

DEPARTMENT OF STATE
THE LEGAL ADVISER
WASHINGTON

May 7, 1976

Honorable Roderick M. Hills
Chairman
Securities and Exchange Commission
Washington, D.C. 20549

Dear Mr. Chairman:

The Government of Australia has asked the Department of State to request from the Securities and Exchange Commission (SEC) for transmission to the Government of Australia any information in the U.S. Government's possession concerning certain sales of aircraft by the Lockheed Aircraft Corporation to various Australian companies in the period 1958-60. More particulars on the sales in question are contained in the enclosed copy of the recent Note from the Australian Government.

As you know, the Departments of State and Justice and representatives of the SEC have had extensive discussions in connection with previous cases concerning how best to respond to this kind of request in a manner that will not prejudice ongoing U.S. investigations and which will protect the rights of individuals whether or not they may ultimately become defendants in criminal cases. On the basis of these discussions, the Departments of State and Justice concluded that the appropriate arrangement would be for available material to be transmitted through the Department of Justice to law enforcement agencies of other countries in the usual manner under whatever controls or conditions the Department of Justice might consider customary and appropriate in such a cooperative exchange of information with the law enforcement agencies of other countries. Agreements have now been concluded between the Department of Justice and their counterparts in several other countries establishing procedures for cooperation in this matter.

The Department of State hereby requests the SEC to make any material in its possession responsive to the enclosed request of the Australian Government available to the Department of State as in previous cases for transmission to the Australian Government as the Department of Justice may deem appropriate. The Department of State appreciates the SEC's cooperation in this matter.

Sincerely,

Monroe Leigh

Enclosure:

As stated.

The Ambassador of Australia presents his compliments to the Honourable the Acting Secretary of State and has the honour to inform him that questions have been raised in the Australian Parliament about the sale of thirteen Lockheed Electra aircraft to various Australian companies in the period 1958 to 1960. It has been alleged that Lockheed Aircraft Corporation or its then Australian Agent, E.L. Heymanson Co. Pty. Ltd., arranged payments for a member of the Government of Australia in return for permission from him for the sales to proceed.

The Australian companies involved in the sales, and the number of aircraft in each case were as follows:

Trans Australia Airlines	1958	Two Electras
Ansett - A.N.A.	1958	Two Electras
Qantas	1958	Four Electras
Ansett - A.N.A.	1959	One Electra
Trans Australia Airlines	1960	One Electra
Tasman Empire Airways		Three Electras

(at the time jointly and equally owned by the Australian and New Zealand Government)

The Australian Government would be grateful for the co-operation of the State Department and other United States Government agencies in the investigation of this allegation. The Australian Government wishes to obtain any relevant information concerning these sales

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which may be in the possession of the United States Government or the Congress of the United States, in particular the Senate Subcommittee on Multinational Corporations.

The Ambassador of Australia avails himself of this opportunity to renew to the Honourable the Acting Secretary of State the assurances of his highest consideration.

WASHINGTON, D.C.

30 April 1976