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# Ex-CIA agent tells of gun-running on tape

## Bragged to N.Y. cops of murder, torture and global skulduggery

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Frank Terpil, ex-CIA agent turned international outlaw, was at his outrageous best during the 1979 Christmas season as he told hair-raising "war" stories to two Latin-American revolutionaries holed up in the New York Hilton Hotel.

What Terpil didn't know was that the "revolutionaries" were undercover New York City policemen and Room 2327 was wired. Besides capturing on tape Terpil's bizarre tales of murder and torture, the police had recorded his acceptance of a \$56,000 down payment in a deal which would bring him \$2 million for illegally delivering 10,000 machine guns to the revolutionaries.

When the undercover cops' colleagues busted into the room on Dec. 22, Terpil pulled out a silencer-equipped Browning revolver, but quickly surrendered it.

Terpil, 41, spent the holidays in a New York jail. He was still there on Jan. 4, 1980, when Philadelphia police arrested Bradley F. Bryant, 37, and two others at International Airport. A search of Bryant's suite at the Sheraton Airport Inn turned up a small arsenal of semi-automatic weapons and a silencer.

On Jan. 10, Terpil posted \$100,000 bail and walked out of jail. He and his partner, another-former CIA agent named Edwin P. Wilson, 52, are now fugitives hiding out in the Middle East.

Bryant, meanwhile, is sitting in an Elgin, Ill., prison awaiting trial on charges of selling \$250,000 worth of marijuana to undercover police last May. He was convicted in federal court in Philadelphia of possession of a silencer, and sentenced to two years in jail. And he faces charges of conducting a gigantic fraud in Savannah, Ga.

In addition, Bryant was indicted last March for allegedly stealing sensitive military equipment from the super-secret China Lake, Calif., Naval Weapons Center during 1978 and 1979. Justice Department sources said that the indictment resulted from an investigation triggered by a Bulletin series about Bryant and his involvement in China Lake.

The series quoted associates of Bryant as saying they believed their removal of equipment from China Lake was part of a CIA-sponsored scheme to acquire a Soviet radar system installed in Libya. The stolen equipment, they said, was to be traded for the radar system.

In all, Bryant could be hit with prison sentences long enough to keep him behind bars until he is a very, very old man.

Investigators say they are hoping the threat of these

sentences will persuade Bryant to tell what he knows about his own operations, about security breakdowns at China Lake and about the Wilson-Terpil partnership.

Even before Bryant's China Lake indictment, federal investigators launched an inquiry to determine if Wilson and Terpil used their CIA connections to penetrate the weapons-center in an illegal effort to obtain weaponry and technology to sell to Libya. They have found at least two China Lake employees who took leaves of absence to work for Wilson and Terpil in Libya.

If there is a connection between Bryant and Wilson-Terpil, investigators said, it is probably to be found at China Lake.

So far, Bryant has remained silent.

But federal investigators working out of Philadelphia, Washington, Denver and Fresno, Calif., have mined enough information about Wilson and Terpil to paint a picture of the renegade CIA agents being involved in gun-running, aiding and abetting terrorism, selling American secrets, and general global skulduggery on an unprecedented scale.

Wilson and Terpil were federally indicted on April 23, 1980, for illegally shipping explosives to Libya from Pomona, Calif., and for conspiring to murder a critic of Libya's dictator, Col. Moammar Khadafy.

In addition, Terpil was convicted in absentia in New York state court last May 15 for the attempted sale of machine guns. He was sentenced to 53 years in prison by Justice Thomas Galligan, who characterized men like Terpil this way:

"They have no allegiance to any flag. They prosper in a world at war. Wherever terrorism and torture are, they are."

Terrorism respects no international boundaries, but in the 1970s it took root in the oil-rich and weapons-hungry Middle East. And that is where Wilson and Terpil sold their peculiar talents.

