

3-18-75

NYT

C.I.A. Reportedly Sold Airline To 'Front' at Less Than Value

MIAMI, March 9, (AP)—The Central Intelligence Agency sold a Miami-based air cargo company, with equity of \$4.2-million, for \$2.1 million to an aviation executive who had fronted for the agency's ownership of the company, The Miami Herald reported in its Monday editions.

Stanley G. Williams bought the business, Southern Air Transport, on Dec. 31, 1973, and promised to pay back \$3-million in loans the agency had made to the company, the newspaper said.

Besides the \$3-million debt, the company also had liabilities of \$868,490 — compared with more than \$8.1 million in assets, The Herald said.

"I tried and pressed to get

the very best purchase I could," Mr. Williams reportedly told The Herald. Mr. Williams was president and chief operating officer for the firm from 1962 until he took ownership in 1973, the newspaper said.

The Herald said that the agency bought Southern Air Transport in 1960 for \$300,000 and used it as a paramilitary air force. The newspaper said that profits, which totalled \$3-million during the period of C.I.A. ownership, were not passed on to the Government but were used to finance growth of the air cargo firm.

The company's growth had been aided through millions of dollars in credit made available through other C.I.A.-owned companies, The Herald said.