OSCHEWICE



Hi-Fi Salesman Agent in UK - 1970s

Source recruited a hi-fi salesman - an American living in Britain. The agent's father-in-law was a politician and his parents were of some standing and well-placed in the USA. The man had no particularly useful function in the UK but he was considered to have potential in the USA and it was there the KGB saw his intelligence career developing.

- 2. The case was initiated by Source who handed it on to his colleague Yuriy Gennadyevich POKROVSKIY at the STD in about 1979. During the running of the case, the agent took a package to Lisbon for the KGB.
- 3. The case officers became suspicious of the agent as he tried to take the initiative. POKROVSKIY was later expelled.

Desk Comment: This agent appears to be identical with the Double

's Contemporaries in London - Yuriy Gennadyivich POKROVSKIY

POKROVSKIY ran

. His standing in the KGB was high, through his wife who was the daughter of a VIP. However, this must have been tarnished after his wife was caught shop-lifting in London. He returned to the USSR and was posted to Department 10 (Britain) of the Directorate T. After that he went to Japan as (Britain) he ad of the STD. He had some problems there and after 2 years he was expelled.

- Further Reporting

Initial Contact

2. Source first met the man in a hi-fi shop. He believed this shop was in Tottenham Court Road. Source was initially attracted by the sound of a voice with an American accent which proved to belong to a good-looking sales assistant. His only attraction was that he was American. Source put some general questions to him and decided that he would be worth meeting somewhere other than in the shop. Source therefore requested some personal advice on hi-fi equipment and a general discussion in peace and quiet on which equipment was the best. He said he was very busy at the moment but would get in touch later. The man agreed.

Second Contact

3. Source next visited the shop one evening near to the time it was due to close, and took the American to a restaurant. The American told Source about his parents in the States, and mentioned that he had been a sailor. Life was apparently not too easy for him. As he had a strong personality and character, Source continued meeting the American (semi-covertly).

Centre's Reaction

4. Centre commented on the lack of any useful information from this Source but was happy for the case to proceed just because the individual was of American nationality and might be of use in the future, particularly if he were able to introduce Source to other Americans, and on his eventual return to the States.

Motivation

5. The American was interested in receiving extra money and asked Source for more than Source was prepared to give. At the start of the case no money was paid to the contact but in the latter stages we received about 100 dollars a month, so far as Source can recall.

Proposed Visit to the States

6. As the contact's parents were of interest to Source he tried to arrange for the contact to visit them in America. However, the contact did not wish to undertake this trip as his parents-in-law were coming to the UK on a visit.

Source's Doubts About the Case

7. The American tried to aggravate Source by saying how much better capitalism was than communism and life in the West asopposed to that in Eastern Europe and the Soviet Union. They also discussed politics. However, Source was not entirely happy with the case as the contact appeared too confident to be really trusted, and it was not natural for an American to carry on such a relationship. Source felt that he could not have been of genuine

interest to the contact. Nevertheless, there were no concrete drawbacks so the case was continued if only to provide an understanding of American psychology, and practice in running an American.

Contact Testing

8. Centre supported the case, although without enthusiasm, and suggested that Source should make some routine checks on the man's attitude to see if a deeper relationship was possible. The trip to Portugal to carry out a task was the result. The contact possibly ravelled with his wife, and Source believed his task was to take with him a package to be placed in a DLB or something similar.

Contact's Status

9. The contact was never formally made an agent, but remained a contact under cultivation. The contact was offered the money to pay for courses in business studies but he was not interested in pursuing these opportunities; preferring to remain in his current job as a salesman. Source believes that the contact later obtained a better job in a "Technics" shop.

Second Case Officer

9. Source, before his departure from the UK in 1979, introduced the contact to his next case officer, Yuriy Gennadyevich POKROVSKIY, who worked at the STD until his expulsion from the UK.

Andra Sever Jenue

R Mr-E

On 13 May 80,

Male Born

England,

Between Dec 78 - Jan 79, while working at Tottenham Court Road, London WI, he was approached by a male individual who identified himself as VICTOR. Initially he though: VICTOR was Yugoslavian but as their relationship progressed, VICTOR told him that he was Russian and worked at the Soviet Embassy, London. VICTOR initially requested information about stereo equipment and subsequently took him to dinner after the third meeting. Later VICTOR told him that he could assist "them" if he was in a higher position such as a director or area sales manager of a large national or international company. VICTOR asked him to pick up some school literature in Feb 79 from a university located in Bedfordshire. This was the first tasking he had received. The literature was obtained and provided to VICTOR. Next VICTOR requested him to attempt to obtain some silicone chips; type Texas Instrument TMS3064, two each and Intel 2164, five each. He attempted once to get these chips from a dealer by telling the dealer that he was building a computer. The dealer told him that those chips were not used for consumer computers so he did not press the issue, but reported his findings to VICTOR. He started receiving £150 per month in cash plus travel expenses from VICTOR. He was required to sign a blank piece of paper which he was advised that he could list any name on it. His initial meetings with VICTOR began in London and later changed to Luton. VICTOR told him that he was only allowed to travel within a fifty mile radius of the London area. Initially, he was required to be present at certain telephone booths which he would receive a call from VICTOR and subsequently meet VICTOR a block or so away. Later, he began to meet VICTOR at the Luton and Harlington Train Stations. He got the impression that VICTOR would arrive by car but may not have driven himself.\ VICTOR is described as approximately 30-35 years of age, 5'9" tall, 170-180 lbs in weight, medium build, sandy hair. VICTOR has talked about his wife and two children and his music system, which includes a pair of JBL brand American-made speakers. VICTOR would provide ten blank tapes (TDK AD brand) for him to record jazz music on and advised that he could keep five of the tapes for himself. On one meeting VICTOR took him to Ronmie' Scotts in London, which is known for its jazz artists. When he and VICTOR would go out to eat, VICTOR



would always have the same thing that he ordered and would always pay the bill. This included drinks too. (VICTOR advised him that he was returning to Moscow in Oct-Nov 79 and arranged for him to meet GEORGE. He was sent on a mission to Lisbon, Portugal between 21-23 Jul 79 where he met a contact and delivered an envelope. He could not recall a name of his contact but described him as forty years of age, chunky build, red hair, approximately 6' tall, 220 lbs in weight, hair was curly. He was given directions to walk around two or three blocks at a certain time and that he would be met by a contact. He did not meet the contact on the first day but discovered that he had not followed the directions properly. On the second day, he walked the three blocks in the proper sequence and was approached by a red hair man. The red hair man gave the code phrase "Didn't I see you at the London HiFi Show" or something to that effect and the two of them went to a nearby restaurant for a meal. He discovered that he had forgotten the envelope and had to return to his hotel room and get the envelope from his attache Upon his return he relinquished the envelope to the red hair man and they talked. The red hair man spoke good English and gave the impression that he had travelled from Paris, France for the meet. He appeared like one of the actors who was in a James Bond movie (NFI). An agreement was made that he would meet the red hair man in Lisbon every summer for a day or so. Upon his return to England, VICTOR advised him at the next meet that the envelope had been discovered opened prior to it being received in Lisbon, but he indicated that he delivered the envelope unopened. VICTOR had paid him in advance for plane tickets and travel expenses. While in Lisbon he stayed at the Hotel Florida.

VICTOR had indicated on several occasions that he should get a better job and VICTOR would supply him with want ads from the newspaper for executive positions. It was approximately Feb 79 when he had told VICTOR that he would work for him and VICTOR supplied an employment application which reflected the name of a British firm (NFI). He prepared the form and returned it to VICTOR. It was agreed that VICTOR would contact him at home in emergencies but he could not contact VICTOR except at the scheduled meeting.

