

901.1 (c)
802.1 (d)

April 14, 2000

BY TELECOPY
(202) 325-2624

Bureau of Competition
Federal Trade Commission

Washington, D.C. 20580

Dear Patrick:

Per my message to you yesterday, attached is a statement of facts (together with two charts) outlining a proposed financing-related transaction. Although the same entity, "A", is both the acquired and acquiring person in the transaction, because of its complexities I wanted to discuss with you the question of

Would it be possible to speak with you sometime today between

office this morning, but perhaps you could leave me a message regarding your availability.

Thank you for your assistance.

Very truly yours,

cc:

Statement of Facts

subsidiaries and affiliated companies, engages primarily as an international operating lessor of intermodal cargo containers and, since 1996, commercial aircraft. A's commercial aircraft leasing activities are presently financed under two credit facilities, one benefiting "B", a domestic LLC controlled (as defined under § 801.1 (b) of the Coverage Rules) solely (but not wholly owned) by A, and the other benefiting "C", a foreign corporation, 5 domestic LLCs

provided under contract by an unaffiliated professional third party service. C provides those services in support of the aircraft owned by the C Group.

requirements of aircraft registration, respond to tax considerations particular to the lessees'

agreement. The agreement/arrangement for that B and members of the C Group therefore fits to an

In the present transaction, A is seeking to refinance 51 aircraft presently owned (through the

currently owned by B) and 28 aircraft from the C Group) by transferring all of the beneficial

Subclass D-1 Notes will be indirectly owned by B. Finance will issue rated securitized notes, part of the proceeds of which will be applied towards repayment of the current aircraft financing

in order to accomplish the financing. In the second step, immediately after giving effect to the sale and transfer of the C Group Aircraft Interests, B will transfer the C Group Aircraft Interests together with the Aircraft Interests in respect of the 23 aircraft owned by B to Finance.

In connection with the aircraft transfers, the C Group and the members of B will enter into a

purchase agreement with Finance, the beneficial trust interests and the Subclass B 1 Aircraft, the

five of the 51 subject aircraft are based in the United States and have a value of over

incidental to the leasing of the 23 aircraft transferred by B will continue to be provided (under

operated by the C Group.

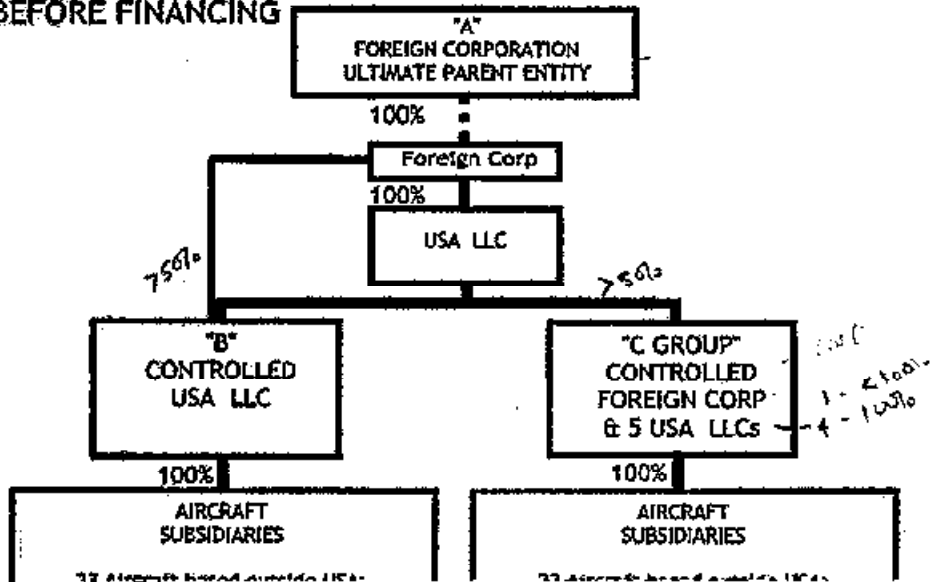
49 of the 51 subject aircraft are presently on operating lease to 74 lessees in 19 countries

entities not included within A (provided in some cases (6 of 51), owing to the jurisdiction of the ultimate airline lessee, it is sometimes required for tax considerations to structure the lease transaction as a "back to back" lease wherein the aircraft-owning entity "head" leases the aircraft to a sister-entity in another jurisdiction which in turn leases the aircraft to the ultimate airline lessee).

The securitization transaction is expected to benefit A by exposing A to a larger universe of lenders and by lowering A's financing costs in respect of the initial 51 aircraft and additional aircraft which may from time to time be purchased by TAF in accordance with the terms of its

respect of 13 aircraft presently owned by the C Group and not being transferred to Finance, additional acquisitions of aircraft by the C Group, and, potentially, additional acquisitions of

BEFORE FINANCING



2 Foreign Corps (3)
1 Foreign Corp Intermediate Lessor
1 USA Corp Intermediate Lessor

5 Aircraft based in USA
8 Grantor Trusts (5)

THESE ARE THE ONLY US ASSETS. DESPITE ENTERING INTO THE TRUST AGREEMENT, THE INDICIA OF BENEFICIAL OWNERSHIP FOR THESE ASSETS DO NOT PASS FROM C TO

... EVEN IF IT WAS

EXEMPT UNDER 802.1(d)(1)
B. Michael Jones
4/18/00

AFTER FINANCING

