

August 21, 1990

BY MESSENGER

Senior Attorney
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Room 306
6th Street & Pennsylvania Avenue, N.W.
Washington, DC 20580

Dear John:

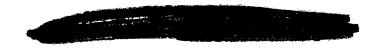
certain lease financing arrangements. As I understand it, that

was the day of the contraction in which was indicated

substance to the sort of lease financing arrangement that you wish to exempt, but has some structural peculiarities that implicate other exemptions.

In substance, a foreign airline will lease an aircraft from a wholly-owned foreign subsidiary of a United States leasing company. The structure or form of the transaction

- A foreign airline will purchase an aircraft from a U.S. manufacturer for \$130 million.
- 2. U.S. Leasing Corporation A has a wholly-owned subsidiary which is a single purpose foreign sales corporation ("FSC"), the only asset of which is the single aircraft that is the subject of this transaction. FSC is a foreign issuer.
- 3. FSC will purchase the aircraft from and lease back to the foreign airline.
- 4. U.S. Leasing Corporation B will acquire from U.S. Leasing Corporation A, 100% of the beneficial interest in the assets of a trust established by Leasing Company A at a United States bank ("U.S. Trust"). The Trust is a single purpose entity with no assets other than the stock of FSC.



John M. Sipple, Jr., Esq. The Federal Trade Commission

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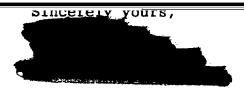
As a result of the transaction, U.S. Leasing Company B will control 100% of the voting securities of FSC, which shall receive the lease income on the 12.5-year lease of the aircraft as paid by the foreign airline lessee. The total value of the transaction is approximately \$130 million.

The transaction constitutes a bona fide lease

naceon through a foreign cales corporation. The admirts

I believe the transaction should be exempt under Rule 802.50(b) as the acquisition of voting securities of a foreign issuer by a U.S. person. The foreign issuer holds no assets located in the United States and, although the transaction involves a new aircraft, will not make aggregate sales in the United States of \$10 million or more.

If you agree that the transaction is exemnt under



. Confirmed that brased or the facts phosperated the Transaction

the possells applied on a lease financing extensionent by a creditor in a hora field continued at lease financing extensionent by a creditor in a hora field with the best of the author carrier and that among company had been approved by the Bot of the author carrier and that among decided it helps to can't to provide the purchase of the plane. For a few, it arranged my another lease fearnering compared to assume the position.