week and was our principal source for information on visitors to the MHHARSH installation, especially "WOCORK-type" persons and political exiles. This segment of KDFACTOR was also our main source of information on MHHARSH license plates and automobiles.</p> <p>9. In addition, KDLITERAL and KDABSSIN THE both provided detailed "attendance sheets" on all MHHARSH personnel. With the loss of this combined coverage, it will be difficult to identify personnel assigned to the MHHARSH installation or to monitor their daily movements in and out of the compound. The two surveillance points also provided periodic photo studies of the MHHARSH installation itself with emphasis on coverage of the construction changes and modification or additions made to the communications antenna system.</p> <p><u>SECURITY</u></p> <p>10. We were gratified to receive the very favorable Headquarters KDFACTOR security review which was forwarded as HMMA-19,061, 28 June 1972. There is no need for further comment. </p> <p><u>PROBLEMS</u></p> <p>11. Only the developments reported in other channels.</p> <p><u>FINANCES</u></p> <p>12. KDFACTOR Project termination costs have been charged to FY 1972 with the exception of rent payments and utility costs which are being charged to FY 1973. The breakdown of agent termination costs is as follows:</p> <table border="0" data-bbox="668 1570 1344 1761"> <tbody> <tr> <td>KDFACTOR-2</td> <td>\$102,000</td> </tr> <tr> <td>KDFACTOR-5</td> <td>29,575</td> </tr> <tr> <td>KDFACTOR-6</td> <td>35,380</td> </tr> <tr> <td>KDFACTOR-8</td> <td>8,112</td> </tr> <tr> <td>KDFACTOR-9</td> <td>19,592</td> </tr> <tr> <td>TOTAL</td> <td>\$194,659 pesos (\$15,572.72 USD)</td> </tr> </tbody> </table> <p><u>PLANS</u></p> <p>13. Not applicable.</p> <p><u>EVALUATION/OBITUARY</u></p> <p>14. We believe the KDFACTOR Project represented a professional</p>			KDFACTOR-2	\$102,000	KDFACTOR-5	29,575	KDFACTOR-6	35,380	KDFACTOR-8	8,112	KDFACTOR-9	19,592	TOTAL	\$194,659 pesos (\$15,572.72 USD)
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TOTAL	\$194,659 pesos (\$15,572.72 USD)													
FORM 53a 8-64 (40) USE PREVIOUS EDITION.	CLASSIFICATION S E C R E T	PAGE NO. XX CONTINUED 2												

CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER IIMMA-42,197
<p>collection effort being run securely and successfully against a sensitive target with a minimal expenditure of funds and case officer time.</p> <p style="text-align: center;"><i>Oliver J. Mankunas</i> Oliver J. MANKUNAS</p>		
FORM 53a 8-64 (40) USE PREVIOUS EDITION.	CLASSIFICATION S E C R E T	<input type="checkbox"/> CONTINUED PAGE NO. 3

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ACTION UNIT: _____ FILE. VR _____

SECRET 102318Z APR 72 CITE MEXICO CITY

NEXT 19452

DIRECTOR

KDFACTOR

REF: DIRECTOR 252261

10 Apr 72 582033

1. BRUCE H. FERNALD MET MONTHLY WITH RAYMOND H. GERENDE FROM JULY 1970 TO MAY 1971 TO PAY TEN INSTALLMENTS OF TERMINATION BONUS. LAST MEET WAS 4 MAY 1971. ALL IMPORTANT INFO ON PROBLEMS OF GERENDE AND WIFE (FORMERLY LIEMPTIY-19) WAS REPORTED BY CABLE DURING THIS PERIOD, EXCEPT FOR NEWS THAT GERENDE VISITED HOLLAND DURING CHRISTMAS 1970 WHEN HAD AMICABLE VISIT WITH WIFE AND CHILDREN.

2. GERENDE IS OWNER OF HOUSE RENTED AUGUST 1970 BY STATION STAFFER JESSE R. GARDALPHE. HE STILL TEACHING ENGLISH TO EMPLOYEES OF TWO LOCAL FIRMS AND APPEARS FINANCIALLY PRESSED SINCE CLASS SCHEDULE REDUCED RECENTLY FROM SIX TO TWO HOURS PER DAY. STILL DRINKS, BUT APPARENTLY IN MODERATION. HAS INDICATED HE MIGHT VISIT WIFE IN HOLLAND THIS SUMMER. WE HAVE HEARD NOTHING DIRECTLY OR INDIRECTLY TO INDICATE GERENDE HAS VIOLATED HIS SECRECY AGREEMENT OR PROBED INTO LNLUTE STATUS OF GARDALPHE.

1	2
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SECRET

10 April 72
50-6-74/3

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ACTION NO.		FILE. VR			

PAGE 2 MEXICO CITY 19452 S E C R E T

3. FILE: 00-6-74/3. GP-1.

S E C R E T

APR 21 72

P C

SECRET

ORIG: Julie Paulas
DATE: WH L/FL/CI
EXT: 4167
DTG: 6 APRIL 1972

SECRET

CABLE SECRETARIAT DISSEMINATION

☐ INDEX

☐ NO INDEX

☐ RETURN TO

☐ PRANCH

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BY: 6/31 PER

☒ FILE IN CS FILE NO. 50-6-74/3

CONF:

WHS

FILE VR.

C/ops, C/OA, P/AN

(classification)

(date and time filed)

(ref)

(reference number)

(date)

SECRET

CITE DIRECTOR

252261

TO ☐ MEXICO CITY

KDFACTOR

REF: A. HMMW-18, 773, 23 DECEMBER 71
B. HMMA-41734, 10 MARCH 72

1. IN ORDER COMPLETE REF A⁸ KDFACTOR SECURITY REVIEW RE
KNOWLEDGEABILITY OF TERMINATED AGENTS AND FAMILIES, STATION
REQUESTED FURNISH BRIEF SUMMARY OF RAYMOND H. GERENDE'S
ACTIVITIES FROM TERMINATION IN JUNE 1970 TO PRESENT. ABOVE INFO
NEEDED PRIOR TO COB 11 APRIL, IN ORDER PROVIDE NEEDED DETAIL
TO REF B.

2. FILE: 50-6-74/3.

END OF MESSAGE

WH COMMENT: Reference A requested an updated security review of KDFACTOR
Operations and knowledgeability of terminated agents and
families. Reference B is Station answer to Reference A.
Reference B lacks detail regarding GERENDE, who handled
KDFACTOR up to late 1970, present activities.

TREODORE G. SHACKLEY
C/WHD

LAWRENCE C. LASER
AC, WH/1

RELEASING OFFICER

COORDINATING OFFICERS

SECRET

50-6-74/3
AUTHENTICATING
OFFICER
7 April 72

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MICROFILM

TO

Chief, Western Hemisphere Division

INFO.

Chief, Soviet Bloc Division

FROM

Acting
Chief of Station, Mexico City *g2*

SUBJECT

C KDFACTOR Operational Report, 1 September 1971 through 29 February 1972

ACTION REQUIRED - REFERENCES

ACTION REQUIRED: None; for your information and files.

REFERENCES : A. HMMA-41,028, 17 September 1971 (Previous Report)
B. HMMW-18,773, 23 December 1971

OPERATIONS

1. The KDFACTOR Project continued throughout the past six months to support two visual and photographic surveillance points (KDLITERAL and KDABSINTHE) directed against the MHHARSH installation.

ADMINISTRATION

2. Oliver J. MANKUNAS continued to have responsibility for inside administrative chores and agent handling throughout the period. Bruce H. FERNALD, who previously handled the assets, is the alternate case officer and would be available to take over agent meeting responsibilities in the absence of MANKUNAS. Processing of the photo product is accomplished inside the Station. Agent meetings have now been cut to a minimum, and the processing of the product and delivery to the consumer has been speeded up.

PERSONNEL

3. The project includes five salaried assets. KDFACTOR-2 operates the KDLITERAL basehouse and has been employed in this capacity since 1957. KDFACTOR-5 operates the KDABSINTHE basehouse with the assistance of his wife KDFACTOR-6 and his two sons, KDFACTOR-8 and -9. KDFACTOR-5 has also served BKTRUST in this capacity since 1957.

PRODUCTION

4. KDLITERAL: During this reporting period, KDLITERAL, through KDFACTOR-2, continued to be the source of within-the-compound photographic coverage of PCS and TDY MHHARSHers. He produced 55 rolls of

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CONTINUED . . .

CROSS REFERENCE TO

DISPATCH SYMBOL AND NUMBER

DATE

HMMA-41,734

10 March 1972

CLASSIFICATION

FILE NUMBER

S E C R E T

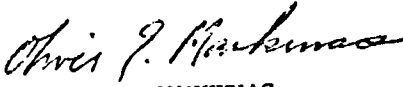
50-6-74/3

CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA-41,734
<p>film and provided weekly written reports based on his daily visual observation of the target area.</p>		
<p>5. KDABSINTHE: Operated by KDFACTOR-5, KDABSINTHE produced 100 rolls of film and continued to be the principal source for information on visitors to the MHHARSH installation, with special attention given to visits of "WOCORK-type" persons and political exiles. This segment of KDFACTOR also continued to be the main source of information on MHHARSH license plates and automobiles.</p>		
<p>6. KDLITERAL and KDABSINTHE both continue to provide detailed "attendance sheets" on all MHHARSH personnel. Without this combined coverage, it would be difficult to identify personnel assigned to the MHHARSH installation or to monitor their daily movements and activities. In addition, the two surveillance points provide periodic photo studies of the MHHARSH installation itself with emphasis on coverage of any construction changes and any modification or additions made to the communications antenna system. Both sites are also available to service special support requests as required. During the period, KDLITERAL performed a number of special photo surveys and a three-week frequency sweep requested by WOACRE.</p>		
<p><u>SECURITY REVIEW</u></p>		
<p>7. There were no known problems of security relating to the project. In response to Reference B request, we have reviewed all phases of the operation and believe that project security is sound. The project assets have all been with us for many years and have established themselves as respectable long-time residents of the area. All five assets, four in one family and one in another, are extremely security conscious and have all been SGSWIRLED. The assets derive a substantial portion of their livelihood from their EXTRUST employment and would thus lose a great deal if security factors ever necessitated a termination of their work for us. As an additional safeguard, the KDLITERAL and KDABSINTHE operations are compartmented from each other, and there has never been any indication that either segment of KDFACTOR knows of the other's existence.</p>		
<p>8. The only termination of a project asset in recent years was KDFACTOR-1, who formerly processed the photo product from both surveillance points. KDFACTOR-1 was terminated amicably in March 1971. We still maintain periodic contact with him; and his brother, KADAGE-14, continues to be one of our more valued MHHARSH access agents. KDFACTOR-1 is a reputable physician with a wide circle of friends, and on a number of recent occasions he has been very helpful when we have taxed his expertise in his field or requested background information on people in the medical profession. Although KDFACTOR-1 processed the photo product, he was not knowledgeable of the exact surveillance point locations. Delivery and pickup of the finished product was always accomplished by an outside case officer.</p>		
<p>9. Contact is maintained with only two of the five assets. KDFACTOR-2 and -5, both of whom are responsible for the operation of their respective basehouses. Both KDFACTOR-2 and -5 are met weekly to obtain the KDLITERAL and KDABSINTHE product for timely processing and analysis by the Station. Meetings with KDFACTOR-2 are car pickups at periodically changed locations in the suburbs. Meetings with KDFACTOR-5 consist of car meetings early in the morning along his route of travel to his overt job. These meetings last only long enough to pick up the product, provide new supplies, and pay salaries, rents, utility bills, etc. Emergency contact plans are on file at the Station and have been forwarded to Headquarters on both KDFACTOR-2 and -5. KDFACTOR-6, -8, and -9 are members of KDFACTOR-5's immediate family and could be contacted through him using his emergency plan.</p>		
<p>10. We have taken action recently to guard against the contingency that one of the present sites might be blown, and alternate</p>		
<p>FORM 53a 8-64 (40)</p> <p>USE PREVIOUS EDITION.</p>	<p>CLASSIFICATION S E C R E T</p>	<p>PAGE NO. 2</p> <p><input checked="" type="checkbox"/> CONTINUED</p>

CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA-41,734																																																			
<p>means might be required to continue the KDFACTOR coverage. In February 1972 an apartment became available in the same building complex which houses the KDABSINTHE installation. Through the cooperation of KDABBEY-1, we were able quietly to rent the apartment and install elements of the KDCALVERT team as residents. This location affords as good, if not better, vantage point for continuing photo coverage in the event the present KDABSINTHE location becomes untenable. We are also exploring alternate locations for KDLITERAL to solve the problem we face with this element of KDFACTOR coverage (see below).</p>																																																					
<p><u>PROBLEMS</u></p> <p>11. The only known problem connected with the project is a product of mother nature which is threatening the effectiveness of KDLITERAL coverage. Approximately two years ago MHHARSH personnel planted eight small trees along the edge of the terrace leading to the garden. These trees have flourished and now have grown to the point where KDFACTOR-2, the KDLITERAL operator, estimates he only has a year more of effective operational capability. We are studying ways of solving this problem and will forward a separate dispatch to Headquarters on the topic in the near future.</p>																																																					
<p><u>FINANCES</u></p> <p>12. There have been no changes in anticipated project expenses shown below for FY 1972 and FY 1973.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>SALARIES</u></th> <th style="text-align: right;">FY 1972 (USD)</th> <th style="text-align: right;">FY 1973 (USD)</th> </tr> </thead> <tbody> <tr> <td>KDFACTOR-2</td> <td style="text-align: right;">5,280</td> <td style="text-align: right;">5,808</td> </tr> <tr> <td>KDFACTOR-5</td> <td style="text-align: right;">1,728</td> <td style="text-align: right;">1,901</td> </tr> <tr> <td>KDFACTOR-6</td> <td style="text-align: right;">2,112</td> <td style="text-align: right;">2,323</td> </tr> <tr> <td>KDFACTOR-8</td> <td style="text-align: right;">768</td> <td style="text-align: right;">845</td> </tr> <tr> <td>KDFACTOR-9</td> <td style="text-align: right;">1,968</td> <td style="text-align: right;">2,165</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">11,856</td> <td style="text-align: right; border-top: 1px solid black;">13,042</td> </tr> </tbody> </table> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>BASEHOUSE RENT</u></th> <th style="text-align: right;">FY 1972 (USD)</th> <th style="text-align: right;">FY 1973 (USD)</th> </tr> </thead> <tbody> <tr> <td>MEXI-03, UNIT 15</td> <td style="text-align: right;">400</td> <td style="text-align: right;">400</td> </tr> <tr> <td>MEXI-132</td> <td style="text-align: right;">3,550</td> <td style="text-align: right;">3,840</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">3,950</td> <td style="text-align: right; border-top: 1px solid black;">4,240</td> </tr> </tbody> </table> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>MISCELLANEOUS EXPENSES</u></th> <th style="text-align: right;">FY 1972 (USD)</th> <th style="text-align: right;">FY 1973 (USD)</th> </tr> </thead> <tbody> <tr> <td>Basehouse utilities</td> <td style="text-align: right;">750</td> <td style="text-align: right;">800</td> </tr> <tr> <td>Property maintenance & replacement</td> <td style="text-align: right;">500</td> <td style="text-align: right;">500</td> </tr> <tr> <td>Christmas bonuses</td> <td style="text-align: right;">988</td> <td style="text-align: right;">1,087</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">2,238</td> <td style="text-align: right; border-top: 1px solid black;">2,387</td> </tr> <tr> <td>TOTAL EXPENSES</td> <td style="text-align: right; border-top: 1px solid black;">18,044</td> <td style="text-align: right; border-top: 1px solid black;">*19,669</td> </tr> </tbody> </table>			<u>SALARIES</u>	FY 1972 (USD)	FY 1973 (USD)	KDFACTOR-2	5,280	5,808	KDFACTOR-5	1,728	1,901	KDFACTOR-6	2,112	2,323	KDFACTOR-8	768	845	KDFACTOR-9	1,968	2,165		11,856	13,042	<u>BASEHOUSE RENT</u>	FY 1972 (USD)	FY 1973 (USD)	MEXI-03, UNIT 15	400	400	MEXI-132	3,550	3,840		3,950	4,240	<u>MISCELLANEOUS EXPENSES</u>	FY 1972 (USD)	FY 1973 (USD)	Basehouse utilities	750	800	Property maintenance & replacement	500	500	Christmas bonuses	988	1,087		2,238	2,387	TOTAL EXPENSES	18,044	*19,669
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<p><u>PLANS</u></p> <p>13. No changes in the project are contemplated.</p>																																																					
<p><u>EVALUATION</u></p> <p>14. The support provided by the KDFACTOR Project to the Station REDTOP Program is indispensable. We believe the project represents a professional collection effort being run securely and successfully against a sensitive target with a minimal expenditure of funds and case officer time.</p>																																																					
<p>*Reflects anticipated salary raises and higher rent on MEXI-132 based on projected cost of living increase over two-year period.</p> <p style="text-align: right;"><i>Oliver J. Mankunas</i> OLIVER J. MANKUNAS</p>																																																					
FORM 53a 8-64 (40)	USE PREVIOUS EDITION. CLASSIFICATION S E C R E T	PAGE NO. <div style="border: 1px solid black; display: inline-block; width: 20px; height: 20px; vertical-align: middle;"></div> CONTINUED 3																																																			

DISPATCH		CLASSIFICATION	PROCESSING ACTION
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TO	Chief, Western Hemisphere Division		MARKED FOR INDEXING
INFO	Chief, Soviet Bloc Division		NO INDEXING REQUIRED
FROM	Chief of Station, Mexico City <i>CR</i>		ONLY QUALIFIED DESK CAN JUDGE INDEXING
SUBJECT	KDFACTOR Operational Report, 1 March through 31 August 1971		
ACTION REQUIRED: None; for your information and files.			
REFERENCE : HMMA-40,227, 8 March 1971 (Previous Ops Report)			
<u>OPERATIONS</u>			
<p>1. The KDFACTOR Project continued throughout the past six months to support two visual and photographic surveillance points (KDLITERAL and KDABSINTHE) directed against the MHHARSH installation.</p>			
<u>ADMINISTRATION</u>			
<p>2. Howard T. BAGAUS handled the administration of the project until early April 1971 when project responsibility reverted from the Ops Support Section back to the REDTOP Section. At that time Timothy H. ARCHBOLD assumed the inside administrative chores, and agent meetings were turned over to the outside case officer Bruce H. FERNALD who had previously handled the assets. When ARCHBOLD departed PCS on 7 June 1971, Oliver J. MANKUNAS assumed his responsibilities. MANKUNAS also took over agent meetings when FERNALD left on home leave on 25 June and will continue to handle the project assets in the future.</p>			
<p>3. Processing of the photo product is now accomplished inside the Station by Phemia B. CHAUVEAU. KDFACTOR-1, who formerly did all the processing in an outside safehouse/darkroom, was terminated amicably in early March 1971, and at that time the responsibility was turned over to CHAUVEAU. The new arrangement has proven to be more than satisfactory. Agent meetings have now been cut to a minimum, and the processing of the product and delivery to the consumer has been speeded up considerably.</p>			
<u>PERSONNEL</u>			
<p>4. The project includes five salaried assets. KDFACTOR-2 operates the KDLITERAL base house and has been employed in this capacity since 1957. KDFACTOR-5 operates the KDABSINTHE base house</p>			
DISTRIBUTION:		CONTINUED . . .	
Orig & 1 - C/WH		CS COPY	
1 - C/SBD - <i>Info complete 23/8/71</i>			
CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE	
	HMMA-41,028	17 September 1971	
	CLASSIFICATION	HQS FILE NUMBER	
	S E C R E T	✓ 50-6-74/3	

CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA-41,028
<p>with the assistance of his wife, KDFACTOR-6, and his two sons, KDFACTOR-8 and -9. KDFACTOR-5 has also served JKLANCE in this capacity since 1957.</p>		
<p><u>PRODUCTION</u></p>		
<p>5. KDLITERAL: During this reporting period, KDLITERAL, through KDFACTOR-2, continued to be the source of within-the-compound photographic coverage of PCS and TDY MHARSHers. He produced 76 rolls of film and provided weekly written reports based on his daily visual observation of the target area.</p>		
<p>6. KDABSINTHE: Operated by KDFACTOR-5, KDABSINTHE produced 167 rolls of film and continued to be the principal source for information on visitors to the MHARSH installation, with special attention given to visits of "WOCORK-type" persons and political exiles. This segment of KDFACTOR also continued to be the main source of information on MHARSH license plates and automobiles.</p>		
<p>7. KDLITERAL and KDABSINTHE both continue to provide detailed "attendance sheets" on all MHARSH personnel. Without this combined coverage, it would be difficult to identify personnel assigned to the MHARSH installation or to monitor their daily movements and activities.</p>		
<p><u>SECURITY</u></p>		
<p>8. There were no known problems of security relating to the project. The termination of KDFACTOR-1 should pose no security problem: Contact was broken amicably, and it is highly probable that he would be more than willing to help out again if his services are needed. Of the remaining assets, all five have been SGSWIRLED in the past. They derive a substantial portion of their livelihood from their JKLANCE employment and would thus lose a great deal if security factors ever necessitated a termination of their work for us. As an additional safeguard, the KDLITERAL and KDABSINTHE operations are compartmented from each other, and there has never been any indication that either segment of KDFACTOR knows of the other's existence.</p>		
<p>9. Contact is maintained with only two of the five assets, KDFACTOR-2 and -5, both of whom are responsible for the operation of their respective base houses. Both KDFACTOR-2 and -5 are met weekly to obtain the KDLITERAL and KDABSINTHE product for timely processing and analysis by the Station. Meetings with KDFACTOR-2 are car pickups at periodically changed locations in the suburbs. Meetings with KDFACTOR-5 consist of car meetings early in the morning along his route of travel to his overt job. These meetings last only long enough to pick up the product, provide new supplies, and pay salaries, rents, utility bills, etc. Emergency Contact Plans are on file at the Station and have been forwarded to Headquarters on both KDFACTOR-2 and -5. KDFACTOR-6, -8, and -9 are members of KDFACTOR-5's immediate family and could be contacted through him using his emergency plan.</p>		
<p><u>PROBLEMS</u></p>		
<p>10. There were no known problems connected with the project during the reporting period.</p>		
<p><u>FINANCES</u></p>		
<p>11. The termination of KDFACTOR-1 and the subsequent elimination of outside photo processing costs accounts for the drop in anticipated project expenses shown below for FY 1972 and FY 1973.</p>		
SALARIES	FY 1972 (USD)	FY 1973 (USD)
KDFACTOR-2	5,280	5,808
KDFACTOR-5	1,728	1,901
CLASSIFICATION		
S E C R E T		
FORM 53a 8-64 (40)	USE PREVIOUS EDITION.	<div style="border: 1px solid black; display: inline-block; padding: 2px;">XX</div> CONTINUED
		PAGE NO. 2

CONTINUATION OF DISPATCH	CLASSIFICATION	DISPATCH SYMBOL AND NUMBER																																													
	S E C R E T	HMMA-41,028																																													
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 35%;">SALARIES (con't)</th> <th style="text-align: right; width: 30%;">FY-1972 (USD)</th> <th style="text-align: right; width: 35%;">FY-1973 (USD)</th> </tr> </thead> <tbody> <tr> <td>KDFACTOR-6</td> <td style="text-align: right;">2,112</td> <td style="text-align: right;">2,323</td> </tr> <tr> <td>KDFACTOR-8</td> <td style="text-align: right;">768</td> <td style="text-align: right;">845</td> </tr> <tr> <td>KDFACTOR-9</td> <td style="text-align: right; border-bottom: 1px solid black;">1,968</td> <td style="text-align: right; border-bottom: 1px solid black;">2,165</td> </tr> <tr> <td></td> <td style="text-align: right;">11,856</td> <td style="text-align: right;">13,042</td> </tr> <tr> <td colspan="3" style="padding-top: 10px;"><u>BASE-HOUSE RENT</u></td> </tr> <tr> <td>MEXI-03, UNIT #15</td> <td style="text-align: right;">400</td> <td style="text-align: right;">400</td> </tr> <tr> <td>MEXI-132</td> <td style="text-align: right; border-bottom: 1px solid black;">3,550</td> <td style="text-align: right; border-bottom: 1px solid black;">3,840</td> </tr> <tr> <td></td> <td style="text-align: right;">3,950</td> <td style="text-align: right;">4,240</td> </tr> <tr> <td colspan="3" style="padding-top: 10px;"><u>MISC. EXPENSES</u></td> </tr> <tr> <td>BASE-HOUSE UTILITIES</td> <td style="text-align: right;">750</td> <td style="text-align: right;">800</td> </tr> <tr> <td>PROPERTY MAINTENANCE & REPLACEMENT</td> <td style="text-align: right;">500</td> <td style="text-align: right;">500</td> </tr> <tr> <td>CHRISTMAS BONUSES</td> <td style="text-align: right; border-bottom: 1px solid black;">988</td> <td style="text-align: right; border-bottom: 1px solid black;">1,087</td> </tr> <tr> <td></td> <td style="text-align: right;">2,238</td> <td style="text-align: right;">2,387</td> </tr> <tr> <td style="padding-top: 10px;">TOTAL EXPENSES</td> <td style="text-align: right; padding-top: 10px;">18,044</td> <td style="text-align: right; padding-top: 10px;">19,669*</td> </tr> </tbody> </table>			SALARIES (con't)	FY-1972 (USD)	FY-1973 (USD)	KDFACTOR-6	2,112	2,323	KDFACTOR-8	768	845	KDFACTOR-9	1,968	2,165		11,856	13,042	<u>BASE-HOUSE RENT</u>			MEXI-03, UNIT #15	400	400	MEXI-132	3,550	3,840		3,950	4,240	<u>MISC. EXPENSES</u>			BASE-HOUSE UTILITIES	750	800	PROPERTY MAINTENANCE & REPLACEMENT	500	500	CHRISTMAS BONUSES	988	1,087		2,238	2,387	TOTAL EXPENSES	18,044	19,669*
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TOTAL EXPENSES	18,044	19,669*																																													
<u>PLANS</u> 12. No changes in the project are contemplated.																																															
<u>EVALUATION</u> 13. The support provided by the KDFACTOR Project to the Station REDTOP Program is indispensable. We believe the project represents a professional collection effort being run securely and successfully against a sensitive target with a minimal expenditure of funds and case officer time.																																															
<p>*Reflects anticipated salary raises and higher rent on MEXI-132 based on projected cost of living increase over two year period.</p> <div style="text-align: center; margin-top: 20px;">  Oliver J. MANKUNAS </div>																																															
50-6-74/3																																															
<small>FORM 8-64 53a USE PREVIOUS EDITION.</small>	<small>CLASSIFICATION</small> S E C R E T	<small>PAGE NO.</small> <div style="display: flex; align-items: center; justify-content: center;"> <input type="checkbox"/> CONTINUED </div> 3																																													

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SECRET		MARKED FOR INDEXING	
Chief of Station, Mexico City		NO INDEXING REQUIRED	
Chief, Western Hemisphere Division		ONLY CHARGES CLASS CAN JUDGE INDEXING	
ACEL/PLIANCE <u>KDFACTOR</u> /KDVULT--FY 71 Safehouse Expenses		MICROFILM	

Reference: MEST-11016, dated 16 July 1971

1. Headquarters has analyzed the KDFACTOR and KDVULT project charges to Sub-Object Class 2353, as requested in reference. These projects have received credit for the rent refunds recorded on the vouchers mentioned in paragraph 5 of reference.
2. Attached, for the Station's information, is a breakdown of the expenses charged to these projects under S.O.C. 2353. These totals equal the total expense reported on the 30 June 1971 OSR. The Station will note that all expenses incurred in the operation and maintenance of the safehouses are included under this Sub-Object Class.
3. The Station's method of handling the MEXI-03 rent accounting is completely satisfactory to Headquarters.

