

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1258726-0

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Federal Bureau of Investigation
United States Department of Justice

FD-71
(7-30-45)



IN REPLY, PLEASE REFER TO

FILE NO. _____

COMPLAINT FORM

cltyhak VARDI
Subject's Name and Aliases

Hotel Park Plaza
20 West 77 St. N.Y.C.
Address of Subject

Character of Case

No Record

References

Name of Complainant

Address of Complainant

Telephone Number of Complainant

Date and Time Complaint Received

DESCRIPTION OF SUBJECT:

Open Case

No Case

Make File

FACTS OF COMPLAINT:

Confidential informant advised that cltyhak Vardi, former Vice Consul of the Israeli Consulate in London, was an Israeli intelligence operator where he resided in England. He arrived in the United States on Jan 18, 1952. He was accompanied on arrival in U.S. by his wife Zippora.

ACTION RECOMMENDED BY AGENT:

Open 65 case filed

SEARCHED.....INDEXED.....
SERIALIZED.....FILED.....
FEB 27 1952
NEW YORK
Pharmer

Donald E. Shannon
Special Agent

65-15961-1

1. 2 photos of subj, taken 1/52, see ser 71. *neg.*
2. " " " " , wife taken 1/52, see ser 71.
3. Ltr addressed to Vendi.
4. Ltr containing names of directors of Amer. Dind Div, Corp dtd 7/22/53.

NOTE Destroyed 3/10/54.

5.	Surveillance log of subj,	2/26/52	11:30 Am-5:30Pm.
6.	" " " "	" "	8:25 Pm-12:15Am.
7.	" " " "	2/27/52	7:45 Am-4:00Pm.
8.	" " " "	" "	4:00 Pm-11:10Pm.
9.	" " " "	2/28/52	8:00 Am-4:00Pm.
10.	" " " "	" "	6:55 Pm-12:22Pm.
11.	" " " "	2/29/52	9:45 Am-1:30Pm.
12.	" " " "	" "	4:00 Pm-12:00Pm.
13.	" " " "	3/1/52	7:45 Am-4:10Pm.
14.	" " " "	" "	6:15 Pm-6:50Pm.
15.	" " " "	3/2/52	1:30 Pm-2:25Pm.
16.	" " " "	" "	4:00 Pm-12:15Am.
17.	" " " "	3/14/52	3:40 Pm-8:35Pm.
18.	" " " "	3/15/52	12:20 Pm-2:50Pm.
19.	" " " "	" "	4:00 Pm-11:30Pm.
20.	" " " "	3/16/52	6:30 Pm-7:40Pm.
21.	" " " "	" "	7:36 Am-4:00Pm.

22. Copy of photo of subj, Jacob Max Lowy, see ser 91.
 23. 12 business cards.
 24. Ltr from Lowe to Vardi dtd 4/20/53.
 25. Ltr from Lowy to Vardi dtd 8/10/53.
 26. Ltr from Lowy to Vardi dtd 7/31/53.
 27. Ltr in envelope from Lovinger to Vardi dtd 7/23/53.
 28. Ltr from Alexander Sacks to Vardi dtd 2/7/53 in envelope.
 29. Personal card in Hebrew, (translation in 65-15961-231 pg 4).
- NOTE Exhibits 5 thru 29 transferred from 1B folder 5/4/54.
- NOTE Above retyped from old exhibit envelope dtd 5/4/54.

65-15961-1A

RB

Date Received... 7/12/52
From W. J. O.
..... See Ser 71,
(name & address of contributor)

By-Name of SA ... J. P. Martin
To Be Returned... Yes () No (✓)
File Number ... 65-15961-1A1
Description:

Two photographs of subject
taken January, 1952.

J. Vardi



ITZHAK VARDI

Jan 52

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-22-2014 BY ADG/F64M92K24

Itzhak Vardi.

Born: 12/14/19 ^{Laifa,}
asbel

Hgt 5' 7"

Wgt. 165 lbs.

Eyes Brown

Hair: Dark brown

Photo obtained
from INS, Wash DC.

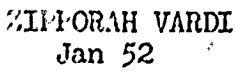
Ny file 65-15961-1a1

Date Received..7-12-52
From W. L. O.
.....
(name & address of contributor)

By-Name of SA ... J. P. Martin ...
To Be Returned... Yes () No (✓)
File Number 65-15961-1A2
Description:

Two photographs of subject's
wife taken January, 1952.

2



ZIPORAH VARDI
Jan 52

Zipporah Vard.

Born: 11/17/25
Haifa, Israel

Photo obtained
from INS, Wash, DC

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-24-2014 BY ADG/F64M92K24

NY file 65-15961-1a2

Date Received.....*2/26/52*

From

.....
(name & address of contributor)

By-Name of SA*J. P. Martin*

To Be Returned... Yes () No (*✓*)

File Number*65-15961-1A5*

Description:

Surveillance log re subject
2/26/52 - 11:30 am - 5:30 pm

Feb. 26, 1952

Surveillance Log
Re: Eltyhak Vahli

65-15961

On duty
Ray Ball
Harry Mc Gill
Donald E. Shannon
11³⁰ AM to 5³⁰ PM.

65-15961-1A5

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 23 1952	
FBI - NEW YORK	

gpm

Feb. 26, 1952

1³⁰ A.M. — On duty in vicinity of ^{HMM}
400 Madison Ave. City has Vandi not ^{RFB}
observed ~~del~~

3⁰⁰ P.M. — On duty in vicinity of ^{HMM}
Park Plaza Hotel 50 West 77 St Vandi ^{RFB}
not observed ~~del~~

5³⁰ P.M. — off duty. ~~del~~ ^{RFB}
~~del~~ ^{HMM}

Donald C. Shannon
Henry A. McGill
Raymond F. Bale

Date Received... *2/26/52*
From

.....
(name & address of contributor)

By-Name of SA ... *D. P. Martin*

To Be Returned... Yes () No (*X*)

File Number ... *65-15961-73* ... *1A6*

Description:

Surveillance log re. subject
2/26/52 8:25 PM - 12:15 AM

Physical Surveillance
Itzhak Vardi
65-15961
Feb. 26, 1952

Special Agents:

James M. Charles

Edward A. Brant

William P. Conley

65-15961-1A6

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 23 1952	
FBI - NEW YORK	

gem

Feb. 26, 1952

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-24-2014 BY ADG/F64M92K24

8:25 P.M. Subject and wife, accompanied by unidentified man and woman, left Park Plaza Hotel 50 W. 77th St. WPC prc.

Group proceeded on foot to Broadway and W. 73rd St. WPC

8:40 P.M. Subject and companions entered Majestic Cafeteria, Broadway and W. 73rd St. WPC

9:25 P.M. Subject and companions left Majestic Cafeteria and immediately entered taxi cab which was standing in front of cafeteria. Taxi proceeded south on Broadway at high speed and disappeared in heavy traffic WPC

12:15 A.M. Subject and wife entered Park Plaza Hotel WPC
cab
prc.

William P. Conley
Edward G. Brannett
James M. Charney

Feb. 26, 1952

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-24-2014 BY ADG/F64M92K24

Descriptions of companions of Mr. and Mrs. Vaidi.

Male

5'8"

140 lbs.

Slender build

Dark curly hair

No hat

Heavy dark eyebrows

Thin regular features - good looking

Dark blue or black overcoat

About 30 yrs. old.

Female

5'6"

120 lbs.

Dark black hair combed straight back and tied
at back with ribbon

Olive complexion

Good looking - Oriented type

About 25 yrs. old

Wool coat

No hat

William P. Conley

Date Received.....*2/27/52*
From

.....
(name & address of contributor)

By-Name of SA *J. P. Madia*.....

To Be Returned...Yes () No (*X*)

File Number*64-11159-1-183* 1A7

Description:

*Surveillance log. re. subject
2/27/52 - 7:45 am - 4:00 pm*

Surveillance Log 2/27/52

Itzhak Vardi

65-15961

Agents: Robert C. Haas
Robert H. Haynes
James P. Martin

65-15961-1A7

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 23 1952	
FBI-NEW YORK	

g

65-15961

Physical Surveillance Log re. Itzhak Vardi, 2/27/52,
New York City.

- RMH
RCH 7:45 AM - SA's Haas, Hayner and Martin in vicinity of
Hotel Park-Plaza 50 W 77th St. N.Y.C. gpr
- RMH
RCH 9:15 AM - Joseph Papelli left Hotel Park-Plaza and entered
Museum Restaurant 77th St and Columbus Ave. gpr
- RMH
RCH 9:20 AM - Vardi left Hotel Park-Plaza and entered
Museum Restaurant and joined Papelli gpr
- RMH
RCH 10:00 AM - Vardi and Papelli left restaurant &
re-entered Hotel. gpr
- RMH
RCH 10:10 AM - Vardi and Papelli left Hotel Park-Plaza
and walked to ~~Hotel~~ bus stop at 81st + Columbus Ave. gpr
- RMH
RCH 10:15 AM - Vardi and Papelli boarded bus and
rode to 50th + Madison Ave. gpr
- RMH
RCH 10:40 AM - Vardi + Papelli left entered 400 Madison Ave. gpr
- RMH
RCH 11:00 AM - SA Martin left surveillance
- RMH
RCH 2:45 PM - Papelli left 400 Madison Ave.
- RMH
RCH 4:00 PM - SA's Haas + Hayner relieved from
surveillance.

Robert H. Hayner
Robert C. Haas
James P. Martin

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA ... *J. P. Martin*

To Be Returned...Yes () No (☒)

File Number ... *65-15961-134* ... *1A8*

Description:

Surveillance log re subject

2/27/52

5:00 pm - 11:10 pm

SURVEILLANCE LOG

ITZHAIC VARDI

ESPIONAGE ISRAELI

PERIOD: 4 PM - 11:10 PM 2/27/52

AGENTS: H.F. ALSTON

C.J. MORGAN

P.B. ROLIG

R.H. HAINES (HELD OVER FROM PREVIOUS SHIFT)

PLACE: 400 MADISON AVENUE, NYC

HOTEL PARK PLAZA 50 W 87 ST. NYC

NY 65-15961

65-15961-1A8

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 23 1952	
FBI - NEW YORK	

gpm

SURVEILLANCE 406 FR 2/27/52

4⁰⁰/PM - 11¹⁰/PM - Surveillance vicinity 400 Madison

Ave. + Park Plaza Hotel 50 W 22 St., NYC

No pertinent activity observed. JFM 7A P12R R11R

Henry Z. Aclton

Clinton J. Morgan

Robert H. Lanyon

Philip B. Reig

JFM

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA .. *J. P. Martin*

To Be Returned...Yes () No (☒) *1A9*

File Number *65-15961-755*

Description:

Surveillance log re. Ruby.
2-8/52 - 8-am - 4:00 pm.

2/28/52

Surveillance log of Itzhak Vardi
Espionage - Israeli
New York File # 65-15961

Agents on Duty

Gabriel J. Pease

James J. Kearney

Raymond F. Ball

Tours of duty

8:00 AM to 4:00 PM

Place of Surveillance
Hotel Park Plaza
50 West 77th Street

65-15961-149

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 20 1952	
FBI-NEW YORK	

[Signature]

Surveillance log of Itzhak Vardi February 28, 1952

10⁰⁰ Vardi and wife left the Hotel Park Plaza, 50 west 77th Street accompanied by Rafelli proceeded north on Columbus Avenue to 81st Street where they boarded an 81st Street cross-town bus to 79th and Madison Avenue. Trio boarded south bound bus on Madison Avenue. Rafelli left Vardi & wife at 48th & Madison Avenue.

RFB
JAK
G

10⁴⁰ Vardi and his wife left bus at 14th Street and Union Square, proceeded to Lane's Department Store, 14th Street and 5th Avenue.

RFB
JAK
G

10⁴⁵ Vardi & wife entered Lane's Department Store, 14th & 5th Avenue.

RFB
JAK
G

11³⁵ Subject observed with wife in Women's coat department, 2nd floor, Lane's Department Store.

RFB
JAK
G

11⁵⁵ Vardi & wife left Lane's store and proceeded by bus via 5th Avenue to 48th Street where he left wife.

RFB
JAK
G

12¹⁰ Vardi entered office building at 400 Madison Avenue.

RFB
JAK
G

1¹⁵ PM Vardi observed leaving 400 Madison Avenue
with Rafelli, proceeded to Hermans
Restaurant 48th & Madison Avenue. RFB
gsk
G

2¹⁵ PM Vardi left Rafelli proceeded to Hotel
Park Plaza, 50 W 77th Street. RFB
gsk
G

2⁴⁵ PM Vardi entered Hotel Park Plaza. RFB
gsk
G

4⁰⁰ PM Agents relieved at Hotel Park Plaza. RFB
gsk
G

SA James J. Kearney
SA Raymond F. Ball
SA Gabriel J. Pease

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA *J. P. Martin*.....

To Be Returned...Yes () No (*X*).....

File Number ..*65-14961-756* 1A10

Description:

*Surveillance log re subj.
2/28/52 — 6:55 pm — 12:12 am*

Re:- ITZHAK VARDI;
Espionage - Israeli
Nyc File 65-15961

Re:- Physical Surveillance 2/28/52
By:- SA James M. Charles
SA WM P. Conley
SA Edward W. Butler, Jr

E. W. Butler

65-15961-1A10

SEARCHED.....
SERIALIZED.....
FEB 28 1952
FBI - NEW YORK

8

February 28, 1952

6:55 PM Itzhak Vardi, his wife and Joseph Rafelli
WB left Hotel Park Plaza, 50 W. 77th St., NYC
JWC on foot and proceeded to C. & L.
WPC Restaurant, 2131 Broadway, N.Y.C. on
foot. The three had dinner together.

8:42 PM Itzhak Vardi, his wife and Joseph Rafelli
WB left C. and L. Restaurant and walked
JWC across the street to the Beacon Theatre.
WPC They occupied loge seats.

11:58 PM all three left Beacon Theatre WB
and walked to Hotel Park Plaza. Mrs.
Vardi entered the hotel. Vardi and
JWC Rafelli walked into the museum
WPC Bar located just west of Hotel Park
Plaza.

12:20 AM (2/29/52) Vardi and Rafelli left museum
WPC Bar.
JWC

12:22 AM (2/29/52) Vardi and Rafelli entered Hotel
WPC Park Plaza.
JWC

Edward W. Butler, Jr.
William P. Conley
James M. Clavin

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA *J. P. Martin*

To Be Returned...Yes () No (☒)

File Number *65-15961-1071A11*

Description:

*Surveillance log & subj.
2/29/52 - 9:45 am - 1:30 pm*

Surveillance Log
2/29/52

Itzhak Vardi
65-15961

Agents on Duty:

Robert C. Haas

Robert Haynes

Henry L. Brotherton

65-15961-1A11

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILE.....
MAR 1 1952	
FBI - NEW YORK	

JP

9:45 am Vardi and Joseph Rafelli left Hotel
Park Plaza 50 W. 77 ST. N.Y.C. and
walked to Bus Stop at 81 ST. and
Columbus Ave.
9:50 am Vardi and Rafelli boarded Bus.
10:17 am Vardi and Rafelli got off Bus at
49 ST. and Madison Ave.
10:20 am Vardi and Rafelli entered 400 Madison Ave.
11:35 am Rafelli left 400 Madison Ave.
1:10 pm Vardi left 400 Madison Ave. walked
west on 47 ST. turned left on Fifth Ave.
to 46 ST. west again on 46 ST. Doubled
back on 46 ST. to Fifth Ave.
1:20 Surveillance was temporarily discontinued
for security reasons.
1:30 Position of surveillance resumed at
400 Madison Ave.

Robert C. Wade
Henry L. Protherton
Robert H. Harper

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA

To Be Returned...Yes () No (☒)

File Number 65-15961-138 / A12

Description: Surveillance log re. subj.
2/29/52 - 4 pm - 12 pm

SURVEILLANCE LOG

ITZHAK VARDI

ESPIONAGE ISRAELI

PERIOD: 4-12 PM 2/29/52

AGENTS: H. F. ALSTON

C. J. MORGAN.

P. B. ROLIG

R. H. HAINES (HELD OVER FROM PREVIOUS SHIFT)

PLACE: 400 MADISON AVE. NYC
AND

HOTEL PARK PLAZA, 50 W. 77 ST. NYC.

NY 65-15961

65-15961-1A12

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 2, 1952	
FBI - NEW YORK	

ju

SURVEILLANCE LOG FRI 2/29/52

4⁰⁰
7^{PM} To 12⁰⁰
MID. - SURVEILLANCE VICINITY 400 MADISON

AVENUE & PARK PLAZA HOTEL, 50 W. 77th ST., NYC: -

NO PERTINENT ACTIVITY OBSERVED. ~~OK~~ ~~OK~~ c/m HFA

Philip B. Rieg
Robert W. Harper
Clinton J. Morgan
Henry F. Alston

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA *J. P. Martin*.....

To Be Returned...Yes () No (☒)

File Number ...*65-15961-1-1310* / *A/3*

Description:

Surveillance log re. subj.
8/1/52 7:45 am - 9:10 pm

Surveillance Log
3/1/52

Itzhak Vardi
65-15961

Agents on Duty:

Robert C. Haas

Robert Haynes

James M. Chaves

65-15961-1A13

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 3 1952	
FBI - NEW YORK	

gn

7:45 am Physical Surveillance re: Itzhak Vardi
RST BIA conducted by SA's Haas, Hayes and
Chaves in vicinity of Hotel Park in
Plaza 50 W. 77 ST. N.Y.C.

7:45 am to 4:10 pm No pertinent activity noted. In
RST BIA

Robert C. Haas
James M. Chaves
Robert H. Hayes

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA ... *J. P. Martin*

To Be Returned... Yes () No (☒)

File Number *65-15961-7A10 1A/4*

Description:

Surveillance log re subject

3/1/57 6:15 pm - 6:50 pm

Physical Surveillance

ITZHAK VARDI

65-15961

3/1/57

HENRY F. ALSTON

PHILLIP ROLIG

GABRIEL REESE

65-15961-1A14

SEARCHED.....	IN
SERIALIZED.....	F
MAR 5 1957	
FBI-NEW YORK	

g

ny file # 65-15961

March 1, 1952

6:15 pm Subject together with wife left the Hotel Park
Plaza, 50 W 77th St., NYC and walked to
the VERMONT FOOD MARKET, 349 COLUMBUS
AVE., NYC. H7A JMK

6:20 pm Arrived at VERMONT FOOD MARKET, purchased
groceries and left groceries at store H7A JMK

6:30 pm left for Vermont Food Market with wife and
walked to the PARKE HARDWARE STORE 329
Columbus Ave NYC. JMK H7A

6:35 pm arrived at Parke Hardware Store JMK H7A

6:37 pm left Parke Hardware Store and walk with
wife to the above mentioned VERMONT FOOD MARKET JMK H7A

6:42 pm arrived at VERMONT FOOD MARKET and retrieved
groceries which had been left there JMK H7A

6:45 pm left VERMONT FOOD MARKET with wife and
returned to Park Plaza Hotel JMK H7A

6:50 pm Arrived & entered Park Plaza Hotel JMK H7A

Harold D. Atlay
Gerald K. Pease
Philip B. Koenig

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA .. *J. P. Martin*

To Be Returned... Yes () No (☒)

File Number *65-15961-137-1A15*

Description:

Surveillance log re. Subj.

3/2/52

1:30 PM - 2:25 PM

Physical Surveillance

ITZHAK VARDI

65-15961

March 2, 1952

Special Agents:

Clinton J. MORGAN, Jr.

William P. Conley

James J. Kearney

65-15961-1A15

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 3 1952	
FBI - NEW YORK	

gwl

65-15961

3/2/52

1:30 PM - Subject and wife left Park Plaza Hotel, 50 W. 77th St., on foot. cim
WPL
QDK

1:37 PM - Subject and wife entered Museum of Natural History subway station. WPL
QDK

1:48 PM - Subject and wife boarded 8th Ave. downtown local. cim
WPL

2:00 PM - Subject and wife changed at 59th St. to a downtown express. cim

2:10 PM - Subject and wife changed trains again at W. 4th St. cim

2:15 PM - Subject and wife changed trains again at Delancey St. cim

2:25 PM - Subject and wife got off the train at Broadway and Lorimer St., Brooklyn. Surveillance was discontinued at this time. cim

Clinton J. Morgan Jr.
James J. Kearney
William P. Conley

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA *J.B. Martin*

To Be Returned...Yes () No (☒)

File Number*65-15961-1012* / *A16*

Description:

*Surveillance log re. Subj.
3/2/52 - 4:00 pm - 12:15am*

Surveillance log of IT2HAK VARDI
Espionage - Israeli
New York File # 65-15961

Agents on Duty

Raymond F. Ball
Henry L. Brotherton
John P. Quinlan

Turn of Duty

4⁰⁰ PM to 12⁰⁰ PM

Place of Surveillance

Hotel Park Plaza,
50 West 77th Street, New York, N.Y.

65-15961-1A16

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 10 1965	
FBI - NEW YORK	

jm

Surveillance Log

March 2, 1952

4⁰⁰ PM - Surveillance vicinity Hotel Park Plaza,
50 West 77th Street N.Y.C.

RFB
HCB
JPA
RFB
JHP.

4⁰⁰ PM - 12¹⁵ AM - No activity noted

Raymond F Ball
Henry L. Brotherton
John P. Zwickler

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA .. *J. D. Martin*

To Be Returned... Yes () No ()

File Number *65-15961-154131A17*

Description:

*Surveillance log re subj.
3/14/5 - 3:40 pm - 8:30 pm*

Log of Physical Surveillance on
ITZHAH VARDI

65-15961

March 14, 1952

On Duty

James P. Martin

Raymond F. Ball

65-15961-1A157

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 17 1952	
FBI - NEW YORK	

John

March 14, 1952

- 3⁴⁰ pm - ITZHAK VARDI got out of light green Chevrolet, with black convertible top, bearing 1952 NY license 1F 4456, at corner of West 77th Street and Columbus Avenue N.Y.C. Chevrolet proceeded south on Columbus Ave. gpm AFB
- 3⁴³ pm VARDI entered Park Plaza Hotel 50 W 77th Street N.Y.C. gpm AFB
- 8³⁵ pm No activity of VARDI noted. Surveillance discontinued. gpm AFB

James P. Martin
Raymond F. Ball

Date Received.....

From

.....
(name & address of contributor)

By-Name of SA *J.P. Martin*.....

To Be Returned...Yes () No ()

File Number*65-15961-1-B-14* *1A/8*

Description:

Surveillance log re subj.

3/15/50

12:20 PM - 2:50 PM

Log of Physical Surveillance
on "ITZHAK VARDI
ESPIONAGE - IS"
65-15961

On Duty March 15, 1952

Edward A. Brandt
Henry A. McGill

65-15961-1A18

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 17 1952	
FBI - NEW YORK	

John

12:20 PM ITZHAK VARDI and wife observed ^{HAM}
leaving Park Plaza Hotel, 50 West 77th
Street, NYC. and walking south on Columbus
Avenue E.A.B.

12:30 PM Vardi and wife observed entering Hotel ^{HAM}
Olcott, 27 West 72nd Street.

12:35 PM Vardi and wife observed exiting ^{HAM}
Hotel Olcott and entering Franconia
Hotel West 72nd Street

12:45 PM Vardi and wife observed in lobby ^{HAM}
of Franconia Hotel West 72nd Street.
talking to unidentified man, age approximately
60+ years, white hair.

12:47 PM Vardi and wife observed leaving ^{HAM}
Franconia Hotel and walking West on
72nd Street to Columbus Avenue, south
to 70th Street and West to Riverside Drive.

1:45 PM Vardi and wife observed entering ^{HAM}
GELLIS Restaurant, corner Broadway and
83rd Street.

2:20 PM Vardi and wife observed leaving
 Isaac Gell's Restaurant, Broadway
 and 83rd Street. EAB

HAM

2:50 PM Vardi and wife observed entering
 Park Plaza Hotel, 50 West 77th Street
 EAB

HAM

Henry G. Mc Gill
 Edward G. Brandt

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA ... *J.P. Martin*

To Be Returned... Yes () No () *6/19*

File Number .. *65-15961-1015-1A/9*

Description:

Surveillance log re subj
3/15/52 - 4 pm to 11:30 pm

SURVEILLANCE LOG

ITZHAK VARDI
ESPIONAGE - IS

PLACE: PARK PLAZA HOTEL 55W 77TH. NYC

TIME: 4 TO 11³⁰ PM. 3/15/52

AGENTS: ROBT HAAS + P.B. POLIG

65-15961

65-15961-1A159

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 17 1952	
FBI - NEW YORK	

gmu

VARDII SURVEILLANCE LOG. 3/15/52

4-11³⁰_{PM} : 50 W 77 ST. NYC.

NO PERTINENT ACTIVITIES NOTED. ^{MR} ~~PT~~

Philip B. King
Robert C. Wages

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA .. *J. P. Martin*

To Be Returned...Yes () No (☒)

File Number *65-15861-1516 / A 20*

Description:

Surveillance log - a bulg.

3/16/52

6:30 am - 7:40 pm

Log of Physical Surveillance on
ITZHAK VARDI

65-15961

March 16, 1952

On Duty 4pm - 12 midnight

James P. Martin

James J. Kearney

65-15961-1A20

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 17 1952	
FBI - NEW YORK	

[Signature]

March 16 1952

6³⁰ pm - ITZHAK VARDI emerged from Park Plaza Hotel 50 W 77th Street, N.Y.C. with another man and with the man entered a Chevrolet automobile. Chevrolet automobile was light green with black convertible top and carried New York 1952 license plate bearing number 1F 4456. JPM JJK

6³³ pm - With the other man driving the Chevrolet VARDI proceeded west and then north on the West Side Highway. JPM JJK

7³⁵ pm - Above described Chevrolet containing VARDI and the other man passed Hawthorne Circle going north in direction of Albany New York. JPM JJK

7⁴⁰ pm - Surveillance discontinued north of Hawthorne Circle New York JPM JJK

James P. Martin
James J. Kearney

Date Received.....

From

.....

(name & address of contributor)

By-Name of SA .. *D.P. Martin*

To Be Returned... Yes () No () *1A21*

File Number ... *65-15961-131*

Description:

Surveillance log re subj.

3/16/50 7:30 am - 4:00 pm

PHYSICAL SURVEILLANCE ON

LT2 HAK VARDI (NY FILE 65-15961)

PLACE: 50 W 77 ST. NYC

TIME 7³⁰/am 3/16/52 TO 4⁰⁰/pm 3/16/52

AGENTS ON SURVEILLANCE

HENRY F. ALSTON

JACK C. RUSSELL

65-15961-1A21

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 17 1952	
FBI - NEW YORK	

gdm

ny file 65-15961

March 16, 1952

7³⁰/AM To 4⁰⁰/PM Surveillance maintained at 50 W 77th St. NYC
at the PARK PLAZA HOTEL. No pertinent activity
noted on the part of ISRAEL VARDI.

Henry F. Alton

Jack C. Russell, Jr.

