

HOUSE SELECT COMMITTEE ON ASSASSINATIONS STAFF HEARINGS

MEROLA, Joseph R. 201-257804

FILE TITLE/NUMBER/VOLUME: MEROLA, JOSEPH R.
201-257804

INCLUSIVE DATES: 1959-1977

CUSTODIAL UNIT/LOCATION: LSN/ISR

ROOM: _____

DELETIONS, IF ANY: THIRD AGENCY DOCUMENTS

DATE RECEIVED	DATE RETURNED	REVIEWED BY (PRINT NAME)	SIGNATURE OF REVIEWING OFFICIAL
	<u>11-6</u>	<u>Lozano</u>	<u>[Signature]</u>

APPROVED FOR RELEASE 1992
CIA HISTORICAL REVIEW PROGRAM

NO DOCUMENTS MAY BE COPIED OR REMOVED FROM THIS FILE.

MATERIAL FILED IN THIS FOLDER IS IN CHRONOLOGICAL ORDER

201-257804

FBI DOCUMENTS:

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

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

14-00000

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

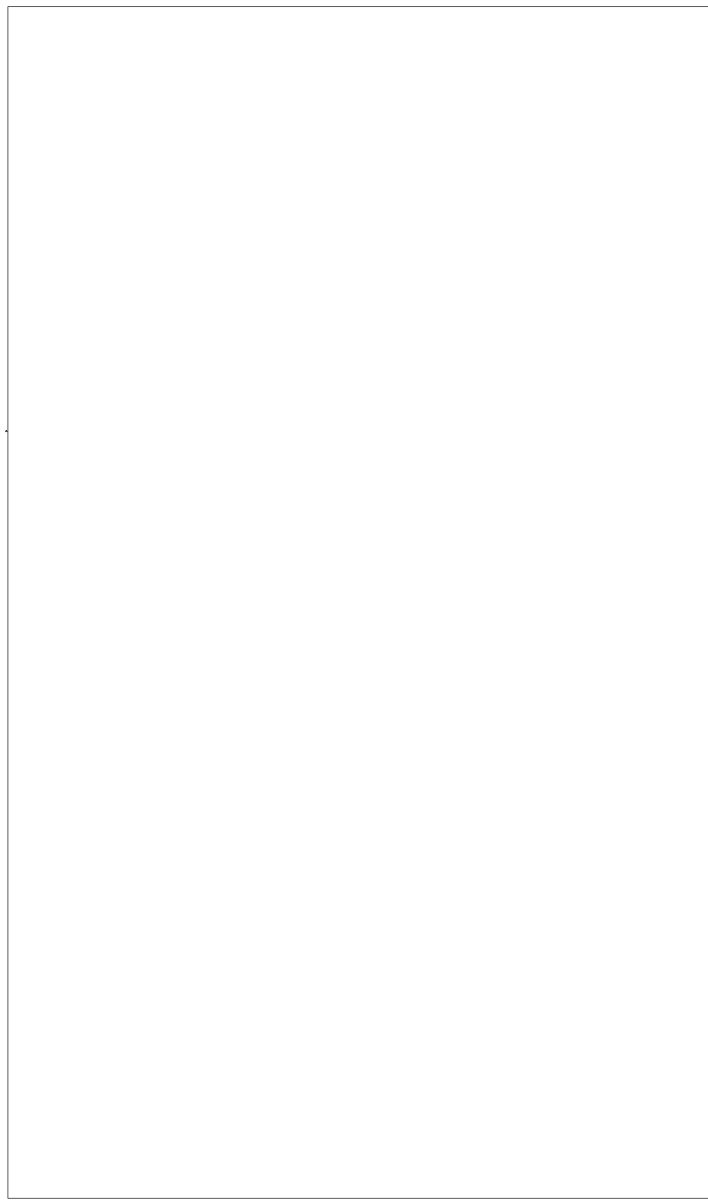
FBI REPORTS:

DATE: 11 MARCH 1959
SUBJECT: PANAMANIAN REVOLUTIONARY ACTIVITIES
FOREIGN POLITICAL MATTERS-PANAMA
FBI FILE #: 109-12-225 (BUREAU)

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

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

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



CENTRAL 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" Guevera. Since Guevera 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.



