

FT. 15

TELEPHONE [REDACTED]

WRITER'S DIRECT NUMBER [REDACTED]

February 8, 2000

Michael Verne, Esq.
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Rm. H-314, Drop H-316
Washington, D.C. 20580

2000 FEB -9 A 11:39
FEDERAL TRADE COMMISSION
PREMERGER NOTIFICATION
OFFICE

Re: Reportability of an Acquisition of Intellectual Property in which a State retains the right to the License of Intellectual Property

Dear Mike:

This letter is to confirm our telephone discussion of February 2, 2000. If any of the information set out below is not correct please let me know as soon as possible.

Company X is the exclusive licensee of intellectual property developed by Y state university. Y state retains the right to use the intellectual property for its own purposes. However, in the past it has generally failed to exercise such rights. Company X intends to contribute the license in connection with the formation of an L.L.C. It is my understanding that because of the retention by Y state of the right to use the intellectual property, the Premerger Notification Office ("PNO") views such a license to be HSR exempt and it should not be valued in determining whether the L.L.C. formation is reportable.

A NON-EXCLUSIVE LICENSE IS NOT EXEMPT. IT IS NOT AN ASSET.

Again, if I have misstated the facts or the views of the PNO, please contact me as soon as possible.

Very truly yours,

[REDACTED SIGNATURE]

THE LL NO NEED FOR Y TO EXERCISE THE RIGHTS IT HAS RETAINED OR EVEN TO HAVE THE INTENTION TO EXERCISE THE RIGHTS. THE FACT THAT IT HAS RETAINED THE RIGHTS, MAKES THIS A NON-EXCLUSIVE LICENSE.

Michael Verne
2/10/00

N. SVVINA ASACCI.

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