

DISPATCH		CLASSIFICATION SECRET	DISPATCH SYMBOL AND NO. EGMA-45154
TO INFO	Chief, EE Chief of Station, Germany		HEADQUARTERS FILE NO. 32W-6-94/1
FROM	Chief, Munich Base		DATE 15 October 1959
SUBJECT	CATARSI/Identity-1/Operations Project Renewal		RE: "43-3" — (CHECK "X" ONE)
			<input type="checkbox"/> MARKED FOR INDEXING
			<input checked="" type="checkbox"/> NO INDEXING REQUIRED
ACTION REQUIRED			INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY

REFERENCE(S)

Attached and under separate cover we are forwarding a request for renewal of Subject Project.

APPROVED: [Signature]

Attachments:

- A - Cover Sheet and odd pages H/W
- B - Even pages U/SC
- C - Identities U/SC

Distribution:

- 3-EE, w/3 copies atts A, B, C (w/Ditto Masters)
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DATE 2007

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Reference to RMA - 1111

15 Oct 59

SECRET

TO: Director, CAGENERAL

Field Office

FROM: Director, CAGENERAL

Chief of Base

The attached Foreign Report is presented for approval for period 1 November 1958 through 31 October 1959.

The following is a list of references which are pertinent to the report:

- a. RMA-1111, 15 September 1958
- b. RMA-1111, 1 April 1958
- c. RMA-1111, 27 March 1958
- d. RMA-1111, 16 September 1958

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PROJECT RENEWAL

CRYPTONYM CAGENERAL

PART I

1. Area of Operations:

South Germany, but particularly in Munich and its immediate vicinity.

2. Purpose:

This is a clandestine communication support project created to centralise all Munich Base post office boxes and accommodation addresses. It is responsible for the obtaining, maintaining, financing, and servicing accommodation addresses and postboxes for Munich Base and all other KUBARK components requesting these services.

3. Background and Developments:

As was stated in the original project outline, the former decentralisation of Munich Base clandestine channels of communication resulted in a lack of a pool of reserve addresses, no coordination, insecure practices, and the lack of a cumulative body of knowledge in this field. In the past year that Identity-1 CAGENERAL has been in operation we have been eliminating many of the evils of decentralization. At present, all Munich Base postboxes have been incorporated into Identity-1 CAGENERAL and Identity-1 CAGENERAL now has sole responsibility for all procurement and maintenance of postboxes. This centralization has eradicated the former insecure practices of obtaining too many postboxes in the same post office, or in different post offices in the same name. Also, most of the live accommodation addresses have already been assimilated by Identity-1 CAGENERAL, with the exception of one or two who because of operational or administrative reasons have yet to be integrated. At present, and in response to the urgent request of our customers, we hope to concentrate on the recruitment of live accommodation addresses with the intention of more than doubling the present complement. If this recruitment drive should prove successful, we feel we will have established a reserve of addresses which will be adequate for most contingencies.

4. Fulfillment of Objectives:

In paragraph 5 of the original project outline two operational objectives were cited. The first; i.e., the getting up, maintaining, and servicing of postboxes and accommodation addresses has been fulfilled to the extent that all present requirements for clandestine channels of communication are being satisfied. Munich Base presently has 21 postboxes dispersed throughout 13 different post offices, servicing between 35 and 40 operations. There are also 7 fully recruited accommodation addresses and two agent candidates.

a. During the coming project year, we envision a substantial change in the first operational objective. We shall emphasize the recruitment of a reserve of live addresses in order to satisfy the many requests we receive from Case Officers both here and at Headquarters for this kind of accommodation. This program by no means eliminates our continuing need for postboxes which will still be required in operations whose needs are such that they can be adequately, effectively, and securely serviced by postboxes. Furthermore, we shall modify our use of postboxes in certain operations as we integrate them into a communications system basically dependent upon a live accommodation address but requiring a postbox as a complement. This will happen in certain operations wherein for sound operational reasons we shall elect to set up a live accommodation address in a community at such a distance from Munich as to preclude personal servicing. In these instances the live addressee will be instructed to forward operational mail to a designated postbox in the Munich area. In this context, therefore, and in view of the continuing need to service quite a few postboxes, we might note here that our proposals for the use of CASTONE-11 in Identity-1 CAGENERAL as outlined in reference A are still valid.

b. As regards our second objective; i.e., the acquisition and maintenance of postal communications assets which will possess stayability in the event of withdrawal of U.S. Forces from Germany, we feel, again, that our proposed use in reference A of CASTONE-11 as an Identity-1 CAGENERAL will be valuable because while he performs initially the routine tasks of servicing and maintaining postboxes he can be concurrently trained to assess and recruit new accommodation addresses against the day when a sudden withdrawal of U.S. Forces could leave an almost total void in our clandestine communications assets.

