

SECRET-00

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Report Made At
Stockholm

Date
28 September
1945

Period Covered
13 July 1945 to
30 August 1945

Made by
CF2

SUBJECT: General: HOLM Case, Espionage Japanese Status

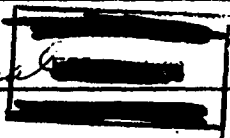
Specific: (Captain) Elmar KIROSTAR

Intell. crossed
cc: [unclear]

REFERENCES: TX-533, 16 July 1945
Cables to Washington: 625, 31 July; 632, 8 August;
644, 22 August.
Cables from Washington: 451, 19 July; 482, 6 August;
486, 11 August; 419, 22 August; 495, 27 August.

SOURCE: Subject

Estonian national



SYNOPSIS:

KIROSTAR recruited by Japanese Intelligence, Stockholm, on 13 July 1945 for work as an agent in the United States. Was given 10,800 Swedish kronor and 1,000 dollars in American currency during operations. Also furnished by Japanese postage stamp size photographs of code and personal cipher between KIROSTAR and General ONODERA, Japanese Military Attaché. Mission to United States cancelled at termination of hostilities and KIROSTAR released by Japanese. Official contact with KIROSTAR as double agent terminated.

CLASSIFICATION CANCELLED AS GRANTED TO *Secret*
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BY J. MOR: *226/OC JUN 19 1960*
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Evaluation: B-2

Approved by:

Distribution: X-2 Washington (2)
2 attachments

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X-2 Stockholm (2)
2 attachments

NAZI WAR CRIMES DISCLOSURE ACT

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- EXEMPTIONS Section 3(b)
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Declassified and Approved for Release
by the Central Intelligence Agency
Date: 2005

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MEMORANDUM

TX-617

September 28, 1945

Re: HOLM Case, Stockholm, Sweden

MICROFILMED
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1. Captain Elmar KIROTAR, Estonian national, was recruited by General Makoto ONODERA, Japanese Military Attaché, Stockholm, for intelligence activity in the United States on 13 July 1945 after negotiations since 13 March 1945. KIROTAR had been placed in contact with General ONODERA through Otto KUMENIUS, Estonian national, employed by ONODERA as an agent and playing double agent role for Swedish Intelligence.

2. On 13 July 1945 KIROTAR was informed by ONODERA that he would be given code instruction and would be furnished with funds and instructions regarding his mission by Kitinoake SATO, Assistant Military Attaché, and in the meantime was to arrange either boat or air transportation, the funds for which were furnished KIROTAR by General ONODERA. KIROTAR was unable to procure boat transportation nor transportation by the Swedish Airlines but arrangements were made for his departure from Sweden on 12 August 1945 by ATC plane. This was explained to General ONODERA as possible due to the fact that KIROTAR had been invited to visit the United States by Ambassador WILEY.

3. KIROTAR had previously received his visa to the United States which had greatly pleased General ONODERA and resulted in KIROTAR being given a mission. On 31 July 1945 KIROTAR visited SATO and in company with Major KIGOSHI, Assistant Military Attaché, received preliminary instructions in code. The code had been jointly drafted by SATO and KIGOSHI but had not at that time been reduced to a form in which it could be easily carried.

On 7 August 1945 KIROTAR met ONODERA, SATO, KIGOSHI and Yoichi INOUE, Assistant Military Attaché, at SATO's apartment, Kindögatan 44, 3rd floor, where he received three postage stamp size photographs containing instructions for the preparation and use of the code. This code was based on the writing of dates and the mathematical spacing of written material on the letters and envelopes. It was originally planned that these photographs should be concealed in the back cover of a popular novel which KIROTAR could carry with him on the plane. It was later decided that it would be best to sew the coded photographs into the cuff of KIROTAR's trousers. These photographs were given to

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KIROTAR but in order to read them it was necessary to procure a microscope, as they could not be read with the naked eye. The coded material was written in the German language and contained largely instructions for spacing of material on written documents. This code was also to be worked with a Swedish calendar which has a different name for each day of the year. A code symbol was given each name on the calendar, which when written into a letter would appear quite innocuous. Due to the constant contact with KIROTAR by ONODERA's agents between August 7 and 11, 1945, it was deemed advisable that KIROTAR maintain these photographs in his possession should they ask to see them. A complete explanation of the code and its use has been made by KIROTAR and is an attachment to this report.