Date Received *Aug. 11, 1952*
From *Director, FBI*.....
.....
(name & address of contributor)

By-Name of SA *F. C. Martin*....
To Be Returned...Yes () No ()
File Number *65-15761-1078 / A22*
Description:

*One copy of photograph of subject,
Jacob Math Levy - (See Ser - 91.)*



Jacob Max LOWY

65-15961-1A22



Date Received 9/1/53

From

[Redacted Box]

(name & address of contributor)

By-Name of SA Lester J. Boykin

To Be Returned... Yes () No (X)

File Number 65-15961-1B-00 1A23

Description:

12 Business Cards

⑥, 8/20

b7D

PLEASE DO NOT REMOVE
THIS SLIP FROM EXHIBIT

65-15961-1A23

8/1/53

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-24-2014 BY ADG/F64M92K24

DR. PAUL RIEBENFELD

MUTUAL FUNDS DEPARTMENT

OPPENHEIMER & CO.

MEMBERS NEW YORK STOCK EXCHANGE

25 BROAD STREET, NEW YORK 4, N. Y.

HANOVER 2-9766

TELEPHONE DIGBY 4-7800

2

N. Z. MORENO

HARDY & COMPANY

MEMBERS NEW YORK STOCK EXCHANGE
MEMBERS NEW YORK CURB EXCHANGE

30 BROAD STREET
NEW YORK

JED L. HAMBURG

ARTHUR I. KORN & CO.
INVESTMENT SECURITIES

30 EAST 60TH STREET
NEW YORK 22, N. Y.
TEL. PLAZA 9-8452

ALL FORMS OF INSURANCE

HERMAN BELITZER
INSURANCE BROKER

RESIDENCE
875 WEST 180TH STREET
APT. 4-1
NEW YORK 33, N. Y.

DOWNTOWN OFFICE:
TELEPHONE
BEEKMAN 3-0512

TEL. TOMPKINS 7-4464 TILL 11 A.M.

New York.

8
a-1-53



8
a-1-53

8
a-1-53

TELEPHONE
ENdICOTT 2-5945

INSTALLATIONS &
SERVICE

Schuyler & H. B. Radio
TELEVISION RECEIVERS BUILT TO ORDER
SINCE 1938

512 COLUMBUS AVE.

NEW YORK 24, N. Y.

نظم
الشيخ

The
SHEIK
Restaurant

Phone MUrray Hill 4-9143

241 FIFTH AVENUE

NEW YORK CITY

BET. 27TH & 28TH STS.



WEDDINGS AND PARTIES
ATTENDED TO BY APPOINTMENT

PASTRY
AND
TURKISH
DELIGHT

ALGONQUIN 4-8754



Mayer Kastoff

REPRESENTING:
JEWISH FRONTIER
45 EAST 17TH STREET
NEW YORK 3, N. Y.

RESIDENCE:
176 SEELEY STREET
BROOKLYN 18, N. Y.
SOUTH 8-0273

8/11/53

8/11/53

8/11/53

MAHMUT SAFYURTLU

ATLANTIS COMMERCE CORP.
60 WALL STREET
NEW YORK 5, N. Y.

7

20/5/53

EVA FARBER, M. D.

OFFICE HOURS:
12-1 5-7
AND BY APPOINTMENT

HOTEL PETER STUYVESANT
2 WEST 86TH STREET
CORNER CENTRAL PARK WEST
NEW YORK 24, N. Y.

N. Z. MORENO

Walston, Hoffman & Goodwin

MEMBERS
NEW YORK STOCK EXCHANGE

DIGBY 4-4141
35 WALL STREET
NEW YORK 5

DR. PAUL RIEBENFELD

DIRECTOR, SECURITIES DEPARTMENT

PALESTINE ECONOMIC CORPORATION
400 MADISON AVE., NEW YORK 17, N. Y.

MURRAY HILL 8-0123

2
9-1-53

2
9-1-53

b7D

2
9-1-53

GIDEON MARGALIT

ATTORNEY-AT-LAW

39, YEHUDA-HALEVY ST., TEL-AVIV

ISRAEL

**700 WEST END AVE.
RIVERSIDE 9-6165**

**NEW-YORK
U.S.A.**

**120, BROADWAY, 2202
RECTOR 2-9500**

b7D

2/13
21-53

Date Received 9/1/53
From [redacted]

b7D

(name & address of contributor)

By-Name of SA Lester...J. Boykin

To Be Returned...Yes () No (X)

File Number ...65-15961-1B21/A24

Description: 1 letter from Lowe to Vardi dated 4/20/53

IRA M. LOWE

ATTORNEY AT LAW

SUITE 1055
NATIONAL PRESS BUILDING
WASHINGTON 4, D. C.

TELEPHONE
REPUBLIC 7-6427

April 20, 1953

Dear Itzhak and family:

I enjoyed talking with you the other day and was sorry to have such bad news to tell. However, as I mentioned, Ora is feeling very well and we now have a specialist looking into our case so the future does not look too dark.

My work on the other hand is coming along better than expected. In the last year I have learned a great deal and handled successfully varied cases.

It will be nice if Anat has a baby brother to help her handle the sports and financial columns.

Another happy note on the horizon is Ora's mother's impending visit. If all goes well she will leave Haifa and will arrive in New York around May 12-14. If you people are able, try to come to visit us around May 7 and then we can all drive back to New York to meet the ship when it arrives.

Tonight we are going to the Embassy to celebrate Israel's fifth anniversary, and eat falafel which I understand they are going to serve. Last year, at this time, we were talking about Himmelfarb, Turover & Co... Remember?...

The enclosed picture was taken less than two weeks ago. Ora's prize was a hat by Mme. Chautemps.

We will certainly get together one way or another soon and continue where we left off a few months ago.

Our best wishes to you all,

Ira + Ora

PLEASE DO NOT REMOVE
THIS SLIP FROM EXHIBIT

65-15961-1A24

Date Received 9/1/53

From [Redacted Box]

.....
.....

(name & address of contributor)

By-Name of SA Lester J. Boykin

To Be Returned...Yes () No (X)

File Number 65-15961-1B22/A25

Description: 1 Letter from Lowy to Vardi dated 8/14/53

b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-24-2014 BY ADG/F64M92K24

JACOB M. LOWY

1040 SHERBROOKE ST. WEST

MONTREAL, QUE.

Aug. 10th 1953.

Dear Itzhak:

I thank you very much for your letter of Aug. 6th and I wish to advise you, that I anticipate to come to New York in the course of the week beginning with Aug. 17th, when no doubt we shall have an opportunity to discuss the matter mentioned in your letter.

I shall get in touch with you immediately on arrival over the phone and I shall stay in the Beacon Hotel, as usual.

If you happen to meet Mr. Yavnai, please advise him of my forthcoming visit to New York.

I remain, with best regards,

Yours sincerely:

Jacob M. Lowy

Mr. Itzhak Vardi,
102, West 85th street,
New York City, N. Y.

PLEASE DO NOT REMOVE
THIS SLIP FROM EXHIBIT

65-15341-A-5

2873
9-1-53

Date Received *9/1/53*

From [REDACTED]

(name & address of contributor)

By-Name of SA *Lester J. Boykin*

To Be Returned... Yes () No (X)

File Number *65-15961-1A 26*

Description: *1 letter from Lowy to Vardi dated 7/31/53*

b7D

TELEPHONE: BELAIR 3826

CABLE ADDRESS: NORMETLOWY, MONTREAL

JACOB M. LOWY

1040 SHERBROOKE ST. WEST

MONTREAL, QUE.

July 31st 1953.

Dear Jizchak,

Many thanks for your letter of July 28th, contents of which I have noted.

Regarding the Israeli bonds I still think, that it should be possible to purchase fairly large amounts at reasonable rates, before a market is officially created. Once these bonds are officially traded at the N. Y. stock exchange, it will be no business any more. It just may be, that N. Y. is not the right place for it, as there are too many "chachumim" in N. Y. I want you to think-over this problem, how one could get started and I shall discuss the matter with you during my next forthcoming visit.

In the Real Estate matter, I am sorry to say, that the land I had in mind to purchase and I wanted to make an offer for, is no good. After having investigated the matter very thoroughly, I decided against making an offer and I am now looking for other land, on the same lines with the same ideas. I am sure it is the best investment one can do.

Concerning the investment of some \$ 25,000.- to 35,000.- in Israel of your friend, we shall have to discuss this matter personally. I expect to come to N. Y. in the week following the 10th of August and we could then talk to the man.

I still hope to hear from you, whether you have been able to find a firm company with a substantial amount of blocked account in Israel and I remain with best regards to your wife and yourself,

Yours, sincerely:

Mr. Jizchak Vardi,
102, West 85th street,
New York City, N. Y.

PLEASE DO NOT REMOVE
THIS SLIP FROM EXHIBIT

A 6

Date Recd. 9/1/53
From [Redacted Box]

b7D

(name & address of contributor)

By-Name of SA Lester J. Boykin

To Be Returned...Yes () No (X)

File Number 65-1596-1A 27

Description: 1 letter in envelope from Lovinger to Vardi dated 7/23/53

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-24-2014 BY ADG/F64M92K24



BRONX C
STAT

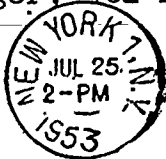


Mr. Izak Vardy
123 W. 74th Street
Apt. 8-B
New York, N. Y.

PLEASE DO NOT REMOVE
THIS SLIP FROM EXHIBIT

65-15961-1A27

Lovinger, 402 E. 74th, NY 21



2
HIRE THE HANDICAPPED
ITS GOOD BUSINESS

2918
9/1-53

22-1-10
LHJ

Mrs. Monroe Lovinger

July 23rd

2

Dear Mr. Vardy:

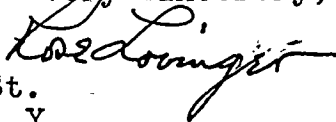
My husband and I have just returned from abroad where we also visited Israel and met your sister, Mrs. Marmas Weiss, and her husband and son, Mishka.

It is just two months today that we saw them and we promised to be in touch with you and give you personal greetings.

If you should like to call and speak with us about them you can reach us at home at LEhigh 5-4321 or at my husband's office - MEtrose 5-8805.

Mishka is a very fine youngster and very bright and they make a charming little family; it was a pleasure to make their acquaintance.

Very sincerely,



402 East 74th St.
New York 21, N. Y.

Date Received... 9/1/53

From

(name & address of contributor)

By-Name of SA Lester J. Boykin

To Be Returned... Yes () No (☒) 25 / A 28

File Number 65-15961-1A28

Description:

*1 letter from Alexander Sachs to Tardi dated 2/7/53
in envelope*

b7D

ALEXANDER SACKS

550 FIFTH AVENUE

NEW YORK 36, N Y.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-24-2014 BY ADG/F64M92K24

Mr. Itzhak Vardi
102 West 85th Street,
New York, N. Y.

PLEASE DO NOT REMOVE
THIS SLIP FROM EXHIBIT

65-15961-1A28

28/11/53

February 7, 1953

Mr. Itzhak Vardi
102 West 85th Street,
New York, N. Y.

Dear Itzhak:

I have looked into the three matters about which you recently asked me.

1) Indochinese piastre banknotes are convertible at the Banque de l'Indochine in France at a rate of 17 francs to 1 piastre. Convertibility is limited to travelers returning to France from Indochina and to those individuals or companies which are engaged in business with Indochina. The piastre, officially 20 to the U. S. dollar, is, I am informed, selling at between 55 and 60 to the U. S. dollar in the free market.

2) The purchase, sale or possession of gold in the United States is strictly circumscribed and regulated by law and regulation. It is legal, however, for anyone in the United States to buy and sell gold, for domestic or foreign account, which is physically located outside the United States. Hence, the purchase or sale in the United States of stock certificates, bearer or nominative, evidencing ownership of a stated quantity of gold situated outside the United States is legal. The current price of bar gold, Zurich, is circa 37.75 per fine oz.

3) The conversion of certain foreign banknotes (U. S., British, French, Swiss, Belgian, Egyptian) into DM may be made in West Germany at the official rate of such banknotes. There is no limitation upon the amount of such banknotes which may be brought into West Germany.

I hope this answers the questions which you have raised.

With best wishes, I am

Sincerely yours,

Alex
Alexander Sacks

AS/v

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

OFFICIAL BUSINESS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-24-2014 BY ADG/F64M92K24

① 4/24

Date
From

[Redacted] (Conf. Source)

b7D

(name & address of contributor)

By-Name of SA

Leah J. Borsh

To Be Returned

Yes ()

No (X)

File Number

65-15961-231

Description:

*1 personal card in Hebrew
(Translator in 65-15961-231 pg 4)*

JJD #1

PLEASE DO NOT REMOVE
THIS SLIP FROM EXHIBIT ²

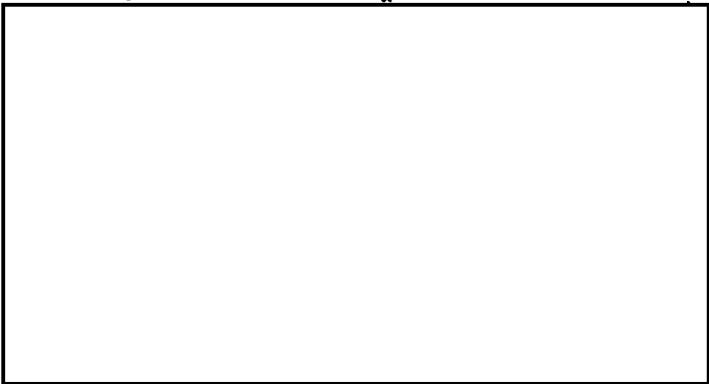
65-15961-1A-29

b7D

L 8/15
10/8/53

3

b7D



ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 07-24-2014 BY ADG/F64M92K24

BULKY EXHIBIT

Date received Various

ITZHAK VARDI

NEW YORK FILE NO. 65-15961-1B
(Title of case)

Submitted by Special Agent see below

Source from which obtained see below

Address _____

Purpose for which acquired evidence & info

Location of bulky exhibit vault

Estimated date of disposition retained pending conclusion of case

Ultimate disposition to be made of exhibit to determined

List of contents:

1.	Surveillance log for subject	2-26-52	11:30 am- 5:30 pm
2.	" "	2-26-52	8:25 pm-12:15 am
3.	" #	2-27-52	7:45 am- 4:00 pm
4.	" "	2-27-52	4:00 pm- 11:10 pm
5.	" "	2-28-52	8:00 am- 4:00 pm
6.	" "	2-28-52	6:55 pm- 12:22 am
7.	" "	2-29-52	9:45 am- 1:30 pm
8.	" "	2-29-52	4:00 pm- 12:00 pm
9.	" "	3- 1-52	7:45 am- 4:10 pm
10.	" "	3- 1-52	6:15 pm- 6:50 pm

NOTE: ALL ABOVE EXHIBITS SUBM. BY SA J.P. MARTIN, 7-11-52.

+ Transferred to 1A envelope 5-4-54.

65-15961-138

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUL 11 1952	
FBI - NEW YORK	

Strange

FD-141
(7-1-48)

BULKY EXHIBIT

Date received VARIOUS

ITZHAK VARDI

NEW YORK FILE NO. 65-15961-1B
(Title of case)

Submitted by Special Agent see below

Source from which obtained see below

Address _____

Purpose for which acquired evidence & information

Location of bulky exhibit Vault

Estimated date of disposition retain pending conclusion of case

Ultimate disposition to be made of exhibit to be determined

List of contents:

- | | | | |
|-----|---------------------------------------|---------|-------------------|
| 11. | Surveillance log re subj. for subject | 3-2-52 | 1:30 pm- 2:25 pm |
| 12. | " " " " | 3-2-52 | 4:00 pm- 12:15 am |
| 13. | " " " " | 3-14-52 | 3:40 pm- 8:35 pm |
| 14. | " " " " | 3-15-52 | 22:20pm- 2:50 pm |
| 15. | " " " " | 3-15-52 | 4:00 pm± 11:30 pm |
| 16. | " " " " | 3-16-52 | 6:30 pm- 7:40 pm |

NOTE. ALL ABOVE EXHIBITS SUBM. BY J.P. MARTIN, 7-11-52.

EX. " " " " 3-16-52 7:30 am- 4:00 pm subm. by JP Martin, 8-11-52

18. One copy of photograph of subject, JACOB MAX LOWY. Received Aug. 11, 1952 from Director, FBI. Submitted by J. P. Martin on 9-9-52. See serial 91.

X 19. 2 photos of MEIR LEVIN, taken in 1949. Obtained from WFO 2/11/53 and submitted by J. P. MARTIN 2/27/53. Retain. See ser. 128.

X transferred to 65-16436 per S.A. J. J. Gade.
8/28/53.

+ transferred to 1A envelope 5-4-54.

65-15961-132

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUL 11 1952	
FBI - NEW YORK	

[Signature]

BULKY EXHIBIT - INVENTORY OF PROPERTY ACQUIRED AS EVIDENCE

Bufile: NEW YORK Field Division

10-21-53 Date

Title and Character of Case: ITZHAK VARDI
NEW YORK FILE NO. 65-15961

Date Property Acquired: See below

Source From Which Property Acquired: See below

Location of Property or Bulky Exhibit: Vault

Reason for Retention of Property and
Efforts Made to Dispose of Same: Evidence and information
Retain permanently

Description of Property or Exhibit and
Identity of Agent Submitting Same: See below

20. Twelve business cards.
21. One letter from Lowe to Vardi dated 4-20-53.
22. One letter from Lowy to Vardi dated 8-10-53.
23. One letter from Lowy to Vardi dated 7-31-53.
24. One letter in envelope from Lovinger to Vardi dated 7-23-53.
25. One letter in envelope from Alexander Sacks to Vardi dated 2-7-53.

b7D

NOTE: Above exhibits recd. 9-1-53 from [redacted] Subm. by SA Lester J. Boykin, 10-20-53.

26. 1 personal card in Hebrew (translation in 65-15961-231 pg. 4). Rec'd. 10-8-53.
From [redacted] Subm. by SA Lester Boykin,
4-26-54.

Transferred to 1A envelope 5-4-54

Field File #:

65-15961-1B3

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED <i>mb</i>
OCT 21 1953	
FBI - NEW YORK	
BC	

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE
NEW YORK, NEW YORK
FEBRUARY 25, 1952

Transmit the following Teletype message to: BUREAU URGENT

ITZHAK VARDI ESPIONAGE DASH IS. RE ALBANY TEL TWO TWENTYFOUR FIFTYTWO
CAPTIONED JOSEPH RAFELLI, WAS., ITZHAK VARDI ESPIONAGE DASH IS.
FISUR AT NY REFLECTS SUBJECT AND WIFE, TOGETHER WITH JOSEPH RAFELLI
ARRIVED FROM UTICA, NY AT NYC TWO TWENTYFOUR FIFTYTWO. SUBJECT AND
WIFE, TOGETHER WITH RAFELLI, REGISTERED AT PARK PLAZA HOTEL FIFTY
WEST SEVENTY SEVENTH STREET NYC ON TWO TWENTYFOUR FIFTYTWO FOR INDEFI-
NITE STAY. NO PERTINENT ACTIVITIES NOTED TWO TWENTYFOUR FIFTYTWO.
SUBJECT'S ACTIVITIES WILL BE COVERED BY SPOT CHECKS AND HOTEL CONTACTS.

SCHEIDT

JPM:FEC (#1)
65-15961

Approved: SS [Signature] Sent 1240 A M
Special Agent in Charge

Per [Signature]

65-15961-2

1952

WASH 2 FROM NEW YORK

25

12-40 A

DIRECTOR

URGENT

ITZHAK VARDI ESP-IS. RE ALBANY TEL TWO TWENTYFOUR FIFTYTWO CAPTION-
ED JOSEPH RAFELLI, WAS., ITZHAK VARDI ESP-IS. FISUR AT NY REFLECTS
SUBJ AND WIFE, TOGETHER WITH JOSEPH RAFELLI ARRIVED FROM UTICA,
NY AT NYC TWO TWENTYFOUR FIFTYTWO. SUBJECT AND WIFE, TOGETHER WITH
RAFELLI, REGISTERED AT PARK PLAZA HOTEL FIFTY WEST SEVENTY SEVENTH
STREET NYC ON TWO TWENTYFOUR FIFTYTWO FOR INDEFINITE STAY. NO
PERTINENT ACTIVITIES NOTED TWO TWENTYFOUR FIFTYTWO. SUBJECT-S
ACTIVITIES WILL BE COVERED BY SPOT CHECKS AND HOTEL CONTACTS.

SCHEIDT

END ACK PLS

NY R 2 WA DP

65-15961-2

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE
NEW YORK, NEW YORK
----- FEBRUARY 27, 1952

Transmit the following Teletype message to: BUREAU.....URGENT:

ITZHAK VARDI. ESP-IS. SUBJECT PLACED UNDER SURVEILLANCE FEBRUARY TWENTY-
SIX, NINETEEN FIFTY-TWO. NO SIGNIFICANT ACTIVITIES OR CONTACTS NOTED YET.

SCHEIDT

65-15961
WFC:JGH

W

.....MR. SCHEIDT
✓.....MR. WHELAN
.....MR. HARGETT
.....MR. GILLESPIE
.....MR. GRANVILLE
.....MR. HAMILTON
.....MR. LEVVIS
.....MR. MARCHESSAULT
.....MR. McANDREWS
.....NIGHT SUPERVISOR
.....MR. RAGAN
.....MR. SULLIVAN
.....MR. WALSH
.....MR. WILLIS
.....MR. WOHL
.....CHIEF CLERK
.....PROPERTY CLERK
.....TRAINING UNIT

mk
Approved: _____ Sent 200 M
Special Agent in Charge

Per A

65-15961-3

FEB 27

WASH 3 FROM NEW YORK

WMX 27

2-00 A

DIRECTOR

URGENT

ITZHAK VARDI, ESP-IS. SUBJECT PLACED UNDER SURVEILLANCE FEB TWENTYSIX.
NO SIGNIFICANT ACTIVITIES OR CONTACTS NOTED YET.

SCHEIDT

END AAD

NY R 3 WA RWK

65-1535-3

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE

NEW YORK, NEW YORK
FEBRUARY 27, 1952

Transmit the following Teletype message to:

BUREAU

DEFERRED
~~URGENT~~

ITZHAK VARDI, IS - I. SUBJECT AND JOSEPH RAFELLI LEFT HOTEL PLAZA, FIFTY WEST SEVENTY SEVEN STREET, NYC, NINE AM, HAD BREAKFAST AT THE MUSEUM RESTRUANT, UNTIL TEN A.M. AND THEN RETURNED TO THE HOTEL. BOTH LEFT THE HOTEL AT TEN FIFTEEN A.M., BOARDED A BUS AT EIGHTY FIRST STREET AND COLUMBUS AVENUE AND ARRIVED AT FOUR HUNDRED MADISON AVENUE AT TEN FORTY A.M., THE SUBJECT WAS NOT SEEN THEREAFTER. JOSEPH RAFELLI WAS OBSERVED LEAVING FOUR HUNDRED MADISON AVENUE AT TWO FORTYFIVE P.M. SURVEILLANCE WAS MAINTAINED AT FOUR HUNDRED MADISON AVENUE UNTIL SIX P.M. AND AT FIFTY WEST SEVENTY SEVENTH STREET FROM SIX TWENTY P.M. UNTIL ELEVEN P.M. AT WHICH TIME IT WAS DISCONTINUED.

SCHEIDT

HFA:jlh (1)
65-15961

Approved: *[Signature]*

Special Agent in Charge

Sent *15/4*

M

Per *[Signature]*

65-15961-4

WASH 4 FROM NEW YORK

28

1-55 A

DIRECTOR

DEFERRED

**65-15961*
ITZHAK VARDI, IS-I. SUBJ. AND JOSEPH RAFELLI LEFT HOTEL PLAZA, FIFTY WEST SEVENTY SEVEN STREET, NYC, NINE AM, HAD BREAKFAST AT THE MUSEUM RESTRUANT, UNTIL TEN AM AND THEN RETURNED TO THE HOTEL. BOTH LEFT THE HOTEL AT TEN FIFTEEN AM, BOARDED A BUS AT EIGHTY FIRST STREET AND COLUMBUS AVENUE AND ARRIVED AT FOUR HINDRED MADISON AVENUE AT TEN FORTY AM, THE SUBJECT WAS NOT SEEN THEREAFTER. JOSEPH RAFELLI WAS OBSERVED LEAVING FOUR HINDRED MADISON AVENUE AT TWO FORTYFIVE PM. SURVEILLANCE WAS MAINTAINED AT FOUR HINDRED MADISON AVENUE UNTIL SIX PM AND AT FIFTY WEST SEVENTY SEVENTH STREET FROM SIX TWENTY PM UNTIL ELEVEN PM AT WHICH TIME IT WAS DISCONTINUED.

SCHEIDT

END AAD

NY R 4 WA SJB

AND RELAY

V

65-15961-4
65-15961-4

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

NEW YORK, N. Y.
FEBRUARY 28, 1952

Transmit the following Teletype message to: BUREAU (URGENT)

ITZHAK VARDI, ESPIONAGE - IS. RE NY TEL FEBRUARY TWENTY EIGHTH, FIFTY TWO,
CAPTIONED ITZHAK VARDI, INTERNAL SECURITY - I. SUBJECT UNDER SURVEILLANCE
MORNING OF FEBRUARY TWENTY EIGHTH, FIFTY TWO, AND OBSERVED SHOPPING WITH WIFE
IN MIDTOWN NY. INVESTIGATION CONTINUING.

SCHEIDT

TJMCA:RAA
65-15961 (#1)

Approved: [Signature]

Special Agent in Charge

Sent 3⁵² 38 M

Per [Signature]

65-15961-5

FEB 28 1952

WASH FROM NEW YORK 11

28

3-52 P

DIRECTOR

URGENT

ITZHAK VARDI, ESPIONAGE - IS. RE NY TEL FEB TWENTY EIGHTH, FIFTYTWO,
CAPTIONED ITZHAK VARDI, INTERNAL SECURITY - I. SUBJECT UNDER
SURVEILLANCE MORNING OF FEB TWENTY EIGHTH, FIFTYTWO, AND OBSERVED
SHOPPING WITH WIFE IN MIDTOWN NY. INVESTIGATION CONTINUING.

SCHEIDT

HOLD PLS

UNITED STATES DEPARTMENT OF JUSTICE

Transmit the following Teletype message to:

BUREAU DEFERRED

ITZHAK VARDI ESP-ISRAELI PHYSICAL SURVEILLANCE MARCH TWO FIFTY TWO, NO PERTINENT ACTIVITIES OR CONTACTS NOTED.

SCHEIDT

RFB:jfc, #1
65-15961

Approved:

Special Agent in Charge

Sent

12 AM

Per

5-15961-6

MAR 3 1952

WASH 1 FROM NEW YORK 3 12-35 AM

DIRECTOR DEFERRED

ITZHAK VARDI ESP-ISRAELI FISUR MARCH TWO FIFTY TWO, NO PERTINENT
ACTIVITIES OR CONTACTS NOTED.

SCHEIDT

END AND ACK

VJDV SS

NY R 1 WA RC

65 15961-6



Federal Bureau of Investigation
United States Department of Justice

IN REPLY, PLEASE REFER TO

FILE NO. _____

COMPLAINT FORM

ITZHAK VARDI

Subject's Name and Aliases

Park Plaza Hotel
20 W 77 St N.Y.C.

