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FRP:

97 6520688 ASP PAGE 001 IN 6520688
TOR: 062025Z JAN 97 CIA OFFICE #1 5075

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CITE CIA OFFICE #15075

TO: PRIORITY LANGLEY

FOR:

CLASSIFIED PROGRAM NO. 1

SUBJECT: APP REQUEST FOR OPERATIONAL USE OF MERLIN (M) AGAINST
IRANIAN NUCLEAR TARGET

REF: NONE

TEXT:

1. ACTION REQUIRED: PLEASE PROCESS APP FOR M
BASED ON THE FOLLOWING INFORMATION. AGREEMENT
AND SUMMARY OF 5 DEC 96 OPS MEETING WITH ASSET SUBMITTED IN
SEPARATE CABLES.

2. CIA OFFICE #1 C/O MS. D. HAS BEEN IN CONTACT
WITH M SINCE MARCH 1995, AS M'S PRIMARY CIA C/O INVOLVED
IN DEBRIEFING M ON HIS KNOWLEDGE OF RUSSIAN NUCLEAR WARHEAD
SYSTEMS. CONTACT EVOLVED VIA THE NORMAL
MECHANISM. IN NOVEMBER 1996, C/O APPROACHED M ON THE
IDEA OF WORKING FOR CIA IN A MORE OPERATIONAL CONTEXT, TO
WHICH HE AGREED IN PRINCIPLE. IN DECEMBER 1996, C/O AND CPD OFFICERS
MET WITH ASSET TO BRIEF HIM IN MORE DETAIL ON HAVING ASSET WORK WITH
CIA TARGETING THE MIDDLE EASTERN NUCLEAR TARGET, SPECIFICALLY
IRAN.

3. ASSET
WOULD BE USED TO CREATE AND SUSTAIN OPERATIONAL ACCESS TO THE IRANIAN
NUCLEAR TARGET. M'S GOALS, ON BEHALF OF CIA WILL BE TO GAIN
INSIGHT INTO THE STAGE OF DEVELOPMENT OF THE IRANIAN NUCLEAR PROGRAM
AND TO COLLECT INFORMATION ON THEIR CONTACTS WITH
FOREIGN NUCLEAR SCIENTISTS. ASSET WILL ALSO BE INVOLVED IN THE
ULTIMATE OPERATIONAL OBJECTIVE OF DELIVERY AND/OR DESIGN OF A PIECE
OF NUCLEAR EQUIPMENT NEEDED BY THE IRANIANS WHICH WILL HAVE FAULTS.
NOTE, HOWEVER, THAT ASSET HAS NOT YET BEEN APPRISED OF THIS PART OF
THE OPERATION. LOCATION FOR THESE POTENTIAL MEETINGS WITH THE
IRANIANS WILL BE OUTSIDE OF CONUS, PROBABLY IN EUROPE

4. M APPEARS TO HAVE THE SKILLS AND

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PERSONALITY NECESSARY TO CARRY OFF THIS TYPE OF OPERATIONAL ACTIVITY. HE HAS THE EXPERIENCE AND TECHNICAL KNOWLEDGE TO CONVINCE THE IRANIANS THAT HE IS A GENUINE RESOURCE FOR THEIR WEAPONS PROGRAM.

M'S OPERATIONAL MOTIVATION FOR THIS ACTIVITY IS ALMOST PURELY FINANCIAL, AND HIS DESIRE TO CONTINUE EARNING INCOME FROM CIA, SOMETHING THAT M WAS VERY FRANK AND HONEST ABOUT DURING HIS MEETINGS WITH C/O AND CPD OFFICERS. SUBJECT APPEARS, ON THE SURFACE, TO BE A NARROWLY FOCUSED INDIVIDUAL, WITH THE STEREOTYPICAL ENGINEERING/TECHNICAL MINDSET, BUT HE IS A PERSON OF MORE DEPTH AND BREADTH THAN WHAT APPEARS. HE IS A SERIOUS-MINDED PERSON WHO WILL TAKE HIS JOB, OR IN THIS CASE, HIS OPERATIONAL DUTIES, VERY SERIOUSLY AND WILL BE CONSCIENTIOUS IN COMPLETING THEM. M UNDERSTANDS THAT ANY RELATIONSHIP HE HAS WITH CIA IS A BUSINESS ARRANGEMENT AND THAT HE WILL FULFILL HIS PART OF THE AGREEMENT. CONVERSELY, HE WILL ALSO EXPECT CIA TO DO THE SAME. M CAN WORK WITH SOME AMBIGUITY, AND ACCEPTED THAT PLANNING FOR THIS OPERATION WILL HAVE TO REMAIN SOMEWHAT FLUID, DEPENDING ON THE CIRCUMSTANCES, AND HAD NO PROBLEM WITH THIS ONCE IT WAS EXPLAINED TO HIM.

5. M HAS TRAVELED TO PENNSYLVANIA, NEW JERSEY, NEW YORK AND CONNECTICUT SINCE HIS ARRIVAL IN CONUS.

6. THIS INFO IS CONTAINED IN HQS' RECORDS AND IS NOT AVAILABLE. NO NEGATIVE INFO SURFACED, BASED ON C/O'S RECOLLECTION.

7. AN EVALUATION WAS CONDUCTED ON M IN 1996.

IN THE INTERIM, HQS SHOULD PROCURE A COPY OF THE REVIEW THAT WAS DONE OF THE ASSET'S REPORTING ON SOVIET NUCLEAR WEAPONS ISSUES. THIS REVIEW CONCLUDED THAT ASSET WAS, IN FACT, PROVIDING ACCURATE, AND HIGHLY VALUABLE DATA.

C/O HAS EMPHASIZED THE SENSITIVE NATURE OF THIS PROPOSED OPERATION, TO WHICH M IS IN FULL AGREEMENT. IN FACT, HE HAS NOT ADVISED HIS WIFE OF THE DETAILS OF HIS NEW RELATIONSHIP WITH CIA, EXCEPT TO TELL HER THAT HE WILL BE DOING SOME DETAILED TRANSLATION WORK. IN HIS PREVIOUS ARRANGEMENT WITH CIA, MRS. M WAS FULLY APPRISED OF M'S ACTIVITIES. WE BELIEVE THAT HIS STRONG SENSE OF SENSITIVITY ON HIS RELATIONSHIP WITH CIA WILL BE ADVANTAGEOUS.