Information obtained from interviews with investigators; a review of public and still-classified documents, and published reports provides this account of the Wilson-Terpil operations:

Wilson became a CIA contract agent — as opposed to a career officer — in 1955. As an agent, Wilson developed friendships with high-level CIA officers. In the late 1960s, he formed Consultants International Inc., a CIA-front operating as an export-import company.

While Consultants International was designed as an intelligence-gathering tool, Wilson actually conducted business through it, selling electronics gear on the world market and making a profit while tending to CIA business. Some CIA personnel moonlighted for Consultants.

Wilson ended his CIA association in 1971 and spent the next year working for Naval Intelligence, although he led friends to believe he was still active in the agency. Some of the secret equipment Wilson had access to while he was on the Naval Intelligence assignment subsequently turned up for sale in various parts of the world.

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Terpil, who joined the CIA as a communications specialist in 1965, was fired from the agency in 1971. An earthy Brooklyn native, Terpil was given to name-dropping, bragging and boisterous living. He got into trouble

with the CIA when he was caught smuggling liquor into India. Terpil's wife, Marilyn, a hair dresser, told friends she was a makeup artist for the CIA.

Relying on his agency background to open doors for him, Terpil began visiting the world's trouble spots after he was dismissed by the CIA. He became friendly with arms dealers in London, including Samuel Cummings, a Philadelphia native who has perhaps the largest private weapons inventory in the world.

With access to weapons, Terpil found himself welcomed by the Palestine Liberation Organization (PLO), Libya's Khadafy and former Uganda dictator Idi Amin.

In the New York Hilton tapes, transcripts of which have been obtained by The Bulletin, Terpil tells of attending a dinner with Amin and Amin's aides. At one point, said Terpil, a tray was carried into the room and the lid lifted off, exposing the head of the minister of defense. When another minister gasped, Terpil continued, Amin pulled out a gun and murdered him.

Terpil established himself in London and put together a thriving business selling arms. Wilson, much more tight-lipped than Terpil, was working the same troubled areas, selling sophisticated electronic gear.

By 1975, Wilson was able to purchase a luxurious 1,500-acre estate in Upperville, Va., right next to the farm owned by Sen. John Warner (R-Va) and his wife, actress Elizabeth Taylor, in the hunt country.

The Wilson-Terpil partnership flowered in 1976, when the two former intelligence agents signed a contract with Khadafy to supply him with military expertise and weapons.

For men in the business Wilson and Terpil chose, Libya was the place to be. Khadafy had oil revenue of more than \$20 billion a year to spend and, while his country was poor, he preferred to spend it on arms, military gadgetry, and assassins to dispose of his critics.

Khadafy also made no secret of his financial support for the PLO and other terrorist groups. During this time, Carlos Ramirez, the notorious "Jackal" who allegedly planned the 1972 massacre at Munich of Israeli Olympic athletes, was an honored resident of Libya. In the New York Hilton tapes, Terpil boasts of seeing the Jackal in Libya.

According to the April 23, 1980, dictament of Wilson and Terpil, the two men arranged for the shipment of explosives to Libya and agreed to set up the assassination in Egypt of Umar Abdullah Muhayshi, a Khadafy enemy. Khadafy budgeted \$1 million for the assassination, but it never came off.

Proceeding with their commitment to provide "expertise" to Libya, Wilson and Terpil began recruiting specialists to staff a terrorist training school near Tripoli. In July 1977, Master Sgt. Luke F. Thompson, an active-duty Green Beret, was contacted by former CIA officer Patry Loomis at his home in Fayetteville, N.C., who asked him to assemble a crew of former Green Berets to go to Libya.

Thompson has told reporters he checked with his superiors, was told the project was sanctioned by the CIA, and was given a month's leave of absence to travel to Libya. Thompson put together a crew of four and they flew to Libya, stopping first in Geneva, where they were met by Wilson.

After a short time, Thompson said, he became suspicious of the project, withdrew, and returned home. But 10 former Green Berets stayed on, at pay of up to \$6,500 a month, and ran the training school. Thompson later learned the Libyan project did not have official CIA approval.