GEORGE is described as 40-43 years of age, 6' tall, 150-160 lbs in weight, slim build, dark eyes, short side burns, short hair and gives a businessman appearance. Also believed to have a scar on his face. Has a slavic accent but has never said that he is Russian. Has commented that he works in the Economics Department of the Soviet Embassy, London and had recently travelled to Scotland 2-3 months ago to the Catapiller Factory. GEORGE is also restricted to the fifty mile radius of London. GEORGE is not as keen on music as VICTOR and apparently has a much cheaper music system. GEORGE is married and has one child. While working for GEORGE, he has travelled to Belgium (Brussels) on company business and was instructed by GEORGE to self address an envelope and mail it to himself from Belgium and report how long it took to receive. It took five days. He stayed at a hotel near the EEC building and his visit was for two days in Feb 80. GEORGE

of Debnes

2

wanted him to go back to school and get a Bachelor of Arts degree in Business. He started school part time but had to drop out due to work. GEORGE paid all the expenses. GEORGE but had to drop out due to work. GEORGE paid all the expenses. GEORGE suggested he should go to school full time and GEORGE would pay him the difference he would have lost by quitting his job.

He has told GEORGE about his family which includes his father, a retired U.S. Army 0-6

him to ask his father what he felt about the Afghanistan situation.

Apparently his father was planning to come to England in the future on vacation. He last met GEORGE in Luton on 23 Mar and is scheduled to meet him again 14 May 80 in Luton.

SUMMARY: He has indicated that the Soviets are attempting to assist him in getting an executive position in an international company. Although he was asked if he ever passed any military installations, he was told that "they" are interested in industrial secrets. He feels that they want him to become a "mole" for later use. He has allowed the relationship to continue since he has not had to do anything contrary to law and that they did not have a hold on him. He said he lives a clean life and could not be blackmailed. Basically, he has been fed, paid and looked after and has not really produced anything of value. He was and was in the radar field. He in the U.S. Navy from Nottingham for one year previously lived at before moving to his present address. He currently works for stereo equipment His customers are all British retail businesses. He does not handle the military sales. He is (in his own words) willing to act as a He was driving a Ford "double agent" for us Granada which he said was a company car,

Daton G when G date or hoping SECRET

On 13 and 28 May 80, SUBJECT was inferviewed

SUBJECT related

spostantially the rollowing:

a. Initial contact with VICTOR: SUBJECT, an American citizen, arrived in London with a wife and one child in Apr 77. He set up a household and acquired a job with

During Aug 77, he was given an opportunity to n Nottingham. He transferred to Nottingham permanently snortly thereafter and has lived in Nottingham ever since. During he began commuting to London on a weekly basssidown to London on Monday and return to Nottingham on Friday). He stayed in a hotel during the week. His job at involved selling Hi-Fi equipment and accessories retail and advising customers on matters concerning stereo equipment. During approximately Dec 78, an individual, known only to him as VICTOR, entered the shop in London as a customer. Initially, he thought VICTOR was Yugoslavian. VICTOR claimed to be assembling a stereo system and needed advice as well as stereo accessories. VICTOR began coming to the shop once every one to two weeks. He and VICTOR began a friendship based on a mutual interest in stereos. VICTOR then asked him out to dinner which he accepted. VICTOR offered dinner at least two times and possibly more while he was in London. He never turned VICTOR down. VICTOR would come to the shop at closing time and wait for him outside. VICTOR always left the choice of food and restaurant up to him and VICTOR always paid for everything. The conversation seemed to usually center around stereos, but after the first few times, became somewhat personal in that families, jobs, politics, economics, etc., became more frequent topics, as did his personal background. At one of their dinners, VICTOR stated he was Russian and worked at the Soviet Embassy in London and his job involved something with chemicals or chemistry. SUBJECT wanted to arrange a "get together" for his and VICTOR's families as he was fascinated at having met a Russian. VICTOR declined and said it would simply be impractical given the distance between their residences. He recalled that at least two of the restaurants in which they had dinner were Italian and were within a short walk of the shop, which was located on Tottenham Court Road, London. At one of their dinners in London (NFI), VICTOR gradually led up to asking him to supply "them" with information (NFI) for which "they" were willing to pay him money. He became aware that VICTOR was a Soviet intelligence agent and believed he was being placed on retainer, so to speak. He saw the relationship as exciting and felt he was on a lark. Since he had no information and did not feel he would be breaking any laws, he agreed to VICTOR's offer. Due to the strain on his family, caused by his weekly absences, he quit working for

DINE! Clark of American

and secured a position on with Nottingham, as a sales representative responsible for

Because he no longer had the Midlands region of England a reason to go to London, he refused to meet VICTOR in the London area. Therefore, VICTOR suggested they meet in Luton, England. To support their meets in Luton, VICTOR asked him to collect the telephone numbers of various public call boxes in the Luton, Nottingham areas and along the M-l motorway (a major English highway frequently used by SUBJECT). He did this and provided them to VICTOR along with their locations. He can no longer recall their locations. VICTOR said they would use a system whereby SUBJECT would be at a predesignated call box at a predesignated time to receive a call from VICTOR who would confirm that a personal meet would take place and identify the place, date, and time of the meet. The system never worked because SUBJECT never knew where he would be on a given day and VICTOR soon realized this and began arranging subsequent meets during their present meet. The last thing accomplished at any meet with VICTOR was agreement on the date, place, and time of the next meet. After he dropped VICTOR off (usually at the Luton train station) following a meet, he would write the next meet's information in a Trio Calendar Planning Guide which he always carrie. He still has the 78 and 79 Guides, but they are at his residence. He would be willing to produce them on request (SUBJECT produced his 1980 Guide). The meets with VICTOR occurred about once a month and almost never at the same place twice. The normal meet time was between 1900 and 2000 and the duration was normally two to three hours. The meetings nearly always involved dinner at a pub or restaurant and usually involved considerable drinking by both of them. VICTOR would always order what SUBJECT did and usually drank what SUBJECT did - always beer and wine with dinner. VICTOR always paid for everything. He always met VICTOR someplace in Luton. He would usually pick VICTOR up by ___ a late model Ford Granada, pays for all of SUBJECT's travelling expenses) at the in his car (provided by Luton train station and they would either drive or walk to the meet site chosen by VICTOR. On occasion, VICTOR would provide another location to SUBJECT, at which they would meet and travel to the meet site. Sometime after the meets began to take place in Luton, VICTOR said he was going to SUBJECT felt this was along the pay SUBJECT £150 per month line of a retainer. The payment, nowever, did not come in every month.

VICTOR always gave SUBJECT £10

for expenses when they met. SUBJECT had to write a one line receipt for the £150 when he received it. SUBJECT always signed a fictitious name. He never had to sign for the £10 expense money. VICTOR called him at his Nottingham residence a few times to arrange meets but did not like to do that for security reasons. SUBJECT was never provided with a way to contact VICTOR nor was he given any instructions on what to do if one of them missed a meet. He believes VICTOR was very knowledgeable of the Luton area. VICTOR constantly checked on how SUBJECT's family was getting on and whether SUBJECT needed any money for medical bills, etc. VICTOR wanted him to go back to school as a way of bettering his position. SUBJECT began to take some courses on a part time basis. VICTOR paid for all of SUBJECT's expenses

Andrident and Andria

while he attended school. VICTOR, however, wanted SUBJECT to attend school full time in the hopes of obtaining a degree. VICTOR offered to pay for all the school expenses and reimburse SUBJECT for his lost salary if he would attend school full time. VICTOR wanted SUBJECT to be able to secure a managerial position with an industrial company of

SICRIT

be able to secure a managerial position with an industrial company of some sort. SUBJECT declined VICTOR's offer and eventually dropped out VICTOR was primarily interested in electronic, chemical technology, computer, and industrial processes type information. VICTOR was interested in SUBJECT obtaining employment with either an American or British firm that was national or multi-national in nature. VICTOR began applying gentle pressure on SUBJECT to show real attempts at advancing toward these goals. VICTOR would screen the want ads of newspapers and supply prospects to SUBJECT as well as job applications from time to time. He put VICTOR off by saying he had to become established in his present job before he attempted to move on into another job., VICTOR did not seem overly concerned at SUBJECT's lack of improvement. was very interested in the Plessy (phonetic) Company, which is a British firm located near Nottingham which produces navigational aids as part of their function. SUBJECT made application with Plessy but was not hired. At one time, VICTOR asked SUBJECT to attempt to supply military information (British or American). SUBJECT adamantly rejected this request rationalizing that industrial espionage was alright, but supplying defense information was against the law. VICTOR was not upset at SUBJECT's rejection and never broached the subject again. SUBJECT made attempts to gain employment with the British outlets of the IBM and NCR companies. VICTOR was very interested in SUBJECT's progress in this. SUBJECT has never heard from these companies. VICTOR was interested in SUBJECT's father as a possible means of assisting SUBJECT in advancement. SUBJECT's father is an ex-U.S. Army officer who made several contacts with high level officials.

