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**FILE TITLE/NUMBER/VOLUME:**

MEROLA, JESSE R  
201-25'7804

INCLUSIVE DATES: 1959-1977

CUSTODIAL UNIT/LOCATION: LSN/15R

ROUND

DELETIONS, IF ANY: REMOVED AGENCY DOCUMENTS

NO DOCUMENTS MAY BE COPIED OR REMOVED FROM THIS FILE.

MATERIAL FILED IN THIS PORT  
IS IN CHRONOLOGICAL ORDER

MERRILL

201-257804

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14-00000

FBI DOCUMENTS:

DATE: 1 OCTOBER 1959  
SUBJECT: CAFIBBFAN POLITICAL ACTIVITIES - CUBA  
CLASSIFICATION: NONE  
FILE #: NONE GIVEN

DATE: 1 JUNE 1959  
SUBJECT: RUBEN OSCAR NIRO GUARDIA  
CLASSIFICATION: SECRET  
FILE #: MIAMI 97-261 BUREAU 105-75663

14-00000

AGENCY DOCUMENT CONTAINING FBI INFORMATION  
DATE: 16 JUNE 1959  
CLASSIFICATION: SECRET

FBI REPORTS:

DATE: 11 MARCH 1959  
SUBJECT: PANAMANIAN REVOLUTIONARY ACTIVITIES  
FOREIGN POLITICAL MATTERS-PANAMA  
FBI FILE #: 109-12-223 (BUREAU)

DATE: 30 SEPTEMBER 1958  
SUBJECT: JOSEPH MEROLA; B. LEONARD BIRD;  
ROBERT DILLARD; UNKNOWN PILOT  
FBI FILE #: 97-230 (MIAMI)

14-00000

FBI DOCUMENT  
DATE: 1 JUNE 1959  
SUBJECT: RUBEN OSCAR MIRO GUARDIA  
CLASSIFICATION: NONE  
FILE#: MV 97-261

14-00000

DEPT OF ARMY DOCUMENT  
DATE: 13 MAY 1959  
SUBJECT: JOSEPH R. MEROLA (SD 7083-A) (c)  
CLASSIFICATION: SECRET  
FILE #: ACSI-CO

FBI DOCUMENTS (SOME NOT COMPLETE)

DATE: 22 APRIL 1959  
SUBJECT: PANAMANIAN REVOLUTIONARY ACTIVITIES  
FOREIGN POLITICAL MATTERS - PANAMA  
CLASSIFICATION: NONE  
FILE: 109-12-223

DATE: 21 APRIL 1959  
SUBJECT: PANAMANIAN REVOLUTIONARY ACTIVITIES  
FOREIGN POLITICAL MATTERS - PANAMA  
CLASSIFICATION: NONE  
FILE: 109-12-223

DATE: 20 APRIL 1959  
SUBJECT: PANAMANIAN REVOLUTIONARY ACTIVITIES  
FOREIGN POLITICAL MATTERS - PANAMA  
CLASSIFICATION: NONE  
FILE: 109-12-223

DATE: 17 APRIL 1959  
SUBJECT: PANAMANIAN REVOLUTIONARY ACTIVITIES  
FOREIGN POLITICAL MATTERS - PANAMA  
FILE: 109-12-223  
CLASSIFICATION: NONE

DATE: 10 APRIL 1959  
SUBJECT: PANAMANIAN REVOLUTIONARY ACTIVITIES  
FOREIGN POLITICAL MATTERS - CUBA  
CLASSIFICATION: NONE  
FILE #: 109-12-223

DATE: 2 April 1959  
SUBJECT: PANAMANIAN REVOLUTIONARY ACTIVITIES  
FOREIGN POLITICAL MATTER - PANAMA  
CLASSIFICATION: NONE  
FILE: SAC, MIAMI (109-43)

DATE: 5 MARCH 1959  
SUBJECT: PANAMANIAN REVOLUTIONARY ACTIVITIES  
INTERNAL SECURITY - PANAMA  
CLASSIFICATION: NONE  
FILE: 109-12-223

14-00000

GENERAL INTELLIGENCE AGENCY  
WASHINGTON, D.C. 20505

OGC 77-2335  
11 April 1977

David M. Curry, Esq.  
First Assistant U.S. Attorney  
Western District of Pennsylvania  
633 U.S. Post Office and Courthouse  
Pittsburgh, Pennsylvania 15219

Dear Mr. Curry:

Re: Joseph Raymond Merola

In response to your letter of March 10, 1977 I wish to advise you that the Central Intelligence Agency had one meeting with Joseph Raymond Merola prior to August 1961. In late 1960 Joseph Raymond Merola made several telephone calls to a CIA office offering his assistance in a general way in connection with Cuban matters, which was refused. However, on 6 February 1961 Merola claimed to have information on a Latin American senator who was a "close friend and confidant" of "Che" Guevara. Since Guevara was listed as being the subject of foreign intelligence requirements, the CIA employee agreed to meet with Mr. Merola. The meeting took place on 6 February 1961 and is the only meeting with Merola prior to his incarceration which you stated in your letter began in August 1961.

Mr. Merola was not employed by the Central Intelligence Agency. His contact with the CIA could not be described as an undercover Government informant as alleged in the Writs of Error Coram Nobis by Victor Carlucci and Daniel Hanna. This one contact on 6 February 1961 by Merola with the CIA was voluntary on his part.

Mathew McVane, an employee of the CIA, did testify in San Diego in November 1975 concerning CIA contacts with Joseph Raymond Merola. The citation we have for that case is U.S. v. Dalton C. Smith, et al. in the U.S. District Court for the Southern District of California, No. 74-2277-GT.

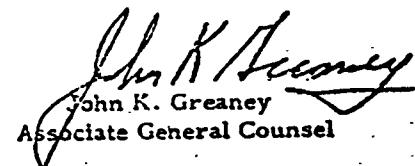


14-00000

The testimony given in that trial is not inconsistent with the response given above. It is true that after Merola was released from prison he again volunteered information to the CIA. Merota was a voluntary source of foreign intelligence.

I hope this provides sufficient information for you to file your response. If not, please call me at (AC 703) 351-7531.

Sincerely,

  
John K. Greaney  
Associate General Counsel

cc: John Martin, Esq., Dept. of Justice

cc: [unclear]

UNCLASSIFIED  INTERNAL  
SE ONLY  CONFIDENTIAL  SECRET

## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Joseph Raymond Merola

FROM:		EXTENSION	NO.
Maurice A. Sovorn O/SA/DO/O 2D0109		1542	DATE
			8 April 1977
TO: (Officer designation, room number, and building)		DATE	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
		RECEIVED    FORWARDED	OFFICER'S INITIALS
1. Mr. Raymond Warren C/LA 3C2019 Hqs.		1 APR 77	6
2.		1 APR 77	13
3.		1 APR 77	8
4.			
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FORM 610 USE PREVIOUS EDITIONS  
3-62 SECRET CONFIDENTIAL INTERNAL  
USE ONLY UNCLASSIFIED

FOR CIA OFFICIALS ONLY

# LITIGATION

8 April 1977

MEMORANDUM FOR: Mr. John K. Greaney  
Special Assistant to the  
General Counsel

FROM : Maurice A. Sovorn  
O/SA/DO/O

SUBJECT : Joseph R. Merola

REFERENCE : Assistant United States Attorney,  
Pennsylvania Letter, 10 March 1977,  
Subject as Above

1. The question in reference is the nature of  
any involvement of Merola with CIA prior to  
August 1961.

2. The Directorate's first recorded contact  
with Joseph Raymond Merola prior to August 1961  
occurred on 6 February 1961. It followed a series  
of telephone calls over a period of several months  
(late 1960 - early 1961) in which Merola had  
expressed interest in offering his assistance in  
connection with Cuban matters. Our officer had  
declined contact until 6 February when Merola  
claimed to have information on a Latin American  
senator who was a "close friend and confidante"  
of "Che" Guevara. Because Guevara was the proper  
subject of foreign positive intelligence collection  
requirement our officer agreed to a meeting.

3. The last recorded contact, except for the  
litigation outlined below, with Merola was a tele-  
phone contact with Merola in late July 1975 when  
he volunteered additional foreign positive intel-  
ligence.

4. At the end of August 1975, Merola  
contacted a staff officer to ask for testimony in  
the criminal fraud trial in San Diego, California  
(U.S. v. Joseph R. Merola, et al, Southern District  
of California, CR 74-2277-GT) which we subsequently

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CL BY 012860

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14-00000

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provided on 13 November 1975.

5. Subject is characterized as a voluntary occasional source of foreign positive intelligence who was in sporadic contact with us.

6. We greatly appreciate the Assistant United States Attorney's concern for the confidentiality of our information. The information above may be made available to the AUSA and the court as appropriate without further restriction.