P. W. Mayston
Patrick W. MAYSTON

Distribution:
3-C Chief of Station, Mexico City

Attachments:
As Stated Above

TO	DISPATCH SYMBOL AND NUMBER	DATE
	MEST-7316	
	CLASSIFICATION	REF FILE NUMBER
	SECRET	
ORIGINATING	DATE	
CHIEF	24 August 1971	
WH/REG	7763	
WH/1	DATE	OFFICE'S NAME
C/WH/1	21-8-71	R. Lacer for

AL DISTRIBUTION:
WH/REG
WH/1

DISPATCH		CLASSIFICATION S-E-C-R-E-T	PROCESSING ACTION																				
TO	Chief, Western Hemisphere Division		MARKED FOR INDEXING																				
INFO			NO INDEXING REQUIRED																				
FROM	Chief of Station, Mexico City		ONLY QUALIFIED DESK CAN JUDGE INDEXING																				
SUBJECT	KDFACTOR/KDVAULT- Expense Credit for KDABBEY Refunds of MEXI-03 Rents		MICROFILM																				
ACTION REQUIRED - REFERENCES																							
<p>1. Upon reviewing Station's Obligation Status Reports from Headquarters, it has been noted that there apparently have been no credits entered for KDABBEY's net rent refunds on MEXI-03</p> <p>2. MEXI-03 is owned by JKLANCH, with KDABBEY as the ostensible owner. Each month the Station gives the occupant of Units #11, 13, 15 and 17 of MEXI-03 their rent for the month in advance, which they then pay to KDABBEY's agent. Originally this agent was KDVAULT/2, who was witting of the rental arrangement and neither received nor paid rent on Unit #11, which he occupied. Since his termination in April 71, Unit #11 has been occupied by KDVAULT/9, who is not witting of the arrangement. The current occupancy and rent structure for MEXI-03 is:</p> <table border="1"> <thead> <tr> <th>UNIT #</th> <th>OCCUPANT</th> <th>MONTHLY RENTAL</th> <th>PROJECT CHARGED</th> </tr> </thead> <tbody> <tr> <td>11</td> <td>KDVAULT/9</td> <td>1,700.00MN</td> <td>KDVAULT</td> </tr> <tr> <td>13</td> <td>KDVAULT/3</td> <td>1,650.00MN</td> <td>KDVAULT</td> </tr> <tr> <td>15</td> <td>KDFACTOR/2</td> <td>1,430.00MN</td> <td>KDFACTOR</td> </tr> <tr> <td>17</td> <td>KDVAULT/5</td> <td>1,540.00MN</td> <td>KDVAULT</td> </tr> </tbody> </table> <p>3. At the end of each quarter, KDABBEY submits to the Station an accounting recording the rents received on the four units of MEXI-03, and the expenses incurred for property taxes, rent receipt stamp taxes, municipal water charges, maintenance and repairs, and similar items during the quarter. The difference between the rents paid to and the expenses incurred by KDABBEY as ostensible owner of MEXI-03, is refunded to the Station by KDABBEY with the quarterly accounting.</p> <p style="text-align: right;">.....continued</p>				UNIT #	OCCUPANT	MONTHLY RENTAL	PROJECT CHARGED	11	KDVAULT/9	1,700.00MN	KDVAULT	13	KDVAULT/3	1,650.00MN	KDVAULT	15	KDFACTOR/2	1,430.00MN	KDFACTOR	17	KDVAULT/5	1,540.00MN	KDVAULT
UNIT #	OCCUPANT	MONTHLY RENTAL	PROJECT CHARGED																				
11	KDVAULT/9	1,700.00MN	KDVAULT																				
13	KDVAULT/3	1,650.00MN	KDVAULT																				
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Distribution: Orig & 2 - Chief, WH Division																							
CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE																					
	MEMT 11016	16 July 1971																					
	CLASSIFICATION	HQS FILE NUMBER																					
	S-E-C-R-E-T																						

CONTINUATION OF
DISPATCH

CLASSIFICATION
S-E-C-R-E-T

DISPATCH SYMBOL AND NUMBER
HMMT 11016

4. When monthly rents are paid to KDVault/3, 5 and 9 and KDFactor/2, they are charged to the appropriate project and entered in a KDABBY Memorandum Account. When KDABBY's refund is received, it is recorded as a credit to expense pro-rated between KDVault and KDFactor, and the Memo Account is cleared.

5. The vouchers recording expense credits from KDABBY rent refunds for FY 1971 (with one more refund to be made) are: Vou. 10648, 20 Oct 70 (July-Sept); Vou. 11043, 12 Jan 71 (Oct-Dec); and Vou. 11575, 19 May 71 (Jan-Apr).

6. It is requested that recording of these vouchers at Headquarters be reviewed, since Station's analysis of the Obligation Status Reports figures as of 31 May 1971 indicate that no such expense credit has been recorded for KDVault or KDFactor in S.O.C. 2352 or any other S.O.C. for Vou. 10648 and Vou. 11043, both of which should have shown up by the 31 May OSR.

7. If there is some particular reason why the KDABBY refund of MEXI-01 rents has not been credited to expense, or if Headquarters wishes the Station to handle the MEXI-01 rent accounting in another manner, please advise.

Norris A. DESSIMOZ

ROUTING AND RECORD SHEET

INSTRUCTIONS

PRIOR TO FILING

- 1 Fill in Sect 2 on back. Detach back flap and forward to RID.
- 2 Destroy front cover sheet, unless it records significant action taken or comments requiring preservation.

TO ACTION BRANCH

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COMMENTS

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DATE

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WH/CONTRACTS

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FILE TITLE

TRACE REQUEST

ABSTRACT

INDEX

FILE NUMBER (PRIMARY CODE)

50-6-74/3

DATE MICROFILMED

DOCUMENT DATE

DOCUMENT NUMBER

8 MAR 71


HNMA 40227

DISPATCH		CLASSIFICATION	PROCESSING ACTION
TO	Chief, WH Division	S E C R E T MICROFILMED MAR 22 1971	MARKED FOR DECLASS 3P
INFO.	Chief, SB Division	NO INDEXING REQUIRED	ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM	Chief of Station, Mexico City	NO INDEXING REQUIRED	MICROFILM
SUBJECT	KDFACTOR/ Operational Report for the Period 1 October 1970 - 28 February 1971		
ACTION REQUIRED - REFERENCES			
REFERENCE: HMMA-39679, 28 October 1970 (Previous Operational Report)			
<u>GENERAL</u>			
<p>1. The KDFACTOR Project continued throughout the period to support two visual and photographic surveillance points (KDLITERAL and KDABSINTH) directed against the MHARSH installation and to support the related photo processing of the product.</p> <p>2. The Station is presently taking steps to terminate KDFACTOR-1 the photo processor and move this phase of the operation into the Station.</p> <p>3. Primary responsibility for the operational and administrative handling of Project KDFACTOR was transferred on 1 December 1970 to the Operational Support Section, and handling of the KDFACTOR personnel was turned over to Howard T. BAGAUS on 2 December 1970.</p>			
<u>MEETING ARRANGEMENTS</u>			
<p>4. KDFACTOR-5: This agent is met by BAGAUS at 0800 each Tuesday morning at one of four different sites near the Anillo Periferico in Polanco, some three miles from the Station. The modus operandi used with this agent is basically the same as previously used by Bruce H. FERNALD. All meetings are held in the case officer car, and after the meetings, KDFACTOR-5 resumes his trip to work.</p>			
Continued....			
Attachments: (Split Transmission)			
<p>1. Right Side - H/W S/C ACID RESEARCH</p> <p>2. Left Side - USC Date: 25 MAR 71</p> <p>3. IDENTITY - USC</p>			
Distribution:			
<p>2 - Chief, WHD, w/att</p> <p>2 - Chief, SBD, w/att</p> <p>S/C w/ SUK/WH</p>			
CS COPY			
CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE	
	HMMA-40227	8 March 1971	
	CLASSIFICATION	HQS FILE NUMBER	
	S E C R E T	50-6-74/3	

CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA-40227
<p>5. KDFACTOR-2: He is met at 1630 every Tuesday by BAGAUS. in several new widely spaced sites. Modus operandi is basically the same as that described in the previous operational report for FERNALD, and after the meeting, KDFACTOR-2 proceeds to his cover job.</p> <p>6. KDFACTOR-1: After meeting with KDFACTOR-2, BAGAUS drives via round-a-bout route to a location several blocks away from the KDFACTOR-1 medical office, where he leaves his car and walks to the office (taking counter-surveillance precautions on the way). BAGAUS, as FERNALD previously, uses the notional cover of either a pharmaceutical salesman for "Laboratorios del Norte" or that of a patient while waiting in the outer office. The waiting period normally depends upon whether KDFACTOR-1 is in at the time, or whether he is in the middle of an operation at the hospital. (Waiting periods vary from immediate admittance to the KDFACTOR-1 office to several hours). The average period is about twenty minutes. A decision was reached in the Station to terminate this asset and to transfer this phase of the operation to the Station itself, in the interest of speed, security, and cost. This termination is planned for early March 1971, at which time, the processing will be done in the Station.</p> <p><u>SECURITY</u></p> <p>7. There have been no known security problems during this reporting period.</p> <p><u>PRODUCTION</u></p> <p>8. KDLITERAL: During this reporting period, KDLITERAL through KDFACTOR-2 has again been the principal source of within-the-compound photographic coverage of PCS and TDY MHHARSHERS producing 129 rolls of film. During the period covered, a great change of PCS personnel at the MHHARSH installation took place, and KDLITERAL played a leading role in assisting the Station in identifying the new members of the installation, through not only photographic coverage, but through detailed visual reporting also. In addition to reporting on the activities of the different individuals in the target installation, KDLITERAL has also reported on significant construction changes in the compound such a recent change in the antenna configurations on the roof of the main building. During this period, KDLITERAL has been specifically targetted against AEJEFE, on whom which a special report has been submitted.</p> <p>9. KDABSINTH: Operating through KDFACTOR-5, KDABSINTH produced 158 rolls of film. It provided the Station with information on visitors to the MHHARSH installation, giving special attention to visits of "WOCORK-type" persons. KDABSINTH continues to fulfill requirements from the various sections of the Station who have requested fixed surveillance of political exiles, etc., to determine if these individuals are in contact with the MHHARSH installation. This segment of KDFACTOR continues to be the main source of information on MHHARSH license plates and automobiles.</p> <p>10. Both KDLITERAL and KDABSINTH continued to provide detailed "attendance sheets" on all MHHARSH personnel. In addition, they provided reports on the activities and associates of IDENTITY who was on TDY in Mexico from 15 October through 4 November 1970. During this period both units were also involved in surveilling the movements of an AEKICK technician, (201-838166) who periodically makes trips to other Latin American countries on short notice.</p> <p><u>PLANS AND CHANGES</u></p> <p>11. With the exception of the termination of KDFACTOR-1 (paras. 2 and 6) there are no further changes contemplated in this operation during the next reporting period. It is expected that the termination of KDFACTOR-1 will represent about \$4,000 US in yearly savings for the operation, and that the previous two week photo</p>		
FORM 53a 9-64 (40)	CLASSIFICATION S E C R E T	PAGE NO. 2

FORWARDED BY SPLIT TRANSMISSION
NO FIELD DISSEMINATION

☒ CONTINUED

CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA-40227
<p>processing backlog will be narrowed to a week at the longest.</p> <p style="text-align: right;"> Howard T. BAGAUS</p> <p style="text-align: center;">FORWARDED BY SPLIT TRANSMISSION NO FIELD DISSEMINATION</p> <p style="text-align: right;">50-6-74/3</p>		
FORM 53a 9-64 (40) USE PREVIOUS EDITION.	CLASSIFICATION S E C R E T	<input type="checkbox"/> CONTINUED PAGE NO. - 3

SECRET

USC ATT. #3 TO HMMA-40227, 8 MARCH 1971

IDENTITY - ✓ Viktor Nikitovich KRESOV, no 201

AEKICK Office of the Executive
Action Department

MICROFILMED
MAR 29 1971
DOC. MICRO. SER.

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SECRET

S/C ATT 1 to HMMA-40227

50-6-74/3

ROUTING AND RECORD SHEET

INSTRUCTIONS				
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2 Destroy front cover sheet, unless it records significant action taken or comments requiring preservation.			Nov 3 4 32 PM '76 RECEIVED RID/AN	
FROM:			PROPER FILE NO.	
RID: PYAN, DONALD RID/AN EXT. 4239			ER-899 GA-50 TUBE CT-7	
TO: ALL ADDRESSEES FILL IN SECTION 1 ON BACK IF APPROPRIATE				
COMMENTS				
TO	ROOM NO	DATE	OFFICER'S INITIALS	
		RECEIVED	FORWARDED	
1. WH/1		12 Nov 1976		Copy Detached
2. DC		13 NOV 1976		
3. C/AH/1				How do you all feel about para 12? (semi-annual program required)
4. Whaler		13 NOV 1976		5-7: Concur.
5. Krasov				3-2 & 4. Semi-annual reporting OK with me. Check LB and see if they agree. Dymov
6. SB/X/WH		8/12		22
7. WH/1				
8. Krasov		8 DEC		K
9. CI/OPS/WH				
10. WH/1				
11. Krasov				
12. CI/OPS/WH				
13. WH/1				
14. WH/1		15 Dec		15 Dec
15. WH/1				
16. WH/1				
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FILE NUMBER (PRIMARY CODE)				
5-6-74/3				
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DOCUMENT NUMBER				
HMMA 39679				

124979

DISPATCH		CLASSIFICATION S E C R E T	PROCESSING ACTION
TO	Chief, WH Division	XX	MARKED FOR INDEXING
INFO.	Chief, SB Division		NO INDEXING REQUIRED
FROM	Chief of Station, Mexico City <i>PCW</i>		ONLY QUALIFIED DESK CAN JUDGE INDEXING
SUBJECT	MICROFILM		
SUBJECT LIEMPTY Project/Operational Report, 1 July - 30 September 1970			
ACTION REQUIRED - REFERENCES			
REFERENCES: A. HMMA-39188, 10 July 1970			
B. HMMW-17950, 10 June 1970			
<u>OPERATIONS</u>			
1. The LIEMPTY Project continued throughout the period to support two visual and photographic surveillance points directed against the MHHARSH installation and to support the related photo processing of the product.			
a. LICALLA is the designation of that portion of the Project that covers surveillance of the rear and garden area of the MHHARSH installation. It operates from one of the units (MEXI-03) of the LIMESA, Station-owned properties, and it includes only one agent: LIEMPTY-9.			
b. LILYRIC is the designation of that portion of the Project covering surveillance of the front entrance of the MHHARSH installation. It includes LIEMPTY-13 as the key member of the basehouse team, supported by his wife, LIEMPTY-14, who is the main photographer, observer and log-keeper, and their two sons, LIEMPTY-26 and -27 who assist in photography, maintenance of arrival and departure logs on target personalities, and preparation			
			Continued.....
Attachments: (Split Transmission)			
1. Right-hand Side - h/w			
2. Left-hand Side - USC			
3. Middle - USC			
Distribution: <i>NO FILE</i>			
② - Chief, WHD, w/atts a/s			
2 - Chief, SBD, w/atts a/s			
<i>Approved for Release</i> <i>28 Oct 70</i>			
CS 00.1			
CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE	
	HMMA-39679	28 October 1970	
	CLASSIFICATION	WQS FILE NUMBER	
	S E C R E T	50-6-74/3	

S E C R E T

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of the typewritten reports submitted to the Station. The basehouse (MEXI-132) is located near the front of the MHIHARSII installation and it is owned by LIMOUSINE. (Contrary to Reference B Project Renewal, LIMOUSINE is the actual, not "ostensible", owner of this property. Please see HMMA-33814, 8 January 1968, for full details of the various property transfers, destruction and re-construction of buildings and relocations of operations connected with the Project, past and present.).

c. Photo processing is accomplished by LIEMPTY-4 except in special cases when prints are required quickly and are processed within the Station. LIEMPTY-4 has a darkroom located in the rear of his medical office and he handles the work after normal office hours with patients.

