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City Wide Petroleum. 1973-1974.

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January 26, 1973

Mr. Charles Bensley
220 East 42nd Street
New York, N.Y.
U. S. A.

Dear Charlie:

Francine returned from New York with some interesting stories about the week's stay. Among other things she told me about Dr. Richard Gubner of the Spa, and his apparently serious interest. Also she brought a list of dates when he would want to be in Israel in May.

She surprised me by saying that you were changing your plans to come in May, instead of April for Pesach, as you had originally intended. Since the first Seder is Monday, April 16 and the 25th Independence Day Parade is May 7, our original conversation was that your visit would bracket that three week period, thus including both events. You had also asked my opinion about the worthwhileness of your attending the economic conference at the end of May, and I had indicated that it wasn't necessary if you couldn't stay that long.

My own timetable with the Hebrew Union group requires me to make the first stab at fund raising during May, and I had planned to leave for the States a day or two after the Parade on May 7. I think I will have to remain with my schedule. If, therefore, you really can't come for Passover holiday, then I would hope that you can get here as early in May as possible so that we could at least have several days together.

Regarding Dr. Gubner, the schedule that Francine brought was that he would arrive Friday, May 11, stay at the Dan Caesarea over a long weekend, and go up to Jerusalem on Tuesday, May 15, remaining until May 20. That is the schedule for which I will now try to get him the hotel reservations. As soon as I have some confirmation, I will let you know.

Francine also told me about your effort to see Alexandroni's successor. His name is Zeev Sher and his address is, as you know, 850 Third Avenue. He is going to be here next weekend with the Bond Delegation.

.../

Mr. Charles Bensley

January 26, 1973

Page 2

I shall try to see him and explain to him who you are (full background with all the details). In case I miss him, I have already mailed to him in New York, a letter about you, a copy of which is enclosed. This should open the door, I think.

This letter is already long enough so I won't overburden you with further descriptions of developments on the HUC side, but here things are going well. I had a two day long brainstorming session with the Reform Rabbis now working in this country, in which I presented 14 long sheets of detailed plans. They were thrilled by the broad overall plan. I will repeat the process this week with a certain Rabbi Richard Hirsch who is coming to live here to be the resident director of the program. Then I will continue to write it up in greater detail and will finally present it, toward the end of the month, to the full Board of Governors of Hebrew Union College, which will be having a festive meeting here in Jerusalem. In other words, on the planning side, things are going very well.

Herb Rose will be here next week on some legal matters for the Jewish Agency, and he will be bringing a draft of the contract which I will then ask them to sign. First, of course, I will send a copy to you and Norman, for your comments.

That brings us about up to date. I will keep you posted. Most important of all, keep watching your health and don't try to work 16 hour days. Remember, you just had a birthday!

Love and kisses,

CITY WIDE PETROLEUM CO., INC.

220 EAST 42ND STREET • NEW YORK, N. Y. 10017

TELEPHONE: 212-490-1270

CHARLES J. BENSLEY, PRESIDENT

HAROLD W. TAYLOR, VICE PRESIDENT

January 9 1974

Dear Herb:

Thanks for your confidential letter relating to Iran and our mutual friends.

It is my intention to begin with our base of approximately 30 stations with the opportunity of immediately acquiring 40 additional service stations and the subsequent acquisition of an additional 100 service stations. These are available immediately and represents the beginning of our expansion. They are also within our capacity to financially carry out our complete obligations.


We also have the opportunity to acquire several hundred additional service stations and some storage facilities in bulk form. This would require additional financial partners which have not yet been determined.

It has been brought to my attention, however, that our mutual friends in Iran are discouraging any participation or deals at the present time. The basic question remains; are they as a matter of principle interested in a permanent marketing position in the United States? If so, then the size of the deal can be expanded to our mutual economic conveniences.

Therefore I would suggest that this should be determined in advance so that we can arrive at a conclusion with all the facts at our disposal when I see you in Israel.

With the information that I am gathering and the information that you have obtained together will permit us to make a final determination as to our directions.

