

SECRET

9 August 1954

MEMORANDUM TO: Chairman, Board of Losses and Shortages

VIA: Chief, Plans/FI

FROM: Chief, SR/OP

SUBJECT: Request for Write-off of 135,000 Russian Rubles

REFERENCE: CFR 1.4 D

1. It is requested that authority be granted for the write-off of 135,000 Russian Rubles, valued at approximately \$14,500.00, which were issued to three AENORLE agents in 1952.

2. This sum of money was intended to provide the agents with liquid assets for use in the initial months of their mission, and was to be utilized by them as the situation required. It has been found that the mental outlook of the agent is a paramount factor in the possible success of a mission, and the degree of support which this money contributed to their self-confidence should not be underestimated.

3. Information received from two of the agents indicates that the money has already been expended in the furtherance of their mission.

4. The agents' mission calls for them to remain in a denied area indefinitely, and the limited nature of our communications with them does not make an agent accounting of these funds possible. Because of this, and because it was expected that the 135,000 rubles would be entirely expended, it is not planned that any accounting of the expenditure will be available for CIA accounting. Therefore, the writing off of these rubles to expense is the only feasible method available to relieve the project case officer of the responsibility for this sum of money.

5. In the future, write-off provisions for expenditures of this type will be included in the original project.

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DATE 2007

6. The write-off of these funds should be charged to Project AESAURUS/AENOBLE, and the personal account of [] [] cleared of this expenditure.

7. Attachment A is a memorandum signed by [] [] AENOBLE case officer, certifying that the rubles were delivered to the AENOBLE agents, and that receipts for 45,000 rubles, totalling 135,000 rubles, were received by him from each man and passed on to [] [] (pseudonym) who was handling REDSOX operational support in CSOB/K at that time. These agent receipts were subsequently lost.

Attachment B is a statement by David E. Murphy, who was Chief, CSOB/K, verifying [] [] statement.

Attachment C is a statement by [] [] pseudonym) about the handling of these funds and the disposal of the receipts.

Attachment D is a statement by [] [] (pseudonym), formerly CSOB/K finance officer, concerning his handling and accounting of these funds. Although he has no clear recollection of the agent receipts, his statement essentially substantiates the statements made by [] []

8. Any questions concerning this memorandum should be directed to [] [] 1505 J Bldg, Extension 3914.

[] []

Attachments:

- A. Memorandum signed by [] []
- B. Certification by David E. Murphy
- C. Statement by [] [] (EGMA-9267)
- D. Statement by [] [] (EQQA-38029)

CONCURRED: _____
C/SR

CONCURRED: _____
DDP/A

APPROVED: _____
DD/A

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