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Chapter 11/Annex G

Ottawa, Ontario
27 May 1949

Major General C.P. Cabell,
Chairman,
United States Communication Intelligence Board,
Washington, D.C.

Dear General Cabell:

During the past eighteen months a number of informal discussions have taken place between various members of the United States Communication Intelligence Board (USCIB), and members of the Canadian Communications Research Committee (CRC) concerning the present relations of the two bodies on Signals Intelligence matters. It has, I think, been the general view of United States officials that our mutual arrangements should be clarified.

2. We have accordingly given careful consideration to the matter, and we suggest that our arrangements should be set out in an exchange of letters between you, as Chairman of USCIB, and myself as Chairman of the Canadian CRC. I feel that the guarantee as to security can be equally well met in the same way.

3. I am therefore writing to you setting out the proposals which we feel would lead to satisfactory arrangements for both the United States and Canadian Communication Intelligence authorities.

4. The following arrangements are proposed by the Communications Research Committee of Canada representing all Canadian Communication Intelligence authorities which now function or may function in the future. If you agree with these arrangements, your agreement would similarly be on behalf of the United States Communication Intelligence Board representing all U.S. Communication Intelligence authorities which now function or may function in future.

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5. Scope of these arrangements

These arrangements will govern the relations of the above mentioned authorities in regard to Communication Intelligence which will be understood to comprise the unevaluated product, and all processes involved in the collection, production and dissemination of information, derived from the communications of countries other than the USA, the British Empire and the British Commonwealth of Nations. It is realized that collateral material is often required for technical purposes in the production, and the proposed arrangements for exchange of such material are dealt with separately in this letter.

6. Extent of Exchange of Information Related to Communication Intelligence

The two Communication Intelligence authorities will exchange information on the bases indicated, provided such release is not considered by the producing authority to be prejudicial to its national interest:

- (a) Translations, gists and summaries will be exchanged on the specific request of each authority, or when determined by the producing authority to be of interest to the other:-
 - (i) When necessary to meet the technical requirements of the Comint Centres for the accomplishment of the tasks which they are undertaking.
 - (ii) To meet the intelligence requirements of the agencies represented by each authority.
- (b) Decrypts will be exchanged as required for technical aids.

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- (c) Intercepted traffic will be exchanged on the basis of Comint activities or requirements undertaken by the respective Comint Centres.
- (d) Cryptanalysis
 - (i) All information regarding methods, machine aids, techniques and processes pertinent to the tasks undertaken by either Centre will be supplied to that Centre by the other.
 - (ii) Information regarding methods, machine aids, techniques and processes not specifically applicable to tasks undertaken by either Centre may be exchanged when such exchange is considered by both Centres to be in their mutual interest.
- (e) Traffic Analysis and information on practices, procedure and equipment of foreign communication services

The full exchange of such information is required by Centres controlling intercept facilities in order to ensure the maximum efficiency and elasticity in the event of an emergency. All information necessary for making rapid changes in intercept assignments and its corollary Traffic Analysis will therefore be exchanged.

7. Third Parties engaged on Communication Intelligence

Both authorities should regard these arrangements as precluding actions with third parties on any subject pertaining to Communication Intelligence except on the following understanding:

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- (a) Third parties are understood to mean all individuals or authorities other than those of the United States and Canada. For the purpose of these arrangements the London Sigint Board will not be regarded as a third party, although it is not a party to them.
- (b) It will be contrary to these arrangements to reveal their existence to any third party.
- (c) Each authority will seek the agreement of the other to any action with third parties, and will take no such action until its advisability has been agreed upon by the two authorities. The agreement of the other having been obtained, it will be left to the party concerned to carry out the agreed action in the most appropriate way, without obligation to disclose precisely the channels through which action is taken.

8. Channels between United States and Canadian Agencies

- (a) USCIB will make no arrangements in the sphere of Communication Intelligence with any Canadian agency except through or with the prior approval of Canadian CRC.
- (b) The CRC will make no arrangements in the sphere of Communication Intelligence with any U.S. agency except through or with the prior approval of USCIB.

9. Other Communication Intelligence Arrangements

Each authority making these arrangements will undertake to inform the other of the nature and scope of any other arrangements in the sphere of Communi-

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cation Intelligence existing between such authority and Sigint authorities in the United Kingdom or the Sigint authorities of other members of the British Commonwealth of Nations and/or other third parties at the time these arrangements are accepted. Both authorities will keep each other informed before completing any changes in any arrangements they may have with the London Sigint Board.

10. Collateral

The term "collateral material" is defined as any material obtained from sources other than Communication Intelligence exploitation and which is applicable for technical purposes to Communication Intelligence operations. Any request for such material will specify the technical purpose for which it is to be used. Either authority may withhold collateral material when,

- (a) it considers that exchange would be prejudicial to the national interest, or
- (b) The Ministry, Department, Agency, office or person which originally made the collateral material available, or which bears the responsibility for its control, has placed a limitation on its circulation.

11. Dissemination and Security

Communication Intelligence and technical matters connected therewith, which are SECRET or above, will be disseminated in accordance with security policy to be mutually agreed upon and kept under review by USCIB and CRC. Within the terms of this policy, dissemination by either party will be made to U.S. recipients only as approved by USCIB, and to Canadian recipients only as approved by CRC. Collateral material which is exchanged will be neither used by nor

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its existence revealed to other than the personnel of the Ottawa COMINT Centre and the Washington COMINT Centres without the specific consent in each case of the party supplying the collateral material.

12. USCIB and CRC undertake not to reveal the existence of any of these arrangements, even in the most general terms, to anyone who is not indoctrinated in accordance with the agreed security policy, and then only to those who, by virtue of their official duties, require such knowledge.

13. Dissemination and Security - Commercial

USCIB and CRC will ensure that without prior notification and consent of the other authority in each instance, no dissemination of information derived from Communication Intelligence sources will be made to any individual or agency, governmental or otherwise, that will exploit it for commercial purposes.

14. Previous Communication Intelligence Arrangements

These arrangements supersede the existing arrangements between Canadian and U.S. authorities in the Communication Intelligence field.

15. Alteration and Termination of these Arrangements

These arrangements may be altered completely or in part at any time by mutual consent. It is understood, however, that these arrangements may be terminated completely at any time on reasonable notice by either authority, should national interests require such action.

16. If these arrangements are satisfactory, I suggest that implementation should take place when you have notified me as Chairman of CRC that they are acceptable to your Board. Implementation can then be

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arranged by the Communication Intelligence authorities responsible to USCIB and CRC respectively.

17. In order to implement these arrangements as effectively as possible, each authority may establish liaison officers at the COMINT Centres of the other authority with such freedom of action as is agreeable to the host authority.

18. I shall look forward to receiving notification from you that the arrangements set out in this letter are satisfactory to your Board.

Yours sincerely,

/s/ G. G. Crean,
Chairman,
Communications Research
Committee.