7A(c)(10)

From: [redacted]
To: [redacted]
Date: 3/21/02 4:27PM
Subject: [redacted]HSR summary of transaction.DOC

<<HSR summary of transaction.DOC>>
Mr. Verne: I thank you for your assistance of yesterday concerning a reincorporation and the exemption provided in 15 USC 18a (c)(10) and Interpretation 236 of the Premerger Notification Practice Manual, 1991 Edition. As always, attorneys cannot leave well enough alone. There is now a modification of the straight forward reincorporation. Because the merger will be taxable to the shareholders, it has been decided that up to 20% of the shares of Corporation X can elect to defer taxes by not initially receiving shares in the [redacted]on, but rather can receive exchangeable shares in Corporation X. The exchangeable shares in Corporation X are, at the election of the shareholder for the first 5 years, exchangeable at any time into a like number of shares of the [redacted] and are automatically exchanged for a like number of shares of the [redacted] at the expiration of 5 years following the merger. The attached document describes the precise nature of the merger and the exchangeable shares. Please review the document and let me know if the merger would still be an exempt transaction with the modification of exchangeable shares. Thank you.

[redacted]

ADVISED THAT IF ANY OF THE SHAREHOLDERS OF X CHOSE THE EXCHANGEABLE SHARES OPTION, THEN ALL REMAINING SHAREHOLDERS WOULD INCREASE THEIR PERCENTAGE HELD IN [redacted] OVER WHAT THEY HELD IN X, AND THE 7A(c)(10) EXEMPTION WOULD NOT BE AVAILABLE. N. OVUKA CONCURS

B. Michael Verne 3/21/02

Company X is a publicly traded Delaware corporation whose common stock is listed on the New York Stock Exchange. Company X proposes to effect a corporate reorganization that will effectively change Company X's place of incorporation from Delaware to [redacted]

Prior to the reorganization, Company X will form three new subsidiaries. The first subsidiary, a [redacted] company [redacted] Co."), will initially be 100% owned by Company X, but as a result of the reorganization will become the publicly traded holding company of the current Company X group of companies. The next subsidiary, a Delaware corporation ("U.S. Holdco"), will be a wholly owned subsidiary of [redacted] Co. The third subsidiary, also a Delaware corporation ("Merger Sub"), will be a wholly owned subsidiary of U.S. Holdco.

The reorganization will be accomplished through the merger of Merger Sub into Company X. Company X will be the surviving company in the merger and will become an indirect subsidiary of [redacted] Co. As a result of the merger, unless a stockholder elects to receive exchangeable shares of Company X as described below, the shares of Company X common stock will automatically convert into the right to receive [redacted]. common shares so that a stockholder will own shares in a [redacted]ompany rather than a Delaware corporation. The common shares of [redacted], will be listed on the New York Stock Exchange. After completion of the reorganization, [redacted] and its subsidiaries will continue to conduct the business that Company X and its subsidiaries now conduct.

The receipt o[redacted] shares by a holder of Company X common stock in the reorganization will generally be taxable to the stockholder, who will realize gain (but not losses, if any) equal to the difference between his or her basis in the stock of Company X and the market value of the [redacted] shares received in the merger. The Company will offer the opportunity for stockholders to elect to receive exchangeable shares of Company X in the merger because receipt of exchangeable shares will generally not be taxable to the stockholder. However, the exchange of exchangeable shares for shares of [redacted] generally will be taxable, so this mechanism merely provides a deferral for the ultimate recognition of gain. In order that Company will be a consolidated subsidiary of U.S. Holdco after the merger, the number of exchangeable shares will be limited to less than 20% of the total number of outstanding shares of Company X after the merger.

Subject to the proration described below, each stockholder will be entitled to make an election to receive one exchangeable share of Company X in exchange for each share of common stock of Company X currently held by such stockholder in lieu of such shares being automatically converted into a right to receive shares of [redacted] on consummation of the merger. If the number of electing shares exceeds 20% of the currently outstanding shares of common stock of Company X, then the aggregate number of electing shares to be exchanged for exchangeable shares in the merger will be reduced by multiplying the number of electing shares covered by each election by a proration factor. The proration factor will be determined by dividing 20% of the total outstanding shares of common stock of Company X by the total number of electing shares. The number of exchangeable shares a stockholder will receive if there is a proration will be the number of shares for which he or she has made an election multiplied by

[redacted]

the proration factor, and rounded down to the next whole number of shares. If there is a proration, any shares of existing Company X common stock for which an election is made but which are not converted into exchangeable shares because of the proration (including any shares not converted into exchangeable shares because of rounding) will instead be automatically converted into the right to receive shares of Bermuda Co. on the basis described above. As a result of this proration, U.S. Holdco will own at least 80% of the common stock of Company X after the merger.

An exchangeable share of Company X will be a new class of common stock of Company X. The exchangeable shares will also be listed on the New York Stock Exchange. An exchangeable share of Company X may be exchanged by the holder at any time after the merger for one common share o[redacted] Any exchangeable shares not exchanged within five years after the merger will [redacted] be cancelled and will automatically convert upon such cancellation into a right to receive one common share o[redacted]. (effectively forcing exchange of all exchangeable shares for shares of [redacted] within five years of the merger). Prior to exchange of an exchangeable share, a holder of an exchangeable share will be a common stockholder of Company X, with voting rights in that entity, and will have no voting rights with respect to [redacted] until exchange of his or her exchangeable shares for [redacted] shares. The dividend and other rights of the exchangeable shares will be different from the rights of U.S. Holdco as the holder of all of the remaining common stock of Company X outstanding after the merger.

Specifically, the reorganization will involve the following steps:

1. Merger Sub will merge into Company X. Company X will be the surviving entity and become an indirect subsidiary of Bermuda Co.

2. In the merger, each outstanding share of common stock of Company X for which no election has been made to convert into a right to receive an exchangeable share of Company X will automatically convert by operation of law into the right to receive one common share of [redacted] Current stockholders of Company X who do not elect to receive exchangeable shares will own exactly the same number o[redacted] common shares as they currently own in Company X. Each outstanding share of common stock of Company X for which an election has properly been made to convert into a right to receive an exchangeable share will, subject to proration, automatically convert by operation of law into the right to receive one exchangeable share of Company X. Current stockholders of Company X who elect to receive exchangeable shares will own exactly the same number of [redacted] common shares as they currently own in Company X when they exchange their exchangeable shares in the future fo[redacted] shares.

After the merger, Company X will still be effectively owned in the same percentages by its stockholders as before the merger. However, some of this ownership will be direct, in the form of exchangeable shares, and some will be indirect, in the form of ownership of shares o[redacted]

[redacted]