

SECRET

MAVA-4460

~~1 MAY 50~~

5 JAN 50

Burbey

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DECLASSIFIED AND RELEASED BY  
 CENTRAL INTELLIGENCE AGENCY  
 SOURCES METHODS EXEMPTION 3828  
 NAZI WAR CRIMES DISCLOSURE ACT  
 DATE 2000 2008

FOR COORDINATION WITH ARMY

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ACTIVATION DATE - DESCRIPTION

Network "MONTGOMERY" was activated on 10 July 1948 by the CIC Gmunden Field Office.

The network is composed of Austrian nationals, refugee Hungarians and bona fide resident Hungarians. The network is supervised by the CIC Gmunden Field Office.

*Thomas A. Lucid*

THOMAS A. LUCID  
CHIEF      CIC  
Land Upper Austria

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MISSION

Penetration and Espionage conducted against Hungary and Soviet forces in Hungary to procure any and all information of value to the United States Armed Forces.

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CONTROL CHIEF

HOETTL, Dr. Wilhelm alias GOLDBERG, also known as "WILLY" (10/6333), Control Chief of project "Montgomery". Born 19 March 1915 in Guspendorf, Vienna, presently living at Alt Aussee 53, (telephone Alt Aussee 16) Permanent address, Salzburg, Ernst Thunstrasse 9. Description: Oval face, 179 cm tall, grey eyes, black hair, no scars or marks. Married to Elfriede (ZELINGER) born 11 April 1912, has two children. HOETTL is a writer by profession and holds Austrian ID Card No. 64.788 issued 19 December 1947 in Salzburg. Brief History: HOETTL graduated from the University of Vienna in 1938 with a degree of Doctor of History. In May 1938 he was appointed Chief of SD Foreign Political Intelligence Section in Vienna, with the rank of SS Hauptsturmfuehrer. He was thrown out of that job in October 1941 and became a war correspondent for the Waffen SS until February 1943 when he was reinstated to his former rank and made Deputy Chief for Southeast Europe of Amt VI RSHA. He moved his headquarters to Budapest in March 1944 and during his stay in Budapest was in contact with the Americans in Bern, Switzerland. In December he was promoted to SS Sturmbannfuehrer and shortly thereafter retreated in front of the advancing Soviets until he reached Steyrling, Bezirk Kirchdorf in March 1945. In March 1945 he contacted OSS authorities in Switzerland and in May 1945 surrendered himself to American authorities in Bad Aussee. HOETTL was then taken to Germany where he was confined until October 1947 when he was transferred to Austria and confined in Lager Klessheim, Salzburg. He was released from confinement in December 1947. Subject first came to the attention of this office in late March 1948. He is presently "control chief" for Projects "Mount Vernon" and "Montgomery".

Evaluation: "B" (usually reliable); "3" (possibly true) During the past twelve months that HOETTL has been in contact with this office he has proven to be an excellent source for ideas, both concrete and theoretical, on the expansion of American Intelligence in Austria. His background as a former Deputy Chief of Amt VI RSHA for southeast Europe enables him to evaluate incoming reports on the Soviets with fairly complete accuracy.

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## ADMINISTRATIVE PERSONNEL

SIEK, Alajos, alias SCHOFF, Alajos (assistant to KERNMAYER in the Gaunden Center). Born 3 April 1906 in Lugos, Rumania (at that time part of Hungary). Is a former Hungarian Army Major. Education consists of 12 years of elementary and secondary schools and four years at the Ludovika Military Academy in Budapest. Received first commission as Army officer in 1928, promoted to Captain and Battalion Commander of a transportation battalion in 1939. Was in active combat against Yugoslavia and Russia and was captured as a Major by the Russians in February 1945. He was released from PW Camp in Russia on 5 July 1948 and returned to Hungary. He crossed the border illegally on 13 July 1948, arrived in Austria and joined the network of "Montgomery" which was operated at that time by MEY, Dr. Karoly.

Y. Siller, Arnold alias SINGER, Arnold (typist, translator and secretary at Gaunden Center). Born 9 November 1918 in Budapest. Education consists of 12 years of elementary and secondary school and three years at the Ludovika Military Academy in Budapest. Commissioned as Second Lieutenant in July 1940. Served in the Hungarian Army on Yugoslav and Russian fronts. In April 1945 he was sent to Germany as a courier and was captured by the Americans and confined to a PW camp in HEILBRONN. In 1946 was enroute to Hungary on a repatriation train but fled from the transport at PERILASSING, Germany and entered the British Zone of Germany where he was subsequently employed by the British as a driver and later as typist and interpreter at Airfield B-151 at ACHUM. In August 1947 he arrived in Austria and was employed by the British in Klagenfurth. In October 1947 he joined a group of Hungarians working for CIC Salzburg. He was later employed by ZCA Headquarters in Salzburg and finally joined the Network "Montgomery" in July 1948.

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OPERATIONS CHIEF

KERNMAYER, Erich (10/8444). Born 27 February 1906 in Graz, Austria. Education consists of 13 years of elementary and secondary schools and two years at the University of Graz. As a student he was a member of a left wing Socialist Youth Organization which strongly opposed Communism. Worked as newspaper reporter, columnist and editor until 1935. He also wrote 10 books, novels and short stories during this period. In 1935 he came in contact with National Socialist Groups while working on the staff of the ESSENER NATIONAL ZEITUNG, joined the illegal SA in Austria and worked for the Nazi press in Austria. During this period he wrote such pamphlets as "Spanien in Flammen"; "Roten Menschenhandel Fur Spanien"; "Aufruhr in Sowjetrussland"; "Genosse du Hast das Wort". In 1928 he was appointed Editor-in-Chief of several newspapers formerly Jewish owned. Shortly afterward he became the Editor-in-Chief of the Lower Austrian Press. In 1939 he was appointed by Gauleiter BUERKEL as the "Kommissarischer Leiter" of the Press Department in the Viennese Parliament. In 1940 Gauleiter BUERKEL transferred KERNMAYER to the leadership of the Press Department of the Civil Administration Chiefs in Lothoringia and head of the Press Department of the Reichstatthalter of WESTMARK. In January 1941 he joined the LIEBSTANDARTE SS ADOLF HITLER, first as a war correspondent and later as a soldier. During his military service he directed propaganda against TITO in Croatia and was an assistant to SKORZENY in Budapest. Was captured as a Second Lieutenant by the Americans and confined to Camp Marcus Orr. In the Summer of 1947 he was employed by CIC Salzburg as an informant. He worked for CIC Salzburg until the Summer of 1948 at which time he joined HOETTL, and Network "MONTGOMERY".

Evaluation: "B" (usually reliable); "3" (possibly true) KERNMAYER has been working as Operations Chief of this Network since November 1948 and during that time, with the unflinching approval of the present Control Chief, resurrected a deteriorating network left in a state of chaos by the former Operations Chief, NEY, Dr. Karoly. His efforts in rebuilding the network have been more than considerable.

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## SOURCES - EVALUATION

MIATHYAK, Nandor (10/6324) located in Salzburg. Approximately 40 years old, short and stocky, light brown hair, no distinguishing features or marks. A former administrative assistant of a rubber factory in Budapest. He was a member of an anti-Nazi underground movement during the World War II. Gathers information of a general nature from eight sub-sources and acts as dispatch-post for the group. Information is passed on to a member of the Gaunden Center weekly at a prearranged meeting place in Salzburg.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
This source, although new in the network, continually turns in the majority of good reports received from this network.

DARANYI, László (10/7134) resides in Hotel Europa, Salzburg. Approximately 30 years old, stocky, brown hair, has a typical Hungarian face with rather prominent cheek bones. Was a construction contractor in Hungary. Formerly a Sergeant in the Hungarian Border Guards. Gathers general information from three sub-sources and acts as dispatch-post for the group.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
Source turns in good reports on industrial and military activities.

HAMPEL, Oskar (10/7344) presently living in Hotel Schloessel, Salzburg, Austria. Description: short, wears glasses, (slit-eyed) and has brown hair. Was one time a construction engineer and a former Federal Secretary of the Hungarian Government during World War II. Immediately after the war he left Hungary and arrived in Austria where he was arrested and sent to Glasenbach by the Americans for a period of one and one-half years. Gathers information from six sub-sources and acts as dispatch-post manager for the group. Forwards information in person once a week to the Gaunden Center.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
This source is continually improving the calibre of information turned in by his sub-sources.

TRUUY, Gregor (10/7854) resides in the Marien-Bad, Salzburg. Is 52 years old, 185 to 190 cm tall, heavy build, putting

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jaw, hair is grey and thin. A former ordnance draftsman for the HADITEKNIKAI INTEZET (Military Technical Institute) of Hungary. At one time a Major in the Hungarian Army. Gathers information from three sub-sources and acts as dispatch-post for the group.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
This source, although new in the network turns in good information which has been corroborated partially and in full by reports received from other networks.

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## SUBSOURCES

(10/5544) A forester in BORZSONY hills north of Budapest. Will give reports on a recently discovered mine (precious metal) located in that area.

(10/5554) An official of IBUSZ (Transportation Company with main offices in Budapest) residing in Budapest. He is the brother-in-law of 10/5574 and reports through him on transportation activities in Budapest.

(10/5564) A former telephone technician residing in Salzburg who travels to Hungary. Was formerly an intelligence NCO in the Hungarian Army. Operates in the area of PIOSGYOR and reports industrial information from that area. Travels with the cover story of being a black-marketeer.

(10/5574) A former ships officer of the Danube Shipping Company. Approximately 30 years old, residing in Budapest. Reports on Danube river traffic, stock piling and ports along the Danube River in Hungary as assigned from source in Salzburg.

(10/5584) A former university student of Law. Was an intelligence NCO in the Hungarian Army. Resides in Salzburg and travels in Western Hungary. Reports military activities and political situation in Western Hungary.

(10/6334) A former owner of a small estate in the area of SZEKESFEHERVAR and one time MDP member in that same area. Was "Palugasza" (Village Agricultural Chief) of an area near SZEKESFEHERVAR until September 1948. Resides near SZEKESFEHERVAR and reports primarily on MDP activities.

(10/6354) A former medical student. Former intelligence NCO in the Hungarian Army. Lives in Salzburg and travels to Budapest where he contacts prominent persons in the Hungarian War Ministry and the Hungarian Army in Budapest. Also reports on the Russian Army as known by the Hungarian War Ministry.

(10/6364) A former member of the Hungarian Parliament with the BARANKOVICH Party. Reports on political personalities throughout Hungary.

(10/7114) A former First Sergeant in the Hungarian Gendarmie. Resides in Salzburg and travels in Hungary.

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Reports on Hungarian Military activities and the Hungarian Border Guards and the border situation. Receives information from a former Hungarian Army Sergeant residing in BALATONSZENTGYORGY, a farmer living in NAGYKANTZSA and a county official residing in KAPOSVAR.

(10/7124) A clerk secretary in a large Budapest factory. Resides in Budapest. Reports on the MDP, factory trade unions, Hungarian railroads and general information as assigned from Salzburg. Receives information from friends whom she meets in Budapest.

(10/7144) An automotive engineer in the MAVAG Automotive Works of GYOR. Reports industrial information and political situation of GYOR area.

(10/7154) A former forester from VESZPREM residing in Salzburg who travels to Hungary. Reports on Soviet military activities and MDP activities. The information is gathered by his brother-in-law (a hardware merchant) in VESZPREM, another brother-in-law (chief Notary of Sopron County) in Sopron and a brother (clerk in the city hall of SZOMBATHELY).

(10/7864) A foreman in the Weiss-Manfred Works located in Budapest. Reports industrial information and general situation in Budapest.

(10/7874) A Criminal Police Lieutenant residing in police barracks in Budapest. Reports Criminal Police activities and general information from Budapest.

(10/7884) A retired railway official residing in SOPRON. Reports on RR activities throughout Hungary. Contacts former co-workers for information.

(10/8434) A clerk secretary employed in the MDP Headquarters in Budapest. Reports MDP activities of the Federal administration.

(10/8454) An office worker employed in computing section of the SZTATISZTIKAI HIVATAL (office for statistics). Reports on the vital statistics of Hungary. Has a brother-in-law who is Deputy Political Police Chief in Budapest who reports on activities and background information on chief personnel of MDP.

(10/8464) An elementary school superintendent living in SOPRON. Reports border situation and Hungarian Army activities.

(10/8474) A Hungarian Army First Lieutenant. Stationed in Budapest. Reports military activities in Budapest and gives periodical information on the KOSSUTH and PETOFFI Military Academies.

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## METHODS OF COMMUNICATION

All reports are handled either by courier or letter-drop. The breakdown of these methods by sources is as follows:

10/6343 - Makes a trip once weekly from Vienna over the Enns bridge to Attnang-Puchheim where a package containing reports is picked up from the courier by a representative of the Gmunden Center. When traveling through the Russian zone the courier wraps his reports in an old newspaper and places them on the baggage rack above the person opposite him in the train compartment, upon which bags, coats and other items are placed. Source also makes one monthly trip to the Gmunden Center at which time he hides his package of reports inside the water tank of the men's toilet when passing through the Russian zone.

10/5573 - The same methods as mentioned above are used except that different couriers are used and the contact point is in Steyr.

10/6353 - The courier travels to Lins by train, crossing at Enns. He is met in Lins by a representative of the Gmunden Center who picks up the reports from the courier.

10/7143 - Reports are picked up from a letter-drop in Lins by the same representative who contacts 10/6353.

10/5543

10/5583

10/6363 - A special courier who travels by motorcycle takes reports from all three of these sources and delivers them to a representative of the Gmunden Center at Wels. The courier does not receive the reports direct from sources but through three cut-outs.

10/7113 - The Lins letter-drop as mentioned above is also used by this source for transmitting information.

NOTE: None of the couriers are known to any of the other couriers and none of them are directly

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In contact with the Garmden Center; in special cases all sources can be contacted by special courier from the Garmden Center. Information, once it has been processed by the Garmden Center, is delivered to CIC Garmden by 10/5553 twice weekly.

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CONTROL METHODS

All sources, who are unknown to each other, upon receipt of information from subsources give all reports a check for completeness and correctness, and if there are any glaring or obvious errors the reports are immediately returned to subsources, otherwise they are forwarded to the Gouzen Center by courier.

Upon receipt of information from sources through couriers and letter drops the information is again checked for its accuracy and completeness.

For cross-checking purposes the Gouzen Center receives information from several sources who are unknown to each other, on the same topic, by which the Center is able to check on the accuracy of reports or on the reliability of a particular source or subsource. In instances where there is any great doubt about an important report or where the reliability of a source or subsource is doubted, several sources and subsources are asked to check the points questioned.

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SUMMARY OF INFORMATION

The type of information supplied by each source and subsource is indicated after the name of each individual. The percentage of reports by type is as follows. (This is based on reports received during the past four months):

Economic and Industrial	15%
Technical	5%
Military	20%
Political (General)	10%
Political (Communist)	50%
Total	100%

Information received covers all fields:

- Communist political
- Communist para-military
- Scientific, Austrian and Russian
- Soviet military activities
- Soviet industrial activities
- Soviet economic activities
- General political

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PROCESSING

Upon receipt of information by sources from subsources it is carefully checked. Once the source feels that the information is as complete and correct as possible he forwards it by courier to the center in Gmunden. When it arrives in Gmunden it is first processed by KOWARIK who is a political and economic specialist, and also by MOSER a former SD officer who fought against the Russians during the past war. The information is then passed on to KOLLER who checks the new reports with reports previously forwarded and makes references on the reports to the prior ones. Once the information has gone through these three persons it is translated either by KOLLER or MOSER into English.

When the information has been completely processed by the Center it is taken to CIC Gmunden by the Operations Chief who makes at least two weekly trips to CIC. The Operations Chief and the CIC Control Agent take each report separately and go over it point by point for discrepancies and detail. If there are any points that cannot be cleared upon the spot the report is returned by the Operations Chief to source for clarification. This is only done, however, if the time factor is of no great importance on the information being reported. The accepted reports are then prepared by CIC Gmunden for forwarding as SOIs. The same procedure is followed when evaluation slips are received from ODI and there are questions to be answered.

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## COSTS

The total amount given to "Mount Vernon" per month is presently set at 33,000 schillings. This is broken down into the following categories:

### Garmden Center Workers:

10/5553	2,000
MOSEK & KOLLER (total)	1,900

### Sources:

10/6343	4,000
10/7853	1,000
10/7863	1,000
10/7873	1,000
10/7143	3,000
10/6353	2,000
10/5573	2,000
10/5583	2,000
10/6363	2,000
10/5543	1,000
10/7113	1,000

Amount being used to expand  
OSIA reporting and Bacterio-  
logical information. 4,000

Payment to couriers (total) 3,000

Payment to people at crossing  
point in Steyr 600

### Office Expenses:

Rent	600
Heat and lighting	400
Miscellaneous Expenses	500

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Sub-Total 33,000 Schillings

Estimated cost of maintaining 4  
radios in Russian occupied zone  
(Expected to be in operation 1  
May 1949)

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8,000

TOTAL 41,000

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DOCUMENTATION

All individuals carry Austrian Identity Cards. All are Austrian citizens.

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FUTURE OF PERSONNEL

The future of all personnel connected with Network "MOUNT VERNON" appears to be fairly stable as all are Austrian citizens. None are planning to emigrate. There are no projected changes in personnel except for a few possible additions in the USIA and bacteriological reporting fields.

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EXPANSION POSSIBILITIES

It is anticipated that in the near future radios will be established in four areas of the Russian occupied zone of Austria for expeditions reporting on Soviet military movements. Approximately 8,000 schillings per month would be necessary for this operation.

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COVER INSTALLATIONS

The Gmunden Center for Project "MOUNT VERNON" is located in the Villa Bauer, Ort 55, Gmunden, Upper Austria. The house is in the name of HOWARIX who is registered as a journalist. HOWITL has his own home in Alt Aussee 53.

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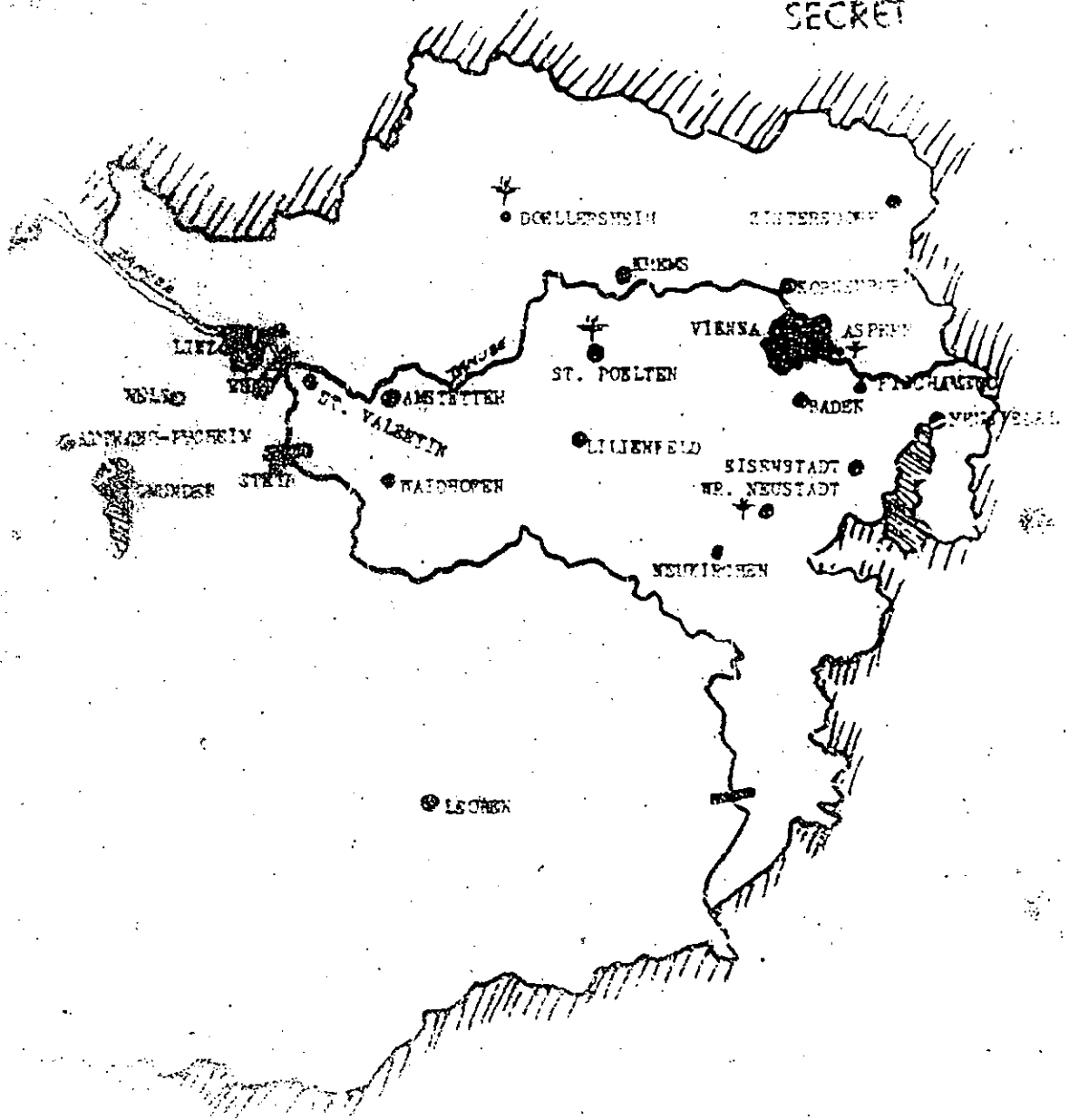
MISTAKES AND COMPROMISES

Insufficient liaison with sources, which accounted for a great deal of time wasted by informants on reporting information of little or no intelligence value. More direct control of sources required by CIC Control Agent.

Injudicious selection of sources and sub-sources by Operations Chief without consulting CIC Control Agent.

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Proposed Hungarian Network

2. CMC, 450th CIC 22 July  
IB LHM 45  
IB-O MEMO: CO,  
HQ CIC.

1. Reference proposed Hungarian network as outlined in letter 20 July 48, 450th CIC, Land Upper Austria, it is felt that the project can be very useful and should be exploited.
2. The operations costs of this project are reasonable with respect to the other nets presently being operated by the 450th. If funds are not available in the present CIC budget, the appropriate amount can be transferred from IB to CO, 450th CIC.
3. A request for RBIs from the various sections of IB has been issued and upon completion of RBIs will be forwarded to your headquarters.
4. It is requested that a code name be designated to this project and all reports resulting therefrom be so designated.

