

0000 0000 0000

VIA Air
(SPECIFY AIR OR SEA POUCH)

SECURITY INFORMATION

DIS CH NO. MGM-A-03889

CLASSIFIED ~~SECRET~~

TO : Chief, EE
Chief, SR
FROM : Chief of Station, Frankfurt *CRP*
SUBJECT: GENERAL— REDSOX/Operational/CAPELIN

DATE: 14 March 1952

SPECIFIC— Transmittal of Field Project Outline

References: WASHF-37770, WASHFG-20387, WASHF-22823, MGM-A-8530, MGM-A-8696

1. Transmitted herewith are the following two attachments:

Attachment A: Field Project Outline - CAPELIN

Attachment B: Per paragraph 2, MGM-A-8677, Extent of CAPELIN's commitments to the YIS net in Munich

2. [redacted], who has been conferring with IRO and INS officials in Munich, indicates that it may be impossible to hold CAPELIN in Europe beyond June, 1952. [redacted] will transmit all pertinent data on this subject to Headquarters so that the possibility of delaying CAPELIN's departure through INS or DYMAROON intervention at the Washington level may be investigated.

3. CAPELIN desires to remain in Germany as long as we have use for him and, should he be forced to leave for the U.S. in June, is willing to return as soon as he has completed the necessary residence requirements for re-entry to the U.S. Prior to any commitment on CAPELIN's return to Germany, the undersigned would like to make a study of the effect on the Ukrainian emigration his reappearance would have. Unless his return is well planned and covered, his connections with the AIS will be exposed.

Removed from Project *de deppon*
CS Classification: *74-6-63/1*
JOB # *63-534/26*
Box: *9* Fold: *2*

[redacted] (MEL)
CRP

Approved:

[redacted]

DECLASSIFIED

per DSH 43-43

CS COPY

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCES METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 20/

Distribution:
1-EE (direct) w/2 att.
2-SR (direct) w/2 att. (in dupl)
1-COS
2-MOP
51-28A

SECRET
CLASSIFICATION

FORM NO. MAR. 1949

1 encl. H/w

74-6-63/1

74-6-63/1-	
ABSTRACT <input checked="" type="checkbox"/>	INDEX <input checked="" type="checkbox"/>
DATE	14 MARCH 63

RECLASSIFIED	
RI/AN	CK3
RI/MIS	<input checked="" type="checkbox"/>
RI/Files	

CS COPY

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

0000 0000 0009

Attachment to MEMO A

08889

SECRET

FIELD PROJECT OUTLINE

PROJECT CRYPTONYM: CAPELIN

RECOMMENDED BY:

E 3

1. Area of Operations and Headquarters: Munich, Germany
2. References: CAPELIN provides CE information on the CASSOWARIES and CAVATINAS for the AERODYNAMIC Project. Also note the following:
 - MEM-A-8530; WASHF-22823; MUNIFG-6138; MGQ-A-485; MGQ-A-180; MGQ-A-8479.
3. Aims:
 - a) CE information on CASSOWARIES and CAVATINAS.
 - b) CE information on other political, cultural and social groups among Ukrainian and Polish emigres in Germany and other countries of Western Europe.
 - c) Penetration of the YIS network established recently in Munich, Germany.
 - d) Penetration of the Russian Orthodox Church Abroad.
 - e) Special assignments, e.g., name traces, character studies, etc., concerning Iron Curtain personalities in Western Europe.
4. Personnel: CAPELIN
5. Cover: Subject has a natural cover: Orthodox priest with the official title of Chancellor of the Orthodox Auto-cephalic Church of Poland in Germany. Therefore, he has a justifiable reason for showing an interest in the affairs of the Orthodox Church Abroad. As a former collaborator of the CAVATINAS and a personal friend of the CASSOWARIES, CAPELIN has no difficulty in maintaining close contact with them. The YIS resident agent in Munich is also a personal friend of Subject so no special cover is necessary.
6. Contact and Communications: The case officer contacts Subject at the latter's apartment by phone and arranges meetings at a safe apartment subtletted from an old German couple. The German language is used over the phone. The case officer is known to the landlady of the apartment as a Ukrainian journalist, an old friend of Subject's. The German landlady knows CAPELIN is a Greek Orthodox priest and he has told her that he requires a quiet, private room in which to write and study without interruption. In the event of an emergency, CAPELIN has an office number which he can call to contact the case officer.

