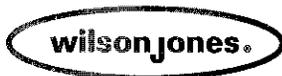




**Group Application
for
Active Service Determination
and
Veteran Status Eligibility**

CAT/AIR AMERICA VETERANS

July 4, 2003



www.wilsonjones.com

Formal Application

Air America

Remembrance

*CAT & Korean War
"Book Lift"*

*CIA Air Operations in
Laos*

*Facilities &
Capabilities AAM
Udorn*

*Blue Goose & Steel
Tiger/ Harp Mission*

SAR Testimonials

The Last Day

*U.S. Government
Contracts*

ALLEN CATES

February 17, 2003

Mr. George J. Tenet
Director Of Central Intelligence
Central Intelligence Agency
Washington, DC 20505

Dear Sir:

I am writing to you to seek your assistance in gaining for Air America employees' classification as military veterans with privileges and benefits equal to those provided personnel who served in Southeast Asia while in the U.S. military.

Please allow me to briefly introduce myself. I was an employee with Air America Inc. from July 1966 until May 1974. Prior to that employment I served with the United States Marine Corps and am a Vietnam veteran. I also have served as President of the Air America Association and as a Board member with the Association for 5 years.

I am aware of the Watts et al case that attempted to seek accredited Agency civilian service for former Air America employees, and I have been informed that the issue has been decided by the appropriate courts and that all appeals have been exhausted. While I can understand why the suit was denied, I sympathize with those employees who spent many years with Air America, and who have limited or no retirement compensation or U.S. Government medical and disability benefits. Therefore, based on the recent designation of American Volunteer Group (Flying Tiger) personnel as military veterans, I believe it appropriate at this time to seek veteran status for the Air America personnel. In that context, I would greatly appreciate your advice on how best to act in this regard so I can in turn advise the existing past employees.

It is my understanding that the application for designation of military status in this case must be filed with a service Secretary (perhaps the Air Force). However, as our employer during the period of our service, it would seem reasonable to assume the Secretary would come to you to verify that the claims regarding military contracts and involvement were valid. Therefore, it would seem both appropriate and prudent to file the application through the Agency for endorsement and then on to the Secretary.

If there is any question as to whether or not veteran status can be justified, I believe that question can be readily answered. Many downed US military aviators owe their lives to

Air America crews who risked their own lives to save them. At least three of these persons went on to become Flag officers and provided great value to their service and country. Had it not been for Air America they probably would have been killed in Laos. Air America was very much involved with LS-85, where the navigation installation was located that aided US flights into North Vietnam. Air America also flew thousands of hours in antiquated Twin Beech Volpars at altitudes requiring oxygen masks where they acted as radio relays for military flights into North Vietnam. Air America supported the Raven group in Laos and in Vietnam Air America flew supplies into Khe Sanh while they were under siege. They also acted as couriers for military advisors, which allowed the military to concentrate on the military side of the war effort. Air America had the largest and perhaps the best maintenance bases in the world at that time. Air America ground crews' serviced countless military aircraft. And, of course, Air America supported the Agency paramilitary operations in Laos, which drew North Vietnamese regulars away from South Vietnam and reduced US casualties appreciably by this effort. Over 240 Air America employees have died while on the job.

I wish to thank you again for Unit Commendation you awarded to the CAT and Air America personnel and I can speak for all of us to say we are deeply grateful for this award. Favorable endorsement for veteran status would provide some additional help to some real veterans who need the assistance.

In summary, we seek your assistance, support, and endorsement in formatting and forwarding a request for veteran status to the appropriate service secretary,

Sincerely,

Allen Cates



Central Intelligence Agency



Washington, D.C. 20505

15 April 2003

Dear Mr. Cates:

This letter responds to your 17 February 2003 correspondence concerning Active Duty Service.

As you know, the appropriate authority for the requested determination is the Department of Defense's Civilian/Military Service Review Board and the Advisory Panel. This board's purpose is to determine if an established group of civilian employees or contract workers provided service to the US Armed Forces in a manner considered active military service for Department of Veterans Affairs benefits. In accordance with DODD 1000.20, the Secretary of the Air Force is the Executive Agent for the Civilian/Military Service Review Board and the Advisory Panel. Completed applications will be accepted by:

Secretary of the Air Force (SAF/MRC)
DoD Civilian/Military Service Review Board
Washington, DC 20330-1000

In the event the Secretary of the Air Force, or other appropriate DOD official, requests Agency verification of facts relevant to your application, the Agency will respond in the appropriate manner. Air America personnel have distinguished themselves, and were recognized by an Agency commemorative citation.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin C. Petersen", written over a circular stamp.

Martin C. Petersen
Deputy Executive Director
Central Intelligence Agency

Enclosure:
Department of Defense Directive 1000.20

APPLICATION FOR GROUP VETERAN STATUS

TO: The Honorable James G. Roche
Secretary of the Air Force
DoD Civilian/Military Service Review Board
Washington DC 20330-1000

From:

Subject: Active Duty Service Determination for Civilian or Contractual Groups.

References: DODD Directive 1000.20

Public Law 95-202

Title 10, United States Code, Section 802(a)

DODD Instructions 1336.1

Texas Tech University, The Virtual Vietnam Archive

<http://www.vietnam.ttu.edu/virtualarchive/>

The University of Texas at Dallas, CAT/Air America Archive

Air America Web Site, <<http://www.air-america.org>>

Dear Sir:

Air America veterans fought for their country, often side by side with those in uniform. They did so proudly, and many were killed, missing or wounded in action as a result of this service. Former employees of CAT/Air America, Inc. are asking to be formally recognized as veterans and to receive benefits that are commensurate with their service in accordance with the above references.

The benefits requested would include:

1. Veteran Administration hospital access for those employees who do not now have access.
2. Appropriate status assignment, or change from previous assigned groups to include and take into consideration service-connected disabilities caused by injuries sustained during their employment with CAT/Air America, Inc.
3. Eligibility to make disability claims and receive approved disability compensation for CAT/Air America service-connected injuries or illnesses that can be judged to be a result of Agent Orange equal to those who served in the armed services.
4. Eligibility to add their CAT/Air America service time to existing Armed Service time for increased retirement pay and benefits if already retired from the Armed

Services whether in the reserves or active duty and in equal accordance with those who served in the Armed Services.

5. Eligibility to receive retirement pay if the combined military time and CAT/Air America time adds up to that time deemed necessary for full retirement. For example, 10 years U.S. Armed Service time with honorable discharge and 10 plus years CAT/Air America time yielding the necessary accumulation normally needed for full retirement if the applicant had remained with the U.S. Armed Services.
6. Eligibility for any CAT/Air America employee who was killed in action, or received combat injuries that normally would be sufficient enough to justify the Purple Heart to be buried in Arlington National Cemetery if so requested.
7. Eligibility for any other benefit, award or commendation that normally would be granted to any Armed Services military person conducting the same service in the same area that is not listed here.

I am respectfully asking the Department of the Air Force to examine the justification for my request and the supporting documents attached. I sincerely appreciate the opportunity to present this application and humbly offer it as proof of our claim that CAT/Air America employees qualify for the status requested.

Yours truly,


Allen Cates

Mr. Allen Cates appeared before me on 1 July 2003 My commission expires at death.


Notary Seal and signature

Justification For Veteran Eligibility

Allen Cates

Air America, Inc. was a CIA proprietary, but the employees were not recognized as civil service workers and were not offered a civil service retirement or health care plan. Air America operated under a series of Air Force contracts in a foreign war in which they commingled, often covertly, with U.S. government and military personnel. The following claims are supported by the attached documents. There have been several civilian-flying organizations in South East Asia. Some of their missions touched on similar missions conducted by Air America. However, only Air America had the helicopter fleet that allowed long-range troop infiltration and special operations capability. Many operations were classified and may remain so even today. Reviewing some of the attached articles it is clear, however, that Air America's mission was substantially different from the mission of similar groups in Vietnam and Laos. All of the records concerning military contracts and operations may not be available for a number of reasons. Many of the operations were classified and declassification may not ever be realized for all operations. The Central Intelligence Agency was asked if they would assist in the effort for seeking veteran status. They, as the primary employer, are copied with this application. Their letter, in response, is attached and in that letter it is stated that any information necessary to justify eligibility will be sent to the approving authority upon request. Therefore, some contracts that normally would be attached for justification are not attached and the approving authority is respectfully requested to take this into consideration and seek justification where needed through classified channels.

It is understood however, that the obligation to provide proof relies upon the applicant. It is hoped that proof can be obtained through a preponderance of evidence that weighs on the side of eligibility, rather than absolute proof on all issues. The reason being that CAT/Air America, by virtue of its intended role, was forced to be secretive concerning its operations. This secretive nature was good for America in its efforts to secure peace in the region, but it made the employees to be looked upon as mercenaries rather than actual paramilitary operatives doing work where actual military personnel were prevented to act by political restrictions. Approval for veteran status would erase that unfair characterization and is justified in accordance with DODD 1000.20 and those who received similar status in the past.