2. Outside case officer Bruce H. FERNALD handles the three key agents of the Project (LIEMPTY-9, -13, and -4). He meets with each once a week for passing requirements, paying agent and sub-agent salaries, rents and other expenses, providing supplies, and retrieving the product. Inside case officer Timothy M. ARCHBOLD handles the internal administration of the Project and is the Station contact with FERNALD.

MEETING ARRANGEMENTS

3. LIEMPTY-13: He is met by FERNALD in the early hours of Tuesday mornings at about 0730 in Polanco, an area far from the basehouse. LIEMPTY-13 parks his car and walks through a central park on Calle Horacio where he is intercepted within a ten-block distance by FERNALD, driving his car. During a drive together, instructions and product are passed between them and, once a month, LIEMPTY-13 is paid his salary and the salaries for LIEMPTY-14, -26 and -27. After drop-off LIEMPTY-13 returns to his car and proceeds to his full-time job, thus avoiding any direct route back to the basehouse operation.

4. LIEMPTY-9: After completing his surveillance workday from 0800 to 1500 hours, he completes his written reports and drives to meet FERNALD at around 1630 hours, also on Tuesdays. The location of car meetings varies but remains within a quiet, fairly secluded section. After leaving FERNALD, LIEMPTY-9 proceeds to his cover job at a brother's automobile dealership for the remainder of his day, again avoiding any direct route from FERNALD back to the basehouse.

5. LIEMPTY-4: After receiving the unprocessed take from LIEMPTY-9 and -13, FERNALD prepares instructions, as suggested by log entries that accompany the take, and goes to LIEMPTY-4's medical office waiting room in the late afternoon. For these meetings, FERNALD appears to be a pharmaceutical salesman or a patient and gets to see LIEMPTY-4 only after all other visitors have departed. At each meeting, FERNALD delivers films from both LICALLA and LILYRIC for processing and retrieves the processed take that he had left the week before. While this arrangement means that some of the product (those photos taken soon after meeting with LIEMPTY-9 and -13) are almost two weeks old when received at the Station, we have not found this to be unacceptable. When speed is of the essence in special circumstances, the Station WOACRE technician can handle the processing.

SECURITY

6. With the exception of the potential problems connected with the Raymond H. GERENDE/LIEMPTY-19 divorce, of which Headquarters is aware, there are no known problems of security connected with this Project.

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ASSIGNMENTS/PRODUCTION

7. During the period of this report, LIEMPTY-4 processed approximately 142 rolls of 36-exposure film. Roughly one-third comes from LICALLA and the remainder from LILYRIC which commands the better view and more trafficked approach. In addition to this routine workload, LIEMPTY-4 was called upon frequently for additional prints and enlargement of special targets of interest.

8. LIEMPTY-9 (LICALLA), in addition to his picture-taking (perched for seven hours daily atop a ladder arrangement to see above the heightened garden wall), regularly provides a detailed "attendance sheet" and a monthly summary of MHHARSH personnel activities. The photos are an indispensable tool in the day-to-day REDTOP operations program, providing photo identifications of PCS and TDY MHHARSHers and assisting to determine probable RIS affiliation based on observed associations within the compound. The detailed "attendance sheet" helps in keeping track of MHHARSHers present, their patterns and changes in pattern of activities. This information is often the principal tool in PBRAMPART activities, assisting in identifying the probable MHHARSH contacts of double agents despatched to the MHHARSH installation.

9. Following are some sample requirements which were levied on LIEMPTY-9 during the reporting period:

a. weekly reports of work being done at the installation by YERSHOV and PANOV (DIRECTOR 025386), TDY construction workers since May 1970.

b. special reports on the activities of AEMERGER who was under the microscope prior to home leave departure in July 1970.

c. reports on the activities and associations of Mikhail Vasilyevich UMNOV (201-819913), TDY ANTORG representative from New York who is of JKLANCE and LNERGO interest.

d. watch for the arrival of Viktor Nikitovich KRESOV, AEKICK officer of Executive Action Department.

e. confirm arrival and provide details of activities and associations of Subject of 201-866272 (Noble ANGUS), LNERGO/LNREAD double agent.

f. special report on AETURNKEY throughout the period. (LIEMPTY-9 is given a target for concentrated coverage and reporting over a two or three month period at a time.)

10. LILYRIC was provided with the same requirements as LICALLA (paragraph 9 a-e, above). LILYRIC is the main source of license plate and automobile information both on MHHARSHers and on visitors to the installation, and has a standing requirement to report by phone the arrivals of all obviously WOCORK citizens. One such individual, who now visits regularly, has been tentatively identified as the language instructor of the MHHARSH Ambassador's son and a potential lead which we will investigate. *proving*

CHANGES

11. Effective 1 July 1970, all of the agents of the Project received salary increases (HMMA-39548, 10 October 1970) for a net increase of \$2,184.00 U/S/D per year.

12. Unless Headquarters believes that quarterly reports of operations are essential for an understanding of the functioning

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<p>of the Project, the Station proposes to report semi-annually hereafter, on 31 October and 30 April, including sufficient financial and other data in April to assist in preparing project renewals. The value of the Project for both REDTOP and other Station operations has been well documented over a long period of time. There have been no recent additions or changes in either personnel or basehouse properties and none is contemplated. Any significant events which might affect the Project's operation, such as the GERENDE divorce, will, of course, be reported separately.</p> <p>13. The basic operation of the Project remains the same with only spot requirements in support of specific objectives changing from time to time.</p> <p style="text-align: right;"><i>Timothy M. Archbold</i> Timothy M. ARCHBOLD</p>			
FORM 53a 8-64 (40)	CLASSIFICATION S E C R E T	<input type="checkbox"/> CONTINUED	PAGE NO. 4

77-1-7417

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DISPATCH		CLASSIFICATION	PROCESSING ACTION
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TO	Chief, WH Division		MARKED FOR INDEXING
INFO.	Chief, SB Division	XXXX	NO INDEXING REQUIRED
FROM	Chief of Station, Mexico City		ONLY QUALIFIED DESK CAN JUDGE INDEXING
SUBJECT	LIEMPTY Project Operational Report, 26 March - 30 June 1970		
ACTION REQUIRED - REFERENCES			
<p>References: A. HMMA-38700, 25 March 1970 B. HMMA-17950, 12 June 1970</p> <p>1. With the termination of Raymond H. GERENDE, effected on 26 June 1970 and described in HMMA-39129, 29 June 1970, the LIEMPTY Project now consists of the operations of the LICALLA and LILYRIC photo base houses and the photo processing of LIEMPTY-4. Outside case officer Bruce H. FERNALD handles all agents, normally on a once per week basis, and passes the take to his Station contact. Operational funds are passed to FERNALD by his Station contact, and FERNALD pays all agent salaries, rents, and other expenses. The elimination of GERENDE has resulted in some loss of efficiency, since base house personnel cannot regularly be met as frequently as in the past. This can mean a delay of up to two weeks in receipt by the Station of photos. However, LILYRIC and LICALLA personnel have standing requirements to report by telephone visits of Americans, and they are also alerted in advance whenever possible to forthcoming TDYS of MHHARSH visitors, so that arrangements can be made for special meetings and speedy processing of photos. Normally, all photos are developed and printed by LIEMPTY-4. When speed is of the essence, however, negatives are sent into the Station for processing by the WOACRE technician. Thus, while GERENDE's loss is a serious one in certain respects (he was, on the local scene, talented, knowledgeable, and experienced), LIEMPTY production has not suffered greatly.</p>			
Attachment:			
1. Left side h/w			
2. Right Side u/s/c <i>received by KIDIAN on 23 July 70</i>			
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CS COPY			
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	HMMA-39188	10 July 1970	
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<p>2. As far as the security problem is concerned, the generous termination settlement awarded to GERENDE has probably removed whatever small temptation there may have been on his part to be indiscreet about his former association. Although GERENDE has certain character weaknesses which emerged as a lack of dedication and a feeling that he could get by with as little work as possible, the Station believes that he is basically not an irresponsible person, and that he realizes not only that he has an obligation to respect security, but that he also realizes that he has been treated fairly and with great patience. He has offered his services for the future, and he was told that we appreciated the offer and did not want to lose complete touch with him, but for now he should devote himself to getting a good job.</p> <p>3. As for GERENDE's wife, LIEMPTY-19, she also appeared to be grateful for the termination bonus which she had been granted (and which she was told had not been carved out of what was due GERENDE). On the other hand, she has less reason to be loyal to JKLANCE, and her mental stability is somewhat open to question. Therefore, she poses a greater threat to LIEMPTY security than does GERENDE. At the same time, she knows much less about Station operations and personnel than does GERENDE. Furthermore, it is not likely that she would (a la Mrs. LIROCKET-1) go directly to the MHARSHERS with her information. What she might do is reveal to her lawyer that GERENDE had worked for LNPURE and therefore had income to which she might feel that she is entitled. Since GERENDE is no longer employed and therefore no longer has regular income (except for monthly payments of the termination bonus, which she has agreed in writing not to claim), this threat has also been lessened. Theoretically, however, she could expose LIEMPTY and LIFEAT techniques (since she has been a LIFEAT transcriber), but she could not, as far as we know, expose any currently employed agents, with the exception of LIEMPTY-4, who is married to GERENDE's sister. (None of the above assessment of the possible security threat posed by LIEMPTY-19 is changed by her 8 July visit to JKLANCE Headquarters.)</p> <p>4. There have been no changes in the functioning or activities of the LICALLA base house. In addition to the routine photos, "attendance reports," and special concentration on the activities of various individuals (most recently AETURNKEY), LIEMPTY-9 responded to a number of spot requests. For instance, it was LICALLA coverage which was instrumental in helping to identify the AEGRIFF officer who came to Mexico City to meet an LNREAD agent (see MEXICO CITY 2820, 30 March 1970) and to establish that the TDYer spent most of his time in the company of other AEGRIFF officers. Also, when the AEGRIFF inspectors finally arrived early in April, LIEMPTY-9 was able to establish that their principal "escort Officer" appeared to be AETURNKEY. LIEMPTY-9 was also alerted to watch for the arrival of the subject of DIRECTOR 042120, 12 June 1970 (and has not, as of this writing, seen any sign of him). Perhaps the most useful contribution during the reporting period was the updating of a sketch of the back of the MHARSHERS Embassy, identifying the persons he most often sees at each window. Used in conjunction with the AEMIDRIFF debriefing (and her knowledge of the inside), this helped us come up with as accurate a view as we have ever had of the location of various offices and officers within the MHARSHERS Embassy.</p> <p>5. There have also been no changes in the functions or activities of the LILYRIC base house personnel. Photos and logs of daily comings and goings were routinely furnished. The logs once again proved their value by indicating that the subject of MEXICO CITY 3389, 8 June 1970, was probably lying when he said that he had meetings with AETURNKEY at certain times on certain dates.</p>		
FORM 53a 8-64 (40)	CLASSIFICATION S E C R E T	<div style="text-align: right; margin-bottom: 5px;">50-6-7413</div> <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> CONTINUED </div> <div> PAGE NO. 2 </div> </div>

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The logs showed that AETURNKEY might have made the first meeting, but would certainly have been late for it. For the alleged second meeting, however, the log showed that AETURNKEY was in the MHARSH Embassy for the entire period of the meeting (subject of MEXICO CITY 3389 later amended his story to say that AETURNKEY had not made the second meeting). LILYRIC personnel were quick to spot the subject of MEXICO CITY 3542, 25 June 1970, making visits to the MHARSH Embassy, and reported these visits by phone even before the Station had learned, from LIENVOY, of this person's telephone call. Several other visitors of apparent WOLADY nationality were also routinely reported to local LNERGO, along with a request for license plate resolution if a WOLADY license plate is spotted. Late in June, LILYRIC was alerted to report the possible visit of a person who had made a phone call to 201-087316, offering the latter some "interesting information." LILYRIC spotted and photographed a person who may be identical with the caller, and attempts are now under way to resolve this.

6. LIEMPT-4 continues to handle all photo developing and printing (except when certain prints are needed quickly), and in spite of his leg injury, from which he is now recovered, he did not miss any deadlines. The fact that GERENDE has been terminated is not expected to affect his relationship with the Station, even though he is married to one of GERENDE's sisters. FEENALD has established good rapport with him, and he has stated that GERENDE's problems are not his and will have no effect on his association.

7. The above recital of LILYRIC and LICALLA activities would seem to indicate a heavy CI emphasis. Actually, this is not the case. While CI is an important by-product, not only for ourselves but also in support of walk-in operations run by other agencies, the day-in day-out bread and butter photo and fixed surveillance information is of great importance to our positive operations. The data base which has been built up and maintained by LIEMPT facilities, along with the services of LIENVOY, LIFEAT, and LIEMBRACE, give the Station an impressive support apparatus which is vital to our program.