W. F. TRAIN  
Lt Col GIC  
Chief IB

REF: TUSAIR 7-16-48

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*Handwritten note:* (W) 01 166

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Informal Routing Slip

HEADQUARTERS  
UNITED STATES FORCES IN AUSTRIA

SUBJECT: Proposed Hungarian Network

Number each message consecutively. Fill in all columns, authenticate message, draw a line across the page just below authentication. Use entire width of page. Use only for inter-office communication.

*IBO file - please return*

NO	FROM	TO	DATE	
1	Hqs 430TH CIC	ODI (IB-IBO)	21 July 1948	<p>1. Attention is invited to basic communication.</p> <p>2. Your comments and/or concurrence is requested.</p> <p><i>George W. Schramm</i>            GEORGE W. SCHRAMM            Lt Col      Inf            Chief, CIC, USFA</p>

Incl.  
Tel: VIENNA B-48200

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*Handwritten notes at bottom right*



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Proposed Hungarian Network

1. Esp 440TH 001 (IB-IBO) 21 July  
CIC 1948

2. Attention is invited to basic  
communication.

3. Your comments and/or concurrence  
is requested.

1000.  
Esp 440TH 001 (IB-IBO)

GEORGE H. SCHWARTZ  
Lt. Col. USA  
Chief, PIC. USA

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**COUNTER INTELLIGENCE CORPS**

430<sup>th</sup> CIC DETACHMENT

Land Upper Austria

APO 174

U.S. Army

20 July 1948

**SUBJECT:** Proposed Hungarian Network

**TO :** Chief, CIC, USFA

1. Attached registration form submitted for proposed Hungarian Network.
2. The undersigned has already discussed same briefly with Major Milano.
3. It is felt that the present and future plans will make this a very fruitful net and eventually the central effort of this office for penetration of Hungary, Rumania and the Ukraine, in accordance with your overall plan for projects control.
4. Your approval and assignment of cover name is requested.

*Thomas A. Lucid*  
THOMAS A LUCID  
Chief      CIC  
Land Upper Austria

**SECRET**

*Lucid-001668*

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MANAGEMENT ?

REGISTRATION OF MEMBERS

(...)

Name of Project:

Date Started: 10 July 1948

Area Covered: All of Hungary with expansion to Rumania, the Ukraine and eventually USSR interior.

Type of Project: Penetration and espionage

Type of Information: Military, Industrial, Economic and Political

Number and names of operatives: Based on "Eastern Front Combat Veterans Organization" estimated 10 - 50,000 supporters with a pool of 200 immediate already established contacts.

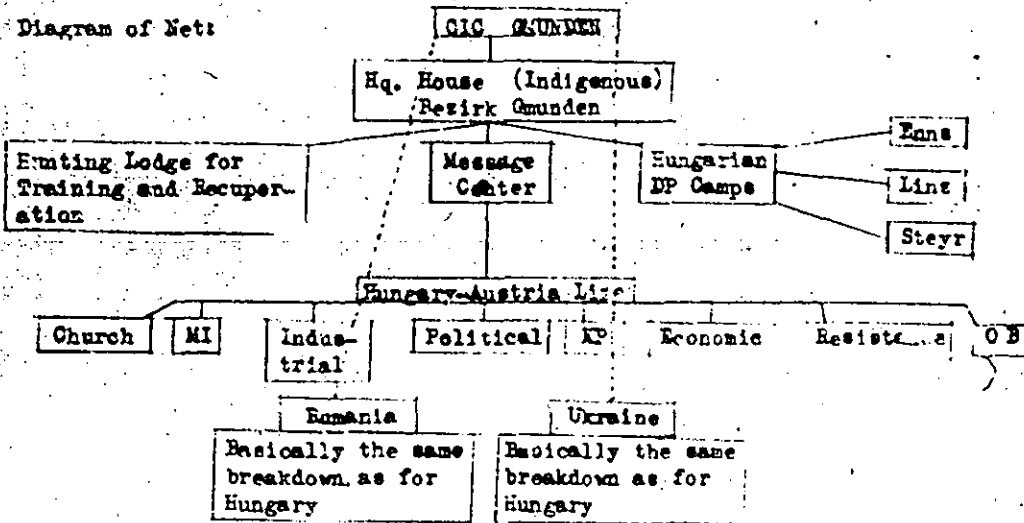
Number One (Cut out man): MEY, Dr. Karolyne alias KIRSCHBERGER, Karl

Type papers carried: Four language ID card

Operational Cost: Initial costs (recruiting, traveling, training, billeting, care and feeding of operatives etc.) \$300.00 to be advanced by number one man. This amount to be reimbursed after three months if the project proves worthwhile. A monthly cost of \$150.00 (in green dollars) to be paid to number one man monthly, beginning immediately, eventually expanding as lines stretch to other countries.

Operational Control Chief (Agent and Section): Douglas J. Morrison, CIC Gmunden Subsection.

Diagram of Net:



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MOB-001669

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KRT PROJECT

MOCK VERSION

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100-2016

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COUNTER INTELLIGENCE CORPS

430<sup>th</sup> CIC DETACHMENT

Land Upper Austria

APO 174

U. S. Army

3 September 1948

SUBJECT: Proposed Russian Zone Austria Network.

TO : Chief, CIC, USFA.

1. Attached registration form submitted for proposed Russian Zone Austria network.

2. The undersigned has already discussed same briefly with Major Milano.

3. It is felt that this will make a very fruitful net at present along political, industrial and sociological groups. In addition it has the capabilities should present coverage of other nets be compromised to cover the military situation as well.

4. Your approval and assignment of cover name is requested.

*Thomas A. Lucid*  
THOMAS A. LUCID  
Chief CIC  
Land Upper Austria

SECRET

COUNTER INTELLIGENCE CORPS  
430th CIC Detachment  
Lend Upper Austria  
APO 174 U.S. Army

GRUNDEK Subse tion  
30 August 1948

REGISTRATION OF NETWORKS

Name of Project: Eastern zone of Austria  
Date Started:  
Area Covered: Eastern zone of Austria  
Type of Project: Espionage and penetration  
Type of Information: Military, Political, Economic, Industrial.  
Number and Names of Operatives: 13 key men in the eastern zone of Austria (see details below), 3 headquarters personnel with one translator and secretary.  
Number One Man and Alias: HOETTL, Willi alias GOLDBERG with an assistant, BERGER, Karl  
Type papers carried: Austrian ID cards, drivers licenses and passports  
Operational costs: 25,000 for the first month of operations with expected increases upon expansion of network  
Operational Control Agent: DOUGLAS J. MORRISON, SAIC Grunden

Diagram of Net:

- a. 1 man in Pischkeend, wholesale dealer and engineer
- b. 1 man in Zisteradorf, foreman in an oil refinery
- c. 1 man in Korneuburg, chief engineer in a technical enterprise
- d. 1 man in Krems, independent lawyer
- e. 1 man in Amstetten, wholesaler
- f. 1 man in St. Valentin, Railroad official
- g. 1 man in Waidhofen a.d. Ybbs, Communist official

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- a. 1 man in St. Pölten, chief bookkeeper in technical enterprise
- i. 1 man in Mitterfeld, agricultural engineer in agriculture association enterprise
- j. 1 man in Baden, foreman in an USIA factory
- k. 1 man in Neunkirchen, official in a technical enterprise
- l. 1 man in Eisenstadt, teacher
- m. 1 man in Neusiedel, independent salesman
- n. 4 special informants who have connections with the central committee of the EPOe, the Austrian State Police MVD and the Federal Railway Transportation Section
- o. (see attached map for physical details of the network).

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Project Mt. Vernon

1 IR 490th 11 Oct  
ODI CIO. 1948  
Linz  
(ATTN: Mr. LUCID)  
INFO:  
Chief,  
430th CIO  
Flanna  
IB-0

1. The following is the operational plan for initial exploitation of the "Mt. Vernon" net of agents:

a. TAB "A" - Assignment of USIA factories according to locality of agent for initial reports and designation of area.

b. TAB "B" - General KEI's to be answered for all enterprises assigned for initial effort.

c. TAB "C" - Reporting methods suggested.

d. TAB "D" - Initial O.B. KEI (to be exploratory to determine future usability for O.B. coverage of Lower Austria.)

(NOTE\*\*): These firms are listed by their original (German) designations and location coordinates are taken from the GAZETTKER of AUSTRIA, G.S.G.S. 1:250,000 Map Series G.S.G.S.

2. It is planned to explore the possibilities of the Mt. Vernon net on basic questions concerning USIA. If the group are able to canvas all USIA firms assigned in accordance with KEI in TAB "B", more specific and detailed data will be required.

3. It is requested that for reporting purposes the suggestions outlined in TAB "C" be adhered to for initial reporting, and further suggestions would be welcomed.

J. J. IRVIN  
Lt Col GSC  
Chief IB

SECRET



5 JAN 50, CONT'D

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(Cont'd)

ST. VALENTIN - (1)  
ST. VALENTIN.

1. RIBBING WAREHOUSE ST. VALENTIN D.  
STYR - PAIRLER - FUCH A.G.  
Main Office & Factory:  
St. Valentin 019/507
2. PAIRLER WAREHOUSE GMBH  
Factory & Main Office at  
Oberauhl 019/91
3. PAIRLER JOHANN, MANUFACTURER  
ANSTÄLTIKE FÜR ALUMINIUM-  
SCHLÜSSELN H. SCHNITTEN  
Main Office & Factory at:  
Hoag, Schulgenstrasse 1,  
019/566

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MAVA-4460  
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MT. VERNON - (2)

AMSTETTEN

1. AVHARIUS R. CARBOLINUM  
FABRIK  
Main Office & Factory at:  
Amstetten 049/W27
2. BRENDORFER METALLHARZ-  
FABRIK A.G.  
Factory at:  
Amstetten 049/W27
3. FREUNDLICH LEOPOLD A.G.  
Main Office & Factory at:  
Grsin a.d. Donau  
049/W28
4. HOLZMANN PHELIFF A.G.  
BAU - UNTERNEHMUNG  
FRANKFURT a.M.  
Main (Austria Branch)  
Factory: Wasskraftwerk  
Amstetten 049/W27
5. AG FUR GROS U. FEINERABRIK  
MURCHER (Austrian Br.)  
Factory at:  
Klein Pochlarn 049/W58

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LT. VERNON - (3)  
INDUSTRIES

1. BOEHLER GEBL. & CO.  
Factory at: Boehlerwerk Bruckbach 048/25  
Gerstl - 048/25
2. GINZLER PETER, SAGENFABRIK  
Main Office & Factory at:  
Ybsitz G/Waidhofen 048/25
3. WEIGLER GEORG, REISSPANN POLIERER UND GIESSEREI  
Main Office & Factory at:  
Hasten C. Boheiskirchen 049/98
4. KAINE ANNA, MESH. ABWEI  
Main Office & Factory at:  
La

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MT. VERNON - (4)

ARMS

1. BECKMANN & LECHNER, WGR U. - H. 121210  
Main Office & Factory at:  
Granz 28, Post Marbach/0  
049/R60
2. BIEHL KARL, VORA FISCHER, H. 121211  
Main Office & Factory at:  
Herzogenburg, Rathausplatz 11.
3. SCHMITT AD. LEISER DUSTRIE  
Main Office & Factory at:  
Krems/Donau, Reiberg 104, 7b/X71
4. SCHMITZHUETTE KRUMS  
Factory at: Krems/Donau 7b/X71
5. WALTER FRUHLICH, HUELE  
Main Office & Factory at:  
Horn 049/R63

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Verzeichnis - (5)

Verzeichnis

1. "AULNER" W. I. FÄRBER STREIFENFABRIK G.M.B.H.  
Main Office & Factory at: Heinfeld 049/96
2. BIERER-BRODER LACK- u. FARBENFABRIK  
Factory at: Neulanbach 049/08  
Pöschlarn 049/158
3. GLANZSTOFF - FABRIK A.G.  
Main Office & Factory at: St. Pölten 049/138
4. GRUBER & H. STANI SPRITZ- u. PRESSGÜßWERK  
Main Office & Factory at: Heinfeld a.d. Gaiswald 049/496
5. VOYER, J.H. MASCHINENFABRIK  
Main Office & Factory at: St. Pölten 049/138

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REF. VERSION - (6)

ILLUMINATE

1. GLOBUS-AL. G. W. H. GEBELTLOCHERT  
KLEINSTRASSE 20, BERLIN (Austrian branch)  
Main Office & Factory at: St. Voith 048/26
2. GRADNER DR. HONOR. DR. SACHSE  
Main Office & Factory: Behnberg, Rosslingdorf  
62 049/105
3. HEIDER JOSEF DR. J. WINTER'S SOHN  
Main Office & Factory at: Eisenberg-Gaming 048/45
4. FUCHS MAX WINGELINERKE,  
Main Office & Factory at: Tulln, Langenleberstrasse 29  
049/810

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ML. VANDERW - (7)

INDUSTRY

1. A.G. HOCH - U. INGENIEURBAU MOOSBIERBAUM  
(Austrian Branch)  
Moosbierbaum (Donau Chemie) 049/300
2. CHEMOSAN - UNION A.G.  
Factory at: Klosterneuburg, Donaustr. 18 049/330
3. DONAU - CHEMIE A.G.  
Factory at: Moosbierbaum 049/300
4. DONAU-DAMPFSCHIFFFAHRTSGESSELLSCHAFT  
Yards at: Zornneuburg 049/321
5. FELTEN & OWILKAUME KOLLE-MUEHLWERK  
(Austrian Branch)  
Factory at: Kleedorf Post Schrems 049/R34

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T. VERNON - (8)

B. D. I.

1. AKKUMULATORFABRIK Ges. m.b.H.  
Factory at: Liesing, Siebenhirten Str. 12 049/X38
2. ALLGEMEINE GEHÄUSEFABRIK A.G.  
Factory at: Liesing, Seybrogasse 12 049/X38
3. AAROH - WERNE (ING. K. L. LISBACH)  
Main Office & Factory at: Atzgersdorf, Josef  
Hofmeisterstr.  
45 049/X39
4. AMFELDERN & CO.  
Factory at: Atzgersdorf, Wienerstrasse 42-44 049/X39
5. ATZGERSDORFER MECH. WERKE EDMUND SKLNER  
Main Office & Factory at: Atzgersdorf 049/X39

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ACT. VERNON - (9)

REQUIREMENTS

1. BERNDORFER METALLWARENFABRIK A.G.  
Factory at: Berndorf 048/126
2. KNIESFELDER METALLWERK A.G.  
Factory at: Laurischhof  
Store at: Braun 049/138  
Main Office: Ennsfeld 048/X25
3. PAYERBACHER LEBENSWEKKSCHAFT  
Main Office & Factory at: Payerbach 048/X03
4. GUSTLOF - WERKE, WIENER BELEG, HIRTENBERG  
(Austrian Branch)  
Main Office & Factory at: Hirtenberg, Hauptstrasse 86  
048/126  
Factory at: Kottlingbrunn, Wiener Neustädterstrasse  
123 048/X36
5. HYDROKARBON Gas. m.b.H.  
Factory at: Gumpoldskirchen 049/X37  
nr. Neustadt, Pottendorferstrasse  
(allegedly leased) 048/X34

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ST. VERNON - (10)

NISYENSTADT

1. BRUCKER LUCKERT/BRUK, CL. WENS AUER  
Factory at: Bruck/Leitha P49/X77
2. PIRK/FILDER LIEGEL/ERNZ, OSCAR VILLANET & ALOIS  
TRIP/MEH  
Main Office & Factories at: Pinkafeld 048/C39  
; Riedlingdorf 048.C39

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HT. VERNON - (11)

ZISTERSDORF

2. DEUTSCHE ERDOEL A.G.  
Zisterdorf P49/863
3. ERDOEL Ges. m.b.H.  
Zisterdorf P49/863
3. ERDOEL PRODUKTIONS Ges. m.b.H.  
Zisterdorf P49/863
6. GEWERKSCHAFT ELMERATH  
Zisterdorf P49/863
5. GEWERKSCHAFT R.J.Y. DANUBIA  
Zisterdorf

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MR. VELEN - (12)

KIACHEMER

1. A.G. FÜR CHEMISCHE INDUSTRIE  
Factories at: Rarnersdorf 12/Donwecht P49/X48  
: Wichenhirsten - P49/X45
2. ALT + MELANR FARBSHEI - U. APPETUR, A.G.  
Main Office & Factory at: Wica XIV Erlan, Hauptstrasse  
11-13
3. BÄHREDAHFS A.G.  
Factory: Eon - Felra P49/X48
4. DONAU - CHEMIE A.G.  
Factory at: Deutsch-Lagran P49/X49
5. WILBER HEBSTADTER MASCHINENWERKE  
Factory at: Fischmannd P49/X46

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ST. VERNON - (13)

REUSIEDL

1. BASFABRIK GIBST  
Main Office & Factory: Gallers Hlde. H49/767
2. KOLBACH PAUL, WERKER  
Factory at: Eisen Neusiedl P49/S63
3. SCHILDFORER VERWERTUNG GEBR. MULLER  
Main Office & Factory: Neusiedl AM See D49/X38

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(Cont'd)

TAB "B"

1. Name of Soviet Administrator.
2. Names of Austrian Public Administrator and General Director.
3. Number of workers broken down to:  
Number of administrative personnel.  
Number of workers (If possible broken down to skilled and semi-skilled.)
4. Production (Need not be present (Oct. '48) production, but must be indicated as to date of information.)
  - a. Products manufactured at present (specific items and/or type of manufacture i.e. semi-finished goods which require further processing by another plant, etc.)
  - b. Production quantities per day/week/month or year.
  - c. Rate of production i.e. work shifts (1,2, or 3), piecework, etc.
  - d. Pay rates of workers in the several categories (skilled, semi-skilled, laborers, administrative) and comparison with wages paid in other plants in area.

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Cont'd TAB "B"

- e. Extent of dismantling (when applicable)
- (1) Major production units removed since June 1946.
  - (2) Recent dismantling accomplished
    - (a) What removed, by whom?
    - (b) How transported - where?

## TAB "C"

1. Each assigned area will be designated Mt. Vernon (1), Mt. Vernon (2) etc to conform to the following list:

ST. VALENTIN	- MT. V - (1)	KORNEUBURG	- MT. V. - (7)
AMSTETTEN	- MT. V - (2)	BAZEN	MT. V. - (8)
WALDEGREN	- MT. V - (3)	NEUNKIRCHEN-MT.	V. - (9)
KREMS	- MT. V - (4)	EISENSTADT	- MT. V. - (10)
ST. POELTZEN	- MT. V - (5)	ZISTENSDORF-MT.	V. - (11)
LILIENTHAL	- MT. V - (6)	FISCHAUEND	- MT. V. - (12)
		NEUSIEDL	- MT. V. - (13)

2. Each report will contain such designation as a check on individual source.

3. Basic reports will be submitted on compiled form (Form BID, sample attached), 1. three (3) copies, and all other information not in answer to specific KEI's (TAB "E") will be submitted on MOIC's or SOI's by agent in charge. Information in answer to TAB "B" received after submission of initial Form BID will also be submitted

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TAB "C" Cont'd

on Form BID with the designation 2,3, etc after name of factory (subject) to simplify filing procedures.

4. Reports will be sent to IR, ODI (ATTN: IB-3) under normal cover evaluation sheet. Request that remarks section be utilized for minor operational notations.

5. Reports in compliance with TAB "B" will be submitted as received in order that further assignments may be given immediately to source.

TAB "D"

1. Location of local Kommandatura or major Soviet troop installation in localities covered under TAB "B".

2. Number of troops, arm(s) of service.

3. Name, rank of commanding officer.

4. Functions of installation (i.e. Military, government, service, training, guarding, etc.)

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BD Number	AAF Case No	TRUCKER	Subject
100-100000	100/100	300cy	900b
100-100000	USIA	Description of Item reported	
100-100000	100-100000	Invent	Ministry Code
100-100000 1946	100-100000 (10)	Date of information	

ALL COPIES OF ABOVE WHICH ARE NOT FILLED IN - WILL BE  
COUNTERED UPON COLLATION BY IB-3.

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100-100000

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Proposed Russian Zone Austria Network

CO, 430th Chief, IS 13 Sept 48  
GIC

Forwarded for your information and comment.

GEORGE H. SCHWARTZ  
Lt Col Inf  
CO, 430th GIC

Chief, IS CO, 430th 13 Sept 48  
GIC

Approved.

J. J. IRVIN  
Lt Col GSC  
Chief IS

14-00000

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*W/C - 5/16/75*

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ACTIVATION DATE - DESCRIPTION

Network "MONEY VERNON" was activated on 1 October 1948 by the CIC Garmden Field Office.

This net is generally described as a network of Austrian informants operating in the Russian occupied zone of Austria who are charged with reporting all information that would be of value to the U.S. Armed Forces.



THOMAS A. LUCID  
CHIEF      CIC  
Land Upper Austria

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MEDIA

Penetration of the Central KPOs Committee, the KPOs  
itself, the Cominform and all other Communist organi-  
zations, espionage of all Soviet activities to in-  
clude industrial, scientific and military information.

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CONTROL CHIEF

HOETTL, Dr. Wilhelm alias GOLDBERG, also known as "WILLI" (19/6333), "operator" of project "Mount Vernon". Born 19 March 1915 in Guspendorf, Vienna, presently living at Alt Aussee 53, (telephone Alt Aussee 16) Permanent address, Salzburg, Ernst Thunstrasse 9. Description: Oval face, 179 cm tall, grey eyes, black hair, no scars or marks. Married to Elfriede (ZELINGER) born 11 April 1912, has two children. HOETTL is a writer by profession and holds Austrian ID Card No. 64.788 issued 19 December 1947 in Salzburg. Brief History: HOETTL graduated from the University of Vienna in 1938 with a degree of Doctor of History. In May 1938 he was appointed Chief of SD Foreign Political Intelligence Section in Vienna, with the rank of SS Hauptsturmfuehrer. He was thrown out of that job in October 1941 and became a war correspondent for the Waffen SS until February 1943 when he was reinstated to his former rank and made Deputy Chief for Southeast Europe of Amt VI RSHA. He moved his headquarters to Budapest in March 1944 and during his stay in Budapest was in contact with the Americans in Bern, Switzerland. In December he was promoted to SS Sturmbannfuehrer and shortly thereafter retreated in front of the advancing Soviets until he reached Steyrling, Bezirk Kirchdorf in March 1945. In March 1945 he contacted OSS authorities in Switzerland and in May 1945 surrendered himself to American authorities in Bad Aussee. HOETTL was then taken to Germany where he was confined until October 1947 when he was transferred to Austria and confined in Lager Klesheim, Salzburg. He was released from confinement in December 1947. Subject first came to the attention of this office in late March 1948. He is presently "control chief" for Projects "Mount Vernon" and "Montgomery".

