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CENTRAL INTELLIGENCE AGENCY
SOURCES METHODS EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
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18 February 1949

Chief of Station, Rome

Chief of Station, Karlsruhe

Doctor Karoly HEY

Reference - HQMT 2353, FRAN 1429 IN-23897 DRD 1.3.49

1. Dr Karoly HEY was born 9 November 1906 at Dusnok-Alvan, Hungary. He is 1m71 tall, weighs 68 kg, has brown hair and green eyes. He was arrested and held at the war crimes camp, Dachau, in 1945, as a possible war criminal and/or witness to the shooting of 4 or 5 American pilots at Sar, Hungary, in 1944. While at the camp he gave the following information concerning his background: Prior to 1937 he was director in an industry and farmer plant. In 1937 he joined the Hungarian Army and became an instructor. CIC investigation reveals that subject's first political importance started in the spring of 1939 when he became an ardent supporter of the extreme right wing pro-German bloc in the Hungarian Parliament. When Hungary entered World War II, HEY is believed to have been promoted to first lieutenant in the Hungarian Cavalry. Allegedly he served a tour of duty on the eastern front, returning probably because of partial disability, in 1943. He then assisted in the formation of the Kaber or "Comradeship of the eastern front fighters" and was eventually appointed chairman of the movement. The name of the organization was changed at a later date to that of Veres Kard or "Bloody Sword". In the summer of 1944, HEY allegedly entered the service of SS Obergruppenführer Winkelmann and the latter's political advisor, Dr. Wilhelm Höttl, and accepted an appointment in the SS. At that time HEY established contact with Otto Skorzeny with the intention of creating a group of experienced former army personnel who could be utilized as a Danicide" organization for work behind the Soviet lines. Supported by Skorzeny and financially by ex-Premier Bela Imredy (sentenced to death as a war criminal by the Hungarian government in 1945), subject conducted extensive recruiting tours throughout Hungary, obtaining technicians of all types from among the ranks of wounded or discharged officers who had served on the eastern front. The Hungarian high command did not approve of HEY's tactics and never supported him due to his close cooperation with the Nazis.

2. In September 1944 HEY officially established his organization which was known as the Halalfejes Legio or "Death's Head Legion", with the assistance of

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Shorsony. Subject allegedly obtained military equipment, arms, ammunition, and supplies through Shorsony. A training center known as the "Parlesanfuehrer Schule" was established in the Bakony Mountains area, where German SS officers and non-come served as Instructors. After a fallout with Shorsony, NEY offered a few hundred of his men to General Scalander, commander of the 8th German SS Cavalry Division. Scalander allegedly promoted Subject to the rank of Sturmbannfuehrer in the SS. A part of his group was later reported to have been dropped behind Soviet lines.

3. NEY is reported to have reappeared for the first time since the war on 10 May 1948 in the Munich area. He stated that he was engaged in reforming his "Scott's Head Legion" and recruiting additional technicians of all types from the Hungarian ex-army personnel scattered throughout the occupied areas. He also stated that financial support for his movement had been forth-coming from the Vatican and from Generalissimo Franco of Spain.

4. NEY is reported to have visited the Eggenfelden area in June 1948 continuing the search for former members of his unit. During this visit he is reported to have been queried regarding the political trends of his group and reported that CIC in Vecklabruck, Austria, was fully aware of his activities and was supporting him completely. A check is being made with CIC Austria to confirm or refute this statement. (Above paragraphs evaluated B-3).

5. A check with former members of the Hungarian Gendarmerie who were approached by NEY during his recruiting drive revealed that he claimed to have received 275,000 shillings from US Intelligence authorities for his preliminary work. The Gendarmerie stated that they believed NEY and a few of his associates were planning to pry as much financial assistance from US authorities as possible and then flee to France (B-5).

6. At the present time, reports indicate that NEY's activities center around the area bounded by Salzburg, Vecklabruck, Lambach and Thumden, Austria. He has established a new training center for the reorganization of his group in

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this area and it is believed to be at Quandoc. Although subject spends the greater part of his time in Austria, he visits Germany regularly and is reported to maintain contact with General Parsons [illegible], leader of the ABLM (Anti-Bolshevist Hungarian Liberty Movement). Evaluation: B-2.

7. Investigation by CIC thus far has not revealed the connections with Hartman [illegible] or [illegible]'s activities in Italy. Further information will be forwarded when received from CIC.

8. Photograph of [illegible] is attached hereto for Rome only.

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CIC Liaison Section, Frankfurt

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