Removed from Project *Arctura*
CS Classification: 74-6-63/1
JOB #63-534/26
Box: 4 Folder 2

SECRET

CS COPY

74-6-63/1-1

0000 0000 00 10

SECRET

Attachment to MEMO
A

03889

-2-

- 7. Control: At case officer's request, [] [] intervened with CIC and INS to permit CAPELIN to process for emigration to the U.S. CAPELIN knows that we can cancel his emigration at any time.
- 8. Special Equipment: None required. CAPELIN will be provided with a Ukrainian typewriter and with a photostating machine for copying documents which he hopes to borrow from the files of the YIS resident agent in Munich.
- 9. Co-ordination: No co-ordination is necessary for effective conduct of the project.
- 10. Timetable: CAPELIN has been reporting on AERODYNAMIC affairs for nearly four years. We will continue his work indefinitely. He accepted a position in a YIS net in December, 1951, and his project for penetrating the Russian Orthodox Church Abroad has yet to be presented to and approved by Headquarters.

11. <u>Estimated Cost:</u>	Quarter Ending 31 March 1952	Quarter Ending 30 June 1952
Compensation.....	1500 DM and \$300.....	1500 DM and \$300
Travel.....	None.....	200 DM
Operating Expenses.....	None.....	1500 DM
Total:	1500* DM and \$300.00	2200*DM and \$300.00

*CAPELIN has been told that he will receive 500 DM and \$100.00 per month. However, as long as he is collaborating with the YIS resident agent in Munich, the salary he receives from the YIS will be subtracted from the 500 DM we give him. Since 1 January 1952, CAPELIN has been receiving only 250 DM per month from the CSOB case officer. The \$100.00 per month, retroactive to 1 January 1952, will be deposited to his account in the U.S. as soon as Headquarters places CAPELIN on contract status.

The above estimates cover only those expenses which involve CAPELIN in CE reporting and in penetrating the YIS net in Munich. Estimate of expenses involved in attempting to penetrate the Russian Orthodox Church Abroad will be submitted later after the project has been worked out.

CAPELIN also receives 6 cartons of cigarettes, 2 pounds of coffee, 1 pound of tea and two bottles of whiskey per month.

- 12. Special Problems and Commitments: REF: WASHF-22823. Headquarters has authorized our payment of CAPELIN's and wife's passage to the U.S.

SECRET

0000 0000 0011

AGENCY: HI TO NSMA

08889

71

SECRET
-3-

in the event he remains in Europe after the date on which IRO sponsored travel expires. CAPELIN has completed processing for emigration to the U.S. but will remain in Germany as long as we want him to and/or as long as we can have INS delay his departure. A separate memo on CAPELIN's emigration status follows.

MGMA-9206

[[]]
[] DS

DESENSITIZED
PER 25X U

SECRET

25X U

0000 0000 00 12

A* ~~SECRET~~ to MESA
B

08889

SECRET

Background of CAPELIN's Connections with the YIS Munich Network

1. When the MUNICH YIS resident agent proposed that CAPELIN participate in his net, CAPELIN avoided giving an immediate answer by saying that he would have to consider whether working for the YIS would interfere with his church work. When CAPELIN requested instructions from the case officer, he was told to accept the resident agent's proposition but to explain that he would probably be unable to devote much time to the actual collection of information. CAPELIN should offer to help process reports from other agents and sources. The resident agent accepted CAPELIN's offer to cooperate insofar as the processing of reports for transmittal to the Yugoslav case officer from Dusseldorf.

2. This form of cooperation will insure our access to a maximum number of reports collected for the Yugoslavs and will not impinge upon the valuable CE work CAPELIN has been performing for the AERODYNAMIC Project.

3. In order to maintain the goodwill of the YIS resident, it will be necessary for CAPELIN to produce a report or two on German or Ukrainian affairs from time to time. In these cases, the subject and actual report will always be cleared with the undersigned before being transmitted to the YIS officer. Copies of all these reports will be forwarded to Washington as they are produced.

Handwritten marks: a bracket on the left, a horizontal line with a bracket on the right, and a bracket below the line.

Removed from Project ~~66-637~~
CS Transmittals: ~~74-6-637~~
JUB # 63-53416
Box: ~~9-10-6~~

DECLASSIFIED

SECRET

74-6-637-1

0000 0000 00 13

SECRET

AEBATH

January 1952

1. ACQUISITION: Subject (AECAPRYN) was first contacted in August 1946 in Salzburg, Austria, and in March 1947 he was transferred for residence in Munich, Germany, where he has remained until the present time.

