

ALERT

Former Government Employee Sue Mi Terry Arrested and Indicted for Violating Foreign Agents Registration Act

July 22, 2024

Former government employee Sue Mi Terry has been arrested and indicted in New York for acting as an unregistered foreign agent of South Korea. Damian Williams, U.S. Attorney for the Southern District of New York, released the indictment on July 17 charging Terry with conspiracy to violate the Foreign Agents Registration Act (FARA) and failure to register under FARA.

Terry, a former CIA analyst, member of the U.S. National Security Council, and White House employee, allegedly began acting as an unregistered agent of the Republic of Korea (ROK) in 2013. According to the indictment, Terry spent over a decade advocating ROK policy positions, directing ROK government officials, and sharing non-public U.S. government information with ROK officials. In return, Terry received luxury goods, dinners, and more than \$37,000 in funding for policy programs she managed at the think tanks where she was employed. During this time, and since leaving government service, Terry has testified before Congress regarding U.S. policy towards Korea, worked at various U.S.-based think tanks and academic institutions, made media appearances, and hosted conferences all related to ROK and U.S. policy. The indictment further alleges that, since leaving government service, Terry served as a “valuable source” for the ROK National Intelligence Service (ROK NIS). In 2022, Terry took part in an off-the-record meeting with the U.S. Secretary of State relating to U.S. policy towards North Korea. Following the meeting, Terry was picked up by her ROK NIS “handler” and, allegedly, provided detailed notes of the meeting. In 2023, Terry participated in a voluntary interview with the FBI and admitted that

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her resignation from the CIA was, in part, due to the CIA having “problems” with Terry’s ROK NIS contacts.

Terry has never registered under FARA, despite having been informed of potential FARA registration obligations during her congressional testimonies and having received FARA training through her think tank employment. As the indictment alleges, Terry’s activities to influence U.S. policy and public opinion in favor of the ROK constitute covered activity under FARA, yet Terry “knowingly and willfully act[ed] as an agent of a foreign principal without registering with the Attorney General.” U.S. Attorney Damian Williams stated: “The charges brought should send a clear message to those in public policy who may be tempted to sell their expertise to a foreign government to think twice and ensure you are in accordance with the law.”

Christie M. Curtis, FBI Acting Assistant Director in Charge said: “For over a decade, despite repeated warnings, Terry allegedly exploited her think tank roles to advance a foreign agenda. As alleged, she disclosed sensitive U.S. government information to South Korean intelligence and used her position to influence U.S. policy in favor of South Korea... for money and luxury gifts. Her alleged actions posed a severe threat to national security. This arrest sends a clear message: the FBI will pursue and arrest anyone who endangers our nation’s security by collaborating with foreign spies.”

Terry was taken into custody on Tuesday, July 16, and will soon appear in federal court in New York. Her charges carry a maximum prison sentence of 10 years. The charges against Terry mark a significant point in DOJ’s ongoing efforts to enforce FARA more rigorously and highlight the increasing scrutiny of foreign influence operations in the U.S.

Wiley’s FARA Handbook provides further information on FARA, as well as the relationship between FARA and the Lobbying Disclosure Act (LDA). Additional information on pending LDA and FARA reforms can also be found in our coverage of proposals in the 118th Congress and 2023 Review of FARA developments. Please contact the FARA attorney listed on this alert for any questions.

Maddie Van Aken, a Legislative and Reporting Coordinator at Wiley Rein LLP, contributed to this alert.