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. Merola 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

000111012

UNCLASSIFIED

INTERNAL USE ONLY

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SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Joseph Raymond Merola

FROM: Maurice A. Sovern
O/SA/DO/O
2D0109

EXTENSION

NO.

1542

DATE

8 April 1977

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.)

1. Mr. Raymond Warren
C/LA
3C2019 Hqs.

11 APR 1977

h

2. *D/LA*

1 APR 1977

h

3. *J/MA*

14

h

4. *File - 201*

FORM 3-67

610 USE PREVIOUS EDITIONS

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FOR CIA OFFICIALS ONLY

LITIGATION

8 April 1977

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

FROM : Maurice A. Sovern
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" Guevera. Because Guevera 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 telephone contact with Merola in late July 1975 when he volunteered additional foreign positive intelligence.

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

E2 IMPDET
CL BY 012860

FOR CIA OFFICIALS ONLY

FOR CIA OFFICIALS ONLY

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	
		YES	NO	LETTER NO.	
TO :	ISS/PICG Frederic McCann	FROM:	Crocky Light SA/LA		
<p>SUBJECT: Joseph R. Merola-Litigation REFERENCE: ISS/PICG Memo Dtd 17 March 1977</p> <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 Democrático, an anti-Castro organization of interest to this Agency.</p>					
SIGNATURE					
REPLY			DATE		
SIGNATURE					
RESPONDER'S FILE					

1831

10/10/77

ROUTING SLIP

TO: SAC, [redacted] (Mitigation, Joseph G. Merola)

FROM: Frederic McGinn (ISS/PICC)

DATE: 17 March 1977

NO. (Officer designation, room number, and division)	DATE		INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. SA/LA/EICO RM-5				<p><i>Bill:</i> The Merola file is changed to MAS. When you're done drop it off in RM (112) and cancel my charge, please.</p> <p><i>Manned.</i></p> <p><i>7. Time to do a location of records furnished to the FBI, 17 March 1977. File 2 of 2. 1977. File to Merola center. File to SAC of [redacted] please to handle this. To [redacted] in [redacted].</i></p>
2. [redacted]	3/31		[redacted]	
3. [redacted]				
4. [redacted]				
5. [redacted]				
6. [redacted]				
7. [redacted]				
8. [redacted]				
9. [redacted]				
10. [redacted]				
11. [redacted]				
12. [redacted]				
13. [redacted]				
14. [redacted]				
15. [redacted]				

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.

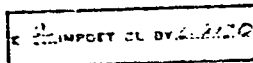
3. Please review your files and provide whatever information is pertinent to paragraph 1., above. No information will be released outside of CIA without your concurrence.

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

Attachments: a/s

CONFIDENTIAL



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

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

Irving Green, attorney for Carlucci and Hanna, said the prosecutors, Herbert I. 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 filed 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 Mannarino'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 Assassina-

tions Committee said Merola was "a good friend" of Eugenio (Rolando) Martinez, another of those convicted of the Watergate burglary. Martinez was associated 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."

70 - HIR... FIELD OFFICE

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 16:30 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 witting 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. Thompson
BRUCE E. THOMPSON

MCMacVane:ljh

E2 IMPDET CL BY 011668



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

30

GORDON THOMPSON
GORDON THOMPSON
DISTRICT JUDGE

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM			
UNCLASSIFIED		CONFIDENTIAL	SECRET
OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	<i>Mr. Danner</i>	<i>6/11/75</i>	<i>SD</i>
2			
3	<i>Mr. Young</i>		<i>Y</i>
4			
5			
6	<i>SD</i>		
ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
Remarks:			
<i>Any results of the meeting.</i>			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO			DATE
<i>See 6/11/75</i>			
UNCLASSIFIED		CONFIDENTIAL	SECRET

SECRET

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.

SECRET

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
Associate General Counsel

cc: Chief, DCD
Matt McVane

OGC/JKG/eh

Distribution:

Original - OGC SUBJ: LITIGATION CRIMINAL

1 - JKG Signer

1 - Chrono

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

HOLT, RHOADES AND HOLLYWOOD

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
1010 SECOND AVENUE, SUITE 1712
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

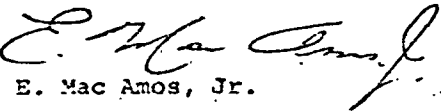
Office of the General Counsel
October 28, 1975
Page Two

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 Anos, 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

TRATT MCVANE

You are hereby commanded to appear in the United States District Court for the Southern District of California at 325 West E 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. MAC AMOS, JR.
Attorney for Defendant MEROLA
1910 Second Ave., Suite 1712
San Diego, CA 92101

WILLIAM W. LUDDY

Clerk.