8. CL BY: ID # DECL:X1 CL REASON 1.5 (C) DRV FRM :

5. FILE: M DECL OADR DRV

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FRP:

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TOT: 281744Z MAY 97

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281744Z LANGLEY 366538

TO: INFO ROUTINE CIA OFFICE #1 CIA OFFICE #2 CIA OFFICE #3

FROM:

SLUGS: CLASSIFIED PROGRAM NO.1

SUBJECT: MERLIN (M) EVALUATION , C/O CHANGE PLANNING

REF: CIA OFFICE #1 . | 97 7948698 |

TEXT:

1. ACTION REQUIRED: FOR THE RECORD.
2. PER REF, MR. S. WILL TRAVEL TO NEW YORK ON 3-4 JUNE FOR DISCUSSIONS WITH C/O'S AND OFFICE MANAGEMENT AND C/O CHANGE MEETING WITH M , ARRIVING IN MID-AFTERNOON AND STAYING AT A HOTEL . HE WILL ALSO BE AVAILABLE LATER IN JUNE FOR FURTHER MEETINGS WITH M AND HIS WIFE, AS NEEDED.
3. ON THE OTHER SIDE OF THE PROJECT AND CONTINENT, DURING THE WEEK OF 19 MAY CP, CIA OFFICER 2 , CP OFFICER Mr. F. AND Mr. S. MET HUMAN ASSET 2 (HA 2) AND Mr. G. AND PARTICIPATED IN HIS FURTHER DEBRIEFINGS BY NATIONAL LABORATORY (LAB) PERSONNEL. PER THE LAB EXPERTS, HA 2 HAS PROVIDED EXCELLENT ASSISTANCE IN THEIR DESIGN OF A COPY OF THE RUSSIAN TBA-486 FIRE SET, ALLOWING THEM TO BUILD A BREADBOARD MODEL WHICH C/O'S SAW TESTED SUCCESSFULLY. THEY ARE VERY PLEASED WITH HIS COOPERATION AND BELIEVE THEY WILL BE ABLE TO CONSTRUCT A HIGHLY CREDIBLE, THOUGH FATALLY FLAWED, KNOCK-OFF OF THE TBA-486 DESIGN BY EARLY 1998, WELL WITHIN OUR PROJECTED OPERATIONAL DEADLINE. ONCE THIS DESIGN HAS BEEN RED-TEAMED BY ANOTHER (UNWITTING) GROUP OF LAB EXPERTS AND THEY CERTIFY THAT IT CANNOT WORK OR BE MADE TO WORK, WE WILL PROVIDE IT TO M WITH A SUITABLE EXPLANATION AS FEED MATERIAL FOR HIS CONTACT WITH THE IRANIANS, CONTINUING TO STRESS THAT COLLECTION IS OUR PRIMARY GOAL AND STEERING HIM AWAY FROM ANY

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NOTION THAT THE DESIGN IS FLAWED. THE GOAL IS TO PLANT THIS SUBSTANTIAL PIECE OF DECEPTION INFORMATION ON THE IRANIAN NUCLEAR WEAPONS PROGRAM, SENDING THEM DOWN BLIND ALLEYS, WASTING THEIR TIME AND MONEY, AND DISCREDITING RUSSIAN DESIGNS AND EQUIPMENT IN THEIR EYES. THE TERMINOLOGY AND LIST OF PARTS ARE SUFFICIENTLY SPECIFIC THAT WE STAND A GOOD CHANCE OF LEARNING WHETHER THE IRANIANS HAVE IN FACT ADOPTED THE DESIGN AND ARE TRYING TO MAKE IT WORK. THE LAB SCIENTISTS EXPRESSED THEIR CONFIDENCE THAT WITH HA 2'S COOPERATION THEY CAN CREATE A HIGHLY CREDIBLE "RUSSIAN" DESIGN WHICH WILL NEVER FUNCTION. NOTE THAT THE WHOLE OPERATIONAL CONCEPT HERE IS DECEPTION ; WE WILL BE OFFERING A SET OF PLANS RATHER THAN HARDWARE, SINCE IT IS NOT CREDIBLE THAT M AND HIS SHADOW PARTNER HA 2 WOULD ACTUALLY HAVE ACCESS TO THIS HIGHLY CONTROLLED PIECE OF A RUSSIAN NUCLEAR WEAPON. AS THE LAB EXPERTS EXPLAINED IT, THE TBA-486 FIRE SET

IS AT LEAST TWENTY YEARS BEYOND THE TYPE OF SYSTEM A BEGINNING PROLIFERATOR COULD USE, AND CANNOT BE MADE TO WORK ON A FIRST GENERATION WEAPON EVEN IF IT WERE NOT INTENTIONALLY FLAWED BY THE LAB. IN THE LAB'S OPINION IT WOULD TAKE THE IRANIANS A LONG TIME TO REALIZE THAT THE MORE ADVANCED DESIGN WON'T WORK ON A SIMPLE WEAPON, AND THEY WOULD MOST LIKELY SPEND A LOT OF VALUABLE RESEARCH EFFORT TRYING TO DO THE INHERENTLY IMPOSSIBLE MADE HARDER BY THE LAB'S COVERT DEGRADATIONS. WE BELIEVE THE COMBINATION OF THE DESIGN AND M WILL BE VERY ATTRACTIVE TO THE IRANIANS AND DISRUPTIVE TO THEIR NUCLEAR WEAPONS PROGRAM.

4. FILE: CLASSIFIED PROGRAM 1

CL BY: ID NUMBER, CL REASON: 1.5 (C); DECL ON: X1; DRV FROM:

CABLETYPE:

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RELNO: S R 000000041

ORIG: CP/ (MR. S.); AUTH: CIA OFFICER 2 ,
 MR. F. ; COORD: CIA OFFICER 3 , CIA OFFICER 4 ; REL: MR. S.
 ; CL BY ID NUMBER.

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TOT: 021250Z FEB 98

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021250Z LANGLEY 671497

TO: CIA OFFICE #2

FROM:

CLASSIFIED PROGRAM NO.1 (CP 1)

SUBJECT: 15 JANUARY LAB TECHNICAL REVIEW

REF: NONE.

