

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

April 28, 1989

The Honorable Morris K. Udall  
Congress of the United States  
House of Representatives  
235 Cannon House Office Building  
Washington, D.C. 20515

Dear Congressman Udall:

This is in response to your letter dated March 9, 1989 concerning the questions raised by your constituent Melvin J. Mirkin regarding the Circle K Corporation.

Mr. Mirkin's concerns appear to relate to the nature of certain transactions. The source document utilized by Mr. Mirkin is the Company's proxy statement which was filed with the Commission in definitive form on August 29, 1988. The document appears to include substantial disclosure of the details of the transactions enumerated by Mr. Mirkin in his letter.

As you may be aware, the SEC does not approve or disapprove securities nor pass upon the merits of proposed transactions. The federal securities laws are designed to provide full and fair disclosure of material facts in prospectuses, proxy statements and periodic reports of publicly held corporations so investors are able to make informed decisions in connection with the purchases and sales of securities and the voting of their shares, when applicable. The Commission does not have statutory authority over specific business decisions such as the share ownership by principal shareholders, and certain relationships and transactions. The fiduciary obligations owed by directors to stockholders as well as the rights or ability of a corporation to engage in particular transactions are subject to the jurisdiction of the company's governing instruments and applicable state corporation law.

Since we are not empowered to assess the fairness of particular transactions, nor can we give legal advice to individuals, your constituent may wish to consult with private counsel to discuss any rights or remedies he may have in this regard.

We appreciate you taking the time to write to the Commission and regret that we cannot be of further assistance.

Sincerely,

Mary E.T. Beach  
Associate Director