

~~SECRET~~Col. Co.

From: Budapest (OSTWN)  
 To: Stockholm (RIKUGUN)  
 25 January 1944  
 JAS

#23 2 Parts Complete

Part 1.

Reply to your 969<sup>a</sup>.

1. I received a report on the matter in question in the middle of December of last year from the head of the (?War Dept.?) code section. According to what he said, the extent of the damage was that the British were reading all code wires sent in the code in use during July, August, and September in all of Europe (Axis and neutral countries) and the Far East. Now the reasons for this occurrence aren't known; but if it's true, indications would point to secret photography. (That's my own opinion.)

2. The code section chief got the information from Major WA, but ever since Major WA returned home, he hasn't received any more intelligence on this. Moreover, we unfortunately can't find out through what channels he got this information.

Part 2.

b  
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3. We can't get any confirmation of this and I myself am dubious about it. At any rate we have reported the whole matter

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to headquarters for the time being and are at present studying counter measures. Assuming this matter to be established fact, we don't think that it originated at your place. There are no counter measures we can take at present other than to make code security still more stringent everywhere.

b

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a - Not available

b - Undetermined number of text units.

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