TEXT:

1. ACTION REQUESTED: NONE, FOR THE RECORD ONLY.

2. ON 15 JANUARY, CP 1, SPECIAL PROJECTS AND NR OFFICERS MET WITH THE CP 1 TECHNICAL TEAM AT THE LAB FOR AN EXTENSIVE PROJECT REVIEW SESSION. THE TEAM COMPLETED THEIR DESIGN OF THE MODIFIED FIRING SET AND EXPLAINED THAT WHILE THE PLANS SEEM TO REFLECT THE RUSSIAN TBA-480 PEDIGREE EXACTLY, THERE ARE APPROXIMATELY # PLUS MULTIPLE NESTED FLAWS OF AN ELECTRICAL, MATERIAL, OR DESIGN NATURE CONCEALED WITHIN THE PLANS. IN FACT, THE NUMBER OF POTENTIAL FLAWS IS SIGNIFICANTLY HIGHER BECAUSE NOT ALL THE FAILURE PERMUTATIONS HAVE BEEN EXPLORED. THAT IS, FIXING ONE PROBLEM MAY CAUSE OTHER COMPLICATIONS NOT YET MODELED BY THE TEAM. FURTHERMORE, EVEN IF THE TARGET SHOULD SOMEHOW MANAGE TO COBBLE TOGETHER A FIRING SET DESIGN THAT APPEARS TO WORK ON PAPER, A FINAL FATAL FLAW (FAILURE DURING FINAL STAGES) ENSURES THAT IT WILL NOT DETONATE THE NUCLEAR WEAPON. IT WAS CLEAR THAT THE DESIGN AND ASSEMBLY OF A FIRING SET IS AS MUCH AN ART, INVOLVING ESOTERIC KNOWLEDGE ABOUT ELECTRICAL ACTIVITIES, FOR EXAMPLE, AS A HARD SCIENCE.

3. THE COMPLETED "TBA-480" DESIGN WILL NOW BE TURNED OVER TO A FULLY INDEPENDENT AND UNWITTING EVALUATION TEAM, ALSO COMPOSED OF LAB FIRING SET EXPERTS. THEY WILL BE PRESENTED WITH THE PLAN AND A PARTIAL LIST OF COMPONENTS (IN THE INTEREST OF TIME) AND TASKED TO MAKE A WORKABLE FIRING SET. THEIR PROGRESS, QUESTIONS, AND ACTIONS AS THEY DISCOVER AND ATTEMPT TO FIX THE FLAWS WILL BE FULLY DOCUMENTED. THIS PHASE OF THE PROJECT IS SCHEDULED TO END IN LATE MARCH OR EARLY APRIL. OBVIOUSLY, THE PURPOSE OF THIS RED TEAM EFFORT IS TO DETERMINE HOW WELL THE FLAWS HAVE BEEN HIDDEN AND WHETHER THE PLANS CAN BE REALISTICALLY ALTERED TO CREATE A VIABLE FIRING SET. GIVEN THAT BOTH THE DESIGN AND EVALUATION TEAMS ARE STAFFED WITH THE

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WORLD'S EXPERTS ON THIS TECHNOLOGY, IT IS ACCURATE TO CALL THIS A RIGOROUS AND TRUSTWORTHY TEST OF THE PLAN. THEY FEEL CONFIDENT THAT THE TARGET'S EXPERTS, EVEN WITH THE ASSUMED ASSISTANCE OF RUSSIAN SCIENTISTS, WILL HAVE FAR GREATER DIFFICULTIES THAN THE RED TEAM.

4. AS THIS PROJECT BEGINS TO MOVE OUT OF THE TECHNICAL AND INTO A MORE OPERATIONAL PHASE, THE LAB TEAM LEADER IS COGNIZANT OF CIA'S NEED FOR A STATEMENT FROM THE LAB WHICH MAKES VERY CLEAR THAT THE FIRING SET PLANS ARE NOT AND CAN NOT BE ENABLING TECHNOLOGY FOR THE TARGET. THIS CERTIFICATION IS CRUCIAL TO ENSURING THAT THIS OPERATION OBTAINS ALL THE NECESSARY POLICY APPROVALS. ONCE THE RED TEAM SUBMITS ITS FINAL REPORT, THE PROJECT LEADER WILL DRAFT A FULL STATEMENT OF THE EVALUATION.

5. THE REVIEW SESSION PARTICIPANTS ALSO DECIDED THAT IT WOULD BE VALUABLE TO SHOW HUMAN ASSET 2 THE FINISHED PLANS IN THE NEAR FUTURE. THE OBJECTIVE WOULD BE TWOFOLD: FIRST, TO DETERMINE WHETHER ANY FLAWS ARE READILY APPARENT TO HIS TRAINED EYE, AND SECONDLY TO ENSURE THAT ALL THE RUSSIAN TERMS AND NOMENCLATURE ARE PERFECTLY ACCURATE. THE TEAM ALSO REQUESTED THAT THEY BEGIN THE TECHNICAL BRIEFING FOR IC MR. G. AS SOON AS POSSIBLE IN PREPARATION FOR HIS LATER TRAINING SESSIONS WITH M. PLANS ARE NOW TO HAVE MR. G. MEET WITH SEVERAL TEAM MEMBERS AT THE LAB ON 11 FEBRUARY FOR THE INITIAL BRIEFING.

6. CP OFFICERS EXPRESSED THEIR PLEASURE WITH HOW THIS PROJECT HAS BEEN MANAGED FROM ITS INCEPTION; IT IS ON TIME AND ON BUDGET. THE OPERATIONAL STRAND IS MOVING ALONG SMOOTHLY, AND THE INITIAL STEPS IN THE POLICY REVIEW PROCESS HAVE BEEN TAKEN. COOPERATION FROM ALL ELEMENTS OF THIS OPERATION HAS BEEN EXCELLENT, AND THE LAB PROMISES TO KEEP US APPRISED OF THE RED TEAM'S ACTIVITIES OVER THE NEXT FEW WEEKS.

7. FILE. CLASSIFIED PROGRAM 1

CL BY: ID # , CL REASON: 1.5(C); DECL ON: X1; DRV FROM: DRV

CABLETYPE: :

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RELNO: 000000089

ORIG: (CIA OFFICER 5); AUTH: CP (CIA OFFICER 6);

COORD: CP, (MR. F.); REL: MR. S. ; CL BY

ID # .

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FRP:

98 1167631 ASR PAGE 001
TOT: 152330Z APR 98 LANGLEY 773594

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152330Z LANGLEY 773594
TO: CIA OFFICE #2
FROM:

CLASSIFIED PROGRAM NO.1 (CP 1)

SUBJECT: MERLIN (M) - DRAFT LETTER TO TARGETS IN IRAN

REF: CIA OFFICE #2 06326. | 98 1140438 |

TEXT:

1. ACTION REQUIRED: SEND THE LETTER.

2. M'S DRAFT LETTER TO TECHNICAL AND OTHER
TARGETS IN IRAN SOUNDS THE RIGHT NOTE, AS MR. W. SUGGESTED, AND WE
RECOMMEND THAT HE SEND IT ALONG. WE SUSPECT THERE WILL BE LITTLE
RESPONSE, SINCE HE LOOKS LIKE JUST ONE MORE RUSSIAN ENGINEER BEGGING
FOR A JOB, BUT WE MIGHT GET LUCKY.