8. With respect to the approved project renewal forwarded with Reference B, we have the following comments:

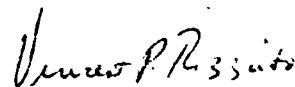
a. Through an oversight, we neglected to report in Reference A that LILYRIC base house rent was raised as of 1 January 1970 to an annual rate of \$3,360.00 (USD).

b. LICALLA base house rent was raised, effective 1 July 1970, to an annual rate of \$1,373.00 (USD). (Reference B shows that this figure has already been requested for FY 1971.)

c. As indicated in Reference A, salary increases for all remaining LIEMPT personnel will probably be recommended in the near future.

d. The GERENDE dark room rent (MEXI 137) is now being paid to LIEMPT-4. Pending the completion of GERENDE's new house the lab work was being done temporarily in LIEMPT-4's office. With the suspension, and now the termination of GERENDE, it became necessary to make this a permanent arrangement, and the Station felt it only fair to pay LIEMPT-4 this fee (\$80.00 USD per month), not only for the use of his space but also for increased water and electric bills (particularly the latter) resulting from his having to develop, print, and dry the photos. GERENDE was paid through December 1969, and in June 1970 LIEMPT-4 was paid retroactively for the period 1 January to 30 June 1970. It is planned to continue the monthly payments, so this item should be restored in the next project renewal request.

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<p>e. Regarding vehicles, MV 2947 (not MV 2823) was sold in FY 1970. MV 2823 is the LIENTRAP vehicle, and is still in use. It is, however, used in the LIEMBRACE Project and the maintenance expenses ought to be charged to LIEMBRACE, just as are the salaries of LIEMPTY-10 and LIEMPTY-11, who operate the LIENTRAP vehicle.</p> <p>9. The changes noted above do not involve large amounts of money, and are also to some extent offsetting. Therefore, it is not likely that these changes will require additional funds for FY 1971 over the amount approved.</p> <p>10. As requested in Reference B, following are emergency commo plans as worked out by FERNALD:</p> <p>a. LIEMPTY-4: Spanish should be used when talking to his secretary; Spanish should also be used, preferably, when talking to LIEMPTY-4. In view of his profession and the uncertainty of his working schedule, the person making the contact should go unannounced to his medical office at Carlos B. Zetina 73 between 1700 and 1830 hours. In the waiting room there is a secretary and the caller should tell her that he was referred by "Sr. Victor de los Laboratorios del Norte" and wants to see the doctor. When admitted, the officer should tell LIEMPTY-4 that he is certain the doctor remembers Sr. Victor. LIEMPTY-4 will answer affirmatively. For positive identification, the officer will show the last salary receipt signed by LIEMPTY-4. LIEMPTY-4 needs no positive identification, because his diplomas with pictures are exposed in visible places in the waiting room.</p> <p>b. LICALLA (LIEMPTY-9): Spanish only should be used. After 1630 hours but before 1800 hours, phone to his place of cover business (phone: 6-56-15-44 through 48) and ask for LIEMPTY-9. Caller should identify himself as a friend of Victor and state his own interest in having some property insured through him. Add that the caller would like to discuss the matter with him over a cup of coffee. Arrange date and time (about 1700 hours) of meeting. Prearranged place: Woolworth Store at Reforma, near the Reforma Hotel, in the hardware and tools department. LIEMPTY-9 will have a briefcase (or attache case) and a rolled up newspaper in the same hand. PASSWORD: Officer: Please, where can I get a tape measure calibrated in inches? I need it for my Club.</p> <p>LIEMPTY-9: You should have <u>no problem</u> in finding one.</p> <p>For positive identification the officer will show last salary receipt signed by LIEMPTY-9. LIEMPTY-9 will pull out of his briefcase a Monterrey Insurance Co. application form with his name written in the upper right corner. The first and third Tuesday of each month LIEMPTY-9 will be walking in front of SEPS-Paris Restaurant, on the Insurgentes side, from 1620 to 1630 hours, with his briefcase as stated above. Password and identification are as stated above.</p> <p>c. LILYRIC (LIEMPTY-13): Spanish only should be used. Phone his place of work (5-20-60-20, ext 367), his secretary usually answers, and ask LIEMPTY-13 if he received the present from his friend Victor sent him, because Victor has not heard from him for some time. LIEMPTY-13 will answer negatively re the present. The caller will request a meeting with LIEMPTY-13 because he wants to be able to tell Victor how his friend the Ingeniero was. Arrange date and time of meeting. Place is prearranged: in the Koala Restaurant-Cafeteria at the corner of Ejercito Nacional and Meliure (Gigante Super Market parking lot). LIEMPTY-13 will be sitting (or standing) in</p>		
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<p>the waiting area holding a medium sized manila envelope in one hand and two addressed but unsealed airmail envelopes in the other.</p> <p>PASSWORD: Officer: Can I catch a bus for <u>Santa Monica</u> here?</p> <p>LIEMPTY-13: I am <u>not very sure</u>, but I will ask somebody.</p> <p>For positive identification, the officer will show last salary receipt signed by LIEMPTY-13. LIEMPTY-13 will show a folded box of Colgate tooth paste. On the second and fourth Thursday of each month, LIEMPTY-13 will be walking in front of the above-mentioned Koala Restaurant-Cafeteria, on the Ejercito side, from 1330 to 1340 hours. As a recognition signal he will hold the three envelopes as described above, except that if it is raining, he will have all envelopes in one hand but arranged so that the two airmail envelopes will be easily visible. Password and identification are as stated above.</p> <div style="text-align: center; margin-top: 100px;">  Vincent P. RIZZUTO </div>		
<p>FORWARDED BY SPLIT TRANSMISSION NO FIELD DISSEMINATION</p>		
FORM 532 5-64 1-601 USE PREVIOUS EDITION.	CLASSIFICATION S E C R E T	<div style="text-align: right; margin-bottom: 5px;">50-6-7413</div> <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> CONTINUED </div> <div> PAGE NO. 5 </div> </div>

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SECRET 162216Z APR 70 CITE MEXICO CITY 2984

DIRECTOR

REDTOP AETARGET AEXICK

16 APR 70 064392

REFS: A. DIRECTOR 025386

B. MEXICO CITY 2962 (IN 063471)

1. ACCORDING TO LILYRIC AND LICALLA, LOCALLY HIRED PAINTERS HAVE BEEN OBSERVED AT MHARSH INSTALLATION SINCE MONDAY 13 APRIL, PAINTING MAIN BUILDING. THERE HAS BEEN NO DELIVERY OF MATERIALS SUCH AS DESCRIBED PARA 4 REF A.

2. FILE 201-854249. GP-1

SECRET

SECRET

File: Henry/ops

DISPATCH		CLASSIFICATION	PROCESSING ACTION
		S E C R E T	
TO	Chief, WH Division	XX	MARKED FOR INDEXING
INFO.	Chief, SB Division		NO INDEXING REQUIRED
FROM	Chief of Station, Mexico City <i>gtr</i>		ONLY QUALIFIED DESK CAN JUDGE INDEXING
SUBJECT	LIEMPTY Progress Report 1 November 1969 - 25 March 1970		
ACTION REQUIRED - REFERENCES			
Reference: HMMA-38119, 18 November 1969		P R I O R I T Y	
SUMMARY			
<p>1. The LIEMPTY Project has thus far survived the absence from duty of its principal agent, Raymond H. GERENDE, as well as the threat to the security of the Project represented by GERENDE's marital problems. Bruce H. FERNALD has been handling all Project personnel since early December 1969, when GERENDE was deactivated and placed on half-pay. No problems have resulted from this, other than a delay in the receipt of photos (FERNALD is unable to meet LIEMPTY personnel as frequently as GERENDE was). The security threat will remain as long as GERENDE's estranged wife has it within her power to expose GERENDE's RVROCK connection and the type of work he was engaged in. She has continually promised not to do this, and thus far she has kept her word.</p> <p>2. The LIEMPTY product continues to be a valuable one for the Station. It continues to play an important CI role (particularly for LNERGO and LNREAD) but its greatest value, as far as the Station is concerned, is in the positive field. Two recent examples underline this: The early (and thus far only) debriefing of AEMIDRIFF was accomplished almost exclusively by showing her photos of all MHHARSH Embassy personnel and getting from her a character sketch on each individual. These photos were all obtained by LILYRIC and LICALLA. Secondly, LIEMPTY observations (as opposed to</p>			
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Distribution: (2) - C/WH w/att u/s/c 1 - C/SB w/att u/s/c			
CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE	
	HMMA-38700	25 March 1970	
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S E C R E T

HMMA-38700

photos) played an important role in our total coverage of AESEASICK during the recent operational activity undertaken against AESEASICK. In short, LIEMPTY remains a highly effective and highly useful support asset, whose product is obtained in order to be used operationally, not simply collected for the files.

GERENDE

3. The GERENDE problem is unquestionably a serious one. We are forwarding under separate cover copies of several memoranda prepared by GERENDE. One outlines the history of his marital problems, another describes the current legal situation, and a third outlines proposals for a settlement. There is no hope of reconciliation. The Station's position with GERENDE from the start has been that he must agree to an amicable settlement with his wife in order to insure that she would not feel forced to take steps which would jeopardize the security of Station operations. For this reason, the Station insisted from the beginning that any financial settlement with his wife would have to take into account the fact that he was receiving a certain salary from RVROCK, and that he could not fairly keep this salary out of the settlement on the grounds that his wife could make no legal claim to that salary. GERENDE's wife was made aware of our position on this, and she was grateful, even though she realized that this arrangement was strictly informal. The Station felt that GERENDE could not be allowed to use his RVROCK salary as a weapon in the dispute with his wife, because if he did, she could hardly be expected to refrain from exposing his connections. Indeed, events have shown that GERENDE's wife is a vindictive woman, and if it had not been clear to her that she, as well as GERENDE, would lose money if he loses his job, she might have blown the whistle long ago. GERENDE, for his part, would have preferred to keep his RVROCK salary entirely out of the picture. Eventually, however, he agreed that the Station position was fair, and he said he would conform.

4. The attached memoranda from GERENDE are, in the Station's opinion, basically fair accounts. In the beginning, the Station was inclined to give GERENDE's wife (LIEMPTY-19) the benefit of the doubt, largely because her description of GERENDE's character weaknesses came as no surprise (particularly his tendency to procrastinate, even when his marriage was at stake). Early in the conflict, LIEMPTY-19 contacted RIZZUTO and asked point blank what she could tell her lawyer about GERENDE's salary. She was told she could not mention the RVROCK portion under any circumstances, and that if she told anyone that GERENDE had any connection with LNPURE, the connection would be denied and GERENDE would be terminated. She appeared to accept this gracefully, even though it meant she would have to scale her support demands down to the level of GERENDE's overt income (GERENDE's monthly salary from RVROCK was over 7,000 pesos; he earned an additional 4 to 5,000 pesos teaching English, and he has since rented their house, for which he is receiving slightly less than 7,000 pesos monthly). Subsequently, LIEMPTY-19 was told that the Station would see to it that as long as GERENDE continued to receive an RVROCK salary, he would give her the same proportion of this salary that the courts determined should be paid from his overt income. This, of course, was strictly an informal arrangement, one which would stop the minute GERENDE stopped receiving a salary. Later, as LIEMPTY-19's position hardened and her vindictiveness began to rule her actions, LIEMPTY-19 was reminded by the Station that the longer it took for an amicable solution to be reached, the greater was the chance that GERENDE would lose his job. If she persisted in having him arrested (which she succeeded in doing twice), his job would be jeopardized. While she continued to repeat sweetly that she had no intention of causing his termination, and had never breathed a word to a soul about his RVROCK affiliation, her attitude was in fact jeopardizing his job and if he lost his job, she and the children, as well as GERENDE, would lose income. Her attitude is

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HMMA-38700

doubly disappointing in view of the fact that as she became more and more unreasonable, GERENDE was moving in the other direction.

5. The outcome can still not be predicted. As can be seen from GERENDE's memos, the two sides are still far apart on a number of points, including specifically money. LIEMPTY-19 insists on 10,000 pesos per month. GERENDE is willing to pay 5,000. GERENDE is currently on half-pay, which means that his total (all source) monthly income is around 14,000 pesos. From this, he would not only have to pay the amount which is finally agreed upon, he must also continue payments of 2500 pesos per month to LIEMPTY-19's father (paying off a loan obtained to build their house). The complicating factor is the uncertainty of GERENDE's future with RVROCK. The Station has maintained for some time that it is impossible to continue to pay GERENDE his full salary solely to run the LICALLA and LILYRIC basehouses. Now that FERNALD has absorbed this duty with only small inconvenience and some loss of timeliness, it makes even less sense to put GERENDE to work only to do this. GERENDE has long been aware of the Station's thinking in this regard, and prior to the current personal crisis he had been told that he would have to work harder at a greater variety of tasks in order to retain his position. As Headquarters is aware, he had been given additional tasks, and, as reported in reference, he had begun to respond very well. There has never been any question of GERENDE's ability. As we have previously stated, he is personable, intelligent, bilingual and binational, and has had good training and experience in certain fields. On the other hand, there has long been doubt about his seriousness of purpose, his initiative, and his ambition. The "reversal of roles" which he describes in one of the attached memos, which took place when he was confined to his home as an LP keeper, did more than cause domestic problems -- it apparently deprived him of the discipline of a daily job. His well-deserved reputation for being lazy was earned years ago.

6. The question which must be answered is whether or not to terminate GERENDE. He can be useful to the Station, but the Station has learned to get along without him. What are the security hazards involved? The general range of his knowledge is described in paragraph 5 of reference. If all of this were blown, the loss to the Station, particularly in terms of support operations against the MHARSH target, would be considerable. The Station does not believe that GERENDE would deliberately expose any of this, but it is impossible to predict what LIEMPTY-19 might do, particularly since she would feel that she had nothing to lose, having already lost a possible source of income through the termination. GERENDE's termination bonus would probably be in the neighborhood of ten thousand dollars. Presumably LIEMPTY-19 is aware of the fact that he would get such a bonus, although the Station has never discussed this with her and the possible division of such a bonus between the two of them has never been mentioned.