SEAL

ROSIE GALLAGHER

Deputy Clerk.

RETURN

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

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 USC 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

WILLIAM W. LUDDY

Clerk

E. MAC ANOS, JR.
Attorney for Defendant MEROLA



ROSIE GALLAGHER

Deputy Clerk

1010 Second Ave., Suite 1712
San Diego, CA 92101

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 USC 1825, or on behalf of a defendant who is financially unable to pay such costs (Rule 17 (b), Federal Rules Criminal Procedure).

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

FILED

4 Attorneys for Defendant
JOSEPH R. MEROLA
5

OCT 22 1975

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

6 UNITED STATES DISTRICT COURT
7
8 SOUTHERN DISTRICT OF CALIFORNIA
9

10
11 UNITED STATES OF AMERICA,
12)
13) Plaintiff,
14)
15) v.
16) JOSEPH R. MEROLA, et al.,
17)
18) Defendants.
19)

NO. CR 74-2277-GT
ORDER FOR ISSUANCE OF
SUBPOENAS

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
1010 SECOND AVENUE, SUITE 1712
SAN DIEGO, CALIFORNIA 92101
PHONE 238-1712

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

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

28 DATED: OCT 22 1975
29

30 BY: GORDON THOMPSON, JR
31 GORDON THOMPSON
DISTRICT JUDGE
32 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 Mrs. 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
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 Merola (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 [Signature] C/LSN/ISR
(name) (title) (component)

This assignment of category has been entered into STAR.

Signed [Initials] 1975
(initials) (date)

This document in 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 ISRM 39170	DATE 10 DEC 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.) Hit!
	RECEIVED	FORWARDED		
1. IP/AIS HT-3	12/11		mb	
2.				
3. IP/EIB DW-7	11/11		JL	
4.				
5. IP/RMS DW-6				
6.				
7. IP/LDI GT-6			M	
8.				
9. LSN/LSR BU-5				
10.				
11.				
12.				
13.				
14.				
15.				

FILE NO. 201- 0257904	
DOCUMENT DATE	
ABSTRACT	X

SECRET (When Filled In)

<p><i>NAC's Conducted</i> <i>July 1972 - FBI/P</i> <i>Oct 1972 - State/P</i> <i>CSCI-N</i> <i>DDOCI-N</i></p> <p style="text-align: right;">17 DEC 1974</p>	ISR LOG	NAT. FILE NO.	DATE
		NEW	RE-REGISTRATION
		UTILIZATION	RE-CHECK
	DO NOT WRITE BELOW THIS SPACE		
		TO:	TO: SECURITY
	TO:	TO:	
18 DEC 1974	ISRM NO.	201 NO.	
NAME			

FORM 1797 USE PREVIOUS EDITIONS

SECRET 11 DEC 1974 (4-38)

SECRET (When Filled In)

<p>No Objection to Registration. DCS reserves the right to object in accordance with its policy in NSCID 2, DCID 2/6 and 2/8, and to this right by mutual agreement if his intended use so requires.</p> <p>INTELLIGENCE COLLECTION DIVISION Support Branch/Operational Support Section Room 900, Key Building - ext. 2268</p>	ISR LOG	NAT. FILE NO.	DATE
		NEW	RE-REGISTRATION
		UTILIZATION	RE-CHECK
	DO NOT WRITE BELOW THIS SPACE		
		TO:	TO: SECURITY
	TO:	TO:	
	ISRM NO.	201 NO.	
NAME			

FORM 1797 USE PREVIOUS EDITIONS

SECRET 11 DEC 1974 (4-38)

SECRET

(When Filled In)