1. **Section 4.2.1.1 Uniqueness of Service** Air America services went beyond that generally performed by civilian employees, and was not just occasioned by unique circumstances, but was routinely conducted in unique circumstances.
2. **Section 4.2.1.1.1.** Air America was created and organized by U.S. Government authorities to fill a wartime need from 1950 through 1975. Air America operated under a series of Air Force contracts for both maintenance on military aircraft and for flying combat sorties in areas the U.S. Military could not operate in due to treaty restraints, capability or time. These wartime needs occurred in Korea in

1952, where two pilots, Norman A. Schwartz and Robert C. Snoddy were killed in action. It occurred in French Indo China, where C.A.T., later named Air America, supplied Dien Bien Phu and pilots James McGovern and Wallace Buford were shot down and killed in 1954. The unique circumstances and political situation required the French flag on U.S. Military aircraft operated by U.S. civilian crews, who were C.A.T. employees. It occurred in Vietnam, where Air America operated along side of military personnel, and often carried military personnel into enemy controlled areas and combat situations that resulted in the deaths and injuries of several pilots and crewmembers. It occurred in Laos, where U.S. Military ground troops were not allowed due to the 1962 Geneva Accords, and Air America operated U.S. Military aircraft performing troop infiltrations & withdrawals, medical evacuations, rescues of downed U.S. Military flight crews and other paramilitary missions normally carried out by the Armed Services. During the period between 1962 and 1974 more than 100 Air America flight crewmembers were killed in action serving their country.

3. **Section 4.2.1.2 Organizational Authority Over the Group.** The attached Air Force contracts clearly state the degree of control over Air America employees. The contracts dictate duties, flying requirements, pay and declare the military had the right to terminate the employment of any Air America employee. Air America employees did not fall under the UCMJ, however, the Air Force did retain the punitive measure of termination.
4. **Section 4.2.1.3.2** Where available, Air America employees had PX and FPO mail privileges, mess hall and officer club privileges and operated military aircraft on loan. The privileges were reciprocal for Air America clubs and facilities. Air America had a fully accredited school for dependent children in Udorn, Thailand. Some military personnel had dependent children in Udorn and they attended the Air America School. They proudly claim alumni status with the Udorn Bull Dogs along with their Air America dependent classmates. Air America employees and the U.S. military were so intertwined that in many cases, especially in Laos, it was difficult to see differences. SAR activity was a good example. It may never be known exactly how many downed military air crewmembers were rescued by Air America. The list is quite long. Unlike the military, Air America did not go home after a one-year tour. Most employees had more than 5 years in country and knew the terrain like the back of their hand. They also were immediately available and close by the combat area. Immediate extraction of a downed pilot improved the chance for survival tremendously. However, many rescues were conducted in combat conditions under fire. Some of those rescued went on to become flag officers and are deeply grateful for the second chance Air America gave them. A partial list includes:

- A. Vice Admiral. U.S. Navy (retired) Raymond Paul Ilg 1965
- B. Rear Admiral U.S. Navy (retired) Don Boeker 1965
- C. Rear Admiral U.S. Navy (retired) Don Eaton 1965 U.S. Navy
- D. (Then) Lt. U.S. Navy M.P. Hamilton 1970
- E. (Then) Capt. U.S. Air Force F.P. Norton 1970
- F. (Then) Major U.S. Air Force C.A. Crawford 1970

- G. Crewmember U.S. Air Force Jolly Green Chuck McGrath 1971
- H. Two out of fifteen crewmembers of Spectre 22, AC-130 picked up on the Ho Chi Minh Trail in Southern Laos by Air America. 1972

Captain Timothy N. Castle, who was an instructor of Asian History at the United States Air Force Academy, reportedly has access to all of the records that contain the names of all crewmembers rescued by Air America. Captain Castle could perhaps be persuaded to release these records by the Secretary of the Air Force. More information concerning SAR activity is contained in the historical presentation by Dr. William Leary and is attached.

5. **Section 4.2.1.4 Subjection to Military Discipline** Air America flight crews operated under Air Force contracts and also FAA part 91. The attached contracts clearly state the duties, pay and include a penalty where the Air Force had the authority to terminate any Air America employee they did not feel met their standards. Training requirements were sharply regimented and more similar to military standards than civilian. All pilots were obligated to first attend ground school for the aircraft they were designated to fly. A test was administered after ground training and a passing grade required. Designated instructor pilots conducted initial flight training. A passing check ride was required before line training was commenced. Line training was continued until the pilot demonstrated the performance capability for safe operations for himself and his passengers. Not all employees passed the rigorous training. Some could be used as First Officers, but Air America standards considered any First Officer being capable of being a pilot in command when seniority allowed. Those pilots who could not pass flight checks were sent home. Air America also had uniform standards and requirements. Civilian clothes were allowed in the early years, but were quickly replaced with a specifically designed uniform. The uniform varied somewhat from area to area and the duty to be performed, but definite standards were strictly enforced. The flight uniforms initially were rayon, but were later changed to nomex after some flight crews' experienced severe burns from the burning uniforms themselves. Nomex was more uncomfortable, but definitely required by all flight personnel. Military style helmets were required for all helicopter flight crews. Failure to follow rules concerning uniforms constituted grounds for termination and was enforced.
6. **Section 4.2.2.2 Permitted to Resign** Air America employees did not enjoy the freedom to come and go as they pleased. The penalty for volunteer termination of employment prior to achieving three years was severe. Personal effects shipped home would be at the former employee's expense and airfare as well. Tax advantages were also erased. Air America spent a great amount of time and money training a pilot and took a dim view of him leaving prior to term. This aspect meant that Air America expected their flight crews to perform their duties in a stellar fashion. In this regard, the difference between Air America and the military was slight, if any. Crews were expected to be ready at a moments notice night or day when on the flight schedule. Scheduled flight times were absolute and all flight crews were expected to be on time, in uniform, sober and ready to

operate in a combat situation. Flight crews had more latitude than the military regarding go or no go situations. Flight crews often worked up country in remote areas and did not have immediate supervisors to help make decisions. However, flight crew personnel who continually refused dangerous missions were not effective and were terminated. It is difficult to understand how a civilian could be expected to fly in an area where enemy activity was present, people had been killed by enemy weaponry and there was a definite risk the same could happen to you as well. However, that was the nature of the business, you were told that information prior to leaving the United States and you were expected to act professionally. This degree of regimentation, professional obligation and penalty for failure to act accordingly made Air America a unique organization with definite paramilitary trappings.

Civil Service or Veteran Status A question may arise as to whether Air America employees were civil service employees and direct employees of the C.I.A. The majority of the employees did not know that Air America was a C.I.A. proprietary, yet some C.I.A. employees were imbedded within the group. It should be understood, however, that every imbedded employee knew without any doubt they were a civil service employee and was enrolled in a civil service health care and retirement plan. Would the knowledge that Air America was a C.I.A. proprietary and certain personnel were direct hire give credence to a cause of action by former employees to be granted civil service credit? Possibly, and it is not a moot point. Some former employees spent more than 20 years with Air America and did not receive any retirement benefits. Yet, each employee knew this from the beginning and agreed to accept the conditions of employment as defined by Air America Inc. Still, some employees went to court on this issue. The courts ruled in all cases that Air America personnel were not civil service employees. This has been a bitter pill to take for some and especially those employees who were not combat air crewmembers. Some decisions were appealed and the appellate court affirmed the decision. Some may never accept that decision, but the point I am trying to make here is that the courts have decided that Air America employees were not civil service employees.

So, who were we? The precedent has been established. Air America definitely falls under the same umbrella, if not more so, as the Flying Tigers, WASPS, Merchant Marines and several other organizations that have received veteran status eligibility.

When? In this regard the applicants are plagued with truth and reality. Speaking for myself, although no one has ever contradicted me, Air America never at any time told me that I was a civil service employee. I was told in clear and concise terms what my pay and benefits were and Air America has fulfilled their obligations to me completely. I was also told that I could be shot and killed and asked directly in person if I understood that statement and was still willing to be employed. I agreed. Those crewmembers that were wounded or injured did receive settlements through the Longshoreman and Harbor Act and in my opinion; the applicants for veteran status cannot in good faith demand eligibility.

It is a request, respectfully submitted, and based upon similar circumstances of other approved organizations.

I think it could be safely said that the U.S. Government did not perceive that Air America would be a company that would last for 25 years. Had they known, I feel they may have placed the employees as civil service with deductions made for retirement and health care. They didn't and because of the secrecy involved with the volatile political situation in South East Asia they still may not have done so. There probably was no way to know the extent of the deaths and injuries, and it is important to examine this. Literally thousands of aircrew members were employed with Air America for the 25 years they were in existence. 243 were killed, but not all of these were killed in action. Some had natural deaths and looking at death statistics for these numbers the death toll was quite low. There is a good chance that many would have died had all lived in the United States. Therefore, in a combat zone and the nature of the mission, the death toll speaks volumes for the professionalism and training of Air America flight crews and the condition of the equipment they operated.

Combat deaths are not routine though, and many who were killed in action might have been alive today had they stayed at home. It should also be pointed out that none of the other approved organizations first asked for veteran eligibility approval before commencing operations. They too did not know exactly what their mission would involve. Most of the Air America employees were previous military and already have VA benefits. Most were not retired military, did not suffer wounds and disability and could not receive any improvement in benefits with Air America eligibility approval. I am in that category.

What about those who do not fit that category? I received a letter today from a former helicopter flight mechanic who was wounded with flying low level near Cambodia on an approved paramilitary mission. He lost two fingers and a third of his hand and suffers with 40% disability. He is a rare case and did not serve in the military. He told me AAM requested and received several draft deferments from his draft board for his service for AAM in Saigon. His final draft deferment was due because of the injuries he received in Vietnam.