TEAM HQS
WILL BE AT THE NATIONAL LAB ON 13 MAY FOR
THE NEXT MEETING WITH THE LAB FIRE SET DESIGNERS/CORRUPTERS.
PRELIMINARY REPORTS ARE THAT THE LAB RED TEAM OF FIRE SET EXPERTS
WAS ABLE TO FIX SOME BUT NOT ALL THE FLAWS IN THE DESIGN, AND THAT WE
HAVE A VERY CREDIBLE BUT ULTIMATELY UNWORKABLE PRODUCT ABOUT READY
FOR DEPLOYMENT. ONCE THIS IS CERTIFIED WE WILL BEGIN THE LEGAL
APPROVAL PROCESS AND TAKE MORE CONCRETE OPERATIONAL STEPS. IT SEEMS
THAT MR. W. HAS M RIGHT ON TRACK IN PREPARATION FOR THE NEXT
PHASE.

CL BY: ID # , CL REASON: 1.5 (C); DECL ON: X1; DRV FROM:

CABLETYPE:

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RELNO: 000000268

ORIG: CP, (MR. S.); AUTH: CIA OFFICER 7 ;
COORD: CIA OFFICER 3 ; REL: DAVID SHEDD : CL BY ID # .

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98 1473047 ASR

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TOT: 152010Z MAY 98

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152010Z LANGLEY 814017
TO: CIA OFFICE #2 INFO CIA OFFICE #3

FROM:

CLASSIFIED PROGRAM NO.1 (CP 1)

SUBJECT: RESULTS OF LAB RED TEAM REVIEW; MERLIN (M) 'S NIBBLE

REF: CIA OFFICE #2 6384. | 98 1403463 |

TEXT:

1. ACTION REQUESTED: FOR THE RECORD. CIA OFFICE #3 : PLEASE
PASS TO IC MR. G. . THANK YOU.

2. ON 13 MAY, THE PROJECT "RED TEAM" TECHNICAL REVIEW WAS
HELD AT THE NATIONAL LAB . THE INDEPENDENT EVALUATION TEAM
ENCOUNTERED SIGNIFICANT DIFFICULTIES IN THEIR ATTEMPTS TO MAKE THE
FLAWED FIRE SET WORK; SOME OF THESE PROBLEMS WERE RESOLVED DUE TO THE
MORE THAN 200 YEARS OF COMBINED NATIONAL LAB EXPERIENCE OF THE RED
TEAM. AT NO TIME DID THE TEAM SUSPECT THAT THERE HAD BEEN ANY
DELIBERATE EFFORTS TO SABOTAGE THE DESIGN, WHICH THEY REGARDED AS A
LEGITIMATE RUSSIAN SYSTEM. AFTER THREE MONTHS OF INTENSE EFFORT, AND
BY FINDING AND FIXING SOME OF THE DESIGN FLAWS, THE
TEAM WAS ABLE TO GET A BREADBOARD VERSION OF THE FIRE SET TO WORK IN
A LABORATORY SETTING. THE TEAM NOTED THAT THEY HAD NOT TRIED TO
BUILD THE FIRE SET INTO A WEAPONS-STYLE CASING BECAUSE OF TIME
CONSTRAINTS, AND THEY EXPRESSED CONCERN THAT TRYING TO DO SO WOULD BE
VERY DIFFICULT. INDEED TRYING TO WEAPONIZE WOULD BRING THE REMAINING
OF THE ELECTRICAL PROBLEMS AND THE NUMEROUS MATERIALS SCIENCE FLAWS
BUILT INTO THE DESIGN INTO PLAY, SO EXPECTED PROBLEMS
WOULD CASCADE, RENDERING THE DESIGN
ULTIMATELY WORTHLESS TO IRAN'S NUCLEAR PROGRAM. FURTHERMORE, IF THE
IRANIANS ARE SOMEHOW ABLE TO GET THE DESIGN TO WORK ON A BREADBOARD,
IT WOULD PROVIDE A FALSE SENSE OF CONFIDENCE IN THEIR ABILITY TO GET
THE DESIGN TO WORK IN A WEAPON. AS A CONSEQUENCE, THEY WOULD BE
DRAWN INTO SPENDING INCREASING RESOURCES ON THEIR EFFORTS, MOST
PROBABLY BLAMING THEIR CONTINUING FAILURES ON THEIR OWN LACK OF
HANDS-ON TECHNICAL EXPERTISE.

3. THE AFTERNOON SESSION WAS PRIMARILY DEVOTED TO ANSWERING
VARIOUS QUESTIONS POSED BY CP WHICH ARE NECESSARY TO ADVANCE
THIS OPERATION THROUGH POLICY CHANNELS. ESSENTIALLY, THE DESIGN WILL
NOT MATERIALLY ASSIST THE IRANIANS, THERE IS NO TRANSFER OF

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RESTRICTED DATA, AND ANY DISCOVERED FLAWS COULD BE EXPLAINED CREDIBLY AS A MEMORY LAPSE BY THE ROGUE DESIGNER, OR SIMPLY PECULIAR TO THE OSTENSIBLE RUSSIAN PLANS. MR. C. , PROJECT MANAGER AT THE LAB, WILL DRAFT A MEMO WHICH WILL PROVIDE THE CONCLUSIONS OF THE EVALUATION TEAM AND RELEASE THE DESIGN TO THE CIA .

4. AS A FINAL CHECK, HUMAN ASSET 2 (HA 2) WILL REVIEW THE LAB'S DESIGN AND ACCOMPANYING EQUIPMENT LIST, AND TRANSLATE THE TECHNICAL SYMBOLS AND TERMS INTO AUTHENTIC RUSSIAN NOMENCLATURE. THIS WILL BE HA 2'S OVERT TASK, BUT ANOTHER OBJECTIVE IS TO DETERMINE WHETHER DURING HA 2'S REVIEW, HE DETECTS ANY OBVIOUS FLAWS, I.E. HE NOTICES THAT THE FINISHED DESIGN DIFFERS FROM THE DIRECTIONS HE PROVIDED THE LAB TECHNICIANS. OBVIOUSLY, HA 2 WILL NOT BE TOLD THAT THE DESIGN IS FLAWED; ANY DISCREPANCIES CAN BE ACCREDITED TO SIMPLE MISCOMMUNICATION. THEREFORE, REQUEST THAT IC. MR. G. AND HA 2 PREPARE TO TRAVEL TO THE LAB FOR THESE MEETINGS IN THE NEAR FUTURE (FOUR TO SIX WEEKS TIME FRAME).