LICALLA

7. The LICALLA basehouse continues to function without changes, except for the fact that Bruce H. FERNALD has been meeting LIEMPTY-9 since 9 December 1969. Brief meetings with LIEMPTY-9 are held once a week at pre-arranged times and places (well away from the MHARSH area). Occasionally special meetings are called, by phone, by FERNALD, if special coverage is desired (as in the AESEASICK case, for example). There have been no problems, operational or personal, involving the basehouse or LIEMPTY-9 during the reporting period. LIEMPTY-9 provided 1,728 photographs during the reporting period, and in addition to his regular reporting on observed activities of MHARSH personnel, he provided special coverage as requested. This "special coverage" consists of his observations of a selected individual -- who does he spend his time with, how is he behaving, when was he present (or absent), etc. LIEMPTY-9 spends over 40

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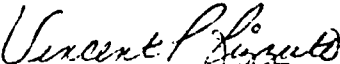
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CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA-38700
<p>hours a week just watching (and photographing) MHHARSH personnel, and over the years he has gotten to know them, and their habits, very well. He can spot unusual or atypical behavior, and when he is asked to put a certain individual under close scrutiny, his comments can be very useful. Newcomers, no matter what their cover, will frequently gravitate to their IS colleagues in the "safety" of the MHHARSH back yard, thereby enabling us to make tentative AEKICK or AEGRIIP identifications. TDYers can often be linked up with their internal escort officers. In the case of specific targets, LICALLA special coverage can sometimes give clues to personal relationships which can be exploited. During the reporting period we had special coverage on AESEASICK (to determine any changes in pattern following the AEMIDRIFF defection and following the operation against him -- and in both cases LICALLA did report some change in pattern); 201-305870 (for much the same reason, although here the evidence was not as clear); AEPOLYP (to gather information on his patterns and his associations); ABTAKEOFF (for the same reason); and 201-838166 (to find out if he did, in fact work in the "restricted area" and who his associates were, a requirement which was quickly satisfied). Also, LICALLA has been asked to report on the arrival and activities of TDYers such as the AEKICK security inspectors (he is not, of course, told that "security inspectors" are expected -- he is told of the expected arrival of visitors, and he can spot a visitor or newcomer immediately), the possible arrival of 201-314616 and, currently, to attempt to identify, at least by association, the person who went out to meet an LNREAD agent (subject of MEXICO CITY 2741, 17 March 1970). The value of LICALLA to the REDTOP program in Mexico City can scarcely be overstated.</p>		
<p><u>LILYRIC</u></p>		
<p>8. There have been no changes during the reporting period of the operation of the LILYRIC basehouse activity, except that Bruce H. FERNALD took over the handling of the LILYRIC personnel from GERENDE in early December. FERNALD normally meets only LIEMPTY-13, at pre-arranged sites and times (also well away from the MHHARSH area), once a week for pick-up of the films and reports. He occasionally meets LIEMPTY-14 (LIEMPTY-13's wife) when LIEMPTY-13 may be out of town. The LILYRIC coverage is a family enterprise with the work equally divided among LIEMPTY-13, -14, -26, and -27, who split up the hours of duty so that there is uninterrupted coverage Mondays through Fridays from 0800 to 1800 hours, and 0800 to 1500 hours Saturdays. (Extra-hour or week-end coverage may be requested as necessary, and the LILYRIC personnel responded to the Station request for such extra coverage during the AEMIDRIFF and AESEASICK cases.) The family has continued to provide reports during the reporting period on all activity centered on the front entrance of the MHHARSH Embassy. Such coverage included, as in the past, daily logs on the comings and goings of MHHARSH officials, up-to-date recording of MHHARSH license numbers, special activities and visitors (particularly Americans, of whom five were spotted and reported on during the reporting period), and some 3,500 photographs. As an example of the value of LILYRIC coverage, within one week of the change of license plates at the MHHARSH Embassy (a biannual change affecting all of Mexico, with new numbers bearing no relation to the old), LILYRIC had provided a complete list of the new numbers (along with the cars to which the plates are assigned). Among other things, this enabled the Station to identify AESEASICK's companions during his last few days in Mexico. Without LILYRIC, identification of the new license plates would have taken months and would have handicapped our operations. LILYRIC has also provided special coverage of the visit of a Latin American CP representative, and is currently watching for the two AEKICK security technicians, 201-314616, and the man who went to meet the LNREAD agent. Also, LILYRIC has reported on visits of Mexican students and the identity of the MHHARSH representatives who deal with them or hand out literature to them. In short, LILYRIC's services, even though the</p>		
<p>FORM 53a 8-64 (40)</p>	<p>CLASSIFICATION S E C R E T</p>	<p>PAGE NO. 4</p>

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CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA-38700
<p>MHHARSHers undoubtedly assume we have a LILYRIC-like facility, and act accordingly, are another vital element of the REDTOP program.</p>		
<p><u>LIEMPTY-4</u></p>		
<p>9. LIEMPTY-4 has continued to develop and to print all of the LICALLA and LILYRIC photographs. He has been met regularly by Bruce H. FERNALD (taking over for GERENDE) since 26 November 1969. The first few meetings at that time (late November and early December) were arranged by FERNALD by telephone to LIEMPTY-4 and primarily concerned LIEMPTY-4's reports on GERENDE's family problems and related security arrangements. Since mid-December, LIEMPTY-4 resumed a regular schedule (usually weekly) of meetings at pre-arranged sites and times. LIEMPTY-4 has been given a special extension in the Station to which he may call as "Dr. Carlos" to leave a message for "Victor" (FERNALD). FERNALD can change meeting plans by directly calling LIEMPTY-4. The only personal problem directly involving LIEMPTY-4 was surgery on his knee which required his wearing a full cast on his leg for over six weeks. During this period when LIEMPTY-4 has been unable to drive, FERNALD has been meeting LIEMPTY-4, for the exchange of LICALLA/LILYRIC films and prints, at LIEMPTY-4's office, under a suitable pretext and with appropriate security precautions. LIEMPTY-4's services are invaluable since the Station could not, on a continuing basis, process the LIEMPTY material in its own photo lab.</p>		
<p><u>SECURITY</u></p>		
<p>10. Other than the security problems inherent in GERENDE's personal problems, there have been no security problems during the reporting period.</p>		
<p><u>FUTURE PLANS</u></p>		
<p>11. As for GERENDE, the Station has reached the conclusion that he must be terminated. This is not an easy decision to make, nor will it be easy to confront GERENDE with this decision. He has, after all, devoted 15 years of his life to RVROCK. However, as noted above, in spite of his talents the Station has been able to get along without his services. Furthermore, the constant security risk posed by his wife is, frankly, an unacceptable risk. To try to mollify her by promising her a portion of his salary is probably unworkable in realistic terms, particularly since her attitude has progressively hardened. The Station, therefore, intends to terminate GERENDE prior to the end of FY 1970. GERENDE's contract calls for a termination bonus of one month's salary per full year. This would come to \$8,750 (USD). For various reasons, including the need to preserve the security of the operation by ensuring that the termination is amicable, it will probably be necessary, as stated in paragraph 6, to give GERENDE about \$10,000 (USD). Furthermore, it will be necessary to inform LIEMPTY-19 of the termination, and, to keep her from revealing what she knows, she will undoubtedly have to be given some money herself. The Station does not believe that it would be equitable or sound from a security point of view to use the money which GERENDE himself has earned for this purpose. Therefore, while the figure will remain negotiable, the Station believes that the sum of \$2,500 (USD) would be a reasonable amount. Total obligations for FY 1970 in the LIEMPTY Project are currently estimated at slightly less than \$33,000 (USD). The Project has been approved in the amount of \$38,970 (USD) leaving unobligated approximately \$6,000 (USD). It is therefore requested that the LIEMPTY Project be amended for FY 1970 to provide an additional \$8,000 (USD) to be used in the GERENDE termination. Funds will be available at the Station.</p>		
<p>FORM 53a 9-64 (40) USE PREVIOUS EDITION.</p>	<p>CLASSIFICATION S E C R E T</p>	<p>PAGE NO. 5</p> <p><input checked="" type="checkbox"/> CONTINUED</p>

CONTINUATION OF DISPATCH	CLASSIFICATION	DISPATCH SYMBOL AND NUMBER	
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<p>12. Regarding the project renewal for FY 1971, as far as LICALLA, LILYRIC, and LIEMPTY-4 are concerned, no changes in procedure are planned. The product is useful, it is as timely as present circumstances permit, and the personnel involved are doing their jobs well. The only change foreseen is an increase in salary for some, if not all, of these agents. The most recent salary increases took effect in May 1968. LIEMPTY-4 has not had an increase since January 1967, and LIEMPTY-13 since January 1964. Increase in cost of living alone would be sufficient justification to raise salaries, but in the case of these agents their consistently excellent work deserves to be rewarded. These salary increases will probably range between 10 and 20 percent.</p> <p>13. As for other project expenses, LIEMPTY-10 and LIEMPTY-11 will no longer be funded under LIEMPTY, but have been transferred to LIEMBRACE effective 1 July 1970. Real estate expenses should remain fairly constant, with perhaps a slight allowance for inflation. The rent on GERENDE's dark room (MEXI 137) will no longer be paid with his termination. MV-2823 will be sold or otherwise disposed of and should not be included in the project for FY 1971. Equipment and operational expenses should remain constant.</p>			
 for/John A. PROBERT			
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50-6-74/3

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15 March 1970

TO : Case Officer and Chief of Station

FROM : GERENDE

SUBJECT: GERENDE Background and Status Report
of Present Marital Conflict

1. While this is not intended to be a full exposition of my personal and private life over recent years, I would like to make known some of the factors that have, from my point of view, led up to the present situation.

2. I realize that the interests of the organization and the interest of the individuals who may have opportunity to come in contact with my case dictate as little personal involvement as possible in the lives of agents. Indeed, the requirements of security, compartmentation and efficiency prescribe the modus operandi and, to a great extent the modus vivendi, of agency personnel not only in the sense of earning a living but also in manner of living. Ideally, the less said about an agent's private life, the better, but, as the years go by, changes may occur which go unreported or unnoticed and which may bring about unexpected events and repercussions. When a person has been working for the Station, as I have, for fifteen years with little or no personnel handling problems, no security flaps, no obvious problems on the job, and something comes up like the abrupt separation of my wife (LIEMPTY-19) and me with the personal and potential security risks it has entailed, I feel that some explanation is necessary. Should it be in order, I would like this explanation to reach not only my present case officer and Chief of Station but also the former Chief and officers with whom I have had the privilege to work over the years.

3. I would like to give thanks, in advance, for the patience and understanding that have been shown me thus far. Whatever the final outcome, I know that people have been bending over backward to be helpful and patient in hopes of an early solution to the conflict.

4. Back in September 1959, shortly after our wedding in late 1958, my wife and baby girl, were moved, by the agency, into a

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spacious, carpeted, furnished apartment near the DIZTAG Embassy, which served intermittently as a listening post-basehouse for the agency. At the time, LIEMPTY-19 was working as the manager of the bookstore at the University of the Americas and, at the same time, studying for a B.A. in philosophy. Those were happy times. We received a two-month leave, went to Europe, the Rome Olympics and visited LIEMPTY-19's family in Holland. Back in Mexico, when the base was in operation I stayed home a lot (one of the requirements), minded the dial and tape recorders and the baby -- an unfortunate reversal of marital roles. After exactly five years the basehouse was closed down and we lost rent, LIEMPTY-19's salary and my mother's salary which she had been receiving as part-time basehouse keeper. My mother and youngest sister gave considerable help in taking care of the baby while LIEMPTY-19 worked and when we went to Europe and left the baby with them. This was during the first three years at the base until we had our second child, Christopher.

5. We moved to a small apartment in Lomas and, to supplement the loss of salary and rent allowance, the Station began paying 1,000 pesos a month for the use of a dark room I had built on the roof of the building. We had our third child, Madeleine, unplanned, two months after settling in the two-bedroom apartment. The apartment need not have been so small but we had chosen it for its location and style and because it was to be a temporary stop until we could find something better. We missed going to the Olympics in Tokyo which we had planned to do (1964) and instead began negotiating to buy a home building site at Rio Esccondido but when the deal fell through, we decided to go on leave to Europe again, this time with the two older children, leaving the baby with my sister. We visited with LIEMPTY-19's parents in Holland (they had moved back to Holland after having lived in Washington, D.C., since 1943) and the two children stayed with them while LIEMPTY-19 and I made side trips. Traveling is LIEMPTY-19's greatest love in life. Upon our return to Mexico (I came back two weeks earlier), LIEMPTY-19 was so depressed at leaving Europe and being back in Mexico she was emotionally and physically inaccessible for about six weeks. She had not fully adjusted to living in Mexico or to settling down and becoming a housewife. Our cramped quarters, way of living, lack of money, my job, my irregular hours and habits, my Friday night poker games, the three children, all these got her down.

6. In the fall of 1965 after our return from Europe I began teaching English to beginners in the adult education program at the American School in the evenings. This started as a two-hour a week moonlighting experiment but by early 1966, through student contacts made at the school, I had branched out to teaching at the offices of Carnation Milk Co., Singer Sewing Machine, and Richardson-Merrell Drug Co. for a total of about twenty hours per week. LIEMPTY-19, meantime, was working part-time at the Hamilton School in Lomas where the two older children were attending. The family finances improved and I was able to convince LIEMPTY-19 that

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the best thing to do was to invest in land and build a house big enough for our growing family which by now had a fourth child on the way. With three friends as partners, I entered on a land-buying deal which turned out to be complicated as we bought the land in the form of company stock. The company was liquidated and the assets were distributed, as land, to the four partners. I paid for our share with the proceeds from the sale of a small lot I had been paying for since 1955. LIEMPTY-19 was at first reluctant to tie us down with a house but when we finally got the papers and land deed straightened out, she threw herself wholeheartedly into the project and the building which began in August 1967. While LIEMPTY-19 supervised the construction, I worked during September and October almost full-time for the Olympic Organizing Committee and the group from Czechoslovakia which came to train in the pre-Olympics. My father-in-law deposited money in Mexico to help us with the major part of the financing of the house. We used \$286,500 pesos of his money and about \$60,000 that LIEMPTY-19 and I had saved and got the house finished enough to move in in March 1968. We were very short on furniture and shortly after moving, in bought three bedroom sets, an automatic washer and even a piano. Naturally, cash was scarce, dirt was plentiful. The yard was a pile of rubble, the carpentry work had just begun, there were no closets, the house was unpainted. Thereafter, we did things on the house as the money came in: continued with carpentry, finished the driveway, put in grass, built a fence and front gate.