"I'm probably the only person in the world to beat the draft by getting shot in Vietnam." He said

He does not qualify for VA benefits. There is a good chance that he could receive disability compensation for wounds he received in combat for service for his country with veteran service eligibility. Therefore, reasons for delaying eligibility cannot be due to cost because we are only talking about a handful of deserving people. Those who served for 20 or more years and qualify for retirement are only a handful as well. Even the increased benefits for those already retired are miniscule.

Conclusion. Decorations and recognition for exceptional performance of duty are gratuitous to a certain extent, and given by a gracious nation, but there is a larger issue. You cannot get people to do the extraordinary with money and decorations alone. Morale and Self-esteem are vital necessities to keep people fighting. The absence of recognition and a sense of belonging foster apathy, and apathy is anathema to the survival of any nation. Those who place their life in jeopardy for their country have to know their country will stand behind them. Air America veterans have been forgotten by the nation they helped to protect. Family closure for those who paid the supreme sacrifice is an important concept that all nations of substance pay close attention to. Arlington National Cemetery honors our war heroes. The sound of taps, the quiet serene ceremony surrounded by honor binds this nation and its citizens together. But, Air America employees are not allowed, though killed in action, unless previously retired military or wounded in action while serving in the Armed Services

Anything, Anytime, Anywhere Professionally, was Air America's motto, but that was their intended mission. Medical evacuations under fire, refugee movements under siege with inclement weather and rescues of downed military flight crews were conducted voluntarily and came from the heart. Air America employees were truly veterans of a foreign war and conducting work for America. There may not be a remedy for the valiant foreign employees, or for all of the Americans. But, for a scant few, eligibility for Veteran Status would be an honor and worthy of what America is about.

Eligibility is justified, the right thing to do and its time.

Allen Cates served in the United States Marine Corps from 1960 until 1966 when he was honorably discharged. Allen served in Vietnam from September 1964 through August 1965 as a helicopter pilot. He was awarded the Distinguished Flying Cross and 13 Air Medals as personal decorations. He resigned his regular commission in December 1966 while a T-28 flight instructor at the Naval Aviation Training Command. Days later he was in ground school in Bangkok, Thailand for the C-47, a U.S. Military aircraft, and destined to be initially based in Saigon. Six months later he was promoted to pilot in command in the Pilatus Porter, a single engine turbo prop, and remained in Saigon until June 1969, when he transferred to Udon, Thailand to the rotary wing division. Cates flew various helicopters, including the UH34D, Bell UH1D, Hughes 500P and the Twin Pac, a turbine powered UH-34D. All of these aircraft were on loan from the United States Military. Cates separated honorably from Air America near the end of the war in Laos and accepted employment in Taiwan with recommendations from his superiors. There did not appear to be any separation between the job description with the Marine Corps and Air America. All of the flight time, 7000 hours, and over 7 years with Air America was in a combat situation. He was personally involved with several rescues of downed airman in Laos. Medical evacuations under fire during the 5 years in Laos were no less different than what was experienced in I-Corps with the Marine Corps, and with the same exact aircraft. Cates considers himself to be a United States Veteran of the Vietnam War that, for him, lasted from September 1964 until May 1974.



DEPARTMENT OF THE AIR FORCE
WASHINGTON, DC

Office of the Assistant Secretary

July 9, 2003

DoD C/MSRB
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

Dear Mr. Cates

On behalf of the Secretary of the Air Force, we want to acknowledge receipt of your "Application for Group Veteran Status," concerning "the former employees of CAT/Air America." We received it yesterday, July 8, 2003.

We have not yet reviewed it. Nonetheless, upon reading your introductory letter, we had a few comments.

First, you requested being "formerly recognized as veterans and (receiving) benefits...commensurate" with your service. Thereafter you listed a number of benefits. We consider an application under Public Law (PL) 95-202 to determine if the group's service is equivalent to active military service for Department of Veterans Affairs (VA) benefits. On the other hand, the VA, not the Board or the Secretary of the Air Force, decides what benefits are granted, if the group's service is recognized.

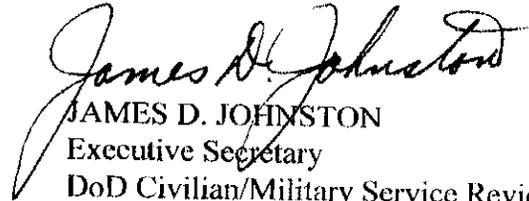
Second, the consideration process is judicious and thorough and takes a period of time. When we receive an application for recognition, we will review it for sufficiency and either accept it for consideration or return it for more information. If the application is sufficient, we will announce acceptance of the application in the *Federal Register* and solicit public comment. Subsequently, military historians will review the application. Additionally, the application and evidence will be reviewed for various legal concerns under international law. After receipt of these advisories, the Board evaluates the evidence under the criteria of the statute and the directive and will make a recommendation to the Secretary of the Air Force. If the Secretary recognizes the group's service as equivalent to active military service, individuals, who think they were members of the group, apply for a discharge certificate using DD Form 2168.

Finally, when we publicize the acceptance of an application in the *Federal Register*, we need to state clearly and succinctly the service under review. While we can distill a group's title from an application, we regularly ask application authors if they prefer a particular name. In that regard, the name should address "who, what, where, and when." The "when" should state a

period of time, for example, month-day-year to month-day-year. If you have a title for your group for our consideration, please forward it to us.

When we review the application, we will notify you whether it is ripe for consideration or if more information is necessary. We trust this letter is helpful. If you have any questions, please write us at the address above.

Sincerely



JAMES D. JOHNSTON

Executive Secretary

DoD Civilian/Military Service Review Board

SAF Personnel Council

July 1, 2003

Gentlemen:

I am withdrawing my request to have each of you sign the Veteran Status application that was sent to you a few weeks ago. Each of you received two originals. You may keep one if you wish. I am respectfully asking that one original be returned to me.

I have great respect for both of you and I want you to understand that it was never my intention to place you in a compromising position. Yet, some recent events would appear that I have inadvertently done so. Please accept my apology if my effort has damaged any relationship you may have with those who do not support this endeavor. I want to explain my reasoning for acting as I did and to inform you of my future intentions.

Several former employees decided to pursue Vet Status after the court and the appellate court ruled against Civil Service Credit. This project was discussed within the AAM Association on the Board level and to the general membership at one of the reunions. It was considered at that time to be approved by the majority of the membership. Those supporting Civil Service Credit, including Jerry Fink, also supported our effort since it appeared Civil Service Credit was a dead issue and half a loaf was better than none.

Leigh Hotujec, a Board member at the time, took on the responsibility to further this project after I left office. She wanted to obtain more AF contracts and other pertinent documents to bolster her case from the CIA. She was told, by a point of contact within the agency, to file a Freedom of Information Act request for the documents. This action, and the cost, was approved by the Association Board and explained to the members through the Log.

Meanwhile, Jesse Walton was trying to garner support from Florida Congressmen for Civil Service Credit. At least one Congressman sent a letter of enquiry to the CIA, but it

was rebuffed and the court decision used as attribution. Still, a statement in the letter that said it could only be overturned through legislative action encouraged Jesse and Bill Merrigan. Some may look at the statement as half full, and some as half empty. Frankly, I don't know what chances the legislature would have in overturning a high court decision that was upheld by an appellate court, but such things happen.

Jerry Fink, encouraged by Jesse and Bill's enthusiasm, sent a private letter to Jack Knotts asking him to delay further activity with Vet Status until the legislature acted. Jack agreed and copied me with his response. I objected to both Jack and Jerry. Jack could not speak for the entire membership without first informing the membership and allowing them a choice on how to act. I suggested allowing me to write a letter to the CIA seeking their endorsement. I then would drop my objections if the response was negative, and file an application immediately if a positive response was received. I agreed to do this even though a response to Leigh's FOIA request had not been received.

I copied both with my letter and had Jim Glerum edit it for me. Both agreed in writing to allow me to act accordingly. As you know, I received a response and I considered it to be positive enough to prepare an application. I informed all members with email of my intentions to file an application armed with a positive endorsement from the CIA.

It was my idea to have both of you sign the application. The reasons are obvious and I informed the membership. You will notice though that I never used AAM Association letterhead for my letter to the CIA or on the application. Air America Inc. was a Delaware Corporation that was dissolved in 1976. The Association is a Texas non-profit social club with no legal ties to the CIA proprietary. It would not have been proper for me to use the Association for attribution since not all former employees are members and some members do not agree with Vet Status. Yet, at the time, I felt the majority agreed with my effort.

Apparently, Jerry Fink, and others who have supported Civil Service Credit, thought our effort might be successful. The 2003 reunion would have been the proper venue to explain the differences between the two issues and decide how the Association wished to act with this new effort on both sides of the question.

Instead, Bill Merrigan drafted a letter for Jack Knotts to sign on AAM Association letterhead. The members never saw that letter until it had been posed three days before the reunion. It denied the members the choice of deciding how to act and presupposed their intentions.

I objected. Not because I find fault with Jesse's effort or the letter, but in the manner in which it was handled. I am questioning the logic for the absence of information concerning the previous court action for this issue, but individuals may write any letter they wish. But, they don't have the right to dictate to others their particular opinion without giving us the opportunity to agree or disagree.

However, the question concerning which issue would be best for former employees cannot be rejected solely on the objectionable acts of those who support one issue over another. Placing both issues before you, and with no consideration concerning previous court action, I honestly don't know which issue is best. I believe it would depend upon the circumstances of each employee and would be different for each.

