

DESENSITIZED

NOI 70-17

AIR

OFFA - 12168

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FEB 18 1955

ATTN : Chief of Base, Munich
[]
Senior Representative, Paris, KUPIRE

INFO: Chief, WE
INFO: Chief, BR
ATTN: []

REDSOX/CE
Transfer of AECAPELIN 0

Reference: SMJEL-9308

Copy filed - AEBATH
DEVELOP + PLANS

1. Attached herewith is a draft of Project AEBATH as revised to cover the transfer of AECAPELIN from Munich to Paris. As understood in conversations at MOB, the undersigned has prepared the project in draft for comments and suggestions from Munich and Headquarters. It is suggested that Headquarters rather than [] incorporate these suggestions in the final draft in order to expedite approval of the revised project.

2. ~~In regard to finances, Headquarters will note that AECAPELIN's local payment has been adjusted upwards from \$100.00 (which was computed at the rate of 500 deutsche marks rather than the legal 420), to \$200.00. This is to compensate AECAPELIN for the doubled cost of living in France. Headquarters' attention is called to the fact that AECAPELIN expects to be able to document an income in France of \$150.00 monthly, should the French authorities inquire into his means. It is believed that he can adequately bury the \$50.00 difference in his monthly expenditures. AECAPELIN's escrow deposit has been raised from \$100.00 to \$200.00. We feel that this is justified in view of the fact that AECAPELIN has not had a raise for over two years, and will be devoting all of his efforts to KUBARK work while in France, whereas in Germany he had a profession of his own and occasional sources of outside income. AECAPELIN is furthermore again delaying his emigration to the U.S. on our behalf. Also, from KUBARK's point of view, it is to our advantage to have AECAPELIN build up a more substantial account in the U.S. in order to tide him over when he eventually does emigrate.~~

Attachments: A. Project AEBATH, Part I (orig. & 3/cc)
B. Project AEBATH, Part II (orig. & 3/cc)

16 February 1955

Distribution:

- ✓ 2-WE, Attachs. A & B (1/cc ea.) h/w
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- 1-SR, Attachs. A & B (1/cc ea.) h/w
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3. The attention of MOB is called to the suggestion in paragraph 13 that AECAPÉLIN be given s/w training prior to his departure from Munich. We recommend that the system be of at least medium-grade security if there is such a system whose development can be handled within the [] and for whose writing and development AECAPÉLIN will be able to use household products purchasable on the French market or equipment which is securely disguised or concealable.

4. We suggest that MOB and Headquarters revise the estimated expenses for the project in whatever way is necessary in order to fully cover any extra expense AECAPÉLIN may have in connection with his move and any necessary funds for separate maintenance of his wife.

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(WE) ATTACHMENT A & B TO OPFA-12168

PROJECT - AEBATH

PART I

1. Operational Area - The principal operational area will be in or near Paris, but will extend elsewhere in France and Western Europe as operational opportunity warrants.
2. Intent of Project - The intent of the project is to assist in the development of emigre operations against the RIS in accordance with the priority target of the KUFIRE mission in France, and the increasing emphasis on CE in KUBARK.
3. Background - The new AEBATH project involves the transfer from Germany to France of the AEBATH principal agent, AECAPELIN. AECAPELIN, now under Munich Operations Base control, is a qualified, capable and well-trained CE informant who has been used by KUBARK in Austria and Germany since 1947, and who is desirous of leaving Germany for personal reasons and because of an increasingly tight operational situation, due to his having circulated among the same unwitting informants for a long period of time. This transfer and the new project AEBATH has been discussed with, and has received the concurrence of MOB, which feels that AECAPELIN may have a production of eventually greater significance if he is transferred to France. MOB case officers also felt that he would probably continue to produce information of value to Germany while in France, and that his contributions to CE operations against Soviets in France would be of long-range interest to Germany by giving a perspective to emigre operations against the RIS currently being run there.
4. References - OPFA-4849; EGMA-14206; SMUNL-9308; [I]-5740.
5. Objectives - AECAPELIN's objectives will be to provide CE information on emigres from the USSR. As AECAPELIN is Ukrainian, the CE information will probably concern Ukrainians for the most part except where AECAPELIN is specifically directed to develop another field or individual.
6. Targets - The targets of the project are Soviet personalities and installations in France, RIS activities in France, pro-Soviet elements among the emigres from the USSR, and emigres, pro or contra the Soviets, who have points of contact with them.
7. Tasks - Specifically, after the period of time necessary to his establishment, AECAPELIN's first mission will be to provide a general orientation on the Russian emigration in relation to the Soviets. His second mission will be to develop unwitting sources of information on those contacts with Soviets, and thirdly to spot individuals who might be recruited independently as witting sources of information.

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8. Coordination - Coordination has been initiated with Munich Operations Base, and will be necessary on a continuing basis. The extent to which coordination will be needed once AEGAPELIN's transfer is completed depends on operational developments.

9. Personnel

a. AEGAPELIN

b. AEGAPELIN is a Ukrainian of middle age who has been employed by KUBARK as an informant since 1947. He has been active in intelligence since the 1920's, and is extremely capable in obtaining information from a wide variety of sources with discretion. Throughout his career with KUBARK, the fact that he had any American contact has been kept secret from his acquaintances so far as is known. As a non-party man, he has earned the confidence and confidences of a variety of Ukrainian political leaders.

c. Full operational clearance has been obtained.