Address of Subject

Exp - Is
Character of Case

DESCRIPTION OF SUBJECT:

Name of Complainant

Address of Complainant

Telephone Number of Complainant

Date and Time Complaint Received

Indexed

FACTS OF COMPLAINT:

Itzhak Vardi according to [redacted] source was in 1950 a Vice Consul of the Israeli Consulate in London Eng. He is alleged by the same source to be active in the Israeli intelligence service. He arrived in N.Y. on Jan 9, 1952 as a representative of the Palestine Economic Corp. 400 Madison Ave. N.Y.C. - his visa expired July 1952 - he was accompanied by his wife

ACTION RECOMMENDED BY AGENT:

Open 65 case Little

65-15973-1

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 4 1952	
FBI - NEW YORK	

open 65 case J.P. Martin
assign B #1
Harold P. [Signature]
Special Agent
65-15961-711

New York, N. Y.

February 21, 1952

MEMORANDUM

Re: JOSEPH RAFELLI
ESPIONAGE - ISRAELI

At 2:40 p.m., 2-21-52, ASAC Leonard Blaylock of the Buffalo Division, and Supervisor George Lankes of Buffalo, telephonically furnished the following information to the writer:

JOSEPH RAFELLI, accompanied by ITZHAK VARDI and Mrs. VARDI, left Buffalo on train No. 50, New York Central Railroad, the Empire Express, at 1:40 p.m. for New York. This train is scheduled to arrive at 9:15 p.m., Grand Central Station. RAFELLI occupies seat No. 7 in car E27. Mr. and Mrs. VARDI are in car E23, seat numbers unknown. The Buffalo Office has assigned Agents Frank Connors and Joseph Denzell to conduct a surveillance of these subjects to New York.

RAFELLI is described as 6' 1"; 240 lbs.; 45 to 50 years of age; build large; broad shoulders; occasionally wears horn-rimmed glasses; hair brown, greying; face coarse, pock-marked, flushed; large ears; large pointed nose; salt and pepper suitcoat; pale bluish-green trousers; dark grey herring-bone tweed overcoat; grey hat; speaks English and Yiddish.

ITZHAK VARDI is 5' 8"; 170 lbs.; 32 to 35 years of age; dark brown curly hair; face pale; broad and square; eyes brown. VARDI is wearing a dark brown business suit; a russet overcoat; brown felt pork-pie hat; speaks English and Yiddish.

Mrs. VARDI is 5' 2"; 120 lbs.; 25 to 28 years of age; brown hair; light complexion; black woolen overcoat; low heels; and obviously pregnant.

Special Agent Frank Connors is described as 5' 10"; 185 lbs.; blue eyes; brown hair; grey hat; light tweed double-breasted overcoat; light brown suit; green scarf with red figures.

Special Agent Joseph Denzell is 5' 11"; 150 lbs.; slender; grey eyes; dark brown hair; sallow complexion; grey hat; dark blue overcoat, single-breasted;

TJMCA:RAA
65-15729

cc - NY 65-15761 ✓
(ITZHAK VARDI)

65-15761-8

[Handwritten signature]

TJMCA:RAA
65-15729

medium-colored blue suit.

The above information was furnished to Special Agents Shannon and Martin, who were instructed to meet the Empire City express at 125th Street, board the train, and assume the surveillance.

T. J. McANDREWS,
Special Agent



United States Department of Justice
Federal Bureau of Investigation
New York, N. Y.

February 26, 1952

MEMORANDUM

Re: ITZHAK VARDI
ESPIONAGE - ISRAELI

The following is a surveillance schedule running from February 26 through March 3, 1952.

A teletype summary of each day's activities must be sent to the Bureau. The agent designated by an asterisk on the night shift will be responsible for sending this teletype to the Bureau. The day shift will make available the contacts observed during the day to the agent responsible for sending the teletype who is on the night shift.

Tuesday, February 26	A.M. - Ball - McGill - Shannon P.M. - Brandt - Charves - Conley*
Wednesday, February 27	A.M. - Haas - Haynes - Martin P.M. - Alston* - Morgan - Rolig
Thursday, February 28	A.M. - Ball - Brotherton - Kearney P.M. - Charves - Conley* - McGill
Friday, February 29	A.M. - Haas - Haynes - Pease P.M. - Alston* - Morgan - Rolig
Saturday, March 1	A.M. - Charves - Conley - Haas P.M. - Alston* - Brotherton - Rolig
Sunday, March 2	A.M. - Haynes - Kearney - Morgan P.M. - Ball* - Pease - Quinlan
Monday, March 3	A.M. - Charves - Conley - Haas P.M. - Alston* - Brotherton - Rolig

T. J. McANDREWS,
Special Agent

TJMCA:RAA
65-15961

15089
6
J. P. Martin

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE

NEW YORK, NEW YORK
FEBRUARY 29, 1952

Transmit the following Teletype message to: BUREAU.....URGENT

ITZHAK VARDI, ESP-IS. FISUR SUBJECT FEB TWENTY-EIGHTH DISCLOSED
NO PERTINENT ACTIVITIES OR CONTACTS.

SCHEIDT

WPC/JGH

65-15961

2

MR. SCHEIDT
MR. WHELAN
MR. HADGETT
MR. GILLESPIE
MR. GRANVILLE
MR. HAMILTON
MR. LEVVIS
MR. McANDREWS
NIGHT SUPERVISOR
MR. RAGAN
MR. SULLIVAN
MR. WALSH
MR. WILLIS
MR. WOHL
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

Approved: _____
Special Agent in Charge

Sent 223 M

Per AA

65-15961-10

WASH 4 FROM NEW YORK

29

2-26 A.

DIRECTOR

URGENT

ITZHAK VARDI, ESP-IS. FISUR SUBJECT FEB TWENTY-EIGHTH DISCLOSED
NO PERTINENT ACTIVITIES OR CONTACTS.

SCHEIDT

AAD

HOLD AFTER ACK PLS

NY R 4 WA RC

65-15961-10

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE

NEW YORK, NEW YORK
MARCH 1, 1952

Transmit the following Teletype message to: BUREAU DEFERRED

~~SUBJECT~~ ITZHAK VARDI ESP DASH ISRAELI, NO PERTINENT ACTIVITIES OR CONTACTS
MADE BY SUBJECT TODAY.

SCHEIDT

NY 65-15961

HFA:JFC #1

Approved: ES

Special Agent in Charge

Sent 11:56 PM

Per JC

65-15961-11

MAR 1 1952

WASH 7 FROM NEW YORK 1

11-56 PM A

DIRECTOR DEFERRED

EXXIT ITZHAK VARDI ESP DASH ISRAELI, NO PERTINENT ACTIVITIES OR CONTACTS
MADE BY SUBJECT TODAY.

SCHEIDT

END

ACK

WA NY R 1 WA RWK

NY R 7 WA RWK

65-15961-11

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE NEW YORK, NEW YORK
MARCH 1, 1952

Transmit the following Teletype message to: ~~XXXXXXXX~~ BUREAU DEFERRED

ITZHAK BARDI, ESP DASH ISRALI. NO PERTINENT ACTIVITIES OR CONTACTS
MADE BY SUBJECT THIS DATE.

SCHEIDT

*Question
not carried
name.*

HFA : JEM
65-15961

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 1 1952	
FBI - NEW YORK	
RECEIVED	
TELETYPE UNIT	
MAR 1 1952	
FBI - NEW YORK	

Approved: [Signature]
Special Agent in Charge

Sent

Per

1252A
65-15961-11A

MAR 1 1952

WASH FROM NEW YORK 1
DIRECTOR DEFERRED

1 12-52 AM

ITZHAK BARDI, ESP DASH ISRALI. NO PERTINENT ACTIVITIES OR CONTACTS
MADE BY SUBJECT THIS DATE.

SCHEIDT

END

NY R 1 WA RWK

65-15961-11A

New York, New York
March 3, 1952

BUREAU, ALBANY - URGENT

JOSEPH RAFELLI, WAS, ESPIONAGE DASH IS; ITZHAK VARDI, ESPIONAGE DASH IS. FISUR ON ITZHAK VARDI REFLECTS VARDI, TOGETHER WITH JOSEPH RAFELLI, LEFT PARK PLAZA HOTEL, NYC, IN EARLY MORNING OF MARCH THIRD, NINETEEN FIFTY TWO, PRIOR TO INSTITUTION OF FISUR ON THAT DATE. HOTEL CONTACTS ADVISE MRS. ITZHAK VARDI STILL RESIDING PARK PLAZA HOTEL, AND THAT RAFELLI AND VARDI WILL BE AWAY FOR AT LEAST A WEEK. HOTEL CONTACTS ADVISE RESERVATION IN NAME OF JOSEPH RAFELLI WAS MADE AT HOTEL HENDRICK HUDSON, TWO HUNDRED BROADWAY, TROY, NY, FOR MARCH THIRD, NINETEEN FIFTY TWO. ALBANY VERIFY THAT RAFELLI AND VARDI ARE RESIDING SAID HOTEL, AND ARRANGE COVERAGE CONTACTS AND ACTIVITIES OF BOTH RAFELLI AND VARDI. BUREAU HAS REQUESTED FISUR ON VARDI AT NEW YORK THIS PAST WEEK, WITH REQUEST FOR RECOMMENDATION AS TO CONTINUANCE OF SAME. FISUR ON VARDI LAST WEEK AT NEW YORK WAS NON PRODUCTIVE. FURTHER, PREVIOUS TRIP MADE BY RAFELLI AND VARDI THROUGH AREAS OF ALBANY AND BUFFALO OFFICES, FROM JANUARY TWENTY NINE TO FEBRUARY TWENTY FOUR, NINETEEN FIFTY TWO, SEEM TO REFLECT ONLY THAT RAFELLI AND VARDI WERE ATTEMPTING TO SELL ISRAELI BONDS ON SAID TRIP. ACCORDINGLY BUREAU REQUESTED TO ADVISE ALBANY AS TO TYPE OF COVERAGE ON SUBJECTS' ACTIVITIES DESIRED.

SCHEIDT

1 cc NY 65-15061 ✓
JPM:MZM (#1)
65-15729

65-15761-110

SAC, CLEVELAND AMSD

March 13, 1952

SAC, ALBANY (65-1826)

JOSEPH RAFELLI, was;
ITZHAK VARDI
ESPIONAGE - IS

Re report of SA DONALD E. SHANNON, dated March 3, 1952 at
New York (origin).

Subjects RAFELLI and VARDI are in United States as repre-
sentatives of Palestine Economic Corporation, 400 Madison Avenue, New
York City. While in Albany, New York at Wallington Hotel. Telephone
No. 44441, on March 10, 1952. one of the subjects [redacted]

b7D

[redacted]
BOTH RAFELLI AND VARDI are known espionage agents for Israel.

Cleveland is requested to furnish identity of person to whom
Telephone No. 11299 is registered and furnish also any available
pertinent information to Albany and New York. Expedite.

WED:hcv

CC: New York

15691
(65-15729) ✓

Handwritten: 65-15729

65-15901-17

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 14 1952	
FBI - NEW YORK	

12

SAC, MEMPHIS AMFD

March 13, 1952

SAC, ALBANY (65-1826)

JOSEPH RAPELLI, was;
ITZNAK VARDI
ESPIONAGE - IS

Re report of SA DONALD E. SHANNON, dated March 3, 1952
at New York (origin).

Subjects RAPELLI and VARDI are in United States as repre-
sentatives of Palestine Economic Corporation, 400 Madison Avenue,
New York City. While in Albany, New York on March 7, 1952 at the
Wellington Hotel. Telephone No. 4444. RAPELLI [redacted]

[redacted] Both
RAPELLI and VARDI are known Israel espionage agents.

Memphis is requested to identify ITZKIVITZ and advise Albany
and New York of any pertinent data. Expedite.

WED:hev

CC: New York (65-15729) ✓

one copy to 65-15961

then two copies 65-15729

65-15961 - 17

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 14 1952	
FBI - NEW YORK	

13

SAC, NEW YORK (65-15729) AMSD

March 13, 1952

SAC, ALBANY (65-1826)

JOSEPH RAPELLI, was;
ITZHAK VARDI
ESPIONAGE - IS

Re report of SA DONALD B. SHANNON, dated March 3, 1952 at
New York.

For information of New Haven, subjects RAPELLI and VARDI are
in United States as representatives of Palestine Economic Corporation,
400 Madison Avenue, New York City. While in Albany, New York at
Wellington Hotel, Telephone No. 44111, subjects were contacted by one
DISKIN, first name unknown, who visited their room at the Wellington
Hotel on March 10, 1952. DISKIN, while in subjects' room and with
authority of subjects. [REDACTED]

Both RAPELLI and VARDI, for information of New Haven, are
known Israel espionage agents.

New Haven is requested to furnish to Albany and New York
identity of person who has Telephone No. 71121 in New Haven along with
any pertinent information concerning this person.

CSI [REDACTED]
[REDACTED] advised holder of credit card described above is resident of
Manhattan, New York.

b7D

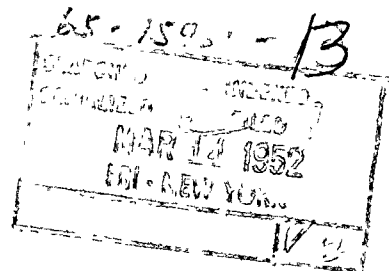
New York is requested to obtain complete identity of DISKIN
and furnish any pertinent information to Albany.

New York is also requested to furnish Albany identity and any
pertinent information concerning person who has Telephone No. Plaza
7 1500.

On March 10, 1952 [REDACTED]
[REDACTED] New
York is requested to furnish Albany with any pertinent information con-
cerning this number.

Both offices requested to expedite.

WED:hcv
CC: New Haven





United States Department of Justice
Federal Bureau of Investigation
New York, N. Y.

March 14, 1952

MEMORANDUM

Re: ITZHAK VARDI
ESPIONAGE - IS

At 10:30 a.m. Special Agent A. L. Gucker of the Albany Office telephoned and said that ITZHAK VARDI and MAURICE J. DISKIN were driving on their way to New York City from Albany in a green 1950 Chevrolet convertible coupe, license 1F4456, which is registered to DISKIN at 8735 Bay Parkway, Brooklyn, New York. DISKIN purchased the car in Albany, apparently, it having been registered there in March, 1952. They were travelling down Route 9W and would apparently enter New York City on the West Side Highway. They were under the surveillance of Albany Agents Bagley and Piper, who would call the New York Office when they brought DISKIN and VARDI into the city.

Agent Gucker said that RAFELLI and VARDI were checked while in Albany and did not appear to be making any significant contacts. They seemed to be legitimately occupied with the Israeli bond campaign. Albany had been checking them through established sources and spot checks.

VARDI and DISKIN undoubtedly were going to return to Albany after the weekend. RAFELLI was still in Albany. While in Albany DISKIN did not stay at the same hotel with RAFELLI and VARDI, but did work with them.

New York was requested to advise Albany when VARDI and DISKIN start back for Albany.

R. J. BARLOGA,
SA

RJB:RAA
65-15961

cc - 65-15729

65-15961-14
Martin

ROUTING SLIP

Date March 14, 1952

SAC:

New York Field Division

RE:

ITZHAK VARDI
ESPIONAGE - IS
(Bureau File: 65-59620)

The attached is for your information. If
used in a future report, (☒) conceal all sources,
(☒) paraphrase contents. () Remarks:

Very truly yours,

J. E. Hoover
John Edgar Hoover
Director

65-15961-15

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 17 1952	
FBI - NEW YORK	
<i>Martin</i>	<i>gh</i>

American Embassy
1, Grosvenor Square
London, W. 1

~~SECRET~~ - AIR COURIER

Date: February 26, 1952

To: Director, FBI

(65-59620)

From: Legal Attache
London, England

(65-735)

Subject: ITZHAK VARDI
ESPIONAGE - IS.

ReBucable 2-1-52, requesting available information on Subject
VARDI and the Palestine Economic Corporation.

b7D

JAC:CFJ
1-200

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 17 1952	
FBI - NEW YORK	
<i>Martin</i>	<i>Shannon</i>

65-15461-15

Director, FBI

2-26-52



b7D

As requested by I would appreciate being advised whether there is a branch office of the Palestine Economic Corporation in England.

I, ALBANY

3-14-52

CCM

SAC, NEW YORK

URGENT

JOSEPH RAFELLI, WAS., ESPIONAGE - IS. REREP SA DONALD S. SHANNON,
DATED MARCH THREE LAST AT NEW YORK. SUBJECT RAFELLI FREQUENTLY CONTACTED
AT ALBANY BY ONE DISKIN, PH, FNU WHO MAY BE IDENTIFIED BY b7D

WHICH ACCORDING
TO TELEPHONE COMPANY HERE WAS ISSUED IN MANHATTAN. NEW YORK IDENTIFY
DISKIN AND SUTEL PERTINENT INFO.

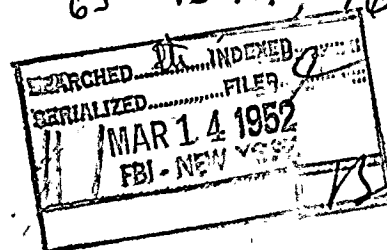
BATTLE

END

KOK FBI NY JLW

bu copy for 65-15961

other copy in 65-15729



J. Martin

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE

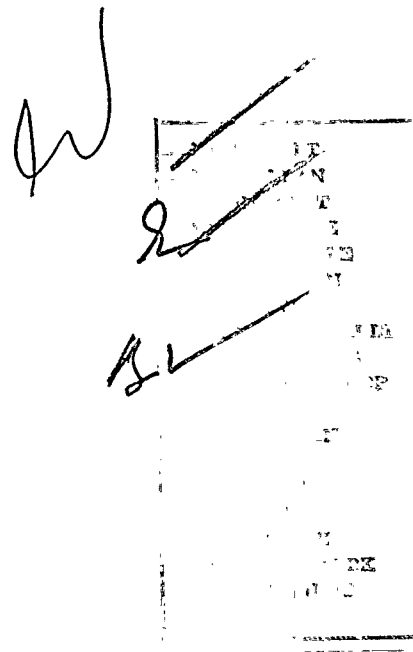
NEW YORK, NEW YORK
MARCH 14, 1952

Transmit the following Teletype message to: BUREAU..... URGENT

ITZHAK VARDI, ESPIONAGE DASH IS. SUBJECT ARRIVED IN NYC FROM ALBANY, N.Y.,
AFTERNOON OF MARCH FOURTEEN, FIFTYTWO. SUBJECT RETURNED TO PARK PLAZA HOTEL,
FIFTY WEST SEVENTY SEVENTH STREET, NYC, WHERE SUBJECT-S WIFE HAS BEEN
RESIDING. FISUR MARCH FOURTEEN, FIFTYTWO REFLECTS NO PERTINENT ACTIVITY
ON PART OF SUBJECT.

SCHEIDT

65-15961
JPM:jcs (SEC. 1)



Approved: 12

Special Agent in Charge

Sent 12:38

M

Per JPM

65-15961-17

MAR 15 1952

WASN FROM NEW YORK

5

15

12-25 A

DIRECTOR

URGENT

ITZHAK VARDI, ESPIONAGE DASH IS. SUBJECT ARRIVED IN NYC
FROM ALBANY, N. Y., AFTERNOON OF MARCH FOURTEEN, FIFTYTWO. SUBJECT
RETURNED TO PARK PLAZA HOTEL, FIFTY WEST SEVENTY SEVENTH STREET,
NYC, WHERE SUBJECT-S WIFE HAS BEEN RESIDING. FISUR MARCH FOURTEEN,
FIFTYTWO REFLECTS NO PERTINENT ACTIVITY ON PART OF SUBJECT.

SCHEIDT

HLD



65-15961-19



United States Department of Justice
Federal Bureau of Investigation

607 United States Court House
Foley Square
New York 7, New York

IN REPLY, PLEASE REFER TO

FILE NO. 65-15961

PERSONAL AND ~~CONFIDENTIAL~~ (U)

3/14/52

Mr. Edward L. Braune, Agent
New York Telephone Company
140 West Street
New York 7, New York

Dear Mr. Braune:

In connection with an official investigation being conducted by this office it is requested that you furnish listings for the following telephone numbers:

GR 7-0233
MO 6-1320
CY 9-4336
MO 3-0230
TR 2-0928
TR 6-3989

Your cooperation in this matter will be greatly appreciated.

Very truly yours,

EDWARD SCHEIDT
Special Agent in Charge

RDR:RMK *[Handwritten initials]*

65-15961-18

UNITED STATES DEPARTMENT OF JUSTICE

MARCH 15, 1952

ITZHAK VARDI ESP-IS. NO PERTINENT ACTIVITY NOTED THIS DATE.

PBR:JJM
65-15961

Sent 11/11/11 M

Per:

65-15961-~~18~~19

MAR 15 1952

MAR

WASH FROM NEW YORK 83 FROM NEW YORK 15 11-39 PM
DIRECTOR DEFERRED

ITZHAK VARDI ESP-IS. NO PERTINENT ACTIVITY NOTED THIS DATE.

SCHEIDT

END

7
86 R

NY R 83 WA RWK

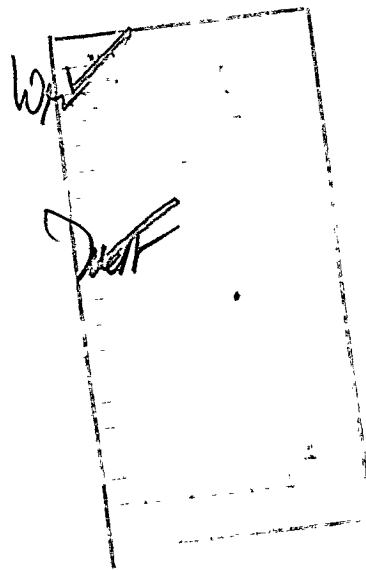
65-15961-19
X8

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE
NEW YORK, NEW YORK
MARCH 16, 1952

Transmit the following Teletype message to: BUREAU & ALBANY URGENT
ITZHAK VARDI, ESP. - IS. REMY TELEPHONE CALL TO ALBANY SIX FIFTY FIVE PM
MARCH SIXTEEN NINETEEN FIFTY TWO. FISUR AT NEW YORK REFLECTED NO PERTINENT
ACTIVITY ON PART OF SUBJECT MARCH SIXTEEN FIFTY TWO. AT SIX THIRTY PM,
MARCH SIXTEEN FIFTY TWO SUBJECT LEFT PARK PLAZA HOTEL, NYC, AND WITH MAN
PRESUMED TO BE MAURICE DISKIN, IN DISKIN'S AUTOMOBILE DROVE OUT OF NYC
TOWARDS ALBANY, NY. ALBANY WILL COVER SUBJECT'S ACTIVITIES AS PER PREVIOUS
BUREAU INSTRUCTIONS.

SCHEIDT



JPM:FJM
65-15961

Approved: _____

Special Agent in Charge

Sent _____

M

Per _____

935 P
94 P
65-15961-20

MAR 16 1952

WASHINGTON FROM NEW YORK 3 16 9-35 PM

DIRECTOR URGENT

ITZHAK VARDI, ESP.- IS. REMY TELEPHONE CALL TO ALBANY SIX FIFTY FIVE PM MARCH SIXTEEN NINETEEN FIFTY TWO. FISUR AT NEW YORK REFLECTED NO PERTINENT ACTIVITY ON PART OF SUBJECT MARCH SIXTEEN FIFTY TWO. AT SIX THIRTY PM, MARCH SIXTEEN FIFTY TWO SUBJECT LEFT PARK PLAZA HOTEL, NYC, AND WITH MAN PRESUMED TO BE MAURICE DISKIN, IN DISKIN-S AUTOMOBILE DROVE OUT OF NYC TOWARDS ALBANY, NY. ALBANY WILL COVER SUBJECT-S ACTIVITIES AS PER PREVIOUS BUREAU INSTRUCTIONS.

SCHEIDT

ALBANY ADVISED

END AND ACK PLS

NY R 3 WA DBD

DISC PLS

65-15961-19²⁰

FBI NYC 3-16-52 9-40 PM FJM

SAC ALBANY URGENT

ITZHAK VARDI, ESP.- IS. REMY TELEPHONE CALL TO ALBANY SIX FIFTY FIVE PM MARCH SIXTEEN NINETEEN FIFTY TWO. FISUR AT NEW YORK REFLECTED NO PERTINENT ACTIVITY ON PART OF SUBJECT MARCH SIXTEEN FIFTY TWO. AT SIX THIRTY PM, MARCH SIXTEEN FIFTY TWO SUBJECT LEFT PARK PLAZA HOTEL, NYC, AND WITH MAN PRESUMED TO BE MAURICE DISKIN, IN DISKIN-S AUTOMOBILE DROVE OUT OF NYC TOWARDS ALBANY, NY. ALBANY WILL COVER SUBJECT-S ACTIVITIES AS PER PREVIOUS BUREAU INSTRUCTIONS.

SCHEIDT

BUREAU ADVISED

END AND ACK PLS

OK FBI AL BLV

DISC PLS

65-15961-20

March 16, 1962

Memo

Re: ITZHAK VARDI #65-15961

ESP - IS.

At 6⁴⁵ PM S.A. James Martin telephoned me to advise that subject was heading north in a light green Chevrolet registered to Maurice Diskin, in the company of a man, probably Diskin.

S.A. Martin stated that subject had driven to New York from Albany on Friday, Mar. 14th, and was probably returning there, since Albany office had advised that subject had a reservation in an Albany hotel for tonight.

Mr. Martin requested that I call Albany to alert them and have them give subject the same coverage they had previously given him.

I so advised Night Clerk Bertram Vanderbilt, Albany, at 6⁵⁵ PM.

S.A. Martin later called me to advise that he had tailed subject to Hawthorne Circle, dropped subject, who continued north, & sent a confirming teletype to Albany and Bureau.

John B. Willis,
Sunday Supervisor

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 16 1962	
FBI - NEW YORK	

met

65-15961-21

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE

NEW YORK, NEW YORK
MARCH 17, 1952

Transmit the following Teletype message to: BUREAU, ALBANY, NEW HAVEN
URGENT

✓ JOSEPH RAFELLI, WAS, ESPIONAGE-IS; ITZHAK VARDI, ESPIONAGE-IS.

RE ALBANY TEL AND ALBANY LET, BOTH MARCH THIRTEEN LAST. RE



ACCORDINGLY ALBANY WILL RECHECK RE [REDACTED] MENTIONED
IN RELET AND RETEL TO SECURE CORRECT NUMBER. TELEPHONE NUMBER
PLAZA SEVEN ONE FIVE NAUGHT NAUGHT MENTIONED IN RELET IS
SUBSCRIBED TO BY UNITED JEWISH APPEAL, ONE SIX FIVE WEST
FORTY-SIXTH STREET, NYC. NY INDICES NEGATIVE ON MAURICE
DISKIN. ✓ ABOVE FOR INFO NEW HAVEN.