Therefore, it would be unfair to ask you to support Vet Service if Civil Service Credit would be in your individual best interest. I sincerely believe that each of you have the right to support one or the other, or remain neutral without prejudice from either side.

I will support Vet Status and will file the application under my signature. I am doing so because I feel that Vet Status has the best chance to be approved. It is not hampered by prior adverse judicial review. The CIA endorses it. Civil Service Credit does nothing for those seeking service connected injury disability and Vet Status does. Civil Service Credit has always been approached antagonistically, while Vet Status constitutes a request with supporting documents. You could not take advantage of Civil Service Credit unless you pay into the fund the amount that would have been deducted had you been part of the retirement plan from the beginning. The benefit does not outweigh the cost for most of us.

I am asking for your endorsement for my application on your personal letterhead instead of signing the application. I do not harbor any ill feelings if you decline to do so, and I would not find any fault if you consider Civil Service Credit is in your best interest and decide to support it. I am sure many of your close friends may be placing pressure on you to act on their behalf. In that regard, I don't see why you could not endorse both issues, if asked, on your individual letterheads.

Sincerely,

Allen Cates



ALLEN CATES

July 21, 2003

Mr. James D. Johnston
Executive Secretary
DoD Civilian /Military Service Review Board
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

RE: Your letter dated July 9, 2003

Dear Mr. Johnston

I sincerely appreciate the time you have taken to read the introductory letter to my application. Your comments concerning your responsibility and that of the VA are well received and I deeply appreciate the advice and the information concerning the process.

The title to the application is **CAT/Air America, Inc.** CAT, Inc. was incorporated in the State of Delaware on July 10, 1950. The name was changed to Air America, Inc. on March 31, 1959. The Corporation was dissolved on March 26, 1976. The file number in the Delaware Secretary of State's office for this Corporation is 0439810. The majority of the employees exited the company on April 30th, 1975 after the fall of Saigon.

The application that was sent to the Secretary of the Air Force was intended to support and provide evidence to my claim that all American citizens employed with CAT, Inc. and/or Air America, Inc., after the name was changed, provided equivalent service to active military service between the time the corporation was incorporated and dissolved. The Application does not include any other civilian corporations in that area or time period, and only includes American citizens who were employed by CAT/Air America, Inc.

It is understood that should we be granted veteran status that each employee must apply for a discharge using DD Form 2168, and it is each individual's responsibility to prove their dates of employment. It would also be the responsibility of each individual to make claims for benefits to the VA, if such claims exist.

Mr. Johnston, please understand that I am not an attorney and I may not have included all

ALLEN CATES

July 22, 2003

Mr. Martin C. Peterson
Deputy Executive Director
Central Intelligence Agency
Washington, DC 20505

Dear Mr. Peterson,

I am enclosing the letter I received from the Department of the Air Force and my response for your records. I conferred with Mr. Hugh Grundy, Mr. James Glerum and Mr. Clyde Carter before responding. The decision to use **CAT/Air America, Inc.** as a title is mine. There was some discussion about using Air Asia and the original CAT also, but these were Chinese companies and trying to explain all the co-mingling of people and equipment might cause confusion. Clyde Carter, who closed Air America, Inc. agreed.

I must be honest with you Sir. We need some help to further this project along. Mr. Johnson and his staff may resent certain styles of help and I do not know what more I can do without being seen as pushy. We may just have to let nature take its course, yet I feel that we may have a better chance if it is known that certain influential people have an interest. I don't know who that would be or how that would be done.

I will continue to send you copies of any correspondence received from the Department of the Air Force regarding the application. I sincerely appreciate your past assistance and support.

Yours truly,

Allen Cates



DEPARTMENT OF THE AIR FORCE
WASHINGTON, DC

Office of the Assistant Secretary

August 1, 2003

DoD C/MSRB
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

Dear Mr. Cates

Thank you for your letter of July 21, 2003, concerning your application on behalf of the former employees of CAT/Air America. Your letter asks for any suggestions before we decide whether the application is "ripe" for DoD Civilian/Military Service Review Board (C/MSRB) consideration.

Before we pose some suggestions and questions, we noted your letter suggests a possible starting place for the group's title in the event the Board decides it will consider the application. The following title reflects the group described in your letter: "The US civilian employees of Civil Air Transport/Air America, Inc., from July 10, 1950 through March 26, 1976."

Nevertheless, before we settle on a title, did you desire to limit the geographical area of the service you wish to have considered? Asia? Laos? Similarly, did you want to include all US civilian employees, or did you desire to limit the application to those involved in certain operations in certain locations?

Turning to the questions, suggestions and comments, we list them as they arise out of the submission:

1. Do you have additional information addressing Air America's service to the US Armed Forces, as compared to service to other US government agencies/
2. When you refer to Air America (AA) supporting "troop infiltration and special operations," which forces are was AA supporting? US Armed Forces? Laotian? Thai? CIA paramilitary? And, do you have evidence to support the answer(s)?

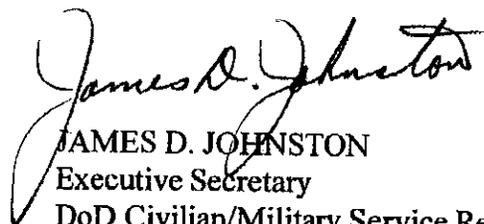
3. The C/MSRB does not do research for an application author. Hence, we are unable seek documents or "justification" through classified channels, the CIA or Capt Castle. The burden of proof is on the application author. If you desire the C/MSRB to consider documents held by other agencies, you must provide them.
4. Who did the training and testing referred to in paragraph 5 on page 3 of the Application? Do you have evidence to support your answer?
5. Who created the uniform standards referred to in paragraph 5 on page 3 of the Application? Do you have evidence to support your answer?
6. Who determined the "scheduled flight times" referred to in paragraph 6 on page 3 of the Application? Do you have evidence to support your answer?
7. What is the source for the comment "the majority of the employees did not know that Air America was a C.I.A. proprietary"?
8. Did you receive an answer to your July 1, 2003 letter to the Director of Central Intelligence and would you like to submit it to the C/MSRB?
9. Did you desire to submit the letter of February 17, 2003, you sent the CIA, to which Mr. Martin C. Peterson responded on April 15, 2003?
10. Who wrote "CAT and the Korean War, 1950-1951..."? Additionally, the copy submitted has 8 pages and seems to stop in mid sentence. Are there additional pages relevant to the application?
11. Do you have additional information about the "Marine, Army, and Navy 'volunteers'" mentioned in *CIA Air Operations in Laos, 1955-1974*, page 8?
12. Do you have a copy of the AA "operations manual" mentioned in Capt Castle's letter of March 23, 1988? Or other evidence that SAR of US Armed Forces was part of the official AA mission?
13. Who was the "Deputy Chief, JUSMAG, Thailand" referred to in the many contractual documents submitted? Military? DoD civilian? State Department civilian? CIA civilian? Thai military or civilian?
14. The copy of Contract AF62(531)-1841 (Tab 10 of the application) is missing pages 14-20, 22-26, and 28. Do you have those pages?
15. The copy of Contract AF 62(531)-1758 (Tab 10 of the application) is missing pages 15 and 17. Do you have those pages?
16. Do you have a copy of AA's Personnel Manual referenced in Contract AF 62(531)-1683 (Tab 10 of the application)?

17. Who was the "Director, USAID" referred to in various contractual documents? Military? DoD civilian? State Department civilian? CIA civilian?
18. Contract AF62(531)-1674 (Tab 10 of the application) is difficult to read. Do you have a more legible copy?
19. For what agency do the following organizations work: USAID/DCASB, USAID/AIRA, USAID/ASB, and DCAA Taipei?
20. The last page of Tab 10 mentions an "enclosed two-page document." The document is not included. Is it in the case file, but at another part of the application? If not, do you have a copy of the document?

We trust these questions and suggestions are not daunting. Upon receiving your response we will complete our review of the application and notify you whether it is "ripe" for consideration or if more information is necessary.

If you have any questions, please write us.