OPS 158/ISR 61-703
2-1 3308 10015 79-5

REQUEST FOR REGISTRATION IN THE INTERAGENCY SOURCE REGISTER

REQUESTER: Daryl XXXX Geisler LA/CARI		DATE SUBMITTED 9 Dec 1974
OFFICE NUMBER DEA	201- 257804	DATE RECEIVED BY ISR 9 Dec 74
<input checked="" type="checkbox"/> NEW	<input type="checkbox"/> RE-REGISTRATION	UTILIZATION
NAME (Last, First, Middle) MEROLA, Joseph Raymond		RE-CHECKED COPY OPERATIONS STAFF/DDO
ALIASES AND/OR SPELLING VARIATIONS		SEX M
DATE OF BIRTH 9 Oct 1925	PLACE OF BIRTH NEW JERSEY	CITIZENSHIP U.S.
RESIDENCE 135 Dupont Plaza, Miami, Fla		OCCUPATION Pilot
PRESENT EMPLOYER		
ADDITIONAL IDENTIFYING DATA (including references) 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 HLB HTP		
IP/ATS TRACE RESULTS FNIS LISTED REF me lat		
IP/EIB REMARKS (OUTGOING CABLE) NAI TO THAT KNOWN TO THE REQUESTER (630872) 16 DEC 1974 JH		
ISR REPLY TO REQUESTER:	DATE 18 Dec 74	ISRM NUMBER 39,170
<p>1. Nothing in addition to that nk known by the requester. xxxxp For possible further information you are referred to the FBI and the Department of State.</p> <p>2. The ISR has no record of a current operational interest in subject Subject who is hereby registered in the ISR to DEA Miami.</p> <p>EVB JH</p>		
		<p>Classified by 002216 Exempt from general declassification schedule of E. O. 11652, exemption category: 25X(1), (2), (3) or 4 circle one or more: Automatically declassified on _____ (unless impossible, insert date or event)</p>
WARNING NOTICE SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED		

FORM 1797 1-74

SECRET

CABLE DEC DISSEM *g/w* PER *SEP 10 73* TOTAL COPIES *15-1* FOR BY

SECRET

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ISSUING OFFICE IS PROHIBITED

PERSON UNIT NOTIFIED

AGENCY COPY ISSUED & QTTD *g/a* BY *A.A. 1193*

STAFF *PRESERVE*

CLASSIFICATION
U/LA 6

AF FILE VR *DDP, C/ICAN, C/OPS/NAR 2, C/OPS*
C/LSA/MI

1		4
2		5
3		0

T 617399

EJA292

PAGE 01

IN 432300

TOR 032226Z DEC 74

LMIX 22730

SECRET 032214Z DEC 74 STAFF

CITE LA/MIAMI 22730

TO: PRIORITY DIRECTOR,

RYBAT CMHABYSS PBRAMPART

REF: UFPS-1727, 25 OCT 74

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

JOSEPH RAYMOND M E R O L A (*201-257804*)

DPOB: 9 OCT 25 IN NEW JERSEY

U.S. CITIZEN

OCCI PILOT

ADD: 135 DUPONT PLAZA, MIAMI, FL.

LOCATION OF USE: COLOMBIA AND HAITI

- PER REF, ATT. NO. 2 PLS PROVIDE PRIORITY
TRACES ON DEA NARCOTICS SOURCE

AND ADVISE IF REGISTERED IN

ISR.

- FILE: 220-11-111 220-11-11/17. E2. IMPDET

1P 4/3
Sec
220 220
201

SECRET

Ruth
Dick
Daryl
(Action)

SECRET

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 IP/FILES.

MEROLA, JOSEPH RAYMOND
201-0257804 209-011-011/19
SEX M DOB 09 OCT 25 LHM-22730
POB USA, NJ 03 DEC 74
CIT USA
OCC PILOT

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

DATE 05 MAR 75 CORR CARD 09231716

201-0257804

SECRET

E2 IMPDET CL BY 054979

SECRET

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

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

201-257804

SECRET

SECRET

DONC 74-052

DDO/OPS/NARCOG:S.Archenhold:el

COORDINATION: 5/ (622)
WH/NARC

12 2 1974

DATE

Distribution:

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

2

SECRET

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

DISPATCH

SECRET

PROCESSING ACTION

MARKED FOR INDEXING

NO INDEXING REQUIRED

ONLY QUALIFIED DESK
CAN JUDGE INDEXING

MICROFILM

TO Chief of Station, [redacted]

FROM Chief, Western Hemisphere Division

ACTION REQUIRED REFERENCES

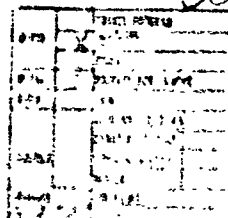
Headquarters requested LERGO traces on Larry A. C a r r,
because of his business association with Joseph R. M e r o l a.
Trace results were negative.