Sincerely,


Charles

*Regards & love
to Francis & the children*

P.S. enclosed please find most important memos.

City Wide

January 14, 1974

Mr. Charles Bensley
City Wide Petroleum Co.
220 East 42nd Street
New York, N.Y. 10017
U.S.A

Dear Charlie:

I received your letter this morning, and this, together with our phone conversation Saturday, will enable me to make your point clearly to Ezri. I am seeing him in a few hours at Paul Kollek's house, and will finish this letter later tonight after our visit.

Later same night

I had a long talk with Ezri, whose name must never be used over the phone, and will try to call you to give you the essence. It boils down to this:

1. Iran does object in principle to selling oil to Americans.
2. But all principles have exceptions. He is willing to try to get the exception.
3. Not so much a matter of principle, as a matter of fact, is the imminent conclusion within a few weeks, of three deals which Iran is making: with the Germans for 30 million tons, Japanese for 15 million, and the Belgians for 7. If all these deals are consummated, Iran will simply have nothing left over to sell to anyone. There is a slight possibility that the Japanese deal will fall through. In that case the queue is very long, and unless you are there at the right moment, with the right man pushing your case, you lose the only possible opportunity.
4. If Iran does have something left to sell, an exploratory trip there requires your emissary to spend one or two weeks (\$2500-\$3500) - and requires him to be armed with specific information from you. (See below #10, for information required).
5. He may draw a complete blank, in which case then you have wasted the expense money. He won't put the chances better than 40-60 i.e. less than 50-50.
6. Or he may develop some shred of interest in your proposition on the part of the Iranians. In this case he will set up appointments for a second trip, for you and Paul. On the second trip, of actual conversations, he doesn't want to be present. But again, expenses will result from the second trip, which cannot be shorter than a week or ten days. That's the way they do business in the Middle East.
7. The fee to your company remains the same as we discussed earlier - 2¢ per barrel (to be divided between Ezri, Paul and me.)
8. The price for the oil will be an "added value" above the market price, to be negotiated - in return for which you would have assurance of a long term supply.
9. The Iranians can be approached to participate in the purchase of additional stations, to enlarge the network, or purchase of refineries or purchase of tankers. In other words, it is not impossible to talk to them about actual financial participation in the purchase of the basic assets.

...../

10. Information required:

A. Number of Stations [give 3 possibilities)

1. What is today under your actual ownership or control, with locations and quantity of oil consumed.
2. What you can positively buy, as part of your expansion, with locations and quantity consumed.
3. What you estimate you could assemble, as part of the largest possible scheme, with quantity and location.

B. Refinery = location and capacity.

What you could acquire by yourself or with partners (including possibly the Iranians themselves); a three way deal with the present owners of the refinery.

C. Storage

Specifics on what you actually have, or could get.

D. Type of crude required = light or heavy

E. Quantities required - under possibilities # 1, 2, or 3 above

F. Transport facilities

1. Do you have ships of your own
2. Do you require charters
3. Where can you get charters

My own estimation of the situation is quite clear:

There is an oil panic in the world today.

Everyone is trying to buy crude.

A year from now conditions might be better, or could be even worse.

If you want to try now and not wait, you couldn't get a better agent than Ezri.

In spite of the Iranian anti-American principle, he is willing to try. I got the feeling from him that he thought he had a chance to get an exception.

Yet they may have nothing left to sell by next month.

His exploratory trip may draw a negative result, - and that's that.

If he gets any positive reaction he will be able to set appointments for you in February.

Your gamble is the expense money of at least one trip for him, and possibly

(if you are lucky) a second trip, for yourself and Paul, with or without me.

He will not be able to go, even for exploration, without the information from you.

That is required immediately because the time is already so short.

When you send the answers to #10 to me, and authorize his trip, he would be able to go rather quickly. He knows your availability lies between Feb. 15-24

or after March 1. Therefore if you made up your mind whether to use him and got the information to me within ten days, (i.e. Jan. 25), he might be able to make his trip immediately, to report to you by approximately Feb. 10, so you would know how to proceed.

