

Verne, Michael

From: [REDACTED]
Sent: Thursday, October 02, 2003 1:57 PM
To: Verne, Michael
Cc: [REDACTED]
Subject: FW: Ultimate Parent Entity -

Hi Mike - A quick question -

Mr. X is the Trustee of Trust Y. Trust Y is an irrevocable trust in which the settlor does not retain a reversionary interest. Pursuant to 16 CFR Section 801.1 (c) (3), the corpus of the trust should be held by the trust and need not aggregated with the assets of any other person. Trust Y holds 49.5% of the voting securities of Corporation A. Mr. X also holds 10% of the voting securities of Corporation A in his own right.

Pursuant to the terms of the Trust, Mr. X has the power to vote the 49.5% shares of Company A, plus he has the right to vote his other 10%. Consequently he has the ability to control the Board, despite the language of 16 CFR section 801.1 (c)(3).

Am I correct in assuming that Mr X is the ultimate parent entity of Company A?

Thanks.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

IF X IS VOTING THE SHARES HELD BY THE TRUST IN HIS CAPACITY AS TRUSTEE, THOSE SHARES WOULD NOT BE AGGREGATED WITH HIS PERSONAL HOLDING. IF HE IS VOTING THEM OUTSIDE OF HIS CAPACITY AS TRUSTEE, PURSUANT TO A SHAREHOLDERS AGREEMENT, HE WOULD AGGREGATE THE TRUST HOLDING WITH HIS OWN & WOULD CONTROL COMP. A.

B. Michael
10/2/03

"MMS [REDACTED]" made the following annotations.

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