5. THE NATIONAL LABORATORY WAS TOP-RATE, AND IT WAS A CONTINUAL DELIGHT TO WORK WITH THEM.

6. CIA OFFICE #2: WE, TOO, ARE PLEASED THAT M GOT THAT INTERESTING NIBBLE FROM IRAN, AND CONCUR WITH YOUR GUIDANCE TO HIM. WE WILL BE IN TOUCH SHORTLY ABOUT ARRANGING A MEETING. REGARDS.

7. FILE: CLASSIFIED PROGRAM 1

CL BY: ID # , CL REASON: 1.5(C); DECL ON: X1; DRV FROM:

CABLETYPE:

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RELNO: 000000109

ORIG: CP, (CIA OFFICER 5); AUTH: CIA OFFICER 3 ; COORD:
MR. F. ; REL: MR. S. CL BY ID # .

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PAGE 001 IN 3232475
TOR: 291217Z OCT 98 CIA OFFICE #26757~~SECRET~~ 291217Z OCT 98

CITE CIA OFFICE #2 5757 (MR. S 2 ACTING)

TO: LANGLEY

FOR:

CLASSIFIED PROGRAM NO.1 (CP 1)

SUBJECT: MERLIN (M) : 27 OCTOBER MEETING

REF: CIA OFFICE #26713 | 98 3024891 | (09 OCT)

TEXT:

1. ACTION REQUIRED: SEE PARA THREE, FYIO.
2. ON 27 OCT, C/O MR. W. MET WITH M AT AN UPPER WEST SIDE RESTAURANT. UNFORTUNATELY, M 'S PERSONAL COMPUTER HAS BEEN UNDERGOING REPAIRS FOR APPROXIMATELY THE LAST TWO AND A HALF WEEKS, THUS LIMITING HIS REGULAR EFFORTS ON THE INTERNET. M SAID THAT THE COMPUTER HAD A NUMBER OF PROBLEMS AND REQUIRED NEW PARTS. M WAS PLEASED TO REPORT, HOWEVER, THAT EVERYTHING WAS COVERED BY THE MANUFACTURER'S WARRANTY. M ADDED THAT HE HAD BEEN ABLE TO CHECK E-MAIL FROM HIS OFFICE COMPUTER BUT THAT HE DID NOT INITIATE NEW EXCHANGES WITH THE VARIOUS INDIVIDUALS IDENTIFIED IN RECENT TRAFFIC.
3. AS DISCUSSED DURING CP 1 OFFICERS' TRAVEL TO NEW YORK IN SEP, C/O ADVISED M THAT EVERYTHING WAS ON TRACK FOR TRAVEL TO SAN FRANCISCO 12-15 NOV FOR M 'S TECHNICAL TRAINING. C/O INSTRUCTED M TO BEGIN TO INVESTIGATE AIRFARES TO SAN FRANCISCO BUT NOT TO PURCHASE HIS TICKET UNTIL C/O HAD CONFIRMED THE DATES. (C/O UNDERSTANDS THAT HQS OFFICERS WILL NOT KNOW FOR CERTAIN WHETHER THOSE DATES ARE GOING TO WORK UNTIL 02-03 NOV. C/O WILL BE ON DOMESTIC TDY 02-05 NOV AND WILL CONTACT HQS CIA OFFICER 5 DURING THAT PERIOD FOR CONFIRMATION OF THE SAN FRAN TRIP.) C/O AND M WILL TRAVEL TO CALIFORNIA SEPARATELY BUT C/O WILL ARRANGE FOR LODGING FOR THE TWO OF THEM.
4. C/O ALSO TOOK THE OPPORTUNITY DURING THE 27 OCT MEETING TO ADVISE M THAT C/O WOULD BE LEAVING CIA OFFICE #2 IN THE MIDDLE OF DECEMBER FOR ANOTHER POSTING IN CIA OFFICE #4. C/O DESCRIBED HIS REPLACEMENT AS AN OFFICER WELL VERSED IN IRANIAN ISSUES AS WELL AS THE COUNTER PROLIFERATION FIELD. C/O ALSO SAID THAT ARRANGEMENTS HAD BEEN MADE FOR HIS REPLACEMENT TO PARTICIPATE IN THE MEETINGS IN SAN

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FRANCISCO SO THAT HE AND M COULD GET TO KNOW EACH OTHER OVER A FEW DAYS. M LIKED THAT IDEA. M , NOW FAMILIAR WITH THE C/O CHANGE CONCEPT, ACCEPTED THE NEWS WELL BUT DID EXPRESS REGRET THAT HE AND C/O WOULD NOT SEE THE PROJECT TO ITS CONCLUSION TOGETHER. C/O BELIEVES THAT M AND C/O STERLING WILL GET ON WELL AND THAT WE WILL NOT SEE ANY CHANGE IN M 'S COMMITMENT TO THE CP 1 PROJECT WITH THE ARRIVAL OF M 'S NEW HANDLER.

5. FILE: CP 1 DECL ON: X1, CL REASON: 1.5(C), CL BY:
ID # DRV

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TOT: 051833Z NOV 98

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TO: PRIORITY CIA OFFICE #3 INFO CIA OFFICE #2

FROM:

CLASSIFIED PROGRAM NO.1 (CP 1)

SUBJECT: MERLIN (M) TRAVEL TO SAN FRANCISCO

REF: NONE.

TEXT:

1.

2. CP PROPOSES THAT HQS CP OFFICERS A AND B AND OFFICER C TRAVEL TO SAN FRANCISCO WITH M FROM 12 - 16 NOVEMBER 1998 TO TRAIN AND PREPARE M IN THE CP 1 EQUIPMENT AND FOR HIS IMPEDING INTRODUCTION OF THE EQUIPMENT TO THE IRANIANS.

3. REQUEST ALERT IC MR. G. TO THE DATES OF THE IMPENDING TRIP AND REQUEST HE TRAVEL TO SAN FRANCISCO TO BE AVAILABLE FOR THE TRAINING SESSION.

4. A AND B WILL TRAVEL TO SAN FRANCISCO ON 12 NOVEMBER VIA , ARRIVING LOCAL TIME. THEY WILL STAY AT THE HOTEL. C AND M WILL TRAVEL FROM NEW YORK, ARRIVING ON THE EVENING OF 12 NOV. THEY WILL STAY AT THE HOTEL NEAR . THEY TRAINING WILL TAKE PLACE IN A'S ROOM . M AND B PLAN TO DEPART SAN FRANCISCO ON THE MORNING OF 16 NOV. PLEASE ADVISE.