Evaluation: "B" (usually reliable); "3" (Possibly true) During the past twelve months that HOETTL has been in contact with this office he has proven to be an excellent source for ideas, both concrete and theoretical, on the expansion of American Intelligence in Austria. His background as a former Deputy Chief of Amt VI RSHA for southeast Europe enables him to evaluate incoming reports on the Soviets with fairly complete accuracy.

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ADMINISTRATIVE PERSONNEL

11/21/51 ✓ ~~11/21/51~~ ~~11/21/51~~  
MOSER, Werner (assistant in the Garmden Center).

Born 24 March 1903 in Vienna. Is a Diplom Kaufmann  
and a specialist in economics, speaks English, is  
married but has no children. Is a former SD officer,  
presently residing at Villa Schredits, Garmden, Upper  
Austria

✓ ~~11/21/51~~ ~~11/21/51~~ ~~11/21/51~~  
KOLLER, Maria (Secretary and translator at Garmden  
Center. Born 17 May 1915 in Vienna. Has worked

for the past fifteen months as secretary and co-worker  
of HOWARIK (Operations Chief). Presently resides at  
Ort 55, Garmden, Upper Austria. Speaks, reads and  
writes English.

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OPERATIONS CHIEF

~~KOWARIK~~, Karl alias ~~BERGER~~ Karl (10/5553) "Key

Operative". Born 22 April 1907 in Vienna, Gersthof, presently living at Ort 55, Gmunden, Upper Austria.

Description: oval face, blue-gray eyes, dark blonde hair, 186 cm tall, no scars or marks. Married to

Gertrude (DOERFLER) born 15 March 1913. KOWARIK

is ex. engineer for civic culture and also a journalist by profession. He holds Austrian ID Card No.

HM.46968/48 issued in Vienna 26 February 1948.

Evaluation: "B" (usually reliable); "3" (possibly true)

KOWARIK has been working as a Key Operative for this

network since July 1948 and during that time he has

always shown a conservative attitude regarding all

work done by sources and sub-sources. < KOWARIK is not

one to over-evaluate information received, on the

contrary he more often tends to under-evaluate. >

*Further info see ROR*

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## SOURCES - EVALUATION

"HERBERT" (10/5543) located in Vienna. Bezirkshauptmannschaft official who reports on all possible VP activities in the Vienna area, also reports items of interest that may be followed up by other sources or subsources.

Evaluation: "C" (fairly reliable); "3" (possibly true)

"WALTER" (10/5573) located in Vienna. Employed as an office clerk. Manager of dispatch and courier post for subsources; processes reports for forwarding to the Guardian Center.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
Although this source is not personally known to the CIC Control Agent, he has turned in some well received reports during the past few months.

"ERWIN" (10/5583) located in Vienna. Is a Doctor of Technics, is a long-time friend of many Austrian scientists. Reports on all possible phases of the scientific field, also follows leads as assigned by the Guardian Center.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
According to reports coming back from Technical Intelligence Section, ODI, this source's work is generally excellent.

MASCHER, Josef alias ROMANY, Josef, also known as "SEPP".  
10/5343. Presently living at Linke Wienzeile 56/II, Vienna VI. Gathers all types of information from six subsources, acts as dispatch-post manager for the group and forwards information to Guardian by courier.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
MASCHER who is well known in CIC circles has, during the past seven months turned in a tremendous number of reports, covering all phases of intelligence activity. From information received here, from ODI, the majority

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of his reports include such new information which presently can neither be denied nor confirmed.

**"EDI"** (10/6353) located in St. Valentin. Is a former SD Captain who is now a salesman. Manager of a courier dispatch post, exercises control over a number of sub-sources, also processes reports of those sub-sources.

Evaluation: "C" (fairly reliable); "3" (possibly true) As a former Captain in the SD he is capable of good evaluations on reports received from his sub-sources and has submitted a few excellent reports.

**"FRANK"** (10/6363) located in Vienna. Has excellent USIA contacts. Is a wholesaler by trade. Reports all possible USIA information.

Evaluation: "C" (fairly reliable); "3" (possibly true) This man is fairly new to the Network and has as yet to prove himself, although several of his reports have been reported confirmed.

**"WALTER"** (10/7113) located in Leoben. Is a former SS Lieutenant who worked under **SEKIZNY** and is presently occupied as a mechanic. Reports on items of general intelligence value covering the southern part of Land Burgenland and Land Styria.

Evaluation: "C" (fairly reliable); "3" (possibly true) This man is also a new addition and has to date submitted only a few reports, but according to Operations Chief is a very good intelligence man, particularly in the industrial field.

**"ERWIN"** (10/7143) located in Lins. Is a former Lieutenant of the SD and presently a secretary in the OeVP Headquarters in Lins. He manages a dispatch-post and letter-drop. Reports on the VP and KPOs through sub-sources.

Evaluation: "C" (fairly reliable); "3" (possibly true) Good reports have come from this source and have been well received by ODI.

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## SUBSOURCES

"HERBERT" (10/7883) located in Fischamend. A mechanic by trade. Reports on items of general intelligence interest in the Fischamend area.

"WALTER" (10/8433) located in Zistersdorf. A locksmith by trade who reports all items of general intelligence interest and follows any specific leads from the Gmunden Center.

"GEORG" (10/8443) located in Lilienfeld. A Gemeinde clerk who reports on all items of general intelligence interest and follows any leads as assigned by the Gmunden Center.

"KARL" (10/8453) located in Wiener-Neustadt. Is an electrical engineer by profession who reports on items of intelligence interest and follows leads as assigned by the Gmunden Center.

"HANS" (10/8463) located in Neukirchen. Is a factory foreman who reports on items of general intelligence interest as personally observed.

"MAY" (10/8473) located in Neusiedl/See. Is an office worker who reports on items of intelligence interest as personally observed.

"FRANZ" (10/8472) located in Eisenstadt. Is a shopkeeper who reports on items of general intelligence interest and follows leads as assigned by the Gmunden Center.

"TONY" (10/7872) located in Linz. Is a former NCO in the Wehrmacht and a Doctor of Law. Is presently in the Linz-Land Government and is also a member of the KP Headquarters Upper Austria. Reports on KP activities.

"FERDINAND" (10/8462) located in Amstetten. Is a former Lieutenant of the Wehrmacht, now a salesman who reports items of general intelligence interest as personally observed and follows leads as assigned by the Gmunden Center.

"HANS" (10/8452) located in Waidhofen/Ybbs. Is a teacher by profession; reports on items of general intelligence value and follows leads assigned by Gmunden Center.

"HANS" (10/8442) located in St. Pölten. Is an office clerk in St. Pölten, gathers information of general intelligence value.

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"GEORG" (10/8432) located in Korneuburg. Is a Doctor of Law, reports information of intelligence interest as observed and follows leads as assigned by the Gaunden Center.

"KARL" (10/7882) located in Krems. Is a shopkeeper by profession, reports on items of general intelligence interest as observed and follows leads as assigned by the Gaunden Center.

"HEINZ" (10/7123) located in Vienna. A construction engineer, ex-Wehrmacht officer who, primarily reports on Soviet military activities in the Vienna area.

"HANS" (10/7133) located in Eisenstadt, a former NCO of the Wehrmacht and presently a storekeeper. Reports on general information of intelligence interest in the Eisenstadt area.

"FRANZ" (10/7843) located in Baden. A former Wehrmacht Sergeant who is presently employed in Soviet Headquarters in Baden bei Wien as an Interpreter. He speaks Russian and reports on Soviet military activities as controlled by Baden Headquarters.

"JOSEF" (10/7853) located in Vienna. Is an employee in the offices of the Central Committee of the KPOs who reports on activities of that office.

"MARIA" (10/7863) located in Vienna. A secretary in the office of Dr. HOLITSCHER of the Vienna Branch of the Cominform. She reports on the activities of that office.

"FRANZ" (10/7873) located in Vienna. A civil engineer who is now a clerk in the office of the Communist provincial Headquarters in Vienna. Reports on the activities of that office.

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## METHODS OF COMMUNICATION

All reports are handled either by courier or letter-drop. The breakdown of these methods by sources is as follows:

10/6343 - Makes a trip once weekly from Vienna over the Enns bridge to Attnang-Puchheim where a package containing reports is picked up from the courier by a representative of the Gaunden Center. When traveling through the Russian zone the courier wraps his reports in an old newspaper and places them on the baggage rack above the person opposite him in the train compartment, upon which bags, coats and other items are placed. Source also makes one monthly trip to the Gaunden Center at which time he hides his package of reports inside the water tank of the men's toilet when passing through the Russian zone.

10/5573 - The same methods as mentioned above are used except that different couriers are used and the contact point is in Steyr.

10/6353 - The courier travels to Lins by train, crossing at Enns. He is met in Lins by a representative of the Gaunden Center who picks up the reports from the courier.

10/7143 - Reports are picked up from a letter-drop in Lins by the same representative who contacts 10/6353.

10/5543

10/5583

10/6363 - A special courier who travels by motorcycle takes reports from all three of these sources and delivers them to a representative of the Gaunden Center at Wels. The courier does not receive the reports direct from sources but through three cut-outs.

10/7113 - The Lins letter-drop as mentioned above is also used by this source for transmitting information.

NOTE: None of the couriers are known to any of the other couriers and none of them are directly

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In contact with the Gannett Center; in special cases all sources can be contacted by special courier from the Gannett Center. Information, once it has been processed by the Gannett Center, is delivered to CIC Gannett by 10/5553 twice weekly.

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CONTROL METHODS

All sources, who are unknown to each other, upon receipt of information from sub-sources give all reports a check for completeness and correctness, and if there are any glaring or obvious errors the reports are immediately returned to sub-sources, otherwise they are forwarded to the Gaundan Center by courier.

Upon receipt of information from sources through couriers and letter drops the information is again checked for its accuracy and completeness.

For cross-checking purposes the Gaundan Center receives information from several sources who are unknown to each other, on the same topic, by which the Center is able to check on the accuracy of reports or on the reliability of a particular source or sub-source. In instances where there is any great doubt about an important report or where the reliability of a source or sub-source is doubted, several sources and sub-sources are asked to check the points questioned.

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SUMMARY OF INFORMATION

The type of information supplied by each source and subsource is indicated after the name of each individual. The percentage of reports by type is as follows. (This is based on reports received during the past four months):

Economic and Industrial	15%
Technical	5%
Military	20%
Political (General)	10%
Political (Communist)	50%
Total	100%

Information received covers all fields:

Communist political  
Communist para-military  
Scientific, Austrian and Russian  
Soviet military activities  
Soviet industrial activities  
Soviet economic activities  
General political

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PROCESSING

Upon receipt of information by sources from subsources it is carefully checked. Once the source feels that the information is as complete and correct as possible he forwards it by courier to the center in Gaunden. When it arrives in Gaunden it is first processed by KWARIK who is a political and economics specialist, and also by MOSER a former SD officer who fought against the Russians during the past war. The information is then passed on to KOLLER who checks the new reports with reports previously forwarded and makes references on the reports to the prior ones. Once the information has gone through these three persons it is translated either by KOLLER or MOSER into English.

When the information has been completely processed by the Center it is taken to CIC Gaunden by the Operations Chief who makes at least two weekly trips to CIC. The Operations Chief and the CIC Control Agent take each report separately and go over it point by point for discrepancies and detail. If there are any points that cannot be cleared upon the spot the report is returned by the Operations Chief to source for clarification. This is only done, however, if the time factor is of no great importance on the information being reported. The accepted reports are then prepared by CIC Gaunden for forwarding as SOIs. The same procedure is followed when evaluation slips are received from ODI and there are questions to be answered.

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## COSTS

The total amount given to "Mount Vernon" per month is presently set at 33,000 schillings. This is broken down into the following categories:

### Gaunden Center Workers:

10/5553	2,000
MOSER & KOLLER (total)	1,900

### Sources:

10/6343	4,000
10/7853	1,000
10/7863	1,000
10/7873	1,000
10/7143	3,000
10/6353	2,000
10/5573	2,000
10/5583	2,000
10/6363	2,000
10/5543	1,000
10/7113	1,000

Amount being used to expand  
OSIA reporting and Bacterio-  
logical information. 4,000

Payment to couriers (total) 3,000

Payment to people at crossing  
point in Steyr 600

### Office Expenses:

Rent	600
Heat and lighting	400
Miscellaneous Expenses	500

Sub-Total 33,000 Schillings

Estimated cost of maintaining 4  
radios in Russian occupied zone  
(Expected to be in operation 1  
May 1949)

8,000

TOTAL 41,000

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EXEMPTION

All individuals carry Austrian Identity Cards. All  
are Austrian citizens.

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FUTURE OF PERSONNEL

The future of all personnel connected with Network "MOUNT VERNON" appears to be fairly stable as all are Austrian citizens. None are planning to emigrate. There are no projected changes in personnel except for a few possible additions in the USIA and bacteriological reporting fields.

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EXPANSION POSSIBILITIES

It is anticipated that in the near future radios will be established in four areas of the Russian occupied zone of Austria for expeditions reporting on Soviet military movements. Approximately 2,000 schillings per month would be necessary for this operation.

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COVER INSTALLATIONS

The Gamsden Center for Project "MOUNT VERNON" is located in the Villa Bauer, Ort 55, Gamsden, Upper Austria. The house is in the name of KOWARIK who is registered as a journalist. HOETTL has his own home in Alt Ansee 53.

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**MISTAKES AND COMPROMISES**

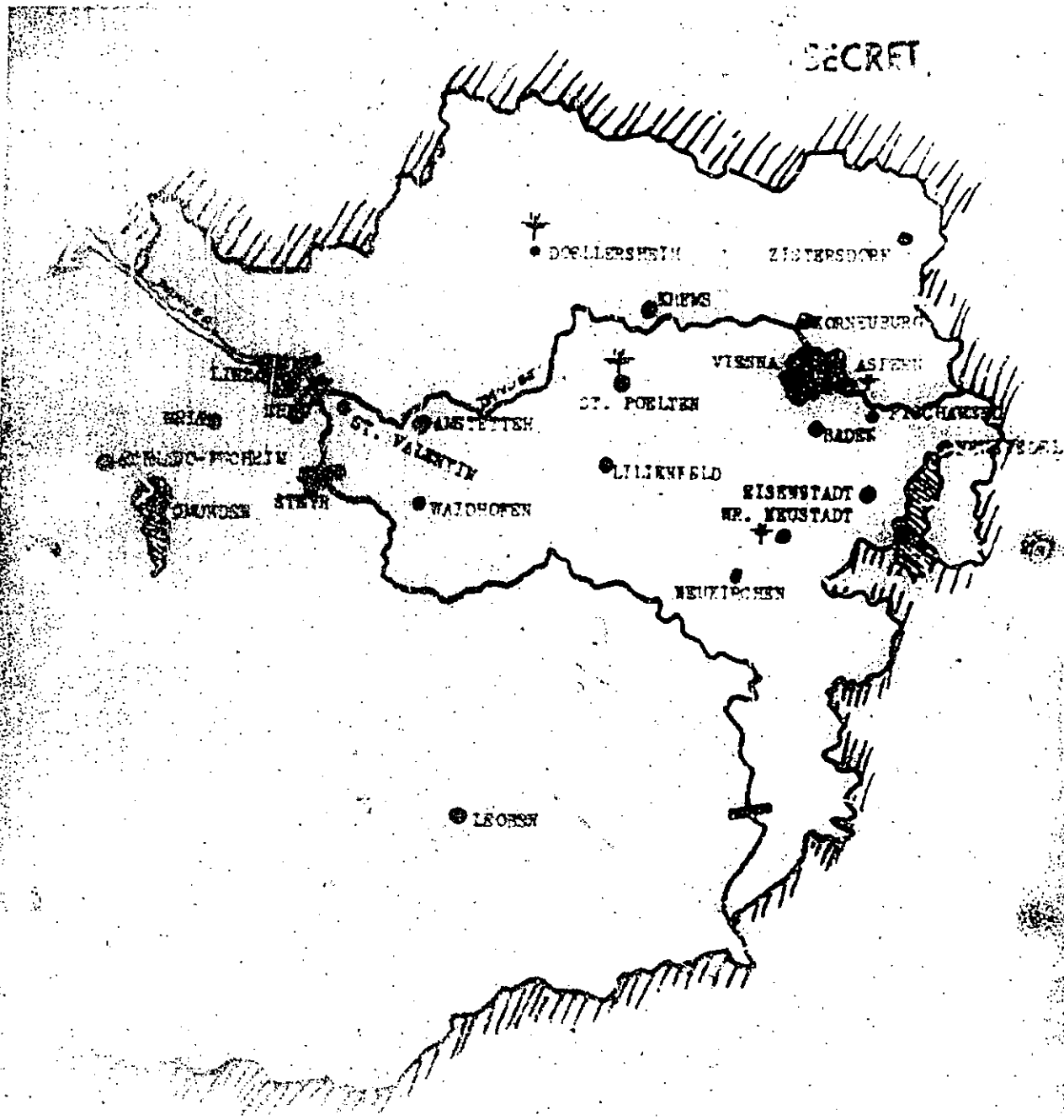
Inefficient liaison with sources, which accounted for a great deal of time wasted by informants on reporting information of little or no intelligence value. More direct control of sources required by CIC Control Agent.

Injudicious selection of sources and subsources by Operations Chief without consulting CIC Control Agent.

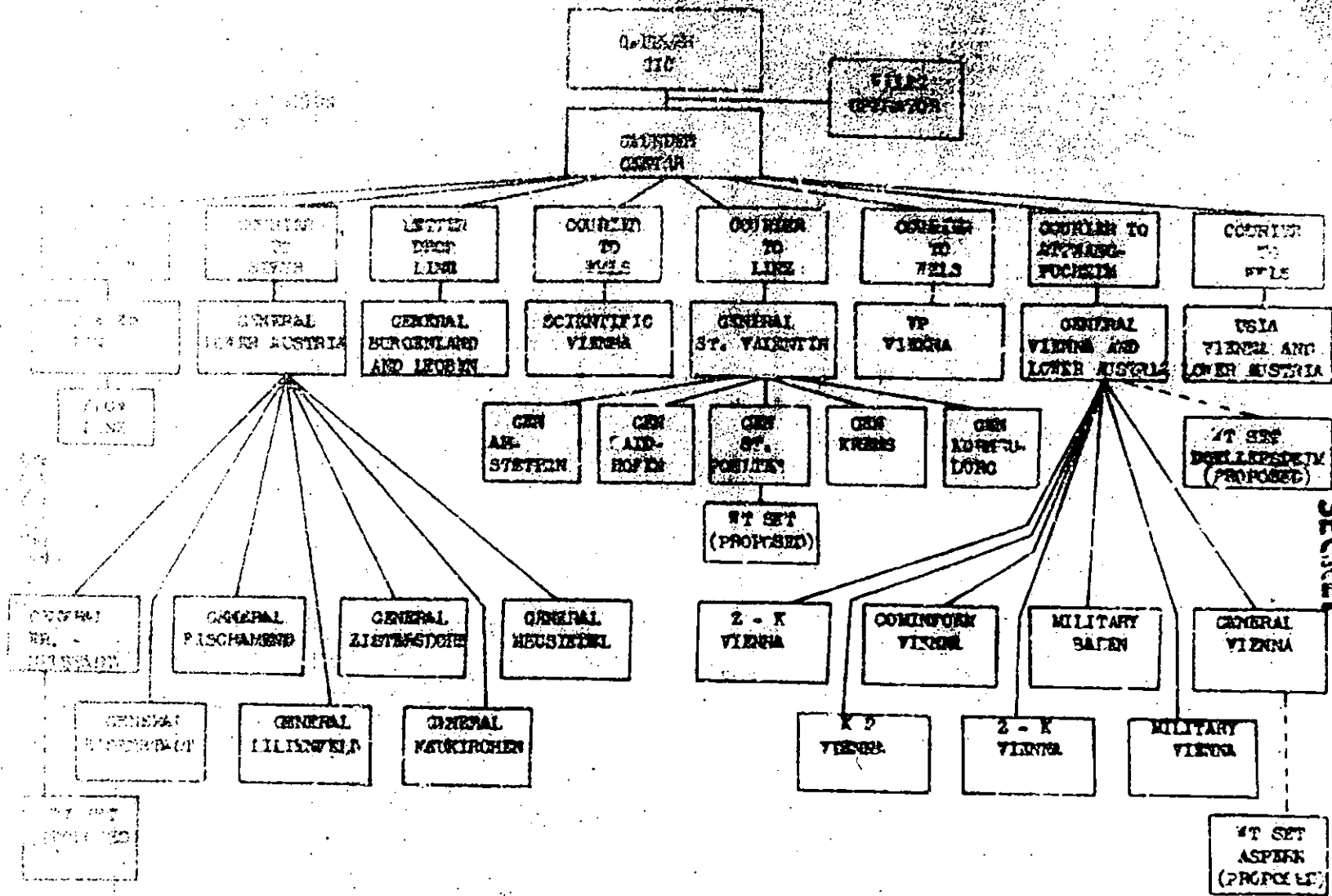
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ACTIVATION DATE - DESCRIPTION

Network "MONTGOMERY" was activated on 10 July  
1948 by the CIC Garmden Field Office.

The network is composed of Austrian nationals,  
refugee Hungarians and bona fide resident  
Hungarians. The network is supervised by the  
CIC Garmden Field Office.

*Thomas A. Lucid*

THOMAS A. LUCID  
CHIEF      CIC  
Land Upper Austria

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MISSION

Penetration and Espionage conducted against  
Hungary and Soviet forces in Hungary to pro-  
cure any and all information of value to the  
United States Armed Forces.