/S/  
Maurice A. Sovern

O/SA/DO/O:MASovern:kaw (1542)

Distribution

Orig & 1 - OGC  
1 - C/DCD  
1 - C/LA  
2 - SA/DO/O

- 2 -

FOR CIA OFFICIALS ONLY

SPEED LETTER	REPLY REQUESTED		DATE LETTER NO.
	YES	NO	
TO : ISS/PICG ATTN: Frederic McCann	(FROM: Crooky Legz SA/LA)		
SUBJECT: Joseph R. Merola-Litigation REFERENCE: ISS/PICG Memo dtd 17 March 1977			
<p>A review of the files confirms that the DDC was not in any way involved operationally with Joseph R. Merola prior to 1961. However, it should be noted that subsequent to his release from prison in November 1962, Merola was in contact with members of the Frente Revolucionario Democratico, an anti-Castro organization, of interest to this Agency.</p>			
REPLY		SIGNATURE	
		DATE	
RESPONDER'S FILE			

3/10/77 10:00 AM

SECRET

## ROUTING AREA

 SECRET

Litigation, Joseph L. Mcelroy

FROM:

Frederic Modena

ISS/PICC

1508

DATE 17 March 1977

TO (letter designation, team number, and by whom)	DATE	CLASS INITIALS	COMMENTS (Number each comment to show from whom it was made. Drop the cross column after each comment.)
RECEIVED - FILED FOR			
1. SA/LA/BICO ET-5			
2. <i>AS/Engines</i>	3/31	(in)	<i>pls</i>
3. CIC/PICS			
4.			
5. <i>CIA/HB</i>			
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15.			

Bill: The Manila file is charged to MASS. When you're done, drop it off in  
in RIC(10) and cancel my charge,  
Please.

Manuel.

1. This is an  
12 division of REG-6  
operation in the PSC  
from 1974 to 1975.  
2. File 2 of 2 in RIC-  
10 for Manila  
from 1974 to 1975.  
3. File 3 of 3 in RIC-  
10 for Manila  
from 1974 to 1975.  
4. File 4 of 4 in RIC-  
10 for Manila  
from 1974 to 1975.

 SECRET SECRET CONFIDENTIAL INTERNAL

USE ONLY

 UNCLASSIFIED

CONFIDENTIAL

17 March 1977

MEMORANDUM FOR: SA/LA/EICO  
DCD

FROM : Frederic McCann  
ISS/PICG

SUBJECT : Litigation: Joseph R. Merola

1. Attached herewith is an unclassified memorandum received from OGC which requests information on the "extent and nature of any involvement of (Joseph R.) Merola with federal agencies prior to August 1961".
2. A review of 201-257804 reveals that Mr. Merola may have been in contact with WH/Miami in 1961 and was in contact with DCD prior to 1961.
3. Please review your files and provide whatever information is pertinent to paragraph 1., above. No information will be released outside of CIA without your concurrence.
4. 201-257804 is attached to the SA/LA/EICO copy of this memorandum. Please return it with your reply by 1 April 1977.

*Frederic McCann*  
Frederic McCann

Attachments: a/s

CONFIDENTIAL

EX-1  
AMPCET CL BY LHM/CQ

14-00000

DEPT OF JUSTICE DOCUMENT  
SUBJECT: JOSEPH RAYMOND MEROLA  
DATE: 10 MARCH 1977  
CLASSIFICATION: NONE  
FILE: NONE

trial, "actively engaged in the service of the government."

Irving Green, attorney for Cartucci and Hanna, said the prosecutors, Hubert L. Teitelbaum and Daniel J. Snyder, knew Merola was a government agent and therefore "perpetrated a fraud upon the trial court."

Teitelbaum and Snyder are now federal judges in Pittsburgh and have not commented about the action tried by Green, which is still pending. But an official familiar with their position said the two judges will, if necessary, swear they did not know Merola was a government agent.

#### Cuban Connection

"The answer to this whole thing revolves around Cuba," said this official.

Green, who represents Manarino's son-in-law, said he didn't think Merola's testimony in Chicago had been particularly "helpful" to the prosecution. A "more logical assumption" is that Merola was freed from prison because of what he could do for the government in Cuba, he said.

"This guy works anywhere he wants to," said Green. "The government has protected him in California, Chicago and everywhere else. He still has to be of value to the government."

One thing is certain: Merola is well known in the Miami Cuban community and among those who have been linked to alleged Castro assassination attempts.

"Joe was an undercover agent, he was closely associated with the government," Frank Sturgis, of Miami, told The Bulletin. "He did have an association with the CIA."

Sturgis, who gained notoriety as one of those convicted in the Watergate burglary, was a top Castro lieutenant during the revolution who served as a double agent for the CIA. He later worked against Castro in the Bay of Pigs operation and has admitted plotting to kill Castro.

"I know Joe was involved with the revolutionaries," said Sturgis. "I know he had an association with the CIA, but because of compartmentalization, you don't know what they're doing."

#### Tied to Burglar

A source close to the House Assass-

nations Committee said Merola was "a good friend" of Eugenio (Rolando) Martinez, another of those convicted of the Watergate burglary. Martinez was implicated with the CIA in the Bay of Pigs effort and in other anti-Castro moves.

"Joe's place in Miami Beach was on the water and it was used by anti-Castro groups to smuggle arms to Cuba," this source said. "Martinez was one of them."

"I can't recall," Martinez said, when asked by The Bulletin about using Merola's dock. "Really, I can't tell you anything about it."

"He was connected with helping people here in Miami against the dictatorship of Batista. He might have been in some other branch that I don't know about."

Alfredo Borges, a Miami business consultant and a Bay of Pigs veteran, told a Bulletin reporter inquiring about Merola to "please write me a letter."

"I don't know who you are," Borges said. "I cannot talk over the telephone."

One investigator interested in Merola said the matter is "very sensitive, records are hard to come by."

"He seems to fit everything," this investigator said. "He's a pilot, he speaks Spanish, he knows Cuba and he's connected. But nobody wants to cooperate."

#### A Scared Man

Records indeed are hard to come by. Official and unofficial attempts to obtain complete records of Merola's arrests proved fruitless. So did efforts to determine what encounters he might have had with officials responsible for watching the nation's borders.

But despite the belief of some that Merola enjoys the protection of the government while at the same time being welcomed by organized crime, those who know him say that is not the case.

"Joe has got a little money," said one Florida acquaintance. "I don't know where he gets it. But he's an informer and they hate informers. The man is concerned."

"He goes around Dade (County), but he is very, very careful where he goes. Joe is scared."

*To: Hill, Fred B. Sheriff*

SUBJECT: Court Appearance on 13 November 1975, San Diego, California

1. On 13 November 1975, Matt MacVane appeared as a witness for the defense at the United States District Court for the Southern District of California, 325 West F Street, San Diego, California. The case was the United States of America V. Dalton C. Smith, et al. MacVane was called to testify by E. Mac Amos Jr., attorney for defendant Joe Merola. In honor of the subpoena MacVane appeared at the court. On 13 November 1975 at approximately 15:30 hours San Diego time MacVane was called to the witness stand.

2. Mac Amos, attorney for defendant Joe Merola began questioning after MacVane was sworn in as a witness. Amos asked how long MacVane had been employed by the CIA? He asked if MacVane knew defendant Merola? He asked if MacVane were told by Merola about a shipment of surplus helicopter parts going to the country of El Salvador? He asked MacVane if Merola had volunteered other information to the Agency? He then asked if Merola were ever paid for such information? Amos also tried to establish the value of surplus parts in Latin America compared to the US. This was objected to by attorney Robert Thaller, prosecutor in the case. The judge sustained the objection and MacVane did not have to answer the question. Amos finished his questioning and Thaller began a short cross examination. Thaller asked if MacVane ever heard Merola mention stocks? He also asked if MacVane knew the name of the corporation that Merola represented? He then pointed out that even if some stock fraud were occurring, MacVane would not be witness because MacVane was not an investigator, but rather a collector of foreign information. The cross examination then ended. All questions were answered to the best of MacVane's ability and knowledge.

3. There appeared to be little purpose in the appearance of MacVane because it was obvious that MacVane knew nothing of any value concerning the case. MacVane's total time on the witness stand was about 10 minutes. After completion of his testimony MacVane was released.

