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1016 Investment Building
Washington 5, D. C.

January 20, 1956

Mr. George A. Doole, Jr.
CAT Incorporated
711 14th Street, N.W.
Washington 5, D. C.

4 - 1/20/56

Dear Mr. Doole:

This is to acknowledge your letter of January 13 addressed in my care to the Hon. Whiting Willauer and Mr. James J. Brennan. In such letter you offered to sell on behalf of CAT Incorporated three C-46 aircraft on terms and at prices mentioned. You placed a "dead-line" of five days from the date of the letter for an answer. Subsequently, however, it was agreed that it would not be necessary to have a reply in your hands prior to January 20.

Since the delivery of your letter, as the attorney and representative of the Messrs. Willauer and Brennan, I have had conversations with your representatives concerning the interrelationship between your offer, your desire to grant a 45-day option to Mr. Hewitt for the same planes, and the problem of the "first refusal" of Messrs. Willauer and Brennan.

In the best interests of all we agreed:

1. The Messrs. Willauer and Brennan will offer no objection to your granting an option to Mr. Hewitt, a present prospective purchaser, for a period of 45 days to allow Mr. Hewitt sufficient time to inspect and determine whether he is willing to take three C-46's from CAT Incorporated at the prices and on the terms mentioned in your letter. (It is also understood that you have offered to furnish Mr. Hewitt zero time engines for all aircraft and to perform the #4 maintenance overhaul, if due, on any aircraft purchased.) Should he do so, Messrs. Willauer and Brennan will raise no objection to the sale.

2. If, however, at the end of his option period Mr. Hewitt makes a firm bid which is in any respect less favorable to you than the prices, terms and conditions

APPROVED FOR
RELEASE DATE:
23-Sep-2009

set forth in your letter of January 13th then the Messrs. Willauer and Brennan shall have a reasonable opportunity to meet the prices, terms, and conditions offered by Mr. Hewitt, and in the event they do so shall be entitled to purchase at such prices, terms and conditions - including the undertaking by CAT to furnish zero time engines and to perform #4 maintenance overhaul, if due, on any aircraft.

As you know, the conversations from which the foregoing arrangement evolved were held in a spirit of avoiding any dispute at the present time over the question of "first refusal" and what constitutes a "substantial part of the assets" of the CAT airline. It is, accordingly, written without prejudice to such rights as the Messrs. Willauer and Brennan may possess under their "first refusal."

Sincerely,


Thomas G. Corcoran