7. Six months after moving in came time for the Olympics and I worked, unofficially this time, with the water polo team from Australia. LIEMPTY-19 worked for the month with the Dutch and Belgian radio and TV group. LIEMPTY-19 was, once again, caught up in the atmosphere of being among Europeans and doing something exciting and out of the routine of home and children. She fell in love with the Australians as well, and for several months all she could talk of was that we should move to Australia. I gave it some thought but decided that we had neither the money to invest nor the youth and technical training to make it as pioneers "down under" and, on the other hand, family, friends, a house, and job seniority here in Mexico.

8. Toward the end of 1968, LIEMPTY-19 decided it was time for me to move out of the master bedroom as she could no longer face that aspect of our married life. For several months we tried this but it did not work out for me. One night in March 1969 after we returned home from a party, she asked me to help her undress and when she, once again, refused to have anything to do with me, I got rough with her, prompting a decision on her part, which she had already been pondering, to visit her parents in Holland as soon as possible. Her father provided the plane fare and she left in April for the United States to visit her brother and sister and Holland, for what she said would be a five week trip. She stayed away ten weeks. The four children remained with me, the maid, and

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my mother who came to help three days a week. Upon her return, LIEMPTY-19 bore an air of resignation rather than of enthusiasm and, again, as on her previous return from Europe, was physically down and mentally unhappy. When asked about her thoughts on Australia she said that if she had wanted to live in Australia, she should have married an Australian. The separation had not improved our intimate relationship.

9. In August I was to take five weeks' leave and go with the children to Astro-World in Houston and visit my mother's family in South Carolina. When I suggested postponing making monthly payments on her father's loan until December when the Christmas Bonus would cover the back debt, in order to make the trip, she was adamant, saying that if I did not have the cash for going, I should not take leave. I borrowed from my life insurance policy and left with the three youngest children. Adriana had a touch of hepatitis and joined us three weeks later. After spending the month in South Carolina, we returned to Mexico to find that LIEMPTY-19 had very much enjoyed her solitude. We had already talked about divorce before her trip to Holland in the spring. I had told her that I would not consider parting with the children and she said she would consider leaving them to me if I would settle the debt to her father as well as give her a substantial share of what she considered was her part of the house. The title of the house was in my name and had been since the buying of the land. LIEMPTY-19 said I could mortgage or sell the house but that the money was what she was mainly interested in. I told her that the sale of the house was not financially wise in its unfinished state and that the house and land are very likely to appreciate sharply over the next three or four years considering the housing developments going on in the area. Added to this was the sentimental attachment to the house and area. A mortgage, on the other hand, for the amount of her father's loan plus what she was asking, was something I could not afford considering the more than 12 percent cost of such a mortgage in Mexico.

10. At the same time, during September 1969, that we were going through the above-mentioned discussions, LIEMPTY-19 was taking a course at Japan Airlines to become a tour guide and group leader for trips to the Orient as early as November 1969 and, certainly, to Expo '70 in Osaka during the spring and summer of 1970. She received a diploma to that effect. I told her that if she wanted out of the marriage and wanted to be free to travel it was all right by me but that the children would stay with me and I would continue to repay her father at the agreed rate (\$2500 per month and 5 percent per year). She then sought legal advice from an old friend, Dutch lawyer Guillermo Floris Margadant who, in turn, steered her to a young woman lawyer, Dra. Berta Martinez, who must have advised LIEMPTY-19 that under the local legal system the only way to try for a sizable cash settlement and considerable support was to hang on to the children because LIEMPTY-19 made a radical "about-face" in her attitude concerning them and she now said that she could not

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"abandon" the children. I refused to visit her lawyer with her saying I was not interested in getting divorced, whereas she said that her mind was made up and that we would have to split up.

11. Things came to a head on the night of 12 November when I got home around 9 PM and she suggested we have a drink and talk things over. I mixed some martinis and she began laying down the terms under which she thought we should get divorced, i.e. I should move out of the house, mortgage to pay back her father's money, grant her custody of the children and support of 2,000 pesos per month per child (\$8,000). I said I would not get divorced under those conditions and we discussed and argued in the kitchen for about three hours, killing a bottle of gin in the process. We went upstairs and when I tried to make up to her she tried to rouse the children, unsuccessfully, and then tried to leave the house which I would not let her do. She got hysterical, phoned a neighbor, Uta de la Hoz, then she went into the front yard and awakened the next door neighbors, Walter Hurley and his wife, and asked to go to their house. A few minutes later, Uta and her husband Guillermo came and LIEMPTY-19 went with them to their home two blocks away. About a half-hour later I walked up to Uta's to ask LIEMPTY-19 to come home but was told that she was busy phoning her lawyer and would not return.

12. The following morning I took the children to school as usual and my sister Marcia (LIEMPTY-4's wife) picked them up and took them to her house where I joined them for lunch. LIEMPTY-19 came by in the late afternoon while my sister was out, picked up the children saying she was taking them home, failed to do so, then disappeared and was not to be found.

13. It was the subsequent action taken by LIEMPTY-19 in dropping her lawyers and taking on the services of Bernabe Jurado, the most notorious penal attorney in Mexico, that led to the potential security hazards that ensued.

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50-6-74/3

9 March 1970

TO : Case Officer
FROM : GERENDE
SUBJECT: GERENDE Status Report

The present situation of the marital conflict between GERENDE and his wife (LIEMPTY-19) is as follows:

1. GERENDE is living at his mother's apartment at 99 Carlos B. Zetina Street, Apartment 9. He has rented a three-bedroom apartment at Tornel 2 corner with Pedro Antonio de los Santos where he has stored the household effects and furniture removed from his former address at Ladera 39, Lomas de Bezares.
2. The house at Ladera 39 is rented to an executive of Chrysler Corporation International, Dr. Leon MARKIEWICZ, his wife, and fifteen-year old daughter, all of Argentine nationality. The monthly rent is 6,700 pesos M/N and the contract is for two years, beginning 1 February 1970.
3. LIEMPTY-19 and the four children are apparently still living at the residence of the Netherlands' Ambassador, Barcn Schelto Van Heemstra at Peña 360, Jardines del Pedregal. It seems fairly certain they are at that address from things that the two older children, Adriana and Chris, have said to GERENDE on the last two occasions he has seen them. They have been there since 5 December 1969. LIEMPTY-19 has denied that she has a fixed address and says that she is staying with "friends."
4. LIEMPTY-19 is continuing to use the services of Bernabe Juardo as her lawyer and, through him, is pressing for even more advantageous terms in the divorce than she had asked in November. Please see the attached copy and translation of the latest proposal made by Juardo on 4 March 1970.
5. The charges and accusations made by LIEMPTY-19 against GERENDE are still not completely resolved and are as follows:
 - a. Insults, threats and attempted homicide -- this charge rests at the 5° Juzgado Penal, 2ª Corte Penal located at

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50-6-74/3

Lecumberri. The judge is CRUZ Mellado. These charges have not been pressed since they were originally made on 13 November 1969 by LIEMPTY-19. The ruling on these charges, should the case come to trial, must be made by three judges of the 2^a Corte Penal composed of the 4th, 5th, and 6th Juzgados Penales. The judge of the 6^o Juzgado is Lic. QUIRAZCO, an alumnus of GERENDE's lawyer, Jorge Mario MAGALLON. Together they have, on two occasions, been to speak to Judge CRUZ Mellado who agreed not to issue an arrest warrant and who has, finally, called for a hearing on 16 March (subsequently postponed) at 10:00. MAGALLON has given GERENDE assurances that the charges are likely to be dismissed.

b. Fraud -- this charge was made by LIEMPTY-19 and her lawyer on 11 December 1969, the day after GERENDE left the Villa Obregon jail after having spent a week there for disobeying a court order. (The court order had consisted of an unfounded request to have GERENDE expelled from his house and to have LIEMPTY-19 reinstated there with her father, as the temporary custodian of the children. GERENDE refused them admission under those terms, hence disobeying the Villa Obregon judge's order, so the judge's secretary arbitrarily ordered, on the spot, a 10-day detention. Subsequently, the judge, LUCAS del ARNAL, was forced to lift the detention after seven days and dismiss himself from the case and divorce proceedings as incompetent. The judge has had to face charges of collusion from and with the lawyers of both parties, i.e. Magallon and Jurado. The charge of fraud rests at Mesa 31^a of the Procuraduria del Distrito Federal. The Public Ministry Agent in charge of that table is Jorge GUTIERREZ Cruz. LIEMPTY-19 claims that the money lent to her and GERENDE for building the house at Ladera #39 was actually loaned to buy the house and that GERENDE, knowing they were married under the separate property marriage clause had wrongfully placed the property in his name only, thereby committing fraud. Actually, the land was bought by GERENDE before Christmas 1965 in a complicated transaction involving three other partners: Robert Bancroft WHITEHOUSE, John (Dick) RENNA, and James Walter HURLEY, and each of the partners placed the property in their respective names with the complete knowledge of their spouses. Later the land was subdivided and after nineteen months the deeds were issued. LIEMPTY-19 supervised and provided the notary who made the transaction and she was perfectly aware that the property was in GERENDE's name. In August 1967 when construction of the house began, LIEMPTY-19's father's money was used which he had deposited in Mexico for the purpose. Since January 1969, according to the terms of the loan agreement, GERENDE has been paying it off and has receipts from LIEMPTY-19 to show for it.

GERENDE has presented both the land deed ("escritura") pre-dating the construction of the house and the receipts

SECRET

- 3 -

showing up to date payment of the loan at the "Mesa 31a." No further action has been taken by LIEMPTY-19 or her lawyer on this matter but the charge has not finally been settled and is still pending. The charge is, of course, unfounded and is awaiting the proper "lubrication" in order to be filed away.

c. Neglect -- this charge was made by LIEMPTY-19 in December 1969 at the 7° Juzgado Mixto de Paz claiming that GERENDE had abandoned LIEMPTY-19 and the children to their fate and that they were utterly destitute. GERENDE was not notified of this charge and on 9 February after attending a hearing at the Villa Obregon juzgado (see below), once out on the sidewalk, Judicial police agents detained GERENDE, took him to the Procuraduria and from there to Lecumberri. This process involved being finger-printed and mugged. The following day GERENDE was out on a 2,000 pesos bond and three days later, 13 February, the justice of the peace (a woman) formally set GERENDE free for lack of evidence. GERENDE and Magallon went back on 5 March to pick up the bond money and see if Jurado had appealed but he had not and, apparently, that matter is closed.

6. On 14 November 1969, one day after LIEMPTY-19 disappeared from home taking the children with her, GERENDE brought charges against her for minor lesions and showed medical proof thereof. The hearing of 9 February after which GERENDE was detained, was called by Villa Obregon judge Bonfilio SEGURA. GERENDE reiterated the charge, LIEMPTY-19 denied it, the judge ruled against her, ordered her to prison but since the injuries were minor, it does not require privation of liberty and she must only go and sign-in once a week.

7. LIEMPTY-19 is at present teaching school at the Edron Academy on Caleri Street in San Angel Inn. The two older children are going to school there. During the latter part of November, all December and half of January, the children did not attend any school. On three occasions GERENDE has been to the school at 13:30 to try to speak to LIEMPTY-19 and see the children. LIEMPTY-19 has objected to this and the meetings have been short and fruitless except for GERENDE learning that they are still staying at the Dutch Ambassador's. GERENDE's last visit there was on 3 March (Tuesday).

8. After the Villa Obregon judge dismissed himself from the divorce proceedings, according to standard procedure, the case went to Coyoacan and Xochimilco respectively where the judges, in turn, excused themselves from the case and it has finally come to reside at the 1st Juzgado Civil in the D.F. The judge is Oida CORREA (woman) and has the reputation of being tough and pretty straight. Since LIEMPTY-19 has not given an address where divorce suit papers can be served her, the suit has not yet been initiated on GERENDE's part. LIEMPTY-19, on the other hand, has not had

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GERENDE served with papers though his current address is known, apparently because she is still seeking a voluntary divorce along the lines and terms which are stated in the accompanying set of proposals. GERENDE cannot begin to accept these proposals in their present form as they are patently unfair and hardly a point to beginning bargaining from.

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50-6-94/3

8 March 1970

The following proposals were made to GERENDE on 4 March 1970 (Monday) by LIEMPTY-19's lawyer, Bernabe Jurado, through a mutual friend, Licenciado Carlos Heyu, to wit:

TERMS under which the problem of [LIEMPTY-19] and [Raymond H. GERENDE] could be solved.

1. The right (patria potestad) to the minors would be kept by both the mother and father.
2. The guardianship and custody of the four children is entrusted to the mother. The father may visit the children once a week between 10:00 and 19:00 hours; he may take them out once a month and will return them to the mother's address before 19:00.
3. The father is obliged to pay the mother the sum of 10,000 pesos MN, in advance, per month beginning with the month of November 1969, since which time he has not given the mother or children any money at all.
4. This agreement will be raised to the level of a formal public writ the day it is signed by both parties.
5. Both spouses agree to divorce voluntarily under the terms of this agreement.
6. Upon termination of the divorce procedure, by mutual consent, both parties will desist from the civil and penal actions that either might have initiated against the other.
7. Both spouses are obliged to attend punctually the meetings that the legal procedure establishes as well as grant the guarantees demanded by the Public Ministry and acting Judge for the approval of this agreement and granting of the divorce.
8. In order that the father may visit his children and take them out, the mother is obliged to give notice of every change of address.
9. With the exception of the one day a week that the father may visit the children and the one day a month when he may take

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50-6-74/3

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- 2 -

them out, the father contracts the obligation of absolutely abstaining from calling on the mother's address, so that she may carry on her life freely without neglecting her children.

10. While the voluntary divorce is being processed, the mother and children will live at _____ and, as above stated, to satisfy their needs, the father will make the first monthly payment of \$10,000.

11. Neither the father nor the mother may take the children out of Mexican territory without the authorization of the other.

12. Since GERENDE owes the parents of LIEMPTY-19 the sum of \$286,500 plus agreed-on interest, minus whatever payments he has been able to make, the said GERENDE is obliged to mortgage the house at 39 Ladera, Lomas de Bezares in this city, precisely during the course of the divorce procedure by mutual consent as established in the antecedent clauses and before the divorce is granted so that LIEMPTY-19's parents are reimbursed on their loan or on the outstanding unpaid balance.