Sincerely



JAMES D. JOHNSTON
Executive Secretary
DoD Civilian/Military Service Review Board
SAF Personnel Council

ALLEN CATES

September 16, 2003

Mr. James D. Johnston
Executive Secretary
DoD Civilian /Military Service Review Board
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

RE: Your letter dated August 1, 2003

Dear Mr. Johnston

I sincerely appreciate the opportunity to add and correct information in the application. In my last letter I stated the desired title would be The US Civilian employees of **CAT/Air America, Inc.**, not Civil Air Transport/Air America, Inc. To be correct, it could read **CAT, Inc./Air America, Inc.** The reason for the difference is that Civil Air Transport was originally CNRA Air Transport before the name was changed. It was not a US Corporation and was a Chinese company. According to the attached documents this company was purchased by CAT, Inc., a Delaware Corporation. Using the same attachment for attribution, all of the shares of CAT, Inc. were owned by Airedale, Inc., which was incorporated on the same day as CAT, Inc. The name Airedale was changed to "The Pacific Corporation" on 10/7/1957. This is verified with number 0439809 from the Secretary of State's office in Dover, Delaware. The name CAT, Inc. was changed to "Air America, Inc." in 1959 as stated in my last letter and attributed to the attached document from the Secretary of State in Delaware. Both of these corporations were dissolved on the same day in 1976. *(See Authentication attached)*

The Pacific Corporation is mentioned as the holding company for all of the Corporations that include CAT/Air America, Inc., Civil Air Transport Ltd., and Air Asia Company Ltd. Most, if not all, of the aircraft owned by the holding company were actually owned by Air Asia and the controlling stock, except nominal shares held by Chinese civilians in accordance with Republic of China law, was owned by CAT/Air America, Inc., according to Mr. Hugh Grundy, who was President and CEO of all of these corporations, and verified by the mentioned attachments. *(See D&B reports attached)*

In my opinion, all of this information is moot regarding the application because all of the

employees in question worked for CAT/Air America, Inc., a US Corporation and were not civil service employees according to the United States Court Of Appeals Federal Circuit. (See case histories attached) The text is long and informative, but the main point can be obtained at the end. It was concluded by the Federal Court Of Appeals that any employee in the civil service retirement system must be appointed and that a person authorized to make that appointment must do the appointing. Further, the employee must know that he or she was appointed in that system and have knowledge that their pay was being deducted to fund the system. Therefore, Air America employees, who were not appointed to the CSRS, were not civil service employees. This is an important point since a civil service employee could not at the same time qualify for veteran status eligibility. The fact that another corporation that was owned by the U.S. Government owned Air America, Inc. would not make that corporation a government corporation, or the employees' government employees. Rather, CAT, Inc./Air America, Inc. was a subsidiary corporation and conducted itself as a self-serving corporation within the confines of existing business operating practices, and could legally, ethically and morally hire employees outside of the government. There is no doubt that the CIA set this corporation up clandestinely to conduct government operations on a secret basis, but the employees themselves did not work for the government even though they conducted paramilitary operations. Further documented information about Air America and The Pacific Corporation can be found in the documentary "Flying Men and Flying Machines." That film was made in 1969 by Air America. A copy is included with this letter. There were two other documentaries filmed. Monte Markham's brother was a pilot for Air America and Jesse served with me in Saigon flying the Dornier initially and the Pilatus Porter later. Mr. Markham narrated the documentary for the History Channel. Mr. Markham's company, Perpetual Motion, produced the film entitled "Air America" the CIA's secret airline. Another was produced by Discovery Wings and is part of their "Birds of a Feather" series. Both films show a definite US Military/Air America Connection. There are several books about Air America. One of my favorites, and a must read for historians in my opinion in order to see how Air America evolved, is *China Pilot* by Felix Smith. The book clearly shows the US Military training CAT, Inc. employees to fly in US Military aircraft. Their job description was also clearly military and was conducted because the military were restricted for political reasons. This book also documents the deaths of Lawrence Buol, who died very soon after being held prisoner by the Chinese for 5 years, and James McGovern and Wallace Buford, who were shot down at Dien Bien Phu. It also documents the deaths of Bob Snoddy and Norman Schwartz.

Therefore, I do not want to limit the geographical area, because employees of CAT/Air America, Inc. operated under US Military contracts in the Peoples Republic of China, Republic of China in Taiwan, Tibet, Korea, then French Indo China, Philippines, Japan, Okinawa, Iwo Jima, Vietnam (part of French Indo China at one time, Laos (part of French Indo China at one time) Thailand, Burma and Indonesia.

I want to include all US civilian employees who were not imbedded civil service employees. Imbedded civil service employees obtained benefits from a different source and are not entitled to veteran's benefits, though their employment was nonetheless rigorous and dangerous. Eligible employees include those who were combat pilots and aircrew members, operation managers and throughout the list that includes those who

may be categorized as clerk typists. The reason being that no one within the company could have conducted their job without each and every one of the employees. I, regretfully, cannot include foreign employees, people I knew personally who died violently, because of veteran eligibility requirements, as I understand them. However, if there is a place for such people I most certainly would like to include them. Because, there were many who served America well and paid the supreme sacrifice for that service.

In this regard, Dudley W. Foster, a former Air America, Inc. employee, but also an imbedded CIA employee, who would not qualify for VA eligibility, recently completed an exhaustive study to determine which employee deaths were actually killed in action. I have included a copy of that report with this letter along with his cover letter that explains the work. This study and information included shows the extreme conditions that CAT/Air America employees were involved with while conducting paramilitary operations for the U.S. Government, and many times in support of the United States Military.

I have included most of the recent work of Dr. Joe F. Leeker. This document was not available when I first made the application. The work is exhaustive and for the most part complete. I recognize some of the incidents and was a part of some as well, and some of the information leaves out some pertinent facts. Still, regarding the Air America/US Military connection, the work speaks for itself. This work is almost a historical presentation of CAT/Air America, but I don't know if I am seeing it that way because I recognize the events or not. I am hoping that you will see that CAT/Air America was very much a part of the US Military when you review the work. We flew US Military aircraft and were trained by US Military instructors. We operated under US military contracts. CAT/Air America employees were conducting US military operations in civilian clothes under the watchful eyes of US Military personnel.

I will try to answer your questions to the best of my ability in the order they were asked.

1. As I mentioned above, I have included with this letter a book, two films and additional documents dealing with this subject directly.
2. All of the above is correct. Yes, the information that I have included deals directly with this subject. I contacted General Harry G. Aderholt concerning this subject. The question I asked is how would I document the actual train of events that occurred with utilizing Air America personnel to conduct US military operations. He told me how it occurred. The planning for the mission was conducted by the US Military and included members of the CIA. An order was written, commonly called "Frag Order" and sent to Air America operations. A schedule was made by Air America scheduling, sent to the Operations manager and he ensured the aircraft was properly equipment and maintenance ready through the maintenance department. Most infils and exfils were, of course, secret. Usually, crews already up country conducted them. In that case CIA case officers briefed them, because the US military was not legally allowed to be in the country of Laos. They were there, however, and information about the Ravens proves that and unmask any secret about the matter. They were also present at Site 85. US Military operations

at those bases in Thailand that housed ground support aircraft were also contacted and briefed on their mission to support Air America aircraft for the specific mission. A rendezvous point was established and the US Military cap furnished firepower when needed. I used US Military air cap often and on a few occasions I picked up pilots who had been shot down while doing this work. However, for the most part the missions were conducted without air cap because it destroyed any secret about what you were doing. Ideally, the evidence you are requesting would come in the form of a definite copy of a "Frag Order" as it was sent to the various departments. I cannot find hard evidence, but the circumstantial evidence as seen in the attached documents is over whelming. It is not a one sided attachment. The military connection can be readily seen by a cable by then Secretary of State, The Honorable Dean Rusk, which states that Air America flight crews were to be allowed to assist with SAR activity in Laos. The normal train of events for everyday scheduling started with personnel in the field. They sent their requests for various goods and services to the Chief, Air Support in Vientiane Laos. All of the time I was there this person was Mr. William Leonard. The Deputy Chief was also involved and there was a definite connection with the Air Attaché's office, which was occupied by U.S. Military personnel. Each night the Chief or his Deputy with the senior Air America Operations Manager held a scheduling meeting. Usually that was Tom Krohn in Laos, who was a direct employee of Air America. It was then decided how many aircraft, what kind and where the aircraft was to be positioned. Scheduling then posted a flight schedule. All flight crewmembers would be required to read the schedule and report to their aircraft at the appointed time. Due to secrecy, some flights would indicate they would be operating on a USAID contract to haul rice or other food stuffs, but instead would report to, as ordered, to Udorn, Thailand across the Mekong river to a designated spot at the airfield called "Pepper Grinder". The United States Air Force maintained and operated the tower at the Udorn Air Base. Pepper Grinder was located at the opposite end of the field from Air America Udorn, which was the home of the rotary wing division. There they loaded ammunition and other military weapons that were commonly called hard rice. Pepper Grinder was operated by the U.S. Military and managed by a United States Marine Corps Lt. Col., who had expertise in ammunitions. U.S. Military personnel already positioned the loads according to destinations in Laos. Loads that were to be dropped had chutes attached. Air America airfreight specialists, commonly called "kickers" supervised the loading and ensured the proper weight and balance was correct. U.S. Military personnel in uniform placed the loads on the Air America aircraft, which were usually C-123K models. Loads that were not air dropped were then flown into Laos and unloaded at various strips throughout the country. There, they were separated according to which outlying strip or outpost was in need by either CIA personnel, but sometimes by United States Special Forces personnel in civilian clothes. Air America helicopter, and smaller fixed wing aircraft, flew the loads to designated areas. Air America flight crews were very much involved with United States Special Forces personnel in southern Laos, who trained Cambodia troops. Air America flew the troops into battle and supplied them with appropriate food items and weapons under the guide of Special Forces

personnel on the Bolevan Plateau at Pakse strips, commonly called PS strips.

