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MEMORANDUM FOR THE RECORD

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: Accountability for Certain Expenditures under Subproject 42 of MKULTRA

1. Subproject 42 was established in part to provide the Agency with a facility for conducting experiments involving the covert administration of physiologically active materials to unwitting subjects.

2. The facility was set up by providing Mr. with a safehouse in the and furnishing him with the necessary materials and funds to carry out the approved program. Mr. In turn carried out part of the program with the assistance of certain individuals who covertly administer this material to other people in accordance with his instructions. For their assistance in this program these individuals are paid small sums in cash at irregular intervals.

3. Due to the highly unorthodox nature of these activities and the considerable risk incurred by these individuals, it is impossible to require that they provide a receipt for these payments or that they indicate the precise manner in which the funds were spent.

4. These small expenditures by Mr will, therefore, appear as cash withdrawals from his account for which no receipt from the ultimate recipient will be required. Each of these operations will be reported upon in detail to the Chief, TSS/Chemical Division and individually will bear his approval when Mr. Submits his monthly accounting.

SIDNEY GOTTLIEB

Chief, TSS/CD

APPROVED: Chief, DD/P/TSS

Date: Ang. 20-1905,

authority of: 187475

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