

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2D
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

ABFO/PIAF Project
PI 1967/68

SECRET

(When Filled In)

PROJECT ACTION

PROJECT CRYPTONYM

AETOPHAT

	TYPE OF ACTION		<input checked="" type="checkbox"/> FI/CI		CA	
	<input checked="" type="checkbox"/>	NEW PROJECT APPROVAL	DIVISION SB			
		AMENDMENT NO.	FIELD STATION Germany (Bonn)			
		RENEWAL FY 196	BRANCH SB/O/EU	DESK German		
		EXTENSION	CASE OFFICER []			
		TERMINATION	ROOM NO. 5C 1830	BUILDING Hqs.	EXTENSION 5317	

CONCURRENCES OF DIVISION

ORGANIZATIONAL ELEMENT	TYPED NAME (And signature)	DATE	COPY NO.	MEMORANDUM ATTACHED		
				YES	NO	DATE
C/SB/O/EU	[Signature]	28.9.66				
C/SB/O/AC	[Signature]	28/9/66				
SB/RR	[Signature]	29/9/66				
AC/SB/AO	[Signature]	29 Sep 66				
SB/EXO	[Signature]	28/9/66				

S-E-C-R-E-T

OPERATIONAL PROGRAM - Fiscal Year 1968 (1 July 1967 - 30 June 1968)
PROGRAM ESTIMATES - Fiscal Year 1969 (1 July 1968 - 30 June 1969)

PROJECT Ae Japhat PROGRAM CATEGORY: Intelligence Collection Covert Action
Unilateral _____
Third Party _____
Close Ops Support _____
Developmental _____
(CHECK ONLY ONE)

Fiscal Year 1966 Operational Expenses \$ -0- Equipment & Supplies \$ _____
(These are actual, recorded expenses and are provided for guidance in estimating future requirements.)

Fiscal Year 1967 Operational expenses \$ 1500 Equipment & Supplies \$ _____
(Experience shows that project dollar approvals usually are higher than the actual expenses incurred by the project. The estimates above are based on the current rate of expense projected through 30 June 1967. They may be adjusted if, in your judgment, they are out of line. Operational expenses include all project charges (compensation, allowances, travel, safehouses, etc.) except equipment and supplies which must be estimated separately because the Office of Logistics has jurisdiction.)

Fiscal Year 1968 Operational expenses \$ _____ Equipment & Supplies \$ _____
Explanation of major increase or decrease over FY 1967:

0 1

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SUBJECT: Presentation of Project AETOPHAT

1. Identification:

AETOPHAT is the cryptonym assigned to the Soviet Embassy located near Bonn, West Germany. Project AETOPHAT is an SB Division operation directed by the Bonn Operations Base against the personnel of the Soviet Embassy. Approval is requested in the amount of [] for the period 1 October 1966 to 30 September 1967.

2. Objectives:

a. Objective I of the Bonn Operations Base, as assigned by the current Related Mission Directive for Germany, is the "conduct of operations against the Soviet presence in West Germany in order to collect political, economic, military and scientific and technical information on the Soviet Union." Objective III is to "identify and neutralize Soviet...intelligence operations in West Germany. Unilaterally to penetrate the Soviet...Service."

b. The primary objective of Project AETOPHAT is to develop operational situations leading to direct contact with target Soviet Embassy personnel through controlled assets for the recruitment or defection of such target personnel. The controlled assets consist of cleared and recruited West German and American agents and witting contacts who are in direct natural access (business, social, neighborly) with target personnel. An ancillary

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a. At any given time, approximately eighty (80) Soviets (exclusive of dependents) are assigned PCS to the Soviet Embassy; of this number, thirty-three (33) are diplomatically accredited, thirty-seven (37) are simply carried as employees, and ten (10) are accredited to the Soviet journalists press corps. It is the best estimate of the Bonn Operations Base that 60% of the PCS Soviet Embassy complement are intelligence officers. This estimate is borne out by information received from both the BfV and the BND.