SUBJECT's father, however, no longer has any contacts with NASA or any other government agencies because all of his previous contacts are long since retired. Therefore, SUBJECT's father was unable to assist SUBJECT in obtaining employment in a space-related company in which VICTOR was most interested. At one dinner during Jun or Jul 79 in Luton, VICTOR introduced SUBJECT to GEORGE, who would be taking over for VICTOR as VICTOR said he would soon (NFI) be returning to the Soviet Union permanently. All subsequent meetings were with GEORGE and SUBJECT never saw VICTOR again.

b. Additional Bio Data on VICTOR: VICTOR spoke Englishivery well with relatively little accent. VICTOR's wife (NFI) spoke little or no English and vehemently disliked their tour of duty in England. VICTOR was very fond of jazz music and frequented RONNIE SCOTT's in London as well as all the jazz festivals and concerts he was able to. VICTOR was extremely interested in stereo and had amassed a very good stereo system during his stay in England. VICTOR was an excellent conversationalist. SUBJECT was unable to recall any further details concerning VICTOR. VICTOR is described as follows: 30-35 years old, about 5'9" tall, 170-130 lbs, medium build, and sandy hair.

SICPET

Meetings with GEORGE: All the meets with GEORGE occur at different places in Luton, Dunstable, Harpenden, and St. Albans (all of which are within close proximity to each other and within easy access of the M-1 Motorway). SUBJECT usually meets GEORGE at the train stations of these towns and travels to a location preselected by GEORGE. SUBJECT and GEORGE always have dinner and several drinks together. The meets are between two and three hours in duration and start between 1900 and 2000 hours. Meetings with GEORGE occur roughly once a month. also pays SUBJECT E10 for expenses and does not require a receipt. has paid SUBJECT his 1150, but this again comes sporadically and GEORGE requires a receipt which SUBJECT accomplishes in the same manner as described in section 2a above. GEORGE has chosen all of the meet sites with ease of access for SUBJECT in mind as SUBJECT has always used the M-1 Motorway to travel to meet sites. GEORGE calls SUBJECT at his residence much more frequently than VICTOR did to arrange meetings. SUBJECT's wife has talked to GEORGE on the telephone and she thinks GEORGE is an Indian customer of SUBJECT's. SUBJECT's wife is unaware of SUBJECT's meets with <u>VICTOR</u> or GEORGE, nor is she aware SUBJECT has reported these meets

SECRE

GEORGE wants SUBJECT to begin making exploitable contacts. with people in the industrial trades. Sometime during the late Spring or early Summer 79, GEORGE (SUBJECT said it could have been VICTOR, he was unsure) asked SUBJECT if he knew anyone in a technical field whom SUBJECT could contact and obtain information from them. GEORGE (or VICTOR) said he would provide money to SUBJECT which he was to use to pay these contacts for any information SUBJECT was able to obtain. SUBJECT refused to do that by telling GEORGE (or VICTOR) he would be afraid of getting caught trying to buy information and he would not know how to go about accomplishing that sort of task (which SUBJECT stated was true). GEORGE (or VICTOR) was rather nonchalant about SUBJECT's refusal and has not brought that subject up again. GEORGE has also asked SUBJECT if he would be able to supply any military information. SUBJECT refused, as he had with VICTOR. GEORGE has not made that request since. GEORGE has also been gently pressuring SUBJECT to advance and produce. GEORGE has, however, never threatened SUBJECT nor been angry over SUBJECT's non-production. At one dinner meet, GEORGE produced a job application form with the name of a British firm preprinted on it (SUBJECT could not recall the name of the firm), which SUBJECT filled out and gave back to GEORGE at the meet. SUBJECT does not know what GEORGE did with the form and GEORGE has not mentioned it since. GEORGE asked SUBJECT at one time (NFI) to travel to a college, which is a highly respected industrial engineering school and is located north of Luton off the M-I Motorway (NFI), and obtain information pertaining to classes offered, class schedules, class descriptions, etc. GEORGE mentioned there were several Chinese students in attendance at that particular school. SUBJECT obtained the information GEORGE had asked for and GEORGE has not mentioned the college again. GEORGE has, on several occasions, asked SUBJECT if he would consider taking trips to the U.S. on holiday or if he would consider making a permanent move to the U.S. GEORGE has also mentioned SUBJECT's taking a holiday in Monaco. GEORGE has said



SECRET (

he will pay for all of SUBJECT's expenses on the holidays and/or permanent move. SUBJECT has agreed to consider the ideas but has, up to now, declined to accept. Sometime during the summer of 79, GEORGE asked SUBJECT if he would attempt to procure some computer chips SUBJECT agreed. GEORGE told SUBJECT to obtain two Texas Instrument TMS 3064 chips and five Intel 2164 chips (MFI). SUBJECT asked GEORGE what they were used for. GEORGE stated he did not know. SUBJECT asked for the chips at several of the electronics supply companies with whom he routinely deals. At each of these places, SUBJECT was questioned as to why he wanted those particular chips. SUBJECT told them he was attempting to construct a home computer. SUBJECT was told those particular chips were not used for consumer computers and SUBJECT dropped his inquiries. At their next meet, SUBJECT explained the situation to GEORGE and again asked for a reason to use for obtaining the chips. GEORGE told SUBJECT to forget about' the chips and nothing more has been said concerning them. During a dinner meeting in early Jul 79, GEORGE asked SUBJECT if he would be willing to take a trip (NFI) for GEORGE. SUBJECT tentatively agreed. GEORGE went on to explain he wanted SUBJECT to travel to Lisbon, Portugal and allowed SUBJECT to choose the days he wished to travel. SUBJECT chose the weekend of 20 Jul 79. GEORGE told SUBJECT he was to make his own travel arrangements and ras to stay at the Hotel Florida in Lisbon.

GEORGE then drew a complicated map detailing a route SUBJECT was to

travel from the hotel to a point where he would be contacted by a man

(NFI). GEORGE gave SUBJECT £300 in advance for expenses

and a sealed envelope (NFI) which SUBJECT was told to handcarry over to Lisbon and deliver to the man he would contact. SUBJECT was given a set of code phrases to use to identify the proper contact. A man would approach SUBJECT on a specific street corner in Lisbon and say, "Didn't I see you at the stereo show in London?," to which SUBJECT would respond, "Yes, didn't you like the American speakers?," or something to that effect. SUBJECT was also given a cover story to use, primarily for his wife, which was that he had met a person who wanted to set up a complete stereo system at his house and SUBJECT had agreed to install it for him and would be gone for a few days. (SUBJECT has, in fact, done that sort of thing before.)