4. KIROTAR was also given a private code which was to be used between only he and General ONODERA. This code was to operate with the use of TIME Magazine, which is published in Sweden under the same dates as in the United States. This code was to be an ordinary personal letter written to KIROTAR's wife in Stockholm on lined paper and each letter in each word that touched the line were to indicate the number of the letter appearing in TIME Magazine. The letter was to be dated the same date as the issue of TIME Magazine being used for the code and all commas, periods and full stops were not to be counted. KIROTAR was to start with the first main page of TIME and would choose the letters to spell out the coded material. For example, if KIROTAR was using the letter H to spell out a word and this letter was the sixth letter in TIME Magazine, then the sixth letter in the body of the correspondence directed to ONODERA by KIROTAR would touch the line below. On letters such as G, Y, J, etc., the upper part of the letter was the determining factor as regards its touching the line.

5. It had originally been intended that KIROTAR should be supplied with microfilm but it was thought that he would not be able to develop these properly.

6. KIROTAR was furnished 3,000 Swedish kronor to be left with his family, 1,500 kronor for insurance, 3,200 kronor for an air ticket and was to receive a total of 6,000 dollars immediately before departure. KIROTAR was given a password for possible contact in the United States which was to operate as follows: Agent - "Many kind regards from your brother-in-law." KIROTAR - "How is he?" Agent - "He is pretty well." ONODERA, despite repeated efforts, declined to furnish KIROTAR with any

names of agents in the United States, though KIROTA obtained the impression from SATO that there were contacts in the United States being utilized by the Japanese.

7. KIROTA was also given 3,000 kronor for the purpose of renting an apartment at Skeppargatan 37, 4th floor, which was to be used by his wife and to which the letters were to be directed. These letters were to be picked up by KUMENIUS and transmitted to ONODERA. Additional funds were to be sent to KIROTA in the United States by KUMENIUS.

8. KIROTA was informed that the Japanese were particularly interested in military and naval information pertaining to ship movements on the American West Coast, and political information as to pending decisions between the United States and Russia at the Potsdam Conference, particularly as to whether Russia was seriously intervening on behalf of Japan for a compromise peace, whether a compromise peace was possible with the United States, whether Russia would give bases to the United States, and whether an American invasion could be expected this year or next.

9. KIROTA was scheduled to see General ONODERA on 11 August, prior to his departure on 12 August. Due to personal desires of KIROTA, the contemplated departure was postponed on the 10th due to a "intervening priority" and of which he informed General ONODERA.

10. He was contacted by ONODERA on the 11th and met with ONODERA, SATO, INOUE, KIGOSHI and Mrs. ONODERA at SATO's apartment, at which time the General informed KIROTA that the war was over and that a surrender was being negotiated. As such, KIROTA's mission to the United States was terminated but as a settlement of their affairs General ONODERA gave KIROTA 1,000 dollars in American currency of the promised 6,000 dollars which were to be given prior to KIROTA's departure. He told KIROTA that if the Japanese ever again had an Embassy in the United States, that KIROTA should call on the Embassy and ascertain ONODERA's whereabouts and that communication could be maintained between them by use of the personal cipher which had been furnished. The General asked that the code be returned and upon returning the code to General ONODERA, it was burned in KIROTA's presence. KIROTA has since informed ONODERA that his trip has been delayed due to the congested transportation situation occurring at the end of the war and that he intended to depart for the United States in the latter part of September by boat.

11. ONODERA has requested KUMENIUS to advise him upon KIROSTAR's departure. KUMENIUS has also been released by the Japanese and informed that their work was finished.

12. KIROSTAR plans to depart as stated above but entirely on a personal basis with no agreement for a mission either for the Americans or the Japanese. The funds obtained from General ONODERA, totaling 10,800 Swedish kronor and 1,000 dollars in American currency, were allowed to be kept by KIROSTAR.

