

Pics as proposed  
by Col. Hayes as  
final paper - but  
it was never submitted  
because it was finally  
agreed between Stone  
& Hayes as being unwise

It is recommended that the Director of Intelligence be authorized <sup>to</sup> take the following action jointly with appropriate U.S. Naval <sup>Authorities:</sup>

**Authorities:**

(a) To obtain from responsible British Authorities, a formal indication of their willingness to adopt the same policies with regard to safeguarding and distribution of cryptographic devices as have been adopted jointly by the U.S. Army and the U.S. Navy.

(b) Contingent upon the receipt of an official and satisfactory response to the foregoing, to undertake a full discussion of technical details for a new Combined Cipher Machine with British Technical Representatives, these discussions to include the principle of the SIGABA (ECM) if introduced by the British.

(c) To make the results of such discussion the basis of subsequent recommendations on which the decision as to desirability of a new Combined Cipher Machine and possibly other Combined Communications Security Equipment can be made by the Chief of Staff, U.S. Army and the Chief of Naval Operations.

19 Feb 47

Attended a meeting at Adm. Stone's office with Col. Hayes, in which we attempted to iron out the fundamental differences between A + N proposed paper on status of British position. During that meeting it was suggested by Capt. Smith that since Capt. W. Brown happened to be in the building right then, he be asked to come into our meeting, to try to clarify the British position. He was glad to seize the opportunity & it was at that time that he stated he was [over] 4

prepared to make a complete  
& unswerving disclosure of  
the "new & revolutionary  
principle". As a result of  
this conference, it was  
agreed between Adm Stone  
& Col. Hayes that no paper  
needed to be submitted at  
all, either to C of S or to  
C of Naval Ops for any  
authority to continue the  
discussions with the British

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