CL BY: ID # , CL REASON: 1.5 (C); DECL ON: X1; DRV FROM:

CABLETYPE:

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RELNO: 000000001

ORIG: CP/ (CIA OFFICER 8); AUTH: CIA OFFICER 3
CP, ; COORD: CIA OFFICER 7 ; REL: CIA OFFICER 8 ; CL BY
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TO: CIA OFFICE #3

FROM:

CLASSIFIED PROGRAM NO. 1

SUBJECT: MERLIN (M) TRAVEL -

REF: CIA OFFICE #3 02384. | 98 3331889 |

TEXT:

1. NAMES , MYSTERIOUSLY DETACHED FROM OUR OUTGOING, ARE AS
FOLLOWS:

A. MR. S.

B. MR. JEFFREY STERLING

C. MR. W.

CL BY: ID # , CL REASON: 1.5 (C); DECL ON: X1; DRV FROM:

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ORIG: CP. (MR. S.); REL: MR. S. ; CL BY
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98 3436315 ASR

PAGE 001 IN 3436315
TOR: 171745Z NOV 98 CIA OFFICE #26800~~SECRET~~ 171746Z NOV 98

CITE CIA OFFICE #26800

TO: LANGLEY INFO CIA OFFICE #3

FOR:

CLASSIFIED PROGRAM NO.1 (CP 1)

SUBJECT: MERLIN (M) : TRAINING AND C/O CHANGE MEETINGS IN SAN FRANCISCO

REF: HQS 145865 (05 NOV)

TEXT:

1. ACTION REQUIRED: NONE, FYI.

2. ON 13 AND 14 NOV, C/O MR. W. HQS OFFICERS MR. S. AND STERLING AND IC MR. G. MET WITH M AT A HOTEL (ROOM) TO BRIEF HIM ON THE FIRE SET PLANS AND BEGIN TO WORK ON HIS LEGEND. THEY ALSO TOOK THE OPPORTUNITY TO INTRODUCE HIM TO MR. W. 'S SUCCESSOR TO-BE, STERLING, WHO WILL TAKE OVER HANDLING RESPONSIBILITIES FOR M IN EARLY JANUARY. THE MEETINGS WENT VERY WELL. M RAISED SEVERAL QUESTIONS ABOUT THE PLANS AND THE ACCOMPANYING TECHNICAL SPECIFICATIONS WHICH MR. G. WILL BE FOLLOWING UP ON SHORTLY. ALL PARTIES, INCLUDING M 'S WIFE, MRS. M , ENJOYED SEVERAL DINNERS TOGETHER WHICH GAVE M THE CHANCE TO GET TO KNOW STERLING BETTER. ON 15 NOV, MR. S. AND STERLING TOOK MRS. M AND M ON A DAY TRIP TO WINE COUNTRY, ALLOWING STERLING'S RAPPORT WITH M TO GROW. THE NEXT MEETING WITH M WILL BE ON 23 NOV IN NEW YORK CITY.

3. AS PLANNED, ALL PARTIES CONVENED IN SAN FRANCISCO MORNING 13 NOV FOR THE FIRST SERIES OF MEETINGS. AFTER AN OPS BREAKFAST MEETING TO INTRODUCE M TO STERLING AND MR. G. , THE GROUP RETIRED TO MR. W. 'S SUITE AT THE HOTEL. THE GROUP SHOWED M THE FIRE SET PLANS. IN GENERAL DISCUSSIONS, THE STORY (LEGEND) THAT THEY INTEND FOR M TO USE WITH THE IRANIANS BEGAN TO TAKE SHAPE. THIS WAS FOLLOWED BY ABOUT AN HOUR BETWEEN M AND MR. G. REVIEWING THE TECHNICAL ASPECTS OF THE APPROVED FIRE SET PLANS. M RAISED SEVERAL CLARIFYING QUESTIONS AND MR. G. SCHEDULED A SESSION WITH HUMAN ASSET 2 (HA 2) TO OBTAIN THE ANSWERS.

4. AFTER A LUNCH BREAK AND A BIT OF SIGHTSEEING, MR. W. , STERLING AND MR. S. RETURNED TO THE SUITE WITH M FOR A FULL AFTERNOON OF

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LEGEND WORK. C/OS COLLECTIVELY WORKED WITH M ON THE STORY HE WOULD ULTIMATELY USE WITH THE IRANIANS. THE FIRE SET PLANS WERE NOT OF HIS DESIGN BUT CAME FROM OTHER RUSSIANS WHOM HE HAD MET AND WHO WANTED TO MARKET THEM FOR FINANCIAL GAIN. M WAS SERVING AS THE MIDDLE MAN. THE PLANS WERE "INCOMPLETE" BUT WOULD BE FOUND TO BE TRUE AND ACCURATE UPON IRAN'S CAREFUL REVIEW. BASICALLY, IF THE IRANIANS WANTED THE INFORMATION THAT WOULD MAKE THE PLANS COMPLETE, THEY WOULD HAVE TO PAY M AND HIS "UNNAMED COLLEAGUES." THIS WAS THE CORE OF THE STORY AND ONE WITH WHICH M WAS GENERALLY COMFORTABLE. AFTER STERLING AND MR. S. LEFT FOR THE AFTERNOON, MR. W. AND M SPENT ABOUT TWENTY MINUTES DISCUSSING THE C/O CHANGE. M EXPRESSED HIS POSITIVE IMPRESSION OF STERLING AND WAS CONFIDENT THAT THE TWO WOULD WORK WELL TOGETHER. C/OS HOSTED MRS. M AND M FOR DINNER EVENING 13 NOV.

5. MORNING 14 NOV, IC MR. G. TOOK THE MERLINS ON A TOUR OF THE RICHMOND AREA AND THE LOCALES POPULATED BY THE LARGE RUSSIAN COMMUNITY IN SAN FRANCISCO. THIS WAS FOLLOWED BY LUNCH AFTER WHICH MR. G. AND M JOINED THE OTHER C/OS FOR AN AFTERNOON OF OPERATIONAL DISCUSSIONS IN MR. W. 'S SUITE. MR. G. BRIEFED THE GROUP ON THE TECHNICAL INFORMATION HE HAD OBTAINED FROM HA 2

OVERALL, M 'S QUESTIONS CONCERNED THE FACT THAT THERE WERE TECHNICAL SPECIFICATIONS PROVIDED IN THE PACKAGE THAT DID NOT ACTUALLY APPEAR ON THE FIRING SET PLANS THEMSELVES. C/OS ASSURED M THAT WE WOULD REVIEW THIS POINT WITH THOSE WHO HAD CREATED THE PACKAGE AND CLARIFY IT AT A LATER DATE. C/OS' SENSE WAS THAT THE ITEMS WERE INCLUDED "ON PURPOSE" AS PART OF THE "INCOMPLETENESS" OF THE FIRE SET PLANS. (MR. G. WILL FOLLOW-UP ON THIS DIRECTLY WITH THE APPROPRIATE CONTACTS AT THE LAB.) C/OS REVIEWED WITH M THE

LEGEND WE INTEND FOR HIM TO USE WITH THE IRANIANS AND THE VARIOUS LEVEL OF DETAIL THAT HE WOULD BE WILLING TO PROVIDE IF PRESSED. EVENING 14 NOV, ALL PARTIES GATHERED FOR A FINAL DINNER, HOSTED BY C/OS.