SUBJECT travelled to Lisbon via air carrier (NFI) on Friday, 20 Jul 79 and checked into the Hotel Florida. He was to meet his contact on Saturday, 21 Jul 79. On 21 Jul 79, at the time he was given by GEORGE previously, SUBJECT attempted to follow his map but was not met as expected so he returned to the hotel where he discovered he had made an error in following the map. SUBJECT followed the same procedure again on Sunday, 22 Jul 79 and was met by a man who gave the proper phrase to which SUBJECT responded as instructed. The contact is described as 40 years old, chunky build, curly red hair, about 6' tall, and 220 lbs. SUBJECT could not recall his name (strictly for clarity, the Lisbon contact will hereinafter be referred to as JOHN). Following the proper exchange of the identification phrases, JOHN took SUBJECT to a nearby restaurant (NFI) and asked SUBJECT for the envelope. SUBJECT had left it at his hotel room and had to return to get it. JOHN waited for SUBJECT at the restaurant. Upon SUBJECT's return, he relinquished it to JOHN who did not examine it but immediately took it outside.

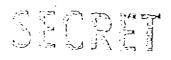
7

JOHN was gone for about 30 seconds and did not have the envelope when he returned. The meet with JOHN lasted about one hour during which JOHN questioned SUBJECT on his progress with advancement and any job prospects SUBJECT had. Additionally, they discussed how VICTOR had and GEORGE was treating SUBJECT during the meets. SUBJECT got the impression JOHN was checking on VICTOR and GEORGE's abilities. JOHN, at one point, said VICTOR and GEORGE worked for him. SUBJECT believed JOHN said he had travelled to Lisbon from Paris. JOHN seemed to know all about SUBJECT. JOHN said he and SUBJECT would meet every summer in a country which SUBJECT believed was Portugal. However, no firm arrangements were made. SUBJECT still has the map of the directions for the Lisbon meet in his possession. Neither GEORGE nor JOHN has ever asked him to return it. The map is in SUBJECT's residence and he will produce it upon request. SUBJECT returned to his hotel room following the meet and returned to England ia air carrier (NFI) on Monday, 23 Jul 79.

SICRIT (

At his next meet with GEORGE, GEORGE stated the envelope SUBJECT had passed in Lisbon had been opened prior to JOHN receiving it from SUBJECT and accused SUBJECT of having opened it. SUBJECT denied opening the envelope and after a few more minutes of questioning concerning the envelope, GEORGE dropped the subject. SUBJECT had a scheduled meet with GEORGE on Wednesday, 28 Nov 79 at 1900 at the Crest Motel in Luton, however, GEORGE did not arrive and after about one hour, SUBJECT departed the area. GEORGE telephonically contacted SUBJECT at SUBJECT's residence and arranged a meet for Thursday, 31 Jan 80. SUBJECT met GEORGE as arranged at Luton (NFI) at 1900. SUBJECT told GEORGE he would be travelling to Brussels on business.

during the middle of February 1980. GEORGE then arranged a meet for Wednesday, 6 Feb 80 at the Harpenden train station at 1930. SUBJECT met GEORGE at the preselected place at the proper time and he and GEORGE drove to another location (NFI). GEORGE gave SUBJECT three sealed envelopes (NFI). GEORGE said SUBJECT was to mail one envelope to himself from Brussels to determine how long it took to mail a letter from Brussels to SUBJECT's residence. SUBJECT was to simply carry the second envelope to Brussels and back and return it to GEORGE at the next SUBJECT cannot recall what the purpose of the third envelope was. SUBJECT next met GEORGE on Tuesday, 26 Feb 80 at the Old Cock Inn, Harpenden, at 1930. At this meet, SUBJECT returned the second and possibly the third envelope to GEORGE. GEORGE has never mentioned these envelopes to SUBJECT. SUBJECT's next meet with GEORGE was on Monday, 24 Mar 80, at the St. Albans train station at 1930. At this meet, SUBJECT told GEORGE he would be in London during Apr 80 for a stereo show. GEORGE arranged a meet for Thursday, 24 Apr SO, at 2000, at RONNIE SCOTT's, London. SUBJECT attended this meet on schedule. The next scheduled meet with GEORGE on 14 May 80 (the most recent). SUBJECT met GEORGE on Wednesday, 14 May 80 at the Luton train station at 2000. SUBJECT sat in his car near the front door of the station (SUBJECT had arrived early). SUBJECT observed GEORGE arrive at the station by taxi. GEORGE exited the taxi and entered the train station. A short time later, GEORGE exited the station and looked for SUBJECT. SUBJECT picked GEORGE up in his car and they drove to the



2011-12 THE TOTAL STREET TO THE PROPERTY OF TH

first pub GEORGE saw. The meet was very short as GEORGE said he was going on holiday (NFI) and did not have much time. GEORGE was dressed very casually, which SUBJECT has never known GEORGE to do before. GEORGE gave SUBJECT 510 for expenses and a new watch (brand unknown, calendar style with sweep hands, a blue dial, and a chrome colored case and stretch band). It was a relatively inexpensive model. GEORGE knew he needed a watch and had produced a watch catalog from which SUBJECT had picked the style he wanted (this occurred sometime ago (MFI)). The watch was still in its box with all the accompanying documents to include a sales receipt, all of which SUBJECT has saved and can produce. SUBJECT did not have to sign a receipt for the watch. SUBJECT asked GEORGE if "they" still wanted him to make his meeting in Lisbon again this year (80). GEORGE simply said, "We'll let you know later." Sometime prior to this meeting (NFI), GEORGE had asked SUBJECT to provide GEORGE with some catalogs (not specified), so SUBJECT had given GEORGE some Trio catalogs. GEORGE had said he may use the catalogs to put messages in to send to SUBJECT's residence. SUBJECT was not given any further meet instruction at the 14 May meet except that GEORGE said he would recontact SUBJECT in Sep 80 (NFI). SUBJECT believes GEORGE will either use one of the above catalogs with a message or call SUBJECT's residence with instructions GEORGE has never been overtly interested in SUBJECT's father-in-law; capacity with one of the U.S. House of Representatives Subcommittees (NFI)

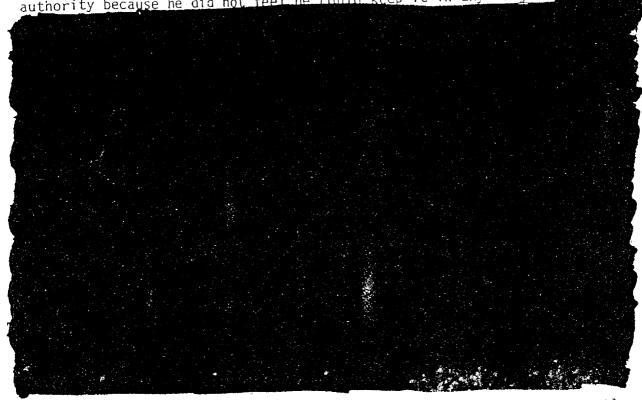
SECRET (

any assistance with his family in any way. GEORGE has never attempted to entice SUBJECT into an illicit sexual affair of any kind nor has GEORGE ever threatened SUBJECT or used any form of coercion.

- d. Additional Data Regarding GEORGE: GEORGE went to Scotland (NFI) within the past few months as part of a Soviet delegation (SUBJECT believes) to visit a caterpillar factory (NFI). GEORGE has something to do with economics at the Soviet Embassy in London. GEORGE has never actually said he was Russian. GEORGE speaks English very well and with less of an accent than VICTOR. SUBJECT has no idea where GEORGE lives. GEORGE went on holiday to the Black Sea sometime during the summer of 79. SUBJECT thinks GEORGE also went on holiday earlier this year, but he is unsure of that. GEORGE likes jazz music but is much more fond of classical music and attends all of the classical music performances he can. GEORGE has a young daughter with him in London. SUBJECT thinks she is about five years old. SUBJECT knows nothing about GEORGE's wife. GEORGE is an excellent listener and talks very little during their meets. SU3JECT always drops GEORGE off at the train station in whatever town they have met in following their meets. GEORGE is described as follows: 40-43 years old, 6' tall, 150-160 lbs, slim build, dark eyes, short sideburns, short grey hair, and gives a businessman appearance.
 - e. Additional Miscellaneous Information: SUBJECT claims to be very ambitious and feels this is one of the reasons he was first selected by



with GEORGE continuing as long as SUBJECT is thought to have potential for advancement. Originally, SUBJECT was no problems with meeting VICTOR or GEORGE because he was never really asked for any information or to do anything which he felt would be harmful in any way to the U.S. or U.K. SUBJECT felt it was exciting and somewhat of a lark to be in contact with a Soviet agent. However, SUBJECT has begun to realize this is a real situation with a potential to involve him in something serious or in something which SUBJECT will not be able to deal with without some guidance. Also, SUBJECT sees a real likelihood he will be forced to show some production. SUBJECT said if he can be of assistance to the "west," he will continue his contacts with GEORGE. However, if he cannot be of further assistance, he will terminate the contacts on his own. SUBJECT feels VICTOR and GEORGE have been grooming him as a "mole" to be used at a later date. He made the decision to report his contacts to someone in authority because he did not feel he could keep it in any longer.



