

DIC 2
JCR

3 July 74

MEMO FOR FILE

SUBJECT C : OTS (late TSD) and Jim McCord's Cuban Activities

1. Ben Colling phoned to say that one of the fellows in jail is still around, and after he got out he inquired around and got no indication that McCord was ever involved. None of the other OTS people have any recollection of McCord's involvement.

2. I said that I was sure that the man who was rolled up might not have any idea of McCord's involvement, if indeed he was involved. If McCord's involvement was merely headquarters planning and no releasing operation was ever undertaken his role might never surface. However, we had been told that planning did involve TSD people at the time, along with Security. For instance, I knew that the Security man with TSD at the time had a job of hand-holding with the families of the three men; there may be some TSD record of that which would lead to someone who would know.

3. Colling was pulled out of a staff meeting to talk to me and said he would call back later.

SDB

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S-E-C-R-E-T

20 September 1960

MEMORANDUM FOR: DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT : Summary of ⁰² STESCALADE - Audio Operation
Against the New China News Agency in Havana

1. In May 1959, the New China News Agency (NCNA) opened an office in Havana in the El Medico Building which is occupied partly by business concerns and partly used for residential apartments. Shortly thereafter, the Havana Station obtained the concurrence of Ambassador Bonsal and Miss Carolyn O. Stacey, an Embassy employee, to mount an audio operation against NCNA through the wall of the adjacent apartment in which Miss Stacey lived. In November 1959, the FE Division sent one case officer and one TSD technician to Havana, and the installation of a microphone and tape recorder was completed in Miss Stacey's apartment on 29 November 1959.

2. By June 1960, it had become evident that two other rooms occupied by NCNA possibly housed communication equipment and were used for conferences. At that time [redacted] FE Division case officer, went to Havana and explored the possibility of improving the operation. He managed to lease an apartment directly over the NCNA office and arranged for a stay-behind agent to occupy this space.

3. In August 1960, a team of three TSD technicians who were in Havana on a separate SR Division operation agreed to install the additional equipment required for the NCNA operation. A second FE Division case officer, Robert Neet, came down to Havana; and he, together with the technicians, installed a probe microphone and tape recorder in the apartment obtained by [redacted] over the NCNA office. About this time the equipment was removed from Miss Stacey's apartment, with the exception of the plastic probe which was left in the wall and plastered over.

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4. As an additional security precaution to provide a safe haven, and after consultation with the Acting Chief of Station, a key to an apartment in the same building leased by Mrs. Marjorie Lennox, an Embassy secretary, was obtained. Mrs. Lennox was told that access to her apartment was needed for photographic surveillance purposes.

5. The Station was then faced with the probability that time and security would work against holding indefinitely the lease to the apartment over NCNA since the owners of the building were cancelling sub-lessors' contracts and recalling leases. It was, therefore, decided to install transmitters and switches in order to permit continued monitoring of the target from a distant listening post. Another three-man team of TSD technicians consisting of David L. Christ (alias Carswell), Walter E. Szuminski (alias Taransky) and Thornton J. Anderson (alias Danbrunt) documented as tourists had been sent to Havana to install audio equipment in the Chinese Nationalist Embassy before it was due to be turned over to the Chinese Communists. This operation aborted. This team was then sent to work on the installation of the transmitters in the apartment over the NCNA office.

6. At 2400 hours on 14 September, Christ, who with the other technicians was working in the target apartment, failed to keep a scheduled appointment with Neet. At 0100 hours on the 15th of September, the apartment of Mrs. Lennox was entered into and searched by Cuban authorities, and she was taken into custody. At 1540 hours on 15 September, Neet, the stay-behind agent and his wife were picked up by the Cuban authorities and detained.

7. As of today the agent remains in the custody of the Cuban authorities. His wife has been released and is still in Havana. Neet was released 1715 hours 16 September and has subsequently returned to Washington where he is being debriefed. Mrs. Lennox was subsequently released and has also returned to Washington where she is being debriefed. The three TSD technicians remain in confinement. They have been seen in confinement but not contacted by an Embassy officer when he first attempted to secure the release of Mrs. Lennox. Christ was last seen by Neet when they were jointly interrogated the morning of 15 September. At that time Christ did not appear

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to have been maltreated.

8. According to articles in the Cuban papers the three technicians were arrested while in the apartment over the NCNA office and completing the installation of the equipment. The press article adds that the key to Mrs. Lennox's apartment was found on one of the technicians who identified the apartment to which it belonged. All Cuban press releases have referred to the men by alias and have not identified them as Government or Agency employees. It is unclear at present what story had been agreed upon by the technicians and station personnel to be used in the event they were caught. (While being interrogated with Neet, Christ indicated that Neet was his boss, and Neet consistently denied any knowledge as to why he was being held.) The sub-lease for the apartment in which the men were caught is in the name of the stay-behind agent with the original lease being in the name of [redacted] the FE Division Case Officer.

9. Initial information indicated that the three technicians would be charged with espionage "against the people of China". Subsequent press releases have been unclear on this point. An attempt by Consul Hugh Kessler to contact the three men at 1730 hours on 17 September was unsuccessful. He was not permitted to see them but was told they were in custody.

10. The three technicians travelled to Cuba as tourists under very light commercial cover, two of them working for a company in New York and the third, one in Baltimore. In each case the cover company consists of a telephone answering service and a name on the door. Telephone messages and mail are picked up periodically by an Agency contract employee. The men were provided with this cover as well as unbackstopped home addresses for use when entering or leaving Cuba as tourists since the filling out of the landing card requires this information. Subsequent to their detention the home addresses have been partially backstopped so that inquiries will indicate that someone with this alias name had lived in the apartment house in question. Insofar as the cover companies are concerned, efforts are being made to provide a backstop to withstand inquiries from the press should the Cubans reveal this information. In view

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of the thinness of the cover, it is uncertain whether this will succeed.

