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TELEGRAM

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ACTION INT-08

INFO OCT-01 IO-03 EA-07 L-03 PH-03 PRG-01 PA-02 /088 W
092945

P 190840Z **PKB 72** ZNZ1
FM HICOMTERPACIS SAIPAN MARIANAS ISLANDS
TO ALDISTADS TERPACIS
TT LNO GUAM MARIANAS ISLANDS
TT LNO KWAJALEIN MARSHALL ISLANDS
COMNAV MARIANAS GUAM MARIANAS ISLANDS
CINCPACREP GUAM/TTRI GUAM MARIANAS ISLANDS
CINCPAC HONOLULU HI
NAVINSERVO GUAM MARIANAS ISLANDS
COMHELVE SAN FRANCISCO CA
RUEHC /SECSTATE WASHINGTON DC
SECDEF WASHINGTON DC
JCS WASHINGTON DC
CNO WASHINGTON DC
CINCPACFLT MAKALAPA HI
CINCPACAF HICKAM AFB HI
RUEHDT /US MISSION TO UN NEW YORK NY
CGFMPPAC CAMP HM SMITH HI
COMCBPAC PEARL HARBOR HI
COMNAV FACENGCOCOM ALEXANDRIA VA
PACNAV FACENGCOCOM PEARL HARBOR HI

1. Sablan Resigns as Transpac Receiver
2. Status Mtg Complete
3. South Pacific Games
4. Business Circuits Approved.
*E. Pangloss - Marines
Tropical cent overlooking
Lolo Swamp*

TT LNO HONOLULU HI
SAMTEC VANDENBERG AFB CA
CORUSANBCO TTPI LNO NACHINATO JA

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SECTION 01 OF 03
COMHELVE PASS INFO FOR AMB WILLIAMS
SECSTATE PASS TO DEPT INT/SEC INTERIOR/DOIA/OSN
TTPI NO. 108

(SABLAN RESIGNS AS TRANSPAC RECEIVER)
SAIPAN, FEBRUARY 19 (MNS)---THE GOVERNMENT-APPOINTED RECEIVER
OF TRANSPACIFIC LINES, INC., DAVID M. SABLAN, INFORMED HIGH

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COMMISSIONER EDWARD E. JOHNSTON TUESDAY MORNING (FEB. 19) OF HIS INTENTION TO RESIGN FROM THAT POSITION.

SABLAN, WHO WAS APPOINTED WHEN TRANSPAC WAS DECLARED INSOLVENT AND PLACED IN RECEIVERSHIP LAST FRIDAY, SAID HE WAS RESIGNING TO AVOID 'GETTING INTO AREAS OF POSSIBLE CONFLICT' WITH HIS POSITION AS VICE-PRESIDENT AND GENERAL MANAGER OF MICROL CORPORATION ON SAIPAN, A DIVISION OF ATKINS-KROLL OF SAN FRANCISCO.

SABLAN'S RESIGNATION WAS NOT IMMEDIATELY ACCEPTED, AFTER IT

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WAS DETERMINED THAT HE COULD NOT LEGALLY RESIGN UNTIL A SUCCESSOR IS APPOINTED. GOVERNMENT OFFICIALS WORKED THROUGH THE DAY TO FIND A REPLACEMENT, AND GET THE NECESSARY PAPERWORK TAKEN CARE OF PRIOR TO HIS APPOINTMENT. BY LATE TUESDAY AFTERNOON, IT WAS UNDERSTOOD THAT A REPLACEMENT WAS ABOUT TO BE NAMED, BUT HIS NAME COULD NOT BE RELEASED. SABLAN REMAINED TECHNICALLY IN CONTROL OF THE TROUBLED SHIPPING COMPANY PENDING THE NEW APPOINTMENT.

TALKING WITH NEWSMEN FOLLOWING HIS RESIGNATION, SABLAN SAID HE TOOK THE APPOINTMENT LAST WEEK BECAUSE HE FELT IT WAS IN THE BEST INTEREST OF THE COMPANY AND THE PEOPLE OF MICRONESIA TO DO SO IN VIEW OF THE EMERGENCY THAT EXISTED AT THAT TIME, PARTICULARLY REGARDING THE M/V LOTTE REITH, WHOSE CARGO WAS THREATENED UNLESS MONEY TO PAY FOR HER CHARTER WAS OBTAINED QUICKLY. THAT AND OTHER EMERGENCIES WERE TAKEN CARE OF DURING THE WEEKEND UNDER SABLAN'S DIRECTION.

