

**SECRET**

OLC 73-1476

28 December 1973

MEMORANDUM FOR THE RECORD

SUBJECT : Conversation with William M. Jones concerning SAT

REFERENCE: OLC Memorandum 73-1473, dated 26 December 1973

1. I called Bill Jones, Counsel on Government Activities Subcommittee, House Government Operations Committee, to advise him that the SAT settlement had been moved up from 3 January to the original settlement date of 31 December. Jones said this poses somewhat of a dilemma since, as he had told me on 26 December, he cannot get through to Chairman Brooks until 3 January, and the sale will have been consummated before Brooks has an opportunity to review the arguments relating to the legality of the sale. I told Jones this was due to circumstances beyond our control and we could be vulnerable in a suit for specific performance and he agreed.

2. I pushed Jones hard on whether there is anything further we should or could do to be responsive to Brooks' interest, and Jones said we had been completely responsive. In an effort to get him to focus sharply and advise us what specifically he thought was at issue, I reviewed the legal issues involved, and the advice, counsel, and concurrence we had received from our oversight committees, Justice, etc., and asked if he could identify any gaps, and the only thing that he could suggest was a GAO ruling. I told him that I thought this really put us right back where we started, namely, that the Agency's statutory authorities were specifically designed by the Congress to provide requisite authority where the demands of security exist, as in the present case.

**SECRET**

~~SECRET~~

3. In closing out Jones raised the point as to whether Williams was aware of the issue raised by Brooks since if Brooks' position prevailed there would be a legal cloud on the transaction. I told Jones I would pass on his suggestion to the Agency lawyers handling the transaction. [redacted] OGC, was advised. [redacted]

25X1  
25X1

[redacted]  
Associate Legislative Counsel

Distribution:

- Orig - Subject
- 1 - OGC
- 1 - SA/DD/S

~~SECRET~~