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CONTROL CHIEF

HOETTL, Dr. Wilhelm alias GOLDBERG, also known as "WILLI" (10/6333), Control Chief of project "Montgomery". Born 19 March 1915 in Gumpendorf, Vienna, presently living at Alt Aussee 53, (telephone Alt Aussee 16) Permanent address, Salzburg, Ernst Thunstrasse 9. Description: Oval face, 179 cm tall, grey eyes, black hair, no scars or marks. Married to Elfriede (ZELDNER) born 11 April 1912, has two children. HOETTL is a writer by profession and holds Austrian ID Card No. 64.788 issued 19 December 1947 in Salzburg. Brief History: HOETTL graduated from the University of Vienna in 1938 with a degree of Doctor of History. In May 1938 he was appointed Chief of SD Foreign Political Intelligence Section in Vienna, with the rank of SS Hauptsturmfuehrer. He was thrown out of that job in October 1941 and became a war correspondent for the Waffen SS until February 1943 when he was reinstated to his former rank and made Deputy Chief for Southeast Europe of Amt VI RSHA. He moved his headquarters to Budapest in March 1944 and during his stay in Budapest was in contact with the Americans in Bern, Switzerland. In December he was promoted to SS Sturmbannfuehrer and shortly thereafter retreated in front of the advancing Soviets until he reached Steyring, Bezirk Kirchdorf in March 1945. In March 1945 he contacted GSS authorities in Switzerland and in May 1945 surrendered himself to American authorities in Bad Aussee. HOETTL was then taken to Germany where he was confined until October 1947 when he was transferred to Austria and confined in Lager Klescheln, Salzburg. He was released from confinement in December 1947. Subject first came to the attention of this office in late March 1948. He is presently "control chief" for Projects "Mount Vernon" and "Montgomery".

Evaluation: "B" (usually reliable); "3" (possibly true) During the past twelve months that HOETTL has been in contact with this office he has proven to be an excellent source for ideas, both concrete and theoretical, on the expansion of American Intelligence in Austria. His background as a former Deputy Chief of Amt VI RSHA for southeast Europe enables him to evaluate incoming reports on the Soviets with fairly complete accuracy.

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ADMINISTRATIVE PERSONNEL

\* SKE, Alajos, alias SCHOPP, Alajos (assistant to KERNHAYER in the Gaunden Center). Born 3 April 1906 in Lugos, Rumania (at that time part of Hungary). In a former Hungarian Army Major. Education consists of 12 years of elementary and secondary schools and four years at the Ludovika Military Academy in Budapest. Received first commission as Army officer in 1928, promoted to Captain and Battalion Commander of a transportation battalion in 1939. Was in active combat against Yugoslavia and Russia and was captured as a Major by the Russians in February 1945. He was released from PW Camp in Russia on 5 July 1948 and returned to Hungary. He crossed the border illegally on 13 July 1948, arrived in Austria and joined the network of WILLI H. HENY, Dr. Karoly "Montgomery" which was operated at that time by

\* v. Siller, Arnold alias SINGER, Arnold (typist, translator and secretary at Gaunden Center). Born 9 November 1918 in Budapest. Education consists of 12 years of elementary and secondary school and three years at the Ludovika Military Academy in Budapest. Commissioned as Second Lieutenant in July 1940. Served in the Hungarian Army on Yugoslav and Russian fronts. In April 1945 he was sent to Germany as a courier and was captured by the Americans and confined to a PW camp in HEILBRON. In 1946 was enroute to Hungary on a repatriation train but fled from the transport at FREILASSING, Germany and entered the British Zone of Germany where he was subsequently employed by the British as a driver and later as typist and interpreter at Airfield B-151 at ACHUM. In August 1947 he arrived in Austria and was employed by the British in Klagenfurth. In October 1947 he joined a group of Hungarians working for CIC Salzburg. He was later employed by ZCA Headquarters in Salzburg and finally joined the Network "Montgomery" in July 1948.

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OPERATIONS CHIEF

KERNMAYER, Erich (10/8444). Born 27 February 1906 in Graz, Austria. Education consists of 13 years of elementary and secondary schools and two years at the University of Graz. As a student he was a member of a left wing Socialist Youth Organization which strongly opposed Communism. Worked as newspaper reporter, columnist and editor until 1935. He also wrote 10 books, novels and short stories during this period. In 1935 he came in contact with National Socialist Groups while working on the staff of the ESSENER NATIONAL ZEITUNG, joined the illegal SA in Austria and worked for the Nazi press in Austria. During this period he wrote such pamphlets as "Spanien in Flammen"; "Roten Menschenhandel Fur Spanien"; "Aufruhr in Sovietrussland"; "Genosse du Hast das Wort". In 1928 he was appointed Editor-in-Chief of several newspapers formerly Jewish owned. Shortly afterward he became the Editor-in-Chief of the Lower Austrian Press. In 1939 he was appointed by Gauleiter BUERKEL as the "Kommissarischer Leiter" of the Press Department in the Viennese Parliament. In 1940 Gauleiter BUERKEL transferred KERNMAYER to the leadership of the Press Department of the Civil Administration Chiefs in Lothoringia and head of the Press Department of the Reichstatthalter of WESTMARK. In January 1941 he joined the LEIBSTANDARTE SS ADOLF HITLER, first as a war correspondent and later as a soldier. During his military service he directed propoganda against TITO in Croatia and was an assistant to SKORZENY in Budapest. Was captured as a Second Lieutenant by the Americans and confined to Camp Marcus Orr. In the Summer of 1947 he was employed by CIC Salzburg as an informant. He worked for CIC Salzburg until the Summer of 1948 at which time he joined HOETTL, and Network "MONTGOMERY".

Evaluation: "B" (usually reliable); "3" (possibly true)  
KERNMAYER has been working as Operations Chief of this Network since November 1948 and during that time, with the unfaltering approval of the present Control Chief, resurrected a deteriorating network left in a state of chaos by the former Operations Chief, NEY, Dr. Karoly. His efforts in rebuilding the network have been more than considerable.

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SOURCES - EVALUATION

NYAK, Nandor (10/6324) located in Salzburg. Approximately 40 years old, short and stocky, light brown hair, no distinguishing features or marks. A former administrative assistant of a rubber factory in Budapest. He was a member of an anti-Nazi underground movement during the World War II. Gathers information of a general nature from eight sub-sources and acts as dispatch-post for the group. Information is passed on to a member of the Gaunden Center weekly at a prearranged meeting place in Salzburg.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
This source, although new in the network, continually turns in the majority of good reports received from this network.

RANYI, László (10/7134) resides in Hotel Europa, Salzburg. Approximately 30 years old, stocky, brown hair, has a typical Hungarian face with rather prominent cheek bones. Was a construction contractor in Hungary. Formerly a Sergeant in the Hungarian Border Guards. Gathers general information from three sub-sources and acts as dispatch-post for the group.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
Source turns in good reports on industrial and military activities.

HANKL, Oskar (10/7344) presently living in Hotel Schloessel, Salzburg, Austria. Description: short, wears glasses, (slit-eyed) and has brown hair. Was one time a construction engineer and a former Federal Secretary of the Hungarian Government during World War II. Immediately after the war he left Hungary and arrived in Austria where he was arrested and sent to Glasenbach by the Americans for a period of one and one-half years. Gathers information from six sub-sources and acts as dispatch-post manager for the group. Forwards information in person once a week to the Gaunden Center.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
This source is continually improving the calibre of information turned in by his sub-sources.

TRUY, Gregor (10/7854) resides in the Marion-Bad, Salzburg, Austria. Is 52 years old, 185 to 190 cm tall, heavy build, jutting

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jaw, hair is grey and thin. A former ordnance draftsman for the HADITEKNIKAI INTEZET (Military Technical Institute) of Hungary. At one time a Major in the Hungarian Army. Gathers information from three sub-sources and acts as dispatch-post for the group.

Evaluation: "C" (fairly reliable); "3" (possibly true)  
This source, although new in the network turns in good information which has been corroborated partially and in full by reports received from other networks.

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## SUBSOURCES

(10/5544) A forester in BORZSONY hills north of Budapest. Will give reports on a recently discovered mine (precious metal) located in that area.

(10/5554) An official of IBUSZ (Transportation Company with main offices in Budapest) residing in Budapest. He is the brother-in-law of 10/5574 and reports through him on transportation activities in Budapest.

(10/5564) A former telephone technician residing in Salzburg who travels to Hungary. Was formerly an intelligence NCO in the Hungarian Army. Operates in the area of DIOSGYOR and reports industrial information from that area. Travels with the cover story of being a black-marketeer.

(10/5574) A former ships officer of the Danube Shipping Company. Approximately 30 years old, residing in Budapest. Reports on Danube river traffic, stock piling and ports along the Danube River in Hungary as assigned from source in Salzburg.

(10/5584) A former university student of law. Was an intelligence NCO in the Hungarian Army. Resides in Salzburg and travels in Western Hungary. Reports military activities and political situation in Western Hungary.

(10/6334) A former owner of a small estate in the area of SZEKESFEHERVAR and one time MDP member in that same area. Was "Falugazda" (Village Agricultural Chief) of an area near SZEKESFEHERVAR until September 1948. Resides near SZEKESFEHERVAR and reports primarily on MDP activities.

(10/6354) A former medical student. Former intelligence NCO in the Hungarian Army. Lives in Salzburg and travels to Budapest where he contacts prominent persons in the Hungarian War Ministry and the Hungarian Army in Budapest. Also reports on the Russian Army as known by the Hungarian War Ministry.

(10/6364) A former member of the Hungarian Parliament with the BAHANKOVICH Party. Reports on political personalities throughout Hungary.

(10/7114) A former First Sergeant in the Hungarian Gendarmerie. Resides in Salzburg and travels in Hungary.

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Reports on Hungarian Military activities and the Hungarian Border Guards and the border situation. Receives information from a former Hungarian Army Sergeant residing in BALATONSZENTGÖRGY, a farmer living in NAGYKANIZSA and a county official residing in KAPOSVAR.

(10/7126) A clerk secretary in a large Budapest factory. Resides in Budapest. Reports on the MDP, factory trade unions, Hungarian railroads and general information as assigned from Salzburg. Receives information from friends whom she meets in Budapest.

(10/7144) An automotive engineer in the MAVAG Automotive Works of GYOR. Reports industrial information and political situation of GYOR area.

(10/7154) A former forester from VESZPRÉM residing in Salzburg who travels to Hungary. Reports on Soviet military activities and MDP activities. The information is gathered by his brother-in-law (a hardware merchant) in VESZPRÉM, another brother-in-law (chief Notary of Sopron County) in Sopron and a brother (clerk in the city hall of SZOMBATHELY).

(10/7664) A foreman in the Heiser-Manfred Works located in Budapest. Reports industrial information and general situation in Budapest.

(10/7674) A Criminal Police Lieutenant residing in police barracks in Budapest. Reports Criminal Police activities and general information from Budapest.

(10/7684) A retired railway official residing in SOPRON. Reports on ER activities throughout Hungary. Contacts former co-workers for information.

(10/8434) A clerk secretary employed in the MDP Headquarters in Budapest. Reports MDP activities of the Federal administration.

(10/8454) An office worker employed in computing section of the SZTATISZTIKAI HIVATAL (office for statistics). Reports on the vital statistics of Hungary. Has a brother-in-law who is Deputy Political Police Chief in Budapest who reports on activities and background information on chief personnel of MDP.

(10/8464) An elementary school superintendent living in SOPRON. Reports border situation and Hungarian Army activities.

(10/8474) A Hungarian Army First Lieutenant. Stationed in Budapest. Reports military activities in Budapest and gives periodical information on the KOSSUTH and PETŐFI Military Academies.

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## METHODS OF COMMUNICATION

All communications are by courier, carried over the following routes using the methods of travel as indicated:

10/7844 - Travels to Steyr via rail, crosses the border illegally and continues to Vienna by train where he meets 10/7124. Meetings are arranged at ten day and two week intervals at predetermined addresses which are changed at each meeting. All other subources are met in Salzburg, using the following routes and methods.

10/5574 (also courier for 10/5554) travels via rail to HEVESHALOM from Budapest, crosses the border illegally on foot continuing through the British zone Austria by rail. All international and internal borders are crossed on foot illegally.

10/6334 crosses the border at KORMEND (method as above).

10/7154 travels by rail through British Zone of Austria to the Austro-Hungarian border where he receives information from his brother-in-law and returns to Salzburg at the same route. Border and social crossings accomplished as mentioned above.

10/7114 crosses the border at SPORONLOVO by the same method as used by 10/5574.

10/6324 - Travels from Salzburg through the British Zone into Hungary via rail where he personally contacts 10/8474, 10/8434, 10/7884 and 10/8464. Crossing of demarcation line is on foot and illegally.

10/6324 (wife) travels to Vienna by train where she contacts 10/7874, 10/8454 and 10/6324 at pre-arranged meeting places and returns to Salzburg.

10/7134 - Travels through Austria across the British zone, crosses the Austro-Hungarian border near SZOMBATHELY and contacts subources at their homes in Hungary. Travel is by rail and demarcation lines are crossed illegally on foot.

10/7854 - Possesses a green Allied Travel Permit with which

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he arrives at the Austro-Hungarian border through the British Zone and is met by 10/5564, 10/5584 and 10/6354 who cross the border illegally near SZOMBATHELY. Meetings are separate at prearranged places.

**NOTE:** None of the couriers or main sources are known to any of the other couriers or sources. Only two couriers have direct contact with the Canadian Center.

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CONTROL METHODS

All sources, who are unknown to each other, upon receipt of information from sub-sources give all reports a check for completeness and correctness, and if there are any glaring or obvious errors the reports are immediately returned to sub-sources, otherwise they are forwarded to the Gaunden Center by courier.

Upon receipt of information from sources through couriers and some reports direct from sources, the information is again checked for its accuracy and completeness.

For cross-checking purposes the Gaunden Center receives information from several sources who are unknown to each other, on the same topic, by which the Center is able to check on the accuracy of reports or on the reliability of a particular source or sub-source. In instances where there is any great doubt about an important report, or where the reliability of a source or sub-source is doubted, several sources and sub-sources are asked to check the points questioned.

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SUMMARY OF INFORMATION

The type of information supplied by each source and subsource is indicated after the code number of each individual. The percentage of reports by type is as follows. (This is based on reports received during the past four months):

Political (General)	10%
Political (Communist)	20%
Economic and Industrial	10%
Military	60%
<hr/>	
Total	100%

Summary of information received from Net:

Soviet Military activities in Hungary.

Hungarian Military activities.

Communist political activities in Hungary.

Communist para-military activities in Hungary.

Economic and industrial information from Hungary.

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PROCESSING

Upon receipt of information by sources from sub-sources it is carefully checked. Once the source feels that the information is as complete and correct as possible he forwards it by courier to the center in Gaunden. When it arrives in Gaunden it is first processed by KEEN-MAYER who is a fairly capable evaluator, having lived in Hungary for some time during World War II, and it is also checked by SIKK whose mind seems to be an encyclopedia of information. The information is then passed on to SILLEY who checks the new reports with reports previously received and makes references on the new reports to these prior ones. Once the information has gone through these three persons it is translated by SILLEY into English.

When the information has been completely processed by the Center it is taken to CIC Gaunden by the Operations Chief who makes at least two weekly trips to CIC. The Operations Chief and CIC Control Agent take each report separately and go over it point by point for discrepancies and detail. If there are any points that cannot be cleared up on the spot the report is returned by the Operations Chief to source for clarification. This is only done, however, if the time factor is of no great importance on the information being reported. The accepted reports are then prepared by CIC Gaunden for forwarding as SOIs. The same procedure is used when Evaluation Slips are received from ODI and there are questions to be answered.

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COSTS

The total amount given to network "MONTGOMERY" per month is presently set at 24,000 schillings and 16,000 forints per month. This is broken down into the following categories:

London Center Workers:		
	<u>Schillings</u>	<u>Forints</u>
10/2444	2,000	
SIKE and SILLET	2,800	
Sources:		
10/7844	5,000	4,000
10/6324	1,000	4,000
10/7134	1,000	4,000
10/7854	5,000	4,000
3 couriers (total)	4,000	
Office expenses:		
Rent	600	
Light, heat and telephone	1,200	
Miscellaneous	600	
Payment to Hungarian Border aides	600	
Total	24,000 Sch.	16,000 Forints

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MAVA-4460  
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FUTURE OF PERSONNEL

The future of personnel connected with Network "MONTGOMERY" appears to be stable since the majority of its members are bona-fide residents of Hungary. Hungarian personnel living in Austria have asserted that they will leave Austria only if and when Hungary is no longer a Communistic State. There are no present projected changes in personnel as the Network has undergone a renovation in the past three months.

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EXPANSION POSSIBILITIES

Continued and partially confirmed reports that the Hungarian border will be closed against illegal border traffic indicate that expansion would be impractical since "MONTGOMERY" couriers cross the borders illegally. Possible installations of radios within Hungary would reduce the present risk taken by couriers and would accommodate any future expansion of the project.

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COVER INSTALLATIONS

The Russian Center for Project "MONTGOMERY" is located in the Villa Maria-Liesee, Altamunster 173, Gumbden, Upper Austria. The villa is registered in the name of HENNINGER who is in turn registered as a newspaper correspondent.

DISSEMINATION CONTROLLED BY AUTHORITY

AUTHORITY

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MISTAKES AND COMPROMISES

Issuance of Austrian Identity Cards to members of network who are non-Austrians and who are not good German (Austrian dialect) speakers.

Injudicious selection of subsources.

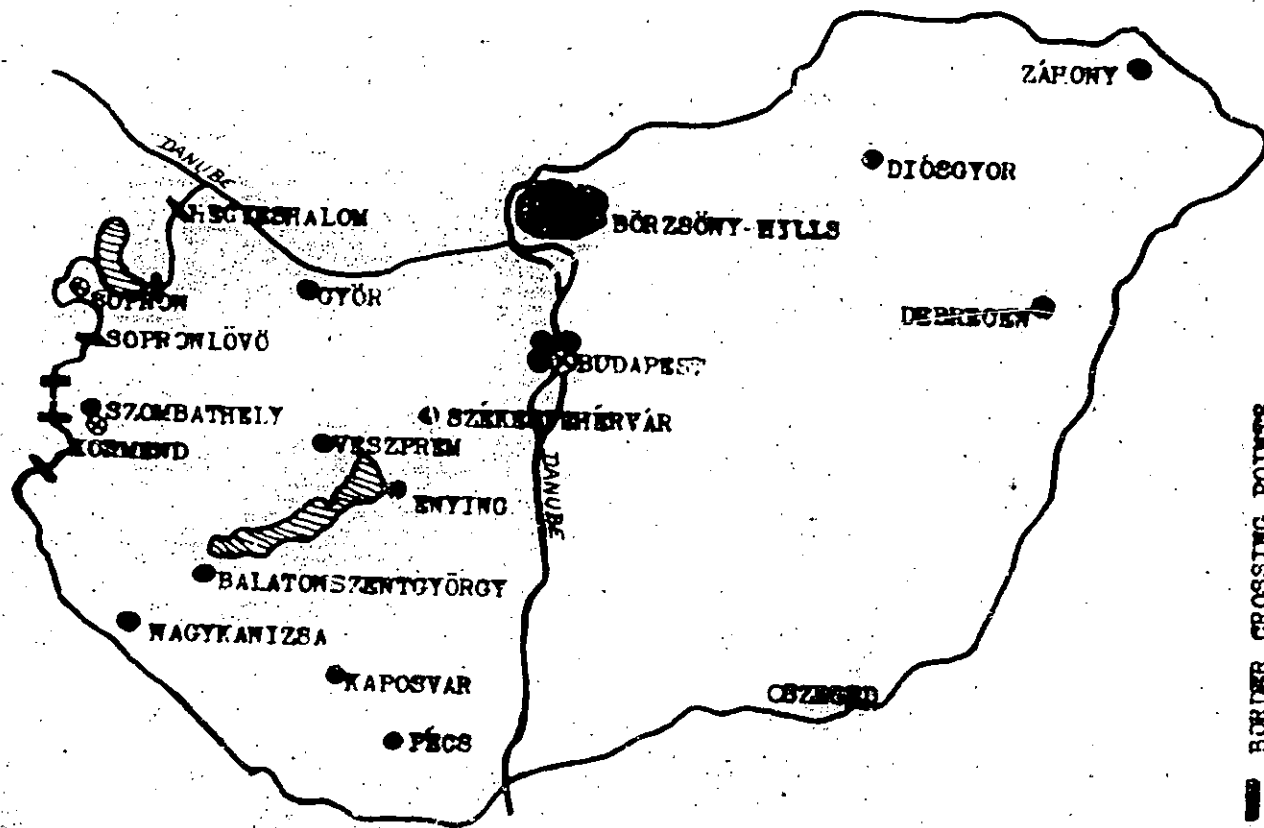
Placing a "soldier" (NEY, Karoly) as a main operator in the net rather than an intelligence man.