According to the New York Times, Wilson spent the fall of 1977 putting together a massive shipment of plastic C-4 explosive. He wanted 20 tons of the material, and this required his agents to deal with manufacturers in four states and Canada.

The explosive, purchased at a cost of at least \$250,000, was shipped in October 1977 from Houston to Tripoli. By this time, Wilson had established explosives laboratories at Tobruk, Benghazi and outside Tripoli. In these labs, the explosive was shaped into ash trays, coat hangers, and other devices for use by terrorists.

While Wilson was working on delivering the explosive, Terpil was cutting a separate deal with Amin. After Amin was toppled in March 1979, a 1977 agreement was found in the offices of his secret police under which Terpil was to be paid \$3.2 million for arms supplies. The Internal Revenue Service has filed a \$2.4 million lien against Terpil for taxes owed on the \$3.2 million.

Wilson and Terpil continued throughout this period to travel all over the world, leaving and entering the U.S. at will, even though the government had been informed of their activities as early as the fall of 1976. The information came from Kevin Mulcahy, a one-time CIA computer and communications expert, who went to work for Wilson.

Mulcahy has told investigators he initially believed Wilson was still working for the CIA. But when he found himself becoming involved in the sale of secret electronic military and communications equipment, Mulcahy said he began to doubt the agency had approved such actions. Among the items sold to Khadafy, he said, were night-vision scopes of the kind that were allegedly stolen later from China Lake by Bradley Bryant.

Mulcahy told all this, and more, to government investigators, then went into hiding, he said, because he feared for his life. While Mulcahy was hiding, Wilson and Terpil went about their business untroubled.

When Mulcahy's charges were made known to the CIA, Theodore Shackley, then deputy to the director of operations of the agency and a friend of Wilson's, reportedly sent a memo to then CIA Director Stanisfield Turner attacking Mulcahy.

Another CIA officer friendly with Wilson was Thomas G. Clines, director of training in the agency's clandestine branch. In June 1978, while Clines was still a CIA officer, Wilson set up a company for Clines to move to upon his retirement. Clines took over the firm, A.P.I. Distributors Inc., an oil exploration business, after he left the agency in October 1978.

Shackley retired from the CIA in September 1979 and became a consultant to the Clines firm.

Terpil was still in the U.S. in May 1980, when Mustafa Ramadan, a critic of Khadafy, was shot to death in London. One of the assassins discarded his weapon, a .38-caliber Colt revolver, which had not been fired. Scotland Yard began trying to trace the history of the weapon.

On the eve of his scheduled Sept. 4, 1980, trial in New York on charges of attempting to sell machine guns, Terpil jumped bail and fled to Beirut. By then, Wilson was living almost full time in Tripoli.

It was not until this year that Scotland Yard, helped by the U.S. Treasury Department's Bureau of Alcohol, Tobacco and Firearms, learned that the gun found at the scene of Ramadan's murder had been purchased by Joseph G. McElroy, of West Reading, Pa.

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Government investigators said that McElroy, who pleaded no defense to income tax evasion and illegal weapons sales overseas, has confessed that he gave the .38-caliber Colt to Terpil.

Another outspoken critic of Khadafi's, Faisal Zagallai, was a student at Colorado State University in Ft. Collins, Colo., when he was shot twice in the head on Oct. 14, 1980. Zagallai survived and has since left the country.

Police have arrested Eugene Tafoya, a former Green Beret, and charged him with the shooting.

Investigators said they found listings for Wilson's Libyan home and business telephones in Tafoya's address book. Telephone records, they said, show that Tafoya has been billed for calls made to Wilson's numbers. And travel records show that Tafoya and Wilson visited several Middle Eastern countries at ex-

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In addition, the investigators said, Tafoya also had in his address book the name and telephone number of a civilian employe at China Lake.

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