NOTE: Throughout the interviews of SUBJECT, he continually and correctly used the following terms: mole, walk-in, double agent, meet site, and "in the business." SUBJECT received no prompting in the use of these terms from the agent who conducted the interviews nor was any of that type of terminology used by any of the agents involved. SUBJECT claims to enjoy reading "spy novels" both fiction and non-fiction.

10

SECRET

a fantasises

IUP DECKE

M.E

on 26 August. He was accompanied by who remained at my invitation throughout the interview which lasted two hours.

on two previous occasions, but I decided to begin by concentrating on his 1979/80 diamies which he had brought with him. This proved to be just as well because as memory for detail is atrocious, possibly because his interest in dealing with his Russian case officers has been principally the money they gave him (he admitted that it was significant in relation to his legitimate earnings) and he wished to forget most of what had happened. His diamies proved invaluable and I attach a chronological account of his dealings with Victor and George. When I showed him an album of photographs of likely candidates for Victor and George he recognised both without hesitation as Viktor OSCHENKO and Yuriy POKROVSKY respectively (he initially chose someone else for Viktor but immediately rejected him when OSCHENKO's photo appeared).

3. Its account to me of his trip to Fortugal in July 1979 remains somewhat enigmatic. He understood that it was in the nature of a test arranged by Victor. He was originally to have travelled on the weekend of 29 June-1 July, but this was postponed to that of 20-22 July. He flew by British Airways on the evening of 20 July (probably a flight at 2155) and arrived late at night. He booked his flight and hotel through a travel agent and was given £300 by Victor to cover the cost. He did a bit of shopping around for the cheapest flight he could find. His return journey was fixed in advance. His American passport which he showed me contains Lisbon airport entry and exit stamps for 21 and 23 July. His diary had the period 20-28 July blocked cut for the Devon County Festival Show in Exeter but the three days 21-23 July also blocked without explanation. Victor had dictated to him the following instructions for his meeting in Lisbon which he recorded in his diary:

"11.00 am Sat.

Taxi to Europa Cinema

Rue FRANCISCO METRASS

Hi Fi Mag

Minimax Shop Window 3-5 min.

Then to Rua CCELHA DA ROCHA left to Rua TCMAS DA ANNUCIACAO turn left to Rua ALMEDA DE SOUZA; right Rua FERREIRA BORGES: left to Rua DE INFANTARIN DE LASSEIS left to Rua FRANCISCO METRASS. If no contact same time next day. Hi Fi Exhib "Oh yes you liked JBL, I liked TANNOY"

4. This route was marked out on a map which Victor gave him, but which he has not retained. Said that it was basically quite simple and he

/had....

had memorised it, but in the event he made a mistake at one turning and probably because of this there was no contact. He was wearing his green cord jacket and carrying a hi fi magazine. He repeated the process on the Sunday, this time correctly, and was approached by his contact within seconds of arriving outside the Minimax shop. They went into a nearby cafe and it was at this point that he realised that he had left in his hotel room the envelope he had been instructed to hand over. He therefore got a taxi to his hotel, the Florida, and came back with the letter which his contact took outside presumably to hand over to someone waiting nearby. He was only away a matter of seconds.

- and his contact ate a meal together, for which the contact paid. I did not go over the account we have of their conversation, but I probed it is physical description of his contact, whose name he has forgotten. The account gave him as having curly red hair, but corrected this to light. He mixed the contact up with a character in a couple of James Bond films to whom he apparently bore some resemblance.
 - The Lisbon exercise would appear to be connected with others involving 6. s memory of them is exceedingly poor. He says that envelopes, but he received two or three at his home address which he handed over to his case officer at the next contact. All the envelopes were large and white and his address was in manuscript. All were posted in the UK, possibly in Middlesex although he did not take note of the postmarks. There was no particular way in which they could be distinguished from any other correspondence he received. Ho just "knew" what they were. One he received simply contained a cutting from the Daily Telegraph showing possible job opportunities he might explore. He did not follow up those "indicated", but there was another, not "indicated" in which he was interested. At a subsequent meeting his case officer confirmed that he had sent it. I did not ask how he knew that this envelope was one he could open, but will go into that another time.
 - Then there were the envelopes connected with his visit to Brussels in February 1980. His diary entry for 16 February mentioned 3 envelopes and he is sure there were three to be handed over. One he had addressed and posted to himself from Brussels, another he had been instructed to take with hid and bring back (heaven knows why!) and the third he thought must have been one that George had sent to his home.
 - 8. Was not certain exactly how many payments of his 2150 retainer he had pecerved, but it was about 7 or 8. Victor had originally suggested covering a sortgage payments and 2150 pm was near that figure. Unfortunately, the payments had not turned out to be strictly monthly, but were more or less per meeting and when there were long gaps between meetings felt the pinch somewhat. (There would appear to have been about 10 meetings of an intelligence nature in all.)
 - 9. The Rotary watch which George had giver on 14 May 1980 had been bought at H. Samuel at the Brent Cross snopping centre in London. Experimentally the showed me thought it was worth about £50. The guarantee which he showed me was dated 14 May 80 and bore the numbers 53H118 0855-48. The watch itself had the numbers 1125. George had given it to him, because he had noticed that the one he previously possessed was not in good working order.

/10.

- 10. I commented on the fact that George had left an unusually long gap between the last meeting, 14 May, and the next scheduled for "Septemberish" but it. This could partly be due to George soins on home leave or it could signify that the case was at an end or that for some reason had been put on ice. Pointed out that there had been a long gap before from 9 October 1979 to 31 January 1980 for which no reason had been given although LIMMELL seemed to recall that George had gone home on holiday possibly in the winter of 1979/80 or the summer of 179 (there was a gap in contact from 7 August to 9 October).
- 11. Plent me his 1979 diary so that I could copy George's handwritten entries (attached).
- 12. I told that it was possible that the case had come to an end; the watch could be by may of a "golden handshake". He agreed

things stood if George contacted him again was quite prepared to continue with the contacts, although a little apprenensive about his security should the Russians get him to do something dangerous. I said that I thought that unlikely.

contact with victor of decige offices that I would need to study all that he had different situation. I explained that I would need to study all that he had told me before coming to any decision about the future of the case, but we might well be interested in its continuation because it could give us a might well be interested in its continuation because it would give him a call chance of direct it. Once I had studied the papers I would give him a call and in case Soorge contacted him in the meantime I gave him the humber

- 13. He asked how much he should tell his wife. She knew that he had a Russian contact, but he had given her no details. Victor and George had told him not to tell her. I said that as she was his wife it was for him to decide what to tell her, but I saw no harm in giving her an outline of his doings and telling her that he had reported to the proper authorities. That might set her mind at rest and help explain some of his absences from
- 14. My impression is that a second se
- 15. I told him that we would cover his expenses incurred in coming to London. He said it would only be the cost of the petrol.

(9)	TUE.	CREST Motel . Luter.
10	WED.	
11	THUR.	

