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Hugel Accusers' Brother Dies Amid Probe

CHICAGO (AP) - The FBI is investigating the death of a New York businessman whose two brothers recently vanished after accusing a top CIA official of joining them in an illegal stock manipulation deal, according to a published report. An FBI spokesman denied the report.

In a copyrighted story in today's editions, the Chicago Tribune said the FBI has expanded its investigation of ex-CIA spy chief Max Hugel and the disappearance of Samuel and Thomas McNell to include the mysterious death of Dennis McNell in New York on June 12.

The Tribune quoted an FBI spokesman as saying on Tuesday that agency director William Webster is now getting regular reports on the inquiry into Dennis McNell's death. According to the newspaper, the Senate Intelligence Committee, now investigating the affairs of CIA Director William Casey, was "known to have heard that McNell died violently."

However, Ed Gooderham, a spokesman at FBI headquarters in

Washington, said yesterday that the bureau was not investigating McNell's death. He said the FBI is investigating the possible disappearance of securities in connection with Triad Energy Corp., and that is what Webster is briefed on - not the death of Dennis McNell.

McNell's death came a week after his two brothers contacted a newspaper to accuse Hugel of the stock manipulation deal in 1974, the Tribune said.

Hugel, a sewing machine importer appointed by Casey to head the CIA's clandestine operations, immediately resigned when the accusation was published two weeks ago. However, Hugel denied the charges, saying the McNells were trying to blackmail him.

When the charges came to light, the McNell brothers disappeared, the Tribune said. Directors of Triad Energy Corp., a New York firm controlled by the brothers, said that about \$3.3 million was missing from

Triad and a second company they ran, according to the newspaper. Dennis McNell also worked for Triad.

Around Easter, Dennis McNell took his 16-year-old son into an upstairs bedroom in his family's Queens home and gave him several thousand dollars in "emergency money," the Tribune said. It said that McNell told the teen-ager to give the money to his mother if anything happened to the father, the Tribune said.

On the evening of May 31, said the newspaper, the 41-year-old McNell returned from jogging suffering from severe abdominal pain. McNell was rushed to City Hospital Center in New York, but died the next morning as he was being prepared for surgery, the Tribune said.

Just before McNell died, his wife, Jean, said doctors told her they believed he had a ruptured spleen, according to the Tribune. It said that the New York medical examiner's office was informed by the hospital that McNell died possibly from a ruptured spleen along with intestinal bleeding and shock.

However, a City Hospital Center doctor interviewed by the Tribune said a rupture of a non-diseased spleen is almost always caused by a "trauma" - that is, by some external blow. The physician, Dr. Stewart Resch, chief of emergency room services at the hospital, said death from a ruptured spleen "would be suspicious."

The Tribune quoted other doctors as saying that an autopsy could have determined the exact cause of death, but, the paper said, no autopsy was performed because the medical examiner's office accepted that McNell died of natural causes.

However, the Tribune said, one of the Triad directors, Stanley Kielmar, told the FBI that McNell was "abducted and beaten" twice this year. Kielmar said he "assumed" the alleged beatings were linked to the two other McNell brothers' dealings with Hugel, and interpreted them as "a warning for the McNells to cool it with Hugel," the Tribune said.

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