*Bruce E. Malwaring*  
BRUCE E. MALWARING

HCMacVane:ljh

E2 IMPDET CL BY CL1668

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

2010-110

2/1/76 PES

RECORDED IN THE OFFICE OF  
CHARLES FRANCIS THOMSON, JR.  
DISTRICT JUDGE

SG

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM			
UNCLASSIFIED	CONFIDENTIAL		
SECRET			
<b>OFFICIAL ROUTING SLIP</b>			
<b>TO</b>	<b>NAME AND ADDRESS</b>	<b>DATE</b>	<b>INITIALS</b>
1	Mr. Danner	6/14/11	28
2			
3	Mr. Young		3
4			
5			
6	SD		
ACTION	DIRECT REPLY	PREPARE REPLY	
APPROVAL	DISPATCH	RECOMMENDATION	
COMMENT	FILE	RETURN	
CONCURRENCE	INFORMATION	SIGNATURE	
<b>Remarks:</b>			
<i>Any results of the Meeting?</i>			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.		DATE	
<i>Lee b-410575</i>			
UNCLASSIFIED	CONFIDENTIAL	SECRET	(40)

FORM NO. 237 USE PREVIOUS EDITIONS  
1-67

S E C R E T

6 November 1975

**MEMO FOR RECORD:**

**RE: MEROLA, Joseph R.  
201-257804  
U.S. Citizen Registered to DEA/MIAMI Dec 74**

**FYI:**

Today, Randy Daugherty, DCD case officer, asked to borrow subject 201 because he wanted to take it to Office of Genl. Counsel for Mr. John Greany.

There is to be a meeting today between Mr. Greany, Bob Starling, DCD COPS, and Matt McVane, DCD man in Miami who is visiting Hqs. McVane has an interest in MEROLA.

Told Randy that MEROLA was DEA source and that matter should be coordinated with NARCOG.

This transpired during lunch hour - Randy was in a hurry and I gave him file. He said he would tell Mr. Greany that Subj. was DEA source.

L.

S E C R E T

OGC 75-1073

5 November 1975

## MEMORANDUM FOR THE RECORD

**SUBJECT:** Joseph Raymond Merola

1. On 3 November I talked to Mr. Matt McVane, DCD officer stationed in Miami, and he said that he had received the subpoena from E. Mac Amos, Jr. to appear as a defense witness in the trial in San Diego on 11 November. Mr. McVane agreed to come to Headquarters on 6 November to discuss the information in the files and Mr. Robert Starling of DCD agreed to join in the meeting. Mr. McVane told me that Lt. Colonel Douglas W. Haldane, who had previously been on detail to the DCD Miami Office, had returned to the Army and was currently assigned somewhere in Europe and that his address was Headquarters, USAREUR, APO New York, New York 09403.

2. Since this Office had received a letter from Mr. Amos with a request for the current address of Colonel Haldane, I called Mr. Amos on 4 November and explained to him that Colonel Haldane was no longer with the Central Intelligence Agency and it was our understanding that Colonel Haldane was stationed in Europe. Mr. Amos did not want the current address of Colonel Haldane. He did state, however, that Mr. McVane would not be needed in San Diego until Wednesday morning, 12 November. As things stood now, Mr. Merola was the fifth defendant and it would be that length of time before Mr. McVane's testimony would be needed.

3. Mr. McVane told me that he had been called by Mr. Robert Thaler of the U.S. Attorney's Office in California. I told Mr. McVane that I would contact Mr. Thaler. I called Mr. Thaler who is a member of the Organized Crime Strike Force, Department of Justice, Room 2307, 300 North Los Angeles Street, Los Angeles, California 90012, telephone No. (AC 213) 688-5808. Mr. Thaler was pleased to hear that Mr. McVane

was being made available to testify and explained that he thought Mr. Amos had already prepared a motion to dismiss if Mr. McVane was to be denied as a witness for the defense. I explained to Mr. Thaler that Mr. McVane was coming to Headquarters on Thursday, 6 November, and said that we would call him to discuss the role Mr. McVane played in receiving information from Mr. Merola.

4. If this case runs parallel to many criminal prosecutions, the defense may never put Mr. McVane on the stand when he actually shows up as this may prove detrimental to their defense. However, we should be prepared for his testimony if, in fact, it does take place.

*John K. Greaney*  
John K. Greaney  
Associate General Counsel

cc: Chief, DCD

Matt McVane

OGC/JKG/eh

Distribution:

Original - OGC SUBJ: LITIGATION CRIMINAL

JKG Signer

1. Chronos - OGC will review and update its initial analysis with respect to the current status of the OGC's investigation into the Amerson/McVane matter and will advise the Office of Legal Counsel as to its findings. This initial analysis will be based on the information available to the Office of Legal Counsel at the time of the original memorandum dated 10 August 1972, between the Office of Legal Counsel and the Office of the General Counsel, Executive, Intelligence Agency, concerning the conduct of the OGC's investigation into the Amerson/McVane matter.

John T Holt  
John Skyrsted Rhoades  
Harrison R. Hollywood  
Douglas A. Reynolds  
David W. Ault  
Michael L. Neil  
Dan H. Dwyer  
Thomas H. Ault  
E. Mac Amos, Jr.  
Thomas M. Dymott

## HOLT, RHOADES AND HOLLYWOOD

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

1010 SECOND AVENUE, SUITE 1702  
SAN DIEGO, CALIFORNIA 92101

Area 714  
Telephone 238-1712

October 28, 1975

Office of the General Counsel  
Central Intelligence Agency  
Washington, D.C. 20505

Dear Sir:

Our firm represents Mr. Joseph Merola who is presently on trial as a defendant in the Southern District of California in an action entitled United States of America v. Dalton C. Smith, et al. (No. 74-2277-GT). In order to properly defend Mr. Merola, we need to utilize the testimony of Mr. Matt McVane and possibly the testimony of Col. Douglas Haldane. We understand that Mr. McVane is employed by the Central Intelligence Agency and works out of the Miami office. We also understand that Col. Douglas Haldane is employed by the Central Intelligence Agency but we do not have an address for service upon Col. Haldane.

Enclosed you will find copies of Subpoenas issued for Mr. McVane and Col. Haldane. These Subpoenas require the attendance of the individuals in the Southern District of California at San Diego, California on November 11, 1975 at 9:00 a.m. Enclosed you will also find a copy of the Order signed by Judge Gordon Thompson authorizing the issuance of the Subpoena for Mr. McVane. Since we do not have an address for Col. Haldane at this time, the court has not approved the issuance of a Subpoena for him in which the government would be responsible for all of the expenses and costs.

We have been informed by Mr. McVane that it is necessary for him to obtain the approval of your office before he can testify in this matter. Accordingly, we request that he be granted the necessary approval in order to allow him to testify in this matter. In addition, we request that we be provided with an address for Col. Haldane and that he also be allowed to testify in this case. We would appreciate being advised as soon as

Office of the General Counsel  
October 28, 1975  
Page Two

possible with respect to whether these persons will be available for testimony. If we can provide any additional information with respect to this case, please do not hesitate to contact the undersigned. Thank you for your courtesy and cooperation.

Very truly yours,

HOLT, RHOADES & HOLLYWOOD

By   
E. Mac Amos, Jr.

EMA/db

Enclosures

United States District Court

FOR THE  
SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA

v.  
DALTON C. SMITH, et al.

No. 74-2277-GT

MATT MCVANE

You are hereby commanded to appear in the United States District Court for the Southern District of California at 325 West F Street in the city of San Diego on the 11th day of November 1975 at 9:00 o'clock A.M. to testify in the above-entitled case.

This subpoena is issued on application of the defendant.

October 23, 1975

WILLIAM W. LUDOVIC

Clerk.

E. MICHAEL AMOS, JR.  
Attorney for Defendant MEROLA  
1910 Second Ave., Suite 1712  
San Diego, CA 92101

SEAL JOSE GALLAGHER

Deputy Clerk.

RETURN

Received this subpoena at \_\_\_\_\_ on \_\_\_\_\_ I served it on the \_\_\_\_\_ and on \_\_\_\_\_ at \_\_\_\_\_ within \_\_\_\_\_ named \_\_\_\_\_ by delivering a copy to \_\_\_\_\_ and tendering to \_\_\_\_\_ the fee for one day's attendance and the mileage allowed by law.

Service Fees

By \_\_\_\_\_

Travel \_\_\_\_\_ \$ \_\_\_\_\_

Services \_\_\_\_\_ \$ \_\_\_\_\_

Total \_\_\_\_\_ \$ \_\_\_\_\_

\* Insert "United States," or "defendant" as the case may be.  
\* Fees and mileage need not be tendered to the witness upon service of a subpoena issued in behalf of the United States or an officer or agency thereof, 28 U.S.C. 1825, or on behalf of a defendant who is financially unable to pay such costs (Rule 17 (b), Federal Rules Criminal Procedure).

United States District Court

FOR THE  
SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA

v.  
DALTON C. SMITH, et al.

No.  
74-2277-GT

To:  
COL. DOUGLAS HALDANE

You are hereby commanded to appear in the United States District Court for the Southern District of California at 325 West F Street in the city of San Diego on the 11th day of November 1975 at 9:00 o'clock A.M. to testify in the above-entitled case.

This subpoena is issued on application of the defendant.