3. Your point is made and clearly understood.
4. The instructors were former military instructors. Most were Americans, but some were indigenous personnel who had link trainer experience. They were hired by Air America specifically for ground school instruction. Military flight instruction was conducted directly by the military. Once trained, designated Air America instructors conducted further training. (See letter from Felix Smith and his book "China Pilot".)
5. Air America management defined the standards and designed the uniforms. Requirements were spelled out in the Compensation And Rules Of Employment for U.S. Citizen Pilots Of Air America, Inc., which is attached. The rules were modified over the years, as are those of any company, and the attached manual reflects rules in effect as of 29 January 1973. However, Uniform requirements were in effect when I first was employed in December 1966.
6. Air America flight scheduling was accomplished by Air America personnel after receiving operational requirements from the designated customer. This could be from USAID, USAF or the CIA, but all of it was conducted with the understanding and approval of all three agencies. A sample schedule is attached. I am also attaching a seniority listing as of January 1972. Those employees who had separated for whatever reason prior to this date would not be listed. The seniority listing was important for a variety of reasons, but for flying personnel it was this listing that determined who would be the flight leader for multiple aircraft missions at an outlying station. L-54 and LS-20A often had requirements for troop infiltrations and ex-filtrations that required multiple aircraft. A pilot was not allowed to remain on duty for more than 6 days. Usually, each aircraft was assigned a job by the customer on site and worked individually. There was a common radio frequency that all pilots were required to monitor. Every 30-minutes a pilot would call into to home base with an operations normal report. Should time elapse for more than 30 minutes without a report an immediate search was initiated. The first search would be by radio and then to existing aircraft operating in the same region. A search would be conducted if radio contact could not be accomplished. Most aircraft, but not all, had both UHF and VHF capability and would also monitor guard frequency. Mayday reports from Air America aircraft were usually done on Air America VHF common, but military aircraft broadcasted on UHF guard. Very often an Air America aircraft would be in the same vicinity and would make an immediate unscheduled rescue as soon as the crewmember hit the ground. Some military aircraft were not briefed about Air America due to the secrecy of our mission, but many often had knowledge and most of us made a practice to advise the airborne military operations centers of our presence. These stations came under the call signs of Steel Tiger or other appropriate names. The Air America common radio frequency was crowded and somewhat like a CB radio with friendly chatter. Therefore, special operation missions operated on a different frequency for secrecy and quiet operations. Air America's call sign for special operations was "DUREX". Multiple aircraft missions were led by the senior aircraft commander

on duty that day, unless that pilot passed on that duty to the next most senior aircraft commander. This was sometimes done if it was a mission that had been underway for some time and the senior pilot was just reporting for duty, but it was his choice.

7. I personally made the comment and every employee echoed it. I called Mr. Robert Rousellot and Mr. Hugh Grundy and asked them the same question. Both, unequivocally, stated the same answer. "It was a matter of needing to know and the safety of all those involved to keep this information secret."
8. I am not sure how to answer this question. I am sure I included the original letter to the C.I.A. along with their answer with the application. However, this letter was dated February 17th 2003. I am not aware of any letter sent to them on July 1, 2003. Is it possible the letter you are referring to was misdated due to a computer error? I have shared with you all correspondence to the C.I.A. with exceptions of a cover letter showing your response and a letter asking for assistance for your questions addressed here. They have not responded so far to that request.
9. I am assuming that you are asking about the wisdom to include the letters I wrote and the response from the C.I.A. I included the letters intentionally, if that is what you are asking. Was it wise? I think so. I believe I said in the original application that my application was a request based upon prior history with like companies who were granted approval. This entire process has been open and objective. The C.I.A. was not our immediate employer since CAT/Air America was incorporated. However, they owned the corporation and had control over the managers and supervisors of the corporation. I thought it would be wise to seek their endorsement. I still think it is wise and the letters are included accordingly.
10. I don't know. I included it to show the US Military/CAT connection and I believe it does that. It was found in the Joe Rospert collection held at the University of Texas at Dallas and I believe that he wrote it.
11. Leary cites Castle's book "*At war in the shadow of Vietnam*". I don't have a copy of that book, but I believe they are referring to the clandestine operations conducted in Laos by military personnel, who by treaty restraints were not supposed to be there.
12. The Operations manual that you refer to does not state that SAR missions would be scheduled and are a part of operations. SAR activity by its very nature is not scheduled, but it is planned in case of that eventuality. The military did have certain squadrons of planes and personnel whose sole purpose was SAR. Air America ran its operations where the senior pilot was in charge of a multiple aircraft mission. He designated one crew as SAR and that was their sole mission. Air America rarely was called upon to act as SAR for all-military operations. However, it did happen and I personally was called upon to act as SAR for a flight of A-7 Corsairs in Laos that was supporting a Lao military operation near the Plain of Jars. Air America should have been called upon to act as SAR for any and all operations. The US military usually had helicopter crews with only one

year or less in country. The average Air America pilot had been there for 5 or more years and operated everyday in country. Most SAR activity occurred spontaneously, and usually by a May Day report on Guard frequency. My superiors told me that all Air America personnel were expected to assist, but I was not given this information in writing. I was, however, cited for doing so by my direct supervisor on one occasion. Over 600 downed aircraft occurred in Laos according to reports found at the Maxwell AFB archives. Air America contributed often to successfully rescue downed military aircrews.

13. I wrote to retired General Richard Secord, who was part of JUSMAG in Laos and asked him that question. He replied with this: The title was Deputy Commander Joint US Military Advisory Group (DEPCHJUSMAG or sometimes DEPCHIEF). This was a military organization responsible for military logistics in Laos. BG Vessey was DepCh on or about 1968, and, BG Richard Treferey followed him as he recalled. Vessey went on to be Chairman of the JCS and Treferey became Lt Gen and IG of the Army.
14. I regret to say that I do not have those pages. I sent you everything that was in the collection of Martin Kaufman. Mr. Kaufman is deceased and his wife does not have any of his papers. There is no known reason for the omission. I would hope that the fact the contract existed would show the AAM/Military connection.
15. Same as No. 14.
16. I am attaching a copy of the Air America personnel manual that was dated January 1973. Apparently, this was the last revision. I do not have a copy of an earlier version.
17. Charlie Mann was the Director of USAID during my time in Laos. I believe that he was a State Department civilian. However, all of these people worked together with the U.S. Military and it is easy to see the mixing of responsibilities and coordination in the attached documents.
18. I tried looking for a better version. The one I have looks like a copy of a copy. An original may exist, but I have not been able to find it.
19. USAID/DCASB was Charlie Gabler during most of the time I was there, who was Deputy Chief Air Support Branch, and it is my understanding that he worked directly for the CIA. However, I do not have proof of that claim and he may have merely been a State Department employee. He is now deceased. USAID/AIRA I am not sure of. USAID/ASB stands for Air Support Branch for United States Agency for International Development. I believe DCAA stands for Director Civil Aviation, but don't know what the additional A stands for. However, this was a Republic of China position. My knowledge about these positions is scant. I was not in management. I was a line pilot and was told the government, through another proprietary, owned the company only after I was assigned to special project. One would think that I could contact management today and find the answers readily, but I have found that memories 30 years back are difficult for

total recall. Yet, those in management positions who feel they have an obligation to assist in this endeavor have provided much of the information. In that regard, I am very grateful. All of this has been quite enlightening and I believe I have learned more about Air America now that I ever knew back then.

I am sorry I took so long with my answers. Much of the supplied information is not in any particular sequence. However, it shows a definite pattern of a CAT/ Air America/U.S. Military relationship. I am acutely aware that I may not have answered a key question that might be in our favor if answered in a different manner. I have tried to answer all your questions to the best of my ability. Mr. Johnston every former employee probably would have drafted this application differently. I am sure there are several who would have done it much better than I. It appeared to me that the only way it was going to be done at all was for me to do it. Please let me know if further information is required and if you or your staff has additional questions.

I sincerely appreciate the opportunity to present information for your consideration.

Sincerely,

Allen Cates





DEPARTMENT OF THE AIR FORCE
WASHINGTON, DC

Office of the Assistant Secretary

September 24, 2003

DoD C/MSRB
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

Dear Mr. Cates

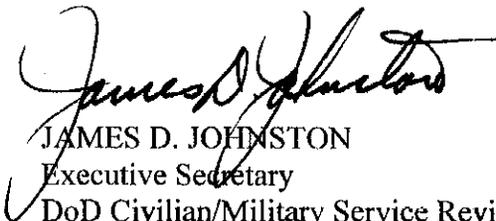
This is just a short note acknowledging receipt of your *Group Application/Addendum...*, dated September 15, 2003, including the videotapes and book, and your cover letter of September 16, 2003. We only skimmed the latest material, but we assume it supplements, not replaces, the original group application, dated July 4, 2003.

As you know, we reviewed the July 4 material, but we are sure you will understand we have tasks other than your application. Therefore, it may take us a few weeks to review the Addendum and determine whether or not the application is ready for consideration by the C/MSRB. (See DoDD 1000.20, paragraph 6.2.1) As mentioned in our previous correspondence, we will notify you whether it is "ripe" for consideration or if more information is necessary.

If it is accepted for consideration, we need an appropriate title in the *Federal Register*, which gives third parties fair notice of what the C/MSRB will consider. We will propose a title, using the preferences set out in your September 16, 2003, letter.

If you have any questions, please write us.

Sincerely


JAMES D. JOHNSTON
Executive Secretary
DoD Civilian/Military Service Review Board
SAF Personnel Council



DEPARTMENT OF THE AIR FORCE
WASHINGTON, DC

Office of the Assistant Secretary

September 30, 2003

DoD C/MSRB
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

Dear Mr. Cates

As mentioned in our previous letter, we received the Application Addendum. While reading your answers of September 16, 2003, to our previous questions, we believe a couple of our questions needed clarification.

In relation to our question #8, your original Application did not include a CIA response to your letter of July 1, 2003, to Mr. Tenet. If you intended to include the CIA response, please send us a copy. Similarly, in relation to our question # 9, your original Application did not include your letter of February 17, 2003, to the CIA, which prompted Mr. Peterson's April 15, 2003, response. If you intended us to have your February letter, please send us a copy. Third, in relation to question #13, we were referring to the "Deputy Chief, JUSMAG, Thailand" or "Deputy Chief, JUSMAG," which we assume is JUSMAG, Thailand, since those contracts were administered by the "Disbursing Officer, JUSMAG, Thailand." Your response refers to JUSMAG, Laos. Please clarify.