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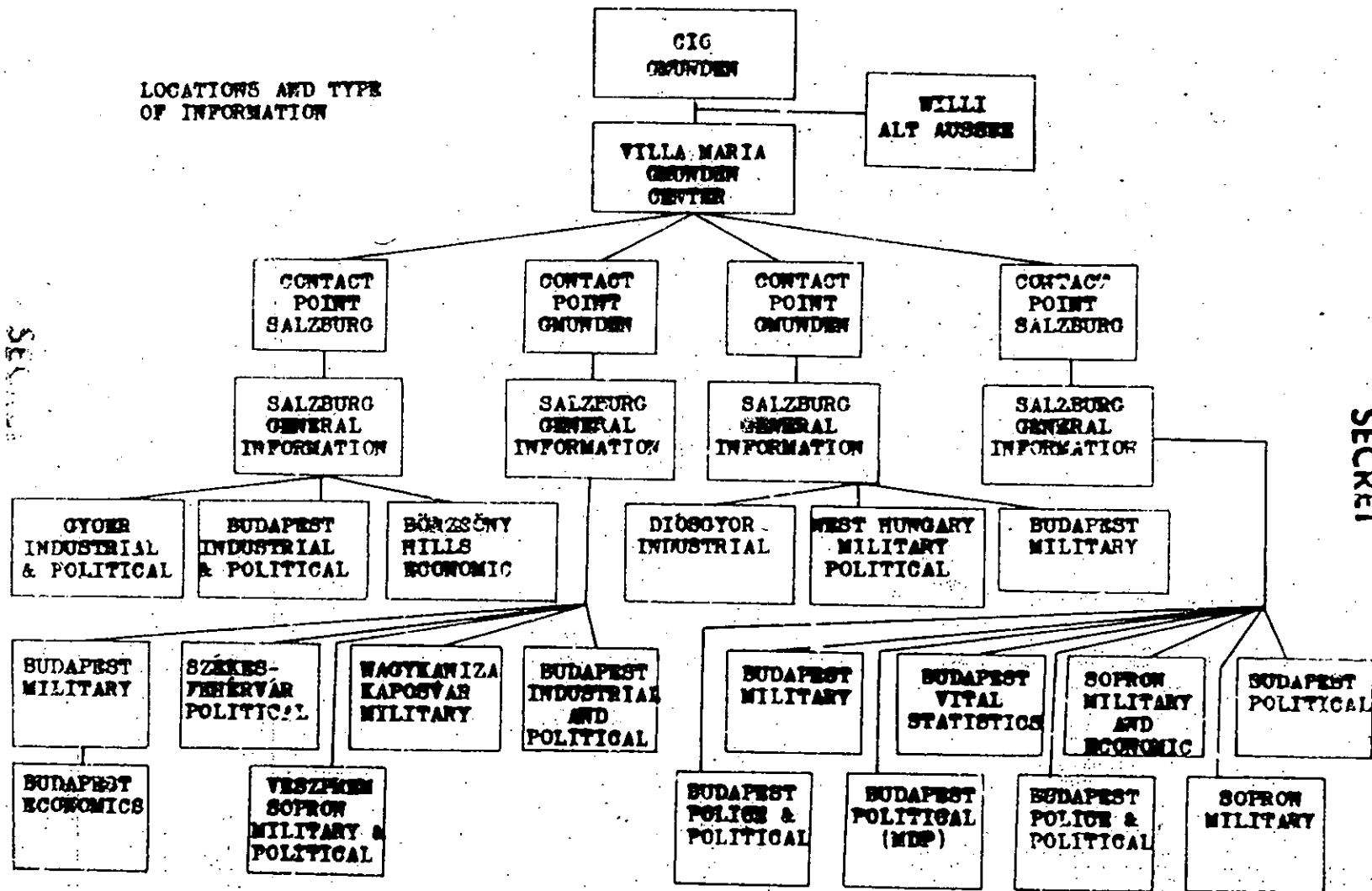


- BORDER CROSSING POINTS
- LOCATIONS OF SUB-SOURCES FOR 10/7134
- LOCATIONS OF SUB-SOURCES FOR 10/7854
- LOCATIONS OF SUB-SOURCES FOR 10/7844
- ⊗ LOCATIONS OF SUB-SOURCES FOR 10/6324
- PROPOSED SUB-SOURCE FOR 10/7854

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LOCATIONS AND TYPE  
OF INFORMATION



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MEMORANDUM FOR THE RECORD

Date?

SUBJECT: Dropping of Projects "MONTGOMERY" and "MOUNT VERNON"

TO : Deputy Director of Intelligence

1. The attached IRS is a result of many months of careful watching of the two networks which were ordered to be discontinued. The ultimate agreement to discontinue these networks was the result of an operational conference attended by the various factions of CIC, OO 430th CIC, and the undersigned.

2. Also attached is a complete file on the background and the alleged connections of the chief cut-out of these networks, Dr. Wilhelm HOETTL. HOETTL is considered an excellent intelligence man, but an extremely dangerous one. We have been requested many times by other U.S. intelligence agencies in Europe to discontinue our support of HOETTL since he was an SD leader and is feared by all present intelligence factions representing the Abwehr or non-German sources. The reason that he is feared is that he was a notorious intelligence man in his day and actually a war criminal, who was exonerated at Nurnberg due to the fact that he became a State's witness.

3. The problem which climaxed the discontinuance of HOETTL's activities was the Oberweis meeting between the People's Party and the Nazi element, in which HOETTL was the main aspirant, and of which he failed to notify his CIC superiors.

4. His reports recently (six months) have been extremely poor and have been on a steady decline. The reason is that he has not been paying any attention to his work as an intelligence operative for the United States Forces in Austria, but has been engrossed in all sorts of political dealings. We have warned him time and time again that it is impossible for him to work as an intelligence operative and be mixed up with local politics.

5. These networks were costing approximately \$2600 a month and in the opinion of the analysts of ODI are definitely not worth this amount of money. The project of dropping these networks was coordinated with the various sections of ODDI which received these reports.

6. Every consideration was given as to how much HOETTL might hurt us if cut away from his current projects. Due to the nature of his contacts and because of his background, we are in agreement that we do not believe that he will return and work for the Russians. We do believe that there is a possibility that he might try to ingratiate himself with either the British or French. We will watch HOETTL very closely to ascertain his future movements from our CI point of view.

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7. Another factor which was instrumental in the elimination of these projects was that HO TTL was one of the few sources obtained by USFA who was never operationally honest with this Headquarters -- i.e. it was practically impossible to learn the extent of contact and dealings of his sources as well as their identity. This information is extremely vital with reference to the evaluation of any report.

8. The plan for working out the details and arriving at the ultimate conclusion with reference to the dropping of these networks has been concurred in by the former Chief of Operations. The dropping of these two networks does not affect the current contemplated planning for the turn over of clandestine activities to CIA, since they are not willing to go along with subject due to his background and because of their knowledge of his present activities.

9. Plans have been initiated to build other activities which will compensate for these networks dropped. One plan is to build another OB network which will be parallel to "CHATTANOOGA". The reason being that we have only one network which covers OB in Austria; therefore, the reliability with reference to this information must be based on one group. A parallel group is being established as a check and also to intensify, as well as to extend, OB coverage of the Soviet Zone of Austria.

10. It is recommended that the above be brought to the attention of the Director of Intelligence verbally at the time of a future conference.

*J. W. Milano*  
J. W. MILANO  
Major AGD  
Chief, Opns

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Discontinuation of Projects "MOSKOWITZ" and "SWEET VENISON"

1. 20/1 HQ 30 Aug  
CIG 1949

1. Upon review based on a thorough study of subject projects, in addition to result of a conference between CIG and CCI members this date, it has been decided by this office that these projects will be dropped effective 1 September 1949.

2. The reasons for this action are as follows:

a. Reports resulting from these networks are not considered to be of proportionate value with respect to other networks operated by your organization.

b. Contribution of ~~value~~ for this type of activity.

c. Failure of responsible intelligence agents to supply satisfactory data with reference to conduct of operations procedure.

3. No compliance.

FOR THE DIRECTOR OF INTELLIGENCE

J. ROY HENDERSON  
Lt Colonel, GPO  
Deputy Director of Intelligence

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7/1/III

*Brief*

3 June 1949

Dr. Wilhelm HOETTL's Organization.

Contents.

- I. The Past of Dr. Hoettl.
- II. Important data in connection with Dr. Hoettl's activity and connections, from 1945-1949.
- III. Personal History Statement. Cross connections with other intelligence groups.
- IV. Summary. Dr. Hoettl's political tendency.
- Vs.
- VI. Rough draft.

*Handwritten notes at bottom right corner.*

The Past of Dr. HOETTL.

Connections and Intelligence activity  
until the end of war 1945.

Dr. HOETTL's vast connections originate from the time before 1945.

Dr. Wilhelm HOETTL, born in Vienna 1915, studied History and Geography at the Vienna University, from which he graduated in 1938 as a Dr. of Philosophy. While at university, he made a large circle of acquaintances, which later developed into close intelligence connections. The main connections were with Dr. Taras BORODAJKEVICZ and Josef DEVORETZKY. As a student he belonged to the NSDAP and SS. His NSDAP membership No. 6309616, SS No. 309510. Also at that time, he was working for the SS organized illegal intelligence service, during which time originated his close contact with Karl v. WINKLER, who was in the employ of v. Papan. The intelligence group of "the illegal time" covered especially Vienna, Lower Austria and the Burgenland. It is assumed that HOETTL came in touch before 1938 with von HEYDRICH (Reichsprotector of Bohemia and Moravia, shot by the Czech ~~resistance~~ ~~resistance~~ of the Berlin intelligence (consisting partly of Austrian refugees, partly of Germans). His later contacts with Werber GOETSCH, Wilhelm WANECK, Zeischka are definitely the result of this contact.

Through mediation of v. BORODAJKEVICZ and others, he established contacts before 1939 with BENLEIN (former Fuehrer of the Sudete Germans NSDAP) and his intelligence circle, with Lothar Kraus and Josef URBAN. Also at that time were established contacts with the intelligence apparatus of the SEYSS-INQUART, to which belonged Dr. Kajetan RUEHLMANN and Ludwig NYZICH. Also as a student, he joined political-catholic circles, which worked on the realization of the church and a new influence of the church in political matters. The outstanding members of this circle were Dr. Anton Bohm, at that time editor of the "Schoener Zukunft" catholic cultural periodical, further Prof. Dr. Hans RIEL, Vienna Philosopher, and lastly Dr. BORODAJKEVICZ, who had close contacts with the Jesuites. The latter and Hoettl both are admirers of the catholic hierarchy and consider the Jesuites an ideal type of political men.

After Austria's annexation to the German Reich, HOETTL received a post at the SD. His first assignment was the SD-"Unterabschnitt" in Vienna (Enemy reports, later Foreign intelligence)/ Scheming by nature, he put his efforts to oust the "Abschnittsfuehrer" (Trittner) in order to get the position for himself.

of the Vienna ~~Leitabschnitt~~, and his successor ~~LEITABSCHNITT~~. Two disciplinary investigations were conducted because of Dr. HOETTL's acting in unison with church circles. His main contacts in the field of church were Dr. BORODAJKEVICZ and Prince POHAN. The disciplinary investigation against Hoettl had to be dropped, because his influential friends interceded for him.

Attracted by the increasing importance and expansion of the RSHA- Section VI, Hoettl surrounded himself with Viennese comrades he met during his work at the illegally NSDAP and SS, to whom he handed out jobs at the SD regardless of their qualifications. These individuals, such as MORAVEC, BAVLAKOVIC, KOSTYAL, ~~SKOZIL~~, ~~CECHO~~ (mainly of non-German origin) were serving him loyally.

During Mussolini's liberation, HOETTL was a report editor of the RSHA-Section VI, for Italy; at that time he made contact with SKORZENY of Vienna. Hoettl's representative in Rome was alias Carlo MARIO.

HOETTL had close connection with the circle of KALTENBRUNNER. With the arrival of Kaltenbrunner to Berlin, Hoettl's position in Vienna was greatly strengthened. He succeeded in making independent the department VI from the SI-Leitabschnitt. When the group VI/E South east of the RSHA, under direction of "Sturzbannfuhrer WANECK" came to Vienna, HOETTL became a deputy "Gruppenleiter," under WANECK, and in this capacity handled the intelligence of Croatia, Serbia, Albania, Hungary and Slovakia.

In 1943, a disciplinary action was started against HOETTL, allegedly for misappropriation of SD funds (Foreign Intelligence). Due to his influential friends he got away also this time cheaply.

*D. K. 1947*  
Since the occupation of Hungary in May 1944, HOETTL was transferred to BUDAPEST. He became prominent through his opposition to WINKELMANN (former high SS- and Police leader), VERSEMAYER (former German ambassador) and SPALASY (former Hungarian Minister President and leader of the "Pfeilkreuzler" movement). He evaded, for the third time, a disciplinary investigation, because of his efforts to satisfy his ambitions to rule the ~~HE~~ INTELLIGENCE.

After the fall of Budapest, Hoettl returned to Vienna. Werner GOETSCH, representative of KALTENBRUNNER, assigned him for the "Unternehmen Herzog" (for the purpose of making contact with the West Allies and attempts of creation of an Austrian transitional government under KALTENBRUNNER) as a liaison between the Western Allied diplomats and ~~the~~ authorities, particularly in Switzerland. This assignment was issued by KALTENBRUNNER and transmitted to GOETSCH, supposedly without the knowledge of other authorities;

had the approval of the SS-officers WANECK, HOETTL, KNE and ZRISCHKA, further Dr. Theodor VEITER, former official of the Bundes chancellery, who since 1948 was especially close to S. KRAUS. From this time date Hoettl's alleged connection with Allan DULLES, Swiss Col. BAUMGAERTEL, as well as with the Austrian Resistance fighters. Also Karl von WINKLER was at that time in contact with HOETTL.

II. Important data in connection with Dr. HOETTL's activity and connections, from the end of war 1945-May 1949.

A. Imprisonment.

Dr. HOETTL was arrested together with KALTENBRUNNER in May 1945, at ALT-AUSSEE (Upper Austria): after having been sent to numerous US camps and interrogation centers, he was finally sent to Nurnberg as a witness. During the Nuernberg trial, his name appeared in the press as a witness for the prosecution. Despite of this fact, HOETTL claimed to be a witness for the defence. Amongst other things he prepared a lengthy report on the extermination of the Warsaw Ghetto.

In summer of 1947, released from the US-imprisonment, he was handed over to Austrian authorities and rearrested by the Austrian Court of Justice. Through mediation of Frau Iris SCHARITZER, (wife of the former adjutant of KALTENBRUNNER) a contact has been established with the local CIC authorities, who probably put Hoettl under town arrest. Hoettl's court records were requested by the US authorities. He worked for a short time in the CIC in Salzburg, where he gained the friendship of Erich KERNMEYER, whom he knew since the time of his activity in Hungary. Shortly after HOETTL transferred his activity to Upper Austria.

INTELLIGENCE WORK  
b. The ~~NS~~ and political development of Dr. HOETTL's organization, in chronological order:

Beginning of 1948:

INTELLIGENCE HOETTL dispatches about 140 letters to his former political and ~~NS~~-friends: he succeeds to renew, ~~in many cases~~, ties of friendship with his old comrades. From this correspondence can be clearly seen, that his efforts are directed mainly toward the European South-east, besides also South- and south-west Europe, and further seeking points of attachment among the national minorities, especially in the southern Soviet Union.

September 1948:

HOETTL claims to be in contact with the US ambassador in Vienna, ERHART, allegedly through recommendation of Allan DULLES. HOETTL states, that ERHART requested him to furnish to the US intelligence service his knowledge of the Balkans and

connections. HOETTL uses his connection with Allan DULLES and ERHARDT as propaganda; he delivers, in middle of September, in Vienna, a record on the construction of an intelligence service. This record is based on SCHEFFENBERG's (chief of the RSHA department VI) theory "Political Assistance" (Politischer Hilfdienst): enemy propaganda, intelligence service, illegal activity. Further, he had sent to the USFA a record on construction of an Alpine fortress. HOETTL claims to be in contact with Dr. KATSCHINKA, Karl von WINKLER and MORAVEC.

HOETTL establishes connection with CIC in Linz. He activates an intelligence service, which consists of a Hungarian and Austrian group. The Hungarian group is headed by a Lambach intelligence center under supervision of Ney. His assistants are: Erich KERNMEYER, Editor, and DEVORETZKY, for evaluation. NEY, has connection allegedly with the Italian Marshall NEGRO and Franco in Spain. A school for Hungarian agents is established in GRUTHAU.

The Austrian group was organized by the former "Gebiets-fuehrer" KOVARIK.

HOETTL is active politically; ~~through KERNMEYER through~~ through KERNMEYER, he renews his ties with JASSER, editor of the "Alpenlaendischer Heimatruf" in Graz, and tries to have transferred this newspaper from Graz to Linz. The "Alpenlaendische Heimatruf" is the organ of the newly organized 4th party, supported by the NS-circle, Grossdeutsche, Liberals and Landbund followers.

October 1948:

HOETTL contacts Dr. WUEHRER, who is the leader of the OeVP-Information service for the Land of Upper Austria, in Linz. Through mediation of Dr. WUEHRER he succeeds to establish a contact with the OeVP Upper Austria. A contact between KERNMEYER and Dr. Herbert A. KRAUS is also established at that time. *Collection*  
(Dr.) Herbert A. KRAUS is editor of "Berichte und Informationen" periodical, in Salzburg, and leading figure of the 4th party. KERNMEYER furnishes him with intelligence material for publication. Repeated meetings between Dr. KRAUS, KERNMEYER and JASSER in connection with organization of the 4th party are taking place. A substitute for the in the meantime suspended "Alpenlaendische Heimatruf" is being planned. JASSER tries to gain the former National Socialist for the OeVP cause. Attempts are made, presumably prompted by HOETTL, through Dr. WUEHRER, to join JASSER with the Upper Austria Landespartei secretary, RESINGER.

CIFA  
CCC EDITOR  
IN CONTACT  
WITH WUEHRER  
HOETTL  
(10-1000) NET

The Hungarian group is involved in payment matters, which leads to frictions between NEY and HOETTL. In the meantime, Kernmeyer is appointed as chief of the active reconnaissance. He utilizes a part of his findings for the press, and furnishes to the "Linzer Volksblatt", as well as to the "Tiroler Volksboten"

KERNMEYER quits, probably because of personal disagreement with Jasser, the "Freie Stimme" (successor newspaper of the "Alpenländischer Heimatruf") and informs RESINGER, the OeVP-landes secretary about his decision. HOETTL keeps up a correspondence with ZOEGERNITZ, former "Aussenstellenleiter" of the SD-branch office, St. Poelten of the SD-Leitabschnitt Vienna.

MGL-A-1249

December 1948:

l. former  
OeVP  
contact  
direct  
OeVP  
file

HOETTL meets BORODAJKEVICZ. According to an unconfirmed report, HOETTL leaves for Muenich, on 15 Dec. 1948 for the purpose of meeting Frl. Elisabeth FRANKE, former SS-Gen. STEINER, his former chief, WANECK and the Bulgarian ZLATAREFF. KERNMEYER arranges a meeting with the Hungarian emigrant HORWATH, who is affiliated with intelligence network of the Hungarian emigration leader, Gen. FARKAS. NEY states, that his meeting with the French intelligence took place; as result of this meeting he received a passport authorizing his travel to Italy.

January 1949:

HOETTL maintains contact with WINKLER and LOOS. WINKLER operates for the CIC, in Vienna, with probable connections to the British intelligence.

Graderschaff

NEY states that HASS, alias MARIO, maintains contact with the former Gauleiter, LAUTERBACH, in Rome. NEY requests HOETTL to give a sum of 20,000 S. for a trip to Spain to establish a contact with FRANCO. Hoettl refuses; Ney quits Hoettl's organization and moves to the French Zone of Austria. Strained relationship between HOETTL and JASSER caused by the increasing JASSER's friendly policy for the benefit of OeVP. A conference between Dr. Herbert A. KRAUSS and HOETTL takes place in Gmunden, 9 Jan., during which HOETTL promises the support of the Austrian group KOWARIK-KERNMEYER for the cause of the 4th party.

HOETTL and KERNMEYER renew their connection with Prince ROHAN.

HOETTL attempts to institute a connection with Professor SCHOENBAUER, the exponent of the planned 4th party in the Soviet zone of Austria; the latter, however, feared that through Hoettl the OeVP might be informed about the far stretching plans of the 4th party.

February 1949:

HOETTL is presumably in contact with Dr. MINNICH, whom he met during his activity in Hungary. Dr. MINNICH operated for the group Verock, which is attached to the CIC Augsburg



Another Hoettl's contact is Count BERCHEM, former political adviser to the Military Security Office, Vienna,

KOWARIK is allegedly keeping in touch with GAMOTA, former SS-"Hauptsturmfuehrer", at present lawyer for Austrian affairs at the MWD, in Prague. KOWARIK claims that GAMOTA will soon leave the MWD. KOWARIK further maintains contact with PRANTZ, former HJ-Fuehrer, LAUTERBACH Jun., a brother of the former Gauleiter.

KERNMEYER informs that he is a chief correspondent of the "Ost-West-Dienst", a press service.

Dr. Herbert A. KRAUSS maintains contact, allegedly on US orders, with well known representatives of the Eastern emigration, for the purpose of probing into life of political and other important personalities. His aim is to find men for the future exile governments. He approached the Yugoslav Gen. POPOVIC and the Bulgarian Ilja ZLATARIEFF.

OeVP  
contact

OeVP;

Karl von WINKLER meets GORBACH, Nationalrat, in SCHLALMING, on 3 and 3 Feb. 1949., to whom he transmits the contents of the conference with Dr. Herbert A. KRAUSS.

March 1949:

KERNMEYER informs he handed over to the "Neue Front" (Publisher Dr. Herbert A. KRAUSS, editor-REIMANN, organ of the independent organization of the VDU. VDU is the name of the circles which attempt to form the 4th party) material incriminating OeVP functionaries in Upper Austria, which are going to be published. The charges are incriminating Dr. GLEISSNER, Landeshauptmann, and Dr. KAPSREITER, Nationalrat. The material is intended as election propaganda. On 8 March 1949, a meeting takes place, participants: Nationalrat GORBACH (OeVP), Dr. BORODAJKEVYCA, Dr. FUEHRER and Walter POLLAK (POLLAK is Dr. Herbert A. KRAUSS' representative in Vienna).

HOETTLE renews his connection with Dr. Friedrich HEISS, who has connection with BORODAJKEVYCA and RESINGER (OeVP).

REIMANN and KERNMEYER conference with Nationalrat PITTERMANN is held at the secretariat of the SPOe, in Linz, on 12 March 1949, in connection with the position of the SPOe to VDU. PITTERMANN reveals, that the SPOe will not give up its coalition with the OeVP, however, it will give its support to the VDU of the British zone.

A conference of the VDU, in which participated Dr. HOETTLE, BORODAJKEVYCA, FUEHRER, POLLAK, Herbert A. KRAUSS, REIMANN, HEISS, Dr. REINSCHEFFER and others, was held at the Kurhotel, in Gmunden, on the 19 and 20 March 1949. The objective of the conference was

the managing of the former National Socialist votes for the forthcoming election. Dr. HOETTL assigns Dr. PESENDORFER, as his representative, for the leading position in the VDU.

April 1949:

Oscar HEMPEL, former state secretary of the Hungarian "Pfeilkreuzler" regime, operates for HOETTL; since fall 1947 dates his connection with KERNMEYER. His coworkers are: SRETER brothers and a certain FUEZY. HOETTL maintains contact through KERNMEYER with the Hungarian agent BIBO.

HAMPEL is allegedly also operating for the French intelligence. HAMPEL controls also the Hungarian group BAJUSZA.

KOWARIK's coworker is the former Gauinspector SCHACHERMEYER. The general assembly of the VDU takes place; Chairman-Dr. Karl von WINKLER, executive committee- Dr. PESENDORFER. WINKLER is close to the State secretary GRAF (OeVP).

H.A. KRAUSS, KERNMEYER and REIMANN held a confidential meeting with the Vice-chancellor SCHAERF (SPOe), on 8 April 1949, in Salzburg, in connection with the SPOe stand to the VDU. SCHAERF confirmed that the British Occupation Authorities have no objection against licencing of the VDU.

