

Former CIA Spy Pleads Guilty

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PORTLAND, Oregon — One of the highest-ranking CIA officers ever convicted of espionage will likely spend eight additional years in prison after pleading guilty to a scheme to collect money from former Russian contacts while behind bars.

Harold "Jim" Nicholson admitted to a plot in which he used his son to collect a "pension" from the old contacts. Prosecutors say that, from federal prison in Oregon, Nicholson sneaked notes on crumpled napkins to the son, who later passed the messages on to Russian agents.

"Harold Nicholson has admitted not only betraying his country — again — but also betraying his family by involving his son Nathaniel in his corrupt scheme to get more money for his past espionage activities," U.S. prosecutor Dwight Holton said in a statement Monday.

Prosecutors say Nathaniel Nicholson met with the Russians in Mexico, Peru and Cyprus and collected \$47,000 as compensation for his father's past spy work. Court filings say Nathaniel Nicholson used a secret e-mail account to communicate with the Russians in code.

The son pleaded guilty last year to his role in the plot, including meeting with Russian agents several times from 2006 to 2008. On each trip, he collected cash from the Russians and

dispersed it to his grandparents and siblings on his father's instructions.

Harold Nicholson is serving a 24-year prison term after he was convicted of selling classified U.S. documents to Russia from 1994 to 1996. As part a plea deal with prosecutors, he agreed to notify the CIA if any member of his family received payments from a foreign agent.

Dressed in standard beige prison clothing, Nicholson stood and politely answered questions Monday from U.S. District Judge Anna Brown. When asked how he wanted to plead, he answered, "I plead guilty, your honor."

Nicholson changed his plea on the same day his trial was scheduled to begin. His lawyer, Samuel Kauffman, said in a statement that Nicholson was prepared to go to trial but wanted to spare his family from the ordeal.

"Mr. Nicholson hopes that his resolution of these charges will allow his children to move on with their lives, and he appreciates their ongoing love and support," the statement said.

In a deal with prosecutors, the government dropped five of the seven charges against Nicholson. The ex-spy pleaded guilty to charges of conspiring to act as a foreign agent and conspiring to commit money laundering — accusations that carry maximum sentences of five and 20 years, respectively.

Prosecutors have recommended an eight-year sentence. If the judge formally accepts the agreement at a hearing in January, Nicholson will be locked up until 2025.

Prosecutors have suggested in court filings that Nicholson wanted more money from the Russians to make life easier for his family while he was behind bars. Nicholson has kept close contact with his parents, who live in Eugene, Oregon, and his three grown children, two of whom also live in Oregon.

Nicholson was the CIA's deputy chief of station in Kuala Lumpur, the capital of Malaysia, when he was involved in a messy divorce, hoped to get custody of his children and needed money.

Authorities said he began selling U.S. secrets to Russian intelligence officials, trotting the globe to hand off documents. In exchange, the Russians paid him \$300,000.

In 1995, Nicholson failed one of the CIA's routine polygraph exams. It showed he appeared to be deceptive on questions about his contacts with foreign intelligence officers.

The FBI and CIA quietly began to investigate Nicholson, who was sent back to the United States to teach spy tradecraft at the CIA's training center in northern Virginia. Eventually, his agency moved him to a desk job at headquarters in Langley, where investigators spied on him.

They secretly captured video of Nicholson shooting photos of classified documents in his office. They arrested him Nov. 16, 1996, at Dulles International Airport in Virginia, where authorities said he was carrying 10 rolls of film he intended to hand over to the Russians.

Nicholson faced charges that carried the death penalty. But he cut a deal, pleading guilty to conspiracy to commit espionage in exchange for a sentence that was expected to keep him in

prison until 2017.

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