MAD
Marilyn A. DAKOSKI

DISTRIBUTION:
Orig. & 1 - COS, [redacted]

E2 IMPDET
CL BY 031685

RECORD COPY

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER HSSW-3154	DATE typed 1 April 1974	
	CLASSIFICATION SECRET	POST FILE NUMBER ✓ 201-257804	
1 - Chrono 1 - IP/AN 	ORIGINATING		
	OFFICE SYMBOL WH/2/65	OFFICER Patti Burke	TYPE ml
			EXT 1454
	COORDINATING		
	OFFICE SYMBOL C/WH/2/65	OFFICER'S NAME George Colman	
	AC/WH/2	James M. [signature]	

DISPATCH

F-7-2849

CS3-559-74
22 March 1974

Chief, WR/2
AYEM : David L. Smeck

Chief, Domestic Collection Division

Joseph E. Merola

REF : Your Memorandum of 11 March 1974

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

2. DCD wishes to advise you, however, that we have broken off contact with Merola. Should he contact DCD again, we are obligated 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, DCD/Support Branch/Operational Support Section, Room 910, Key Building, extension 2263.

JACKSON R. BOSTON

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

FILE: BH-25826

SUO

SECRET

EX-3 EXPIRE CL BY 010630

DEPT OF STATE DOCUMENT
DATE: 19 MARCH 1974
SUBJECT:

CLASSIFICATION: CONFIDENTIAL
NO FILE # GIVEN

~~SECRET~~

MEROLA

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 WH/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. Snock
C/WH/2

EZ IMPDET
CL BY 509407

SECRET

TRANSMITTAL SLIP <small>DATE</small>		
TO: <i>W H 2 GS - Patti</i>		
ROOM NO.	BUILDING	
REMARKS: <i>Reply from State</i>		
FROM: <i>OPS / LSN</i>		
ROOM NO.	BUILDING	EXTENSION

FORM NO. 241
1 FEB 55

REPLACES FORM 36-4
WHICH MAY BE USED.

(47)

SPEED LETTER		REPLY REQUESTED	DATE
		<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	6 February 1974
		LETTER NO.	
TO : OPS/LIAISON		FROM:	
ATTN:		WH/2/GS	
<p>Patti Burke WH/2/GS</p> <p style="text-align: center; font-size: small;">SIGNATURE</p>			
REPLY			DATE
<p style="text-align: center; font-size: small;">SIGNATURE</p>			

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

STATE DEPT DOCUMENTS:

DATE: 13 FEBRUARY 1974

SUBJECT:

CLASSIFICATION: CONFIDENTIAL
NO FILE # GIVEN (DOC #: SAN SALV. 0568)

DATE: 5 FEBRUARY 1974

SUBJECT:

CLASSIFICATION: CONFIDENTIAL
NO FILE # GIVEN (DOC #: SAN SALV. 0048)

DATE: 5 FEBRUARY 1974

SUBJECT:

CLASSIFICATION: CONFIDENTIAL
NO FILE # GIVEN
DOCUMENT #: SAN SALVADOR 0448

ratti,

We have sent a private channel letter to the CCS on this matter, ~~noting that~~ asking at the end for comments as to whether MOROLA is "embarrassing" the Station of 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 ~~DCS~~ DCD suggesting that he somehow be silenced, perhaps by their withdrawing from contact with them since it is obviously something that he brags about and otherwise tries to take advantage of

etc.

