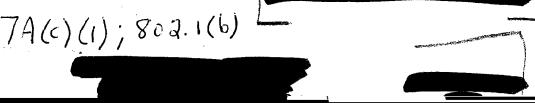
7A(c)(1);802.1(b)



BY FACSIMILE TRANSMISSION

Richard B. Smith, Esq. Premerger Notification Office Bureau of Competition Federal Trade Commission Sixth and Pennsylvania Avenue, N.W. Room 322 Washington, D.C. 20530

> Pogloct for Informal Internretation Delatine CO ACCOUNTCIONS OF OLLICS FOUIDMENT PESSES

Dear Dick:

REPORTS TO THE PROPERTY OF THE

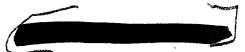
This letter is to confirm our conversation in which you concluded that both the transactions described below are exempt from the notification and waiting periods of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 under 15 U.S.C. § 18a(c)(1) as acquisitions of goods transferred in the ordinary course of business.

Transaction #1

My client is a diversified corporation with subsidiaries or divisions that operate a variety of businesses. One division is a finance company that routinely originates financing transactions and also routinely purchases financing transactions, typically

finance company a portfolio of

toretueth part our borerorres of redoes. We muretbeaun that after this transaction, the seller will continue to originate lease financing transactions for



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We do not have complete information about the identity of the lesses but we believe that the lesses are Fortune 500 companies and other firms that

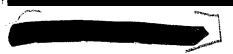
or more of the lesses competes with one of the businesses of my client (e.g., they compete in the manufacture and sale of widness!

You and I discussed the relevance of Interpretation #25 of the ABA Premerger Notification Practice Manual which suggests competition between the acquiring person and the lessee is one factor that is relevant to the analysis of the sale of leases. You concluded that in this situation, where the asset subject to lease is not central to the lessees' business and was a small portion of the lessees' productive assets, the possibility of competition between the analysis of the lessees would not preclude

The second transaction involves the same acquiring person but the leases being acquired are for One other difference is that the seller is the manufacturer of the hat are the subject of the leases. We understand that for at least the last eight years the seller has had a practice of selling off portfolics of leases on a quarterly basis. Again, we last feet that they are a diverse group of business firms. It is possible that one or more of these firms competes with my client, the acquiring person. For the transaction \$1, you concluded that the possibility of competition between the acquiring person and the lesses did not preclude the application of the exemption.

Acces the the tenter of the description of the tenter of t

Office agree with this analysis.



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I hope that I have accurately recounted our conversation and that you will let me know if any portion of this letter is inaccurate.

Best regards to you and your colleagues for the holiday season.