THIS WEEK, HE EXPLAINED, HE BEGAN TO GET INTO AREAS WHERE HE PERCEIVED THAT CERTAIN CONFLICTS OF INTEREST MIGHT ARISE, SINCE ATKINS KROLL, THE COMPANY FOR WHICH HE WORKS, REPRESENTS CERTAIN SHIPPING COMPANIES WHICH ARE INTERESTED IN ENTERING MICRONESIA SERVICE IF THE TT GOVERNMENT TAKES AWAY TRANSPAC'S EXCLUSIVE

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FRANCHISE. ALTHOUGH SABLAN HAD TEMPORARILY RESIGNED FROM ATKINS-KROLL WHEN HE WAS NAMED RECEIVER, HE STILL FELT THESE CONFLICTS WOULD NOT PERMIT HIM TO MAKE CERTAIN DECISIONS WITH REGARD TO TRANSPAC IN THE EVENT THE FRANCHISE IS LIFTED.

THE GOVERNMENT FRANCHISE IS ITAL TO THE PERPETUITY OF

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TRANSPAC AS A VIABLE SHIPPING COMPANY, SABLAN SAID TUESDAY AFTERNOON. ASKED IF HE HAD ANY INFORMATION TO INDICATE THE GOVERNMENT WAS IN FACT CONSIDERING CANCELLING THE FRANCHISE, HE REPLIED, 'NO, I DID NOT.'

THE GOVERNMENT HAS SO FAR NOT TAKEN ANY ACTION WITH REGARD TO THE FRANCHISE, ALTHOUGH HIS POSSIBILITY IS UNDER CONSIDERATION. ANNOUNCEMENT OF A NEW RECEIVER FOR THE SHIPPING COMPANY IS EXPECTED BY EARLY WEDNESDAY.

(STATUS MEETINGS COMPLETE)

SAIPAN, FEB. 19 (STATUS LNO RELEASE)-- MEMBERS OF THE CONGRESS OF MICRONESIA'S JOINT COMMITTEE ON FUTURE STATUS AND EXPERTS FROM THE TRUST TERRITORY GOVERNMENT STAFF COMPLETED A SERIES OF INFORMAL MEETINGS WITH A TEAM FROM WASHINGTON TO EXPLORE VARIOUS FACETS OF MICRONESIA'S FUTURE FINANCIAL NEEDS ON SATURDAY, FEB. 16. IN ADDITION TO EXCHANGING VIEWS AMONG

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THEMSELVES, THE PARTICIPANTS HAD AN OPPORTUNITY TO MEET WITH THE DISTADS OR THEIR REPRESENTATIVES FROM EACH DISTRICT AND THEIR PRINCIPAL ECONOMIC PLANNERS TO EXAMINE THEIR THINKING ON THE EXTENT OF BASIC NEEDS.

ANNOUNCEMENT OF THE COMPLETION OF THIS INFORMAL EXCHANGE, WHICH EXTENDED OVER A PERIOD OF TWO WEEKS, WAS MADE BY SENATOR LAZARUS SALTII, CHAIRMAN OF THE JOINT COMMITTEE ON FUTURE STATUS, AND THE LEADER OF THE U.S. TEAM, JAMES WILSON, WHO IS U.S. DEPUTY REPRESENTATIVE FOR THE STATUS NEGOTIATIONS. THE MEETINGS WERE SCHEDULED AS A RESULT OF CONFERENCES HELD HERE IN DECEMBER AND JANUARY BETWEEN SENATOR SALTII AND AMBASSADOR HAYDN WILLIAMS, THE CHIEF U.S. NEGOTIATOR, WHERE IT WAS AGREED THAT IT WOULD BE HELPFUL TO REVIEW INFORMALLY AT THE EXPERT LEVEL THE EXTENT OF MICRONESIA'S LONG-TERM ECONOMIC REQUIREMENTS PRELIMINARY TO FURTHER MEETINGS BETWEEN THE PRINCIPALS IN THE FUTURE STATUS NEGOTIATIONS.