13. There has been no evidence that the Japanese intended to utilize KIROSTAR in any way in the near future. Considerable information was obtained through KIROSTAR during the course of this operation pertaining to the identity of subordinates working for ONODERA and their desires as regards intelligence. It is believed that the Japanese completely trusted KIROSTAR, though they were very cagey to not furnish him with any names of agents in the United States or allow him to learn a great deal about their past operations. It is believed that the Japanese may attempt to utilize KIROSTAR at some future date and have affected this settlement with him with that in mind.

14. Throughout this operation KIROSTAR has exhibited unusual talent and possibilities for his utilization as a double agent and has been very meticulous and intelligent in his dealings with the Japanese. Due to his background, experience, language ability and personality, he would have been an ideal agent for operations against any enemy intelligence organization. He is very anti-Russian and desires to continue working against the Russians wherever he may be. His brother-in-law (Major) Ralph TONURIST, former head of the Russian Section of the Estonian General Staff, is a recognized expert on Russian intelligence and its operations and KIROSTAR hopes to work with him in the future on these matters.

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*Brother-in-law
of Kirostar Elmar*

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main principles of the "Sato-Mitsui"-code
as given to a prospective "Japanese agent X. in USA",
in Stockholm, July 1945.

1. All communications to be sent by ordinary and innocent looking private letters, either typed or written by hand.
2. Secret communications to be transmitted
 - A. On the front side of the envelope
 - a) by the receivers title, i.e. the word "Mr.": by placing it in an agreed space - see explanation below (point 3),
 - b) by the country of destination, i.e. "Sweden": by beginning it in an agreed space - see below (point 3),
 - B. On the back of the envelope
 - c) by the date of sending the letter: by writing it on the back of the envelope and placing it there in an agreed space - see below (point 4),
 - d) by the senders name and address: by writing them either in one line or in two or three lines, see below (point 5),
 - C. In the letter itself
 - e) by the date of sending the letter, i.e. by writing it in one of the many different agreed ways at the top of the letter, f.i. August 2, 1945, 2.8.1945, 2.8.45, 2.VIII.1945, 2.VIII.45, 2/8.1945, 2/8.45, 2/8/1945, 2/8/45, 2/VIII.45, 2/VIII/1945, 2/VIII/1945, 2/VIII/45 etc.
 - f) by the "spell", i.e. "Sir", "Dear Sir", "My dear Sir", "My very dear Sir", "My dear" etc.: by beginning it in an agreed space (see explanation below) and by writing it in one of many agreed wordings (as before),
 - g) by christian names in the text of the letter (roughly 300 different possibilities) - see explanation below, and
 - h) by the "courtoisie", i.e. different endings of the letter: "Yours faithfully", "Faithfully yours", "Yours truly", "Truly yours", "Yours affectionately", "Affectionately yours", "With kind regards", "With many kind regards", "With best regards", "With kindest regards", "Ever yours" etc.etc. etc.

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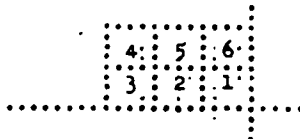
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4. Explanation to A (a and b).

Divide the envelope by two imaginary lines, one horizontal and one vertical, in four equal parts, thus:

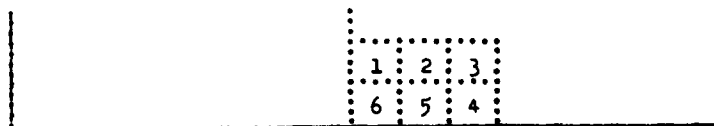


Draw in the right lower corner of the left top section six 1 x 1 centimeter squares, three on the horizontal line and the other three on the three previous squares, and number them from 1 to 6, thus:



If you now write in "Mr. John D. Brown" the word "Mr." in square 1, Mr. John D. Brown thus written means f.i. "Invasion on the main island coming from the sea"; if you write "Mr." in square 5, Mr. John D. Brown means f.i. "Invasion to the main island coming from Korea", and so on. The name in itself has no particular meaning, but written differently, f.g. "Mr. John Brown", "Mr. J. Brown", "Mr. J.D. Brown" or "Mr. J. David Brown", beginning with the word "Mr." in one of the abovementioned six squares, it every time conveys a different agreed message. Thus 30 different messages can be transmitted by the name of the receiver of the letter.