13. The expenses of making this agreement a formal writ as well as the fees of B. Juado will be paid by GERENDE but these will be fixed in an equitable manner by Carlos Heyn to whose decision both will submit.

14. In case of failure to comply with any of the clauses of this agreement at any time or for just one time, either by GERENDE or LIEMPTY-19, both agree to expressly establish the following sanctions and terms:

15. If GERENDE is the one who violates any clause just one time, he will forfeit the house at Ladera 39 to the mother and children, LIEMPTY-19, Adriana Juliette, Christopher Ramon, Maria Madeleine, and Laurence Fernando, and said property will belong to the above mentioned persons.

16. If LIEMPTY-19 is the one who violates the terms of this agreement for just one time, she will lose the custody of children in favor of the father or whatever person he designates for the guardianship and custody of the minors.

17. Since LIEMPTY-19 has to establish an appropriate place to live, in the company of her four children, both parties agree that the household effects will be turned over by GERENDE, to LIEMPTY-19 for that purpose, as well as the automobile she has been using throughout the marriage.

Mexico, D.F., 4 March 1970

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NOTE: GERENDE's lawyer advised him not to make a counter proposal. His comments on the above terms are as follows (keyed to above):

1. OK
2. Visitation rights everyday at any time; he may take them out overnight once per week.
3. Will pay 5000 pesos per month, to begin with date of settlement (i.e. not retroactive)
4. OK
5. OK, assuming that agreement is reached on terms
6. OK
7. OK
8. OK
9. Revise to agree with GERENDE's version of paragraph 2
10. OK, except payment is to be 5000 pesos.
11. OK
12. No. GERENDE prefers to continue paying off under the terms of the loan agreement with LIEMPT-19's father. Later, if a mortgage can be obtained at an acceptable interest, GERENDE might consider this.
13. No. GERENDE and LIEMPT-19 will each pay their own lawyers.
14. See below
15. Not acceptable
16. Not acceptable (in context of paragraphs 14, 15, and 16)
17. She may receive household effects, but not the car.

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SC-6-24/5

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MICROFILM

TO Chief of Station, Mexico City

INFO

FROM Chief, Western Hemisphere Division

SUBJECT REDLEG LIEMPTY/LNEASE Double Agent Cases

ACTION REQUIRED - REFERENCES

REFERENCES: A. Director 016547
B. MEXICO CITY 2741

1. Per Reference A, LNEASE case Bruce DAKAR (LNEASE Case No. 127-41) was passed to LNERGO who plans to use DAKAR within WOLADY. No additional details are available.

2. Headquarters appreciates Station's support on the case of Frank CAMDEN and the LIENTRAP details forwarded in Reference B. We will keep the Station apprised of any additional developments in CAMDEN's case.

Milton C. SANTRELLA

MICROFILMED
APR 3 1970
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1 - RI 1 - Chron 1 - SB/X 1 - SB/CI 1 - CI/OPS BX 4 DSS MFD FI	ORIGINATING OFFICE WH/1 <i>Osborne</i> EXT. 4167 COORDINATING	
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	C/CI/OPS/WH	
	C/SB/CI/OPS	23 March 70
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ACTION NO. <u>986</u> WH8		FILE, VR <u>R/AN. SR8</u>					

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DIRECTOR

LIEMPTY

REF: DIRECTOR 018246

1. POUCHING LIEMPTY REPORT 26 MARCH. REGRET DELAY WHICH
DUE PRESS OTHER ACTIVITIES REDTOP FIELD.

2. FILE: 50-6-74/3. GP-1

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TO *✓* MEXICO CITY

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2. FILE: 50-6-74/3.

END OF MESSAGE

*WH COMMENT: Ref request latest LIEMPTY Progress Report.

LIEMPTY

W. V. Broe
 WILLIAM V. BROE
 CHIEF, WHD

John C. Murray
 JOHN C. MURRAY
 CHIEF, WH/1

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JOHN C. MURRAY
CHIEF, WH/1

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William V. Broe
 WILLIAM V. BROE
 CHIEF, WHD

John C. Murray
 JOHN C. MURRAY
 CHIEF, WH/1

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6 March 1970

MEMORANDUM FOR: SB/RMO

VIA : SB/X/WH

SUBJECT : Evaluation of Product Supplied to
SB/Division Through LIEMPTY and
LIENVOY Operations

1. It is requested that an evaluation of the product supplied by the LIEMPTY photographic surveillance operation targeted against the Soviet Embassy, and the LIENVOY joint telephone tap operations targeted against the Soviet, Polish, and Czech Embassies be submitted to this office. These evaluations will be presented with the current Projects LIEMPTY and LIENVOY renewals; they are also desired for use in operational discussions with Mexico City Station.

2. As a guide, whenever possible, these evaluations should relate through the use of overall statistics and/or specific instances in which the product has been deemed useful by the SB/Division.

John C. Murray
Chief, WH/1

Distribution:

Orig. & 1 - SB/RMO
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1 - WH/1/Chrono
1 - LIEMPTY Project
1 - LIENVOY Project

ORIG: W. R. HAZEN
 UNIT: WH/1
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 DATE: 6 March 1970

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06 19 10z MAR 70

CITE DIRECTOR 014967 -

TO MEXICO CITY

LIFEAT LIEMPTY

REF: A. HMMA-37892
 B. HMMA-38119

1. PLEASE SUBMIT LIFEAT AND LIEMPTY PROGRESS REPORTS SOONEST.
2. FILE: 50-6-32/3, 50-6-74/3.

END OF MESSAGE

WH COMMENT: Ref A reports LIFEAT progress 1 June through 31 August 1969. Ref B reports LIEMPTY progress 1 January through 31 October 1969.

LIEMPTY

JOHN R. HORTON
 ACTING CHIEF, WHD

JOHN C. MURRAY
 CHIEF, WH/1

ISSUING OFFICER

COORDINATING OFFICERS

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HMMA-38274	23 December 1969	50	120	2	
DOC. SUBJECT					
SEMI-ANNUAL PROGRESS REPORT FOR SB OPERATIONAL PROGRAM 1 JUN TO 30 NOV					
SOURCE INFORMATION					
SOURCE CRYPTONYM	DATE OF INFO.	EVALUATION			
TEXT OF EXTRACT (Also cite doc. distribution, Dissem. No., etc. - if applicable)					
la. LIEMPTY: No change.					
Indicate The Subject, Project Or 201 File No. In Which This Form Is To Be Filed.		50	6	74	3
SUBJECT OF 201 (Last, First, Middle)		201.-			
LIEMPTY OPERATIONS					

FORM 867 OBSOLETE
8-68 PREVIOUS
EDITIONS

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TO	Chief, WH Division			XX	NO INDEXING REQUIRED
INFO.	Chief, SB Division				ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM	Chief of Station, Mexico City				MICROFILM
SUBJECT LIEMPTY Progress Report, 1 January - 31 October 1969					
ACTION REQUIRED - REFERENCES					
<p><u>SUMMARY</u></p> <p>1. There has been no change in the operating procedures of the two LIEMPTY base houses, LICALLA and LILYRIC, or in the use made of the product. Raymond H. GERENDE continues as Project principal agent, and renewed attempts have been made to broaden his activities, to include additional agent handling and the following up of ops leads. After a slow start, some progress has been made, but GERENDE is now involved in divorce proceedings with his wife. This situation is steadily worsening and represents a potential security risk to LIEMPTY and other Station operations.</p> <p><u>GERENDE</u></p> <p>2. As Headquarters is aware, the Station has for some time tried to get additional mileage out of GERENDE. The Station has long recognized GERENDE's not inconsiderable talents: He is personable, fluent in two languages (to the point where he can pass either as a Mexican or an American with no trouble), he has considerable experience in support activities, he has knowledge of the local scene which would be hard to duplicate, and he is completely at the Station's disposal. He has also worked for RVROCK for close to 15 years, in effect making a career of RVROCK, and the Station believes that this long period of service imposes on RVROCK an obligation to see that he is fairly treated and provided with benefits which would not otherwise be due an agent with less longevity. On the other hand, GERENDE has picked up some bad habits--he is not punctual, his written reports leave much to be desired, and worst of all, he lacks drive and ambition.</p>					
<p>Distribution:</p> <p>(2) - C/WH 1 - C/SB <i>copy to SB/WH</i> CS COPY</p>					
CROSS REFERENCE TO		DISPATCH SYMBOL AND NUMBER		DATE	
		HMMA-38119		18 November 1969	
		CLASSIFICATION		HQS FILE NUMBER	
		S E C R E T		50-6-74/3	

CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA-38119
<p>3. After several largely abortive attempts to get GERENDE to follow up operational leads (and after noting, at the same time, a fine job he did in recruiting LIRICE-13), the Station decided to present GERENDE with what amounted to an ultimatum: Following a six-week leave at the home of relatives in the US, he was told that in recognition of his past services he was being given a salary increase to \$7,000 US per annum (which may not seem like much until it is realized that GERENDE pays no taxes on this, and has the use of a QP car, to boot). He was also told that he would be given a number of leads to follow up (in some cases persons to whom he had natural access; in other cases leads which he would follow up under cover and in alias), as well as agents to handle (in alias). It would be up to him to take advantage of this opportunity to perform up to his level of ability; if he did so, Headquarters would be willing to work out an annuity program which would relieve his worries about eventual retirement. If he did not put out, he could expect to be terminated by the end of FY 1970. GERENDE expressed his gratitude and his willingness to put his shoulder to the wheel, and, in fact, he has done so. In October 1969 he took over the handling of LIANVIL-1 from Oliver G. SCANTLING, and the Station has started to give him leads to follow up. His performance has improved in every way--his punctuality has improved, his written reports are continually improving, and he has made the effort to devise approaches to the various leads and to start to follow up on them.</p> <p>4. The Station was therefore highly encouraged, until 24 October, when GERENDE reported that his wife wanted a divorce. The problem is basically one of incompatibility of personalities, exacerbated by the fact that GERENDE's operational activities resulted in his being home more often than a man who works a normal office day. GERENDE's wife had taken a long vacation alone earlier in the year, visiting her parents, and the leave taken by GERENDE, referred to above, followed his wife's return and did not include her. Both times GERENDE had the four children. Thus the news of the divorce request did not come as a real surprise. The problem, however, is that both parties want custody of the children, and the dispute becomes daily more bitter and more violent. The station has taken the position that security of GERENDE's operations must be preserved at all costs, hoping, of course, that the divorce can be avoided. At this writing, the outcome cannot be guessed. If the bitter fight results in the surfacing of GERENDE's RVROCK employment, LILYRIC and LICALLA are faced with at least some threat of exposure. The MHARSHers are quite aware that a LILYRIC-like facility exists; whether they suspect LICALLA is a moot question. LICALLA is in many ways more useful, and the MHARSHers could put it out of business very easily by making their wall higher. Little could, or probably would, be done to prevent LILYRIC from functioning.</p> <p>5. Other than LIANVIL-1 and the LIEMPTY assets directly handled by GERENDE (LILYRIC and LICALLA personnel and LIEMPTY-4) other Station assets whose security might be affected by GERENDE's current problems include LIENTRAP, LIRICE-13, and the PCM OP. GERENDE is also aware of the fact that some sort of operation, presumably technical, is or has been conducted from the LIMESA complex; he is aware of the existence and knows some of the members of the LIEMBRACE team (LIEMBRACE-1, -2, and -4, among the currently active), and he knows of the existence of LIENVOY and LIFEAT. His wife is LIFEAT-19 and has been a substitute transcriber as late as late 1968, and his mother was LIFEUD-19 (a former LIFEAT basehouse keeper, inactive since June 1964). GERENDE also knows SCANTLING, David M. WILSTED, and Raymond L. BARCENAS, as well as current Station officers Vincent P. RIZZUTO and Bruce H. FERNALD (the latter in alias). He has also met Andrew E. PELLEMENT, who used an alias. In his 15 years, GERENDE has worked in almost every phase of the Station's support activities, and even though in recent years he has been pretty much restricted to LIEMPTY, his knowledge of activities and assets which are still current is considerable. It is too early to judge the outcome of GERENDE's problems, but the Station is making every effort to see that security of operations is not affected by whatever decision is reached.</p>		
FORM 53a 8-64 (40)	CLASSIFICATION S E C R E T	PAGE NO. <input checked="" type="checkbox"/> CONTINUED 2

S E C R E T

HMMA-38119

LICALLA

6. The LICALLA base house has continued to function as in the past. LIEMPTY-9 continues to be a conscientious recorder of events. In addition to providing about 3,500 photos during the reporting period, as well as comments on events and relationships which are noted by him, he had provided special coverage as requested on various targets of interest, such as AETAKEOFF. During GERENDE's absence on leave, LIEMPTY-9 was handled by SCANTLING.

LILYRIC

7. LIEMPTY-13, -14, -26, and -27 have continued to provide full-time coverage of the MHARSH Embassy front entrance, providing daily logs of the comings and goings of all officers, and about 9,000 photos during the reporting period. The LILYRIC base house reported on the visits of Americans ten different times, and provided special coverage in connection with AEBURBLE, SCLEASH-2, and one other LNERGO walk-in case. LILYRIC personnel were also handled by SCANTLING during GERENDE's absence.

LIEMPTY-4

8. As in the past, LIEMPTY-4 has done the developing and printing of all LICALLA and LILYRIC photos, and most of the LIENTRAP production. LIEMPTY-4 was handled by FERNALD during GERENDE's absence.

COMMENTS

9. LIEMPTY coverage of the MHARSH installation continues to be a useful tool in the Station's operations against the MHARSH target. One IA in the Station spends several hours per week processing the take, keeping mug book and files up to date, checking the information in the logs against other reports when required (to determine whether or not an agent or contact entered the MHARSH installation as claimed; or whether an AEGRIP or AEKICK officer was out of the installation at a particular time, etc.) and analyzing the LICALLA production for insight into personal relationships. Useful by-products include continual up-dating of MHARSH license plates and observation of demonstrations outside of the Embassy and renovations within the grounds. Furthermore, in GERENDE the Station has been attempting to develop an outside asset with considerable flexibility, who has been used to make recruitments and assessments as well as handle agents. GERENDE's personal problems are placing his own career in jeopardy and pose a potential security hazard to LIEMPTY and other Station operations. This is a problem which will be dealt with and resolved in the next reporting period and prior to the next Project renewal request.

John A. Probert
for John A. PROBERT

S E C R E T



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