

TRANSMITTAL SLIP		DATE
TO: John Warner		
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REMARKS:		
<p><i>[Handwritten signature]</i> <i>[Handwritten signature]</i> i/10</p> <p>John,</p> <p>This, from the Post of a few days ago, in case you missed it.</p> <p><i>[Handwritten mark]</i></p> <p><input type="text"/></p> <p>00546</p>		
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IIT Settles Chile Claims With OPIC

Dow Jones News Service

The Overseas Private Investment Corp. yesterday said it has reached a settlement of all outstanding issues in connection with International Telephone & Telegraph Corp.'s \$95 million political risks insurance claim for Chile's expropriation of the Chile Telephone Co.

OPIC president, Marshall T. Mays said the settlement was based on the successful outcome of IIT's negotiations with the Chilean government. That government agreed to pay a total package of \$125.2 million for IIT's equity and debt in the nationalized utility.

Under the terms of OPIC's settlement with IIT, the U.S. government agency purchased notes valued at \$35 million from IIT and guaranteed an additional \$50 million of notes issued to IIT by Corfo, the Chilean development corporation.

OPIC also will return \$4 million in premiums paid by the company since the expropriation.

OPIC's announcement of a settlement followed a decision favorable to IIT by an independent panel of arbitrators under the auspices of the American Arbitration Association.

The panel upheld IIT's insurance claim of April 1973 which OPIC had denied on the basis that the corporation had failed to satisfy contractual requirements

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PRICES ARE HIGHER ON AMEX AND O-T-C

Advances on Exchange Top Declines by 428 to 191

By JAMES J. NAGLE

Prices on the American Stock Exchange and in the over-the-counter market rose again yesterday for the fourth consecutive session.

The Amex market value index increased 0.38 to 64.06 as volume rose slightly to 2,109,290 shares compared with 1,864,385 shares in the previous session. Advances outnumbered declines by 428 to 191 while 266 issues were unchanged. The price of an average share rose 4 cents. There were seven large blocks compared with three the day before.

In the counter market, the NASDAQ industrial index rose

Market Summary

Tuesday, January 7, 1975		
AMERICAN EXCHANGE		
(Volume 2,109,290 shares)		
	Tuesday	Monday
Total Issues	2,109	1,864
Advances	428	337
Declines	191	168
Unchanged	266	262
New Highs	5	4
New Lows	5	4
American Index	64.06	+0.38
OVER-THE-COUNTER		
(Volume 4,619,700 shares)		
	Tuesday	Monday
Total Issues	2,491	2,487
Advances	579	471
Declines	268	218
Unchanged	1,644	1,808
NASDAQ Industrials	58.26	+0.27
NASDAQ Composite	61.89	+0.15
Lipper Growth Index	57.60	-0.38%

0.27 to 58.26 while the composite index increased 0.15 to 61.89. There were 579 advances against 268 declines while 1,644 issues were unchanged. Volume reached 4,619,700 shares compared with 5,328,000 in the previous session.

Champion Homes Gains

Champion Homes was the most active stock on the Amex, closing up 1/4 at 2 3/4 on 533,200 shares, including a block of 454,900 at 2 1/2, which was crossed by Goldman, Sachs.

Penn Offshore Gas was the most active issue in the counter market, closing unchanged at 7 7/8 on 173,200 shares.

Houston Oil and Minerals, the second most active issue on the Amex, climbed 2 3/8 to 26 3/4 77,600 shares. Late yesterday the oil producer said it began an attempt to replace the surface equipment on its well in the North Point Bolivar Field in Galveston Bay, Tex., which has been burning since June 19.

Most other petroleum issues were lower. The Ford Administration is reported as being likely to impose a license fee on imported oil tariffs and to ask Congress to levy a tax of \$3 on domestically produced crude oil.

Business Briefs

JAL to Cut Purchases of 747 Jets

TOKYO, Jan. 7 (AP)—The Japan Airlines Company said today it had decided to purchase fewer Boeing 747 jumbo jets than originally expected because of a large deficit expected for the year ending March 31, 1975. JAL officials said the company had scrapped a plan to purchase three Boeing 747 jetliners for domestic and international routes during the year beginning April 1, 1976. They noted that JAL had not placed the orders with the Boeing Company for the three planes.

JAL officials said the company was expected to report an operating deficit of nearly \$100-million in the year ending March 31, 1975. They blamed sluggish passenger traffic and higher fuel costs for the projected deficit.