2. DEVELOPMENT: The principal agent is a CI/CE informant who has provided inf information for the past 6 1/2 years on Ukrainian emigre personalities and organizations including those with whom CIA is in direct contact and whose who have contact with the intelligence services of Germany, France, Italy, Spain, England, Japan, and the USSR. Subject's information has been of value to this Agency in several aspects of its mission, i.e., contributions regarding the development and security of Project AERODYNAMIC, contributions regarding the security of the QEACTIONE sponsored committee, timely information regarding activities of the SPD designed to discredit one of the KUCOWN projects, contributed CIA information regarding activities of the German, Jug, Vatican, French intelligence organizations although he has primarily reported CI/CE information regarding Ukrainian emigres and their organizations. Has knowledge of Ukrainian groups and personalities has proved invaluable in conjunction with this office' development of its CE cases. His penetration of the SB has been of particular value to the CE section by providing not only information on ZCh/OUN activities but also an opportunity to direct or influence those activities in certain instances. He has been directed to report systematically on the RIS penetration of the Orthodox churches; being extremely well-informed on this Subject, he is in a position to obtain more data regularly.

3. CONTROL: Primarily the desire of Subject and his wife to emigrate to the US and obtain US citizenship.

4. PERFORMANCE, SECURITY and COVER: Subject has a natural cover for all his contacts as an Orthodox priest with the official title of Chancellor of the Orthodox Autocephalic Church of Poland in Germany, and as a representative of the World Council of Churches in Munich. As a former collaborator of the ZCh and a personal friend of the ZPs, he has no difficulty maintaining close contact with both groups. He also has a long-standing friendship with B. Lev. who has numerous contacts within the emigration and with other intelligence services. Subject has kept in touch with German intelligence officers through connections established during his war-time CI/CE work with the Germans. He has a wide circle of friends throughout Ukrainian emigre circles and can obtain information on or an introduction to almost any Ukrainian without arousing the slightest suspicion. As Subject himself would suffer serious consequence should his connection with the AIS become known, or should his various intelligence contacts be revealed to each other, his personal security is extremely good.

CAP

SECRET

0000 0000 00 14

SECRET

SECURITY INFORMATION

MEMORANDUM FOR THE AD/SO

14 July 1952

SUBJECT: Project AE-BATH

1. The purpose of Project AE-BATH is to provide CE information on the individuals of Ukrainian emigre status utilized under Project AERODYNAMIC and other groups of similar background in Germany and other countries of Western Europe. This project is also providing information on activities of a Yugoslav intelligence network recently established in Munich as well as the Russian Orthodox Church.
2. CAPELIN, the agent involved, is a 40-year old Orthodox priest who has been actively associated with Ukrainian emigre groups since 1928. (See page 4 of project outline for details concerning his background). He has furnished CE information to this organization on the activities of Ukrainian and Polish political, cultural and social groups in Germany and Western Europe since 1947.
3. CAPELIN contact with the Yugoslav intelligence agent dates from December 1951. He expects to be able to borrow documents from the files of the YIS agent and photostat them. This contact with the YIS agent, as in the case of the Ukrainian and Polish elements, is made by CAPELIN on a friendship basis.
4. Contact between the case officer and CAPELIN is made at the latter's apartment or a safe apartment.
5. CAPELIN has completed processing for emigration to the U.S. as a displaced person. He has agreed to work for American intelligence indefinitely, provided he can be assured of entry at some later date. (Note: The case officer has discussed this problem with the Alien Affairs Unit, I&S).
6. The cost of this project is estimated at a maximum of \$5,400 for a period of one year. A breakdown of this figure is as follows:

Compensation	\$2,400*
Payments to sub-agents and cutouts	1,300
Travel	160
Miscellaneous operational expenses	900
Equipment (Ukrainian typewriter and photostat machine)	500
Operational supplies	140
	<u>\$5,700</u>

* SR plans to deduct from this amount whatever CAPELIN receives from the Yugoslav service.

SECRET

0000 0000 00 15

SECRET

SECURITY INFORMATION

7. WASHF 22823 authorized payment of passage to the U.S. for CAPELIN and his wife in return for his agreement to remain in Europe after 3 August 1952, the date on which IRO-sponsored travel expires. SR states that a request for funds to cover passage will be requested in a future amendment, upon termination of CAPELIN's services. The OSO Budget Officer states that sufficient funds are available.

RECOMMENDATION: Your approval is recommended for the period ending 31 July 1953.

[] Acting Chief, STC [] Chief, Operations

[] Chief, Plans

Approved: [] 4 Aug 52
A/CFI MS/DO Date

ATTACHMENT: Project Outline AE-BATH

cc: STC/SPB
RI for Vital Records

SECRET