\$TRIO
M-1; JCT. //
011:HT TO A 505:/
PAST WINDSYLL REST,
PAST WINDSVILLEGO,
- ONOVERS
The state of the s
712
W.NOJOLK

TABLETABET

- 1. Is diaries contain entries for projected meetings with Victor and George and for telephonic contact with them at public call boxes. They also contain the numbers of various call boxes chosen by for the operation, instructions for his contact with a Soviet in Lisbon and for a meeting in Dunstable with George on 7 August. Some of the entries are cryptic and two of them were made by George himself. I have set them out below with annotations.
- 2. The first recorded meeting with Victor outside London is shown as taking place on 10 May 1979 in Luton, but said that there was one in Luton before that, although he could not recall date or time. It was in a steak bar. The had moved to Nottingham in March 1979. Hent me his 1979 diary and I have quoted from it. The 1980 dates he read out to me.

3. Diary Entries

(a) "Thursday 10 May 79 - 6.00 churchyard Luton. If impossible then...
Friday 11 May 79 - 6.00 Call (word illeg)"

Comment explained that this meeting with Victor took place as planned. They met at the churchyard in the town centre and went to a steak bar across the yard. I assume from this that the meeting was on 10 May and not the alternate date.

(b) "Thursday 14 June 79 - Luton 6.30 call box Friday 15 June 79 - ditte "

Comment was to be at a Luton call box at 1830 to receive a call from Victor to confirm that a meeting would take place and where. He is not certain whether a call came or whother there was a meeting but he had been scheduled to go to Portugal at Victor's behest on the weekend of 29 Juns-1 July, but this journey was postponed. There may, therefore, have been a meeting on 14 or 15 June, although he was to await a call box call on 5 or 6 July. Somewhere around this time was introduced to George as Victor's successor.

- (c) "Friday, Saturday, Sunday 29, 30 June and 1 July Portugal" Comment This item was scratched out.
- (d) "Thursday 5 July 79 Luton 6.30

 Friday 6 July 79 ditto have phone nos,
 'fireworks', 'colorful'".

Comment does not recall what happened on this occasion, but he was to receive a call-box call in Luton prior to a meeting. The reference to "phone nos" is probably a reminder to have new ones with him. He does not recall the significance of "fireworks" or "colorful".

/(e)....

_ 2 -

(e) "Monday 16 July 79 - Luton 6.45 = 2
Tuesday 17 July 79 - ditto "

Comment Again is not certain what happened, but there was almost certainly a meeting for to be given instructions, money etc for his trip to Portugal later that week. "2" means second set of Luton numbers. See separate notes on 'phone nos.

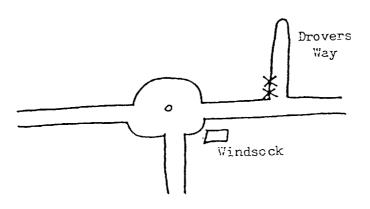
(f) "Friday 20 July 79 - 21.55 Green cord jacket and Hi Fi Mag"

Comment 21.55 was selected and carry hi-fi magazine it his contact there. See covering note for details

(g) "Tuesday 7 August 79 - 6.30 Dunstable"

Comment recalls this meeting taking place with George at the Windsock restaurant and at the back of the diary immediately after the instructions for the meeting in Lisbon George had written the following instructions for the RV:-

"M1 Jct 11
Right to A505
Across A5 (sic) to B489, left to B4541 (Whipsnade zoo)
past Windsock rest". There then follows a rough diagram:



and George appear to have met at a telephone kiosk on the corner of Drover's Way. Commented that it was pouring with rain and George came out of nowhere absolutely drenched.

(h) "Wednesday 3 October 79 - 6.15 Nottingham tel."

Comment says that there was no call at the box.

(i) "Tuesday 9 Oct 79 - Crest Motel - Luton."

Comment This meeting took place in the evening at the Motel. The item was written in the diary by George, but does not remember when. It seems possible that the projected 3 October call

/was....

was connected with this meeting, confirmation perhaps.

(j) "Wednesday 17 October 79 - Loughborough 7.00".

Comment This was a call box contact which did not take place.

(k) "Wednesday 28 November 79 - Luton - Crest II - 7.00".

<u>Comment</u> This meeting at the second of two Crest motels/hotels in Luton did not take place.

(1) "Thursday 31 January 80 - Luton 7.00".

Comment is emphatic that this meeting took place, the first since the one at the Crest Motel in Luton on 9 October 79. He does not recall the details.

(m) "Wednesday 6 February 80 - 7.30 Harpenden Train Station".

Comment recalls this meeting taking place at an inn on the right hand side of the road coming in from Luton. It was at this meeting that he was briefed for his trip to Brussels on 19 February (qv).

(n) "Tuesday 26 February 80 - 7.30 Old Cock Inn Harpenden".

Comment They met at the Inn and later ate at a tandcori restaurant.

E distributed strip (qv).

(o) "Monday 24 March 80 - 7.30 St Albans Train Station".

Comment was not entirely certain that his meeting took place, although he believes it did because he thinks he still had the letter he had posted to himself from Brussels to hand over (qv)-

(p) "Thursday 24 April 80 - 8.00 Ronnie Scotts at entrance".

Comment This meeting took place as planned.

(a) "Wednesday 14 May 80 - 8.00 Luton".

Comment met George at Luton station and they went to a pub/restaurant in the centre. George did not have much time to spare and was more casually dressed than usual. At this meeting he gave the spare a Rotary watch in a presentation box.

To enable Victor/George to telephone him securely and make arrangements for or confirm meetings was told to select public call boxes in various towns to which Victor/George could call at stated times. The system hardly worked at all, but the phones selected were the following:

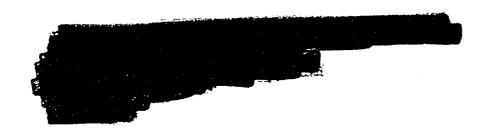
Luton (1) 21427) adjacent boxes 21388)

Luton (2) 23435) adjacent boxes in Cumberland St 20114)

Leicester 392086) Against these numbers wrote in his diary "5.30-5.40 (within 10 min)" and "to Luton". The idea seems to have been a call to Leicester would confirm a meeting in Luton. They were adjacent boxes.

Nottingham 211274 Against this number wrote the time "6.15 PM".

Loughborough 214840) Adjacent boxes 216075)



ML. E

had expressed some doubts about the dates of smeetings with George earlier this year, so when I saw on 15 October I asked him about them again and we went over them with the aid of his 1980 diary which he also lent me. What the diary shows is this:

- a. Thursday, 31 January: "Luton, 7.00"

 Comment In shandwriting in blue ink.
- Wednesday, 6 February: "Harpenden Train Station, 7.30"

 Comment In George's handwriting in black ink.

 says he remembered this meeting well.

 They had a meal at a white hotel on the left-hand side of the road coming into Harpenden from the North.
- c. Tuesday, 19 February: "Fly Brussels" Wednesday, 20 February: "Fly back" Comment These entries are made in capital letters in black ink and were possibly written by George.
- d. Thursday, 21 February: "7.00 Nottingham Box"

 Comment This item, written by in blue ink is scratched out.
- e. Tuesday, 26 February: "7,30 Old Cock Inn w/3 env"

 Comment Written by the link blue ink.

 "w/3 env" means "With 3 envelopes".
- f. Monday, 24 March: E'7, 30 St Albans Train Station"
 Comment Written by in blue ink.
- Thursday, 24 April: "Ronnie Scotts 8.00 entrance"

 Comment Written by in blue ink. There is

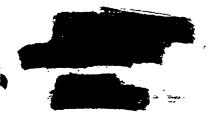
 also a blue ink bracket linking 22-24 April with

 "in London" written at the side and a black ink

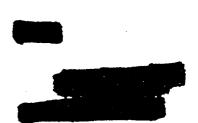
 bracket linking 23-27 April with no explanation.
- h. Wednesday, 14 May: "Luton 8.00 Station" Comment Written by in blue ink.