October 23, 1975

E. VACAROS, JR.  
Attorney for defendant MEROLA  
1010 Second Ave., Suite 1712  
San Diego, CA 92101

WILLIAM W. LUDY

Clerk

JOSEPH GALLAGHER

Deputy Clerk

SEAL

RETURN

Received this subpoena at \_\_\_\_\_  
and on \_\_\_\_\_ at \_\_\_\_\_  
within named \_\_\_\_\_  
by delivering a copy to \_\_\_\_\_ and tendering to \_\_\_\_\_  
allowed by law.

on

I served it on the

the fee for one day's attendance and the mileage

Service Fees

By \_\_\_\_\_

Travel \_\_\_\_\_ \$

Services \_\_\_\_\_ \$

Total \_\_\_\_\_ \$

<sup>1</sup> Insert "United States," or "defendant" as the case may be.

<sup>2</sup> Fees and mileage need not be tendered to the witness when service of a subpoena issued in behalf of the United States or an officer or agency thereof, 28 USC 1825, or on behalf of a defendant who is financially unable to pay such costs (Rule 17 (b), Federal Rules Criminal Procedure).

14-00000  
A PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW  
1010 SECOND AVENUE, SUITE 1712  
SAN DIEGO, CALIFORNIA 92101  
PHONE 236-1712

1 E. MAC AMOS, JR.  
HOLT, MEROLES & HOLLYWOOD  
2 1010 Second Avenue, Suite 1712  
San Diego, CA 92101  
3 (714) 238-1712

4 Attorneys for Defendant  
JOSEPH R. MEROLA

FILED

OCT 22 1975

CLERK, U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA  
By DEPUTY

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

NO. CR 74-2277-GT

v.  
JOSEPH R. MEROLA, et al.,

Defendants.

ORDER FOR ISSUANCE OF  
SUBPOENAS

This court having considered the application of defendant Joseph Merola, and the supporting affidavit of E. Mac Amos, Jr. for issuance of subpoenas directed to Edward Stanton and Matt McVane and having found that good cause exists for the issuance of said subpoenas,

IT IS HEREBY ORDERED THAT the clerk of this court issue subpoenas requiring the attendance of Matt McVane and Edward Stanton on November 11, 1975 at 9:00 a.m. in this court and, further, that all costs and fees in relation to the attendance of said witnesses shall be borne by the United States under the provisions of the Criminal Justice Act.

DATED: OCT 22 1975

BY: GORDON THOMPSON, JR  
GORDON THOMPSON  
DISTRICT JUDGE  
SOUTHERN DISTRICT OF CALIFORNIA

24 October 75

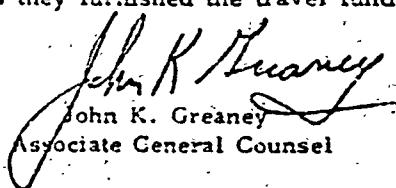
## MEMORANDUM FOR THE RECORD

SUBJECT: Joseph Raymond Merola

1. On 23 October, Mr. Robert Starling of DCD called to say that Matthew McVane (phonetic), a DCD officer who is stationed in Miami, Florida, had received a telephone call from a San Diego attorney saying that he was mailing a subpoena to him. The attorney, E. Mac Amos, Jr., is a member of the law firm of Holt, Rhodes and Hollywood at 1010 Second Avenue, San Diego, California 92101, telephone No. (AC 714) 238-1712. Mr. Amos advised Mr. McVane that the subpoena was for his appearance on behalf of Mr. Merola who was on trial in San Diego.

2. Mr. Starling indicated that the charges against Merola had something to do with exporting airplane parts without a license. I called Mr. Clyde Bryant, Office of Munitions Control, Department of State, to determine if this prosecution was related to 22 U.S.C. 1934. Mr. Bryant called back and said that Merola was one of seven defendants being tried on criminal fraud charges for having engaged in a flimflam operation against the Salvadorian government. The scheme was to establish a facility in Salvador to assemble and service helicopters. The group had assembled a collection of Army surplus parts for helicopters and was in the process of shipping them without an export license and they were seized by U.S. Customs officers on 21 February 1974. Mr. Bryant indicated that the Assistant U.S. Attorney in San Diego in charge of the prosecution was a Mr. Robert Thaller, telephone No. (AC 714) 293-5668. Mr. Bryant also indicated that an individual by the name of Henry Maierhoffer was also one of the defendants and it was Mr. Bryant's recollection that Maierhoffer had some previous connection with CIA.

3. I called Mr. Starling and reported this information to him and he said that Mr. Merola was a real operator in the Miami area, always involved in some scheme to buy and sell weapons but that he had volunteered information to the DCD Office, some of which was useful. I asked Mr. Starling to have Mr. McVane call me when he got the subpoena but that he would not have to go unless they furnished the travel funds.



John K. Greaney  
Associate General Counsel

cc: Chief/DCD  
Distribution - OVER

CONFIDENTIAL

~~SECRET~~  
(When Filled In)

30 Jan 1975

## 201 File on U.S. Citizen

The 201 file on Micah (surname) (201 number indicated below)  
 can be most accurately be categorized as indicated below:

- should be closed.
- 
- witting collaborator. OI Code A1.
- potential witting collaborator; date opened \_\_\_\_\_ OI Code A2.
- former witting collaborator (relationship terminated). OI Code A3.
- potential witting collaborator never contacted (security reasons, derogatory information). OI Code A4.
- counterintelligence case (i.e., involving a foreign intelligence or security service). OI Code A5.
- all others. OI Code A6. ISR

Signed J. R. Bassett C/LSN/ISR  
 (name) (title) (component)

This assignment of category has been entered into STAR.

Signed J. R. Bassett 1975  
 (initials) (date)

This document is a permanent part of this file.

201- 257804

CONFIDENTIAL

E2 IMPDET  
CL BY 002216~~SECRET~~  
(When Filled In)



UNCLASSIFIED INTERNAL  
USE ONLY CONFIDENTIAL SECRET

## ROUTING AND RECORD SHEET

SUBJECT (Optional)

REGISTRATION REQUEST

FROM:

OPS/LSN/INTERAGENCY SOURCE REGISTER BU-5

EXTENSION

1064/  
5045

NO

TSRM 3576

DATE

10 DEC 1974

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

RECEIVED

FORWARDED

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. IP/AIS  
HT-3

12/11 mnb

Hit!

2.

3. IP/EIB  
DW-7

12/11 127.2

JL

4.

5. IP/RMS  
DW-6

6.

7. IP/LDI  
GT-6

8.

9. LSN/ISR  
BU-5

10.

11.

12.

13.

14.

15.

FILE NO. 201-

0257904

DOCUMENT DATE

ABSTRACT

X

FORM  
2-62  
REV. PREVIOUS  
EDITIONS

610

EDITIONS

 SECRET CONFIDENTIAL INTERNAL  
USE ONLY UNCLASSIFIED

SECRET (When Filled In)			
<i>NAC's Conducted July 1972 - FBI / P ACT 1973 - State / P DCI-N DOCCI-N</i>  <b>17 DEC 1974</b>	ISR LOG	NAT. FILE NO.	DATE
		NEW	RE-REGISTRATION
		UTILIZATION	RE-CHECK
	<b>DO NOT WRITE BELOW THIS SPACE</b>		
	TO:	TO: SECURITY	
	TO:	TO:	
	ISRM NO.	201 NO.	
	30, 170		
	NAME		

FORM 1797 USE PREVIOUS EDITIONS  
2-74

SECRET 11 DEC 19/44-38

SECRET (When Filled In)			
<i>No Objection to Registration. DCS reserves the right to collect registration fees in accordance with its regulations. DCID 2, DCID 2/C and D/C, and by mutual agreement if his requires.</i>  <b>18 DEC 1974</b>	ISR LOG	NAT. FILE NO.	DATE
		NEW	RE-REGISTRATION
		UTILIZATION	RE-CHECK
	<b>DO NOT WRITE BELOW THIS SPACE</b>		
	TO: DCI	TO: SECURITY	
	TO:	TO:	
	ISRM NO.	201 NO.	
	30, 170		
	NAME		

FORM 1797 USE PREVIOUS EDITIONS  
2-74

SECRET 14-38

SECRET

(When Filled In)