10. Cover

Handwritten notes:
Cover is not provided by KUBARK and does not involve a FBPRIME organization. AEGAPELIN has applied for admission to a theological institute in Paris. Although he is older than most of the students, he feels that it is logical for him to attend the institute in line with his profession as it awards advanced degrees which he has not obtained elsewhere. AEGAPELIN, in exploring the technical problems involved in moving to France in conversations with his friends, has introduced his plan of attending the institute and claims that his friends accepted this as natural. He has arranged a scholarship of about 300 DM per month with the World Council of Churches which has supported him and his activities for several years. He also plans to have approximately 300 DM per month transferred from his German bank account of 3,000 DM.

a. Cover is not provided by KUBARK and does not involve a FBPRIME organization. AEGAPELIN has applied for admission to a theological institute in Paris. Although he is older than most of the students, he feels that it is logical for him to attend the institute in line with his profession as it awards advanced degrees which he has not obtained elsewhere. AEGAPELIN, in exploring the technical problems involved in moving to France in conversations with his friends, has introduced his plan of attending the institute and claims that his friends accepted this as natural. He has arranged a scholarship of about 300 DM per month with the World Council of Churches which has supported him and his activities for several years. He also plans to have approximately 300 DM per month transferred from his German bank account of 3,000 DM.

b. Case Officer is under cover of U.S. Embassy employee.

c. The agent will be attending a theological institute which has students of all Russian and Satellite nationalities, and will be in contact soon after his arrival with six or seven Ukrainian individuals or groups which he already knows. Given these circumstances, the freedom of a student, and the operational know-how which he has, the agent should have little difficulty in building up a wide circle of unwitting informants in France just as he has in Germany.

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11. Communications -

a. Up to the present time AECAPELIN has been contacted in Germany in a sterile car with German plates according to prearranged times and places. If any passerby had spotted the case officer as an American, AECAPELIN would have explained that the American was connected with the World Council of Churches. As the World Council of Churches has an office in France, it may be possible to use the same excuse. However as the high accident rate makes the use of cars with illegal plates hazardous, meetings will take place either on foot in a varied set of times and circumstances, or under legitimate cover, such as a teacher giving language lessons regularly to the case officer.

*Does he speak French?
What lessons will he
give? Remain in
Berlin + France*

b. There will be no sub-agents in the revised project AEBATH, as AECAPELIN II will remain in Germany.

c. Discussed above.

d. Emergency signals will be arranged through a mail drop.

12. Control and Motivation

a. Through the gradual betterment of his position since he was a penniless DP in Austria in 1946, to the present time at which he has the promise of eventual emigration to the USA, his future has gradually become more and more dependent on the good-will of the USA as ~~expressed~~ by his case officers. Although he has never been wholly supported by us, his pay during the last two years has provided him with small luxuries and comparative freedom from worry, and his escrow account in the US represents a safeguard against the future. In addition to that, he is an anti-Communist who has suffered on account of the Communists. Although he is a Ukrainian patriot he has not found a political party to express his views or to provide medium for what he considers effective outlet, and he has probably found a substitute outlet in his lone alignment with US intelligence. It is probable that he will remain loyal as long as his future existence is closely associated with the USA, provided he continues to have a good relationship with his case officers and to believe that the Americans are the leaders in the cold war against Communism.

b. Explained above.

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13. Equipment and support

- a. S/W and rapid copy or photographic equipment may be required.
- b. It is recommended that ARCAPELIN be given a secure two-way S/W system which can be handled on the one hand in the [] and on the other by ARCAPELIN with the use of household products purchasable on the French market, or equipment which can be concealed as such.

14. Timetable - The project is of indefinite duration. It is anticipated that ARCAPELIN will effect his transfer to France in one to three months, depending on the complications of obtaining his papers, ensuring the right to retain German domicile, etc. Until that time he will continue his previous assignments under MOE jurisdiction in Germany. During the period prior to transfer ARCAPELIN will incur some expenses (see Part II, paragraph 15) which are covered by the project. The increase in salary (see Part II paragraph 15 a and b) should become applicable as soon as ARCAPELIN leaves Germany for France.

11d.

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PROJECT - AEBATH

PART II

11.15. Expenses

- a. Salary paid locally (\$200.00 or 70,000FF monthly) \$2400.00
- b. Salary in escrow (\$20000) 2400.00
- c. Cost of transportation of AEGAPELIN & effects . . .
to France, and of return trip to Germany if . . .
necessary to maintain German domicile (maximum
every three months). 700.00
- d. Cost of transfer of AEGAPELIN, e.g., extra expenses
he incurs in storing furniture, visas, etc. 500.00
- e. Operational expenses []
- f. Operational travel []

TOTAL . . . []

12.16. Special Problems and Commitments

- a. AEGAPELIN has been guaranteed emigration to the USA (under Public Law 110) for himself and his wife, *passport to be granted*
- b. For its own interests, KUBARK should consider and assist AEGAPELIN in preparing for his future life in the US prior to his leaving Europe.

c. See a.

C.A. No cooperation is expected from officials currently in power, and no change in government or political conditions sufficient to affect the operation adversely is anticipated.

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