OPIC Reaches Agreement with I.T.T.

WASHINGTON, Jan. 7 (UPI)—The Overseas Private Investment Corporation said today it had reached a settlement with the International Telephone and Telegraph Corporation on its insurance claim growing out of the nationalization of the Chile Telephone Company.

OPIC's president, Marshall Mays, said it had bought \$35-million worth of Chilean Government notes from I.T.T. and guaranteed payment of \$59-million more in Chilean notes to I.T.T. OPIC also will refund \$4-million in premiums paid by I.T.T. since the nationalization of Chile Telephone.

The Chilean notes were issued on the basis of I.T.T.'s \$125.2-million settlement with the Chilean government. I.T.T. also received \$21-million in cash from Chile to cover past debt with interest of the telephone company to I.T.T.

F.T.C. to Accept Deltown Divestitures

WASHINGTON, Jan. 7 (AP)—The Federal Trade Commission announced today it planned to accept a negotiated agreement under which Deltown Foods would divest the milk-processing plant and some customer volume it acquired in New York City from the Kraftco Corporation in 1973. The commission had issued a complaint a year ago alleging that the acquisition was anticompetitive.

The commission said it would hold open for public comment until March 7 a negotiated agreement. This requires Deltown to give up its exclusive right to process and distribute the Sealtest and Light 'n' Lively fluid-milk products acquired from Kraftco. Deltown, under terms of the agreement, would also have to spin off one half of the customer volume acquired from Kraftco and refrain from trying to get any business from those customers for one year.

Mergers Declined by 29% in 1974

A total of 2,861 merger announcements were made during 1974, the lowest number reported since 1966. The figure was down 29 per cent from the 4,040 mergers reported in 1973. W. T. Grimm & Co., merger consultants, announced yesterday in Chicago. During the fourth quarter of 1974, there were 532 transactions, a decline of 38 per cent from the 861 reported in the corresponding quarter of 1973.

Willard T. Grimm, president of the merger consulting company, pointed out that the drop in prices of securities and high interest rates were factors in the declining trend of mergers. Other factors affecting acquisitions were the Watergate investigations, double-digit inflation, which affected raw material costs, and labor contracts.

Classifications that were most active in merger deals were finance, banks and insurance with 641 transactions; general services with 261; wholesale and retail establishments with 236; food processing and agriculture with 131, and machinery equipment with 122.

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Okla., from the Dyco Petroleum to the last-in, first-out (LIFO) Corporation for an undisclosed accounting method, which will

TRUST VIOLATORS ASKED TO CONFESS

Leniency Is Called Possible in Price-Fixing Cases

By EILEEN SHANAHAN
Special to The New York Times

WASHINGTON, Jan. 7—A high-ranking Justice Department official has urged businessmen who have engaged in price-fixing conspiracies or other criminal violations of the antitrust laws to confess to the Government. If they do so, he said, they have a chance of receiving lenient treatment under the new law providing harsher penalties for criminal antitrust violations.

Keith I. Clearwaters, Deputy Assistant Attorney General, made the suggestion in a speech yesterday to a meeting of the American Farm Bureau Federation in New Orleans. The prepared text of his remark was made available by his office here.

A new law making criminal violations of the antitrust law a felony, punishable by up to three years' imprisonment, was passed near the end of the last Congress and signed by President Ford on Dec. 23.

Basic Rights Jeopardized

Conviction of a felony brings with it denial of basic citizenship rights, including the right to vote, in most states.

Mr. Clearwaters said that mere continuation in a long-existing criminal antitrust conspiracy would be sufficient to make any of the conspirators liable to the new harsher penalties. He said existing court interpretations held that no new illegal act was required for a new law to apply to an ongoing illegal action.

It is enough to make an individual liable for the new penalties, Mr. Clearwaters said, if the price-fixing conspiracy merely continues past the Dec. 23 date when the new penalties became law, if the individual has taken no affirmative action to withdraw from the conspiracy.

"There are a number of ways proof of abandonment [of the criminal conspiracy] can be accomplished, although if the action abandoning the conspiracy has taken place after the President signed the bill, the individual is still probably subject to felony penalties," Mr. Clearwaters said.

He continued:

"The safest course may well be for the individual to approach the Department of Justice, confess his role in a conspiracy, and cooperate in any further investigation by the de-

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