16 Apr. 1949, reunion of HOETTL and Wilhelm WANECK, at the Hotel Hirsch, in Salzburg. During 16-18 Apr. 1949 frequent conferences in which participate HOETTL, WANECK and Lothar KRAUS, probably held in connection with intelligence planing.

Another contact of Dr. HOETTL: KUNGEL, employed before the war at the Antikomintern Berlin office, during the war operated on orders of the RSHA-department VI, in Croatia.

c. Present Connections of Dr. HOETTL's organization.

Dr. HOETTL's direct connections

Dr. HOETTL's indirect connections.

CIC LINZ

KERNMEYER (political and intelligence connections)

through KERNMEYER with:  
Dr. WUEHRER (through Dr. WUEHRER with the OeVP)

Dr. RESINGER (through RESINGER with the OeVP)

PUTZ (through PUTZ with OeVP press)

Dr. BOETTL's direct connections

DEVORETZKY (Coworker of the staff)

LUGER (Military adviser)

Gen. KIESSLING (Military adviser)

KOWARIK (political and intelligence connections)

SCHACHERMEYER (Coworker of the staff)

HECKE (coworker of the staff)

BORODAJKEVICZ (mainly political connections)

Dr. KATSCHINKA (probably intelligence contact)

MORAVEC (probably intelligence contact)

Dr. WUBER (mainly political)

Dr. BOETTL's indirect connections

Vice Chancellor SCHAERF (SPOe)

Nationalrat PITTERMANN  
(SPOe, through PITTERMANN with SPOe Information service)

HAMPEL (Hungarian operations, through HAMPEL with the SRETER brothers, FUEZY and possibly with BAJUSHA and with the French intelligence.)

BIBO ✓

through KOWARIK with:

PRANTZ (through PRANTZ with LAUTERBACHER and HJ-circles in Germany)

through BORODAJKEVICZ with:  
Soviet Col, and university professor,  
STERN (through Stern with KPOe and SMA)

Catholic clerical circles

GORBACH (OeVP), Nationalrat  
Dr. REISINGER (OeVP)

Dr. REISS

through Dr. FUEHRER with

Dr. REISINGER (OeVP)

Dr. HOEYTL's direct connections

Count BERCHEM (Intelligence connection)

KUNDEL (political and intelligence connection)

Karl von WINKLER (political and intelligence connection)

Dr. HEISS (political connection)

Dr. REIMANN (political)

Dr. FUEHRER (political connection through FUEHRER with:

POLLAK (Political connection)

Dr. Herbert A. KRAUS (political connection)

Dr. HOEYTL's indirect connections

Information service of the OeVP.

through BERCHEM with:  
French intelligence.

through KUNDEL with:  
former Antikomintern-circles.

through WINKLER with:  
CIC Vienna  
probably British intelligence  
Jugoslavia orientation  
Secretary PAPENS  
JOSTEN brothers (through JOSTEN with  
the British intelligence)  
Mac CAFFERY (British intelligence)  
LIENERT (Swiss Police)  
SCHLABRENDORF (through SCHLABRENDORF with  
German resistance circles of 20 July 1944  
LOOS  
State Secretary GRAF (OeVP)  
Nationalrat GORBACH (OeVP)  
Karl KRAUS, Engineer, (through Karl KRAUS  
and von WINKLER direct connection with  
VUCOVIC, MARINKOVIC Yugoslav circles)  
SPAAN-circle (leader Raffael SPANN)  
Purpose of the circle: (Staendestaat?)

through REIMANN with:

Vice Chancellor SCHAEFER (SPOe)

Nationalrat PITTERMANN (SPOe)

Nationalrat GORBACH (OeVP)

through POLLAK with:  
Nationalrat GORBACH (OeVP)

through KRAUS with:  
Nationalrat GORBACH (OeVP)

Dr. HOETTL's direct connections

HASS alias MARIO (intelligence connection)

MOELLER (intelligence connection) possibly identical with MARIO.

PRODANOV (intelligence connection)

Lothar KRAUS (intelligence connection)

WANECK (intelligence connection)

PESENDORFER (political connection)

Prince ROHAN (political connection)

d. Discontinued connection of Dr. HOETTL's Organization (unconfirmed)

Dr. HOETTL's direct connections

ERHARDT (U.S. Ambassador in Vienna) Questionable if still existing.

Dr. HOETTL's indirect connections

Vice Chancellor SCHAERF (S/Os)

POPOVIC (through POPOVIC with Yugoslav emigration circles)

ZLATAREFF (through ZLATAREV with Bulgarian emigration circles)

CIC. SALZBURG

through HASS with:

HUEHLE and LAUTERBACHER Sen., ROME

through MOELLER with:  
Italian intelligence

Vatican

through PRODANOV with: *ODEUM*  
Bulgarian Emigration circles  
Bulgarian Orientation

through WANECK with:

Johannes MUELLER (through MUELLER with "MONTGOMERY" intelligence)

ZLATAREFF (through ZLATAREFF connection with Bulgarian emigration and Bulgarian orientation)

Dr. HOETTL's indirect connections

through ERHARDT with:  
Allan DULLES

Dr. HOETTL's direct connections

Dr. HOETTL's indirect connections

BAUMGARTEL (Swiss Colonel)  
(broken off connection)

BEY (Connection discontinued)

JASSER (discontinued)

Dr. MINNICH (probable connection)

Professor SCHOENBAUER (as yet not materialized)

GOETSCH (probable connection)

ZEISCHEA (probable connection)

Elisabeth FRANKS (probable connection) through FRANKS with:

SS-Gen. STEINER

ZOEGERLITZ (correspondence)

WEITER (probable connection)

Erin SCHEITLER (probable connection)

through SCHEITLER with:  
Local CIC

Probable Connections

through KERNMEYER with:  
HORWATH (through HORWATH with  
Hungarian Gen. PARKAS)

through HAMPEL with:

Hungarian BAJUSZA agents group

through KOWARIK with:  
PONZ (through PONZ with KPOe,  
probably discontinued)  
GAMOTA (through GAMOTA with  
MVD, Prague.

III. Personal History Statement.

Cross connections with other intelligence groups.

1. BAJUSZA, Hungarian, resident of Salzburg; directs a group of agents selling intelligence. Cooperates, probably for HAMPEL.
2. BARBIE, nickname, right name BECKERT, member of the MERCK intelligence group, formerly a Stapo employee. He is on the French War Criminals list for shooting hostages.
3. BAUKARTTEL, Swiss colonel, who took a part during HOETTL's negotiations with the Western Allies shortly before the war ended. (Herzog Venture)
4. BERCHEM, Count, resident of St. Ulrich on the Pillersee/Tirol, formerly adviser to the Vienna Security head MAROGNA-REZWITZ, who was executed on 20 July 1944. Subject has contact with the French intelligence.
5. BIBO, Dionisios, alias Dionis BUEBGER, Gregor TRURY; of Hungarian origin, engineer by profession, lives at Salzburg, Marienbad. He is an expert in radio-telegraphy and constructs for his agents wireless apparatus. Ambitious, talkative, passes on unreliable reports. He is often seen in Graz. Probable cross connections with British intelligence.
6. BORODAJKEVICZ, Dr. Taras, age 49, Historian, prior to 1939-Vienna Record department, during the war-Professor of Modern History at the University of Prague, member of the CV (Catholic Students Organization). Follower of the "Grossdeutsche policy" he joined the National Socialists. Early in his career, he was engaged in intelligence service, probably in the illegal NSDAP intelligence in Austria. His friendship with Dr. HOETTL dates from the time of his study at the university. Dr. BORODAJKEVICZ's social standing, large circle of acquaintances especially among aristocracy and clergy, make him a valuable figure in the work of intelligence. The first intelligence-political success he attained was the visit of Runciman to CSR, as a result of which the British Government was won over for the separation of Sudete German area. At that time, he worked together with Maj. CHRISTIE of the British intelligence; the relations have been broken up since. During the war, BORODAJKEVICZ was sent on important missions to AGRAK, PARIS and ROME, where he is believed to have established his contacts with the Vatican circles. After the war he spent most of his time in Vienna; he met here Professor Eduard WINTER, formerly professor of Catholic Theology in Prague. Professor WINTER, extremely pro-Russian, is today the dean of the university Halle. The latter introduced BORODAJKEVICZ to professor SPERN, a Soviet Colonel, of Vienna University. BORODAJKEVICZ was offered by the Moscow Academy of Science to interpret scientific reports first at Moscow and then at Petrograd. The connection is still existing, however not as close as before.

Dr. BORODAJKEVICH is today a central figure of a group of scientists and intellectuals following the "Grossdeutsche" line. His apartment (Jakobergasse 4, Vienna II) became soon a club of the elite of the former National Socialists.

7. CAFFERY Mac, representative of the British Intelligence in the British zone of Germany. Details unknown.
8. DEVORETZKY, Josef, formerly SD "Hauptsturmfuehrer"; employed by HOETTL in Budapest, in 1944. DEVORETZKY, who seems to be unsuitable for active intelligence work, is good at evaluation. He is quiet, intelligent and of irreproachable character.
9. DULLES, Allan, American intelligence member, Republican politician.
10. ERHARDT, U.S. Ambassador in Vienna.
11. FARKAS, Ferenc, formerly Hungarian Lt. Col., self-appointed leader of the anti-communist Hungarian refugees, organized in Apr. 1948 in Muenich the "Hungarian Liberation Movement". FARKAS resides in Muenich.
12. FRANCO, president of Spain.
13. FRANKE Elisabeth, former secretary of v. WANECK, during the war spent some time in Greece, worked for HOETTL, has contact with STEINER, SS "Obergruppenfuehrer". Resides at Munich.
14. FUEHRER, Dr. Erich, age 50, lawyer practicing in Vienna. He became known through his defense, in 1934, of participants in the NS-plot in Austria. After 1939, he had no political affiliations; private and corporations lawyer. After the war, Dr. FUEHRER was sentenced on charges of treason to 3 years, which he served. He is still highly regarded by some Nationalist Socialists, has a good reputation as a lawyer, and good connections with the OeVP politicians.
15. FUEZY, Istvan, Hungarian, formerly Sergeant of the Police, resides at Salzburg, Haunspergerhof, Room 9; he is employed by HAMPEL, intelligence operations against Hungary.
16. GAMOTA, formerly SS-"Hauptsturmfuehrer", during the war took part in "Venture Franz". In South Iran, where he landed in a parachute, he headed a group fighting against the Allies. After the breaking up of the "Venture Franz" he returned by way of Turkey to Vienna, then joined the MVD in 1945. At present he holds a post as a lawyer for Austrian affairs at the MVD, in Prague. He most probably keeps up a connection with KOWARIK.

LM&GORBACH, Dr. Alfons, Nationalrat of the OeVP.



18. GOETTSCHE, Werner, former SS-"Obersturmbannfuhrer"; represented KATTENBRUNNER in the "Venture Herzog". After the war fled from internment camp in Dachau, allegedly helped by the French; operates probably for the French intelligence.
19. GRAP, State secretary of the Bundes Ministry of the Interior, Oe.P.
20. HAMPEL, Oscar, Hungarian, formerly State secretary of the Hungarian "Falkkreuzler" government, operated for the CIC SALZBURG, then left for Braunau, and presently works for KERNSEYER and also probably for the French intelligence.
21. HASS, alias Carlo MARIO, identical possibly with MOELLER; he was HOETTL's assistant during the war, at the time of Mussolini-liberation. He claims that he is serving Americans and has numerous connections in Austria and Germany. He maintains contact with CIC LINZ and HOETTL. His address in Rome: Via Falaria 8, presso Nicolai, Tel. 772645.
22. HECKE, Helmut, police official, coworker of KOWARIK.
23. HEISS, Dr. Friedrich, Linz, Weingartshofstr. 14 a. Founder of the "Volks und Reich" publishing firm, wholesale house, which was supported by the heavy industry and Nazi-regime as well. Honorary bearer of HJ-Bannfuhrer and "SS-Standartenfuhrer". He takes frequent trips to the Bizone for business purposes. Besides his efforts to shift the toy industry from Turingia to Upper Austria, he has interests in lumber business, book "compensation". Further, he is busy organizing German-Austrian Film Production in Austria, in which is also interested REISINGER, Landes secretary of the OeVP. The latter is already interested in a film renting business in Linz, which is very profitable. It would be unjust to designate Dr. Heiss as a fanatic national socialist. He is simply a businessman, who takes advantage of every opportunity to make profits. He joined the OeVP because he expects a backing for his dealings.
24. HOETTL, Dr. Wilhelm, (see section I)
25. HOFFMANN, Dr. Emil, formerly member of the German Embassy in Bucarest; war reporter with Kurt EGGERS, SS-"Standart". He is a coworker of the group MERCK, has also probably a cross connection with the French intelligence. His address: Berlebur Westphalia, Poststrasse 53.
26. HORNBOSTEL, Theodor, formerly head of the Austrian Foreign Service during SCHUSCHNIGG-era; at present "Obmann" of the OeVP bezirk organization in Gmunden, which is the best organized party of the OeVP in Upper Austria. His influence reaches far beyond his section; his advice is sought by party leaders.
27. HORWATH, Hungarian refugee, lives in Bad Aussee; maintains contact with Gen. PARKAS.
28. JASSER, Dr. Manfred, formerly NS journalist; during the war

was edito. of the "Neues Wiener Tageblatt", under the pen name of KLAUSNER wrote in the "Alpenlandischer Heimatsrat". At present edits the weekly "Freie Arbeiter" in Linz.

29. OSTEN <sup>(two)</sup> two brothers, one lives in Neus/China, Blackhammer 42, the other emigrated to London; both are connected with the British intelligence.

30. HATSCHINKA (DA) resides at ECHLAUBING/Styria; formerly "Gautädenteufner" and coworker of the SD in Vienna. During the war was active in the German Embassy in Agram; connection with HOETTL. At present is owner of coal mining firm in Schladming.

31. KERNMEYER, Erich, was active until 1934 in the socialist Youth movement in Graz; after the social-democrat uprising, in 1934 he came to the camp WOELLERSDORF and became national socialist. Following his release he worked for the illegal NSDAP, then as chief editor of the illegal "Oesterreichischer Beobachter". In 1938, he advanced to the post of "Gaupresseantsleiter" in Vienna under Gauleiter BUERCKEL. When SCHIRACH became Gauleiter of Vienna, KERNMEYER was transferred to Lorraine as press reporter under BUERCKEL, later he joined the SS and was assigned to Kurt EGGERS propaganda company in Agram. Shortly before the end of war he became a head of a company for army reconnaissance. After the war he was interned first in Garmisch-Partenkirchen, then in camp Markus W. Orr near Glaserbach. He met here KOWARIK. After his release in summer 1947, he established a connection with CIC FRIESKIRCHEN, later he worked for the CIC SALZBURG. He also renewed his connections with the former HJ-leaders, and established connections with the Croatian and Hungarian refugees (NSY) and Dr. HOETTL. KEY and HOETTL had known KERNMEYER from Hungary, where he served with the "Standart" EGGERS. KERNMEYER is described as being very active and ruthless. His political tendencies can be easily swayed depending circumstances and favors which he may get. He is an active assistant of HOETTL; his name appeared frequently in the communist press, especially in connection with the Agram Ustascha trial.

32. KRESSELING, former General, HOETTL's military adviser.

33. ROHNIG, former military Governor in Germany.

34. KOVARIK, Karl, Engineer, formerly HJ-"Gebietfuehrer" and "Kreisleiter" in Vienna, during the war "Untersturmfuehrer" of the "Waffen SS". After the war interned in camp Markus W. Orr near Glaserbach; sentenced to 2 years imprisonment by the Vienna Landes court. KOVARIK has a great following among the former HJ-circles. No intelligence experience.

35. Klein, Karl, (Engineer) born in 1908 since 1915 in TEHLITZ-SCHOE-  
warrior served in the Czech army, then worked for the RSHA VI,  
in Agram as "Stabschef". At present he is manager of  
GEMBA Export and Import firm in Munich. He is a member of the  
Anti-German society (b. former BUCHNER leader) in Munich.  
He belongs to the SPANN-circle (Raffael Spann), through  
which originated his connection with Karl v. Winkler.

On WINKLER's recommendation KRAUS established his connection with the Yugoslavs VUKOVIC and MARINKOVIC.

37 KRAUS, Lothar, former representative of the RSHA-Dep. VI, until 1941 at the German embassy in Belgrad. Then SS-"Strumbannfuhrer" and Commander of the security police and the SD in Belgrad. After 1942 in charge of armament at the Hermann GOERING works in Protectorate. Shortly before the end of war-director of a firm in Kressburg.

38 KUNGL, was active during the war in the RSHA VI, in Croatia; before the war belonged to the Antikomintern bureau in Berlin.

39 LAUTERRACH, Sen. brother of

40 LAUTERBACH, Jun. The older brother, former Gauleiter, at present in Rome, keeps up a continuous contact with his younger brother.  
LAUTERBACH, Jun. Hans, resides at Munich-Pasing, Luisenstr. 17; former HJ-Fuhrer.

41 LIENER, official of the Swiss police in St. Gallen.

42 LOOS Dr. Roman, born in 1896 in Vienna, resides in SALZBURG, Mayburgerquai 52; presently employed at the Allianz Insurance, Salzburg Branch, Reinerstr. 2. In 1926 he joined the police force, during the war, field police director of the E and F group, where he met HOETTL. LOOS is an expert on police and intelligence matters, as well as Balkan specialist. Operates for WINKLER (Yugoslav intelligence).

43 LUGER, Alfred, age 32, former regular army officer; during the war was assigned to various units, also to Romanian SS division. After the war interned at the Marcus W. Orr camp near Ghasenbach, where he has met KERNMEYER. LUGER is not an intelligence agent, but serves as military adviser to HOETTL.

44 MARTINKOVIC, Alfons, Croatian, Colonel, born in 1891, resides in Innsbruck, drug addict; is head of the victims of NS repression and owner of a tobacco firm in Hall/Tirol. He served in the I.R. Army, then in the Austrian Army.

45 MARIO (see HASS)

46 MARKUS, Burgermeister of REITH, member of the group MERCK.

46 ~~MEMMINGEN~~ MERCK, Kurt, former Cpt. of the Security, conducted a front reconnaissance unit in France, after the war joined the CIC MEMMINGEN transferred later to CIC AUGSBURG. He conducts a group of agents, apparently with the knowledge of the CIC, who are also working for the French intelligence. He lives at present under an assumed name of van LARSEN in a requisitioned house in Augsburg-Stadtbergen, Mozartstrasse 10.

47. RESSE, Italian Marshall.

48. MIRNICH (Dr.) lawyer; during the war worked for Dr. HOETTL; After the war, renewed his connection with the French intelligence. At present is member of the group known as Blackmarketeer, lives in Munich.

49. MOELLER, Possible identity with 45. MARION, formerly SS-Fuehrer; resides in Rome. he is often seen in Salzburg.

50. MORAVEC, lives in Stayerling, formerly "Oberscharfuhrer of the Waffen-SS". Half blind, good soldier, not suitable for intelligence work, talks too much. He takes care of various small jobs, such as travel documents, marketing etc.

51. MUELLER, Johannes, recruits men in the US zone of Germany for a so called "Montgomery-intelligence", headquarters believed to be in vicinity of Paris. Approached WANECK in this direction. Operates probably for the British.

52. NEY, Dr. Karoly, Hungarian, born in 1906, formerly director of a leatherware factory in Budapest. During the war opposed the Hungarian government and the right radical circles. Formed an Hungarian SS and gave himself up to the Germans. After the war was sentenced by the Americans to death, later, however, was pardoned. He is considered as an ardent anti-communist. He is very difficult to handle, because of his unwillingness to take orders.

PESENDORFER (Dr.) Franz, belonged to the illegal SA. He studied at the Vienna University German Literature. In 1938 became head of the RAVAG, Austrian Radio Corporation. During the war acted as war reporter. KERNWEYER was instrumental in setting him up as a "free lance" writer. Pesendorfer under the pen name of Otto KNOHR wrote articles for the "Salzburger Nachrichten", "Alpenlaendischer Heimatruf" and the "Freien Stirmen". He was arrested on charges of treason. PESENDORFER is quiet, composed, intelligent and has a sense of humor.

53. PITTERMANN, (Dr) Bruno, Nationalrat of the SPOe. He was born in Vienna in 1906. Dr. of Philosophy and Law, he holds presently the post of a councillor at the Bundes Ministry of Social Administration. Excellent lawyer regarding party problems. He has great influence on both houses of the parliament. As chief of the SPOe news service, he is a dedided enemy of the left wing leaning tendencies toward the communist parties. He advocates coalition with the OeVP and inclusion of the VDU.

55. POLLAK, Walter, former HJ-leader, writer and publisher. After the war organized in Vienna the "Harberge" organization, for the purpose of reuniting former NS-intellectuals. Non-partizan organization. He is highly regarded by the younger generation of the former NS..
56. PONZ, Fred, formerly HJ-leader, then leader of a communist cell at camp Markus W. Orr near GEmenbach. He resides at the US zone, Austria.
57. POPCVIC, Dimitri, Yugoslav Gen., 60, lives in Munich. Participated in MICHAILOVIC partizan fight in Yugoslavia, and organized the Cetnic movement. Anti-communist; renown figure in the Yugoslav emigration.
58. PRANTZ, Leopold, formerly HJ-leader, 28, officer of the Arty. Contact with KOWARIK and LAUTERBACHER.
59. PRODANOV, Drago, lives in Como/Italy, born in 1909, Bulgarian. He is often seen in Munich. During the war belonged to the group of KLATT alias KAUDNER in Bulgaria.
60. POTZ, chief editor of the "Linz Volksblatt" (OeVP)
61. REIMANN, Dr. Victor, as student belonged to the illegal MSDAP; disappointed with the German policy in Austria, he joined the resistance group Roman SCHOLZ. Capable journalist, ambitious, and vain.
62. RESINGER, OeVP Landes party secretary of the Upper Austria.
63. ROHAN, Prince, Karl Anton, lives in Altmunster.
64. RUEHLE, Gerd, former "Reichstedentenfuhrer", then German diplomat in Paris in 1944, where he was in contact with a Gestapo group working on the case of "Rote Kapelle". Lives in Rome; believed to be the sponsor of the "Union for mutual understanding". He is suspected of leftist tendencies and connections with the communist circles.
65. SCHACHERMEIER, coworker of KOWARIK
66. SCHASERF, Austrian Vice Chancellor, SPOe
67. SCHMITTLER, Iris, wife of the former adjutant to KALTENBRUNNER; lives in Strobl, on Wolfgangsee. Connections with various local CIC agencies, spends much time in Salzburg. Frau SCHMITTLER, is smartly dressed, clever and intelligent.
68. SCHLABRENDORF, lives in Wiesbaden, author of the book entitled "Officers against Hitler". Belonged to the resistance of the 20. Jg. 1944.