SCHEIDT

CC: 65-15729

JPM:EXM (1)
65-15961

W

MR. SCHEIDT
MR. WHELAN
MR. HARGETT
MR. GILBERT
MR. GRANVILLE
MR. KAPLAN
MR. LITVIN
MR. MARSH
MR. MESSAULT
MR. NICHOLS
MR. ROSS
MR. SULLIVAN
MR. VAUGHN
MR. WILLIS
MR. WOOL
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

Approved: [Signature]
Special Agent in Charge

Sent 9:38 PM 10/19 M

Per [Signature]

65-15961-2022

WASHINGTON FROM NEW YORK

55

17

1049

PM

MAR 17 1952

DIRECTOR

U R G E N T

JOSEPH RAFELLI, WAS, ESP - IS., ITZHAK VARDI, ESP - IS. RE ALBANY
TEL AND ALBANY LET, BOTH MARCH THIRTEEN LAST. RE [REDACTED]

b7D

[REDACTED] ACCORDINGLY ALBANY WILL RECHECK RE
ABOVE [REDACTED] MENTIONED IN RELET AND RETAL TO SECURE CORRECT
NUMBER. TELEPHONE NUMBER PLAZA SEVEN ONE FIVE NAUGHT NAUGHT MENTIONED
IN RELET IS SUBSCRIBED TO BY UNITED JEWISH APPEAL, ONE SIX FIVE WEST
FORTY-SIXTH STREET, NYC. NY INDICES NEGATIVE ON MAURICE DISKIN.
ABOVE FOR INFO NEW HAVEN.

SCHEIDT

ALBANY AND NEW HAVEN ADVISED

HOLD

FBI NYC 17 9-38 PM PVD
SACS ALBANY AND NEW HAVEN URGENT

JOSEPH RAFELLI, WAS, ESP - IS., ITZHAK VARDI, ESP - IS. RE ALBANY
TEL AND ALBANY LET, BOTH MARCH THIRTEEN LAST. RE b7D

ACCORDINGLY ALBANY WILL RECHECK RE
 MENTIONED IN RELET AND RETAL TO SECURE CORRECT
NUMBER. TELEPHONE NUMBER PLAZA SEVEN ONE FIVE NAUGHT NAUGHT MENTIONED
IN RELET IS SUBSCRIBED TO BY UNITED JEWISH APPEAL, ONE SIX FIVE WEST
FORTY-SIXTH STREET, NYC. NY INDICES NEGATIVE ON MAURICE DISKIN.
ABOVE FOR INFO NEW HAVEN.

SCHEIDT

CORR DATE IS 3-17-52

\$8438594 A

DIRECTOR ADVISED

END AND ACK

OK FBI NH GBM

OK FBI AL FM

TA DCSV

65-15461-2022

IN REPLY, PLEASE REFER TO

FILE NO. 65-15961

**Federal Bureau of Investigation
United States Department of Justice**



607 United States Court House
Foley Square
New York 7, New York

PERSONAL AND CONFIDENTIAL
March 19, 1952

Mr. Edward L. Braune, Agent
New York Telephone Company
140 West Street
New York 7, New York

Dear Mr. Braune:

This will confirm receipt of information concerning the following
telephone numbers: **JU 6-4272.**

This information was needed in connection with an official
investigation being conducted by this Office.

Thankyou for your cooperation in this matter.

Very truly yours,

Edward Scheidt
EDWARD SCHEIDT
Special Agent in Charge

RDR:MOH
[Handwritten signature]

65-15961-23

Federal Bureau of Investigation
United States Department of Justice

65-15961

607 United States Court House
Foley Square
New York 7, New York

~~PERSONAL AND CONFIDENTIAL~~ (U)

March 19, 1952

b7D

Dear [REDACTED]

This will confirm receipt of information concerning the following
[REDACTED]
[REDACTED]

This information was needed in connection with an official investigation being conducted by this office.

Thank you for your cooperation in this matter.

Very truly yours,

Edward Scheidt

EDWARD SCHEDIT
Special Agent in Charge

RDR:MOH
nmh



65-15961-24ⁿ

NEW YORK, NEW YORK
MARCH 19, 1952

BUREAU, ALBANY,...URGENT

JOSEPH RAFELLI, WAS., ESPIONAGE DASH IS; ITZHAK VARDI,
ESPIONAGE DASH IS. RE ALBANY LETTER, MARCH THIRTEEN
LAST, AND NY TELETYPE, MARCH SEVENTEEN LAST. CONFIDENTIAL
SOURCE [REDACTED] ADVISED THEY HAVE LOCATED [REDACTED]

b7D

[REDACTED]

[REDACTED] THE FILES
OF CONFIDENTIAL SOURCE [REDACTED] CONTAINS NO INFORMATION
REGARDING THIS [REDACTED]

[REDACTED]

[REDACTED] NY TELEPHONE
DIRECTORY INDICATES KITTAY AND BLITZ, AT ABOVE ADDRESS,
ARE DEALERS IN PRESCIOUS STONES.

SCHEIDT

cc: NY 65-15961 ✓
JPM:MBR (#1)
65-15729

65-15961-25

SAC, New York (65-15729)

March 22, 1952

SAC, Cleveland (100-5625)

JOSEPH RAFELLI, was.;
ITZHAK VARDI
ESPIONAGE - IS

Re Albany letter 3-13-52.

It is not possible to identify the subscriber to
telephone number 11299 without the exchange. RUC.

JBOD'D/cmh

cc - Albany (65-1826)

*One copy of this letter
filed in 65-15729
filed
65-15961*

65-15961-26

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 25 1952	
FBI - NEW YORK	

Director, FBI

March 22, 1952

SAC, Albany (65-1830)

FEZIK VARDI
ESPIONAGE - IS

Re telephone conversations between Inspector HENRICH and ASAC
E. E. BROWN at 5:10 and 6:20 PM March 21, 1952, and Albany teletype March 21,
1952.

[redacted] was interviewed at [redacted]
by SAs KIRBY A. VOSBURGH and PAUL W. KELLEY on March 21, 1952. [redacted]
volunteered the following information concerning [redacted]

b7D

KAV:ATH
cc: 65-1826
cc: New York

AIR MAIL SPECIAL DELIVERY

one copy, filed in
65-15727

65-15727

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 24 1952	
FBI - NEW YORK	

P. Martin

65-15727 27

Director, FBI
3-22-52

Re: ITZHAK VARDI
ESPIONAGE - IS

b7D

[REDACTED]

With reference to the Palestine Economic Corporation (hereinafter referred to as PEC), this organization has been described by reliable informants as a corporation organized by prominent men in American Jewry, specifically MARSHALL, MORGENTHAU and BRANDEIS, for the purpose of selling stock in the United States in ventures in Palestine. Informants reflect that PEC was originated by these prominent Americans to enable Palestine to have economic lifeblood by way of American investments in that country. It is stated that the corporation has been in existence approximately twenty-five years and that it pays a dividend of approximately 4% and has since its origin. Informants point out that it is no way connected with the government of Israel and that it is strictly opposed to the policies of the present Israel government, which are, as pointed out above, socialist in principle and action.

PEC, according to informants, believes that the principal good to Israel will come from the investments there of large sums of foreign and American capital so that the capitalist system will become prevalent there as it is in the United States. [REDACTED] stated he felt that policies of PEC were the best policies for Israel and that [REDACTED]

[REDACTED]

Incident to supplying the above information, [REDACTED] discussed [REDACTED]

[REDACTED]

Director FBI
3-22-52

Re: ITZHAK VARDI
ESPIONAGE - IS

b7D

The interview with [] was conducted strictly in accordance with the Bureau's instructions. The attitude expressed by the interviewing Agents was that [] indicated a willingness and a desire to talk to the FBI, that they were present to listen to what he had to say which he felt would be of interest to this Department.

[] pointed out that if any future contact should be desired by the FBI with him that he would prefer to have Agents merely []

Director, FBI
3-22-52

Re: ITZHAK VARDI
ESPIONAGE - IS

b7D

The Albany Office has been unable to evaluate the significance of [] statements, since no background information is available in this office at this time.

No further contact will be had with [] without prior communication with the Bureau.

[illegible]

URGENT

ITZHAK VARDI, ESPIONAGE - IS. RE TELEPHONE CONVERSATIONS OF
INSPECTOR HENNRICH AND ASAC EARL E. BROWN, FIVE THIRTY AND SIX
TWENTY PM, MARCH TWENTYONE, FIFTYTWO , AND MYTEL, MARCH TWENTYONE,
FIFTYTWO. [] INTERVIEWED ON EVENING OF MARCH TWENTYONE LAST.

b7D

REPORT OF INTERVIEW BEING SUBMITTED AMSD. BUREAU REQUESTED, AFTER
REVIEW OF REFERENCED LETTER, TO ADVISE NY AND ALBANY IF

NY ~~2~~OK C FBI NYC JEM

SECRET

28
28

FBI, ALBANY

3-25-52

9-44 PM

HWD

DIRECTOR, FBI AND SAC NEW YORK

URGENT

ITZHAK VARDI, ESP.-IS. SUBJECT DEPARTED SYRACUSE, FIVE TWENTYFIVE PM TODAY, VIA AMERICAN AIRLINES, NON STOP FLIGHT TO NYC DUE TO ARRIVE IDLEWILD AIRPORT SIX THIRTYFOUR PM. INFO FURNISHED TELEPHONICALLY TO SA THOMAS J. MC ANDREWS OF NY OFFICE.

BATTLE

END

OK FBI NYC JLM

9-46 PM OK FBI WA RG

TU DISGVVV

OK FBI NYC YJM

T

65-15961-29

[Handwritten signature]

[Handwritten signature]

[Handwritten mark]



IN REPLY, PLEASE REFER TO
FILE NO. 65-15961

United States Department of Justice
Federal Bureau of Investigation
607 United States Court House
Foley Square
New York 7, New York

PERSONAL AND CONFIDENTIAL (U)

March 26, 1952

Mr. Edward L. Braune, Agent
New York Telephone Company
140 West Street
New York 7, New York

Dear Mr. Braune:

In connection with an official investigation being conducted by this office it is requested that you furnish listings for the following telephone numbers:

TR 2-0928

Your cooperation in this matter will be greatly appreciated.

Very truly yours,

EDWARD SCHEIDT
Special Agent in Charge

RDR:JR

30
65-15961-28



United States Department of Justice
Federal Bureau of Investigation
New York, N. Y.

March 26, 1952

MEMORANDUM

Re: ITZHAK VARDI
ESPIONAGE - IS

SA Alexander Gucker of the Albany Office at 4:45 p.m., March 25, 1952, telephonically advised the writer that ITZHAK VARDI was scheduled to leave Albany via American Airlines at 5:25 p.m., and was due to arrive at Idlewild, New York, 6:34 p.m., 3-25-52.

The above was furnished to SA J. P. Martin, who was also advised that the subject RAFELLI had gone to Utica.

T. J. McANDREWS,
SA

TJMCA:RAA
65-15961

65-15961-31

J. P. Martin

APR 2 1952

WASH FROM NEW YORK .96
DIRECTOR URGENT

2

9-30 PM

ITZHAK VARDI. ESPIONAGE DASH IS. RE ALBANY TELS MARCH TWENTYTWO
AND TWENTYFIVE, FIFTYTWO. HOTEL CONTACT AT PARK PLAZA HOTEL, NYC
ADVISES SUBJECT COMES TO NYC ONLY OVER WEEKEND AND LEAVES NYC EVERY
SUNDAY. ADVISES SUBJECT PRESENTLY AT SYRACUSE, NY AND IS EXPECTED
TO BE THERE ANOTHER THREE WEEKS. DOES NOT KNOW ADDRESS OF SUBJECT
AT SYRACUSE, BUT PRESUMED TO BE SAME AS SUBJECT-S PREVIOUS RESIDENCE
THERE. ALBANY WILL MAINTAIN COVERAGE OF SUBJECT-S ACTIVITIES AS
PER PREVIOUS BUREAU INSTRUCTIONS. IN ACCORDANCE WITH INSTRUCTIONS
AND RE ALBANY TEL MARCH TWENTYTWO, FIFTYTWO BUREAU AUTHORITY REQUESTED
TO ADVISE [REDACTED]
[REDACTED]

b7D

SCHEIDT

ALBANY ADVISED.

HOLD PLS

65-15761-30

FBI NYC 4-2-52

9-25 PM JEM

SAC ALBANY URGENT

ITZHAK VARDI. ESPIONAGE DASH IS. RE ALBANY TELS MARCH TWENTYTWO AND TWENTYFIVE, FIFTYTWO. HOTEL CONTACT AT PARK PLAZA HOTEL, NYC ADVISES SUBJECT COMES TO NYC ONLY OVER WEEKEND AND LEAVES NYC EVERY SUNDAY. ADVISES SUBJECT PRESENTLY AT SYRACUSE, NY AND IS EXPECTED TO BE THERE ANOTHER THREE WEEKS. DOES NOT KNOW ADDRESS OF SUBJECT AT SYRACUSE, BUT PRESUMED TO BE SAME AS SUBJECT-S PREVIOUS RESIDENCE THERE. ALBANY WILL MAINTAIN COVERAGE OF SUBJECT-S ACTIVITIES AS PER PREVIOUS BUREAU INSTRUCTIONS. IN ACCORDANCE WITH INSTRUCTIONS AND RE ALBANY TEL MARCH TWENTYTWO, FIFTYTWO BUREAU AUTHORITY REQUESTED TO ADVISE [REDACTED]

b7D

SCHEIDT

DIRECTOR ADVISED

CORR LINE 5 LAST WD IS " SUBJECT

AND NEXR TO LAST LINE WD 8 IS SUBJECT

END AND ACK

OK FBI AL FLH

TU DSC

65-15961-30

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE NEW YORK, NEW YORK

4/2/52

Transmit the following Teletype message to: BUREAU
ALBANY....URGENT

ITZHAK VARDI. ESPIONAGE DASH IS. RE ALBANY TELS MARCH
TWENTYTWO AND TWENTYFIVE, FIFTYTWO. HOTEL CONTACT AT
PARK PLAZA HOTEL, NYC ADVISES SUBJECT COMES TO NYC ONLY
OVER WEEKEND AND LEAVS NYC EVERY SUNDAY. ADVISES SUBJECT
PRESENTLY AT SYRACUSE, NY AND IS EXPECTED TO BE THERE
ANOTHER THREE WEEKS. DOES NOT KNOW ADDRESS OF SUBJECT AT
SYRACUSE, BUT PRESUMED TO BE SAME AS SUBJECT'S PREVIOUS
RESIDENCE THERE. ALBANY WILL MAINTAIN COVERAGE OF
SUBJECT'S ACTIVITIES AS PER PREVIOUS BUREAU INSTRUCTIONS.
IN ACCORDANCE WITH INSTRUCTIONS AND RE ALBANY TEL MARCH
TWENTYTWO, FIFTYTWO ^{BUREAU AUTHORITY} ~~BUREAU~~ REQUESTED TO ADVISE [REDACTED]

[REDACTED]
[REDACTED]

b7D

SCHEIDT

JPM:ETM
65-15961 (#1)

Approved: [Signature]
Special Agent in Charge

Sent 925P 930P M Per [Signature]

MR. SCHEIDT
MR. WHLAN
MR. HARGETT
MR. GILLESPIE
MR. GRANVILLE
MR. HAMILTON
MR. LEVVIS
MR. MARCHESSAULT
MR. McANDREWS
NIGHT SUPERVISOR
MR. RAGAN
MR. SULLIVAN
MR. WALSH
MR. WILLIS
MR. WOHL
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

65-15961-32

NEW YORK 64 FROM WASH DC 3 816 PM
SAC U R G E N T

ITZHAK VARDI, ESPIONAGE DASH IS. RENYTEL APRIL TWO LAST. SUBJECTS
ACTIVITIES SHOULD BE COVERED THROUGH USUAL INVESTIGATIVE PROCEDURES
PER INSTRUCTIONS IN BUTEL MARCH FOUR LAST INASMUCH AS [REDACTED]

[REDACTED]
[REDACTED] INSTRUCTIONS WILL BE ISSUED REGARDING [REDACTED]
[REDACTED]

HOOVER

HOLD

b7D

65-15961-33
7

J. P. Martin

Martin

VL

FBI, ALBANY

3-25-52

9-44 PM

HWD

DIRECTOR, FBI AND SAC NEW YORK

URGENT

ITZHAK VARDI, ESP.-IS. SUBJECT DEPARTED SYRACUSE, FIVE TWENTYFIVE
PM TODAY, VIA AMERICAN AIRLINES, NON STOP FLIGHT TO NYC DUE TO
ARRIVE IDLEWILD AIRPORT SIX THIRTYFOUR PM. INFO FURNISHED
TELEPHONICALLY TO SA THOMAS J. MC ANDREWS OF NY OFFICE.

BATTLE

END

OK FBI NYC JLM

9-46 PM OK FBI WA RG

TU DISCVVV

OK FBI NYC JJM

T

65-15961-29

[Handwritten signature]

[Handwritten circled 1]

[Handwritten signature]

Office Memorandum : UNITED STATES GOVERNMENT

TO : SAC, New York

FROM : Director, FBI

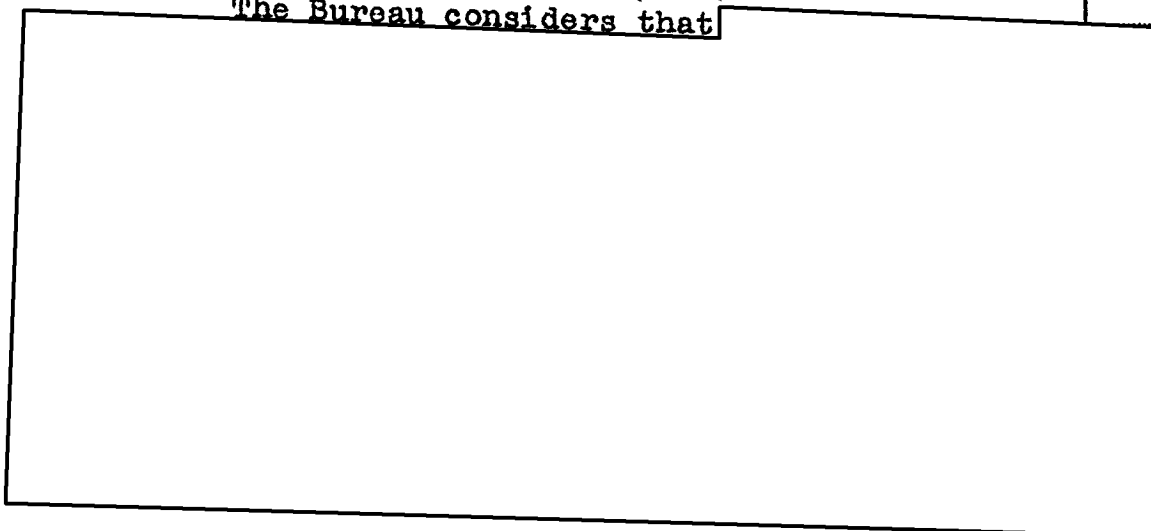
SUBJECT: ITZHAK VARDI
ESPIONAGE - IS

DATE: April 7, 1952

MR. SCHEIDT
MR. WHELAN
MR. HARGETT
MR. FILESPIE
MR. GRANVILLE
MR. HAMILTON
MR. LEVVIS
MR. ARCHESHAULT
MR. McANDREWS
NIGHT SUPERVISOR
MR. RAGAN
MR. SULLIVAN
MR. WALSH
MR. WILLIS
MR. WOOL
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

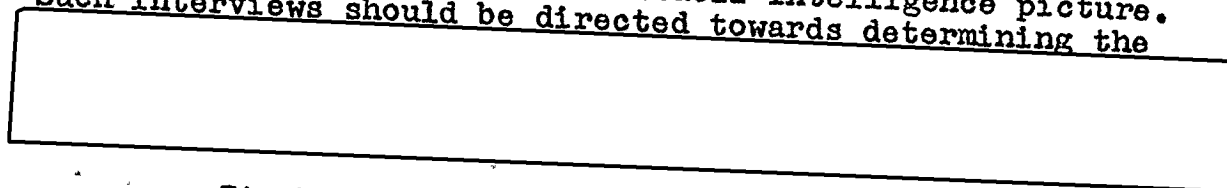
Relet from Albany to Bureau dated March 22,

The Bureau considers that

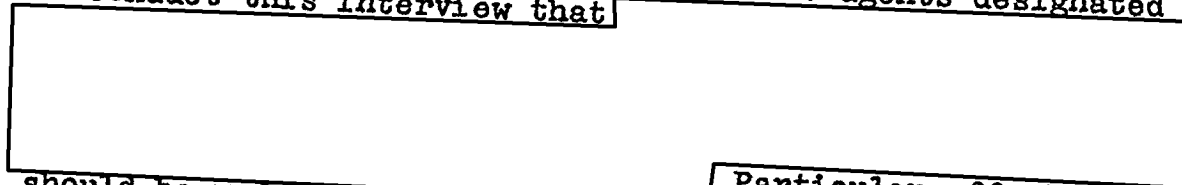


b7D

You are accordingly instructed to make arrangements to interview [redacted] in accordance with the suggestion of subject set forth in relet. This interview should be handled by two experienced agents, at least one of whom should be acquainted with the Israeli intelligence picture. Such interviews should be directed towards determining the



It should be pointed out to the agents designated to conduct this interview that




should be made to identify [redacted] Particular efforts who is presently under investigation in the case entitled "Kahan, Espionage - Is," New York file 65-158755. 34

cc-Albany (65-1830)

SEARCHED	INDEXED
SERIALIZED	FILED
APR 9 1952	
FBI - NEW YORK	

[Signature]



The Bureau desires that the activities of Vardi continue to be investigated through contacts at hotels and established sources at the present time. Additional instructions will be issued in this regard upon receipt of the results of the interview with . This matter should receive your immediate attention, and the results should be forwarded to the Bureau promptly.

b7D



United States Department of Justice
Federal Bureau of Investigation
607 United States Court House
Foley Square
New York 7, New York

IN REPLY, PLEASE REFER TO
FILE NO. 65-15961

PERSONAL AND CONFIDENTIAL (U)

April 9, 1952

Mr. Edward L. Braune, Agent
New York Telephone Company
140 West Street
New York 7, New York

Dear Mr. Braune:

In connection with an official investigation being conducted by this office it is requested that you furnish listings for the following telephone numbers:

TR 3-1373
DI 4-7444
PL 9-8610
TR 2-0928

Your cooperation in this matter will be greatly appreciated.

Very truly yours,

A handwritten signature in cursive script, reading "Edward Scheidt", is written over the typed name.

EDWARD SCHEIDT
Special Agent in Charge

RDR:HAS

65-15961-35

Director, FBI

April 18, 1952

SAC, New York (65-15150)

ISINT

b7D

Relet to New York dated 4/7/52 in the case entitled "ITZHAK VARDI, ESPIONAGE-IS".

In relet the Bureau directed the NYO to make arrangements for the reinterview of [redacted] with a view towards determining the [redacted]

Relet pointed out that during said interview it might be well to point out to [redacted]

Since the receipt of the reference letter from the Bureau, a productive interview has been conducted with one [redacted] who is [redacted]. A statement dated 4/10/52 has been signed by [redacted] and is being retained in this office. Enclosed herewith with this letter is an exact copy of this twelve page signed statement. The statement is self-explanatory.

It will be noted that considerable information is contained in this statement relative to the espionage activities of ITZHAK VARDI during the time that he was Vice Consul of the Israeli Consulate in London in 1949 and 1950.

For the information of the Bureau, [redacted] advised at the time he was interviewed that he desired to cooperate in any way that he could with the FBI in any investigation that they might be conducting. However, he expressed the thought that [redacted]

The information contained in [redacted] statement regarding VARDI's past espionage activities might [redacted]

Enc. 1

cc: Washington Field
NY 105-3386
NY 65-15961 ✓

DES:LEJ

65-15961-36

Letter to Director
NY 65-15150

[Redacted]

b7D

The Bureau is, therefore, requested to advise as to
their opinion in regard to [Redacted]

[Redacted]

Pending receipt of Bureau instructions in regard
to the above, the contemplated reinterview of [Redacted]
will be held in abeyance.

There is presently being prepared a report in the
case entitled [Redacted] "INTERNAL SECURITY-IS",
which will elaborate and encompass the entire interview of
[Redacted]



IN REPLY, PLEASE REFER TO
FILE NO: 65-15961

United States Department of Justice
Federal Bureau of Investigation
607 United States Court House
Foley Square
New York 7, New York

PERSONAL AND CONFIDENTIAL (U)

April 19, 1952

Mr. Edward L. Braune, Agent
New York Telephone Company
140 West Street
New York 7, New York

Dear Mr. Braune:

In connection with an official investigation being conducted by this office it is requested that you furnish listings for the following telephone numbers:

ES 5-6699
LE 2-4434
CI 6-9640
MU 3-0997
TE 8-2792

Your cooperation in this matter will be greatly appreciated.

Very truly yours,

EDWARD SCHEIDT
Special Agent in Charge

RDR:HAS

65-15961-37^u



IN REPLY, PLEASE REFER TO
FILE NO. 65-15961

United States Department of Justice
Federal Bureau of Investigation
607 United States Court House
Foley Square
New York 7, New York

PERSONAL AND CONFIDENTIAL

April 19, 1952

Mr. Edward L. Braune, Agent
New York Telephone Company
140 West Street
New York 7, New York

Dear Mr. Braune:

In connection with an official investigation being conducted by this office it is requested that you furnish listings for the following telephone numbers:

PL 6-2000
PL 7-2487
TR 4-6400
DI 4-7444
DR 4-6400
CI 8-3324

Your cooperation in this matter will be greatly appreciated.

Very truly yours,

Edward Scheidt

EDWARD SCHEIDT
Special Agent in Charge

RDR:HAS

65-15961-38

File - Serial Charge Out
FD-5 (Rev. 10-13-89)

Date 3/3/04

File NY 65-15461-
Class. Office of Origin Case No. Last Serial

☐ Pending

☐ Closed

Serial No.	Description of Serial	Date Charged
	Sera 140	
	Sent to:	
	FBIHQ	
	FOTPA Section	
	Darlene Dudrich	
	Re: Moses A. Leavitt	
	<i>R. J. [Signature]</i> , L-19	
	Employee	

RECHARGE

Date _____

To _____ From _____

Initials of
Clerk {

Date {

Date charged

Employee

Location

WASH 73 FROM NEW YORK 23 9-51 PM
DIRECTOR URGENT

JOSEPH RAFELLI, WAS; ESP - IS, ITZHAK VARDI, ESP - IS. HOTEL CONTACT AT PARK PLAZA HOTEL, NYC, ADVISES ITZHAK VARDI TELEPHONED TO VARDI-S WIFE AT PARK PLAZA HOTEL ON APRIL TWENTY THREE INSTANT FROM TELEPHONE NO UTICA FOUR DASH ONE NAUGHT EIGHT FOUR AT UTICA, NY. FURTHER ADVISES THAT JOSEPH RAFELLI CHECKED OUT OF PARK PLAZA HOTEL EARLY MORNING OF APRIL TWENTY THREE INSTANT ADVISING HOTEL HE WOULD RETURN IN ABOUT TWO WEEKS BUT RAFELLI FURNISHED HOTEL NO FORWARDING ADDRESS. BUREAU HAS INSTRUCTED THAT ACTIVITIES OF BOTH VARDI AND RAFELLI BE COVERED THRU CONTACTS AT HOTELS AND ESTABLISHED SOURCES. ALBANY REQUESTED TO VERIFY VARDI-S PRESENT RESIDENCE AT UTICA, NY THRU ABOVE TELEPHONE NO. AND THEN ARRANGE COVERAGE OF VARDI-S ACTIVITIES AS PER ABOVE INSTRUCTIONS. IN VIEW OF FACT THAT BOTH SUBJECTS MAKE FREQUENT BUSINESS TRIPS THRUOUT NY STATE AND LEAVE NO FORWARDING ADDRESS WITH PARK PLAZA HOTEL IN NYC, ALBANY AND

END PAGE ONE

65-15961-411

PAGE TWO

BUFFALO OFFICES ARE REQUESTED, THRU HOTEL CONTACTS AT HOTELS WHEREIN SUBJECTS HAVE RESIDED WITHIN THEIR RESPECTIVE DIVISIONS IN THE PAST, TO MAKE ARRANGEMENTS TO BE ADVISED WHEN EITHER OF SUBJECTS REGISTER AT SAID HOTELS, AND THEN ARRANGE COVERAGE OF THE ACTIVITIES OF BOTH SUBJECTS AS PER ABOVE INSTRUCTIONS. WHEN EITHER BUFFALO OR ALBANY OFFICE RECEIVE ADVICE FROM HOTEL CONTACTS THAT EITHER OF SUBJECTS IS RESIDING WITHIN THEIR RESPECTIVE DIVISIONS, THAT OFFICE IS REQUESTED TO FURNISH THE INFO AS TO SUBJECTS- WHEREABOUTS, TO NY BY TEL.