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. ~~XXXXXXXXXX~~ MEROLA also provided



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

SECRET

SPEED LETTER	ACELY REQUESTED		DATE
	YES	NO	23 January 1974
TO : Chief, WH/2/GS (3 B 4402 Hqs.)		FROM: DCD/SB/OSS SPRyan/ds	
ATTN: Patty Burke		LETTER NO. OSS-172-74	
SUBJECT: Case 61401 - Joseph Merola			
<div style="border: 1px solid black; height: 60px; width: 100%;"></div>			
E-2 IMPDET CL B 010650		SHAUN P. RYAN <i>Shaun P. Ryan</i>	
		SIGNATURE	
REPLY		DATE	
<div style="border: 1px solid black; height: 150px; width: 100%;"></div>			
SECRET			
SIGNATURE			
RETURNS TO ORIGINATOR			

STATE DEPT DOCUMENT
DATE: 22 JANUARY 1974
SUBJECT:
CLASSIFICATION: CONFIDENTIAL
DOCUMENT #: SAN SALV 0256

UNCLASSIFIED

INTERNAL USE ONLY

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SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Case 61401 - CIA Operative

FROM: DOMESTIC COLLECTION DIVISION
Support Branch/Operational Support Section
Room 900, Key Building - ext. 2268
Mr. Shaun P. Ryan *S.P. Ryan*

EXTENSION NO

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
Atta. Patty Burke
3 B 4402 Hqs.

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15.

The attached is for your information and possible interest.

(OSS-142-74)

E 2 IMPDET CL BY 00,022

FORM 3-62

610

USE PREVIOUS EDITIONS

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OSS-142-74
18 January 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Case 61401 - CIA Operative in El Salvador

REFS : A.) MIM-006-74, 4 January 1974
B.) TWX DCD/Washington 26860, 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

B 2 IMPDET CL BY 010650

SECRET/SENSITIVE

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 1300 on 17 January to address further matters concerned with this case. MacVane advised Ryan that he would forward such information as soon as possible.

SEIGE P. RYAN

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

SECRET/SENSITIVE

SECRET 171845Z JAN 74 STAFF

CITE DCD/MIAMI 12476

DCD/WASHINGTON

AITH: SUPPORT BRANCH/OSS (S.RYAN)

SUBJ: CASE 61481

REF : OOA(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 212658

SECRET

JAN 17 1 51 PM '74

SECRET

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

JAN 17 1 51 PM '74

OUTGOING MESSAGE

12-2

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SIGNAL CENTER USE ONLY
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 OMF 0 0 0 0 0 0 0 0 0 0

SECRET

STAFF

CONF: WMS

DATE-TIME GROUP

172306Z

CITE

DIRECTOR

INFO: FILE *[Handwritten]*, *[Handwritten]*

MESSAGE REFERENCE NUMBER

502254

0 INDEX DISSEM BY: 29
 0 NO INDEX
 0 RETURN TO PER *[Handwritten]*

SEARCHED	INDEXED
SERIALIZED	FILED
APR 13 1964	
FBI - MIAMI	
WHL/AGS	

TO: PRIORITY [] INFO WH/MIAMI.

REFS: A. [] 20685 [IN 134684*]

B. WH/MIAMI 20664 [IN 135313**]

C. WH/MIAMI 20685 [IN 137730***]

1. FOLLOWING INFO IN ADDITION TRACES REF B: JOSEPH RAYMOND
M E R O L A (201-257804). PER DBA 62712, 23 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 M E R O L A 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 DCD 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 US 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:

RECORD COPY

201-257804
17 Dec 73

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SECRET

E 2 IMPDET
CL BY: 031685

OUTGOING MESSAGE

1				
2				
3				

SIGNAL CENTER USE ONLY
 ADD CCI ACP TOG TPE BRG
 ONF 0 0 0 0 0 0

PAGE 82 OF 2 PAGES

CLASSIFICATION
SECRET

STAFF

DIRECTOR

CONF: INFO: FILE

MESSAGE REFERENCE NUMBER
 INDEX
 NO INDEX
 RETURN TO PER
 OFFICE #

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 GUILLERMO P O BFE D E R, PRESIDENT INSAFI, MARRIED TO SECRETARY AT US EMBASSY CURRENTLY ON MATERNITY LEAVE.