69. SCHONBAUER, former University Professor in Vienna, organizer of "Verfassungstreue" Society similar to the VDU and which seems to expand rapidly in the Soviet zone of Austria.
70. SPANN, Rafael, founder of the Spann-circle.
71. SRETER, 2 brothers: Farkas and Miklos, Hungarians, former "Pfeilkreuzler" Reside in Graz, operate together with HAMPEL. Farkas SRETER is considered a specialist in economy.
72. STEINER . former SS Obergruppenfuehrer, lives in Munich, Hildegardstr. 38. He belongs to a group of high ranking SS leaders in Germany, which is trying to penetrate into politics and intelligence service. Steiner tried through a third party to get connections with the French intelligence.
73. STERN, Soviet Col, at present university professor in Vienna.
74. URBAN, SD-"Obergruppenfuehrer" was in charge of VI dep. in Hungary. In 1946, he escaped from the Langwasser internment camp, then worked for the CIC SALZBURG. He organized a group which competes with HOETTL'S group because they pursue the same tendencies, that is they wish to surround themselves with all available coworkers of the RSHA VI. URBAN has long years of experience in intelligence work.
75. VEITTEB, Exponent of Dr. Herbert Kraus policy in Vienna.
76. VUKOVIC , Vladen, Yugoslav, contact with Karl Kraus.
77. WANECK, Wilhelm, former Gruppenleiter of the RSHA VI in Vienna. Lives in the vicinity of Munich.
78. WINKLER , Karl von, Schladming/Styria. Formerly adviser to the RSHA VI. Charged with mission to infiltrate into Serbian-national circles. He was secretary of PAPPEN, belonged to the "Barrbund" and since 1938 honorary coworker of the SD. After the war founded an export firm in Graz; his frequent trips take him to Italy, Switzerland and Germany. His German connections are: former secretary PAPPEN, SCHLABRENDORF, JUSTEN Brothers, Karl KRAUS, and the Britisher Mac CAPPERY. He works for the CIC VIENNA. For his work on Jugoslavia he uses Dr. Rohan LOOS as a Balkan specialist. His meeting place with HOETTL in Salzburg is: BAROCK BAR, Kaffee Bazar or Nonthalerwirt.
79. WUEHRER, Dr. Theodor , Linz, Landstr. In 1947- editor of the "Tagepost" in Linz, 1938- chief editor of the "Gaulitung", Salzburg, during the war transferred to work on the "Bruesseler Zeitung", then left for Agram as SD-"Obersturmfuehrer": After the war- leader of the OeVP information service for Upper Austria.
80. ZARB, Dr. Christian, Dane, Journalist, member of the MERCK group. Contact with the French intelligence.

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SS. ZETSCHKA, former Criminal Commissar, SS-"Hauptfuhrer".  
Close coworker of WANECK and GOETTSCHE. He lives in Salzburg. AUSTRIA  
Ambitious, vain and corrupt.

SS. VIATAREFF, Ilja, Munich-Rianegg, Hofmarkstr. 12. Formerly  
Bulgarian state secretary, now-in export business.

SS. ZOEGERNITZ, Eduard, formerly "Aussenstellenleiter of the SD-  
Aussenstelle St. Pölten, SS-"Obersturmfuhrer", lives in Styria, AUSTRIA  
Very intelligent, but not active. AUSTRIA INTELLIGENCE

IV, Summary.

Dr. HOETTL's Political tendency.

Organization HOETTL gradually shifts to the political field.  
Hoetli uses intelligence field as a stepping stone for his  
political ambitions.

Organization of the 4th party and success in winning a  
part of an active and important part of the Austrian population  
in order to satisfy ambitious purposes of a small group of  
former SD-"Fuhrer".

CONTENTS OF MOUNT VERNON'S MISCELLANEOUS REPORTS -

L/11063 of 14 Jun 49, Subject: Rumania - Restricted Area. - This report is a slightly garbled version of newspaper reports, about 2 months old.

L/11018 of 27 Jan 49, Subj: Members of a Hungarian Network in VIENNA -

This report is substantially the same as that published in the WIENER KURIER of 31 Dec 48, with the addition of one name which is completely unknown to us otherwise.

L/10318 of 1 Dec 48, Subj: HUNGARY - Soviet Troops Concentrations - the one point of real intelligence interest, that there really are Soviet troop concentrations on the Austro-Hungarian frontier, is never established; instead it is simply stated as a fact. The rest of the report is simply a set of theories that anyone could work out.

L/10195 of 21 Nov 48, Subj: GUTTMANN and Soviet Policy - seems probably to be a complete fabrication. L. GUTTMANN was sure Truman would be elected, he was almost certainly the only Russian who did think so. The rest of the stuff equally fails to ring true coming from a Russian to an Austrian, particularly the horror stuff in the last statement.

CONTENTS OF MOUNT VERNON'S RIS REPORTS -

Reports too few and too scanty in content to permit much evaluation. Info is of medium to low calibre in quality. Has about a 50 per cent batting average - is good in naming Russians intelligence personnel, of which most mentioned are confirmed. So far as indigenous RIS informants and agents, little or none can be confirmed. General impression is that info is bread-and-butter stuff doled out in minute quantities. None of it is very important.



COMMENTS ON MOUNT VERNON'S KPOs INFO:

KPOs and allied info constitutes about three-quarters of Mount Vernon's reports. This info can be divided roughly into two sections - information which any fairly intelligent and well-informed person could gain by reading the Austrian press and shaping reports to fit corroborated facts; and (2) info on minor personalities, on para-military groups, etc., which comes from no other source and has never been confirmed. Mount Vernon has to date produced the least confirmed information on the KPOs of any network working on the problem. There has been little so-called documentary evidence which can be considered confirmed as authentic; most of it could easily be forged. Mount Vernon has a very low batting average on predictions of events to come, as evidenced by its report that Austrian elections would be held in May 1949.

Mount Vernon is the source of about 75% of the existing info on the KPOs and UGIA Warkschütz. This info was compiled in a mimeographed report in February 49 and sent to field agencies as well as the British and French for confirmation. Little or none of it has been confirmed to date.

Mount Vernon is quite often sloppy and contradictory. For example, on 17 Feb 49 in L/10038, they reported that Major LANDA-DALEY had left VIENNA and presumably returned to the SU. An American source confirmed his disappearance. Yet on 31 Mar 49 (L/11856), Mount Vernon reported that LANDA-DALEY had in Jan 49, organized a Kriesspolgemeinschaft. This latter report was complete fabrication.

DWC 25 11 49

January 1949

Subject: Dr. Wilhelm HOETTEL

*Mr. Vernon  
Admin file*

In the fall of 1948, associates of this project in charge of the protection of the military intelligence work by this project in Austria found out an intelligence organization which worked for an unknown employer or for the Soviets in the US Zone of Austria.

Dr. Wilhelm HOETTEL, ex-member of the former "REHA" (Reich Security Department), Section VI, was observed to be the leader of this intelligence organization. According to information obtained from US authorities, Dr. HOETTEL is working for CIGLINZ. Therefore, the observation of Dr. HOETTEL's organization was discontinued. The following information is based on:

1. Personal data obtained in earlier times
2. Casual observations
3. Combinations formed on the basis of inconsiderate actions by associates of HOETTEL's organization.

I. Connections and intelligence activities of Dr. HOETTEL

1. According to his own statements, HOETTEL, after his release, managed to come in contact with Mr. Allan DULLES, who recommended him to Mr. ERHARDT, US Ambassador to VIENNA. In September 1948, HOETTEL allegedly submitted a memorandum concerning his intended intelligence activities to Mr. ERHARDT. According to this memorandum, he intended to establish an intelligence organization in Austria and another one in Hungary.

2. KOMARIK, former "Gebietsfuehrer" (leader of an administrative region) of the Hitler Youth in VIENNA, was to be the head of the intended intelligence organization in Austria.
3. REY, a Hungarian Major, was to be the head of the intended intelligence organization in Hungary. He was to be assisted by:
  4. Erich KERNMEYER, as press chief
  5. Dr. DEVORETZKY
6. Dr. HOETTL, either directly or through KERNMEYER, established connections with Dr. WAHRER, head of the information service of the Austrian People's Party in LINZ.
7. Dr. HOETTL established connections with Dr. BORODAJKIEWICZ.
8. Dr. HOETTL is in correspondence with a certain ZOEGERNITZ.
9. Dr. HOETTL is in contact with Karl von WINKLER.
10. For black-market operations, HOETTL is in contact with Fritz FISCHER

## II. Suspected connections

11. Dr. MINNICH
12. Brothers GALSWINKLER
13. STEINER, former SS "Obergruppenfuehrer" (general officer of the SS)

III. Notes:

On par. 1: No details known

On par. 2: KOWARIK, along with Helmut HECKE, started working in GRUNDEN. He tried to come in contact with former Hitler Youth members, for example, with PONZ, a former Hitler Youth leader who joined the Communist Party of Austria. Since, however, KOWARIK apparently failed in his intelligence activities, KERNMEYER (see par. 4) recently moved to ALTMUNSTER near GRUNDEN and, at present, allegedly, is the head of the organization in Austria.

On par. 3: Maj. NEY alias KABSZ, head of the Hungarian Union of Veterans of the War against the SU, moved to LAMBACH. He intended to start intelligence activities against Hungary; establish an active opposition group in Hungary proper; unify the Hungarian emigrants on a non-partisan basis. A training camp for agents was established in GRUENAU. NEY is said actually to have sent agents to Hungary. Because of financial difficulties and disagreements in opinion concerning the tactics of intelligence work, NEY's group called "AMA" and the group of HOETTL-KERNMEYER soon opposed each other. To make the "AMA" financially independent of Dr. HOETTL, NEY took up connections with the French. He allegedly traveled twice to FREIBURG im Breisgau, where he is said to have conferred with officers of General KOENIG. Dr. HOETTL reacted by disconnecting his intelligence organization from the "AMA".

Thus, NEY at present has only the resistance organization of the "AMA" at his command, but not the intelligence organization against Hungary which was taken over by KERNMEYER. The GRUENAU training camp was dissolved.

On par. 4:

Under NEY, KERNMEYER was in charge of the press service and of commitment of agents. He came in contact with Dr. KRAUS, head of the SALZBURG Institute for Economic Research, and contributed an article signed E.K. and headlined "The Recent Political Development in Hungary" to the periodical of this institute "Berichte und Informationen" (Reports and Information), Issue No. 119 dated 16 August 1948. In addition, he contributed to the newspaper "Linzer Volksblatt" (LINZ People's Newspaper), whose chief editor PUTZ, appreciates his articles, and to the newspaper "Tiroler Volksbote" (Tyrolean People's Herald). Besides, KERNMEYER tried to utilize the newspaper "Alpenlaendische Heimatruf" (Alpine Echo) for HOETTL's organization to spread propaganda and to influence former members of the Nazi Party close to this newspaper. For this purpose, he took up connections with Dr. JASSER, most prominent contributor to this newspaper. After the prohibition by Austrian authorities of the "Alpenlaendische Heimatruf", Dr. JASSER published a substitute newspaper which KERNMEYER did not contribute to.

According to obtained information, KERNMEYER was also in contact with HORWARTH, a Hungarian emigrant. HORWARTH is said to be associated with General FARKAS, leader of the Hungarian emigrants. It is

Not known whether KERNMEYER met HORNWARTH to establish another Hungarian connection and whether a steady connection was established. After FOF had been deprived of his influence (see above), KERNMEYER moved to ALTAMUNSTER near GUMDEN and became the head of the intelligence organization in Austria in addition to his intelligence missions against Hungary.

In ALTAMUNSTER, besides the persons mentioned above, a certain Dr. FELLNER co-operates with KERNMEYER. Dr. FELLNER is connected with Leftists among former Nazi Party members such as WIESMAYER, former "Kreisleiter" <sup>(L.S.)</sup> (district leader) of LINZ, and SCHUELLER, chief editor of the Communist Party newspaper "Neue Zeit" (New Era). It is not known whether Dr. FELLNER maintains these connections by order of KERNMEYER to obtain information, or whether these connections indicate Communist penetration of HOETTL's organization.

On par. 5: No details known

On par. 6:

Dr. WUEHRER was involved in the action by the Austrian People's Party which was to win former Nazi Party members for the Austrian People's Party and was initiated by persons close to State Secretary GRAF. Dr. HOETTL contacted Dr. WUEHRER, whom he knows from former times, apparently to participate in this action and take advantage of both the information service of the Austrian People's Party and WUEHRER's connections with Dr. GLEISSNER, "Landeshauptmann" (chief of the provincial administration). HOETTL inserted KERNMEYER and

KOWARIK in this connection. Late in the fall of 1948, the Austrian People's Party started proceeding against Dr. WUEHRER, on charges of gross breach of confidence and a certain SALZER was appointed in his stead as head of the information service. It is not known whether SALZER adopted WUEHRER's connection with Dr. HOETTL and whether this connection remained. It appears to be alarming, however, that SALZER is in contact with a certain Dr. KRAUS (not identical to Dr. KRAUS, editor of the SALZBURG "Berichte und Informationen" (Reports and Information)), who is connected with extreme Leftists of the Austrian resistance movement, but tries to disguise these connections.

On par. 7:

Dr. BORODAJKEWYCZ knows Dr. HOETTL from his university days. At present, Dr. BORODAJKEWYCZ is doing research work on orders of the MOSCOW Academy of Sciences. He obtained this assignment through STERN, Soviet Colonel and Professor at the VIENNA university. STERN is a member of the Central Committee of the Communist Party of Austria. Apparently, HOETTL believes Dr. BORODAJKEWYCZ's connections with STERN to be of a scientific nature only as he uses to meet BORODAJKEWYCZ in SALZBURG from time to time. Presumably, he utilizes BORODAJKEWYCZ for his intelligence work.

On par. 8:

Dr. HOETTL knows ZOEGERNITZ from his "SD" (SS security service) activities during World War II. It is not definitely known whether HOETTL took up connections with ZOEGERNITZ, or whether ZOEGERNITZ contacted HOETTL in the hope to profit by HOETTL's plans.

On par. 9: Karl von WINKLER, who lives in Styria, is connected with Dr. HOETTL. No details are known concerning this connection. It is also not definitely clear whether WINKLER does intelligence work for Dr. HOETTL, or for another office (British intelligence office ?).

On par. 10: Fritz FISCHER is no intelligence agent, but a sports-man. He lives on black-market operations and assists Dr. HOETTL in black-marketeering.

On par. 11: Dr. HOETTL became acquainted with Dr. MIENICH during World War II. At present, MIENICH lives in Switzerland. He frequently tours Germany and Austria. Presumably, he is connected with both Dr. HOETTL and the group of MERK alias LARSEN which works for CIC AUGSBURG.

On par. 12: Dr. HOETTL presumably is <sup>in</sup> contact with Nationalrat (Member of Parliament) GAISWINKLER, a Socialist who is a prominent member of the Austrian resistance movement in the Salzkammergut Mts. This connection would be alarming in as much as Nationalrat GAISWINKLER is a member of the left wing of the Social-Democratic Party of Austria and has a brother who is a leading member of the Communist Party of Austria.

On par. 13: In the middle of December 1948, Dr. HOETTL is said to have met with STEINER former SS Gruppenfuehrer (general officer of the SS) in MUNICH. STEINER, along with a certain Viktor RISSE, is working for a not identified US office (presumably War Department Detachment).



IV. Data concerning persons

1. Dr. Tarfas von BORODAJKEWYCZ, friend of Dr. HOETTL's;  
historian and keeper of the VIENNA State Archives; during the period from 1942 to 1945, lecturer at the PRAGUE university, former member of the "CV" (Catholic Academicians) then member of the Nazi Party, but subsequently excluded from this party; classified as offender, was retired after 1945, had been a member of the "SD" (SS security service) and had cooperated with Dr. HOETTL prior to World War II; maintains far-reaching connections with the Catholic Church; after World War II, came in contact with STERN, Soviet Colonel and university professor, one of the most influential persons among the leadership of the Communist Party of Austria; was assigned research work by the MOSCOW Academy of Sciences at the instigation of STERN; lives at 4 Jakobergasse in VIENNA I; approximately 47 years old, of medium height, gaunt; fair hair; moustache; vivacious, sociable, and amiable.
2. Joseph DEVORETZKY; former "SD" leader ranking as captain; worked for Dr. HOETTL in BUDAPEST during the last year of World War II; presumably not fit for intelligence work, but a good evaluator; taciturn, intelligent, of immaculate character; lives in KREMSMUNSTER.
3. KREHARDT, US ambassador to VIENNA; allegedly a friend of Allan DULLES'.
4. Ferenc FARKAS; former Hungarian General; self-avowed leader

of the anti-Communist Hungarian emigrants; in opposition to the group of NAGY who, in 1947, fled from Hungary; formed the "Hungarian Liberation Movement" in MUNICH in April 1948; intends to make this movement a non-partisan, but anti-Bolshevist organization; lives in MUNICH.

5. Dr. Anton FELLNER, a jurist; was a Catholic academician ("CV" member); joined the Nazi Party; from 1938 to 1943, "Gaupresseamtsleiter" (leader of the district press section of the former Nazi Party); at the end of World War II, worked for the "Adria Zeitung" (Adria Newspaper) in TRIESTE; at that time, assigned to Dr. RAINER, Commissar for the Coastal Area; was taken prisoner in Italy; at the beginning of 1947, was transferred to the provincial court in LINZ; during the summer of 1948, together with a group of political prisoners, had to work in the LINZ Iron Plants (VOEST); since then connected with former Nazis who turned Leftists (e.g. WIESMAYER); lives in ALTEUENSTEDT and is a commercial agent of the periodical "Panorama".
6. Fritz FISCHER; born in ALT AUSSEE; no intelligence agent; said to black-marketeer for Dr. HOETTL.
7. GAISWINKLER, two brothers; one brother is a member of the Social-Democratic Party and Nationalrat, the other one is a functionary of the Communist Party of Austria; both live in BAD AUSSEE; became acquainted with HOETTL in 1945 when they were members of the Austrian resistance movement.

8. Dr. Heinrich GLEINER, "Landeshauptmann" (chief of the provincial administration) of Upper Austria.
9. Helmuth HECKE, former police official, co-worker of KERRIK.
10. Dr. Wilhelm HOETTL, born in 1915 in VIENNA; studied history and geography at the VIENNA university; member of the (illegal) Nazi Party and SS prior to 1938; at the same time connected with Catholic political groups which wanted to reform the Catholic Church and increase its influence upon the political life; in contact, for example, with Dr. Anton BOEHL, once editor of the Periodical "Schoenere Zukunft" (Better Future); with Dr. Hans EIBE, Professor of Philosophy in VIENNA; and with Dr. BORODAJKEWYCZ, who is closely connected with the Jesuits and believes the Jesuits to typify ideal politicians; joined with BORODAJKEWYCZ in admiring the hierarchy of the Catholic Church.

After Austria was annexed by Germany, HOETTL worked for the "SD-Unterschnitt" ("SD" administration) in VIENNA on a salary basis; had charge of Section I/1 (adversaries), later of the Foreign Information Section VI; intrigued against his superiors TRITNER, POLTE, and Dr. CHLAN (since 1941) and was involved in two disciplinary procedures which were suspended because of his influential connections.

HOETTL liked to work for the Section VI of the "RSHA" (Reich Security Department) because of its increasing importance and as he is both ruthless and covetous of power; was in steady contact with a

number of comrades from VIENNA and the time of illegality, who were extremely subservient to him because he had provided them with influential positions in the "SD" irrespective of their capabilities (incapable and rather low creatures, such as MORAWEK, BAVLAKOVIC, KOSTYAL, DOSKOZIL, CECI, some of them of foreign descent.

HOETTL was closely connected with persons close to KALTENBRUNNER; was disliked by SCHELLENBERG, leader of the Section VI, but was supported by KALTENBRUNNER after the latter had been transferred to BERLIN; managed to make the Section VI vastly independent of the other SD administration; became deputy group leader when the Section VI/E (Southeast) of the Reich Security Department (RSHA) headed by "Sturm-bannfuhrer" (SS leader ranking as a major) WANKE moved to VIENNA and, in this capacity, had charge of Croatia, Serbia, Albania, Hungary, and Slovakia; in 1943 was involved in a disciplinary procedure, but got off cheaply because of his influential connections.

Since May 1944, the time when Hungary was occupied by Germany, HOETTL worked in BUDAPEST became known there because of his differences with WINKELMANN, former High SS and Police Leader, VEHSENMAYER, (former German ambassador; and SZALASY, former Hungarian Prime Minister and leader of the Hungarian Fascist Movement; and came near being involved in a disciplinary procedure for the third time as he had tried to take advantage of the "SD" for his political aims, having returned to VIENNA, he had a hand in the action "Herzog" (duke) by order of KALTENBRUNNER and thus came in contact to the Austrian resistance movement, the US IS (Allan DULLES), and allegedly to the Swiss General Staff.

After the end of World War II, HOETTL stayed in ALT AUSSEE; was arrested there along with KALTENBRUNNER; was taken to the VOECKLABRUCK internment camp and other camps, finally to the DACHAU concentration camp where he was interned for more than a year; was mentioned by the press as witness for the prosecution against KALTENBRUNNER during the NUERNBERG trials, but pretended to have acted as witness for the defense; wrote, for example, a comprehensive report on the destruction of the WARSAW Ghetto; was discharged in the winter of 1947.

HOETTL is a very active, tenacious, and ruthless person, shrewd, versatile, and very ambitious, tries to take political advantages of intelligence work; keeps up a large correspondence with formerly prominent politicians, industrialists, financiers, and with persons involved in intelligence activities who could be of use to him in the future.

