OCEAN DEPARTMENT
OFFICE OF THE CHIEF OF NAVY OPERATIONS
WASHINGTON

4 July 1944

MEMORANDUM FOR SHELBY M. CLARK, DEPUTY CHIEF, NAC

Subject: British-U.S. Agreement.

1. Enclosed is a copy of the original agreement between Op-32-2 and G.C. A U.S., as requested in your memorandum of 22 June 1944.

2. From time to time various minor modifications and amplifications have been made, mainly for the purpose of implementing the original agreement. We are now in the process of summarizing these modifications, and if you are interested, a copy of this summary will be made available to you.

(Sgd)  P. R. Kiernan

P. R. Kiernan,
Captain, U.S. Navy,
COPY

October 2, 1943

Memorandum for Commander U. S. Pacific Fleet

Subject: Collaboration of U. S. and British radio intelligence organizations on Japanese and German projects.

1. As a result of discussions of U. S. and British radio intelligence problems in the Pacific and Atlantic Areas, it is understood that you propose the following, with approval of the Admiralty:

1. GOALS

(a) The British to abandon naval cryptanalysis at Kilindini and retain there only an exploitation unit which will read traffic from recoveries supplied by other units, as well as those other units' code or other recoveries obtained in the course of this reading.

(b) The British to disband the British-Australian naval unit at Melbourne and turn over to the U.S. unit there such personnel as the U. S. may desire, except Commander 'Five', who is to be recalled. Requests by the U. S. for any particular individuals from HMAS 'Alli' at Kilindini will be entertained by the Admiralty. The future use of the diplomatic corps at Melbourne will depend upon wishes of the Australian Government and the senior naval and military authorities in that area which the Admiralty will ascertain.

(c) Upon execution of the foregoing, CINCPAC to assume responsibility for passing naval recoveries and pertinent naval information to the Admiralty (O.C. & G.D.) for transmission to U. S. in the Eastern Fleet and Kilindini.

(d) Pursuant to (c) above, CINCPAC to pass to the Admiralty (O.C. & G.D.) (1) radio intelligence from Japanese naval communications, indicating major strategic moves in any area and any details bearing upon operations in the Indian Ocean Area; (2) all Japanese naval code and cipher key recoveries.
(c) In addition to the foregoing, CPNAV to pass to A.G. & C.G. by pouch, all Japanese intercepted naval traffic.

**GERMAN**

(a) The British to provide technical assistance, if desired, in the development of analytical machinery required.

(b) The British to enter into full collaboration upon the German code-breaking and naval cryptography problems, including exchange of intercepted traffic, keys, means, units, and such other pertinent technical information as may be necessary.

**DISCERVALUERS**

(a) The U.S. to undertake certain work on Italian naval systems; traffic, and such pertinent information as may be available to be supplied by the British.

(b) The British to obtain certain items of special analytical equipment developed by the U.S.

(c) The British to send certain technical personnel to Op-90-C to obtain information concerning new U.S. high-speed analytical equipment and the technique employed in certain phases of U.S. work.

(d) Direct cable communications to be provided by U.S. and British between C.G. & C.G. and Op-90-C with each party making its own terminal arrangements.

2. The results of the foregoing will be that the British will withdraw from active cryptanalytical work in the Pacific area but will continue to intercept and read Japanese traffic at headquarters. To the U.S. will be left the general direction and control of the effort against Japanese communications. The British, however, to maintain a research and intelligence unit at C.G. & C.G. so as not to lose touch with the Japanese problem. With regard to German communications, the British accede to U.S. advice to attack the submarine and naval problems.
3. The primary concern of the British over U. S. entry into the German field is on the question of security. The British treat German signals matters on a far higher plane than any other which they handle. They believe that the situation with regard to German communications is quite different from that which is found in the Japanese, in that the ramifications of the major cryptographic systems used are very great and any disclosures made might defeat the entire effort in every field. The British consider that, in going into the war, the U. S. should be prepared to accept British standards of security and insure compliance therewith.

4. It would appear that the foregoing proposals, if accepted, would result in a logical set-up for the reason that the U. S. has the primary facilities and experience in the Pacific and is in a position to intercept traffic there with greater success; whereas, the British occupy the corresponding position in the Atlantic. While providing for a logical division of labor on this basis, it would appear, moreover, that this plan will, at the same time, provide the necessary back-up for the safety of each party concerned.

5. Intelligence, communications, and operational authorities concerned in the Navy Department have considered these proposals and find them acceptable, subject to the following reservations:

(a) As far as security, the C. in C. feels great concern over the treatment of intelligence obtained from Japanese naval communications and desires that it be handled on the same plane as the German. It is felt that there should be a definite agreement as to the dissemination to be given any recoveries and information supplied, and that the instructions for handling this material be as uniform as possible.

(b) The extent to which information, recoveries, and raw material can be supplied will naturally depend upon communication and other facilities available.

(c) The proposals concerning the vitrume unit have been referred to the Commander, South-west Pacific Force, for consent, and decision thereon is withheld pending the reply.
(d) Any agreement made at this time must be subject to such change as circumstances and developments require. Should it become necessary to make any change, efforts will be made to notify you in advance, or, if this is not possible, at the earliest practicable time thereafter.

(e) The question of supplying special analytical equipment will have to be investigated, due to the production problems involved and the possibility of material shortages. A memorandum on this matter will be sent to the British at a later date.

S/ J. A. Holden
Director of Naval Communications.