FBI/DOJ FORM NO. 1797  
GSA GEN. REG. NO. 27-1000  
MAY 1962 EDITION  
GSA GEN. REG. NO. 27-1000  
MAY 1962 EDITION

OPS 600/100 60-703 2-E 0306 10315 73-5			REQUEST FOR REGISTRATION IN THE INTERAGENCY SOURCE REGISTER		
REQUESTER: Daryl <del>XXXX</del> Geisler LA/CARI			DATE SUBMITTED 9 Dec 1974		
DEA		201- 257804	DATE RECEIVED ISR 9 Dec 74		
<input checked="" type="checkbox"/> NEW	RE-REGISTRATION	RE-CHECKED COPY	UTILIZATION		
NAME (Last, First, Middle) <b>MEROLA, Joseph Raymond</b>			OPERATIONS STATE/DDO		
ALIASES AND/OR SPELLING VARIATIONS			SEX <b>M</b>		
DATE OF BIRTH <b>9 Oct 1925</b>		PLACE OF BIRTH <b>NEW JERSEY</b>	CITIZENSHIP <b>U.S.</b>		
RESIDENCE <b>135 Dupont Plaza, Miami, Fla</b>			PRESENT EMPLOYER <b>Pilot</b>		
ADDITIONAL IDENTIFYING DATA (including references) <b>Based on LA/Miami 22730 IN 432300, 3 Dec 74 (attached) Traces sent DIRECTOR 630872, 6 Dec 74 (attached) Send cards to UFP 872 HVC KLB HTP</b>					
IP/AIS TRACE RESULTS  <b>FINAL LISTED REFERENCE</b>					
IP/EIB REMARKS  <b>NAI TO THAT KNOWN TO THE REQUESTER (630872)</b>					
16 DEC 1974 <i>[Signature]</i>		DATE <b>18 Dec 74</b>		ISR NUMBER <b>39,170</b>	
<ol style="list-style-type: none"> <li>Nothing in addition to that known by the requester. <del>XXXX</del> For possible further information you are referred to the FBI and the Department of State.</li> <li>The ISR has no record of a current operational interest in <del>XXXX</del> Subject who is hereby registered in the ISR to DEA Miami.</li> </ol> <p>EVB <i>[Signature]</i></p>					
SS:			<small>Classified by 002216 Exempt from general classification schedule of E.O. 11652, exemption category: 3B.1., (2), (3) or 4, circle one or more Automatically declassified on</small> <small>(unless impossible, insert date or event)</small>		
WARNING NOTICE SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED					

FORM 5010  
GPO 1971 OMB 3-76

CABLE SEC DISSEM B 9/11 PPD SEP 10 13 TOTAL COPIES 15-1 BY 23

PERSON UNIT NOTIFIED:

AGENCY/COPY ISSUED/BLOTTED	9/20	BT A1 8095	SECRET	REPRODUCTION BY OTHER THAN ISSUING OFFICE IS PROHIBITED
ATION UNIT	1		23	STAFF
C/LCA 6	N	AF FILE VR 000, C/10/AM, C/09/AMR2 C/OPS		1
ACTION P	F	C/LCA/MU		2
O	O			3

T 617399 EJA292 PAGE 01 IN 432300

TOR1032226Z DEC 74

LMW 22730

SECRET 032214Z DEC 74 STAFF

CITE LA/MIAMI 22730

TO: PRIORITY DIRECTOR,

RYBAI LMHABYSS PBRAMPART

REFI UFPS-1727, 25 OCT 74

1. PLEASE PROVIDE PRIORITY TRACES ON THE FOLLOWING  
 DEA NARCOTICS SOURCE AND REGISTER IN THE INTER-AGENCY  
 SOURCE REGISTER (ISR):

JOSEPH RAYMOND MEROLA (201-257804)

DPOB: 9 OCT 25 IN NEW JERSEY

U.S. CITIZEN

OCC: PILOT

ADD: 135 DUPONT PLAZA, MIAMI, FL.

LOCATION OF USE: COLOMBIA AND HAITI

2. PER REF, ATT. NO. 2 PLS PROVIDE PRIORITY  
 TRACES ON DEA NARCOTICS SOURCE ORLANDO  
 BAITISTA VIERA, AND ADVISE IF REGISTERED IN

ISR.

3. FILE# 200-11-111 200-11-11/17. E2, IMPDET  
 1P 460 date - October 201

✓sec  
✓202 226

SECRET

S E C R E T

DO DOCUMENT EXTRACT

THE FOLLOWING INFORMATION CONCERNING THE SUBJECT OF THIS 201  
DOSSIER HAS BEEN EXTRACTED FROM ANOTHER OFFICIAL DO FILE.  
PERSONS PERFORMING NAME TRACES ARE CAUTIONED THAT THE DOCUMENT  
FROM WHICH THIS EXTRACT WAS PREPARED CONTAINS ADDITIONAL  
INFORMATION PERTAINING TO THE SUBJECT AND SHOULD BE REQUESTED  
FROM LP/FILES.

MEROLA, JOSEPH RAYMOND  
201-0257804  
SEX M DOB 09 OCT 25  
POB USA, NJ  
CIT USA  
OCC PILOT

200-011-011/19  
LHM-22730  
03 DEC 74

PES USA, FLA, MIAMI, 135 DUPONT PLAZA. TRACES  
DFA NARCS

DATE 05 MAR 75 CORR CARD 09231716

201-0257804

S E C R E T E2 IMPDET CL BY 054979

14-00000  
SECRET

CENTRAL INTELLIGENCE AGENCY  
WASHINGTON, D.C. 20503

12 JUN 1974

MEMORANDUM FOR: Mr. Lucien E. Conein  
Acting Chief, Special Operations and  
Field Support Staff  
Office of Intelligence  
Drug Enforcement Administration

VIA: Mr. John Warner  
Chief, International Intelligence Division

SUBJECT: Name Trace

REFERENCE: Memorandum, Same Subject, SEC-IGI-74-0037,  
dated June 5, 1974

1. The matter of Joseph R. Merola (Reference) has been discussed between Mr. Richard Kobakoff of your office and Mr. Stanley Archenhold of this office. Mr. Merola has never worked for this Agency, although we are aware he has made such claims on a number of previous instances.
2. It is suggested that you contact the Federal Bureau of Investigation for information concerning Merola.

Seymour R. Bolten  
Seymour R. Bolten  
Special Assistant for  
Narcotics Control Operations

DONC 74-052

THIS DOCUMENT IS NOT TO BE DISSEMINATED ABROAD OR  
OUTSIDE THE HEADQUARTERS OF THE RECEIVING AGENCY  
WITHOUT PERMISSION OF THE ORIGINATOR

EXEMPT FROM GENERAL DECLASSIFICATION SCHEDULE OF  
E.O. 11652. EXEMPTION CATEGORY: 5 B (2)  
DECLASSIFICATION DATE IMPOSSIBLE TO DETERMINE  
CLASSIFIED BY 003604

201-257434

SECRET

SECRET

DONC 74-052

DDO/OPS/NARCOG:S.Archenhold:e1

COORDINATION: 15/1622  
WH/NARC

12/20/74

DATE

Distribution:

Orig. & 1 - Addressee  
1 - WH/NARC  
1 - 201-257804  
1 - DDO/NARCOG DONC File

SECRET

DEPT OF JUSTICE DOCUMENT  
DATE: 5 JUNE 1974  
SUBJECT: NAME TRACE  
CLASSIFICATION: SECRET  
FILE #: NONE GIVEN

**DISPATCH****SECRET**

PROCESSING ACTION

REF ID: A6110

TO Chief of Station, San Salvador		CLASSIFICATION <b>SECRET</b>	PROCESSING ACTION REF ID: A6110
FROM Chief, Western Hemisphere Division		REF ID: A6110	
SUBJ AMEMB SAN SALVADOR 0048, 5 February 1974		REF ID: A6110	
ACTION REQUIRED REFERENCES			

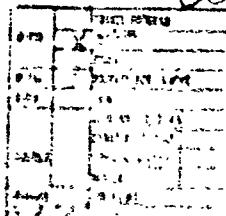
Headquarters requested LRERGO traces on Larry A. Carr,  
because of his business association with Joseph R. Merola.  
Trace results were negative.

MAD  
Marilyn A. DAKOSKI

DISTRIBUTION:  
Orig. & 1 - COS, San Salvador

E2 IMPDET  
CL BY 031685

**RECORD COPY**

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER HSSH-3154 CLASSIFICATION <b>SECRET</b>	DATE typed 1 April 1974 REF ID: A6110
1 - Chrono 1 - IP/AH		COORDINATING WH/2/GS Patti Burke m11 1454 COORDINATING C/WH/2/GS George Colman AC/BH/2 James M. Laufer
		

**DISPATCH**

14-00000  
ATTN : Chief, WR/2  
David L. Snock

F-4-2849

033-539-74  
22 March 1974

Chief, Domestic Collection Division

Joseph E. Marola  
RE: Your Memorandum of 11 March 1974

1. For your information, subject has been a volunteer source since 1961. DCI is aware of his unsavory record, but he has from time-to-time produced information of interest.

2. DCI wishes to advise you, however, that we have broken off contact with Marola. Should he contact DCI again, we are obliged to listen politely, take down his information for transmittal to the appropriate area desk, and make absolutely no promises for future contact.

3. Please direct further inquiries to Mr. Evan B. Ames, DCI/Support Branch/Operational Support Section, Room 910, Key Building, extension 2263.