5. Personnel:

At the beginning of the past project year, Identity-1 CAGENERAL consisted of three fully recruited agents, Identities-2 CAGENERAL-1, CAGENERAL-2, and CAGENERAL-3. Since that time Identity-1 CAGENERAL-3 has been terminated because of Czech intelligence service interest in her and her relatives still residing in the CSR (see reference B). Additional accommodation addresses have been added during the past year giving Identity-1 CAGENERAL a present strength of nine fully recruited and functioning agents and two agent candidates.

a. AEANGEL-2 and AEBUTTERFLY-2 who are operating as accommodation addresses for project AEPAGAN have now been incorporated into Identity-1 CAGENERAL. Therefore, we request that AEANGEL-2 be assigned the cryptonym Identity-1 CAGENERAL-8 and AEBUTTERFLY-2, Identity-1 CAGENERAL-9. The present rundown of Identity-1 CAGENERAL accommodation addresses is as follows:

Identity-2 CAGENERAL-1
 Identity-3 CAGENERAL-2
 Identity-4 CAGENERAL-3
 Identity-5 CAGENERAL-4
 Identity-6 CAGENERAL-5
 Identity-7 CAGENERAL-6
 Identity-8 CAGENERAL-7
 Identity-9 CAGENERAL-8
 Identity-10 CAGENERAL-9
 Identity-11 CAGENERAL-10
 Identity-12 Anna UERICHT

6. Security:

There have been no significant security incidents during the past year with the exception of those concerning Identity-4 CAGENERAL-3 and Identity-5 CAGENERAL-4 as reported in reference B and C. The case officer continues to meet personally with Identities 2 CAGENERAL-1, 6 CAGENERAL-5, 7 CAGENERAL-6, 8 CAGENERAL-7, and 9 CAGENERAL-8 for purposes of picking up any operational mail they may have received. Formerly, these individuals were also met to be paid. However, we are presently paying all accommodation addresses by postal money order. These money order payments are staggered so as to avoid any appearance of regular income. Identities 5 CAGENERAL-4, 10 CAGENERAL-9, and 11 CAGENERAL-10, because of the distance they reside from Munich, are not met personally, but forward any operational mail to specified postboxes in Munich. Identity-3 CAGENERAL-2 continues to be handled personally by [] A slight security incident which did occur with regard to Identity-3 CAGENERAL-2 was reported by [] in reference D.

Cover for the case officer consists of using military documentation in alias for obtaining postboxes and for contact with or recruitment of accommodation addresses. The cover story given to accommodation addressees for the purpose of explaining to them why they receive this mail for us varies in individual cases. In some instances the circumstances are such that it is in our best and most secure interests to tell agents that they are actually receiving clandestine mail. Since accommodation addressees are sometimes in a position where they may be forced to explain away the receipt of certain mail, we also devise suitable cover stories for each agent to use under these conditions.

7. Future Plans:

It is planned to recruit between 10 and 12 additional accommodation addresses during the coming year. Based on experience and on a survey of our requirements, it has been determined that at least this number is needed to afford us an adequate reserve for all contingencies, and especially to allow us to meet requests for live addresses instead of postboxes. We also plan to recruit more addresses

like Identity-5 CAGENERAL-4 who live in small towns just outside of Munich. By this, we hope to avoid a concentration of live drops in the city proper. And should Headquarters meet favorably with our proposal to incorporate CASTONE-11 into Identity-1 CAGENERAL, we will proceed with his training and testing as described in reference A. When and if CASTONE-11 is absorbed into Identity-1 CAGENERAL, we will submit a financial amendment to the project in order to incorporate his 600.00 DM per month salary.

6. Finances:

The increase in funds requested is the result of an expected hundred percent increase in live accommodation addresses. Identity-1 CAGENERAL must not only supply Munich Base needs for live addresses, but it also services requests from the Austrian Rear Base, the Vienna Station, and Headquarters itself. For an explanation of Identity-3's CAGENERAL-2's relatively large salary, see reference D.

PROJECT RENEWAL

CRYPTONYM CAGENERAL

PART II

9. Estimated Cost:

Salaries: Identity-2	CAGENERAL-1	[]
Identity-3	CAGENERAL-2	[]
Identity-5	CAGENERAL-4	[]
Identity-6	CAGENERAL-5	[]
Identity-7	CAGENERAL-6	[]
Identity-8	CAGENERAL-7	[]
Identity-9	CAGENERAL-8	[]
Identity-10	CAGENERAL-9	[]
Identity-11	CAGENERAL-10	[]
	Total salaries	[]
Postbox rental (21 boxes @ \$3.00/yearly)			63.00
Bonuses and payees			200.00
Reserve for recruitment of additional addresses			1,500.00
Operational expenses (test correspondence, postage, subscriptions, transportation)			<u>150.00</u>
	Grand Total	[]

10. Special Problems and Commitments:

No commitments have been made to agent personnel under this project, and no disposal problems are anticipated. We repeat that a withdrawal of U.S. Forces from Germany will greatly impair the operation of our present postal communication assets. In anticipation of this, we shall be directing our efforts during this project year toward recruiting indigenous persons capable of conducting these functions in event of such a withdrawal.

S-E-C-R-E-T

Attachment C to ECMA-4515

Identity-1	Project CAGENERAL
Identity-2	CAGENERAL-1
Identity-3	CAGENERAL-2
Identity-4	CAGENERAL-3
Identity-5	CAGENERAL-4
Identity-6	CAGENERAL-5
Identity-7	CAGENERAL-6
Identity-8	CAGENERAL-7
Identity-9	CAGENERAL-8
✓ Identity-10	CAGENERAL-9
✓ Identity-11	CAGENERAL-10
Identity-12	Anne ULBRICHT
Identity-13	Adolf ECKERT

S-E-C-R-E-T