SCHEIDT

ALBANY AND BUFFALO ADVISED

TOLD PLS

FBI NYC 4-23-52
SACS ALBANY AND BUFFALO URGENT

9-37 PM JCS

JOSEPH RAFELLI, WAS, ESP - IS, ITZHAK VARDI, ESP - IS. HOTEL CON-
TACT AT PARK PLAZA HOTEL, NYC, ADVISES ITZHAK VARDI TELEPHONED TO
VARDI-S WIFE AT PARK PLAZA HOTEL ON APRIL TWENTY THREE INSTANT
FROM TELEPHONE NO UTICA FOUR DASH ONE NAUGHT EIGHT FOUR AT UTICA, NY.
FURTHER ADVISES THAT JOSEPH RAFELLI CHECKED OUT OF PARK PLAZA HOTEL
EARLY MORNING OF APRIL TWENTY THREE INSTANT ADVISING HOTEL HE WOULD
RETURN IN ABOUT TWO WEEKS BUT RAFELLI FURNISHED HOTEL NO FORWARDING
ADDRESS. BUREAU HAS INSTRUCTED THAT ACTIVITIES OF BOTH VARDI
AND RAFELLI BE COVERED THRU CONTACTS AT HOTELS AND ESTABLISHED
SOURCES. ALBANY REQUESTED TO VERIFY VARDI-S PRESENT RESIDENCE AT
UTICA, NY THRU ABOVE TELEPHONE NO. AND THEN ARRANGE COVERAGE OF VARDI-
S ACTIVITIES AS PER ABOVE INSTRUCTIONS. IN VIEW OF FACT THAT BOTH
SUBJECTS MAKE FREQUENT BUSINESS TRIPS THRUOUT NY STATE AND LEAVE
NO FORWARDING ADDRESS WITH PARK PLAZA HOTEL IN NYC, ALBANY AND

END PAGE ONE

5-1-95

PAGE TWO

BUFFALO OFFICES ARE REQUESTED, THRU HOTEL CONTACTS AT HOTELS WHEREIN SUBJECTS HAVE RESIDED WITHIN THEIR RESPECTIVE DIVISIONS IN THE PAST, TO MAKE ARRANGEMENTS TO BE ADVISED WHEN EITHER OF SUBJECTS REGISTER AT SAID HOTELS, AND THEN ARRANGE COVERAGE OF THE ACTIVITIES OF BOTH SUBJECTS AS PER ABOVE INSTRUCTIONS. WHEN EITHER BUFFALO OR ALBANY OFFICE RECEIVE ADVICE FROM HOTEL CONTACTS THAT EITHER OF SUBJECTS IS RESIDING WITHIN THEIR RESPECTIVE DIVISIONS, THAT OFFICE IS REQUESTED TO FURNISH THE INFO AS TO SUBJECTS- WHEREABOUTS, TO NY BY TEL.

SCHEIDT

DIRECTOR ADVISED

END

OK FBI AL FLH

BU OK FBI BU REA

TU DISCMV

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE NEW YORK, NEW YORK
APRIL 23, 1952

FD-36


MR. SCHEIDT
MR. WELAN
MR. HARGETT
MR. GILLESPIE
MR. LEVVIS
MR. MACROSSAULT
MR. MCANLEWS
NIGHT SUPERVISOR
MR. LIVAN
MR. WALSH
MR. WALLIS
MR. WOHL
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

Transmit the following Teletype message to: BUREAU, ALBANY, BUFFALO, NEW YORK
.....URGENT

JOSEPH RAFELLI, WAS, ESP - IS, ITZHAK VARDI, ESP - IS. HOTEL CONTACT AT PARK PLAZA HOTEL, NYC, ADVISES ITZHAK VARDI TELEPHONED TO VARDI'S WIFE AT PARK PLAZA HOTEL ON APRIL TWENTY THREE INSTANT FROM TELEPHONE NO. UTICA FOUR DASH ONE NAUGHT EIGHT FOUR AT UTICA, NY. FURTHER ADVISES THAT JOSEPH RAFELLI CHECKED OUT OF PARK PLAZA HOTEL EARLY MORNING OF APRIL TWENTY THREE INSTANT ADVISING HOTEL HE WOULD RETURN IN ABOUT TWO WEEKS BUT RAFELLI FURNISHED HOTEL NO FORWARDING ADDRESS. BUREAU HAS INSTRUCTED THAT ACTIVITIES OF BOTH VARDI AND RAFELLI BE COVERED THRU CONTACTS AT HOTELS AND ESTABLISHED SOURCES. ALBANY REQUESTED TO VERIFY VARDI'S PRESENT RESIDENCE AT UTICA, NY THRU ABOVE TELEPHONE NO. AND THEN ARRANGE COVERAGE OF VARDI'S ACTIVITIES AS PER ABOVE INSTRUCTIONS. IN VIEW OF FACT THAT BOTH SUBJECTS MAKE FREQUENT BUSINESS TRIPS THRUOUT NY STATE AND LEAVE NO FORWARDING ADDRESS WITH PARK PLAZA HOTEL IN NYC, ALBANY AND BUFFALO OFFICES ARE REQUESTED, THRU HOTEL CONTACTS AT HOTELS WHEREIN SUBJECTS HAVE RESIDED WITHIN THEIR RESPECTIVE

CC: NY 65-15729

JPM:EMO (#1)
65-15961

Approved: 

Special Agent in Charge

Sent  M

Per 

15-15961-41

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

Transmit the following Teletype message to:

PAGE TWO

DIVISIONS IN THE PAST, TO MAKE ARRANGEMENTS TO BE ADVISED WHEN EITHER OF SUBJECTS REGISTER AT SAID HOTELS, AND THEN ARRANGE COVERAGE OF /THE ACTIVITIES OF BOTH SUBJECTS AS PER ABOVE INSTRUCTIONS. WHEN EITHER BUFFALO OR ALBANY OFFICE RECEIVE ADVICE FROM HOTEL CONTACTS. THAT EITHER OF SUBJECTS IS RESIDING WITHIN THEIR RESPECTIVE DIVISIONS, THAT OFFICE IS REQUESTED TO FURNISH THE INFO AS TO SUBJECTS' WHEREABOUTS, TO NY BY TEL.

SCHEIDT

Approved: _____
Special Agent in Charge

Sent _____ M Per _____

FBI, ALBANY

4-24-52

8-13.

PM

FM

SAC, NEW YORK

URGENT

JOSEPH RAFELLI, WAS., ESP-IS. ITZHAK VARDI, ESP-IS. REURTEL APRIL
TWENTY THREE LAST. INVESTIGATION, UTICA, NY AND CHECK OF HOTELS AND
ESTABLISHED CONTACTS AND SOURCES OF INFO REFLECT NEITHER RAFELLI OR
VARDI PRESENTLY LOCATED THERE. UTICA TELEPHONE FOUR DASH ONE NAUGHT
EIGHT FOUR IS LISTED TO SIDNEY B. GEFFEN, TWO SIX ONE ONE GENESEE ST.,
WHO ALSO OPERATES GEFFEN MOTORS ON COLUMBIA ST. IN UTICA, AND IS KNOWN
CONTACT OF SUBJECTS. NEITHER SUBJECT LOCATED AT EITHER PLACE.
INVESTIGATION CONTINUING.

BATTLE

END

PLS ROLL BACK AND ILL INSERT TIME

OK FBI OK FBI NYC JCS

THANK U DISC PLS

other copy in
65-15729

J. Yanti
PM

65-15961-42
7
APR 24 1952

FBI, BUFFALO 4-24-52 21 XX 2-30 PM EST JNL

SACS NEW YORK AND WFO DEFERRED

JOSEPH RAFELLI, WAS. ESP DASH IS, ITZHAK VARDI, ESP DASH IS. RE NY.
TEL APRIL TWENTY-THREE. RAFELLI NOT STAYING AT BUFFALO HOTELS WHERE
FORMERLY RESIDED. REGULAR CHECKS WILL BE MADE AT PERTINENT HOTELS FOR
PRESENCE OF RAFELLI AND VARDI. LET RECD C/C LAFAYETTE HOTEL, BUFFALO,
ADDRESSED TO JOSEPH RAFFAELI WITH REQUEST TO FORWARD. LET POSTMARKED
APRIL TWENTY-ONE LAST AT WASHINGTON, D. C. RETURN ADDRESS QUOTE N. R.
MEADOWS, DEPT. OF STATE, USA, WASH., D. C. END QUOTE. ENVELOPE NOT
FRANKED AND WORD QUOTE OFFICIAL UNQUOTE STRUCK OUT. ABOVE FOR WFO INFO.
ADVISE BUFFALO OFFICE ORIGIN VARDI CASE.

BLAYLOCK

CORR LINE FOUR WORD EIGHT SHD BE C/O

EDN

WA 2-36 PM OK FBI WA DS

NY OK FBI NYC PVD

HTU DISC

other copy in
65-15729

65-15961-43
SEARCHED
SER.
1 APR 24

Martinez

Office Memorandum • UNITED STATES GOVERNMENT

TO : SAC, New York

DATE: April 25, 1952

FROM : Director, FBI (65-60696)

SUBJECT: ITZHAK VARDI
ESPIONAGE - IS

MR. SCHEIDT
MR. WHELAN
MR. GILLESPIE
MR. GRANVILLE
MR. HAMILTON
MR. MARSHALL
MR. McNEELY
MR. ROSS
MR. TOLSON
MR. WATSON
MR. WELLS
MR. WOOD
MR. YERGEN
MR. ZIEGLER
MR. CLEGG
MR. GLAVIN
MR. LADD
MR. NICHOLS
MR. ROSEN
MR. TRACY
MR. HARBO
MR. MOHR
MR. WINTERROWD
TELE. ROOM
MR. HOLLOMAN
MISS GANDY

Reference is made to your memorandum to the Bureau dated April 18, 1952, captioned, "Isint." Your file number 65-15150.

In accordance with your request, Bureau authority is granted to utilize the information furnished by [redacted] concerning the activities of Vardi in London, England, on behalf of the Israeli Intelligence Service during the course of your interview [redacted]. As pointed out in your memorandum, the identity of [redacted] as the source of the information should not be disclosed. Similarly, the information obtained from [redacted] should only be utilized where it appears that the use of same [redacted]

b7D

Arrangements should be completed as soon as possible for an interview [redacted] and the results thereof furnished to the Bureau in report form immediately thereafter.

Extra copies of this memorandum are being furnished the New York Office for its files on Isint and [redacted]

cc - Washington Field

one copy to
65-15150
one copy to
105-3386

65-15961-44
SEARCHED INDEXED
SERIALIZED FILED
APR 26 1952
FBI - NEW YORK
J. P. Martin

MR. SCHEIDT
MR. WHELAN
MR. HARGETT
MR. GILLESPIE
MR. GRANVILLE
MR. HAMILTON
MR. LEVVIS
MR. MARCHESSAULT
MR. McANDREWS SPANKE
NIGHT SUPERVISOR
MR. RAGAN
MR. SULLIVAN
MR. WALSH
MR. WILLIS
MR. WOHL
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

NEW YORK 57 FROM WASH FIELD 29 8-36 PM

DIRECTOR AND SAC URGENT

ITZHAK VARDI, ESP DASH IS. SUBJECT DETERMINED TO BE RESIDING FOUR TWO ONE SIXTH ST. N.E. IN ROOMING HOUSE OF MRS. IRENE HARRISON. USUAL SOURCES HAVE NO RECORD OF CONTACT BY SUBJECT. INDICES NEGATIVE ON HARRISON. SPOT CHECKS AT ABOVE ADDRESS CONTEMPLATED. NY REQUESTED TO ADVISE COVERAGE DESIRED.

HOOD

BUREAU ADVISED

HOLD

65-15961-47

JP Martin

SEARCHED.....INDEXED.....
SERIALIZED.....
APR 29 1952
Martin

FD-202
(1-10-49)

FEDERAL BUREAU OF INVESTIGATION

FORM No. 1
THIS CASE ORIGINATED AT

NEW YORK

SECURITY INFORMATION - ~~SECRET~~ (U)

REPORT MADE AT ALBANY	DATE WHEN MADE 5/1/52	PERIOD FOR WHICH MADE 1/30; 2/1-7, 21-24; 3/3-22/52	REPORT MADE BY WOODSON E. DRAUT pak
TITLE ITZHAK VARDI			CHARACTER OF CASE ESPIONAGE - IS

SYNOPSIS OF FACTS:

JOSEPH RAFELLI, with VARDI and VARDI's wife, arrived Utica, New York, January 29, 1952. Stayed until February 7, 1952, at which time they left by train for Buffalo, New York. RAFELLI and VARDI returned to Utica from Buffalo, 2/21/52 and stayed until 2/24/52, and then left for New York City. On 3/15/52, RAFELLI returned to Utica, leaving for Albany 3/16/52. Again returned to Utica 3/25/52 from Syracuse, N. Y. and returned to Syracuse early morning 3/27/52. While in Utica, N.Y. RAFELLI contacted Rabbi JEROME LIPNICK, Temple Beth-El, and other prominent persons of Jewish extraction, allegedly for purpose of raising funds for private enterprise for country of Israel. RAFELLI and VARDI spent the approximate period 3/3/52 through 3/22/52 at Albany, N. Y. except for the week-end of March 15 and 16, 1952 which VARDI spent in New York City and RAFELLI spent in Utica, N. Y. During this period they made about thirty-seven contacts, mostly in Albany, Schenectady and Troy, N. Y., including sixteen businessmen, four professional men, two Rabbis, two employees of the General Electric Company at Schenectady, New York. Others were S. C. MURRAY, another employee of the Palestine Economic Corp., and MAURICE J. DISKIN of the United Jewish Appeal of New York City who spent

APPROVED AND FORWARDED: <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES Indexed 65-15961-48
COPIES OF THIS REPORT (59607) 3 - Bureau (65-60696) 2 - New York 2 - Buffalo 2 - Chicago 2 - Cleveland 1 - Washington Field (Info.)		SEARCHED.....INDEXED..... SERIALIZED.....FILED..... MAY - 5 1952 FBI - NEW YORK <i>[Signature]</i>

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Index

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considerable time with RAFELLI. The automobile of one contact JACOB S. COPLON of Schenectady, New York was observed at an anti-Mundt Bill Rally partly sponsored by the Communist Party in June 1948. No pertinent information has been reported concerning any other contacts. Both RAFELLI and VARDI went to Syracuse, N. Y. on leaving Albany.

- P -

DETAILS:

AT UTICA, NEW YORK

The following investigation was conducted by SA EDWARD J. LEAHY.

[redacted] advised SA JOSEPH A. WALTER that three persons, JOSEPH RAFELLI, ITZHAK VARDI and Mrs. VARDI, arrived at the Hotel Hamilton on January 29, 1952. [redacted] stated that RAFELLI at that time occupied Room 675, while Room 667 was occupied by VARDI and his wife. He also disclosed that at the time of registration, they made a notation on registration cards that they were connected with the Palestine Economic Corporation, 400 Madison Avenue, New York City. [redacted] further advised that their present plans were to stay until Tuesday, February 5, 1952.

b7D

[redacted] advised that he had learned from VARDI that the three were going to leave on Tuesday, February 5, destination unknown. He later advised, however, that the date of departure had been changed to February 7, 1952. He further advised that VARDI had discussed with him the fact that he was to conduct a forum at the Temple Beth-El with RAFELLI on Sunday night, February 3, in the Blue Room.

Confidential Informant T-1, of known reliability, advised that RAFELLI and VARDI frequently contacted the following persons while in Utica between February 1, 1952 and February 7, 1952:

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Rabbi JEROME LIPNICK, 1627 Genesee Street;
MARTIN ABELOVE, 103 Arlington Street, Utica;
DR. ARTHUR KAPLAN, 33 Parkside Court, Utica;
STUART E. KROHN, 17 Beverly Place, Utica;
HARRY MARKSON, 126 Farmington Road, Utica;
LAWRENCE A. TUMPOSKER, 43 Parkside Court, Utica;
SEYMOUR ESKOW, 1515 Kemble Street, Utica;
MOSE A. SHAPIRO, 1636 Dudley Street, Utica;
Geffen Motors, Columbia Street, Utica;
MARTIN LEVINSON, 105 Arlington Street, Utica;
HENRE J. TROLIN, 903 Parkway East, Utica.

Confidential Informant T-2, of known reliability, stated with reference to the forum mentioned above by VARDI that Rabbi JEROME LIPNICK had advised him that this forum was not sponsored by the Temple Beth-El, but by the local Zionist organization. T-2 advised that there were between 60 and 70 people at the above meeting and also that he had been told that this meeting was held to get persons interested in investing in private enterprise in Israel. He stated that he learned that RAFELLI had been in Germany with the United States Military Government from 1944 to 1949 and continued there until 1951, when the State Department took over. He was advised, he stated, that RAFELLI had no official connection now, but was interested in private enterprise development. He said that he had heard that RAFELLI had stated that Haifa is a very good harbor and private investments could help to strengthen it as a bulwark for the West. It was also ascertained by T-2 that one MARTIN ABELOVE, whose name is set out above, has been interested for some years in Israeli investments and has recently returned from Palestine.

Records of [redacted] reflect that
RAFELLI [redacted]
during the same period:

b7D

[redacted]

On February 7, 1952, T-1 advised that

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RAFFELLI, accompanied by VARDI and VARDI's wife, left Utica, New York on Train No. 43 at 8:00 A. M. and were due to arrive at Buffalo, New York, at 1:00 P.M. on the same date.

Confidential Informant T-3, of known reliability, advised that RAFELLI and VARDI and Mrs. VARDI arrived at Buffalo as scheduled.

Records of the Hotel Utica at Utica, New York reflect that RAFELLI and VARDI, accompanied by Mrs. VARDI, returned to Utica from Buffalo, New York on February 21, 1952 and stayed at that hotel.

Confidential Informant T-5, of known reliability, advised on February 24, 1952 that RAFELLI, VARDI and Mrs. VARDI, on that date, boarded the 7:39 A. M. train for New York City which arrived there at 1:55 P.M.

Confidential Informant T-4, of known reliability, advised that during their stay in Utica on the above period from February 21 through February 24, 1952, RAFELLI and VARDI made no new contacts but recontacted the persons whose names have been set forth previously.

On March 15, 1952, Confidential Informant T-6, of known reliability, advised that RAFELLI returned to Utica on that date and again stayed at the Utica Hotel. He was alone during this period and left for Albany on March 16, 1952. The informant advised that no new contacts were made.

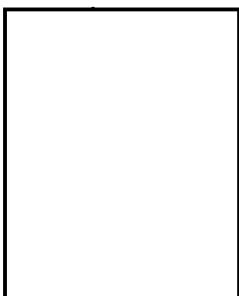
Confidential Informant T-7, of known reliability, advised that RAFELLI again returned to Utica from Syracuse, New York on March 25, 1952 and left Utica on March 26, 1952. The informant advised that he made no new contacts during this period.

Confidential Informant T-2 advised that all of the persons contacted by RAFELLI and the VARDIS were reputable and well known citizens of Jewish extraction and all businessmen and owners of businesses in the city of Utica, New York.

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lowing [redacted] Records of [redacted] showed that the fol-
VARDI [redacted] by RAFELLI or

b7D



It was also ascertained that on February 23,
1952 [redacted] by either RAFELLI or VARDI to [redacted]



AL 65-1830

The following investigation was conducted by the writer:

ITINERARY DATA

Confidential Informant T-8, of known reliability, advised on March 4, 1952 that JOSEPH RAFFAELI and ITZHAK VARDI registered at the Hampton Hotel, Albany, New York, on the evening of March 3, 1952. Both gave their residence as New York City and stated that they were representing the Palestine Economic Corporation, 400 Madison Avenue, New York City.

Confidential Informant T-10, of known reliability, advised on March 6, 1952 that on that date VARDI and RAFELLI registered at the Wellington Hotel, Albany, New York. They gave substantially the same information on registering at the Wellington Hotel as when registering at the Hampton Hotel.

Confidential Informant T-9, of known reliability, advised that VARDI and MAURICE J. DISKIN proceeded to New York City in DISKIN's automobile at approximately 9:00 A. M. on that date.

Confidential Informant T-10, on March 16, 1952, advised that VARDI and DISKIN returned to the Wellington Hotel in Albany, New York at approximately 11:00 that evening.

Confidential Informant T-6, on March 15, 1952, advised that RAFELLI proceeded from Albany, New York to Utica, New York on the 5:20 A. M. train, March 15, 1952, New York Central Railroad, arriving in Utica about 7:48 A. M. This informant advised that he took Room #1019 at the Utica Hotel in that city. T-6 advised on March 16, 1952 that RAFELLI returned to Albany, New York via the New York Central Railroad arriving at 5:35 P.M. on that date, and proceeded promptly to the Wellington Hotel in that city.

Confidential Informant T-11, of known reliability, advised, on March 19, 1952, that ITZHAK VARDI left Albany on the New York Central Railroad, 11:15 A. M. train, and

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arrived in Syracuse, New York at approximately 2:02 P.M.

Confidential Informant T-12, of known reliability, on March 22, 1952, advised that JOSEPH RAFELLI left Albany, New York on the New York Central Railroad, 11:15 A.M. that date bound for Syracuse, New York.

Confidential Informant T-13, of known reliability, on March 13, 1952, advised that at approximately 2:50 P.M. on that date RAFELLI was in contact with one MAX CROCKER of Chicago, Illinois. According to the informant, RAFELLI advised CROCKER that he, RAFELLI, would see CROCKER in Chicago in approximately three weeks. He said also that he would be in Rochester, New York before that time.

CONTACTS OF RAFELLI AND VARDI DURING
THE PERIOD MARCH 4 TO MARCH 22, 1952

Where no statement is made to the contrary, the indices of the Albany Office contain no identifiable information pertaining to the persons named herein below.

ALELOVE, Mr. and Mrs. MARTIN
103 Arlington Road,
Utica, New York

T-13 advised, on March 7, 1952, that VARDI mailed a package to the above captioned person on that date.

ARONOWITZ, LEON

T-8, on March 4, 1952, advised that VARDI contacted the above person on that date. The Albany City Directory reflects that ARONOWITZ is an attorney with offices at 100 State Street and with residence at 29 Marion Street.

BRAUNSTEIN, SAMUEL
1537 Van Cortland Street,
Schenectady, New York

T-10, on March 10, 1952, advised that RAFELLI

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was in contact with the above named person at approximately 6:35 P.M. on that date.

Confidential Informant T-14, of known reliability, on March 11, 1952, advised that VARDI and BRAUNSTEIN proceeded to various places in the city of Schenectady, New York together in a truck bearing 1952 New York license tags 559-424. Records of the Bureau of Motor Vehicles of New York State at Albany reflect that this truck is registered to BRAUNSTEIN.

T-6, on March 12, 1952, advised that VARDI visited the residence of BRAUNSTEIN at approximately 4:50 P.M. on that date.

CHAMPAGNE, SADYE
3 Madison Place
Albany, New York

Confidential Informant T-15, of known reliability, on March 16, 1952, advised that RAFELLI visited the address of the above named person at approximately 7:00 P.M. of that date.

T-10, on March 16, 1952, advised that RAFELLI was in contact with SADYE CHAMPAGNE on that date.

CLUTE, EDWARD E.

T-14, on March 11, 1952, advised that VARDI and SAMUEL BRAUNSTEIN visited the butter and egg store at 800 Hamilton Street in Schenectady, New York on that date. The City Directory of Schenectady, New York reflects that this store is owned by EDWARD E. CLUTE.

COHEN, JOSEPH
226 State Street,
Schenectady, New York

T-6, on March 12, 1952, advised that VARDI visited the office of JOSEPH COHEN, Certified Public Accountant,

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at 226 State Street, Schenectady, New York.

COPLON, M. Dress Shop
1326 State Street, East
Schenectady, New York

T-6 advised on March 12, 1952 that VARDI visited the above named dress shop on that date. The City Directory of Schenectady, New York lists the proprietor of this store as JACOB S. COPLON.

Confidential Informant T-16, of known reliability, on June 13, 1948, advised that on that date a meeting, partly sponsored by the Communist Party, was held at Norwich, New York, for the purpose of protesting against the Mundt Bill which was then legislation pending in the Congress and which would have the effect of controlling subversive activity within the United States. The informant advised that the meeting and demonstration were for the purpose of influencing the vote of Representative IRVING IVES, U. S. representative from New York who resides at Norwich. Informant stated that an automobile, whose occupant he believed attended this meeting, bore the New York State 1948 license number SN6469. Records of the New York State Bureau of Motor Vehicles at Albany reflect that this vehicle was registered to JACOB S. COPLON, 1326 State Street, Schenectady, New York.

Confidential Informant T-22, of known reliability, on March 30, 1950, advised that one A. L. COPLON, 1326 State Street, Schenectady, New York, signed a petition which was headed, "Defeat the Mundt-Ferguson-Nixon Attack on Civil Liberties". Informant stated that this petition was drawn up by members of the Communist Party at Albany and was signed at a rally of the left-wing section of the American Labor Party on March 26, 1950 at Albany. Informant further stated that this section of the American Labor Party was dominated by members of the Communist Party at that time.

DISKIN, MAURICE J.

Confidential Informant T-10 advised on March 10, 1952 that MAURICE J. DISKIN first appeared at the Wellington Hotel to visit RAFELLI at approximately 10:00 P.M. on that

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date. This informant, as well as Confidential Informant T-13, advised that DISKIN subsequently registered at the Wellington Hotel giving his residence as New York City and stating that he represented the United Jewish Appeal, 165 West 46th Street, New York City. T-10 and T-13 subsequently advised that DISKIN was an almost constant companion of VARDI and RAFELLI from that time until approximately March 20, 1952, at which time he checked out of the Wellington Hotel. As mentioned herein before DISKIN transported VARDI to New York City over the weekend of March 14-16, 1952 in his automobile which, according to T-10, is a pea-green Chevrolet convertible coupe bearing New York 1952 tags 1F4456.

EYTAN, Z., Aka EYBAN, Z.