Although we have not finished perusing the Addendum, we trust posing any questions as we note them is preferable. If we wait until we finish reviewing all the material in the Addendum, the review process may be delayed.

Sincerely

JAMES D. JOHNSTON
Executive Secretary

DoD Civilian/Military Service Review Board
SAF Personnel Council

ALLEN CATES

October 4, 2003

Mr. James D. Johnston
Executive Secretary
DoD Civilian /Military Service Review Board
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

RE: Your letter dated September 30, 2003

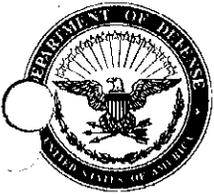
Dear Mr. Johnston

I made three originals of the application. I sent one to you, one to the CIA and retained one for reference. My retained copy includes the letter to George Tenet dated February 17, 2003. Your original should have included the letter as well and I sincerely apologize since apparently it was omitted. A copy of that letter is attached. I will include the response from Mr. Martin Petersen dated April 15, 2003. I sent no other letter to George Tenet. I did send a cover letter to Mr. Petersen and copy of your two earlier letters requesting clarification and the one with the 20 questions. That letter merely asked him for some assistance with the questions. To this date it has not been answered.

Sincerely,

Allen Cates

DEPARTMENT OF THE AIR FORCE
WASHINGTON, DC



Office of the Assistant Secretary

October 6, 2003

DoD C/MSRB
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

Dear Mr. Cates

It was pleasant to talk with you today. Thank you for your October 1, 2003, letter and the corrected version of your September 16th letter. We have placed them in the case file.

As mentioned in our conversation, we have completed our preliminary review and accepted your application for consideration by the Civilian/Military Service Review Board in accordance with Public Law 95-202 and DoD Directive 1000.20. The first step in that consideration process is an announcement in the *Federal Register*. In that announcement the group should have a title that answers the "who, what, when and where" of the group's service for anyone unfamiliar with the group. Without such a specific definition of the group our announcement of the application's acceptance will not give third parties adequate opportunity to comment on it. Moreover, if the descriptive title of the group's service is too vague, the voting members of the Board will have difficulty matching the evidence with the particular service you desire recognized.

As a result of your letters and our discussion today, we drafted the following title, which may address the group: "The US Civilian Employees, Who Were Flight Crew Personnel and Aviation Ground Support Personnel, of [CAT, Inc./]Air America, Inc., from [July 10, 1950] [March 31, 1959], through March 27, 1976, and Served Overseas as a Result of a Contract with the United States Air Force in Direct Support of United States Armed Forces."

We drafted the title with options for you to select from some alternative considerations. First, do you still want CAT, Inc. part of your application group, or just as historical background? Please decide which is appropriate, i.e., leaving CAT, Inc. as part of the group's title or not. Second, we focused the title on those who served overseas. Is that your intent? Or, did you want some employees in the US considered also? Third, we limited the group to those in direct support of the Armed Forces. Did you envision others? Fourth, we also limited the group to flight crew and ground support personnel. If this is your intent, please list the specific positions, such as, "pilot, co-pilot, navigator, flight engineer, radio operator" for flight crews and "aircraft

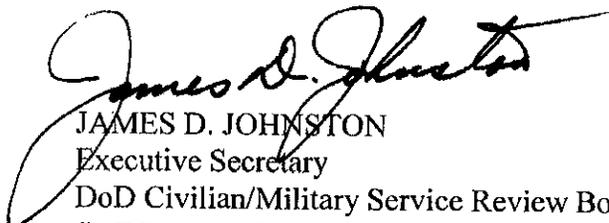
mechanic, station manager, dispatcher" for ground support personnel. Do you think others should be included? If so, please identify the additional types of personnel contemplated. Fifth, please select the correct beginning date of the service you want recognized.

We would appreciate your thoughts on our suggestion for the specific nature of the group and title. Feel free to call me at (240) 857-5329, if you have any questions. On the other hand, a written response will help us maintain a complete permanent record for the C/MSRB's review and would be appreciated.

After we agree on an appropriate title and publicize acceptance of your application in the *Federal Register*, the review process will continue. As discussed today, it will include obtaining an historical advisory. It is difficult to predict the amount of time the historical research will take. Nonetheless, upon completion of the advisory report, we will send you a copy for your comments.

The Board will subsequently review your application, the historical advisory, the legal review, and your comments, if any. The Board will then make a recommendation to the Secretary of the Air Force whether or not your group should be recognized under Public Law 95-202. Although we will process the application with due diligence, be advised that the process may be lengthy nevertheless. As always, we trust this information is helpful, and look forward to your reply.

Sincerely



JAMES D. JOHNSTON
Executive Secretary
DoD Civilian/Military Service Review Board
SAF Personnel Council

ALLEN CATES

October 22, 2003

Mr. James D. Johnston

Executive Secretary

DoD Civilian /Military Service Review Board

SAF Personnel Council

1535 Command Dr., EE Wing, 3rd Fl.

Andrews AFB, MD 20762-7002

RE: Your letter dated October 6, 2003

Dear Mr. Johnston:

I am enclosing a copy of the letter sent to the CIA on February 17, 2003 that reflects the proper date. I am also enclosing a copy of a book written by William M. Leary entitled **Perilous Missions**. Dr. Leary wrote the paper that I included in my original application entitled **CIA Air Operations In Laos**.

Your letter and our telephone conversation bring up some very good points. I can see how one could argue one way or the other and perhaps both may be correct. It would be easy to remove CAT as you suggested, and to only include those Air America Personnel who were operating on JUSMAG contracts in Laos. That would be the prudent thing to do I suppose, and probably give those in that era and place the best chance for approval.

I'm not going to do it Mr. Johnston. All too often I have led from the heart instead of the head and it has created many problems. It probably would be better for an unbiased person to make the application. I tried to look at the data and come up with important dates where I could provide supporting evidence and can't, but there is no guarantee that Laos will qualify either.

This is my argument. CAT/Air America employees were civilians and not U.S. Military personnel. None of them were conscripted. They volunteered to be employed by a subsidiary U.S. Corporation and accepted a specific payroll and benefits package. They could resign any time they wanted without legal penalty and did not fall under the jurisdiction of the Uniform Code Of Military Justice. The employees did not work directly for the U.S. Military at any time and answered to superiors, who also were employees of the subsidiary corporation. Accordingly, none of them have the right to

demand any benefit other than what was promised at the time of their employment.

All of that is true. So, how do I justify a request for Veteran Service eligibility? Do I dare to suggest that CAT/Air America employees were in the same category as the Air Commandos, Special Forces, Seals and other elite groups?

Yes, I do so dare. Why? I served in the United States Marine Corps in Vietnam as a combat aircrew member. Therefore, I can say with absolute certainty that the missions under fire and the bravery in battle were exactly the same when I served with Air America. In fact, it was in the same type of aircraft. More important, it was an aircraft that still belonged to the Marine Corps and may have been one the Marines operated in Vietnam. That was just my experience, but there were countless others. Operation Book Lift in Korea, Dien Bien Phu, the B-26 operation in Indonesia where Allen Pope was captured and sentenced to die, Tibet and that was just a few and all by CAT personnel before the name change to Air America In 1959. How could I in good faith exclude these brave people?

Your argument that these operations did not directly involve support for U.S. military personnel has definite merit, but it does not address the fact that CAT/Air America personnel performed paramilitary operations for the benefit of the United States Government because U.S. Military personnel couldn't because of treaty restraints or capability. The United States Government needed a fast moving, immediately available, already trained air force to handle military responsibilities and requirements and CAT/Air America filled that role. I can say with absolute certainty that no U/S. Military force could have accomplished what CAT/Air America did on a routine basis without losing many lives for the simple reason there would not be adequate time to train them for the mission and orientate them to the terrain and enemy situation. CAT/Air America employees lived in the exact area that they operated in and had years of experience to lean on to safely tackle a very difficult job.

As such, CAT/Air America employees, qualify under the DoD Directive 1000.20 requirements for Uniqueness of Service, Paramilitary Operations, Use of U.S. Military Aircraft & Training and the undeniable intent on the part of the United States Government was to use these employees as if they were U.S. Military personnel and for the same purpose as if they were in fact U. S. Military personnel.

Mr. Johnston, I cannot in good faith eliminate any one of them. We were in it together and together we should be remembered. The historians may probably look at it differently, as well as some of the former employees. Therefore, I will alter the title so as to allow for changes as appropriate. I am suggesting this title:

The U.S. Civilian employees of CAT, Inc. who were Flight Crew Personnel that included Pilots, Co-Pilots, Navigators, Flight Mechanics and Air Freight Specialist, and Aviation Ground Support Personnel that included U.S. Maintenance Supervisors, Operations Managers and FIC personnel who conducted paramilitary operations in Korea, French Indo China, Tibet and Indonesia during the years 1950 through 1959, and Air America Flight Crew Personnel and Ground Support Personnel as described with CAT, who conducted paramilitary operations in Laos from 1961 through 1974

when the war in Laos ended, and Air America Flight Crew Personnel and Ground Support Personnel as described who conducted paramilitary operations in Vietnam from 1964 through 1975 when Saigon was evacuated and Air America flight operations ceased.