11. HORWATH, a Hungarian emigrant; lives in BAD AUSSER; is in contact with General PARRAS.
12. Dr. Manfred JASSER; lives in BAD GLEICHENBERG, Styria; former Nazi journalist; during World War II, editor of the VIENNA newspaper "Neues Wiener Tagblatt" (New VIENNESE Newspaper); contributed under the alias KLAUSNER to the newspaper "Alpenlaendischer Heimatruf" (Alpine Echo); at present, editor of the weekly periodical "Freie Stimme" (Free Voices).
13. Erich KERNMEYER; lives in ALTMUENSTER near OEUERNEN; up to 1934, member of the "Republikanischer Schutzbund" (Protective Union for the Republic); was interned in the WOELLERSDORF concentration camp after the February revolt of the Social-Democrats; became a Nazi while interned and, after his release, worked for the illegal Nazi Party; was appointed chief editor of the illegal newspaper "Oesterreichischer Beobachter" (Austrian Observer); in 1938, was appointed "Gaupresscamtsleiter" (district press section leader) of VIENNA under BUERKEL, Nazi "Gauleiter" of VIENNA (according to a note in his party file, by special intervention of Rudolf HESS which was required since KERNMEYER had been charged with criminal offences); was transferred to Lorraine as press adviser to BUERKEL when SCHIRACH had become "Gauleiter" of VIENNA; joined the SS Armed Forces and served with the propaganda company of the SS Rgt "Kurt EGGERS" in AGRAM; only against the end of World War II saw front service as company leader. After World War II, KERNMEYER lived in GARMISCH-PARTENKIRCHEN; was interned in the Marcus W. ORR Camp near GLAS/ENBACH; contacted KOWARIK there; was released in the summer of 1947; came in contact with CIC GRIESKIRCHEN; subsequently worked for CIC SALZBURG;

thus in contact with former Hitler Youth leaders and Croatian and Hungarian emigrants (Ney), and with Dr. HOETTL; became acquainted with NEY and HOETTL when the SS Rgt "Kurt EGGERS" was committed in Hungary.

KERNMEYER is considered to be very active and ruthless; his political attitude is unstable and depending on circumstances; is very pretentious and assuming and therefore talkative to the point of carelessness; thus became widely known to be associated with HOETTL and presumably was ascertained as HOETTL's co-worker by the foreign IS as must be concluded from various attacks by Communist newspapers particularly in conjunction with the AGRAM Ustasha Trial.

14. Karl KOWARIK, engineer; lives in Gmunden; former "Gebietsführer" (leader of an administrative region of the Hitler Youth) and "Kreisleiter" (sub-district leader) of VIENNA; during World War II, lieutenant with the SS Armed Forces; after the end of World War I, was interned in the Marcus W. ORR Camp; subsequently taken to the VIENNA provincial court and sentenced to 2 years in jail; is well reputed with former Hitler Youth members and has a large number of followers, but is not experienced in intelligence work.
15. Dr. KRAUS; lives in LINZ, former Catholic academician, member of the "CV"; Sudeten German; formerly official with the Chamber of Commerce in BRUENN; prior to World War II, member of a leftist resistance movement in BRUENN.

16. Dr. Alfred KRAUS; lives in SALEMEN; editor of the periodical "Berichte und Informationen" (Reports and Information).
17. LARSEN; see MERCK.
18. Kurt MERCK; former German intelligence officer (captain); during World War II, leader of a CI reconnaissance detachment in France; lives at 92 Schlosstrasse in OBERSTAUFEN, Bavaria; worked under the alias PEPERSCH alias LARSEN for the CIC AUGSBURG; established an intelligence organization which, allegedly; with the consent of the CIC, is in contact with the French IS; is considered to be an efficient intelligence worker, but is said to have been involved in a large black-market affair; is associated with Dr. MINNICH.
19. Dr. MINNICH, a lawyer; allegedly lives in Switzerland; frequently travels to MUNICH, where he has a apartment and intends to settle for good; comes from the BAVAR; took up connections with the French IS; at present works for the group of MERCK, is a big black-marketeer.
20. Dr. Karoly NEY, a Hungarian; was born on 9 November 1906 in SACSSZENTIVAN; formerly manager of a leather factory in BUDAPEST; former Major; during World War II, strongly opposed the Hungarian Government, and later also radical Rightists; activated an Hungarian SS detachment which he subordinated to the III German Tank Corps; after World War II, was sentenced



to death by the Americans, but was unmasked later; is considered to be an untless person and a staunch anti-Bolshevist; is difficult to get along with because of his arrogance.

21. PUTZ, chief editor of the LINZ newspaper "Linzer Volksblatt" (newspaper of the Austrian People's Party).
22. Viktor RISSE; lives at 46 Gabriel von Seidel Strasse in MUNICH; associate of SPEINER.
23. SALZER, journalist in LINZ; successor to WUEHRER as head of the information service of the Austrian People's Party.
24. SCHUELLER, chief editor of the Communist Party newspaper "Neue Zeit" (New Era) in URFahr.
25. STEINER, former SS-"Obergruppenfuehrer" (general officer of the SS); lives at 38 Hildegardstrasse in MUNICH; works for a not identified US intelligence office (presumably War Department Detachment).
26. WIESMAYER, former Nazi "Kreisleiter" (sub-district leader) of LINZ; lives in STEEG near URFahr; is in contact with Communists.
27. Dr. Karl von WINKLER; allegedly lives in SCHLADMING, Styria; former expert of the "RSHA" (Reich Security Department) with

the Army Group South East, where he met HOETTL, established an export firm in GRAZ after the war; approximately every two months travels to Italy and Switzerland; in November 1948, took a one-week trip to Germany; in Germany, is in contact with the following persons:

1. PAPPEN's former secretary, name unknown, Castle of MUENSINGEN near FREIBURG in Breisgau;
  2. the president of the Bavarian National Bank, name unknown, 3 Innstrasse in MUNICH;
  3. Baron von JORDANS, 73 Goethestrasse in FREIBURG in Breisgau;
  4. Dr. Walter BECHER, 13 Triftstrasse in MUNICH;
  5. SCHLABRENDORF, Sandstrasse in WIESBADEN;
  6. MEYER, head of the Deutsche Bank in HAMBURG;
  7. British intelligence officer Mc. CAFFERY, etc.
28. Dr. Theodor WUEHRER; lives in Landstrasse in LINZ; in 1937, was editor of the SALZBURG Nazi "Gauleitung" (district headquarters); during World War II, was transferred to the newspaper "Bruesseler Zeitung" (Brussels Newspaper) and a short time later to HEYDRICH's staff; subsequently, went to AGRAM, where, in the rank of "SD" 1st lieutenant, he was assigned to NEUBACHER, German ambassador; after World War II, offered himself to the Austrian People's Party and became head of the secret information service of this party; was

subject to a party procedure on charges of unfounded information against individual persons and of gross breach of confidence.

29. Eduard ZOEGERNITZ; former branch office leader of the "SD" branch office of the "SD" administration in VIENNA; ex-SS "Obersturmfuehrer" (1st lieutenant); his family lives in STEYER; works as a commercial agent in Carinthia; is intelligent, but inactive.

Note: For the above mentioned reasons according to which no systematic observation of the persons connected with Dr. HOETTL was carried out, the allegations made in par. I, II, III, and IV are made without pretension to completeness.

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DOCUMENTATION

10/8444 - Austrian Identity Card

10/7844 - Austrian DP Ausweis and Green Allied Travel Permit

10/7154 - Austrian Identity Card (to be picked up and replaced by DP Ausweis)

10/7114 - Austrian Identity Card (to be picked up and replaced by DP Ausweis)

SIRE, Alajos possesses Austrian DP Ausweis.

SILLEY possesses Austrian Identity Card under name SINSER, Arnold.

All other members of this network operating in Austria possess Austrian DP Ausweises and those living in Hungary possess necessary Hungarian papers.

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*Handwritten notes:*  
10/8444  
10/7844

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FUTURE OF PERSONNEL

The future of personnel connected with Network "MONTGOMERY" appears to be stable since the majority of its members are bona-fide residents of Hungary. Hungarian personnel living in Austria have asserted that they will leave Austria only if and when Hungary is no longer a Communistic State. There are no present projected changes in personnel as the Network has undergone a renovation in the past three months.

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*Wade 1/14/53*

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EXPANSION POSSIBILITIES

Continued and partially confirmed reports that the Hungarian border will be closed against illegal border traffic indicate that expansion would be impractical since "MONTGOMERY" couriers cross the borders illegally. Possible installations of radios within Hungary would reduce the present risk taken by couriers and would accommodate any future expansion of the project.

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COVER INSTALLATIONS

The Saunden Center for project "MONTGOMERY" is located in the Villa Maria-Louise, Altmuenster 173, Gmunden, Upper Austria. The villa is registered in the name of KERNMAYER who is in turn registered as a newspaper Correspondent.

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MISTAKES AND COMPROMISES

Issuance of Austrian Identity Cards to members of network who are non-Austrians and who are not good German (Austrian dialect) speakers.

Injudicious selection of subsources.

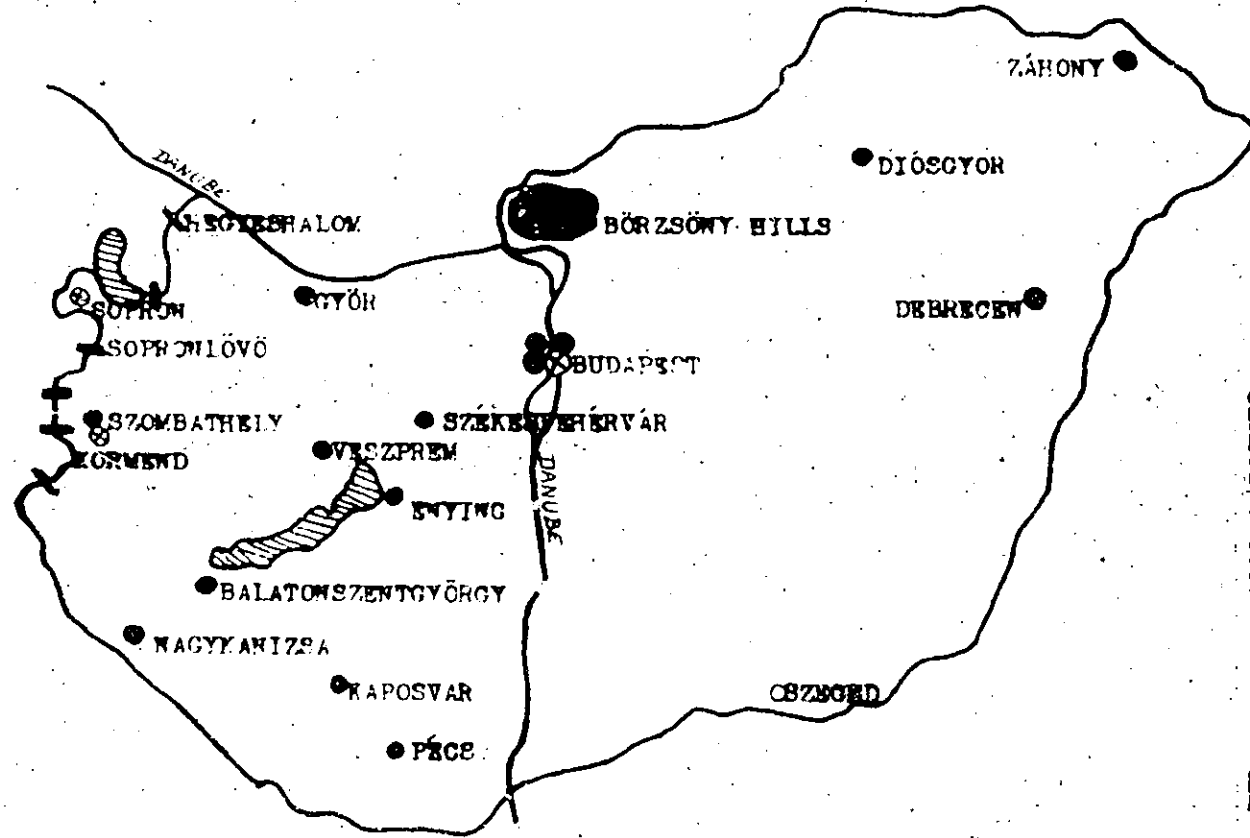
Placing a "soldier" (NEY, Karoly) as a main operator in the net rather than an intelligence man.

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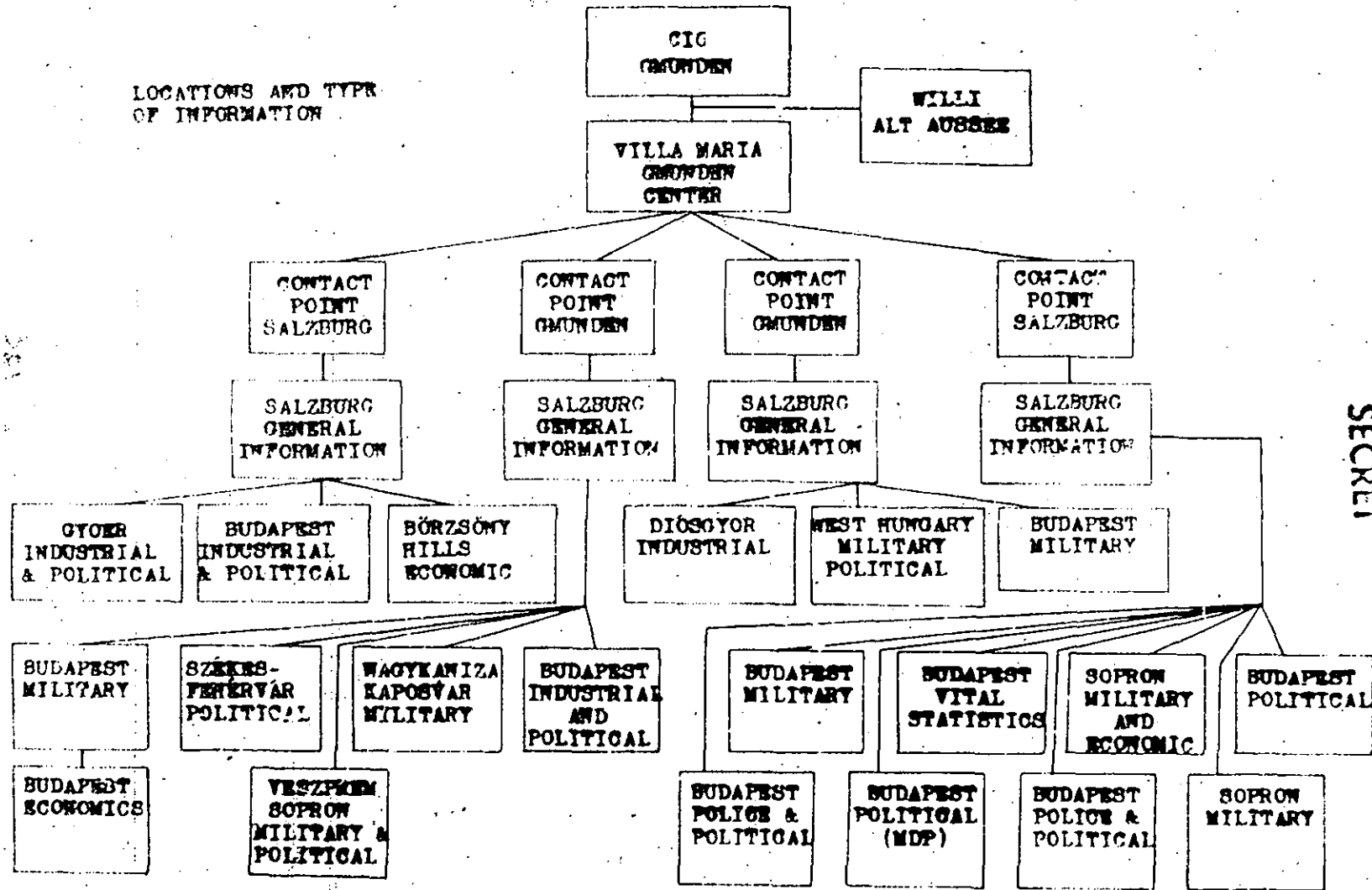
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4100-00194

LOCATIONS AND TYPE OF INFORMATION



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5 JAN 21 1945

NO. C. 001698

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5 JAN 50, CONT'D

METHODS OF COMMUNICATION

All communications are by courier, carried over the following routes using the methods of travel as indicated:

10/784 - Travels to Steyr via rail, crosses the border illegally and continues to Vienna by train where he meets 10/712. Meetings are arranged at ten day and two week intervals at predetermined addresses which are changed at each meeting. All other subources are met in Salzburg, using the following routes and methods.

10/557a (also courier for 10/5554) travels via rail to NEUTSCHALOM from Budapest, crosses the border illegally on foot continuing through the British zone Austria by rail. All international and internal borders are crossed on foot illegally.

10/632a crosses the border at KORNBERG (method as above).

10/715a travels by rail through British Zone of Austria to the Austro-Hungarian border where he receives information from his brother-in-law and returns to Salzburg at the same route. Border and social crossings accomplished as mentioned above.

10/713a crosses the border at SPORONLOVO by the same method as used by 10/557a.

10/632a - Travels from Salzburg through the British Zone into Hungary via rail where he personally contacts 10/847a, 10/843a, 10/788a and 10/846a. Crossing of demarcation line is on foot and illegally.

10/632a (wife) travels to Vienna by train where she contacts 10/787a, 10/845a and 10/634a at pre-arranged meeting places and returns to Salzburg.

10/713a - Travels through Austria across the British zone, crosses the Austro-Hungarian border near SZOMBATHELY and contacts subources at their homes in Hungary. Travel is by rail and demarcation lines are crossed illegally on foot.

10/785a - Possesses a green Allied Travel Permit with which

**SECRET**

He arrives at the Austro-Hungarian border through the British Zone and is met by 10/5564, 10/5584 and 10/6354 who cross the border illegally near SZOMBATHELY. Meetings are separate at prearranged places.

**NOTE:** None of the couriers or main sources are known to any of the other couriers or sources. Only two couriers have direct contact with the Command Center.

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CONTROL METHODS

All sources, who are unknown to each other, upon receipt of information from subsources give all reports a check for completeness and correctness, and if there are any glaring or obvious errors the reports are immediately returned to subsources, otherwise they are forwarded to the Gaunden Center by courier.

Upon receipt of information from sources through couriers and some reports direct from sources, the information is again checked for its accuracy and completeness.

For cross-checking purposes the Gaunden Center receives information from several sources who are unknown to each other, on the same topic, by which the Center is able to check on the accuracy of reports or on the reliability of a particular source or subsource. In instances where there is any great doubt about an important report, or where the reliability of a source or subsource is doubted, several sources and subsources are asked to check the points questioned.

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SUMMARY OF INFORMATION

The type of information supplied by each source and subsource is indicated after the code number of each individual. The percentage of reports by type is as follows. (This is based on reports received during the past four months):

Political (General)	10%
Political (Communist)	20%
Economic and Industrial	10%
Military	60%
<hr/>	
Total	100%

Summary of information received from Net:

Soviet Military activities in Hungary.

Hungarian Military activities.

Communist political activities in Hungary.

Communist para-military activities in Hungary.

Economic and industrial information from Hungary.

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PROCESSING

Upon receipt of information by sources from sub-sources it is carefully checked. Once the source feels that the information is as complete and correct as possible he forwards it by courier to the center in Gmunden. When it arrives in Gmunden it is first processed by KEHN-MAYER who is a fairly capable evaluator, having lived in Hungary for some time during World War II, and it is also checked by SIKE whose mind seems to be an encyclopedia of information. The information is then passed on to SILLEY who checks the new reports with reports previously received and makes references on the new reports to these prior ones. Once the information has gone through these three persons it is translated by SILLEY into English.

When the information has been completely processed by the Center it is taken to CIC Gmunden by the Operations Chief who makes at least two weekly trips to CIC. The Operations Chief and CIC Control Agent take each report separately and go over it point by point for discrepancies and detail. If there are any points that cannot be cleared up on the spot the report is returned by the Operations Chief to source for clarification. This is only done, however, if the time factor is of no great importance on the information being reported. The accepted reports are then prepared by CIC Gmunden for forwarding as SOIs. The same procedure is used when Evaluation Slips are received from ODI and there are questions to be answered.

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COSTS

The total amount given to network "MONTGOMERY" per month is presently set at 24,000 schillings and 16,000 forints per month. This is broken down into the following categories:

Gwanden Center Workers:

	<u>Schillings</u>	<u>Forints</u>
10/8444	2,000	
SIKE and SILLEY	2,800	

Sources:

10/7844	5,000	4,000
10/6324	1,000	4,000
10/7134	1,000	4,000
10/7854	5,000	4,000

3 couriers (total) 4,000

Office expenses:

Rent	600	
Light, heat and telephone	1,200	
Miscellaneous	600	

Payment to Hungarian  
Border aides

800

Total 24,000 Sch. 16,000 Forints

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5 JAN 50, CONT'D

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DOCUMENTATION

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- 10/7114 - Austrian Identity Card (to be picked up and replaced by DP Ausweis)

SIXE, Alajos possesses Austrian DP Ausweis.

SILLEY possesses Austrian Identity Card under name SINGER, Arnold.

All other members of this network operating in Austria possess Austrian DP Ausweises and those living in Hungary possess necessary Hungarian papers.

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CHIEF OF STAFF  
G-1

FIELD  
OPERATOR

CHIEF OF STAFF  
G-2

COURIER TO  
VIENNA

COURIER  
TO  
LINA

COURIER TO  
WALS

COURIER TO  
LINA

COURIER TO  
WALS

COURIER TO  
ATTWANG-  
PUCHT

COURIER TO  
WALS

GENERAL  
KOPFER  
VIENNA

GENERAL  
BURGHARD  
AND  
LEOBEN

SCIENTIFIC  
VIENNA

GENERAL  
ST. VAENTIN

VP  
VIENNA

GENERAL  
VIENNA AND  
LOWER AUSTRIA

GEN  
VIENNA AND  
LOWER AUSTRIA

GEN  
AM-  
STETTEN

GEN  
RAID-  
ROFEN

GEN  
ST.  
FORLITZ

GEN  
KREBS

GEN  
KORNEL-  
DURG

LT SET  
BOLLSPREIN  
(PROPOSED)

WT SET  
(PROPOSED)

GENERAL  
FISCHMANN

GENERAL  
ZISTERSDORF

GENERAL  
NEUSIEDL

Z - K  
VIENNA

COMINFOM  
VIENNA

MILITARY  
BAFEN

GENERAL  
VIENNA

GENERAL  
KOPFER  
VIENNA

GENERAL  
LIEBENFELD

GENERAL  
FAURKIRCHEN

K P  
VIENNA

Z - K  
VIENNA

MILITARY  
VIENNA

LT SET  
ASPERN  
(PROPOSED)

SECRET