Confidential Informant T-13, of known reliability, on March 20, 1952, advised that RAFELLI had received a communication from one Z. EYTAN, 55 Shderot Khen, Tel Aviv, Israel.

T-17, on March 20, 1952, advised that RAFELLI on that date received a communication from Mr. HERBERT WEISENTHAL of the Palestine Economic Corporation, dated March 18, 1952, which stated that RAFELLI had a parcel at the Palestine Economic Corporation which came to him Registered Mail from Astragate Limited, care of Z. EYBAN, Tel Aviv, Israel.

FERBER, ABRAHAM

Confidential Informant T-18, of known reliability, on March 10, 1952, advised that, on that date, VARDI visited the residence of ABRAHAM FERBER, 1283 Parkwood Boulevard, Schenectady, New York. The City Directory reflects that FERBER is an agent of the Mutual Life Insurance Company of New York and is also self-employed as an insurance agent.

FISCHER, EDWIN A.

T-13, on March 17, 1952, advised that on that date RAFELLI was in contact with EDWIN A. FISCHER. The City

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Directory of Schenectady, New York reflects that FISCHER is the proprietor of Fischer's Liquor Store, 1832 Nott Street, Schenectady, New York.

FRIEDMAN, MORRIS

T-13, on March 7, 1952, advised that VARDI on this date was in contact with MORRIS FRIEDMAN of 175 Colonial Avenue, Albany, New York.

Records of [REDACTED] reflect that FRIEDMAN is the owner of Friedman's Department Store in Albany.

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GEFFEN, SIDNEY

T-13, on March 13, 1952, advised that on that date RAFELLI attempted to cash a check at the Wellington Hotel in Albany in the amount of \$500.00. The maker of the check was SIDNEY GEFFEN of Utica, New York. The city directory of Utica, New York reflects that GEFFEN is connected with Geffen Motors, 437 Columbia Street, Utica, New York.

T-6, on March 15, 1952, advised that RAFELLI visited Geffen Motors at 437 Columbia Street, Utica, New York, at approximately 9:00 A. M. on that date.

GEIGER, LEO

Confidential Informants T-10 and T-13 advised that during the period March 4, 1952 to March 19, 1952, both RAFELLI and VARDI were frequently in contact with Rabbi LEO GEIGER, 169 South Main Avenue, Albany, New York. Also, Confidential Informant T-19, of known reliability, on March 12, 1952, advised that RAFELLI was in contact with Rabbi LEO GEIGER on that date.

The Albany City Directory reflects that Reverend LEO GEIGER is connected with the congregation Tefereth Israel, 406 Partridge Street, Albany, New York.

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GORDON, MAX
7 Croswell Street,
Albany, New York

T-13 advised, on March 7, 1952, that VARDI was in contact with the above named person on that date.

The Albany City Directory reflects that GORDON is an attorney with offices at 120 South Pearl Street, in Albany. [redacted] records reflect that GORDON has been a life-long resident of Albany and has an excellent reputation in this community.

b7D

GRAUBART'S Liquor Store
141-143 State Street
Schenectady, New York

T-14. advised on March 11, 1952 that VARDI and SAMUEL BRAUNSTEIN visited the above named store at approximately 5:00 P.M. on that date.

The City Directory lists SAMUEL GRAUBART as President and Treasurer of the Graubart Wine and Liquor Company, SADIE GRAUBART as Vice-President and Secretary and HERSHEL GRAUBART as Assistant Secretary.

GRUNSKY, HAROLD J.
1535 Van Cortland Street,
Schenectady, New York

Confidential Informant T-20, of known reliability, on March 6, 1952, advised that both RAFELLI and VARDI, after first paying a visit to the General Electric Company at Schenectady, New York and after making no contacts there, proceeded to the address of HAROLD J. GRUNSKY. T-18, on March 9, 1952, advised that RAFELLI and VARDI again visited the residence of GRUNSKY in Schenectady.

The City Directory of Schenectady reflects that GRUNSKY is an employee of the General Electric Company at Schenectady. Records of [redacted] made available by [redacted] reflect that [redacted]

AL 65-1830

b7D

[redacted]
[redacted] reflect that GRUNSKY came to Schenectady in 1949 from Iowa City, Iowa. They reflect also that he is a graduate of the Engineering College of the University of Iowa. All information concerning him in this record and in the records of the [redacted] is favorable.

IMTEX Corporation
38 East 57th Street
New York City

T-10 advised, on March 15, 1952, that RAFELLI on that date was contacted by the above corporation.

ISKIWITZ, ISRAEL
1034 E. Michelle Circle
Memphis, Tennessee

T-13 advised, on March 7, 1952, that RAFELLI was in contact with the above named person on that date.

The City Directory of Memphis, Tennessee reflects that ISRAEL ISKIWITZ is a partner in the H. Iskiwitz Company, 134 North Front Street, Memphis, Tennessee.

Confidential Informant T-21, of known reliability, advised that although he has been familiar with certain aspects of subversive activity in the area of Memphis, Tennessee. ISKIWITZ has never, to his knowledge, been connected with such activity.

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KAPEWICH, ARTHUR S.

Confidential Informant T-8, on March 4, 1952, advised that on that date VARDI contacted the above named person. The Albany City Directory reflects that, ARTHUR S. KAPEWICH is President of Morewhite Chemical Company, 70 Tivoli Street, and resides at 202 South Allen Street in Albany.

KAPLAN, Dr. and Mrs. ARTHUR A.
282 Genesee Avenue
Utica, New York

Confidential Informant T-13 advised, on March 7, 1952, that VARDI mailed a package to the above persons on this date.

KITTAY And BLITZ

T-13, on March 10, 1952, advised that on that date RAFELLI contacted Mr. KITTAY or Mr. BLITZ in New York City. The New York City Telephone Directory reflects that KITTAY and BLITZ is a firm dealing in precious stones.

KOBLENZ, EDMUND A.
22 Clarendon Street
Albany, New York

Confidential Informant T-23, of known reliability, advised on March 13, 1952 that RAFELLI and VARDI visited the address of the above named person on the evening of that date.

Confidential Informant T-10, on March 19, 1952, advised that on that date RAFELLI again contacted EDMUND A. KOBLENZ. The Albany City Directory reflects that KOBLENZ is an attorney with offices at 93 State Street and reflects his residence address as 22 Clarendon Street.

LEVY, DOROTHEA
4960 Broadway
New York, New York

Confidential Informant T-24, of known reliability, advised on March 21, 1952 that on that date RAFELLI was contacted by the above named person. On this occasion LEVY advised

AL 65-1830

RAFELLI that some people by the names of OTTO, DORA and GERT were desirous of learning where RAFELLI was and how he was. She said that she would like to answer GERT's letters, especially, on this subject.

LIPNICK, Rabbi and Mrs. JEROME
1627 Genesee Avenue
Utica, New York.

Confidential Informant T-13, on March 7, 1952, advised that on that date VARDI mailed a package to the above named persons.

LOWY, JACOB M.
Windsor Hotel, Apartment 579
Montreal, Quebec, Canada

T-13, on March 22, 1952, advised that on that date VARDI was contacted by the above named person. The informant stated that it appeared that LOWY was a permanent resident at the above address.

Margolis Brothers, Florists
611 Broadway
Albany, New York

Confidential Informant T-25, of known reliability, advised, on March 20, 1952, that on the afternoon of that date RAFELLI and MAURICE J. DISKIN visited the above captioned shop. Informant said that RAFELLI entered the shop alone while DISKIN remained on the outside.

The Albany City Directory reflects that the proprietors of this establishment are HAROLD and MATTHEW MARGOLIS. The records of [redacted] reflect that the MARGOLIS brothers have been continuous residents of Albany since 1933 except for a two or three year period while HAROLD MARGOLIS was in the United States Army. These records reflect that the MARGOLIS brothers are persons of good repute in this community.

b7D

AL 65-1830

MURRAY, S. C.

Confidential Informant T-10, on March 17, 1952, advised that one S. C. MURRAY, otherwise not identified, was visiting RAFELLI and VARDI at the Wellington Hotel in Albany.

Confidential Informant T-13, on March 18, 1952, advised that S. C. MURRAY had registered for the night of March 17, 1952 at the Wellington Hotel; had given his address as New York City, and had not stated the name of the company he represented. He said that MURRAY checked out on March 18, 1952 and upon checking out advised VARDI that he would see VARDI toward the end of that week.

Confidential Informant T-26, of known reliability, advised on March 19, 1952 that one S. C. MURRAY, a representative of the Palestine Economic Corporation, had been a permanent resident at the Hilton Hotel in Syracuse, New York for a year and a half prior to March 15 or 16, 1952.

Nehi Beverages, Incorporated

Confidential Informant T-13, on March 10, 1952, advised that on that date RAFELLI was in contact with someone in the office of the Nehi Beverage Corp. The Albany City Directory reflects that BENJAMIN BERKUM and JACK BERKUM are President and Secretary, respectively, of that organization. T-13 advised that VARDI had contacted someone in the office of the Nehi Beverage Company on March 7, 1952 also.

NORRY, -----

Confidential Informant T-10, on March 18, 1952, advised that on that date RAFELLI was in contact with a Mr. NORRY in Rochester, New York. The informant was unable to furnish any additional information concerning NORRY.

Palestine Economic Corporation
400 Madison Avenue
New York, New York

Confidential Informant T-10, T-13 and T-24 at various times during the period of March 4 to March 22, 1952 advised that both RAFELLI and VARDI were in frequent contact

AL 65-1830

with the above captioned organization. Specifically, T-13 advised on March 6, 1952 that a Mr. NEIDMAN of the PEC contacted VARDI; and T-3, on March 15, 1952, advised that one C. M. LEAR of the PEC contacted RAFELLI. T-18 advised on March 12, 1952 that RAFELLI cashed two checks in the amounts of \$10.00 and \$75.00 respectively and that the maker of both checks was the PEC.

RAFFAELI, D.

Confidential Informant T-13, on March 20, 1952, advised that some time prior to that date RAFELLI had been contacted by one D. RAFFAELI, 55 Shderot Khen, Tel Aviv, Israel.

SALANT'S KOSHER MARKET
308 Hulett Street
Schenectady, New York

Confidential Informant T-14, on March 11, 1952, advised that VARDI and SAMUEL BRAUNSTEIN visited the above captioned market on this date. The Schenectady City Directory reflects that MAX SALANT is the proprietor of this establishment, that his wife's name is ESTHER, and that he has a son SEYMOUR SALANT.

SCHENECTADY HARDWARE AND ELECTRIC COMPANY
818 Albany Street
Schenectady, New York

Confidential Informant T-18, on March 10, 1952, advised that VARDI visited the above business house on that date. The Schenectady City Directory reflects that the proprietors of this company are BENJAMIN SPRARAGEN and ELIAS COHEN.

UNION FERN COMPANY
269 River Street
Troy, New York

Confidential Informant T-27, of known reliability, advised that on March 8, 1952 RAFELLI and VARDI visited the above company on that date. The Troy City Directory reflects that JULIUS GOODMAN, HAROLD J. GOODMAN, ABRAHAM I. MILSTEIN, and BENJAMIN LOWENSTEIN are the officers of that company.

AL 65-1830

VAN PATTEN, RAYMOND E.
Fuller Station Road
Schenectady, New York

Confidential Informant T-13, on March 12, 1952, advised that on that date RAFELLI was in contact with the above named person. T-13 subsequently advised on March 17, 1952 that RAFELLI again contacted RAYMOND E. VAN PATTEN.

The Schenectady City Directory reflects that VAN PATTEN is an employee of the General Electric Company in that city. The records of the [redacted] made available by [redacted] reflected [redacted]

b7D

MISCELLANEOUS INFORMATION

Confidential Informant T-10 advised on March 20, 1952 and T-13 advised on March 14, 1952 that RAFELLI and VARDI frequently use a foreign language when conversing between themselves.

On March 7, 1952 (Friday) Confidential Informant T-28, of known reliability, advised that at 4:00 P.M. on that date RAFELLI and VARDI went to the Leland Theater. Informant said that they left the theater at approximately 7:00 P.M., but apparently made no contacts while in the theater.

Confidential Informant T-15 advised on March 14, 1952 (Friday) that at 4:00 P.M. on that date RAFELLI went to the Ritz Theater which is located a few doors from the Leland Theater. He left the theater at approximately 7:00 P.M. and appeared to make no contacts during that time. As herein before stated VARDI was not in Albany at this time having left with DISKIN for New York City at 9:00 A.M. that morning. T-15 stated that while attending the movies on March 14, 1952, RAFELLI appeared nervous and frequently changed his seat and glanced about as though he might have been looking for someone.

AL 65-1830

Confidential Informant T-29, of unknown reliability, who was described by T-2 as [REDACTED]

b7D

[REDACTED] advised on February 4, 1952 that he knew VARDI to be a former Israeli Vice-Consul at London, England. He said that VARDI is presently in the United States on tour on behalf of the Palestine Economic Corporation. T-29 described the Palestine Economic Corporation as having been founded twenty-six years ago by the late Justice LOUIS BRANDEIS. He said that this corporation has large holdings in Israel and is currently engaged in industrial development in that country. He said that it presently is acting in a partnership with the General Rubber and Tire Company in Akron, Ohio to erect a tire plant in Israel.

T-29 said that VARDI's activities in the United States were the result of the desire of the government of the state of Israel to encourage private enterprise and the establishment of a middle class society as a guarantee for wholesome development and maintenance of a free democratic state in the Middle East.

- PENDING -

AL 65-1830

ADMINISTRATIVE PAGE

INFORMANTS

- T-1 A physical surveillance by SAS GERARD J. O'BRIEN, JOSEPH A. WALTER, LEWIS B. WHITWORTH, ROBERT H. CAHILL, DONALD T. SULLIVAN and EDWARD J. LEAHY, during the period 2/1/52 to 2/7/52.
- T-2 [REDACTED] who furnished information to SA JOSEPH A. WALTER. b7D
- T-3 A physical surveillance by SAS JOSEPH A. WALTER, GERARD J. O'BRIEN and JOHN T. NICHOLSON.
- T-4 A physical surveillance by SAS JOHN J. BAGLEY, LEWIS B. WHITWORTH, WILLIAM C. PIPER, WOODSON E. DRAUT, JOSEPH A. WALTER, and RONALD PHILLIPS.
- T-5 A physical surveillance by SAS JOHN J. BAGLEY, LEWIS B. WHITWORTH, and WILLIAM C. PIPER.
- T-6 A physical surveillance by SAS WALTER C. JOHNSTON and ROBERT H. CAHILL.
- T-7 A physical surveillance by SAS LEWIS B. WHITWORTH, ELIAS WILLIAMS, JOSEPH A. WALTER, and EDWARD J. LEAHY.
- T-8 [REDACTED]
[REDACTED] who furnished information in each instance to SA JOHN T. NICHOLSON.
- T-9 A physical surveillance conducted by SAS WILLIAM C. PIPER and JOHN J. BAGLEY.
- T-10 [REDACTED]
[REDACTED] who furnished information to RO JESSE P. PERRY on March 19, 1952; to SA

AL 65-1830

DONALD T. SULLIVAN on March 10, 1952; to SA ROBERT E. MARGISON on March 20; and to SA WOODSON E. DRAUT on all other occasions.

T-11 Physical surveillance conducted by SA WALTER C. JOHNSTON.

T-12 A physical surveillance conducted by SAs WOODSON E. DRAUT and BOYNTON C. LEONARD.

T-13 [redacted] who furnished information to SA CHARLES J. HURLEY on March 13, 1952 and to SA WOODSON E. DRAUT on all other occasions. b7D

T-14 A physical surveillance conducted by SAs GEORGE P. BAXTRUM and DONALD T. SULLIVAN.

T-15 A physical surveillance conducted by SA WOODSON E. DRAUT.

T-16 [redacted] who furnished information to SA DAN J. SULLIVAN.

T-17 A trash cover conducted by [redacted] during the period 3/7-3/22/52. [redacted] furnished the material resulting from this cover to SA WOODSON E. DRAUT.

T-18 A physical surveillance conducted by SA ROBERT H. CAHILL.

T-19 Physical surveillance conducted by SA GEORGE P. BAXTRUM.

T-20 A physical surveillance conducted by SA JOHN T. NICHOLSON and ROBERT H. CAHILL.

T-21 [redacted] who furnished information to SA JOSEPH H. KEARNEY, Jr. on 3/18/52.

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- T-22 [redacted] who furnished information on March 30, 1950 to SA JOHN D. MAHONEY. b7D
- T-23 A Physical Surveillance conducted by SAS HERBERT R. MC KENNEY and GEORGE P. BAXTRUM.
- T-24 [redacted] who furnished information in each instance to SA WOODSON E. DRAUT:
- T-25 A physical surveillance conducted by SAS BOYNTON C. LEONARD and EDWIN K. PRATT:
- T-26 [redacted]
[redacted] who furnished information to SA PAUL J. SPAIGHT on March 19, 1952.
- T-27 A physical surveillance conducted by SAS ROBERT E. MARGISON and ROBERT H. CAHILL.
- T-28 A physical surveillance conducted by SAS ROBERT H. CAHILL and HERBERT R. MC KENNEY.
- T-29 [redacted]
[redacted] T-2 furnished the statement to SA JOSEPH A. WALTER. [redacted]
[redacted]

ADMINISTRATIVE DATA

Information from the records of [redacted]
[redacted] was given by [redacted] to SE ROBERT W. THOMSON.

AL 65-1830

Notes and/or logs pertaining to all physical surveillances utilized in the Albany, N.Y. phase of this investigation and those used at Utica, N.Y. 2/21-24/52 are to be found in the exhibit section of 65-1826.

Pertinent results of trash cover on RAFELLI's room, Wellington Hotel, are located in the exhibit section of 65-1826.

LEADS

For the information of offices having leads in this case and in the event that a physical surveillance of RAFELLI and VARDI is ever necessary, Agents of the Albany office have reported that on several occasions both RAFELLI and VARDI have apparently attempted to discover whether they were being surveilled.

ALBANY DIVISION

AT SYRACUSE, NEW YORK

Will follow and report the activities of RAFELLI and VARDI at Syracuse.

AT UTICA, NEW YORK.

Will determine the names of the subscribers to the following numbers: 4-1084, 4-5106, 2-4141, 4-9205, 4-4127, 2-8618, and report any available information.

BUFFALO DIVISION

AT ROCHESTER, NEW YORK

Will identify _____ NORRY contacted by RAFELLI on March 18, 1952. Confidential Informant T-10 stated RAFELLI contacted NORRY through telephone No. Glenwood 6783 at Rochester.

CHICAGO DIVISION

AT CHICAGO, ILLINOIS

Will identify and furnish to the office of origin any pertinent information pertaining to MAX CROCKER contacted by RAFELLI on March 13, 1952. Informant T-13 advised that CROCKER was reached through either his office telephone No. Randolph 6-1603 or his home telephone No. Lakefield 5-2737 in Chicago.

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CLEVELAND OFFICE

AT CLEVELAND, OHIO

Will ascertain the name of the subscriber to telephone number Yellowstone 2-7527 and furnish any pertinent information available to the office of origin.

NEW YORK DIVISION

AT NEW YORK CITY

Will ascertain the pertinency of the following contacts all made by RAFELLI:

DOROTHEA LEVY, 4960 Broadway;
Kittay and Blitz, dealers in precious stones;
The Imtex Corporation, 35 East 57th Street.

Will determine the identity of one Mrs. FELDMAN at the Gotham Hotel and will also determine the names of the subscribers to Wadsworth 3-2745 and Plaza 7-2487 and report any available pertinent information.

REFERENCE:

Report of SA DONALD E. SHANNON, dated March 3, 1952 at New York City, captioned "JOSEPH RAFELLI, Was., ESPIONAGE - IS".

MR. SCHEIDT
MR. WHELAN
MR. HARGETT
MR. GILLESPIE
MR. GRANTVILLE *SPENKE*
MR. HAMILTON
MR. LEVVIS
MR. MARCHESSAULT
MR. McANDREWS
NIGHT SUPERVISOR
MR. RAGAN
MR. SULLIVAN
MR. WALSH
MR. WILLIS
MR. WOHL
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

NEW YORK 63 FROM WASH FIELD 1

DIRECTOR AND SAC

U R G E N T

ITZHAK VARDI, ESP. DASH IS. REMYTEL APRIL TWENTYEIGHT LAST. b7D

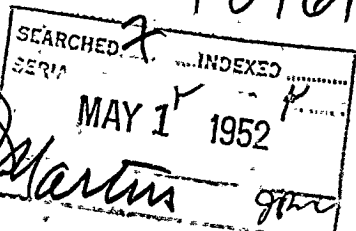
ADVISED VARDI CAME TO WASH APRIL TWENTY-
ONE LAST. REFERRED TO HER BY FRIEND IN PALESTINE ECONOMIC CORP.

STATED VARDI IS PROMOTING SETTING UP OF INDUSTRIES IN PALES-
TINE. WIFE REMAINED IN HOTEL IN NYC. VARDI DEPARTING WASH NOON MAY
TWO ARRIVING NY ON PENNA TRAIN QUOTE SENATOR UNQUOTE THREE FORTYFIVE
DAYLIGHT TIME. NY WILL BE ADVISED OF KNOWN CONTACTS OF SUBJECT WHILE
AT WASH. FOR INFO.

HOOD

BUREAU ADVISED

HOLD



Director, FBI

SAC, Buffalo (65-2111)

May 7, 1952

ITZHAK VARDI
ESPIONAGE - IS

Re: rep of SA EDWARD J. THILL dated May 7, 1952 at Buffalo.

Referenced report discloses that ITZHAK VARDI of Room 1011, Hotel
Statler, Buffalo. [redacted]

It is requested that the Bureau attempt to identify LOWY through its
liason representative in Ottawa.

It is also requested that the liason representative check with [redacted]
[redacted] for any information of a subversive nature with
regard to LOWY.

EJT:amh
cc: 65-2109
cc: New York

65-15961-50

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAY - 9 1952	
FBI - NEW YORK	

J. Martin

SAC, Buffalo (65-2111)

May 7, 1952

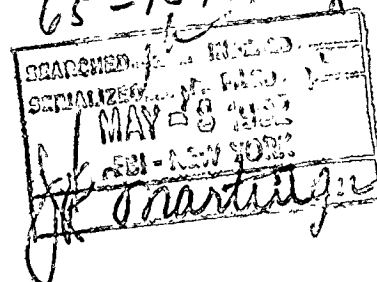
Director, FBI (65-60696)

ITZHAK VARDI
ESPIONAGE - IS

Rourlet April 8, 1952.

The New York City office is origin in this
case.

cc - New York



FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE NEW YORK, NEW YORK
MAY 7, 1952

Transmit the following Teletype message to: BUREAU
BUFFALO


URGENT

JOSEPH RAFELLI, WAS; ESP - IS; ITZHAK VARDI; ESP-IS. RE NY TEL
APRIL TWENTY THIRD, NINETEEN FIFTY TWO. VARDI PRESENTLY HAS
HOTEL SUITE AT PETER STUYVESANT HOTEL, TWO WEST EIGHTY SIXTH
ST., NYC, WHERE VARDI'S WIFE IS PRESENTLY RESIDING. VARDISES
MOVED TO SAID HOTEL FROM PARK PLAZA HOTEL, NYC. HOTEL CONTACT
ADVISES BOTH RAFELLI AND ITZHAK VARDI PRESENTLY AT SHERATON
HOTEL, ROCHESTER, NY. BUFFALO WILL COVER ACTIVITIES OF BOTH
SUBJECTS AS PER INSTRUCTIONS IN RETEL, AND WILL SUTEL WHEN
SUBJECTS LEAVE THEIR TERRITORY.

SCHEIDT

cc: NY 65-15729

JPM:JP (#1)
65-15961

B
Approved: 

Special Agent in Charge

Sent 5:21 PM

Per 

65-15961-52

MAY 7 1952

WASH FROM NEW YORK

48

7

5-21

PM

DIRECTOR

URGENT

JOSEPH RAFELLI, WAS, ESP-IS, ITZHAK VARDI, ESP-IS. RE NY TEL APRIL TWENTY THIRD, NINETEEN FIFTY TWO. VARDI PRESENTLY HAS HOTEL SUITE AT PETER STUYVESANT HOTEL, TWO WEST EIGHTY SIXTH ST., NYC, WHERE VARDI-S WIFE IS PRESENTLY RESIDING. VARDISES MOVED TO SAID HOTEL FROM PARK PLAZA HOTEL, NYC. HOTEL CONTACT ADVISES BOTH RAFELLI AND ITZHAK VARDI PRESENTLY AT SHERATON HOTEL, ROCHESTER, NY. BUFFALO WILL COVER ACTIVITIES OF BOTH SUBJECTS AS PER INSTRUCTIONS IN RETEL, AND WILL SUTEL WHEN SUBJECTS LEAVE THEIR TERRITORY.

SCHEIDT

BUFFALO ADVISED

HOLD PLS

65-15961-52

FBI NYC 5-7-52 5-06 PM JJM
SAC BUFFALO URGENT

JOSEPH RAFELLI, WAS, ESP-IS, ITZHAK VARDI, ESP-IS. RE NY TEL APRIL TWENTY THIRD, NINETEEN FIFTY TWO. VARDI PRESENTLY HAS HOTEL SUITE AT PETER STUYVESANT HOTEL, TWO WEST EIGHTY SIXTH ST., NYC, WHERE VARDI-S WIFE IS PRESENTLY RESIDING. VARDISES MOVED TO SAID HOTEL FROM PARK PLAZA HOTEL, NYC. HOTEL CONTACT ADVISES BOTH RAFELLI AND ITZHAK VARDI PRESENTLY AT SHERATON HOTEL, ROCHESTER, NY. BUFFALO WILL COVER ACTIVITIES OF BOTH SUBJECTS AS PER INSTRUCTIONS IN RETEL, AND WILL SUTEL WHEN SUBJECTS LEAVE THEIR TERRITORY.

SCHEIDT

BUREAU ADVUSED

END

OK FBI BU MEB

65-15961-52

FD-73
(1-10-49)

~~SECURITY INFORMATION - CONFIDENTIAL~~

FEDERAL BUREAU OF INVESTIGATION

FORM NO. 1
THIS CASE ORIGINATED AT **NEW YORK**

SECURITY INFORMATION - SECRET (U)

REPORT MADE AT BUFFALO, NEW YORK	DATE WHEN MADE 5/7/52	PERIOD FOR WHICH MADE 2/6, 21, 23, 24, 27, 28, 31; 4/1, 2, 4, 16, 17, 18, 21, 22, 24, 25	REPORT MADE BY EDWARD J. THILL
TITLE ITZHAK VARDI			CHARACTER OF CASE ESPIONAGE - IS

SYNOPSIS OF FACTS:

VARDI, accompanied by his wife and JOSEPH RAFELLI arrived in Buffalo, N.Y. 2/7/52. On 2/13/52, they were joined by Mr. and Mrs. G. MARGALIT of New York City; on 2/16/52 by Mr. and Mrs. SIDNEY GEFFEN of Utica, N.Y. and on 2/17/52 by SAMUEL NEAMAN of New York City. On 2/21/52 RAFELLI and the VARDIS left Buffalo and arrived at Utica, N.Y. on the same day. RAFELLI and VARDI appear to be selling stock for Palestine Economic Corporation of New York City. Numerous contacts set forth. No activities against interests of United States noted.