JACKSON R. HORTON

EVAN B. AMES/b  
cc: Services Branch (Control)

FILE: HH-25826

SAC

SECRET

R-2 DRAFT CL BY 010450

14-00000

DEPT OF STATE DOCUMENT  
DATE: 19 MARCH 1974  
SUBJECT: PATTERSON CORPORATION (CENTRAL  
AMERICAN AEROSCAPE)  
CLASSIFICATION: CONFIDENTIAL  
NO FILE # GIVEN

MAROLA

~~SECRET~~

11 March 1974

MEMORANDUM FOR: Domestic Collection Division  
ATTENTION: Mr. Shaun P. Ryan  
SUBJECT: Joseph R. MEROLA  
REFERENCE: HH 25826, 8 January 1974

1. On 10 January 1974 the HH/2/GS desk received the referenced memorandum from the Domestic Collection Division indicating the Miami field office had been in contact with one Joseph R. MEROLA. MEROLA had just returned from a business trip to El Salvador; and he reported that a friend of his had identified a Mr. Gremillion in the Political Section of the American Embassy in San Salvador as a suspect CIA representative. Headquarters traces on Joseph R. MEROLA indicated that on several occasions in the past MEROLA had claimed that he was a CIA agent. The Chief of Station, the Mr. Gremillion referred to above, was recently questioned regarding any Embassy contact with MEROLA while the latter was in San Salvador. The COS stated that both within the Embassy community and at social functions MEROLA had frequently referred to his contact with the CIA, past and present. He also volunteered this information to a former Station contact.

2. In light of the above, it would appear that MEROLA had taken advantage of his agency contacts in an inappropriate manner to the potential embarrassment of the San Salvador Station. We would, accordingly, appreciate that this be given due consideration in your assessment of the advantage of your continued contact with him.

David L. Smock  
C/HH/2

EZ IMPDET  
CL BY 509407

~~SECRET~~

TRANSMISSIONAL SLIP		CATE
TO:	W H 21GS - Patti	
ROOM NO.	BUILDING	
REMARKS:  Reply from State		
FROM:		OPS/LSN
ROOM NO.	BUILDING	EXTENSION

FORM NO. 241  
1 FEB 53  
REPLACES FORM 36-8  
WHICH MAY BE USED.

(4)

<b>SPEED LETTER</b>		<b>REPLY REQUESTED</b>	<b>DATE</b>
		<input checked="" type="checkbox"/> Yes	6 February 1974
		No	LETTER NO.
<b>TO :</b> ATTN: OPS/LIAISON	<b>FROM:</b> <i>cc:</i> WH/2/GS		
<p>Request Dept. of State Passport Office biographic information on Larry A. CARR, U.S. citizen, currently in El Salvador negotiating on behalf of the Patterson Corp. to build a helicopter plant.</p>			
<u>Patti Burke</u> <u>WH/2/GS</u> <small>SIGNATURE</small>			
<b>REPLY</b>	<b>DATE</b>		
<small>RETURN TO GSA'S NAME</small>			
<small>SIGNATURE</small>			

14-00000

DEPT OF STATE DOCUMENT (PASSPORT DIVISION)  
DATE: 20 FEBRUARY 1974  
SUBJECT: LARRY ALTON CARR  
CLASSIFICATION: NONE  
FILE #: NONE

STATE DEPT DOCUMENTS:

DATE: 13 FEBRUARY 1974  
SUBJECT: PATTERSON CORPORATION (CENTRAL  
AMERICAN AEROSPACE)  
CLASSIFICATION: CONFIDENTIAL  
NO FILE # GIVEN (DOC #: SAN SALV. 0568)

DATE: 5 FEBRUARY 1974  
SUBJECT: PROPOSED HELICOPTER/AIRCRAFT PLANT  
(PATTERSON CORP.)  
CLASSIFICATION: CONFIDENTIAL  
NO FILE # GIVEN (DOC #: SAN SAL. 0048)

DATE: 5 FEBRUARY 1974  
SUBJECT: PROPOSED HELICOPTER/AIRCRAFT PLANT  
(PATTERSON CORP.)  
CLASSIFICATION: CONFIDENTIAL  
NO FILE # GIVEN  
DOCUMENT #: SAN SALVADOR 0448

ratti,

We have sent a private channel letter to the CGS on this matter, ~~noting~~ asking at the end for comments as to whether MROLA is "embarrassing" the Station or CIA generally by talking so much about his CIA connections. If his re-ly is in the affirmative, it will probably be best for you to draft a note to ~~B&B~~ DCD suggesting that he somehow be silenced, -erha-s by their withdrawing from contact with them since it is obviously something that he brags about and otherwise tries to take advantage of

gto.

14-00000

Matt MacVane, DCD officer in Miami, met with Joseph R. MEROLA on 15 January 1974; at which time MEROLA identified the friend in San Salvador who had identified Mr. Gremillion in the American Embassy in San Salvador as a CIA representative. MEROLA also provided the names of two women employed in the Embassy who were involved in compromising situations with both Americans and local nationals. MEROLA identified the two women as Nancy SHALLOT and Delia OBESA. MEROLA was met again on 17 January 1974 at which time he provided the name of a third woman in the Embassy, Gloria, who has also been involved in compromising situations. Upon inquiring Headquarters personnel who had recently returned from San Salvador, the above identities were confirmed; all three are American citizens assigned to the Embassy in San Salvador.

Above is a note dated 24 January 1974 from Patti Burke, WH/2/GS/IA, based on information received orally from DCD.

**SECRET**

SPEED LETTER	URGENT REQUESTED			DATE
	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
TO : Chief, WH/2/GS (3 B 4402 Hqs.) ATTN: Patty Burke	FROM:	DCD/SB/OSS SPRyan/ds		
OSS-172-74				

SUBJECT: Case 61401 - Joseph Merola

On 18 January 1974, our Miami Field Office advised us of the name of a third person reportedly involved in potentially compromising situations who works at the Embassy. This person was identified as "Gloria" by our source. This information passed verbally to El Salvador Desk Officer on 18 January 1974.

E-2 IMPDET CL # 010650

SHAWN P. RYAN

*Even time for*  
*El Salvador*  
SIGNATURE

REPLY	DATE
-------	------

**SECRET**

*El Salvador*  
SIGNATURE

RETURN TO ORIGINATOR

STATE DEPT DOCUMENT  
DATE: 22 JANUARY 1974  
SUBJECT: PROPOSED HELICOPTER/AIRCRAFT PLANT  
CLASSIFICATION: CONFIDENTIAL  
DOCUMENT #: SAN SALV 0256

UNCLASSIFIED INTERNAL  
USE ONLY CONFIDENTIAL SECRET

## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Case 61401 - CIA Operative in El Salvador  
 FROM DOMESTIC COLLECTION DIVISION EXTENSION NO  
 Support Branch/Operational Support Section  
 Room 900, Key Building - ext. 2268  
 Mr. Shaun P. Ryan *S. Ryan*

DATE

18 January 1974

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. WH/2/GS Attn. Patty Burke 3 B 4402 HQs.				The attached is for your information and possible interest.  (OSS-142-74)
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				E 2 IMPDET CL BY 00-022
12.				
13.				
14.				
15.				

FORM 3-62

610 USE PREVIOUS EDITIONS

 SECRET CONFIDENTIAL INTERNAL  
USE ONLY UNCLASSIFIED

14-00000  
SECRET/SENSITIVE

OSS-142-74  
18 January 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Case 61401 - CIA Operative in El Salvador

REVS : A.) MIM-006-74, 4 January 1974  
B.) TWX DCD/Washington 28860, 16 January 1974  
C.) Ryan/MacVane telecon 16 January 1974  
D.) Ryan/MacVane telecon 17 January 1974  
E.) Ryan/Mainwaring telecon 17 January 1974  
F.) TWX DCD/Miami 12475, 17 January 1974  
G.) TWX DCD/Miami 12476, 17 January 1974

1. One of our sources in Miami, Joseph Merola, revealed the name and position of an individual reported to be an Agency official in El Salvador to Matt MacVane during the course of an interview on 21 December 1973. This was reported in MIM-006-74 4 January 1974. This report was forwarded to the El Salvador Desk on 8 January 1974. On 16 January 1974 the Desk requested that DCD obtain the name of the individual mentioned in this memorandum who said he knew a CIA officer in the Embassy. This request was passed by telecon and TWX to MacVane by Ryan on 16 January 1974. The El Salvador Desk also questioned the reliability of our source, Joseph Merola, at this time and requested we query Miami as to his reliability.

2. On 17 January 1974 at the request of MacVane, Ryan visited the El Salvador Desk to ascertain their objections to our source, known to us as a convicted felon. Desk objections stemmed from a 1964 report which indicated that Merola had informed persons that he was a "CIA agent". Further conversation elicited the fact that Merola had again made this statement in 1973 at an Embassy function. We advised the Desk that DCD was well aware of Merola's criminal background but that he had provided DCD with reliable reports in the past unrelated to his own "pursuits".

