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11 July 1973

## MEMORANDUM

1. Mr. Eugenio Rolando Martinez, a maritime specialist, was recruited by CIA in the early 1960's to work as a boat captain handling the infiltration of clandestine groups into Cuba. His employment in this capacity continued through 1969. The maritime effort was liquidated during the first half of 1970. In view of his distinguished service, Mr. Martinez was kept on the payroll at full salary through July 1971 with the understanding that he direct his efforts toward acquiring a real estate agent's license (his preference) and finding himself gainful employment within this period. He was given a minimum requirement to report to CIA any attempts of local exile groups to mount illegal penetrations against Cuba from the U.S. By July 1971 Mr. Martinez had obtained a real estate license and had found employment with Bernard Barker, a local real estate broker. Since Mr. Martinez had successfully reported on activities of the exile groups, he was retained as an informant for an additional year at \$100 a month. During the period July 1971 through May 1972 he was met on the average of once a month [redacted] connected with the Miami office, and [redacted] of some value on exile groups. When Mr. Martinez was told by one of his CIA contacts in July 1971 that he was being reduced to an informant, he protested strongly saying that he did not want to leave the field of clandestine endeavor, was bored with the real estate business and had to find something more interesting to do. It was pointed out to Mr. Martinez that there was nothing available for him in CIA, that he had been handled com- passionately and that he should pursue a new life. He appeared to accept this. (b)(3)

2. After Mr. Martinez' release from full duty in the Summer of 1970 he was met by a CIA officer four or five times. On one of these occasions Mr. Martinez reported information concerning [redacted] Mr. Jacob Esterline, which precipitated a meeting between Mr. Martinez (b)(3)

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and Mr. Esterline to clarify the matter. As it turned out Mr. Martinez' report dealt with an overt CIA official. During this meeting the name Howard Hunt came up casually. Mr. Martinez noted that Mr. Hunt had been on vacation and had seen Bernard Barker. On 17 March 1972 Mr. Hunt's name again came to the attention of Mr. Esterline which resulted in another meeting with Mr. Martinez during which Mr. Esterline questioned Mr. Martinez sharply about his total knowledge of Mr. Hunt and Mr. Hunt's activities in Miami. Mr. Martinez spelled out what in retrospect appears to be a cover story that Mr. Hunt was in and out of Miami several times in connection with business deals he was trying to develop in Nicaragua in which Manuel Artime and Bernard Barker appeared to have some participation. During this meeting Mr. Martinez asked Mr. Esterline whether he was aware of all activities in which CIA was engaged in the South Florida area. Mr. Esterline said he was. Mr. Esterline suggested that Mr. Martinez might have become aware of the fact that some of his maritime colleagues were engaging in a training exercise during this period in the Keys. Mr. Martinez replied that this is not what he meant but would not elaborate further. This bothered Mr. Esterline to the extent that he sent a private and confidential message to CIA Headquarters asking whether Mr. Howard Hunt was in fact an employee of the White House and what his activities might be in the Miami area. Mr. Esterline received word back which confirmed that Mr. Hunt worked for the White House, was undoubtedly in Miami on White House business of no concern to the Miami CIA office and in which that office should not become involved. Finding this somewhat disturbing, Mr. Esterline had Mr. Martinez prepare in his own handwriting a summary of his knowledge of Mr. Hunt's activities in the Miami area to confirm Mr. Martinez' past remarks. This paper, now in possession of the Miami CIA office, constituted a cover story for Mr. Hunt's activities. The matter was not pursued further and the normal monthly meetings with Mr. Martinez continued through May 1972. After a 5 April 1972 memorandum from Mr. Martinez, there was no further mention of Mr. Hunt.

3. On 18 June 1972 Miami Station officers reconstructed as much as possible of Mr. Martinez' activities from 5 April through 17 June, to note anything unusual in his conduct. Nothing definitive surfaced. Mr. Martinez had been seen by CIA officials twice since April; once in May and the last meeting on 6 June 1972. On 20 June

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a former Miami Station maritime asset who was terminated 31 August 1972, informed Mr. Esterline that he and a business friend, [redacted] had been contacted frantically by the daughter or wife of Mr. Martinez requesting immediate assistance in getting Mr. Martinez' car out of the airport parking garage since it contained deeply compromising material which had to be removed before the FBI got to it. Mr. Esterline told [redacted] that under no circumstances should he become involved in this matter and relayed the information to CIA Headquarters and the Miami Field Office. A decision was made by CIA Headquarters to pass this information to the FBI at the Headquarters level. At Mr. Esterline's request Mr. [redacted] obtained a description of the automobile and its location in the garage. A faulty description prevented immediate location of the car. On the basis of a corrected description the FBI on 19 June found and impounded the car which in fact did contain a number of old documents relating to maritime operations in the early 1960's and a notebook, copies of which were made available to the Miami Station by the FBI. In further coordination with the FBI Mr. Esterline confirmed that Bernard Barker had been a CIA employee and that Mr. Martinez, who was well known to the FBI to have been a CIA employee, was no longer an active employee but was maintained as an informant. Mr. Esterline advised the FBI that there might be one or two telephone numbers in Mr. Martinez' notebook relating to the Miami Station inasmuch as Mr. Martinez had been provided a means of effecting emergency contact with the Station. The FBI said it would be alert to this possibility and accepted Mr. Esterline's statement that the Station had been totally unaware of Mr. Martinez' secret relations with Mr. Hunt. The FBI promised to avoid disclosure of the fact that CIA had been instrumental in helping them locate Mr. Martinez' car because of the problems it could create for the source who had reported the matter to CIA.

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