I am acutely aware that I may have painted with too broad a brush. I am also aware that it eliminates any office personnel in the USA, Taipei, Okinawa, Japan or any other area except those described in the suggested title. It does not eliminate Mr. Robert Rousselot, who was the VP of Operations and lived in Taipei, because he was constantly involved with paramilitary operations in the areas mentioned. Nor does it eliminate Mr. Hugh Grundy, whose managing expertise and attention to detail as the CEO of CAT/Air America saved many lives and provided the catalyst for successful operations. It also does not eliminate Mr. Richard Ford, who often made hazardous trips in to Laos with his duties as an assistant to the Base Manager. Nor does it eliminate the Base Managers of Vientiane, Laos, Udorn, Thailand and Saigon South Vietnam for the same reasons.

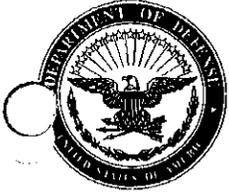
I therefore submit the title in good faith and hope that the historians will see my argument in the manner it was presented. Please let all those involved know that I would be willing to travel to any place at my own expense should a personal interview be needed to clarify the history as I know it.

Sincerely,

Allen Cates



DEPARTMENT OF THE AIR FORCE
WASHINGTON, DC



Office of the Assistant Secretary

October 29, 2003

DoD C/MSRB
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

Dear Mr. Cates

The Department of Defense Civilian/Military Service Review Board (C/MSRB) received your letter, dated October 22, 2003. We will add to the case file both your October 22 letter and its attachment, your letter, dated February 17, 2003, to the Director of Central Intelligence.

We will use the following title for the group. It is only a slightly modified version of the title you suggested in your October 22 letter:

"The U.S. Civilian Employees of CAT, Inc., Who Were Flight Crew Personnel (U.S. Pilots, Co-Pilots, Navigators, Flight Mechanics, and Air Freight Specialists) and Aviation Ground Support Personnel (U.S. Maintenance Supervisors, Operations Managers, and Flight Information Center Personnel) and Conducted Paramilitary Operations in Korea, French Indochina, Tibet and Indonesia From 1950 Through 1959; and U.S. Civilian Employees of Air America Who Were Flight Crew Personnel and Ground Support Personnel, as Described, and Conducted Paramilitary Operations in Laos From 1961 Through 1974, When the War in Laos Ended; and U.S. Civilian Employees of Air America Who Were Flight Crew Personnel and Ground Support Personnel, as Described, and Conducted Paramilitary Operations in Vietnam From 1964 Through 1975, When Saigon Was Evacuated and Air America Flight Operations Ceased."

We will use it to announce the acceptance of your application in the *Federal Register*.

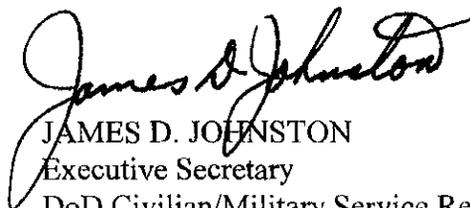
We believe this title gives third parties notice of the application and what service we will review. Nonetheless, if you disagree with this title, please explain to the Board why it does not reflect the service you desire recognized and the evidence you submitted.

As mentioned on prior occasions, our review will include extensive historical research by the Board's advisory panel. It is difficult to predict the amount of time the historical research will take. Nonetheless, upon completion of the advisory panel's report, we will send you a copy of the report for your comments.

After the Board reviews your application, it will make a recommendation to the Secretary of the Air Force. We will notify you when a Secretarial determination is made on your group's application.

We trust this information is helpful. If you have additional questions, please do not hesitate to write.

Sincerely



JAMES D. JOHNSTON
Executive Secretary

DoD Civilian/Military Service Review Board
SAF Personnel Council

Attachment:

Federal Register announcement

DEPARTMENT OF DEFENSE

OFFICE OF THE SECRETARY OF THE AIR FORCE

ACCEPTANCE OF GROUP APPLICATION UNDER P.L. 95-202 AND DEPARTMENT OF
DEFENSE DIRECTIVE (DODD) 1000.20

“THE U.S. CIVILIAN EMPLOYEES OF CAT, INC., WHO WERE FLIGHT CREW PERSONNEL (U.S. PILOTS, CO-PILOTS, NAVIGATORS FLIGHT MENCHANICS, AND AIR FREIGHT SPECIALISTS) AND AVIATION GROUND SUPPORT PERSONNEL (U.S. MAINTENANCE SUPERVISORS, OPERATIONS MANAGERS, AND FLIGHT INFORMATION CENTER PERSONNEL), AND CONDUCTED PARAMILITARY OPERATIONS IN KOREA, FRENCH INDOCHINA, TIBET AND INDONESIA FROM 1950 THROUGH 1959; AND U.S. CIVILIAN EMPLOYEES OF AIR AMERICA FLIGHT WHO WERE CREW PERSONNEL AND GROUND SUPPORT PERSONNEL, AS DESCRIBED, WHO CONDUCTED PARAMILITARY OPERATIONS IN LAOS FROM 1961 THOUGH 1974, WHEN THE WAR IN LAOS ENDED; AND U.S. CIVILIAN EMPLOYEES OF AIR AMERICA WHO WERE FLIGHT CREW PERSONNEL AND GROUND SUPPORT PERSONNEL, AS DESCRIBED, AND CONDUCTED PARAMILITARY OPERATIONS IN VIETNAM FROM 1964 THROUGH 1975, WHEN SAIGON WAS EVACUATED AND AIR AMERICA FLIGHT OPERATIONS CEASED”

Under the provisions of Section 401, Public Law 95-202 and DoD Directive 1000.20, the Department of Defense Civilian/Military Service Review Board has accepted an application on behalf of a group know as: “The U.S. Civilian Employees of CAT, Inc., Who Were Flight Crew

Personnel (U.S. Pilots, Co-Pilots, Navigators, Flight Mechanics, and Air Freight Specialists) and Aviation Ground Support Personnel (U.S. Maintenance Supervisors, Operations Managers, and Flight Information Center Personnel) and Conducted Paramilitary Operations in Korea, French Indochina, Tibet and Indonesia From 1950 Through 1959; and U.S. Civilian Employees of Air America Who Were Flight Crew Personnel and Ground Support Personnel, as Described, and Conducted Paramilitary Operations in Laos from 1961 Through 1974, When the War in Laos Ended; and U.S. Civilian Employees of Air America Who Were Flight Crew Personnel and Ground Support Personnel, as Described, and Conducted Paramilitary Operations in Vietnam From 1964 Through 1975, When Saigon Was Evacuated and Air America Flight Operations Ceased.”

Persons with information or documentation pertinent to the determination of whether the service of this group should be considered active military service to the Armed Forces of the United States are encouraged to submit such information or documentation within 60 days to the DoD Civilian/Military Service Review Board, 1535 Command Drive, EE-Wing, 3rd Floor, Andrews AFB, MD 20762-7002. Copies of documents or other materials submitted cannot be returned.

ALLEN CATES

November 3, 2003

Mr. James D. Johnston
Executive Secretary
DoD Civilian /Military Service Review Board
SAF Personnel Council
1535 Command Dr., EE Wing, 3rd Fl.
Andrews AFB, MD 20762-7002

Dear Mr. Johnston:

I am enclosing a copy of a letter I received from the CIA. This letter is referring to a cover letter attached to your letter dated August 1, 2003 where you asked for clarification on certain comments in my application and asked 20 other questions. This instance is the only time I have asked for assistance. Mr. Johnston, I would not have initiated this effort had I not perceived a spirit of cooperation from the CIA, and that was the basis of my original letter to them. Their response appeared to be positive and indicated they would respond to queries from the Department of the Air Force. Evidence of direct military support by CAT/AAM employees and the answers to some of your questions may only be available from them, and for that reason I forwarded your letter and questions. I thought your letter through me would satisfy their requirement and I would not have been opposed to them answering you direct. Apparently, the CIA considers me to be a third party even though I am the applicant and wish to only respond to correspondence that comes direct to them from the Secretary of the Air Force or other appropriate DoD official. I answered your letter myself when I did not hear from the Agency. However, I may not have answered the questions sufficiently. I am respectfully asking you and the members of the Board to ask the Agency direct for any information that may be needed to justify eligibility. I understand from previous correspondence that the Board will not normally perform investigative work. In this case, and under these circumstances, I am hoping for some latitude and trust the Agency will cooperate with direct communications on a timely basis.

Sincerely,

CC: Mr. Martin C. Petersen

Allen Cates

Central Intelligence Agency



Washington, D.C. 20505

24 October 2003

Dear Mr. Cates:

On behalf of Deputy Executive Director, Mr. Martin C. Petersen, I am writing in response to your letter of 1 August 2003. In a 15 April 2003 letter to you, Mr. Petersen indicated that the Central Intelligence Agency (CIA) would respond, as appropriate, should the Secretary of the Air Force or other appropriate Department of Defense (DoD) official request Agency verification of facts relevant to your application for DoD Veterans Affairs benefits. However, the Agency has received no such request from the Secretary of the Air Force or other appropriate DoD official. Please understand that the Agency does not intend to respond to individual queries concerning this matter.

Sincerely,

A handwritten signature in black ink that reads "Robert A. Rebelo".

Robert A. Rebelo
Chief Human Resources Officer