2. 's firm's diaries are really notebooks, the date section taking up only about one tenth of the total pages. There is a small section for addresses but the bulk is for notes. The date section contains only a handful of entries that are not connected with arrangements for contacts with George. When the

note section is full goes on to another volume, even though the year is not ended.

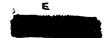


22 October 1980



11 November 1980

Dear



Following our conversation the other day about this case Lattach a write up from our first meeting with on 26 August 1980 to date.

2. Our next meeting with South Hovember. is on Monday

Yours

was interviewed on 26 August 1980 by a Security Service Officer in the presence of He identified his Russian contacts victor and George from photographs as Victor OSCHENKO and Yuriy FOKROVSKY respectively. OSCHENKO was an identified KOB agent running officer, holding the cover slot of 3rd, later 2nd, Secretary Economic Department in the Embassy. He left the UK in 1978. POKROVSKY arrived in UK on 6 July 1978 as Metallurginimport and Tekhsnabexport representative at the Soviet Trade Delegation. He replaced on identified KGB Line X official.

was asked for a detailed account of his trip to Portugal in July 1979. He said that he flew by British Airways on the evening of 20 July (probably a flight leaving at 21.55). He booked his flight and hotel through a travel agent and was given £300 by Victor to cover the cost. Victor had distated to him the following instructions for his meeting in Lisbon which he recorded in his diary:

11 am Saturday.

Taxi to Europa Cirema

Rua FRANCISCO METRASS

Hi Fi Mag

Minimax Shop Window 3-5 min.

Then to Rua COELHA DA ROCHA left to Rua TOMAS DA ANNUCIACAC turn left to Rua ALMEDA DE SCUMA; right Rua PERRETRA BONGES: left to Rua DE INFAMPARIN DE LASSEIS; left to Rua FRAMCISCO METRASS. If no contact same time next day. Hi Fi Exhib "Ch yes, you liked JBL, I liked TANNOY".

which he has not retained. Said that it was basically quite simple and he had memorised it, but in the event he made a mistake at one turning and probably because of this there was no contact. He was wearing his green cord jacket and carrying a hi fi magazine. He repeated the process on the Sunday, this time correctly, and was approached by his contact within seconds of arriving outside the Minimax shop. They went into a nearby cafe and it was at this point that he realised that he had left in his hetal room the envelope he had been instructed to hand over. He therefore got a taxi to his hotel, the Florida, and came back with the letter which his contact took outside presumably to hand over to someone waiting nearby. He was only away a matter of seconds.

4. and his contact ate a meal together, for which the

- 5. The Lisbon exercise would appear to be connected with others involving envelopes, but is memory of them is exceedingly poor. He says that he received two or three at his home address which he handed over to his case officer at the next contact. All the envelopes were large and white and his address was in manuscript. All were posted in UK, possibly in Middlesex although he did not take note of the postmarks. There was no particular way in which take note of the postmarks. There was no particular way in which they could be distinguished from any other correspondence he received. Whenever what they were. One he received simply contained a cutting from the Laily Telegraph showing possible job opportunities the might explore. He did not follow up those "indicated", but there was another, not "indicated" in which he was interested. At a subsequent meeting his case officer confirmed that he had sent it.
- 6. was not certain exactly how many payments of his £150 retainer he had received, but it was about 7 or 8. Victor had originally suggested covering a suggested covering to be mortgage payments and £150 was near that figure. Unfortunately, the payments had not turned out to be strictly monthly, but were more or less per meeting and when there were long gaps between meetings felt the pinch somewhat. (There would appear to have been about 10 meetings of an intelligence nature in all).
- 7. Was seen again on 15 October by the same Security
 Service Officer. He said that George had phoned him between 17.30 and 18.00 on 11 October from a call box in Luton at which had rung him back. They arranged to meet at Luton railway station had rung him back. They arranged to meet at Luton railway station at 19.30 on 21 October. No fall-back arrangements were made. If either party did not make the r.v George would phone again to said that the previous week he arrange another meeting. Said that the previous week he had seen an advertisement for a job in the electronics field which had seen an advertisement for a job in the electronics field which had seen an advertisement for a job in the electronics field which had seen george would have wished him to apply for but as George had not phoned for so long he did nothing about it. He was told to tell George about this as an indication of an opportunity that George might have missed. Was asked to make a careful note of everything that took place.
- 8. Was seen again on 25 October. A new case officer was introduced to him. He was pleased with his menting with George on 21 October and as he had been asked had made notes of what had been said. George had asked his his he would attend the NADEX said. George had asked had made notes of what had been said. George had asked his hard attend the NADEX his would be required to pick up whatever leaflets were 1981. He would be required to pick up whatever leaflets were freely available at the Exhibition and to put his name down for the Digest of Froce dings which would be published afterwards. The Digest of Froce dings which would be published afterwards. George suggested that he should stay in San Francisco for a should stay in San Francisco for a fortnight as cover but said that he would find it difficult to explain to his wife and his office an absence of longer than a to explain to his wife and his office an absence of his anticipated expenses for the trip and bring to the next meeting.
- 9. George told that he had seen Victor when he had been home on leave recently. Victor was getting impatient and was anxious that should speed up his production. He wanted

technical literature on any topic. undertook to try to get

- told George about the advertisement for a job in Intel

 10. The had seen recently in a technical journal. He told George
 that he had seen recently in a technical journal. He told George
 that he had not applied for it as he thought George had lost interest.

 That he had not applied for it as he thought George had lost interest.

 The had now thrown away the magazine and no longer had the telephone
 He had now thrown away the magazine and no longer had the Yellow
 number of the firm. George suggested he look it up in the Yellow
 number of the firm. George suggested he look it up in the Yellow
 Pages but when the point of out that he cid not even know the town
 Regers said he would get the number for him and would telephone him
 George said he would get the number for him and would telephone him
 He had not telephoned. He had that one of the things they would
 He had not telephoned. He had not telephoned. He implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could then use it
 business of his own. The implication was that he could the telephone
 business of his own. The implication was that he could the telephone
 business of his own. The implication was the provided he would be a basic part of the provided he would be a high resolution.

 Business of his own. The
 - drove George back to Luton

 11. At the fend of the meeting drove George back to Luton

 11. At the fend of the meeting for the containing £10 for his expenses.

 12. Station. George gave him an envelope containing the station. George gave him an envelope containing the was expecting to receive another envelope containing the was expecting to receive another envelope containing the customary £150 but at this point George suddenly said "there's my drove away train" and leapt out of the car and disappeared. George went. He looking in his mirror to see if he could see where George went. He saw no sign of him and assumed he had gone straight into the saw no sign of him and assumed he had gone straight into the station. This was between 10.00 and 10.15. The
 - told his case officer that he was prepared to consider setting up in business on his own and in fact would like to do so very much. He would be interested in importing very high grade very much. He would be interested in importing very high grade in American Hi Fi equipment for which he feels there is a market in this country. He thought this would provide good business background this country. The problem was capital. He had previously to conceal other things. The problem was capital. He had previously to conceal other things. The problem was capital. He had previously discussed with the Bank a project to buy a health food shop and the discussed with the Bank a project to buy a health food shop and the discussed with the bank a project to buy a health food shop and the already established business on the security of his house. He already established busin
 - 13. The next meeting was arranged for 25th November at Marmenden a Station at 19.30. For the Eirst time George had given a Station at 19.30. For the Eirst time George had given a fall-back arrangement which was the same time and place on and December, that is one week later. Lasked what reasons might prevent George Erong coming and he said II for example he realised he prevent George Erong coming and he said II for example he realised he was being followed. Saked if he was sure he was not followed on this occasion and deorge said he was certain.