3. The El Salvador desk confirmed the fact that the individual mentioned by Merola's informant as being a CIA officer was in fact such. Ryan advised MacVane of this per telecon on 17 January 1974. MacVane and Mainwaring told Ryan they were sending two cables relating to this case. The first would provide the name of the person who reportedly knew the CIA official. The second provided the names of two women employed in the Embassy who were reportedly involved in

E 2 IMPDET CL BY 010650

SECRET/SENSITIVE

14-00000

~~SECRET/SENSITIVE~~

compromising situations with both Americans and local nationals. This latter cable was requested after the El Salvador desk officer advised that all avenues and possible leads were to be pursued to determine who leaked the information relating to the CIA official. These two names (phonetically spelled) were provided in the second cable by Miami. All of the information received in these cables was passed via secure phone to the El Salvador desk by Ryan upon receipt.

4. MacVane advised Ryan via telecon that he anticipated meeting with Joseph Merola at 1400 on 17 January to address further matters concerned with this case. MacVane advised Ryan that he would forward such information as soon as possible.

~~SECRET P. RYAN~~

cc: Miami Field Office  
cc: WH/2/GB  
cc: Sensitive Control Officer

~~SECRET/SENSITIVE~~

~~SECRET~~

S E C R E T 171845Z JAN 74 STAFF

CITE DCD/MIAMI 12476

DCD/WASHINGTON

ATTN: SUPPORT BRANCH/OSS (S.RYAN)

SUBJ: CASE 61481

REF #: OOA(S) 322/B2566-74

THE IDENTITIES OF THE TWO GIRLS WHO WERE THE SUBJECT OF  
OUR TELECON ARE:

    NANCY SHALLOT

    DELIA OBESA

BOTH SPELLINGS ARE PHONETIC, BUT SHOULD BE IDENTIFIABLE.  
ONE IS SUPPOSEDLY SECRETARY TO MR. TAYLOR. E2 IMPDET CL BY 212658

S E C R E T

RECORDED 11 AM

**SECRET**

HL/HM 15-111474  
11 SEP

SECRET 171845Z JAN 74 STAFF

CITE DCD/MIAMI 12476

DCD/WASHINGTON

ATTN: SUPPORT BRANCH/CSS (S.RYAN)

SUBJ: CASE 61421

REF: OUA(S) 322/82566-74

THE IDENTITIES OF THE TWO GIRLS WHO WERE THE SUBJECT OF  
OUR TELECON ARE:

NANCY SHALLOT

DELIA OBESA

BOTH SPELLINGS ARE PHONETIC, BUT SHOULD BE IDENTIFIABLE.

ONE IS SUPPOSEDLY SECRETARY TO MR. TAYLOR. E2 IMPDET CL BY 812652

SECRET

## OUTGOING MESSAGE

12-2

OMF G N P O S  
CLASSIFICATION: CONFIDENTIAL**SECRET**

MESSAGE HANDLING PROCEDURES

STAFF

CONF: UHS

DATE/TIME GROUP

172306Z

CITY

DIRECTOR

INFO: FILE 11/11/68, DCIO,

MESSAGE REFERENCE NUMBER

502254

DISSEM BY: 29

0 NOREL

C NO INDEX

0 RETURN TO PER

0	PERIOD	1000-1400
0	PERIOD	1400-1800
0	PERIOD	1800-2200
0	PERIOD	2200-0000
0	PERIOD	0000-1000

201-257804

TO: PRIORITY SAN SALVADOR INFO UH/MIAMI.

BREFS: A. SAN SALVADOR 20685 [IN 134684\*]

B. UH/MIAMI 20664 [IN 135313\*\*]

C. UH/MIAMI 20685 [IN 137730\*\*\*]

1. FOLLOWING INFO IN ADDITION TRACES REF B: JOSEPH RAYMOND

MEROLA (201-257804). PER DBA 68732, 13 APR 64, SUBJ CLAIMED HE CIA AGENT AND ALLEGED CIA OBTAINED PRESIDENTIAL PARDON FIVE YEAR PRISON SENTENCE FOR RUNNING GUNS CUBA. IN ADDITION CLAIMED CIA ISSUED PASSPORT IN NAME MICHAEL JOSEPH MEROLA FOR TRAVEL CENTRAL AMERICA.

2. PER HQS RECORDS, MEROLA NOT CIA AGENT, BUT HAS BEEN DCD CONTACT SINCE EARLY SIXTIES.

3. 23 DEC 73 MEROLA CONTACTED DCB MIAMI TO ADVISE HE RECENTLY SPOKE WITH FRIEND IN SAN SALVADOR WHO WORKS FOR ANSESAL. FRIEND ADVISED MEROLA NOT GO US EMBASSY SAN SALVADOR TO SEE A MAN NAMED GREMILLION BECAUSE GREMILLION, WHO IS EMBASSY POLITICAL SECTION OFFICER UNDER SURVEILLANCE ON SUSPICION OF BEING CIA REP SAN SALVADOR. MEROLA TOLD FRIEND HE NEITHER KNEW NOR WOULD HAVE CAUSE TO

DATE:

ORIG:

UNIT:

EXT:

201-257804

11/11/68

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SAN SALVADOR

CENTRAL AMERICA

RECORD COPY

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CLASSIFICATION: SECRET

CL BY: 031685

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502254

SEE SUCH A MAN. FRIEND TOLD MEROLA HE ONLY TELLING HIM FOR HIS OWN GOOD BECAUSE IF MEROLA SAW GREMILLION, MEROLA WOULD BECOME A SUSPECT CIA AGENT AS WELL.

4. DCD MIAMI RECONTACTED MEROLA 15 JANUARY DETERMINE ABOVE  
 IDENTITY "FRIEND" IN SAN SALVADOR. FRIEND IDENTIFIED AS  
 (CLASS ALREADY SELECT C-1-473126)  
 GUILLERMO R. O. BEE D E R, PRESIDENT INSAFI, MARRIED TO SECRETARY AT  
 IN SALVADOR  
 US EMBASSY, CURRENTLY ON MATERNITY LEAVE.

1C

NO

5. MEROLA TO PROVIDE ADDITIONAL INFO AT MTG WITH DCD MIAMI  
 17 JAN 74. WILL ADVISE.

6. FILE: 201-257804. E2 IMPDET-H

WH COMMENT: \*REQUESTED HQS TRACES JOSEPH MEROLA, WHO CLAIMED TO BE  
 AERONAUTICAL CONSULTANT WITH PATTERSON AIRCRAFT  
 COMPANY OF CALIFORNIA

\*\*\*WH/MIAMI TRACE REPLY

\*\*\*NEGATIVE SLIGO STRACES

DATE: 17 JAN 74  
 ORIG: PATTI BURKE PO DCD SHAUN RYAN (DRAFT)  
 UNIT: WH/2/GS WH/PERMS W. LABOURNE (DRAFT)  
 EXT: 1868 C/WH/COG O. BATHE (DRAFT)

C/WH/2

*James E. Hanney* ... *asindussek*  
 C/UHD ...  
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		2	5
		3	6
T 809803		PAGE 01-81 IN 137730	
		TOR: 1514512 JAN 74 WHMIM 28685	

S E C R E T 142112Z JAN 74 STAFF

CITE WH/MIAMI 28685

TO: SAN SALVADOR INFO DIRECTOR.

REF: A. SAN SALVADOR 28685 (IN 134084)  
B. WH/MIAMI 28685 (IN 135313)

1. NO ADDITIONAL SLIGO TRACES ON JOSEPH M E R O L A.
2. FILE: 200-11-11/3. E-2, IMPDET.

MM/21

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STATE DEPT DOCUMENT  
SUBJECT: PROPOSED HELICOPTER/AIRCRAFT PLANT  
DATE: 17 JANUARY 1974  
CLASSIFICATION: CONFIDENTIAL  
DOCUMENT #: SAN SALVADOR 00193  
NO FILE # GIVEN.

