

CASE NAME: ERNOE

AGENT NAME: Dr. Imre KLEIN V-14450

GIS C/O: (Hqs Otto KUPSCH @MAIER
(Agent Handler) Rupert MANDL V-14400
(Case handled out of Dnst. 2)

CIA C/O: [] NAME VIS A VIS GIS:

OPPOSITION C/O: @FEHER

OPPOSITION SERVICE: HIS (AVH)

OPPOSITION TARGET: Recruitment of KLEIN for the AVH

OPPOSITION CONTACT: Entire contact with KLEIN carried out through @ERNOE, Imre KLEIN's brother Antal. @ERNOE met with the AVH, usually in Vienna or Neukirchen, and would ride around in an automobile during the interview. At least one meeting took place in a cafe, and once @ERNOE spent the night in a safe house while the AVH'ers traveled to Budapest for further instructions.

SUMMARY: Dr. Imre KLEIN was a subsource of UM of the GIS and acted as a "spotter" at the Wagan Camp in Graz. In November 1953, KLEIN's brother @ERNOE arrived from Hungary for an unexpected visit. A few days after his arrival, @ERNOE broke down and admitted his real reason for the visit was to sound out KLEIN re a possible AVH recruitment. Since @ERNOE had no idea KLEIN was already working for the GIS, this case had every earmark of an excellent CE operation; however @ERNOE, who was a chronic alcoholic, was a source of trouble to both the GIS and the AVH from the beginning. It became apparent to both sides that @ERNOE had to be cut out of the operation, and to this end the AVH furnished S/W materials to @ERNOE for delivery to KLEIN. The GIS, on the other hand, wanted @ERNOE cut out primarily so a face to face meeting between KLEIN and the AVH could be set up in a place that could be surveilled. In March 1954, @ERNOE was arrested and interrogated by the CIC in Salzburg. During the interrogation, @ERNOE learned that KLEIN was working for the GIS, and the GIS's worst fears re the security of the operation were realized. It was obvious that @ERNOE was psychologically unable to keep KLEIN's true role from the AVH, even at the cost of the personal safety of @ERNOE's own brother and/or father. In January 1955 the operation received a second setback when the British ordered KLEIN's removal from their sector. This was presumably because of various rumors and reports reaching them from the MHKB. The MHKB had long sought KLEIN's removal from Graz because they felt he was in the intelligence business in competition with them. KLEIN was moved to Salzburg and then to Munich. During this time he was in communication with the AVH through the S/W and in June 1956, after repeatedly turning down meetings in Switzerland and Italy, he said his resettlement in the Federal Republic was complete and he would be able to meet with the AVH, but stressed that meeting would have to take place in Germany or Austria. The GIS conceded that the AVH most likely knew the full story of KLEIN's activities

NAZI WAR CRIMES DISCLOSURE ACT

- EXEMPTIONS Section 3(b)
- (2)(A) Privacy
- (2)(B) Methods/Sources
- (2)(G) Foreign Relations

SECRET NOFORN/CONTROL

and felt it was unlikely they would send a man to meet with him. Nevertheless, a meeting was arranged and KLEIN met with an AVH case officer in Salzburg on 3 August 1956. Details of that meeting including a description of the AVH case officer have been pouched but have not reached headquarters as of 29 August 1956. The next meeting is scheduled for 1 September 1956.

- 2 -

SECRET NOFORN/CONTROL

SECRET

Date 16 August 1956

UJIRROLLERY number 304

ZUI number C 7

Agent's name Imre KLEIN

Nationality Hungarian

Date and place of birth 25 Feb 1919 in Paks, Hungary

Agent's UPSWING alias

Fail # ERNO

UPSWING case officer:

Name Otto KUPSCH

Alias @MAIER

V number

Opposition case officer:

Agent Handler: Rupert MANDL, V-14400

Name @FEHER

Nationality Hungarian

Intell service: HIS (AVH)

18 Aug 53

Green listed? Yes Green List number Stop card out off XXXX By SLD
also Green List con't SLD

Last reporting VIEN 7206 Date 11 Feb 56
doc number

Are there KAPOK, RYBAT or HS docs? Yes

Carded in EE/G/U Yes verif. 16 Aug 56 by WDP
date initials

Retired to RI (if applicable) _____ by _____
date initials

Other pertinent data: Case still continuing. Originated in Graz when KLEIN was approached by the AVH through his brother, an alcoholic. AVH knew KLEIN worked for Western IS and wanted to double him by playing on family loyalties. Case fell thru because of alcoholism of brother, brother's arrest by CIC, and British demands that KLEIN be removed from their zone of Austria. D/A operation ~~XXXX~~ didn't materialize and KLEIN was moved to Stuttgart and then Munich; however AVH continues to show interest in KLEIN, particularly as an EEI.