We'll keep in touch, meanwhile keep in good health.

As ever,

file

CITY WIDE PETROLEUM CO., INC.
220 EAST 42ND STREET • NEW YORK, N. Y. 10017
TELEPHONE: 212-490-1270

CHARLES J. BENSLEY, PRESIDENT

HAROLD W. TAYLOR, VICE PRESIDENT

December 17, 1973

Rabbi Herbert Friedman
15 IBN Gabriol
Jerusalem, Israel

Dear Herb:

I was very interested in your entire conversation Sunday, your business day, December 16th.

I talked with Barney Barnett this morning and he agrees that Ezri is a good fellow. However, as I explained to you on the telephone, it would be premature now for anyone to rush into Iran or any other place without all our basic facts put together in a businesslike presentation.

For example, tomorrow, Harold Taylor and I will be with one of the top executives in the oil business and will tender an offer for 1150 gas stations in the middle west of the United states. After that I am meeting with other people to talk about a refinery. The people that I began with originally who have 300 gas stations in and around New York, including my stations, are standing by. They are, of course, a small part of what we are trying to do.

I appreciate your hard work and your efforts and you will continue to represent me and my company in your area as my representative for the purpose of making appropriate contacts for the purchase of oil and other energy imports. I have not as yet received your letter accepting my offer as consultant. I am sure that is only due to slow mail. To bind our agreement however, I am enclosing a check in the sum of \$500.00 to cover some of the expenses you are incurring.

Just received it this mornig

You understand, of course, that what I am trying to put together is large and very expensive and beyond any means of mine or even my immediate associates. Therefore, it means reaching out as I am doing now in several directions for participation of financiers, refineries and owners of stations of considerable capital.

December 17, 1973

Rabbi Herbert Friedman

It was good to talk with you on the telephone and my very best for a happy Chanukah to you, Francine and the children.

AMERICAN JEWISH
ARCHIVES



CHARLES J. BENSLEY
220 EAST 42ND STREET
NEW YORK, N.Y. 10017

November 28, 1973

Dear Herb:

Thanks for your several letters and particularly the one that I now have before me dated Friday, November 23, 1973.

The tenor of your letters is just about the same as we feel in the United States. There is great uncertainty and everyone is deeply concerned. People, of course, are giving and the fundraising is comparatively easy but that, as we know, is not the problem, but how much pressure will the oil situation put on the United States for Israel to pull back unilaterally. I feel that the American people and the Jewish people who live here are not just going to tumble easily into the Arab position.

There is another factor which is beginning to bubble up. You remember my crazy deal to get Iran to do business with me and my associates. Well, of course, at the moment that is out but interestingly enough today in the Wall Street Journal there is a long article which indicates that the Arab nations are not only interested in selling their oil but apparently take a strong ownership position in the United States of gas stations and refining, to put their own brand name on it. This means to me that someone has more sanity and sense than appears on the surface. Of all the crazy things it seems to me, in the best of all possible worlds, it would be a happy day if Iran, Saudi Arabia and some of the other Arab oil producing nations owned billions of dollars of refineries and gas stations here. Then who would nationalize what?

Another idea that people are talking about here is who ever owned the Sinai? In my own limited way I am putting together a team of lawyers to study and publicize this angle. In any event this letter gives you an idea of how we Americans all think about Israel.

It was good to talk with you and Francine and the boys on Sunday morning, which is our Saturday midnight. Everyone sounded alert and fairly happy. Of course, our thoughts are with you all the time. I look forward to our meeting somewhere, perhaps in Europe or New York later

CHARLES J. BENSLEY

on. I have just been advised that the Ort World Conference has been moved from London to Jerusalem in the latter part of February so all being well, I shall definitely be in Jerusalem then.

Culture Last night I had dinner with the Meyerhoffs and the Bernsteins Hilda and I were guests of Meyerhoff at the American Israel *Committee Council* Committee Council. He speaks about you in glowing terms. Perhaps he should be one of the first to make a 25% down payment after January 1st.

It is my understanding that the U.J.A. 1973 campaign ends officially the night of December 8th so perhaps soon you will be able to "nudge" some of your friends.