SENATOR SALTII AND MR. WILSON BOTH CONSIDERED THE TALKS TO BE MOST USEFUL IN CONTRIBUTING TO THE KNOWLEDGE AND UNDERSTANDING OF ALL THE PARTICIPANTS. THE RESULTS WILL BE REVIEWED AND STUDIED CAREFULLY BY BOTH SIDES PRIOR TO THE RESUMPTION OF

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DISCUSSIONS IN THE SPRING COVERING THE REMAINING ISSUES
OUTSTANDING IN THE STATUS TALKS.
(SOUTH PACIFIC GAMES)

SAIPAN, FEB. 19 (MNS)--THE POSSIBILITY OF MICRONESIAN TEAMS
PARTICIPATING IN THE 1975 SOUTH PACIFIC GAMES NOW SEEMS SOMEWHAT
BRIGHTER THAN BEFORE, ACCORDING TO A SPOKESMAN FROM THE HEAD-
QUARTERS DIVISION OF COMMUNITY DEVELOPMENT. THE GAMES ARE
SCHEDULED TO TAKE PLACE ON GUAM IN AUGUST 1975, AND THE TRUST
TERRITORY HAS BEEN ASSURED THAT THERE IS STILL PLENTY OF TIME
FOR TEAMS FROM MICRONESIA TO PREPARE FOR OFFICIAL PARTICIPATION
IN THE GAMES.

ANOTHER RECENT DEVELOPMENT OCCURED LAST WEEK WHEN SENATOR
ANDON AMARAICH OF TRUK INTRODUCED SENATE BILL 299 TO CREATE A
MICRONESIAN SPORTS COUNCIL WHOSE FIRST JOB WOULD BE TO GET
MICRONESIA ORGANIZED FOR COMPETITION IN THE SOUTH PACIFIC GAMES.
THE MEASURE INCLUDES AN \$80,000 DOLLAR APPROPRIATION.

A DELEGATION FROM THE GUAM SOUTH PACIFIC GAMES ORGANIZING
COMMITTEE CONSISTING OF THE HONORABLE JOSEPH ADA OF THE GUAM
LEGISLATURE AND MRS. MARILYN CARLSON, COMMITTEE SECRETARY,
TESTIFIED FRIDAY EVENING BEFORE THE CONGRESS OF MICRONESIA

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SENATE COMMITTEE ON EDUCATION AND SOCIAL AFFAIRS ANSWERING
QUESTIONS REGARDING MICRONESIA'S ELIGIBILITY AND OTHER REQUIRE-
MENTS FOR TAKING PARTS IN THE GAMES.

ALSO PRESENT WERE FELIX RABAULIMAN, MICROLYMPICS COMMITTEE
CHAIRMAN, AND SPORTS REPRESENTATIVES FROM YAP AND PALAU. THE
DIVISION OF COMMUNITY DEVELOPMENT TESTIFIED IN FAVOR OF THE
BILL AND PLEDGED ALL SUPPORT POSSIBLE IN HELPING THE MICRONESIAN
SPORTS COUNCIL DO ITS JOB SHOULD SENATE BILL 299 BE PASSED BY
THE CONGRESS OF MICRONESIA.

(BUSINESS PERMITS APPROVED)

SAIPAN, FEB. 19 (MNS)--TWO FOREIGN BUSINESS PERMITS WERE
APPROVED BY HIGH COMMISSIONER EDWARD E. JOHNSTON THIS WEEK,
ACCORDING TO THE WEEKLY REPORT OF FOREIGN BUSINESS ACTIVITY
FROM THE ECONOMIC DEVELOPMENT DIVISION OF THE RESOURCES AND
DEVELOPMENT DEPARTMENT.

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APPROVED WAS AN APPLICATION FROM J. LAWRENCE WHITE TO
PROVIDE PUBLIC ACCOUNTING SERVICES IN THE MARSHALLS, AND A
PERMIT FOR THE MARIANAS TROPICAL CLUB, A HOTEL RESORT COMPLEX
TO BE BUILT ON LAND OVERLOOKING LAKE SUSUPE ON SAIPAN. SENATOR
EDWARD DLG. PANGELINAN OF SAIPAN IS PRESIDENT OF THE MARIANAS

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