- P -

corrected page inserted 6-19-52
DETAILS: AT BUFFALO, NEW YORK

At 1:00 P.M. on February 7, 1952, SAS CHARLES F. AHERN, CHARLES A. FERGUSON, WILLIAM BROOKHART and the reporting agent observed RAFELLI and Mr. and Mrs. VARDI enter the concourse of the New York Central Railroad Terminal.

With regard to the names of individuals contacted by RAFELLI and VARDI as set forth in this report, unless otherwise stated, the files of

APPROVED AND FORWARDED:	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT 5 - Bureau (REGISTERED) 2 - Albany (REGISTERED) 1 - Detroit (Info.) (REGISTERED) 2 - New Haven (REGISTERED) ③ - New York (REGISTERED) 2 - Pittsburgh (REGISTERED) 1 - Washington Field (REGISTERED (Info.)) 2 - Buffalo (65-2111)		65-15267-42 53 SEARCHED.....INDEXED..... SERIALIZED..... MAY - 9 1952 FBI - NEW YORK <i>Martin</i>

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SECURITY INFORMATION - SECRET

BU 65-2111

the Buffalo office contain no pertinent information concerning them.

RESIDENCES AND APPARENT PURPOSE OF SUBJECTS VISIT TO BUFFALO

T-1, of known reliability, stated that on the afternoon of February 7, 1952, the individual who registered as JOSEPH RAFFAELI was assigned Room 1063 at the Hotel Statler and Mr. and Mrs. VARDI were given Room 1224. According to T-1, all of these individuals gave addresses as Palestine Economic Corporation, 400 Madison Avenue, New York City.

T-3, of known reliability, stated that on February 8, 1952, RAFELLI had a business discussion with someone concerning his business in Buffalo. RAFELLI is reported to have discussed, among other things, the procedure of accepting notes as payment for stock subscriptions. RAFELLI advised that stock certificates are to be issued as the note is paid off. T-3 further advised that RAFELLI mentioned that he called Dr. KAPIAN on the preceding night and a certain matter was straightened out. RAFELLI also said that he had a "good day" on that date and has a "string of meetings lined up". Among individuals he said he saw on that date were MAX YELLEN, LEO ROSEN, and "The Executive Director of the Federation Bureau". RAFELLI was also reported to have said that about eight to ten persons in Buffalo will have "Parlor Meetings". RAFELLI expressed the desire of getting \$100,000.00 out of Buffalo.

T-3 said that RAFELLI desired to get committees of local people to help and he pointed out that he has never before raised an investment fund. According to RAFELLI, the following individuals will be the central point of the drive: the "Executive Secretary of the Federation, Judge DIAMOND, and LEO ROSEN".

As set out in another section of this report, RAFELLI on February 7, 1952, prior to the aforementioned discussion had made contact with the Law Office of LEO ROSEN who is an attorney in Room 1228 of the Prudential Building. It will also be noted he visited the Law Office of MAX YELLEN at 162 Mohawk Street.

Concerning "Judge DIAMOND" mentioned above, this person is probably identical with the former New York State Supreme Court Judge, DAVID DIAMOND about whom the files of the Buffalo office disclose the following pertinent information:

T-4, of known reliability, during July, 1944, stated that he considered DAVID DIAMOND then to be an active member of the Communist Political Association in Buffalo.

BU 65-2111

The Communist Political Association has been cited by the Attorney General as coming within the purview of Executive Order 9835.

T-5, of known reliability, on February 21, 1945, stated that while in Communist Political Association Headquarters in Buffalo a short time before, MARY JAMES, known to the informant to be the Administrative and Organizational Secretary of the Communist Political Association, made the remark that DAVE DIAMOND was actually a member of the CPA.

T-6, of known reliability, stated that on May 23, 1945, while at CPA Headquarters, the informant observed a letter addressed to SAM COLEMAN, known to the informant to be the Chairman of the Erie County CPA. The letter was written by DAVID DIAMOND and in it he enclosed an application for membership in a certain civic group. The informant mentioned at this time that DIAMOND was not a member of the CPA but perhaps could be classified as a "Communist sympathizer". Informant said that he had never seen DAVID DIAMOND at any CPA functions. T-6 stated that on several occasions, he heard SAM COLEMAN call DAVID DIAMOND a "good guy". According to the informant, COLEMAN uses this term to describe persons with whom he gets along on matters of "mutual interest". Informant advised that information had come to his attention that about five or six years prior to this period, DAVID DIAMOND had used his influence whereby the Communist Party was permitted to hold public meetings in Buffalo.

T-7, of known reliability, in July of 1946, stated that LOYD KINSKY, known to the informant to be the Erie County CP Chairman, stated on July 30, 1946 that DAVE DIAMOND was going to handle the legal work for the CP Election Committee in Buffalo.

The "Buffalo Evening News" in its editorial on November 25, 1947, stated that DAVID DIAMOND was on a "partial unofficial list of sponsors" of a meeting planned for December 11, 1947 under the auspices of the Buffalo Chapter of the Progressive Citizens of America, which was to be addressed by HENRY AGARD WALLACE, a Presidential candidate.

The Progressive Citizens of America has been cited as a "new and broader Communist front for the entire United States, formed in September, 1946 at the direction of "Communist steering committees" from the "Communist-dominated National Citizens Political Action Committee" and the Independent Citizens Committee of the Arts, Sciences and Professions. This citation appeared in the California Committee on Un-American Activities, Reports, 1947, page 369 and 1948, page 354.

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T-8, of known reliability, stated that on June 28, 1949, CHARLES DOYLE, believed by the informant to be a member of the Communist Party, had asked DAVID DIAMOND for assistance in sponsoring a Civil Rights Conference to be held in New York City but DIAMOND was reported to have replied that he could not lend his name to anything at that time.

The Executive Secretary of the "Federation" mentioned by RAFELLI undoubtedly refers to ARTHUR S. ROSICHAN, the Executive Director of the Buffalo Federation for Social Service, Root Building, who resides at 745 West Delevan. Contacts with this person by RAFELLI and VARDI are subsequently set forth in this report.

T-9, of known reliability, stated that on February 9, 1952 during a discussion of business activities in Buffalo, RAFELLI again made mention of "Judge DIAMOND". The informant said that among other things, RAFELLI mentioned that Utica has proven their theory which is a sound one inasmuch as they walked out of that city with \$50,000.00 in sales but not all of which were cash. RAFELLI is also reported to have mentioned that the office in New York was annoyed about something and that he intends to organize on a national scale. He said that it is possible that they will have to stay two or three years "here". He mentioned that they were merely laying the ground work now, lining up people with whom they can work, or holding parlor meetings and also luncheon meetings.

T-10, of known reliability, stated that on February 11, 1952, JOSEPH E. RAFFAELI, who gave his address as "Care of Palestine Economic Corporation, 400 Madison, New York City" registered at the Lafayette Hotel in Buffalo and was assigned Room 162. T-10 also advised that ITZHAK and Mrs. VARDI also registered at the same time. They also gave their address as 400 Madison, New York City and their same connection as "PEC". They were assigned Room 110.

T-10 stated that on February 13, 1952, Mr. and Mrs. G. MARGALIT, West End Avenue, New York City, registered at the Hotel Lafayette and that the reservation had been made for them on the preceding day by RAFELLI.

In this connection on February 20, 1952, the New York Office advised that the U.S. Immigration and Naturalization Service at New York City had no record of G. MARGALIT. New York also advised that the New York Telephone Directory does not disclose a G. MARGALIT residing on West End Avenue.

T-3 stated that on February 13, 1952, RAFELLI mentioned that at the rate they had been going during the past two weeks, they were "operating on a basis of one million a year, fourteen thousand in Utica".

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T-13, of known reliability, stated that on February 14, 1952, RAFELLI, in discussing his business operations, mentioned an individual who sent him a check for \$1,000.00, another person who also sent a check and a person named ROSENBERG who had held to meetings and who will see RAFELLI in mid April, 1952.

T-10 stated that on February 16, 1952, a couple who were acquainted with RAFELLI and VARDI registered at the Hotel Lafayette as Mr. and Mrs. SIDNEY GEFFEN, 2611 Genesee Street, Utica, New York and were assigned to Room 250.

On the afternoon of February 16, 1952, SAS CARL R. THACKSTON, JAMES M. BEARDSLEY and the writer observed that the GEFFENS, the VARDIS, the MARGALITS and RAFELLI went on a sightseeing tour of Niagara Falls, New York.

According to T-10, on the same date the Lafayette Hotel received a piece of mail postmarked February 14, 1952, New York City, which was addressed to Mr. JOSEPH RAFFAELI. This piece of mail bore the return address of Apartment 41, 9 West 73rd Street, New York City.

T-9, of known reliability, stated that on the morning of February 17, 1952, RAFELLI and a person believed to be SIDNEY GEFFEN had a discussion concerning RAFELLI's stock sales and business transactions. T-9 said that they talked about forming their own company and about how it would have to be a "Palestine company or corporation". They reportedly mentioned getting an article in every Jewish paper and organizing the business throughout the entire country. T-9 got the impression that RAFELLI and another person have put up an amount of money and they desire GEFFEN to match it. RAFELLI stated on this occasion that he would like to get a house for himself and his wife. RAFELLI also spoke of needing financial help. A person believed to be GEFFEN is reported to have stated that his future with Israel has been on his mind.

Through the cooperation of T-10 the contents of a telegram which was sent by RAFELLI on February 17, 1952 were secured. The telegram was sent to Mrs. F. FEIGELBAUM, 180 Cabrana Boulevard, New York City. It read as follows:

"Please ask Mr. APPLERUM of AT Fashions to send express special delivery collect all my astragate stones together with his observations and ideas of the subject. Would like samples to reach me not later Wednesday at Hotel Lafayette, Buffalo, New York. Will see you in New York next week. Love JOSEPH RAFFAELI".

On February 19, 1952, the Washington Field Office advised that the

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files of that office contain no information identifiable with Mrs. F. FEIGELBAUM and Mr. APPLEBAUM. The Washington Field Office also advised that it had no information indicating the significance of the above mentioned telegram.

On February 20, 1952, the New York Office advised that the name "Mrs. F. FEIGELBAUM" mentioned in the above telegram should be YAFFA FEIGELBAUM, inasmuch as telephone directory reflects YAFFA FEIGELBAUM at 180 Cabrini Boulevard, New York City. New York also stated that the files of this office contain no information concerning YAFFA FEIGELBAUM nor anything that could be identified with Mr. APPLEBAUM.

T-16, of known reliability, stated that on February 18, 1952, RAFELLI made the statement to VARDI, part of which contained the following information:

"SAM SPOWITZ - 425 shares
WEINSTEIN - 425 shares
MURRAY WHITEMAN, WILLIAM SERNOFFSKY, - 425 shares".

Through the cooperation of T-10, it was learned that RAFELLI on February 18, 1952 sent the following telegram:

"AVNON RAFFAELI, 55 Shedertken, Tel Aviv, Israel Congratulations assignment all luck birth love Nitas son named Alter dash work progressing well Joe"

With regard to this telegram, T-17, of known reliability, another confidential agency which conducts security and personnel investigations, stated that on one occasion RAFELLI advised he had a son-in-law who was an Israeli Government official and who was expecting a consular position in the United States.

Through T-10 it was learned that on February 17, 1952, RAFELLI reserved a room at the Lafayette Hotel for an individual who on February 18, 1952 registered as SAMUEL NEAMAN, PE Corporation, 400 Madison, New York City. He was assigned Room 417.

It was also ascertained through T-10 that Mr. and Mrs. G. MARGALIT checked out of the Hotel Lafayette on the morning of February 20, 1952 and according to T-10, they apparently intended to catch immediately a plane for New York.

T-18, of known reliability, furnished the following information.

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RAFELLI and VARDI received an inter-office communication from HERBERT WIESENTHAL of the Palestine Economics Committee, 400 Madison, New York City wherein WIESENTHAL advised RAFELLI and VARDI to contact Dr. REUBEN COHEN, 485 Main Street, Buffalo and attempt to interest him in a subscription. COHEN was reportedly recommended to WIESENTHAL by A. DAVID SCHEINMAN of Pittsburgh, Pa. and it was pointed out that any commission earned by the sale of such subscription would necessarily have to be split between RAFELLI and HARRY KRONENGOLD.

T-18 further advised that attached to this inter-office communication was a letter directed to Dr. REUBEN COHEN from HARRY KRONENGOLD in order to explain the organization and purpose of the Palestine Economic Corporation. According to this letter, the Palestine Economic Corporation was established in 1926 and its founders included such noted Jewish leaders as Senator HERBERT LEHMAN, now PEC's Honorary Chairman; ROBERT SZOLD, presently Chairman of PEC Board; and BERNARD FLEXNER, NATHAN STRAUS, FELIX M. WARBURG, LOUIS MARSHALL, are other Board members. T-18 further stated that in KRONENGOLD's letter he mentioned that PEC in connection with the General Tire and Rubber Company, Akron, Ohio, is presently establishing a two and one-half million dollar plant in Israel. He said that other agreements have been made with the International General Electric Company and the Aluminum Corporation of America for distribution of their products in Israel.

According to KRONENGOLD, the Hudson Pulp and Paper Corporation has also been induced to erect a three million dollar paper mill known as the "American-Israeli Paper Mills, Limited" in Israel. KRONENGOLD concluded his correspondence with COHEN by pointing out PEC's need for large amounts of additional capital for the furtherance of economic assistance to Israel such as explained above. He stated that PEC basically serves as a channel whereby Americans invest their money to work in Israel.

SAS FRANCIS D. CONNERS and JAMES L. DENZEL observed that RAFELLI, the VARDIS and NEAMAN checked out of the Hotel Lafayette on February 21, 1952. At the New York Central Railroad Terminal NEAMAN was observed by SA CHARLES A. FERGUSON to enter a gate leading to a train bound for Chicago. A physical surveillance conducted by SA CONNERS and SA DENZEL on the same date disclosed that after boarding the train at Buffalo, RAFELLI and the VARDIS got off at Utica, New York where they registered at the Hotel Utica at 5:30 P.M. on February 2, 1952.

On April 24, 1952, T-19, of known reliability, advised that RAFELLI was not then residing in the Hotel Statler, Buffalo, New York.

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On the same date, T-10 stated that RAFELLI was not at the time residing at the Lafayette Hotel, Buffalo. T-10 produced a letter which he said had recently been received by the hotel. It was addressed to JOSEPH RAFFAELI in care of the hotel with a request to forward it. The return address bore the following:

"N. R. MEADOWS, Department of State, U.S.A., Washington, D.C."

The envelope was not franked but appeared to be an envelope of the Department of State. The word "official" was struck out.

PERSONAL CONTACTS

There are set forth below in tabulated form the personal contacts made by RAFELLI and VARDI which were ascertained through physical surveillances by agents of the Buffalo Office:

<u>DATE</u>	<u>MADE BY</u>	<u>CONTACT MADE WITH</u>	<u>ADDRESS</u>	<u>OBSERVED BY</u>
2/ 8/52	RAFELLI & VARDI	Law Office of LEO J. ROSEN	Prudential Bldg.	SAS CHARLES A. FERGUSON, EDWARD J. THILL
"	RAFELLI & VARDI	Law Office of MAX YELLEN	16 E Mohawk St.	SA CHARLES A. FERGUSON
"	RAFELLI & VARDI	Home of ARTHUR S. ROSICHAN	745 West Delevan	SAS CHARLES F. AHERN, GEORGE J. VOPAL
"	RAFELLI & VARDI	Person driving auto registered to BENJAMIN SMALL	296 Highland Pkwy, Kenmore, N.Y.	SAS WILLIAM WELBY, WILLIAM BROOKHART
2/ 9/52	RAFELLI & VARDI	Home of ARTHUR S. ROSICHAN	745 W. Delevan	SAS WILLIAM BROOKHART, HENRY NAEHLE
2/10/52	RAFELLI & VARDI	Home of Mrs. ADA MILLER	190 Cleveland Drive	SAS CHARLES A. AHERN and WILLIAM WELBY
2/11/52	RAFELLI & VARDI	Person driving auto registered to LEO ROSEN	Prudential Bldg.	SAS JAMES DENZEL and JOHN PRYOR

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<u>DATE</u>	<u>MADE BY</u>	<u>CONTACT MADE WITH</u>	<u>ADDRESS</u>	
2/11/52	RAFELLI & VARDI	Bison Waste & Wiper Co. (According to 1950 Directory owned by SIDNEY S. KAGNER & HAROLD BERNSTEIN)	209 Chicago St.	SAS JOHN PRYOR & JAMES DENZEL
2/12/52	RAFELLI & VARDI	Person driving auto registered to ALBERT ROSEN	140 Linwood Ave.	SAS JOHN PRYOR & JAMES DENZEL
2/13/52	RAFELLI, VARDI & MARGALIT	Person driving auto registered to ALBERT ROSEN	140 Linwood Ave.	SAS CARL THACKSTON & EDWARD J. THILL
"	RAFELLI, VARDI & MARGALIT	Bison Upholstered Furniture Co. (According to Buffalo City Directory, owned by MOE R. EIN & CARL V. GOLDMAN)	300 William St.	SAS CARL THACKSTON & EDWARD J. THILL
"	RAFELLI, VARDI & MARGALIT	Central Beverage Co. (per City Directory, SOLOMAN BARDEN-owner)	301 William St.	SAS CARL THACKSTON & EDWARD J. THILL
"	RAFELLI, VARDI & MARGALIT	Sol Lenzner Corp. (Sol Lenzner, Pres. per City Directory)	636 Genesee St.	SAS CARL THACKSTON & EDWARD J. THILL

With regard to SOL LENZNER, the files of the Buffalo Office reflect the following information:

T-6 in November, 1945, stated that during a meeting of the Financial Committee of the Communist Party held in Buffalo on November 8, 1945, the name SOL LENZNER of the Queen-O Bottling Works was raised as a contributor to the Party. One of the CP members present said that LENZNER was the man who offered to pay for leaflets printed by the local CP as long as he had the opportunity of approving the contents of the leaflets. It was stated at the meeting that GERTRUDE HAESSLER, known to the informants as a long time Party member, had made the approach to LENZNER concerning printing the leaflets because he was an "old timer" in the Communist Movement.

2/13/52	VARDI	Office of MAX YELLEN	16 E. Mohawk	SAS THACKSTON & EDWARD J. THILL
2/14/52	RAFELLI & VARDI	Empire State News Corp. (per City Directory owned by NATHANIAL SCHEUR)	75 W. Eagle St.	SAS FERGUSON & EDWARD THILL

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SAS JOHN T. PRYOR and WILLIAM J. BROOKHART observed that on February 14, 1952, RAFELLI and VARDI entered the home of ERNEST FREUDENHEIM, 495 Lafayette Avenue. They remained there three and one-half hours where they apparently held a meeting which was attended by approximately twelve other individuals. According to the agents, about twelve individuals left this address after the meeting was apparently over and drove away in automobiles which, according to the Buffalo Police Department, were registered in New York State as follows:

LICENSE NO.

REGISTERED TO

2E-3270	IRVING BLOOM, 287 Hartwell Road,
4B-344	LEONARD S. KAMINKER, 356 Huntington Avenue,
7B-407	THEODORE W. TANGER, 205 Commonwealth Avenue,
ER-4582	HAROLD M. EHRENREICH, 191 Starin Avenue,
CS-314	CARL BURWICK and Co., 314 Grote Street,
B-8575	ELIAZER GOELMAN, 259 Hartwell Road,
ER-6743	ELIAS REX JACOBS, 366 Huntington Avenue.

The Buffalo files contain no pertinent information concerning ERNEST FREUDENHEIM but with regard to Mrs. ERNEST FREUDENHEIM, the following is noted:

T-14, of known reliability, stated that in September, 1947, Mrs. ERNEST S. FREUDENHEIM of 495 Lafayette Avenue was a member of the Win-The-Peace Conference, otherwise known as the National Committee to Win the Peace. It is noted that the National Committee to Win the Peace has been cited by the Attorney General as coming within the purview of Executive Order 9835.

T-15, of known reliability, in December, 1948 stated that he was in receipt of information that JOHN NOTO, the Western New York Sub-District CP Chairman, contacted BARBARA SHORE, known to the informant to be an active CP member, NOTO reportedly asked SHORE to prepare a list of people in the American Labor Party and the Third Party who would be interested in the New York State Council for Legislative Action which at the time was setting up state-wide branches.

The informant had no other information with regard to the New York State Council for Legislative Action. With regard to the American Labor Party, T-4 and T-5 have advised that in the Buffalo area it is under the control and domination of the Communist Party.

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On December 22, 1948, T-15 stated that he was in receipt of information that on that date BARBARA SHORE furnished NOTO with a list of names of persons who might be interested in the New York State Council for Legislative Action and among them was a Mrs. ERNEST FREUDENHEIM. T-15 stated that after her name was mentioned SHORE made the remark "she's scared to death".

<u>DATE</u>	<u>MADE BY</u>	<u>CONTACT MADE WITH</u>	<u>ADDRESS</u>	<u>OBSERVED BY</u>
2/15/52	RAFELLI & VARDI	Home of ELIAS REX JACOBS, 366 Huntington	366 Huntington	SAS CHARLES AHERN & WILLIAM BROOKHART
2/17/52	RAFELLI & VARDI	Home of ERNEST S. FREUDENHEIM	495 Lafayette Ave.	SA WILLIAM WELBY
2/18/52	RAFELLI & VARDI	City Auto Wash, Inc., (per City Directory ALBERT ROSEN, owner)	William & Pine Sts.	SA GEORGE VOPAL
2/19/52	RAFELLI & VARDI	Home of ARTHUR S. ROSICHAN	745 W. Delevan Ave.	SAS EDWARD THIL & CARL THACKSTON
2/20/52	VARDI & NEAMAN	Law Office of Setel, Block, and Beyer	Room 1209, Liberty Bank Bldg.	SA FRANCIS CONNERS
2/21/52	VARDI & NEAMAN	Office of Morrison Steel Corp. (per City Directory JACOB MORRISON, Pres.)	601 Amherst St.	SA FRANCIS CONNERS

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[REDACTED]

T-11, of known reliability, stated that on February 10, 1952,
a Mr. VARDI of Room 1011, Hotel Statler, [REDACTED]
[REDACTED]

Through the cooperation of T-10, it was learned that the following

[REDACTED]

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~~SECRET~~

(U)

BU 65-2111

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On February 16, 1952, according to T-10, a person in Room 646 of the Hotel Lafayette, which was assigned to Mr. and Mrs. G. MARGALIT,

In connection with Dr. REUBEN COHEN, T-12, of known reliability, stated that this individual in 1932 and 1933 contributed regularly to the Communist Party and was also a recipient of confidential mail from the Technical Section of the National Committee of the Communist Party. T-12 further said that in the early 1930's the subject was a member of a group known as the

- 13 -

~~SECRET~~

(U)

~~SECRET~~

(U)

~~SECURITY INFORMATION - CONFIDENTIAL~~

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Intelligentia Group of the CP and did not associate with rank and file members of the Party nor was he a card-carrying member.

On May 18, 1951, Dr. REUBEN COHEN was interviewed by SAS F. MARTIN SENN and EDWARD J. THILL at the Buffalo Office. During the interview, COHEN denied the above mentioned allegations but mentioned that on one occasion in the early 1930's, he might have given a person known to him to be a member of the Communist Party a few dollars for the Party.

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As noted previously in this report, RAFELLI and VARDI left the Buffalo Division February 21, 1952. To date, there has been no indication of their return.

- P E N D I N G -

- 14 -

~~SECURITY INFORMATION - CONFIDENTIAL~~

~~SECRET~~

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ADMINISTRATIVE PAGEINFORMANTS

- T-1 [redacted] due to his position.
- T-2 - [redacted] due to the nature of her position.
- T-3 - SA CHARLES F. AHERN who wore a hearing aid on his person.
- T-4 - [redacted] to SA WILLIAM A. ALEXANDER.
- T-5 - [redacted] to SA LEO J. KENNEDY.
- T-6 - [redacted] to SA JOHN J. RYAN, JR. and SA JOSEPH J. KEICH.
- T-7 - [redacted] to SA LAWRENCE F. MUNLEY.
- T-8 - [redacted] to SE CLAIR V. WAMBOLD.
- T-9 - SA GEORGE J. VOPAL who wore a hearing aid on his person.
- T-10- [redacted] due to his position.
- T-11- SA ROY B. PAULETTE who wore a hearing aid on his person.
- T-12- [redacted] who furnished information to the New York Office on April 29, 1943.
- T-13- SA FRANCIS D. CONNERS who wore a hearing aid on his person.
- T-14- [redacted] to SA FRANCIS J. WALSH.
- T-15- [redacted] to SE THOMAS J. REPPE and SE RICHARD R. WALSH.
- T-16- [redacted]
- T-17- SA T. JOSEPH RYAN who wore a hearing aid on his person.
- T-18- Anonymous.
- T-19- [redacted] because of the nature of his position.

BU 65-2111
BU 65-2111

ADMINISTRATIVE PAGE

A copy of this report is being furnished to the Detroit Office because RAFELLI, as of April 25, 1952, was staying at the Book Cadillac Hotel, Detroit, Michigan.

A copy of this report also is being furnished to the Washington Field Office because, as of April 25, 1952, VARDI was in Washington Field,

LEADS

THE ALBANY OFFICE

AT UTICA, NEW YORK

Will furnish an indices check on Mr. and Mrs. SIDNEY GEFFEN, 2611 Genesee Street, Utica, New York.

Will furnish an indices check on Dr. ARTHUR KAPLAN, Telephone Number 23141, Utica, New York, [REDACTED] on February 7, 1952.

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THE NEW HAVEN OFFICE

AT NEW HAVEN, CONNECTICUT

Will identify Mrs. BORRES, Telephone Number Spruce 69950, New Haven, Conn., [REDACTED] in Room 646 of the Lafayette Hotel, Buffalo, which was assigned to Mr. and Mrs. G. MARGALIT, an associate of VARDI.

THE NEW YORK OFFICE

AT NEW YORK, NEW YORK

Will attempt to identify the persons who registered at the Hotel Lafayette in Buffalo as Mr. and Mrs. G. MARGALIT, West End Avenue, New York City.

Will identify the occupant of Apartment 41; 9 West 73rd Street, New York City.

supplies info for 7-10 - Rafelli contact

BU 65-2111

ADMINISTRATIVE PAGE (Cont.)

LEADS (Cont.)

THE NEW YORK OFFICE (Cont.)

AT NEW YORK, NEW YORK (Cont.)

Will identify SAMUEL NEWMAN, PE Corporation, 400 Madison, New York City.

THE PITTSBURGH OFFICE

AT PITTSBURGH, PENNSYLVANIA

Will identify A. DAVID SCHEINMAN of Pittsburgh who apparently has some connection with the Palestine Economic Corporation.

THE BUFFALO OFFICE

AT BUFFALO, NEW YORK

Will make regular checks at the Hotel Lafayette and the Hotel Statler for any indication of RAFELLI and VARDI returning to this city.

REFERENCE: Albany teletype to Buffalo dated February 6, 1952.
Report of SA DONALD E. SHANNON dated March 3, 1952 at New York.
New York teletype to Buffalo dated April 25, 1952.

