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June 19, 2000

VIA FACSIMILE

Mike Vern, Esquire
Premerger Notification Office, H-303
Federal Trade Commission
Washington, DC 20580

**Re: Confirmation of Telephone Call Regarding Sale-Leaseback Transaction -
Exemption from Hart-Scott-Rodino Filing**

Dear Mr. Vern:

Thank you for taking the time to speak with [redacted] and me last week regarding the regulations governing the circumstances under which Hart-Scott-Rodino filings are required. As I told you, our client (the "Buyer") is contemplating a transaction whereby it will acquire approximately 40 gas stations that will become the object of a second transaction consisting of a sale and leaseback of the real estate portion of the original gas station purchase. The specifics of the transactions are as follows.

FEDERAL TRADE COMMISSION
PREMERGER NOTIFICATION DIVISION
WASHINGTON, DC 20580

In the first transaction, the Buyer intends to purchase approximately 40 gas stations from the Seller. The purchase price for the equipment and inventory is provided in the Purchase and Sale Agreement provides that the Buyer can direct the Seller to title the deeds conveying the real estate or assigning any lease of real estate to the third party. Seller the aggregate purchase price.

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By separate Agreement, Buyer has agreed to enter into a sale and leaseback of the real estate (fee and leasehold) purchased from the Seller in the first transaction. Under its Agreement with the Financing Intermediary, the Buyer will agree to sell the real estate to the Financing Intermediary for a price of approximately Thirty-Four Million Dollars (\$34,000,000). The Financing Intermediary will then immediately lease (or sublease) the real estate back to the Buyer

agreement and intermediary. It is contemplated that the transaction is a sale and leaseback.

Simply put, the Buyer will never take title to the real estate but will direct that the real estate be put in the Financing Intermediary's name. The Financing Intermediary will receive a return on its investment through the lease payments made by the Buyer after the sale and leaseback transaction has been consummated.

In response to your explanation of these related transactions, we understand the above-described transactions. If we have misunderstood your interpretation, please advise us immediately.

Thank you again for all of your help. If you have any question, do not hesitate to contact me at [redacted]

Very truly yours,

[Redacted signature block]

AGREE. THIS IS NON-REPORTABLE. BUYER NEVER TAKES BENEFICIAL OWNERSHIP OF THE REAL PROPERTY. THE SALE-LEASE BACK ARRANGEMENT WITH THE FINANCIAL INSTITUTION IS ALSO NON-REPORTABLE.

B. Michael Vern
6/20/00