461 W. Mulberry
Phoenix, AZ 85013

October 4, 1988

David S. Ruder, Chairman
Securities & Exchange Commission
450 Fifth St., N.W.
Washington, DC 20549

Dear Mr. Ruder:

My wife and I have been owners of 500 shares of The Circle K Corporation for over a year. They are held in street account by Fidelity Brokerage.

On September 26, 1988, I went to the annual shareholders meeting and asked for permission to address the meeting before the election of directors. I was directed to a Gehl Babinec who identified himself as a vice-president and general counsel of the corporation. He asked that I produce identification, which I did. I explained my mission (which is set forth in the complaint) and he advised me that my sole opportunity would be at the end of the meeting, after all other business, including the election, and that my questions would have to be in writing and that the company had the right not to respond at the meeting but privately at a later time.

There is little I can do other than seek your good offices. I trust you will forward this to the appropriate division.

<u>Complaint</u>*

In years past, Karl Eller, president and chief executive officer of Circle K, served with Carl H. Lindner in the ownership and management of Combined Communications Corporation. In addition, Lindner is the beneficial owner and power behind a number of other companies (page 6). He has placed his children in various of those companies. His youngest son Keith, along with Lindner, has been a director of Circle K since 1983 (page 5). Keith Lindner is also a director and principal executive of United Brands (page 6). Carl Lindner and one of his companies are deemed controlling shareholders of Circle K (page 4); Lindner commenced his dominant position in Circle K by selling it UtoteM, Inc. in 1983 (Page 2). The sales agreement specified, in effect, that the two Lindners would serve as directors of Circle K (page 7).

During 1988, Circle K purchased over $1,000,000 of meat from United Brands and, for a consideration, is obligated to purchase all of its requirements for certain unidentified meat products from United Brands over the next three years (page 12). In 1984, Circle K sold a number of its stores to the Lindners for a creative type of financing in a lease-back arrangement. During fiscal 1988, over $11,000,000 was paid a rent by Circle K to the Lindners (page 13). In

* All number references are to the notice of meeting and proxy statement enclosed.

fiscal 1988, Circle K paid the Lindners (through one of their corporations) a quarter of a million dollars for four months lease of an aircraft (page 13).

In 1986, one of the Lindner companies loaned Eller $3,000,000. In 1987, another one loaned him an additional $11,400,000 (Page 26).

Eller and Lindner have caused Circle K to act or be prepared to act for their personal interests regarding a transaction involving Bauman Holdings, Inc. a company in which Lindner and Eller have substantial interests (page 12).

Circle K has made preferential purchases of ice cream products in companies in which Eller has a principal interest (Page 12). During the coming year, Circle K will promote a product of one of them, Steve's (announced at shareholder's meeting).

Part of the shareholders meeting was to consummate the purchase by Circle K of the Charter Company (page 13), although Circle K believed that shareholder approval was not required (page 14). No accountability to shareholders of the acquisition or consideration paid for Charter would be countenanced (page 24).

Carl Lindner is chairman of the board of Charter. His interests own 51 percent of Charter (page 26).

Because of his sensitive position as chairman of Charter, Carl Lindner did not share certain information regarding the value of Charter with Circle K. Without having any knowledge of what that information might be (other than it was for less than Circle K was to pay) Circle K did not press the issue (page 15).

Before taking the matter to the shareholders, Circle K paid a non-refundable $2,000,000 to Charter, which would have been forfeited had the sale not been consummated (pages 13, 14).

In effect, Circle K has been utilized as a colony by the Lindners to further their personal, often incompatible, interests and to confer occasional benefits upon Eller. Colonialism is in bad odor in the world of nations as it should also be in the world of public corporations. Minority shareholders are powerless. Government intervention is required to correct the abuses. At the very least, the appropriations of the Lindners' continued tenure as owners and directors should be reviewed, along with that of any person operating in their behalf.

Very truly yours,

Melvin J. Mirkin