FBI BUFFALO

5-9-52

1-00 PM EDT

WJH

SACS NEW YORK AND ALBANY

U R G E N T

JOSEPH RAPELLI, WAS, ITZMAK VARDI, ESPIONAGE DASH IS. RAPELLI LEFT
ROCHESTER, NY VIA NYCAR SIX SIXTEEN AM TODAY AND SCHEDULED TO ARRIVE
UTICA, NY EIGHT TWENTY EIGHT AM THIS DATE. IN UTICA WILL CONTACT
DAVE GOLDBERG AT PHONE NUMBER TWO ZERO THREE ZERO FIVE. VARDI
STILL IN ROCHESTER. ALBANY HANDLE.

BLAYLOCK

END

OK FBI AL AC

NY OK FBI NY JLM

DISCOV

65-15961-54

#1

65-15724

Handwritten initials and marks, including a large 'Q' and various scribbles.

FBI, BUFFALO 5-10-52 6-03 PM EDST JNL

SAC-S ALBANY AND NEW YORK U R G E N T

JOSEPH RAFELLI, WAS., ITZHAK VARDI, ESP - IS. RE NEW YORK TEL
TODAY. RAFELLI LEFT ROCHESTER TODAY. DUE TO ARRIVE UTICA,
N.Y. ON EMPIRE STATE EXPRESS SIX PM, IN CAR E TWENTY-SEVEN,
SEAT THIRTY-FIVE. BOUGHT ROUND TRIP TICKETS AND ALLEGEDLY
RETURNING TO ROCHESTER PM MAY ELEVEN. VARDI REMAINING IN
ROCHESTER. ALBANY HANDLE.

BLAYLOCK

END

ACK IN O PLS

AL OK FBI AL FLO

B NY OK FBI NYC JJM

TU DISC

65-75961-55

Q

7

MR. SCHEIDT
MR. WHELAN
MR. HARGETT
MR. GILLESPIE
MR. GRANVILLE
MR. HAMILTON
MR. LEVY
MR. MARCHESSAULT
MR. McANDREWS
NIGHT SUPERVISOR
MR. GUNN
MR. LEE
MR. WATKINS
MR. WATKINS
MR. WATKINS
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

Mr. Spence

NEW YORK 7 FROM WASH DC 15 12-28PM

SAC URGENT

ITZHAK VARDI, ESPIONAGE DASH IS.

SUTEL DATE YOU EXPECT TO INTERVIEW

[REDACTED]

HOOVER

ACK AND HOLD

WA R 7 NY JLW

*Bureau advised
urgent information
May 16, 52
JLW*

65-15961-56

SEARCHED <i>h</i>	INDEXED <i>h</i>
SERIALIZED <i>h</i>	FILED <i>h</i>
MAY 15 1952	
FBI - NEW YORK	

Martin

b7D

NEW YORK 7 FROM WASH DC 15 12-28PM

SAC U R G E N T

ITZHAK VARDI, ESPIONAGE DASH IS.

SUTEL DATE YOU EXPECT TO INTERVIEW

HOOVER

ACK AND HOLD

WA R 7 NY JLV

J.P. Martin

65-15961-56

SEARCHED <i>me</i>	INDEXED <i>me</i>
SERIALIZED <i>me</i>	FILED <i>me</i>
MAY 15 1952	
FBI - NEW YORK	

b7D

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

New York, N. Y.
May 16, 1952

Transmit the following Teletype message to: BUREAU (URGENT)

ITZHAK VARDI, ESPIONAGE DASH IS. REBUTEL MAY FIFTEEN, INSTANT.

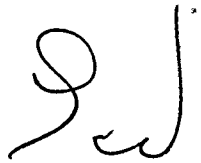
COMING TO NYO FOR INTERVIEW MAY SIXTEEN, INSTANT.

b7D

SCHEIDT

JPM:MEA (#1)

65-15961

Approved: 

Special Agent in Charge

Sent 4:25 

Per SW

65-15961-57

MAY 16 1952

WASH FROM NEW YORK 18 16 425 P

DIRECTOR URGENT

ITZHAK VARDI, ESP DASH IS. REBUTEL MAY FIFTEEN INST. ☐ COMING
TO NYO FOR INTERVIEW MAY SIXTEEN, INST.

SCHEIDT

HOLD

b7D

65-75961-37

FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE

NEW YORK, NEW YORK
MAY 16, 1952

Transmit the following Teletype message to: BUREAU
WASHINGTON FIELD

[REDACTED] INTERVIEWED MAY SIXTEENTH, FIFTY

TWO AT NYO. AT OUTSET OF INTERVIEW [REDACTED]

FD-36

MR. SOLOMON
MR. TOLSON
MR. LADD
MR. CLEGG
MR. GLAVIN
MR. HARBO
MR. NICHOLS
MR. ROSEN
MR. TRACY
MR. WATSON
MR. WEAVER
MR. WILSON
MR. WYATT
MR. ZIEGLER
MR. BELMONT
MR. MOHR
MR. CARMICHAEL
MR. CONNELLEY
MR. DEAN
MR. GALE
MR. GIBSON
MR. GURNEA
MR. HENRICH
MR. JONES
MR. KANE
MR. KIRKPATRICK
MR. LEE
MR. LITVIN
MR. MURPHY
MR. PENNINGTON
MR. QUINN
MR. RYAN
MR. SULLIVAN
MR. TAMM
MR. TROTTER
MR. WARD
MR. WHELAN
MR. WICK
MR. WOOD
MR. WYATT
MR. ZIEGLER
MR. BELMONT
MR. MOHR
MR. CARMICHAEL
MR. CONNELLEY
MR. DEAN
MR. GALE
MR. GIBSON
MR. GURNEA
MR. HENRICH
MR. JONES
MR. KANE
MR. KIRKPATRICK
MR. LEE
MR. LITVIN
MR. MURPHY
MR. PENNINGTON
MR. QUINN
MR. RYAN
MR. SULLIVAN
MR. TAMM
MR. TROTTER
MR. WARD
MR. WHELAN
MR. WICK
MR. WOOD
MR. WYATT
MR. ZIEGLER

URGENT

b7D

cc: 65-15729
65-15150

DES:MSB (#1)
65-15961

Approved: [Signature]
Special Agent in Charge

Sent 10:30 M

Per [Signature]

65-15761-58

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

- 4 -

Transmit the following Teletype message to:

b7D

DEFINITELY

HE WILL ~~CONTACT~~ CONTACT THIS OFFICE WITHIN THE NEXT THREE
WEEKS. ON [REDACTED]

[REDACTED]
[REDACTED] DETAILS OF THIS INTERVIEW WITH [REDACTED] WILL BE FORWARDED
BY LETTER TO BUREAU.

SCHEIDT

Approved: _____
Special Agent in Charge

Sent _____ M Per _____

MAY 16 1952

WASH AND WASH FIELD 85 FROM NEW YORK 16 10-50 PM
DIRECTOR AND SAC URGENT

[REDACTED] INTERVIEWED MAY SIXTEENTH, FIFTY

b7D

TWO AT NYO. AT OUTSET OF INTERVIEW HE ADVISED THAT HE HAD

[REDACTED]

END PAGE ONE

65-15961-58

PAGE FOUR

b7D

[REDACTED]

[REDACTED] HE WILL
DEFINITELY CONTACT THIS OFFICE WITHIN THE NEXT THREE WEEKS.

ON [REDACTED]

[REDACTED] DETAILS

OF THIS INTERVIEW WITH [REDACTED] WILL BE FORWARDED BY LETTER TO BUREAU.

SCHEIDT

1111
4444

END

NY R 85 WA RC

TU

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

NEW YORK, NEW YORK
MAY 17, 1952

MR. SCHEIDT
MR. WHELAN
MR. HARGETT
MR. GILLESPIE
MR. GRANVILLE
MR. HAMILTON
MR. LEVVIS
MR. MARCHESSAULT
MR. MURPHY
NIGHT SUPERVISOR
MR. RAGAN
MR. SULLIVAN
MR. WALSH
MR. WOHL
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

Transmit the following Teletype message to: BUREAU, BALTIMORE

ITZHAK VARDI; ESP. - IS. REBULET APRIL SEVEN, LAST AND NY TEL
MAY SIXTEEN, LAST. FOR INFO BALTIMORE. FOREIGN SOURCE ABROAD
HAS ADVISED THAT SUBJECT, AN ISRAELI CITIZEN, WAS HEAD OF
ISRAELI INTELLIGENCE SERVICE IN LONDON, ENGLAND IN LATE FORTY
NINE, FIFTY AND EARLY FIFTY ONE. [REDACTED]

SUBJECT PRESENTLY EMPLOYED BY

PALESTINE ECONOMIC CORP. FOUR HUNDRED MADISON AVE., NYC,
AND TRAVELS TO VARIOUS CITIES IN AN ATTEMPT TO INTEREST
PRIVATE CAPITAL IN INVESTMENTS IN ISRAEL. [REDACTED]

PLEASE ENCODE UNDERLINED WORDS

BEM:JPM
65-15961

Approved: [Signature]

Special Agent in Charge

Sent [Signature]

Per [Signature]

65-15961-59

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

PAGE TWO

Transmit the following Teletype message to:

b7D

⑤ [REDACTED] PREVIOUS ACTIVITIES OF SUBJECT

WHILE ON BUSINESS TRIPS HAVE BEEN COVERED THROUGH CONTACTS AT HOTELS
AND ESTABLISHED SOURCES. [REDACTED]

[REDACTED] BUREAU ACCORDINGLY REQUESTED TO

ADVISE BALTIMORE AS TO EXTENT OF COVERAGE OF SUBJECT WHILE SUBJECT
IN BALTIMORE. NY ORIGIN.

SCHEIDT

Approved: _____
Special Agent in Charge

Sent _____ M Per _____

May 19, 1952

URGENT

SAC, BALTIMORE

ITZHAK VARDI, ESPIONAGE DASH IS. RENVTEL FIVE SEVENTEEN LAST.

NO INVESTIGATION SHOULD BE CONDUCTED BY BALTIMORE OFFICE

b7D

✓cc - 2 - New York

HOOVER

65-60692

65-15961-60

May 19, 1952

URGENT

SAC, BALTIMORE

ITZHAK VARDI, ESPIONAGE DASH IS. RENVTEL FIVE SEVENTEEN LAST.

NO INVESTIGATION SHOULD BE CONDUCTED BY BALTIMORE OFFICE

b7D

✓ cc - 2 - New York

HOOVER

65-60692

65-15861-60

Handwritten signature

SAC, Albany (65-1830)

May 20, 1952

Director, FBI (65-60696)

ITZHAK VARDI
ESPIONAGE - IS

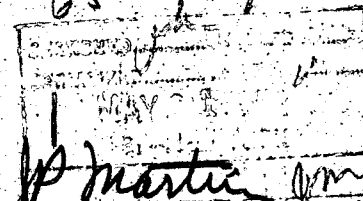
Rerep SA Woodson E. Draut dated 5-1-52, at Albany.

The security classification of this report has been upgraded from "Security Information - ~~Confidential~~," to "Security Information - ~~Secret~~," for purposes of limiting circulation within other governmental agencies to whom dissemination of this report may be made. All future reports in this case should be given the security classification of "~~Secret~~." (U)

*Reclassified to Secret
made in
NY office*

The correct Bufile number concerning captioned subject is 65-60696 and all offices should, therefore, make the appropriate corrections on their copies of rerep. } *corrected
NY
5/21*

cc - 2 - Buffalo
2 - Chicago
2 - Cleveland
~~2 - New York~~
2 - Washington Field



~~SECRET~~

SECURITY INFORMATION ~~SECRET~~

MAY 22 1952

Director, FBI (65-60696)
(65-59629)

SAC, New York (65-15961)

ITZHAK VARDI
ESPIONAGE - IS

Re New York teletype to Bureau 5/16/52 and Albany letter
to Bureau 3/22/52.

On 5/16/52 [redacted]
[redacted] came voluntarily to the New York Office for interview.
He was interviewed by SAs JAMES P. MARTIN and DONALD E. SHANNON.
At the beginning of the interview [redacted] was asked some questions
concerning information he had furnished to Albany agents, which
is reflected in referenced Albany letter.

[redacted] volunteered the information that [redacted]

cc: Albany (65-1830)
Los Angeles
Washington Field
NY 65-15729
NY 65-15150

JPM/DES:EPK

Indexed *BT*

65-15961-62 *VS*

SECURITY INFORMATION - ~~SECRET~~

~~SECRET~~

b7D

~~SECRET~~

DES:EG

Letter to Director
NY 65-15961



b7D

The information contained in this letter was made available by [] on a confidential basis. If any information in this letter is utilized in any reports, it is requested that the identity of [] be completely protected. The information set out above is being marked "~~Secret~~" since it pertains to confidential matters relating to Israeli Intelligence.

Redacted

~~SECRET~~

Office Memorandum • UNITED STATES GOVERNMENT

TO :SAC, New York (65-15961)

DATE: May 29, 1952

FROM :Director, FBI (65-59620)

SUBJECT: ITZHAK VARDI
ESPIONAGE - IS
REGISTRATION ACT
INTERNAL SECURITY ACT OF 1950

MR. SCHEIDT
MR. WHELAN
MR. TOLSON
MR. GILLESPIE
MR. HALPIN
MR. HAMILTON
MR. LEVVIS
MR. MARCHESSAULT
MR. McANDREWS
NIGHT SUPERVISOR
MR. RAGAN
MR. SPENCER
MR. WALSH
MR. WILLIS
MR. WOHL
CHIEF CLERK
PROPERTY CLERK
TRAINING UNIT

Rerep of SA James P. Martin, dated April 22, 1952, at
New York City.

The Security classification of rerep has been changed from "Security Information - Confidential" to "Security Information - Secret," and all offices should accordingly change the reports in their files. This change was made so as not to unnecessarily reveal the extent of the Bureau's interest in and knowledge of Israeli intelligence activities which is considered ~~secret~~ by the Bureau. Such a classification will restrict dissemination to a high level within other government agencies receiving copies of this report.

Future reports in this case should bear the classification "Security Information - Secret."

cc - 2 - Albany (65-1830)
cc - 2 - Buffalo (100-60696)
cc - 2 - Washington Field

65-15961-1

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUN 2 1952	
FBI - NEW YORK	

J.P. Martin



United States Department of Justice
Federal Bureau of Investigation
Washington 25, D. C.

IN REPLY, PLEASE REFER TO

FILE NO.

65-60696

REGISTERED AIR MAIL

Date: May 29, 1952

To:



b7D

From: John Edgar Hoover, Director
Federal Bureau of Investigation

Subject: ITZHAK VARDI
ESPIONAGE - IS

Itzhak Vardi is a former Israeli intelligence agent who
operated in Europe, principally in London, England, during 1949,
1950 and 1951. [REDACTED]

Investigation has revealed that on March 22, 1952, Vardi
received a letter from Jacob M. Lowy, bearing the printed return address
of Apartment 579, Windsor Hotel, Montreal, Canada. This possibly is
Lowy's permanent address inasmuch as the return address was printed on
the envelope. Vardi, while stopping at the Hotel Statler in Buffalo,
New York, [REDACTED]

Bureau files reflect that [REDACTED]
[REDACTED] appeared in person at the New York Field Office
in August, 1950, to advise that he had learned from [REDACTED]
[REDACTED] that one Jacob Lowy, a British subject who formerly

cc - 2 - Albany (65-1830)
cc - 2 - Buffalo (65-2111)
cc - 2 - New York (65-15961)

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUN 2 1952	
FBI - NEW YORK	

[Signature]

65-15961-64

lived in Czechoslovakia, was operating a black market on materials shipped from the United States to the Austrian government under the Marshall Plan. These materials, according to [] consisted of ballbearings, copper and other critical materials and Lowy, by means of false statements and forged papers was diverting these materials to Czechoslovakia where they were sent to Skoda Works in Pilsen or the Zbrojovka Works in Brno, Czechoslovakia. [] was of the opinion the materials were used in the manufacture of tanks. He did not know whether this activity was still being carried on but stated he knew it existed during September and October of 1949. [] identified himself as []

[]

[]

b7D

[] further stated that Lowy maintained a residence in England but did not know his address. He felt that Lowy would be known to United States Army Intelligence because he fled Austria while he was an employee of the Austrian government and had been arrested because of similar misconduct. He expressed the belief that the British authorities were seeking the arrest of Lowy but did not furnish the nature of any charges.

[] requested that his name and the name of [] be maintained in confidence by this Bureau.

Bureau files further reflect that a confidential source of known reliability advised that the July 17, 1949, issue of the Viennese newspaper, "Die Presse" contained an article indicating there was a large scale scandal connected with the purchase of scrap iron by Communist agents in Austria and other western European countries for the account of Hungary and other eastern European states. According to the article, the leaders were the three Abel brothers and it was further indicated that these brothers were associated in Vienna with Jacob Lowy, a British citizen who operated the North Western Trading Company of London, England.

Investigation reflects that Vardi is not actively engaged in Israeli intelligence work []

[] He is employed by the Palestine Economic Corporation and travels to various cities in the east for the purpose of selling bonds for that Corporation.

You are requested to ascertain the identity of Jacob M. Lowy, Windsor Hotel, Apartment 579, Montreal, Canada, and to determine if this individual has any present connections with the Israeli government. It is possible that subject and Lowy were acquainted in Austria in 1949.

~~SECRET~~

EXEMPTED FROM AUTOMATIC
DECLASSIFICATION
AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
EXEMPTION CODE: 50X(1, 6 -ISM/DIPLO/F64M92K24/AAG)
DATE 07-28-2014

DIRECTOR, FBI (65-⁻⁶⁰⁶⁸⁶~~59620~~)

June 2, 1952

SAC, WFO (65-6090)

ITZHAK VARDI
ESPIONAGE - IS

ReNYlet May 22, 1952, transmitting information voluntarily
furnished by

b7D

b1
b3

(S)
The above is submitted for information.

HB:RCH

2 - New York (65-15961)
2 - Albany (65-1830)

65-15961-X

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUN - 4 1952	
FBI - NEW YORK	

J.A. Martin

~~SECRET~~

(U)

FEDERAL BUREAU OF INVESTIGATION

NEW YORK, NEW YORK
JUNE 3, 1952

ITZHAK VARDI, ESP DASH IS. RE NY LET MAY TWENTYTWO, FIFTYTWO.

b7D

ARRANGEMENTS MADE FOR
FURTHER INTERVIEW WITHIN NEXT THREE WEEKS. RESULTS OF INTERVIEW
OF JUNE THREE BEING SUBMITTED BY LETTER.

SCHEIDT

[illegible]

Enclosed 5/11

Approved: 1/15/53.
Special Agent in Charge

Sent 1 M

Per

65-15961-66

SAC, Buffalo (65-3111).

June 3, 1952

Director, FBI (65-30696)

ITZRAK VARDI
ESPIONAGE - IC

Rerep SA Edward J. Thill, dated 5-7-52, at
Buffalo, New York.

Page Nine of rerep contains information
concerning one Sol Lenzner, but fails to reflect the date
of contact between [] and Lenzner.

b7D

You should submit a corrected Page Nine to the
Bureau and other interested Offices incorporating the
information indicating the connection between [] and
Lenzner.

The security classification of rerep has been
changed from "Security Information - Confidential" to
"Security Information - Secret," and all offices should
accordingly change the reports in their files. This
change was made so as not to unnecessarily reveal the
extent of the Bureau's interest in and knowledge of
Israeli intelligence activities which is considered
~~secret~~ by the Bureau. Such a classification will restrict
dissemination to a high level within other government
agencies receiving copies of this report.

*Reclassified
to Secret
on proper*

Future reports in this case should bear the
classification "Security Information - ~~Secret~~". (U)

cc - 2 - Albany (65-1880)
2 - Detroit
2 - New Haven
2 - New York (65-15961)
2 - Pittsburgh
2 - Washington Field

65-15961-67

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 4 1952	
FBI - NEW YORK	

73

Director, FBI (65-60696)

June 5, 1952

SAC, New York (65-15961)

ITZHAK VARDI
ESPIONAGE - IS

SECURITY INFORMATION - ~~SECRET~~

Re NY tel 6/3/52.

On 6/3/52 [] appeared for re-interview at the New York Office of the FBI. At that time he was interviewed by SAS JAMES P. MARTIN and DONALD E. SHANNON. b7D

At the outset of the interview, []

[]

1 - New York 65-15150

JPM/DES:jv1

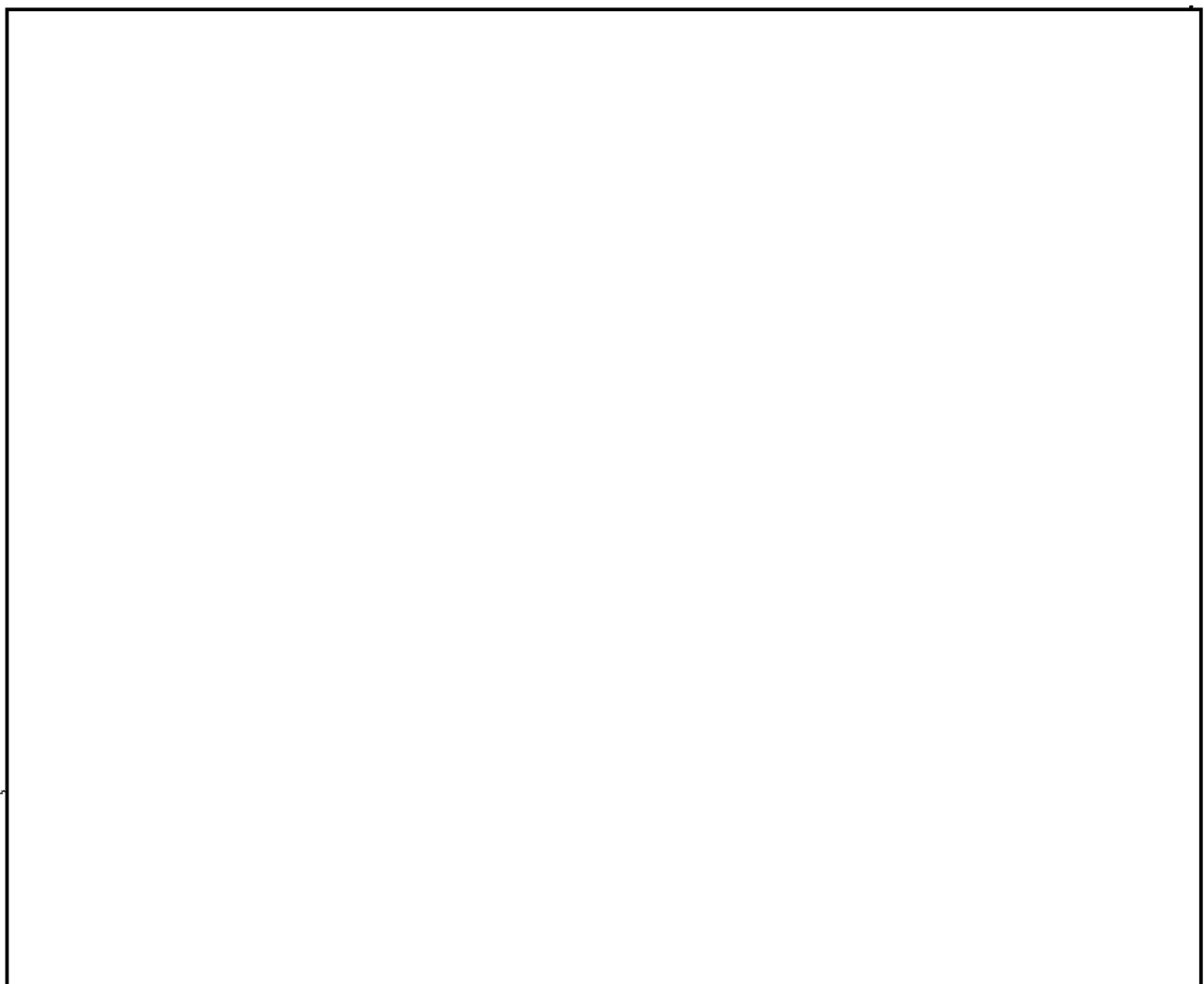
15

69

~~SECRET~~ ~~CONFIDENTIAL~~ ~~TOP SECRET~~

Letter to Director
NY 65-15961

b7D



The Bureau is requested to give consideration to the above procedure as outlined by [redacted] and to advise this office within the next week as to its recommendations.

~~SECRET~~ ~~CONFIDENTIAL~~ ~~TOP SECRET~~

Director, FBI (65-60696)

June 10, 1952

SAC, New York (65-15961)

SECURITY INFORMATION ~~SECRET~~

ITZNAK VARDI
ESPIONAGE - IS

JOSEPH RAFELLI, was.
ESPIONAGE - IS

Reference is made to New York letters to Bureau dated 5/22/52 and 6/10/52 captioned "ITZNAK VARDI, Espionage-IS". It is noted that referenced letters set out considerable information regarding [REDACTED]

b7D

It is further noted that JOSEPH RAFELLI is a friend and close associate of ITZNAK VARDI and that both are presently residing at the Peter Stuyvesant Hotel, 2 West 86 Street, New York City.

No inquiries have been made at the hotel since VARDI registered there outside of an initial inquiry to verify the residence of VARDI and again of RAFELLI at the Peter Stuyvesant Hotel. In the past the activities of both VARDI and RAFELLI have been covered through hotel contacts and reliable sources, including [REDACTED]

and attempts to secure the names of any persons who forwarded mail to same, both done through [REDACTED]

Accordingly, at the present time it is suggested that no active investigation be conducted concerning either ITZNAK VARDI or JOSEPH RAFELLI [REDACTED]

The Bureau is requested to advise if the above procedure should be followed by this office and by other offices who have been alerted in the past to furnish information concerning the activities of VARDI and RAFELLI whenever either of these two subjects come within the localities covered by the other offices.

1 - New York (65-15729)

JPM:DES/jvl

70

Director, FBI (65-60696)

June 10, 1952

SAC, New York (65-15961)

ITZHAK VARDI
ESPIONAGE - IS

SECURITY INFORMATION ~~SECRET~~

Re NY let 5/22/52 and NY tel to Bureau 6/3/52.

On 6/3/52 [redacted] telephonically contacted the New York Office of the FBI and arrangements were made to have him appear at the New York Office on that afternoon for further interview. He did so appear and was interviewed by SAs JAMES P. MARTIN and DONALD L. SHANNON on that date. The following information was obtained from [redacted]

b7D

1 - Los Angeles (Info)
Washington Field (Info)
New York 65-15150
New York 65-15729

QES:jvl

70A

Letter to Director
NY 65-15961

b7D

Arrangements have been made with [redacted] to re-interview him within the next three weeks. [redacted] advised that it would be more desirable to permit him to choose the time for the interview as [redacted]

It is noted that referenced letter, [redacted]

It is contemplated that he will be re-interviewed at the New York Office within the next three weeks.

It is recommended strongly by this office that any of the information that has been supplied by [redacted] should be kept for the time being strictly within the Bureau. It is believed that if any of this information is distributed especially to foreign sources, it is possible further productive interviews [redacted] would be jeopardized.

Any suggestions or recommendations of the Bureau in regard to further interviews of [redacted] should be made to this office within a short period of time after receipt of this letter in order that they may be taken up with [redacted]