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PAGE 01		
TOR:112059Z JAN 74		
WMH 135313		
HMIM 20664		

**S E C R E T** 112059Z JAN 74 STAFF

CITE WH/MIAMI 20664

TO: SAN SALVADOR INFO DIRECTOR,

REF: SAN SALVADOR 20685 (EN 134084)

1. JOSEPH R. M E R O L A, DPOB 9 OCT 1925,

TURTLE CREEK, PA. STATION CARDS FROM PERIOD 1959-1963

INDICATE HE EX-CONVICT, NOTORIOUS SMUGGLER, GUNRUNNER AND  
GENERAL TROUBLE-MAKER. CARDS TO LNERGO REPORTS INDICATE HE  
WAS INVOLVED IN PANAMA INVASION PLAN IN 1959, AND IN

HAITIAN INVASION PLANS IN 1958 AND 1963. IN 1959,

HE WAS UNDER INDICTMENT IN PA. FOR INTERSTATE TRANSPORTATION  
OF STOLEN ARMS. IN 1960, HE WAS PRINCIPAL IN

PROPOSED CUBAN COUNTERFEIT PESC DEAL. LNERGO WAS CONTACTED  
IN 1961, AND INDICATED THAT ALTHOUGH HE

HAD LONG RECORD, HE UNDOUBTEDLY COULD SPEAK AUTHORITATIVELY  
ON INTERNATIONAL AFFAIRS. ALSO IN 1961, HE WAS INTERESTED  
IN PROVIDING CONTRABAND WHISKEY TO A SENATE

SENATOR, AND ATTEMPTED HAVE LIVED IN "NEUTRAL RESTRICTION"  
WHICH PLACED ON HIM AFTER CONVICTION FOR ALLEGEDLY  
BRINGING IN TO U.S. THE SON OF THE CHILEAN DICTATOR

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

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ACTION F	F			4 5
ACTION O	O			
T 803593		PAGE 02-02	IN 135313	
		TUR 112119Z JAN 74	WHIM 20664	

FULGENCIO BATISTA, OR FOR CHARGE THAT HE INVOLVED IN THEFT OF GUNS FROM NATIONAL GUARD ARMORY.

2. SUBJECT NOT LISTED 1973 MIAMI TELEPHONE BOOK.  
LATEST ADDRESS IN CARDS IS: 2018 NORTH BAY RD, MIAMI BEACH, FLA. HE WAS VISITED AT THIS ADDRESS IN 1961 BY MBR OF SLIGO ORGANIZATION, WHO DESCRIBED HOME AS "PALATIAL".

3. ALTHOUGH WE HAVE NO RECENT INFO ON SUBJECT, SUGGEST THAT HIS PLANS ESTABLISH HELICOPTER PLANT IN SAN SALVADOR MAY HAVE SHADY SIDE, POSSIBLY SMUGGLING ARMS OR LUCRATIVE NARCOTICS TRAFFIC.

4. SINCE SUBJ IS U.S. CIT, REQUEST ABOVE INFO NOT BE PASSED LIAISON OR OTHER U.S. GOVT AGENCIES WITHOUT HQS APPROVAL.

5. WILL FORWARD PERTINENT SLIGO TRACES.

6. FILE: 200-11-11/3; E=2, IMPDET.

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T 802260		PAGE 01-01	IN 134684
		TOR: 111322Z JAN 74	SALV 20685

S E C R E T 182325Z JAN 74 STAFF  
 CITE SAN SALVADOR 20685  
 TO: DIRECTOR INFO WH/MIAMI.  
 1. REQUEST TRACES ON MR. JOSEPH R. MEROLA AGE 48  
K BURN PENNSYLVANIA. RESIDENCE QS MIAMI SHORES, FLORIDA.  
 MEROLA CLAIMS BE AERONAUTICAL CONSULTANT WITH PATTERSON  
 AIRCRAFT COMPANY OF CALIFORNIA. HE SUPPOSEDLY TRYING  
 NEGOTIATE DEAL TO ESTABLISH HELICOPTER PLANT EL SALVADOR.  
 DURING TALKS AT SOCIAL PARTIES WITH EMBASSY PERSONNEL HE  
 INDICATED PREVIOUS WORK WITH BKHERALD.  
 2. FILE: DEFER: E2 IMPDET

K SVC'D



S E C R E T

RECORD COPY

201-207814  
11 Jan 74

UNCLASSIFIED FINAL  
USE ONLY CONFIDENTIAL SECRET

## 'ROUTING AND RECORD SHEET'

SUBJECT. (Optional)

CIA Operative in El Salvador  
 FROM: DOMESTIC COLLECTION DIVISION  
 Support Branch, Operational Support Section  
 Room 900, Key Building - ext. 2283  
 Mr. Shaun P. Ryan

EXTENSION

NO. IHH-25826

DATE

8 January 1974

TO. (Officer designation, room number, and building)

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. C/WH/2/GS  
 Attn. Kathy Maurer 10 JAN 1974 8/2/0

2.

3. D/C/WH/2 11 JAN 1974 8/2/0

4.

5. C/WH/2 11 JAN 1974 8/2/0

6. C/WH/2/G-S

7. W/H/2/65/Patti

8.

9.

10.

11.

12.

13.

14.

15.

The attached Memorandum IHH-006-74, is for your interest and retention. Please advise us at your earliest convenience of any additional interest or requirements in this matter. Thank you.

cc: CI/OP/WH

- action -

- (a) file call DCO to forward this message - ref, etc.
- (b) send copy thereof to CIA Station in the secret service men
- (c) then seal and file in  
FBI HQ Station.

R 2 IMPDET CL BY 007622

3:506 Suggest we change the matter.

610 PREVIOUS EDITIONS

 SECRET CONFIDENTIAL INTERNAL  
USE ONLY UNCLASSIFIED

OPTIONAL FORM NO. 10  
MAY 1962 EDITION  
GSA FPMR (41 CFR) 101-11.5

UNITED STATES GOVERNMENT

~~CONFIDENTIAL~~

## Memorandum

NIM-006-74

**TO :** Chief, Domestic Collection Division  
**ATTN :** Support Branch/OSS (JGross)  
**FROM :** Chief, Miami Field Office  
**SUBJECT:** CIA Operative in El Salvador

DATE: 4 January 1974

MURAWSKI ??

1. Joe Merola contacted the Miami Office on 21 December 1973 to explain that he recently had spoken with a friend of his in San Salvador, El Salvador. The friend, who allegedly works for the El Salvadoran Secret Service, told Merola that when he (Merola) comes to El Salvador not to go to the US Embassy to see a man named Vermillion. The friend told Merola that Vermillion is the Commercial Attaché at the embassy and is under surveillance because he is suspected of being the CIA man in San Salvador. Merola told his friend that he did not know a man named Vermillion, nor would he ever have cause to see such a man. The friend then told Merola that he was only telling him for his own good, and that if he (Merola) were to see this Vermillion that Merola would become a suspected CIA agent as well.

2. Merola said that he was passing this information to us in case we did indeed have a man in San Salvador by the name of Vermillion. Merola has been a contact of the Miami Field Office for some ten years, and during that period he has passed to this office some very reliable information.



BRUCE E. MAINWARING

NM MacVane:pav

E 2 IMPDET CL BY 010650

~~CONFIDENTIAL~~

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

14-00000  
**SECRET**

4 February 1964

TO: Chief, Security Branch  
FROM: Greg Maruca

785

1. Information  
2. Clifford V. CONNELL - Lt. Van Buskirk, Metro Intelligence  
3. Engage in project To pass info and receive advice.  
4. The trial date of Connell 0930 hours, 4 Feb 64,  
    telephonically

Lt. Van Buskirk advised that Clifford V. CONNELL, who was arrested about two months ago for illegal possession of about 1/2 tons of dynamite will claim as his defense that he was performing a patriotic service for his country by working with Joseph Raymond MEROLA who has on numerous occasions claimed to be working for KUBARK. The trial date has not yet been set. Others involved the same case: Remer Estuez ODOM, and Harold WIDDEN. MEROLA was born 10/9/25, Pittsburgh, Pa. and possesses FBI #4989299. Van Buskirk wanted to know if any of the above are working for KUBARK. Results of Station traces are attached.

Charlie McKay said "Joe has been of interest on intelligence level, informant type not an agent, not on payroll and not in position claim employment". McKay does not want to lose the source of info. He said one John Alie French National, trying to get to Andrew Duvalin govt Haiti which might account for dynamite cache.

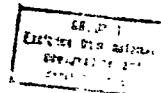
Advise OO. Advise Van Buskirk that the above individuals are not working for KUBARK.

OO advised 1515 hrs 4 Feb by C.O.S. C/O said to tell police Subject (Merola) has been of interest in part as informant - not

*Greg Maruca*  
Greg Maruca

Metro

**SECRET**



14-00000  
Associated with KUBARK AND we are not aware Snipel's  
present activities.

VANBENK - advised by Attender 1603 hr 4 Feb 64  
Van Beekenk said we should be prepared have somebody  
in court from our office ready to deny claim  
of Connell as he intends make this as defense. C.O.S.  
was so advised.

From Mitch Lawrence  
Regarding Joe Merola: Information passed on  
to Lt. Van Buskirk per our discussion. Van  
Buskirk advised that we should have somebody  
ready to go to court and to deny the claim  
of Connell that he was working on our behalf.  
The date for the trial is not as yet set and  
Van Buskirk said there is no hurry, but he  
would like to know whether or not we would  
have somebody there in as much as this person  
intends to base his defense on the basis of  
his working for us.

1645