"NUDGE" I enjoy hearing from you and deeply appreciate your various letters. Please keep it up and I will try to write to you more often.

With all my love to you, Francine, David and Charles.

P.S. I thought you would enjoy the enclosure.

Charles



December 18, 1973

Mr. Charles Bensley, President
City Wide Petroleum Co., Inc.
220 East 42nd Street
New York, N.Y. 10017

Dear Charlie:

Pursuant to our several telephone conversations, I wanted you to know some things which I felt it wouldn't be discreet to say on the open transatlantic line.

Ezri has been the Israeli resident in Iran for more than a decade. It is quite an interesting situation that Israel is not recognised by Iran, but that Iran encourages the residence in Teheran of an Israeli representative, with whom the Iranian government does business quite openly on a multitude of matters.

Ezri, personally, is very highly regarded by Iranian officials and has access to absolutely everyone in Teheran, including the closest advisors to the Shah. He also has been personally involved in any number of transactions involving oil to Israel itself. But in addition he has negotiated projects on behalf of other European governments, whom Israel wished to befriend, and whom he was able to help because of his personal connections.

He either has already left Israel government service, or is about to leave it very shortly. I simply think he is too good a contact not to utilise, when you are ready. Barney has known him for years and so you can feel perfectly free to talk about Ezri to him, but he would really prefer to remain as anonymous as possible. Therefore, I have marked this letter confidential to you.

Regarding your enquiry about Ramadan - my memory did serve me correctly - it is in the Fall, very near our own holidays. The only Moslem holidays I can discover are as follows: Hady, January 3; Id al-Adha, January 4 for four days; New Year, January 25; Ashura Day, February 3; Mohammed's birthday, April 5. It would appear, therefore, that there would be nothing to interfere with any trip that you propose in February.

I have just completed arrangements to be in London from January 28 to February 8. If there is anything you wish me to do for you at that time, I shall be happy to do so. If you want me to explore any contacts, I shall have the time to do so.

Looking forward to hearing from you,

As ever,

Questions of Ezry to Charley

from Herbert A. Friedman

Ezry
just by

2¢
per barrel

conversations with
Paul on 11-12-11

1. Is C. for real in saying 50% participation in the stations' profits
2. Is C. ready to pay syndicate price (3-4) plus an amount to be negotiated.
3. List of stations
4. Number of employees per station
5. Type of product sold at each station
6. Source of ~~oil~~ crude to supply stations now.
7. Cost of refining the crude.



1123 - ~~midwest sources~~



who just returned.

Paul - long talk with Ezri

- 1) describe him - not by name.
- 2) long serious conversation



A major oil company.

~~directly~~
~~through the~~

1. Can he ~~negotiate~~ get 160,000 barrels per day
2. As of what date
3. For what period
4. At what price above the ^{consolidation} (syndicate) price
5. At what ~~but~~ ^{but} cost

Expense money

$$200 \times 2 = 400 \times 14 = 5600$$

$$\begin{array}{r} 5600 \\ 1000 \\ \hline 6600 - 7000 \end{array}$$



Ramadan - ?
from Herbert A. Friedman

~~the~~ conversation
with Charlie
16.12.73

1. ^{Charlie} You are not ready yet for anyone to go to T.
2. ^{Charlie} You are assembling a package - picking and choosing. Many companies are divesting. He has an offer to buy 1173 stations in mid-west for \$23 m. He has offer to buy old refinery at 45 - medium good one at 100 - excellent one at 320. He has offers to buy, with guaranteed supply for next 30 months.
3. When he has decided on the package - sees what is feasible and financially - he will want to get back to Ezry, not now.

~~Dan Dagan~~

~~Herbert A. Friedman~~

December 12, 1973

Mr. Charles Bensley, President
City Wide Petroleum Co., Inc.
220 East 42nd Street
New York, N.Y. 10017

Dear Charlie:

I have your letter of 4 December, 1973, inviting me to serve as consultant to your company, or any other company affiliates with whom you may be working, regarding oil problems in the Middle East, particularly the matter of obtaining crude oil.

