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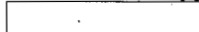

HR70-14

MEMORANDUM FOR: Director of Central Intelligence  
FROM : Deputy Director for Administration  
SUBJECT : Dissolution of Air America and The Pacific Corporation

Sir:

1. With the recent completion of the sale of all major remaining Air America assets, it is felt that the appropriate time has come to file for the formal dissolution of Air America and The Pacific Corporation with the State of Delaware. ~~Since~~ <sup>dissolution</sup> The Pacific Corporation is the parent company and owns  of the shares of Air America, it is the consensus that Air America should file for dissolution first and this filing is currently scheduled to take place on 1 April 1976 with The Pacific Corporation filing scheduled to follow on 15 April 1976.

2. Once the filings for dissolution have taken place, the return of excess Corporate funds to the United States Treasury can commence. These returns will be handled in several increments and the first step in this process will be to move as much excess cash as possible up from Air America to The Pacific Corporation. Once this has been accomplished, Pacific Corporation will make arrangements to have a cashiers check prepared payable to the United States Treasury which will then be turned over to them to complete one entire transaction. X

3. At present it is estimated that the initial return to the Treasury should be in the neighborhood of  and should take place around 25 April 1976. The exact value of this first return will depend somewhat on the amount of cash that can be moved up from Air America. It is currently estimated that Air America should be in a position to initially provide approximately  but this amount could vary depending upon the success that the company has in collecting on its two major outstanding accounts receivable, i.e., the approximate  due from USAID

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RELEASE DATE:  
20-Mar-2009

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for work done in South Vietnam and the approximate [ ]  
[ ] due from the Air Force for aircraft and personnel  
indemnification claims. Subsequent returns will be made to  
the Treasury as soon as additional amounts of excess cash  
can be identified and this process will continue until all  
such funds have been returned.

4. Throughout the entire liquidation process every  
precaution will be taken to assure that adequate cash  
reserves are maintained by both Air America and The Pacific  
Corporation to allow them to properly phase out their re-  
maining activities. As a result, prior to any actual  
transfer of funds to the Treasury, detailed reviews will be  
made of all known and anticipated cash requirements to  
assure that excess funds do exist and that their being  
turned over to the Treasury will not result in either  
company being put in the position of not having adequate  
cash to carry out its liquidation process.

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John F. Blake  
Deputy Director  
for  
Administration

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