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Chief, CIC Liaison Section

17 August 1951

Chief of Station, Karlsruhe

Operational

Walter GEIPEL, Suspected Soviet Agent

Ref:

MOS-A-1419

Public Opinion Survey Det.

TS 39918

1. Personal data: Walter GEIPEL, c BRUNERT, born 15 April 1916 in Plauen/Vogtland; lives in Fassmannsruth near Rehau in the customs house directly on the Czech border; is married, has three children; former officer in the Waffen-SS, SS-Hauptsturmfuehrer at end of war.

2. Subject became a member of ZIPPER early in 1948 at which time he organized an agent net in Thuringia and Saxony in the Soviet Zone. This net operated successfully until the autumn of 1949 when differences began to develop between Subject and his co-workers in the U.S. Zone. In spite of attempts to keep the net functioning, its productivity declined until finally in the summer of 1950 it was discovered that Subject was embezzling a goodly portion of the money intended for his agents. He was then dropped. When in December of 1950 the East German press carried an article on sentences imposed on various persons in the Soviet Zone for espionage on behalf of the Americans, Subject's agents were among those named as having received sentences.

3. Although he received termination pay at the time he was dropped by ZIPPER, Subject appeared to be having financial difficulties during the latter part of 1950. Since early 1951, however, Subject seemed to be amply supplied with funds. He makes weekly trips to Hof and each time upon return he seems to have a new supply of money. It has been observed that his wallet often contains numerous notes in 50 and 100 DM denominations which can hardly represent legal earnings. On his weekend trips to Hof he regularly meets one Ilse REISAUS, a bar maid in the "Orient Bar" in Hof/Salle. REISAUS has been living in Hof for three years; she formerly lived in Plauen which is also the former home of Subject.

4. Early in December 1950 Subject approached (Dr) Frantisek HAINZ, a former member of ZIPPER living at Wundsiedel, in an attempt to recruit him for Soviet IS. Subject stated that he had recently been visited by a man from Plauen who had served as one of his agents when he was working for ZIPPER. This man had been arrested by the Soviets

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for espionage, and since he had a family and two children in the Soviet Zone he had been persuaded to come to the U.S. Zone on behalf of the MGB to recruit former co-workers. Subject accepted the offer. When HAINZ declined Subject's offer, the latter asked him to reconsider and advise Subject of his decision later. Subject then went on to state that he was not taking any chances and, in order to keep himself covered, he would report to CIC that he had been approached by a Russian agent.

5. It has been established that, since the end of January 1951, a certain ~~RAMBACH~~ ^{GEIPEL} (fnu) visited Subject at his home on two different occasions. One of the occupants of the same house states that Subject's wife was heard to remark to Subject on several different occasions as he was leaving his house, "Give my regards to RAMBACH".

Comment: In all probability this was Johannes ~~RAMBACH~~ ^{RAMBACH}, one of the agents of Subject's former net who was arrested in Plauen and sentenced to 15 years imprisonment by the Soviets. *D. King PAUSCH*

6. It has been reported by occupants of the same house that Subject leaves the house during the night on an average of once each week. He leaves by way of the window rather than the door, generally remains absent from one to two days, and then returns in a similar manner. He seems to show an unusual interest in installations of the U.S. occupation forces.

7. On 12 March 1951 Subject received a telegram from a certain "Klemm" in Plauen. The telegram was as follows: "No work this week. Klemm."

Comment: It is suspected that "Klemm" is the cover name of Subject's contacting agent in the Soviet Zone.

8. Subject has been described as being of low character, a liar, an intriguer, a gossip and possibly somewhat of a psychopath. It is also reported that he uses narcotics.

9. The following persons are known to be in contact with Subject:

- a. Ilse REISAUS, living at Hof/Salle, Woerthstr. 2 (mentioned in para. 3, above). She visited Subject several times in his home.
- b. Otto ~~RICHTER~~ ^{RICHTER}, living in the customs house in Fassmannsreuth; manufacturer of alcoholic beverages; Subject worked as his assistant for a number of weeks. Subject often rode with him in his automobile to Bayreuth, Kronach, Hof and Coburg. RICHTER himself stated that on one occasion he was with Subject when he collected information on American installations in Upper Franconia. Can give information on the intelligence activities of Subject; at the same time could be considered an accomplice.

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- c. Johanna ~~GEIPAL~~, lives Bamberg, Heinleinstr. 17, Subject's mother; works in a U.S. installation in Bamberg; it is not known whether she collaborates with Subject in espionage activities.
- d. ~~fnr~~ UNCLAUB, lives Rehau, often visits Subject, drives auto with licence AB-787 384, possibly engages only in black market activities.
- e. Ventelau ~~ROEDEL~~, drives auto with licence B-788 386, often visits Subject though possibly only for black marketing purposes.
- f. Georg ~~ANDRES~~, lives in Fassmannsreuth, probably also a narcotics addict and accomplice in espionage activities.
- g. Sieglinde ~~PISCHTLAK~~, lives in Rehau; formerly a friend of ANDRES, formerly hired to work in Subject's household; on unfriendly terms with Subject; can furnish information on Subject and ANDRES.

10. The above information represents the product of ZIPPER's investigation to date. It is believed that further development of the case could most appropriately and effectively be accomplished by CIC. Accordingly, it is requested that this information be turned over to that agency which already knows Subject as a former ZIPPER agent. Inasmuch as the case has a definite bearing on ZIPPER internal security it is requested that CIC keep us informed on their actions and findings. In event sufficient evidence is produced to indicate legal action against Subject, it is requested that CIC coordinate with us most closely because open court proceedings would involve additional problems of ZIPPER security.

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