6. ON 15 NOV, C/O MR. W. RETURNED TO NEW YORK AS STERLING AND MR. S. TOOK THE MERLINS ON A CAR TRIP INTO WINE COUNTRY. THE THREE DAY-TRIP PROVIDED OFFICERS THE RIGHT COMBINATION OF SERIOUS OPERATIONAL DISCUSSIONS AND RAPPORT BUILDING BETWEEN M AND STERLING. THE STAGE IS SET FOR THE FORMAL C/O CHANGE MEETING WITH M (CA 09 DEC) TO GO WELL. MR. W. WILL MEET WITH M ON 23 NOV TO GATHER HIS RECEIPTS FROM THE TRIP AND COMPLETE HIS ACCOUNTING PRIOR TO STERLING'S ARRIVAL IN NYC.

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251534Z LANGLEY 170882

TO: CIA OFFICE #2, CIA OFFICE #3

FROM:

CLASSIFIED PROGRAM NO. 1 (CP 1)

SUBJECT: FOLLOW-UP FROM LAB ON FIRESET PLANS

REF: CIA OFFICE #206800. | 98 3436315 |

TEXT:

1. ACTION REQUIRED: ADVISE MERLIN (M) AS FOLLOWS

2. THE NATIONAL LABORATORY (LAB) CP NO. 1 MANAGER
MR. C. CALLED CP. OFFICERS ON 23 NOVEMBER TO ADVISE
THAT HIS OFFICE HAD BEEN CONTACTED BY IC MR. G. ACTING ON OUR
REQUEST TO VERIFY THE ACCURACY OF THE SCHEMATIC AND PARTS LIST
PRESENTED TO M DURING REF TRAINING SESSIONS. AS WE
HAD SUSPECTED, THE INCLUSION OF CERTAIN ASSEMBLIES ON THE PARTS LIST
BUT NOT ON THE SCHEMATIC WAS INDEED INTENTIONAL, WITH THE GOAL OF
SUGGESTING THAT THE ANONYMOUS FIRESET DESIGNER KNEW THAT THESE TWO
ASSEMBLIES (NUCLEAR COMPONENT #1 AND NUCLEAR COMPONENT #2) WERE ESSENTIAL,
BUT DID NOT KNOW HOW TO MAKE OR SPEC THEM IN ANY DETAIL. IN FACT
THESE TWO COMPONENTS WERE DESIGNED IN DIFFERENT PARTS OF
HUMAN ASSET 2'S (HA 2) INSTITUTE, AND HE DOES NOT KNOW HOW TO MAKE
THEM, WHICH IS FORTUNATE SINCE THEY ARE TWO OF THE HARDEST PARTS OF A
FIRESET TO DESIGN AND BUILD.

3. PLEASE ADVISE M OF THIS OUTCOME AND SUGGEST THAT HE PLAN
TO ACKNOWLEDGE THIS OMISSION IN HIS EVENTUAL PRESENTATION TO THE
IRANIANS IF THEY ASK ABOUT IT, KEEPING WITH OUR STORY THAT HE IS
OFFERING THEM ONLY PART OF WHAT THEY WILL EVENTUALLY NEED FOR FREE,
WITH FOLLOW-UP DETAILS AVAILABLE LATER FOR THE RIGHT PRICE.

4. MR. G. IS STILL AUTHORIZED TO TRAVEL TO THE LAB TO MEET
MEMBERS OF THE FIRESET TEAM TO LOOK INTO SOME OTHER MINOR DETAILS OF
THE PLANS WHICH M AND HA 2 HAVE NOTICED OR QUESTIONED, BUT PER
AGREEMENT BETWEEN CP OFFICERS AND MR. C. WE WILL MAKE NO CHANGES TO
THE PLANS AND LISTS UNLESS A SERIOUS DISCREPANCY ARISES.

5. FILE: CP 1

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RELNO: 000000002

ORIG: CP, (MR. S.); AUTH: CIA OFFICER 8 ;

COORD: STERLING ; REL: MR. S. ; CL BY ID # .

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TOR: 112035Z DEC 98 CIA OFFICE #26852

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CITE CIA OFFICE #26852

TO: LANGLEY

FOR:

CLASSIFIED PROGRAM NO.1 (CP 1)

SUBJECT: 10 DECEMBER C/O CHANGE MEETING WITH MERLIN (M)

REF: LANGLEY 170882| 98 3528327 |

TEXT:

1. ACTION REQUIRED: NONE/FYI.

2. ON 10 DECEMBER, C/OS MR. W. AND STERLING MET WITH M AT A LOCAL UPPER WEST SIDE RESTAURANT. PURPOSE OF THE MEETING WAS TO SETTLE ACCOUNTING ISSUES AND FURTHER UPDATE M ON THE STATUS OF THE CP 1. C/OS AND M WERE SCHEDULED TO MEET AT 1930 HRS, HOWEVER, THE MEETING WAS DELAYED AN HOUR, AS M WAS INVOLVED IN A MINOR TRAFFIC ACCIDENT WHILE PARKING HIS CAR. THE NEXT MEETING WITH M IS SCHEDULED FOR 12 JAN IN AN UPPER WEST SIDE HOTEL. THIS MEETING WILL BE HANDLED SOLELY BY STERLING.