I will be pleased to undertake this service on your behalf, and shall await further conversations regarding expense accounts and compensation, which I understand you intend to commence after 1 January, 1974.

Even before that date, however, I have already started some exploratory work, based on our several telephone conversations. I have made some contacts here in Jerusalem, as well as in London, and have put out several feelers. There are also people based in Teheran with whom I wish to speak in the near future, when a favorable and secure opportunity presents itself.

I think your idea of an integrated company is bold and imaginative. It will require hard work, especially under today's conditions, but I have confidence in your determination, and therefore am happy to be associated with you.

Sincerely yours,

Herbert A. Friedman

December 12, 1973

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Sincerely yours,

Herbert A. Friedman

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TELEPHONE: 212-490-1270

CHARLES J. BENSLEY, PRESIDENT

HAROLD W. TAYLOR, VICE PRESIDENT

December 4, 1973

Rabbi Herbert Friedman
15 IBN Gabriol
Jerusalem, Israel

Dear Herb:

This is to continue my thought relative to the telephone call that I placed to you Sunday morning and to continue our discussion relative to procuring crude oil from Iran, particularly the National Iranian Oil Company. As I previously have explained to you, the Iranian Oil Company has entered into an agreement with Ashland Oil here in the United States in which they are 50% partners in 118 gas stations in New York State and a refinery.

I notice in todays Wall Street Journal on Page 16 that at the moment the Iranian Oil Company is auctioning petroleum directly rather than negotiating with individual companies.

As I have previously stated to you over the telephone, my plan is to put together an integrated American company here in the United States which would refine crude at its own refinery, have their own distribution company, appropriate storage tank facilities and supply about 2000 gas stations, mostly operating on the East Coast from Maine to Florida but also going westerly into Pennsylvania and Ohio. I would propose that in consideration of sufficient crude oil for this kind of operation that we, the integrated company here in the U.S. enter into an agreement with International Iran Oil in which we hold the ownership equally, 50% for them and 50% for us. We are, of course talking of very large figures.

I have already done extensive work with fellow distributors and owners of gas station chains and they are ready to enter into such an agreement or to sell their holdings directly to a company or my company, City Wide Petroleum Co. Inc.

Your role in this would be as my consultant in the Middle East, particularly at present looking forward to opening negotiations with representatives of the Iranian Oil Company. You probably have mutual friends through your years of acquaintance in Israel who at present are working with Iranian Oil.

CITY WIDE PETROLEUM CO., INC.

220 EAST 42ND STREET • NEW YORK, N. Y. 10017

TELEPHONE: 212-490-1270

CHARLES J. BENSLEY, PRESIDENT

HAROLD W. TAYLOR, VICE PRESIDENT

December 4, 1973

Rabbi Herbert Friedman:

I expect to be in Jerusalem February 24 to March 1 and, if necessary we could then travel to Iran together. I propose to compensate you for these activities by giving you an expense account which we could commence during the month of January. I will then forward you your first check in an amount after we have discussed it on the telephone. While your first conversations may not seem to be definitive, the fact remains that the entire oil situation is the same everywhere in the world. It is my firm belief that there cannot and will not be another war in the Middle East or anywhere else in the world. Under these circumstances I believe that peace will come and that ultimately there will be integrated companies in oil that will draw supplies from areas everywhere.

You mention Bernie Barnett's situation in this. It is not my intention to cut Bernie off. We can all be in it together. There is enough for everyone.

Please write to me and advise me if you can spare the time and effort to begin with the consultant work on my behalf and on behalf of any company affiliates that I may work with. If this is possible I would say that your efforts should really begin probably immediately after the first of January, 1974.

With all my love to you, Francine, Charles and David.

Sincerely, Charlie

P.S. You will of course note, from the article enclosed that the Iranian Oil Company is auctioning oil and can get a high price. Why bother with us? Answer - they can get a good price from us for the product and still have a permanent equity position in refining, gas stations and storage and still market under their own brand and own 50% of the holdings.