11. A cleared and witting law firm in New York has been briefed by Mr. L. Houston on the situation with the thought that inquiries received by the cover company could be referred to the firm of lawyers from whom no comment would be obtained by the press or other inquirers. The law firm has been briefed on the entire situation so that they may be in a position to act if any action by them appears desirable or feasible. It would not appear that much support of any kind can be obtained from the law firm or the law firms in Cuba which are associated with them.

12. Insofar as the families are concerned, one of the technicians is a bachelor presently on home leave between two tours in [redacted]. His father, a cook in a diner in the Boston area, has been contacted by the Office of Security, and he will get in touch with Security if he receives any inquiries on this matter. Security, by the same token, will keep in touch with him as the Cubans reveal their intentions and course of action.

13. The wives of the other two technicians have been told what has happened and are being contacted at least once daily by TSD staffers and their wives who have been briefed on the situation. A conference with the two wives was held in TSD on 19 September to go over the whole situation and determine if there were any personal problems on which the Agency could be of help. For the time being the wives are telling their neighbors that their husbands are on a trip. This story will be adjusted depending on what course of action the Cuban Government takes, whether the aliases remain unbroken and whether recognizable photographs of the individuals are released to the press. The two wives so far have taken the bad news exceedingly well.

RUDOLPH E. GOMEZ
Acting Chief, WH

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20 September 1956

MEMORANDUM RE ⁰² STESCALADE

record

There is a folder of sensitive non-CS material pertaining to this operation, retired under Black Tape wrapping, Job #57-86/78, restricted to Offices of DCI, DDJI, DDP, C/WH, C/WH/PL, C/WH/C, C/CI, C/TSD, Director of Security and General Counsel. China Operations is not cited as an originator, addressee, or info recipient of any of this sensitive material.

WH/RMO

V. J. Lau
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SECRET

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Att C

RELEASE CONTINGENCY PLAN 62-2

CHART OR MAP REFERENCE:

Sectional aeronautical charts as required.

TASK ORGANIZATION:

Det. 1, 1045th Operational Evaluation and Training Group, Major Billy B. Campbell, Commander.

1. SITUATION:

Daniel L. Carwell (Alias), Ernesto H. Fernandez (Alias) and Edward R. Teransky (Alias) are TEO Staff Employees who were apprehended by Cuban authorities in September 1960 and who are now serving ten year sentences. Efforts are being made to secure their release. Since their release may occur without advance notice and at a variety of places, i.e. Havana, Miami, Mexico City, Switzerland, Brazil, etc., it is imperative that a contingency plan be formulated to ensure the secure reception of these employees.

The controlling factor in all phases of the release procedure is that these employees were in Cuba under alias and that during the entire period since their capture their aliases and cover stories apparently have been maintained. Therefore it is essential that these aliases be maintained until such time as the employees have returned to Agency control and then have these aliases immediately disappear as quickly as possible.

For planning purposes the release points will be Havana, Mexico City or "other areas".

2. MISSION:

Det. 1, 1045th Operational Evaluation and Training Group provides black air transportation from point of entry (OOOI) to the designated safe area.

3. EXECUTION:

A. Black air transport will be provided under this plan at the request of TFW, US Mexico, or Operational Support Detachment/AS/306 depending on the release point and port of entry.

3. Request for black transport should include:

1. Request that RELEASE CONTINGENCY PLAN 62-2 be implemented.
2. Port of entry.
3. Date, local time, and airfield desired for pick up.
4. Desired destination.
5. Other requirements, i.e., stretchers or bunks in the event subjects are hospital cases.
6. Name, organization and telephone number of requesting party.
7. Name and telephone number of KUSARK contacts at loading and off-loading points.

C. The following personnel are knowledgeable and charged with the responsibility of activating this plan:

1. Major Richard I. Skizzen, AS/ASD/DD/P
 Organization: Air Support Division, DD/P
 Home Phone: JR 3-1109
 Office Phone: Sterile Numbers ME 8-6235, EX 3-8515
 Extensions 6862, 7664, 7367
 Red Line 1958
2. Mr. Robert Marrevo
 Organization: Air Support Division, DD/P
 Home Phone: JA 4-3598
 Office Phone: Same as 1.
3. Major Billy B. Campbell, Commander, Det. 1.
 Organization: Det. 1, 1045th Operational Evaluation and
 Training Group, Eglin Air Force Base, Florida.
 Home Phone: 662737
 Office Phone: Eglin Air Force Base, Florida 631590
4. Major Kenneth R. Burton, Ops Officer, Det. 1.
 Organization: Det. 1, 1045th Operational Evaluation and
 Training Group, Eglin Air Force Base, Florida.
 Home Phone: 662464
 Office Phone: Eglin Air Force Base, Florida 631213

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D. Det. 1 furnish 1 C-54 and crew in standby capacity until further notice. Standby capacity is herein defined as capability to position the aircraft at any port of entry in east, south or southwest U. S. from Boston to Los Angeles within 15 hours.

E. Assuming the subjects will be released in Havana or Mexico City, Det. 1 will prepare mission folders for flights from most probable ports of entry to Isolation and Andrews Air Force Base.

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[RICHARD I. SKINNER]

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