b. Basic counter-intelligence coverage of Soviet Embassy personnel is conducted by the BfV, which over the years has provided the Bonn Operations Base with identities, photographs, residence addresses, local travel and license plate numbers of both privately registered and "official" vehicles. In addition, the BfV provides the Bonn Operations Base with the results of: their (1) physical surveillance of Soviets involved in BfV double agent operations, and (2) observation post coverage of the main embassy installations. The Bonn Operations Base has assumed unilateral control from the BfV of four access/support agents and one audio operation against the residence of a suspect KGB officer, Mikhail Ivanovich TEREKHIN. The Base's excellent liaison relationship with the BfV is a well-nigh indispensable aspect of operations against the Soviet target and it is expected to continue unhampered.

c. Telephone tap coverage of the Soviet Embassy, which had been closed down after the arrest of FELFE, was re-instituted by the BND in April 1965

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f. The Bonn Operations Base surveillance team, under unilateral control, is used on a continuing basis to develop information on Soviet Embassy personnel.

4. Operational Assets:

a. Personnel: All agent personnel listed below have been re-encrypted in the AETOPHAT series, as shown. The field plans to recruit an additional four agents in the first calendar year of this Project.

(1) AETOPHAT/1 (formerly AEISSUE/1). Operational approval granted on 27 October 1965. Subject, a 66 year old West German citizen, is a retired staff officer of the BfV with a long history of work against the Soviet Embassy and Soviet Trade Mission targets. His apartment is adjacent to that of a suspect KGB officer, Mikhail Ivanovich TEREKHIN, and Subject and his wife (AETOPHAT/2) act as LP keepers for an audio operation directed against TEREKHIN's apartment. Subject also functions as a general support asset of the Soviet Branch of the Bonn Base and is used to investigate leads derived from the telephone taps on the Soviet Embassy. Contact is maintained with the agent by a Bonn Base officer (in alias) in regular meetings in the agent's home; Subject also has an operational telephone number for contacting his case officer as necessary. Subject agreed to work for the Bonn Base because it provided him an opportunity to continue

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supporting future technical operations against Soviet target personnel living in his apartment building. Subject is met regularly by a Bonn Base case officer (in alias) under unspecified U.S. Government cover. This agent accepts no remuneration and appears to cooperate with the Base out of ideological conviction.

(4) AETOPHAT/4 (formerly AENEBBY/2). Operational approval was granted on 29 July 1966 for the use of Subject. Subject is the wife of AETOPHAT/3 and through her husband reports on Soviet personnel living in their apartment building. In effect, Subject is the actual source of a great deal of the information on the comings and goings of these Soviet personnel since she is present at the apartment throughout the day. She is witting of her husband's contacts with an American organization interested in Soviet Embassy personnel and cooperates willingly with her husband in gathering whatever information she can.

(5) AETOPHAT/5 (formerly AESNURPER/1). Operational approval was granted on 13 July for use of Subject; however, CI Staff feels that several points have not been completely resolved with reference to Subject's bona fides. The field plans to schedule a polygraph examination of AETOPHAT/5 at an appropriate occasion in order to resolve the points in question. Subject is a 40 year old German citizen who is an employee of quasi-governmental economic research/study center. Subject's political affiliations are with the German Socialist Party and he has been a past Bundestag candi-

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5. Security Evaluation:

The present operational assets (two husband-wife teams and one singleton agent) under this project are handled by staff personnel []

[] TOPHAT/1 and AETOPHAT/2 are probably witting of this Agency's role because of AETOPHAT/1's past employment with the BfV. However, there is believed to be no possibility whereby these two teams and the singleton agent could cross-check with one another and the risk of embarrassment in the event of individual compromise is considered minimal. Should additional assets be developed, they will also be handled by staff personnel [] []

6. Coordination:

Project AETOPHAT per se does not require coordination with any other component of the U.S. Government or with any foreign government or intelligence service. There is, however, certain liaison input to the project, as described ^{above} below.

7. Costs:

a. Salaries, operational expenses including Christmas gifts or bonuses,