In the same way you draw in the left lower corner of the right lower section six 1 x 1 centimeter squares, and number them from 1 to 6, thus:



If you now write the name of the country of destination (Sweden) so that the first letter (S) is clearly in one of these six squares, it conveys to the receiver a definite agreed secret message. Under this heading 12 different messages can be transmitted, depending on whether the name of the country of destination is underlined (i.e. Sweden) or not (Sweden).

Different combinations with postage stamps, name of the street and city etc. has according to this code no secret meaning.

4. Explanation to B (g):

You divide the top edge of the back of the envelope in two equal parts, and further the first of these parts in three equal parts, thus:

| | |
|---------|--|
| 2/8/45. | Sent by James P. Smith, 130 Princeton Road, West Envelwood, New Jersey, U.S.A. |
|---------|--|

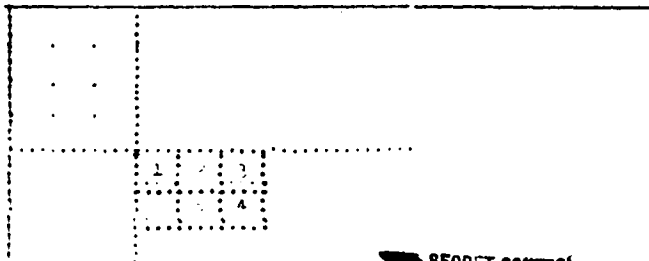
The date of sending the letter, written on the back side of the envelope in one of the many agreed ways (see C,e), conveys an agreed month; written in the first space, it denominates the first ten days of the agreed month; written in the second space, as above, it denominates the days from the 10th to the 20th of the agreed month; and written in the third space, it denominates the last ten days of the agreed month. The approximate date thus conveyed always stands in an easily traceable connection with some other secret message communicated by the same letter.

Thus, a letter addressed to "Mr. John D. Brown" with the word "Mr." written in square 1 (see point 3) and bearing at the back of the envelope the date of sending the letter, as above, would mean: "Invasion on the main island coming from the sea in the middle of september".

5. Senders name on the back of the envelope, written in one line, conveys an agreed message; the same written in two lines conveys a different agreed message; but the same, written in three lines, as in the above example, turns another secret message in the same letter (which message, that must be easily traceable) into a question, f.i. "Is the invasion to the main island coming from the sea?"

6. Explanation to C (C).

Starting to write your letter, you draw at the distance of 3 centimeters from the left edge of the letter a vertical line, and at the distance of 4 centimeters from the top edge of the letter a horizontal line; in the right lower corner, formed by the crossing of these two lines, you draw six 1 x 1 centimeter squares and number them, thus:



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If you now start your letter by "Sir", "Dear Sir", "My dear Sir" or so on (see C, f) from square 1, this conveys a definite agreed message; if from square 2 - another message, and so on. Under this heading six times as many secret messages can be transmitted as there are different ways of beginning your letter (different spells). If the "spell" should not convey any secret message at all, it should be written above the squares in question.

7. Explanation to C. g.

Christian names in the text of the letter (in this particular code: Swedish christian names) convey secret information about different military units (divisions, armoured car brigades, tank brigades, etc.) and air force units, but particularly about different types of ships (cruisers, submarines, air-carriers etc.) and their numbers. Thus, the sentence "And give my love to Selma" would mean f.i. "Fifteen cruisers". Seeing the name "Selma" in the letter, the receiver finds it in any Swedish calendar and there counts, which name in order of sequence it is in the calendar. Suppose it is the 251st name. The receiver then finds the number "251" in the code and reads the meaning: "Fifteen cruisers". The names of ports, naval bases etc. and the direction of sailing (destination) of the ships are conveyed in the same letter, usually by an agreed "courtoisie" (see C, h). Thus the sentences: "With many kind regards to Selma, Martin and Gunmar" and "Affectionately and ever yours" and the initials on the back of the envelope written in the first space at the back side of the envelope would actually mean: "Fifteen cruisers, twenty six destroyers and forty submarines sailing from San Diego to Okinawa in the beginning of September".

Alltogether roughly 500 different messages were included into the code, which in addition could be combined in different ways, as for instance just above, and there seems to be, without knowing the code, no other way of combating it than to delay suspicious letters for many months.

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