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May 9, 2002

Michael Verne
Premerger Notification Office
Federal Trade Commission
6th Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20850

FEDERAL TRADE
COMMISSION
PREMERGER NOTIFICATION
OFFICE
2002 MAY - 9 P 1:01

Re: Confirmation of Informal Advice

Dear Mr. Verne:

I am writing to confirm our telephone conversation yesterday in which you advised [redacted] and myself that the following transaction will not require premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), 15 U.S.C. § 18a, and the rules promulgated thereunder, 16 C.F.R. § 801.1 *et seq.* (the "Rules").

X, a professional services company, is engaging in a number of transactions with Y, a competing professional services company, as a result of which Y will hire a number of X partners. In order to hire these partners, Y is paying X to waive non-competition agreements that X has with each of these partners. Total payments for these waivers as a result of all of these transactions may exceed \$50 million. In addition to hiring these partners, Y also is receiving from X non-exclusive software licenses and may assume existing leases (but will not pay any premium to do so). Given these facts, the transactions only will be reportable if the payments for the waivers are counted towards the \$50 million threshold.

We explained that these payments should not count towards the threshold because paying an existing employer to waive a non-competition agreement is not an acquisition of an asset. You stated that you agreed that no asset was being acquired as a result of such payments. Based on this advice, no HSR filings are required in connection with the transactions described above.

Please review this letter and call me as soon as convenient to let me know whether you agree with my description of your advice. Thanks.

AGREE - N. OVUKA

CONCURS.

[Handwritten signature]

5/9/02

Sincerely,

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