104-10246-10028

16 February 1965

MEMORANDUM FOR: WH/EXO

SUBJECT : LIONION Project

1. LIONION is a new project which is submitted in the amount of $10,478. This is a photographic surveillance operation targetted against the Cuban Embassy in Mexico City. Two agents are involved: LIONION-1, a young Cuban [redacted] in exile, and LIONION-2, [redacted] The agents act as observers and photographers. LIONION-1 is also used as a dispatcher for the LIEMBRACE surveillance team, from which he is compartmented, to cover individuals associated with this target. These agents were previously used in connection with the [redacted] telephone tap operation against the Cuban Embassy. The current photographic operation began in the latter part of 1962, and was previously funded under Cuban FI funds. The operation has provided valuable data for the identification of Cuban Embassy personnel and visitors, and on their patterns of action and personal associations.

2. The security of this operation, particularly the agent's cover for status and the communications arrangements, appear reasonably sound. Both agents know that they are working for AIS, and LIONION-1 was successfully FLUTTERED in October 1963. However, LITAMIL-7 and LITAMIL-9, who are penetrations of the Cuban Embassy, are aware of this activity, as they are used to help identify individuals photographed.

3. Approval for the LIONION Project is recommended. It is requested that, in order to assist Headquarters' evaluation, project reporting include details of CI/CE data furnished, and examples of leads developed from such information.

GERARD DROLLER
C/WH/POA

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DATE JAN 1965 FILES NO 50-9-1722/1 THRU

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SECRET/KAPOK

PROJECT OUTLINE

CRYPTONYM LIONION

FIELD CASE OFFICER Lawrence F. Barker
Lawrence F. BARKER

STATION Mexico City

CHIEF OF STATION Willard C. Curtis
Willard C. CURTIS

The attached Project Outline is presented for approval.

SECRET/KAPOK

GROUP 1
Excluded from automatic downgrading and declassification

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50-6-122/1

DATE JAN 1965

THRU

CLASS NO. 50-6

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PROJECT LIONION

A. Identification. This is a technical (primarily photographic) surveillance operation against the PBRUMEN Embassy in Mexico City.

B. Objectives. The operation is designed to (1) furnish photographic coverage during daylight hours of the entrances of the target installation, (2) dispatch physical surveillance teams against persons associated with the target, and (3) keep in readiness a listening post for the monitoring and recording of eventual technical penetration operations of the target.

The target installation is the PBRUMEN Embassy compound (including Consulate) in Mexico City. The above-listed objectives are accomplished by two trained, full-time surveillance agents who live across the street from the target.

The project is in consonance with Priority A, Objective 1, of the current Related Mission Directive for Mexico.

C. Background. This project, herewith presented for approval for the first time, does not represent a new operation. LIONION activity has been going on since 1962 and costs have heretofore been charged to PBRUMEN FI funds. The operation produces photographs of persons associated with the PBRUMEN Embassy, both staff and visitors. These photographs are normally reviewed for identifications by the PBRUMEN section at the Station, then shown separately to LITAMIL-9 and LITAMIL-7 who are penetration agents working inside the target. They are subsequently forwarded to the CI section of WH/SA where they are shown to PBRUMEN intelligence defectors AMNIP-1 and AMMUG-1. Of those assets to whom they are routinely shown, LITAMIL-9 has to date made the largest number of identifications. The photos have proven of great value. Within hours of the arrival of a new Embassy staff member his photograph is in the hands of the Station. In addition to the identification of staff and visitors, the photos (accompanied by a log kept by the LIONION agents) reveal patterns of action (arrivals and departures) and details of personal associations (who associates with whom) which are of great value to the Station in mounting operations against the target.

In addition to photography, LIONION-1 and LIONION-2 are often called upon to do visual surveillance of the target installation and LIONION-1 is essential to the dispatching of the LIEMBRACE surveillance team against individuals associated with the target. Because of the presence of police patrol cars in the vicinity, the Station's mobile surveillance assets cannot come close to the target, hence the need for LIONION-1's dispatching services.

The presence of LIONION-1 and LIONION-2 also insures continued occupancy of a valued piece of real estate which will be used as a listening post when the Station succeeds in installing additional technical surveillance devices in the target in the form of concealed radio transmitters.

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D. Operational Assets (Personnel).

LIONION-1 is a young PBRUMEN [redacted] in exile. He left PBRUMEN in 1960, planning to continue on via Mexico to the United States where he resided in his early years. His two brothers are American citizens, one a desk officer in the [redacted] in Washington, the other a police official in [redacted] Florida. While in Mexico LIONION-1 was recruited, as LILILY-1, to perform PBRUMEN operational support services for the Station and, once having a taste of clandestine activity, decided to remain in Mexico. LIONION-2, [redacted] was recruited in 1961, as LILILY-2, as a basehouse occupant and operator in the LIFEAT/LIERODE technical operation aimed at the PBRUMEN Embassy. At this same time LIONION-1 also phased into LIFEAT/LIERODE work and the two worked together as a team. In 1962 LIONION-1 and LIONION-2 worked together in processing the take of the LIFEAT/LIERODE/MKTRAP installation, now known as LIOMEN. At this time their cryptonyms were changed from LILILY-1 and 2 to LIFEUD-22 and 23, respectively. In the latter part of 1962 the two agents began the present photographic surveillance operation.