Witness Statement								
Statement of	Mr "E"							
Age if under 21		(if over 21 ir	nsert 'ove	r 21').				
This statement (corbelief and I make it I stated in it anything	knowing that it it i	s tendered in e	vidence, i	Strain ne manie	ne best of my know to prosecution if I hav	ledge and ve wilfully		
Dated the 21st dat		19 ⁹³						
Signature	Mr "E"							
⊂ I was born in	n Yorkshire on				U.S. Army officer			
my mother was	s an English nur	se. In	my pare	nts moved to	America and becau	se my		
father was a	career Army off	icer we move	d around	and lived at	different location	ons in		
the USA and I	Europe. I atten	ded various	schools	that were sup	ported by the U.S	. Army		
and graduated	d from High Scho	ool in			. I joined	the		
US. Navy in	on a four y	ear engageme	nt and w	as trained in	the U.S. Navy el	ectronics		
school and s	pecialised in ra	ıdar. I left	the U.S	. Navy in	as a Petty Offi	cer		
(electronics	technician (rad	iar) III clas	s). In	I attend	ded Colleg	;e, 📻,		
for 18 month	s which included	i work experi	encewith.			who were		
defence cont		,			. Both positi			
research ass	istants. After	leaving coll	ege I he	ld a variety	of jobs and reloc	ated to		
the San Fran	cisco area in	. I marri	led in	and had a	son in . In	1975 we		
moved to Eur	ope and then set	ttled in Lond	don in 19		period of time as			
musician I w	vent to work for			Tottenh	am Court Road, whi	ich is a		
hi-fi access	sories specialit	y retailer.	After al	out 6 months				
				This resulte	d in me relocatin	g my		
family to No	ottingham. Afte	r about one	year 📆		I was			
to carry on			with the same of t		at Tottenh	am Court		
Road. This	move resulted i	n me having	to commu	te to London	during the week,	leaving		

home on Monday mornings and returning on Friday evenings. During the week I stayed at

Mr "E"

Signature

Signature witnessed by M MacLeod DCS 278

a hotel in Gower Street. At some point in 1978 a man I now know to be 'Victor' came into the shop and enquired about accessories for hi-fi systems. Because Tottenham Court Road is internationally renowned as a centre for specialist hi-fi equipment it was not unusual to have customers from abroad. My first encounter with Victor was purely a casual enquiry. About a week or so later Victor came back into the shop and came up to me and was again seeking advice on hi-fi systems. The intriguing thing for me was that did not sell hi-fi systems but were purely a specialist outlet for hi-fi accessories. It seemed a possible opportunity for me to work on a consultancy basis. evolved into a situation where Victor invited me out for dinner. I initially believed Victor to have been a Yugoslav but subsequently learned that he was a Russian working at the Soviet Embassy. My initial discussions with Victor concerned hi-fi and personal matters and I would have volunteered the fact that I served in the U.S. Navy as an electronics technician. These meetings covered a whole range of topics including politics, family including life in England. In retrospect there was a level of progression of events leading to Victor sounding me out as to whether I would be interested in making some money in exchange for information. I acknowledged that I would be interested but would have asked specifically if any of the information I was being asked to obtain was Illegal. I was aware that there were certain restrictions on the passing of certain types of technology but as far as I was aware I had no access to restricted technology. I cannot remember if I received any assurances from Victor. In the first few months Victor did not specify what information he was seeking. During the first eighteen months I had meetings with Victor, usually dinner meetings at different locations around the Tottenham Court Road area. These were at restaurants rather than pubs. At no time did I pass information to Victor. Victor always paid for the meals but there were no taskings although he did suggest that I seek employment which would allow me access to information. No companies were mentioned. I cannot remember how often the meetings took place but the arrangements were always made at the previous meeting. After about 2 to 3 months I became suspicious and came to the conclusion that Victor was a KGB agent

Signature Signature witnessed by MacLeod DCS

Mr "E"

Continuation of Statement of......

and that I was being recruited. In 1980 I was tired of commuting and left my job in , a London based company. London to take up employment as a rep. for I covered the Midlands which enabled me to travel home every day. This company was a distributor for Hi-Fi equipment. My move to the Midlands made it difficult for Victor to meet me because of the travel restrictions imposed on the Soviets. I had to drive towards London and meet up with Victor at train stations. The meetings took place at Watford, Dunstable and Leigh-on-Sea among others. During this time I continued to receive a retainer. I cannot remember the amounts but I do remember a single payment of £35. Victor did suggest I set up my own business. I presume it was because they would see me as a procurement vehicle. I never followed this up. Following my move back to the Midlands I do recall some suggestion about using telephone boxes to make contact. During my dealings with Victor he was quite relaxed but in retrospect it is apparent that there was an agenda. The agenda was introduced gradually. When I spoke just now about the single payment of £35 I am not sure if it was a payment for a meal or a retainer but I was paid a retainer at every meeting. All the time that I was acquainted with Victor I did not provide him with any information. I found this quite intriguing but I presumed it was because they viewed me as a long term 'mole'. I can't remember the dates but Victor later handed me over to his successor who was identified as 'George'. I continued to meet 'George' who was more pointed in his requests than 'Victor'. By the time Victor left the relationship was more cordial than that which developed with 'George'. It was George who suggested that I should get myself into a company where information could cross my desk. I don't remember specifically any company being mentioned. The things that I can specifically remember about George were a visit he suggested I make to Lisbon. He provided me with an envelope that he asked me to hand over to a person at a specific time and place in Lisbon. I flew over there at George's expense and took a taxi to a hotel that had been booked for me in advance. I was given explicit instructions about the arrangements for the meeting in Lisbon. It was made very clear to me that it was a test and that all I had to do was hand the

Continuation of Statement of Mr "E"

envelope over to the contact. I met the contact after going through a little ritual of saying something to him and he had to respond in a particular way. The meeting did not take very long but I did ask him who he was and he indicated that he was with the KGB and involved in European operations. That was not his words but that was what he meant. I handed the envelope over to him but he did not make any comment. When I returned to London I was de-briefed by George and he asked me an outright question as to whether I had opened the envelope. I told him I hadn't but as it was in my inside jacket pocket the perspiration may have caused it to have come undone. I wasn't asked to undertake any other courier work. I cannot recall the date of the visit to Lisbon. The second thing I remember about George was that he asked me if I could procure some micro-chips of some sort. I did not follow this up as it did not seem realistic to me and the fact that I was not prepared to procure it in the first place. The meetings with George tended to be more geographically diverse and we would meet at a particular station and we would go off to venues that had been selected. It was always to restaurants that he had been to before or he knew about them. George was a lot more forthcoming about what he did within the Embassy and told me that he was with the commercial branch within the Embassy. My contact with George dried up around 1982. $\widehat{}$ s with Victor I did not pass any information to George during the time that I knew him. I have been shown a selection of twelve photographs by Detective Chief Superintendent MacLeod and I can identify Victor on the second row, second from the right. I have initialled and dated the reverse side of the photo. I am prepared to attend Court to give evidnece if requested and subject to my identity not being divulged.

M MacLeod DCS

Mr. "E" Signature witnessed by......

Witness Statement

Statement of	"E"
Age if under 21	(if over 21 insert 'over 21').

This statement (consisting of 1 pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything which I know to be false or do not believe to be true.

Dated the ^{21st} date of ^{June} 19 ⁹³
Signature Mr "E"

Further to my statement to Detective Chief Superintendent MacLeod on 21st June 1993, I wish to indicate that about three months after meeting Victor my suspicions were aroused that he was a KGB agent. I went to the U.S. Embassy in London and reported what had happened. I was then put in touch with the British Security Service and operated under their directions from about mid-1978 to about 1982. I wish to reiterate that whilst I am happy to give evidence in Court, if required, it will be on the condition that my identity is not divulged. I have two note books which contain notes that I made following my contact with the Security Service. I can produce these in Court if required.

282

Signature Mr "E"