3. AFTER DINNER, PER REF COMMENTS, MR. W. PROCEEDED TO INFORM M THAT ACCORDING TO THE LABS, THE DISCREPANCIES BETWEEN THE FIRESET SCHEMATIC AND PARTS LIST (AS NOTED BY M DURING THE RECENT MEETINGS IN SAN FRANCISCO) WERE INTENDED. IT WAS EXPLAINED TO M THAT IT MAKES SENSE FOR THE DESIGNER OF THE FIRESET TO KNOW THAT CERTAIN PARTS (MAINLY NUCLEAR COMPONENT #1 AND NUCLEAR COMPONENT #2) ARE INCLUDED WITHIN A FIRESET DESIGN, BUT THAT HE WOULD NOT NECESSARILY KNOW HOW TO CONFIGURE SUCH ELEMENTS. IN OTHER WORDS, THE DESIGNER KNOWS WHAT THEY ARE AND WHERE THEY GO IN A SCHEMATIC, BUT HE WOULD NOT KNOW HOW TO DESIGN SUCH PARTS HIMSELF, THEREFORE NEGATING THEM FROM THE PARTS LIST. FOR THE MOST PART, M ACCEPTED THIS EXPLANATION AND SEEMED COMFORTABLE WITH IT. EVER THE ENGINEER, M THEN SUGGESTED THAT IF THE DISCREPANCY SHALL REMAIN, THEN MAYBE IT WOULD MAKE BETTER SENSE TO HAVE THE SCHEMATIC COMPILED NOTING RUSSIAN PARTS AND HAVE THE PARTS LIST PROVIDE ONLY VERY BRIEF, UNINFORMATIVE DESCRIPTIONS. M OPINED THAT WITH SUCH A SCHEMATIC AND PARTS LIST, THE IRANIANS WOULD HAVE TO INITIATE FURTHER CONTACT IN ORDER TO ASCERTAIN THE MODERN (U.S. OR JAPANESE) EQUIVALENT PARTS AS THE RUSSIAN PARTS NO LONGER EXIST. C/OS COMMENTED THAT M'S THOUGHTS WERE GOOD ONES AND TOLD

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HIM THAT SUCH A CHANGE WOULD BE DISCUSSED, BUT THAT HE SHOULD BE PREPARED TO DEAL WITH AND PRESENT THE PLANS AS IS, ESPECIALLY IN LIGHT OF THE CONSIDERABLE EFFORT THAT HAS GONE INTO THE DESIGN OF THAT SPECIFIC FIRESET. M ALSO ACCEPTED THIS, BUT C/OS COULD TELL THAT HE WAS HOPEFUL THAT WE WOULD TAKE HIS SUGGESTIONS INTO SERIOUS CONSIDERATION.

4. CONTINUING WITH THE MEETING, MR. W. PASSED M A RECENT ARTICLE ABOUT IRANIAN ATTEMPTS TO RECRUIT RUSSIANS WITH EXPERTISE IN CHEMICAL/BIOLOGICAL WEAPONS TECHNOLOGY AND DEVELOPMENT. MR. W. NOTED TO M INFORMATION ON IRANIAN SCIENTIST/RECRUITER, IRANIAN A WHO WAS IDENTIFIED IN THE ARTICLE, AND SUGGESTED THAT M SEND ONE OF HIS INTRODUCTORY LETTERS TO THE BUSINESS ADDRESS NOTED FOR IRANIAN A. M AGREED THAT IT WOULD BE NATURAL TO SEND A LETTER TO IRANIAN A BASED ON THE ARTICLE AND M 'S YEAR-LONG EFFORTS. ALL AGREED THAT THOUGH IRANIAN A MAY NOT BE DIRECTLY INVOLVED WITH THE IRANIAN NUCLEAR PROGRAM, HIS EXPERTISE IS NONETHELESS IN AN AREA WHICH MAY LEND ITSELF TO LATERAL EXPOSURE AMONG HIS COLLEAGUES. IN ADDITION, PUBLICITY BROUGHT ON BY THE FULL-PAGE ARTICLE MAY PROMPT IRANIAN A TO CHANGE HIS ADDRESS; HAVING M SEND A LETTER NOW IS CONSISTENT WITH HIS ONGOING WORK TO CONTACT IRANIAN SCIENTISTS.

5. DURING THE MEETING, M NOTED THAT HE FINALLY GOT HIS COMPUTER FROM THE REPAIR SHOP AND THAT THOUGH IT SEEMS SLOWER, IT IS WORKING AGAIN. M SAID THAT HE HAS NOT RECEIVED ANY RECENT EMAIL MESSAGES. MR. W. INSTRUCTED M TO CONTINUE HIS EFFORTS TO SEND EMAILS TO ADDRESSES THAT MAY BE OF INTEREST. M WAS ALSO PASSED A NEW LIST OF IRANIAN INSTITUTIONS WHICH MAY BE HELPFUL IN HIS SEARCH EFFORTS FOR THE PROJECT.

6. NEAR THE END OF THE MEETING, C/OS REIMBURSED M FOR HIS EXPENSES RELATED TO THE SAN FRANCISCO TRIP. STERLING ALSO SET THE NEXT REGULARLY SCHEDULED MEETING FOR 12 JAN AT AN UPPER WEST SIDE HOTEL. STERLING INSTRUCTED M TO ARRIVE AT THE LOBBY OF THE HOTEL AT 1800 HRS AND USE A HOUSE PHONE TO CALL STERLING FOR THE ROOM NUMBER. STERLING WILL CALL M ON 11 JAN TO CONFIRM M 'S AVAILABILITY FOR THE MEETING.

7. IN ALL, FEEL THAT THE OPERATION IS PROCEEDING NICELY WITH M. THOUGH M 'S ENGINEER-ESQUE PERSPECTIVE WILL LIKELY CONTINUE THROUGHOUT THIS PROJECT, FEEL THAT M IS CLEARLY SHOWING SIGNS OF COMFORT AND REMAINS EAGER TO UNDERTAKE THIS OPERATION. HIS CONCERNS AS NOTED ABOVE, SEEM TO SHOW THAT M IS THINKING SERIOUSLY ABOUT THE BEST AVENUES TO PRESENT THE FIRESET TO THE IRANIANS WHILE ALSO ENSURING FOLLOW-ON CONTACT DOES INDEED TAKE PLACE. REALIZE THAT THE FIRESET PLANS HAVE BEEN DESIGNED WITH A SPECIFIC INTENT, BUT FEEL THAT IT WILL BE ADVANTAGEOUS TO ENSURE THAT ALL OF M 'S CONCERNS AND SUGGESTIONS ARE ADDRESSED AS THEY COME ALONG. M ALSO EXPRESSED A SENSE OF COMFORT WHEN HE WAS TOLD THAT THE DESIGNERS WERE QUITE PLEASED WITH HIS ATTENTION TO THE PLANS, AND ARE INTERESTED IN ANY CONCERNS THAT HE MAY HAVE. BELIEVE THIS GAVE M A SENSE OF BEING AN INTEGRAL PART IN THIS OPERATION BEYOND HIS ROLE AS A MIDDLEMAN WITH THE IRANIANS.

8. FILE: CP 1 DECL ON: X1, CL REASON: 1.5(C), CL BY
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