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29 June 1954

TO : Chief, STC
FROM : C/STC/SPB *Emp*
SUBJECT : Project AEQUOR Renewal FY 1955

CENTRAL INTELLIGENCE AGENCY	
CLASSIFICATION	Classified <i>Secret</i>
BY AUTHORITY	[]
Name	[]
Office	[]
Date	<i>3 Jan 61</i> []

12 JUN 1961

1. It will be recalled that the C/FI approved the renewal of this Project November 23, 1953 subject to the following recommendations of the Senior FI Staffs:

- a. No dispatch of additional teams until a thorough CE analysis of the BNR is compiled;
- b. Continued assessment of the bona fides of inside agents;
- c. Every effort extended to exfiltrate a team member.

2. Review of the desk operational files reflect that this study is almost completed and is awaiting the coordination of certain unresolved questions which will be verified by a cleared covert associate in New York who has access to the BNR Archives. Upon completion of this study, it will be made available to the FI Staffs for review.

3. Concerning the second recommendation, the desk has established a separate and distinct CE file for all W/T transmissions. Thusfar, all 43 W/T contacts which were received have been closely analyzed in attempts to verify the BF of AECAMPOS/6, /8, and /9. Although the desk has analyzed each transmission, it is most difficult to establish a doubleton by the mere analysis of the W/T traffic alone. In this case the problem is doubly difficult in that two of the team members are living black and naturally handicapped in their operational activities which could be used as operational testing devices. The

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legalized agent, AECAMPOS/6, has furnished certain support information which has been verified and up to the present time he appears to be clean. Although an S/W channel was implemented with an accomodation address in Berlin, it collapsed with the mailing of the first letter from inside. Through no fault of the desk, the Berlin intercept failed to pick up that letter to the designated addressee and it was undoubtedly delivered as an innocuous personal letter which had been misdirected. However, a photostat was made available by the intercept service but without the original and the accompanying S/W, it was worthless. Frankfurt is presently attempting to secure a new accomodation address in Berlin and through AECAMPOS/6, an inside address has been established and after much preparation and coordination with TSS the desk sent the first letter on June 10, 1954.

4. From discussion with the desk and a review of the appropriate files, it is apparent that attempts are being made to fulfill FI Staff recommendations. Furthermore, field dispatches indicate that priority is being given to exfiltrate AECAMPOS/6 as his documentation will expire in several months. In addition, AECAMBISTA/2, because of his inefficiency and laxness, has been relieved of his operational duties, but due to his knowledge of the inside team, is being retained on a salary basis and handled under favorable conditions.

5. At the present time, it is not possible to definitely establish whether this team is clean or controlled. However, the exfiltration of AECAMPOS/6 will be of tremendous assistance in the future direction of this operation and both the desk and the field are giving it immediate priority. Consequently, SPB concurs in the renewal for FY 1955 with the understanding that after the exfiltration of AECAMPOS/6 and the completion of the BNR study, either more specific direction will be given to this effort or consideration will be given for outright termination.

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