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 BTRACES

DATE: 17 JAN 74
 ORIG: PATTI BURKE *pb* WDCD (DRAFT)
 UNIT: WH/2/GS WH/PEHNS W. LAYBOURNE (DRAFT)
 EXT: 1868 C/WH/COG O. BATHE (DRAFT)

James E. Hanney
 C/WH/2

Asinablu
 C/WH/2

SECRET

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E 2 IMPDET
 CL BY: 031685

PERSON/UNIT NOTIFIED SECRET

REPRODUCTION BY OTHER THAN ISSUING OFFICE IS PROHIBITED

ADVANCE COPY ISSUED: SLOTTED BY AT

ACTION UNIT	I	BT FILE	VR	relat slips opsl/NAR.	1	4
	N				2	5
	F				3	6
ACTION #	O					

T 889883

PAGE 01-21

IM 137730

TOR1151451Z JAN 74

MMIM 28685

SECRET 142112Z JAN 74 STAFF

CITE WH/MIAMI 28685

TO: [redacted] INFO DIRECTOR.

REF: A. [redacted] 28685 (IN 134284)

B. WH/MIAMI 28684 (IN 135313)

1. NO ADDITIONAL SLIGO TRACES ON JOSEPH M E R O L A.
2. FILE: 288-11-11/3. E-2, IMPDET.

11/21

DIR	_____
ASST DIR	_____
CHIEF	_____
CLERK	_____
RECORDS	_____
TRAINING	_____
OFFICE	_____

SECRET

Handwritten signature/initials

STATE DEPT DOCUMENT
SUBJECT: PROPOSED HELICOPTER/AIRCRAFT PLANT
DATE: 17 JANUARY 1974
CLASSIFICATION: CONFIDENTIAL
DOCUMENT #: SAN SALVADOR CC193
NO FILE # GIVEN.

CABLE SENT DISSEM BY 47 PER TOTAL COPIES 16-2 RUN BY

REPRODUCTION BY O
ISSUING OFFICE IS P

PERSON/UNIT NOTIFIED

SECRET

ADVANCE COPY ISSUED/BLOTTED

BY AT

STAFF

ACTION UNIT

WH 9

OPS/NAR 2

1	4
2	3
3	6

7 823593

PAGE 21

135313

TOR:112119Z JAN 74

WMIM 20664

SECRET 112059Z JAN 74 STAFF

CITE WH/MIAMI 20664

TO: [redacted] INFO DIRECTOR,

REF: [redacted] 20664 (ZM 134684)

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 PESO 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 WHISKY TO A CHARLIAN
 SENATOR, AND ATTEMPTED HAVE LIFTED "TRAVEL RESTRICTIONS"
 WHICH PLACED ON HIM AFTER CONVICTION FOR ILLEGALLY CLADESTINELY
 BRINGING IN TO U.S. THE SON OF AN AMERICAN DICTATOR

3

20664

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PAGE 02-02

IN 135313

TUR 112119Z JAN 74

WHM 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 AGOVE INFO NOT BE PASED. 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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PAGE 01-01

IN 134684

TOR:111322Z JAN 74

SECRET 182325Z JAN 74 STAFF

CITE SAN SALVADOR 20685

TO: DIRECTOR INFO WHY/MIAMI,

301-0357804

1. REQUEST TRACES ON MR. JOSEPH R. MEROLA, AGE 48, BORN 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

* Svc'd



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301-357804
11 JAN 74

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

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

EXTENSION NO. HH-25826

DATE 8 January 1974

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

RECEIVED FORWARDED

OFFICER'S INITIALS

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

	RECEIVED	FORWARDED	OFFICER'S INITIALS
1. C/WH/2/GS. Attn. Kathy Kaurer 3 B 4402 Hqs.	10 JAN 1974		CKH/2/0
2.			
3. DC/WH/2	11 JAN 1974		
4.			
5. C/WH/2	11 JAN 1974		11 Jan. J
6. C/WH/2/G+S			
7. WH/2/65/Patti			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			

The attached Memorandum
 HH-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 DC D to find out
 who's involved - job, etc.
 (b) send ^{ask} them to check records
 with the secret service man
 (c) then send ~~memo~~ file
 FYI to station.

E 2 IMPDET CL BY 007623

3:506 suggest no change the matter.

610

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Memorandum

MEM-006-74

TO : Chief, Domestic Collection Division
ATTN : Support Branch/OSS (JGross)
FROM : Chief, Miami Field Office

DATE: 4 January 1974

SUBJECT: CIA Operative in El Salvador

MORAN SK! ??

*okayed
by VCB
Gross
Pol action*

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 Attache 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
BRUCE E. MAINWARING

MM
NMacVane:pav

E 2 IMPDET CL BY 010650



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