LIONION-1 was granted an OA on 18 May 1962 by HMMW-10664. He was LCFLUTTERED on 8 October 1963, HMMW-12064.

LIONION-2 was granted an OA on 16 May 1962 by HMMW-10660.

LIONION-1 is the mainstay of the operation. LIONION-2 acts as his assistant and fill-in at such times as he is absent from the observation post. Both serve principally as observers and photographers. LIONION-1 also acts as a dispatcher for the LIEMBRACE surveillance team from which he is compartmented. Dispatching is done by radio using pre-arranged innocuous code terminology; the team does not know LIONION-1 or his precise location. LIONION-1 also processes on the premises all photographic coverage of the main Embassy gate through final printing, cropping and mounting. Photographic coverage of the Consulate gate is processed through the negative development stage.

Control is primarily financial buttressed by the knowledge, on the part of the agents, that as PBRUMEN refugees they are vulnerable to pressure which might be brought upon them by KUBARK through the Mexican government should they get out of line. Motivation is a combination of financial necessity and violent aversion to, and determination to bring about the downfall of, the AMTHUG regime. An additional motivating factor is that both agents actually enjoy what for many would be monotonous work. Psychologically, they are ideally suited to this sort of work.

Both agents realize that they are working for PBPRIME intelligence; LIONION-1 appears to be aware that he is working for KUBARK. The cover utilized by LIONION-2 is that of [redacted]. LIONION-1 passes as a would-be [redacted] who can afford to dabble without notable [redacted] success because of family landholdings in [redacted] Florida (inherited from his deceased father), which enable him to live as a "rentista," one who lives on income from sources other than gainful employment. His rentista status is registered with the Mexican government. In October 1964 this cover successfully withstood intensive investigation by Mexican authorities checking on persons of questionable status for tax collection purposes. The Station plans to bolster the [redacted] cover with supporting documents from a [redacted] in New York City; these will be requested in separate correspondence

Communication is primarily with LIONION-1; with LIONION-2 only in his absence. Meetings, pre-arranged or signalled by innocuous phone calls (calls from LIONION-1 go through a telephone cut-out), are usually held at the LIONION-1 safe apartment. This apartment, which would appear to be a LIONION-1 love nest, is in another area of town. The Station KURIOT technician, Hugh T. FRANCOTTE, meets with LIONION-1 at least once a week. The Case Officer, Lawrence F. BARKER, meets with him less frequently. Whereas LIONION-1 knows the true name of the Case Officer, he does not know FRANCOTTE's true identity.

E. Security Evaluation. If either of the LIONION agents are uncovered by Mexican authorities as engaged in operations against the target, they have been briefed to indicate that they are working for an exile organization based in the JMWAVE area on a voluntary, non-paid, patriotic basis and to stick to the story covering their income. This would probably hold up unless they were caught in flagrante with the KURIOT automatic pulse camera on the premises. This camera is of such refinement and complexity as to be difficult to ascribe to an exile organization. In any event, LIONION-1 has a close relationship with an official of the Mexican president's office. This connection, developed by LIONION-1 for his own protection, enabled him to weather the tax investigation and can be used by him to overcome any future difficulties with Mexican authorities.

Under Mexican law, the principal (photographic) activity of the project is not illegal, therefore uncovering of the photographic operation would not of itself result in arrest or prosecution. It is usually possible to stave off investigation or house search for a period of time sufficient to remove compromising material from the premises. The LIONION base house was once cleaned completely in one evening and could again be cleaned, probably in less time, if circumstances should warrant.

The target installation is aware that photo surveillance is a probability. On one occasion AMKNOB-1, a JMWAVE asset, was shown a nearby building (not the LIONION base) by a PBRUMEN Embassy officer and told that it was a KUBARK photo base.

LIONION-1 is known by sight to some PBRUMEN Embassy staff personnel who have observed him in the neighborhood. Presumably they believe he is a Mexican. To avoid operational compromise, he cannot renew his expired passport at the PBRUMEN Consulate. For this reason the Station will request [redacted]

Security measures employed in this operation are designed to make it virtually impossible for any opposition service to link LIONION personnel with the Station.

F. Coordination. Coordination with other PBPRIME elements or the Mexican government is not necessary at this time and none is envisaged.

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G. Costs. The total annual cost of Project LIONION is $10,478, distributed as shown below:

	FY 65	FY 66	Total
LIONION-1 salary 13 months @ $320	$1920	$2240	$4160
LIONION-2 salary 13 months @ $150	900	1050	1950
Real estate rentals:			
LIONION Basehouse	600	600	1200
LIONION Safehouse	264	264	528
Utilities on both houses	150	150	300
Supplies (Photographic film, paper, chemicals, and miscellaneous)	1170	1170	2340
Totals	$5004	$5474	$10478

Salaries for LIONION-1 and -2 include the customary year end bonus of one month's salary. LIONION-1's salary was raised from $200 to $320 monthly in 1964 to compensate in part for his renunciation of a sales position in order that he might devote his full time to the LIONION operation. LIONION-2's salary has remained at $150 per month since her recruitment in 1961. No salary changes are contemplated during the project year.

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