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10 October 1975

MEMORANDUM FOR: CIA Review Group

FROM: Director of Central Intelligence to the

SUBJECT: Review of DDCI's Relationship with Pan American
World Airways, Its Subsidiaries and Individuals

1. Attached is a report to me certifying that the INT records
on Pan American World Airways (PA) have been searched. My review
of the possible Category III items is as follows:

Item 4.c. - The individuals mentioned are probably
in regular contact with the [redacted] of Dallas and
[redacted] are the only persons who had contact with
[redacted] [redacted] could not identify; however,
Category III and of no consequence in my judgment.

AIG b7c
Item 4.d. and e. - I see nothing improper in
these; the documents summarize in draft the
cooperation of a CIA employee with the Air Force
after coordination with DDCI. There would be no
impropriety in Air Force records or otherwise
recommending a CIA employee for his assistance, as
custom Air Force practice.

Item 4.f. - Based on Mr. [redacted] and [redacted] Schenck's
statement, I directed that another search should be made
because the memorandum indicates that DDCI might be
able to use its influence w/r/t American firms, including
PAA, to make [redacted]'s trip to the US a success. There
is no indication anywhere in our case correspondence
however, that [redacted] is an Africa Division officer.
Visited DDCI's New York Field Office on this matter and that
the subject had never discussed further than in this single
piece of correspondence.

Item 4.h. - The statement is slightly incorrect in
that DDCI submitted material on the
Soviet SST to PAA. DDCI New York Field Office

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SUBJECT: Review of LJD Relationship with Pan American World Airways,
Its Subsidiaries and Individuals

I respectfully believe that some information was provided to Mr. Felt about the LJD action resulted to my knowledge in FBI sending an
official request of FAA testing of the DC-1044.

After Mr. Schirod and his Affiliates completed their investigation and verified their certification (attachment), they have indicated two additional items, WSC 4574 and WSC 4734 (attached) which indicate that a request was made by a U.S. official and forwarded to Mr. Felt, LJD in regard to the contemplated foreign airline operations by Continental Airlines, a possible P/A competitor.

I would still note an inconsistency in the handling of this matter by J.A. Mr. Felt, Mr. Schirod and Mr. Schirod have utilized the information they selected and have used from notes in their comments to me. In the interest of fraud, I have not corrected this inconsistency.

JACKSON R. MORSE
Chief, Domestic Collection Division

Attachment: A/3

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