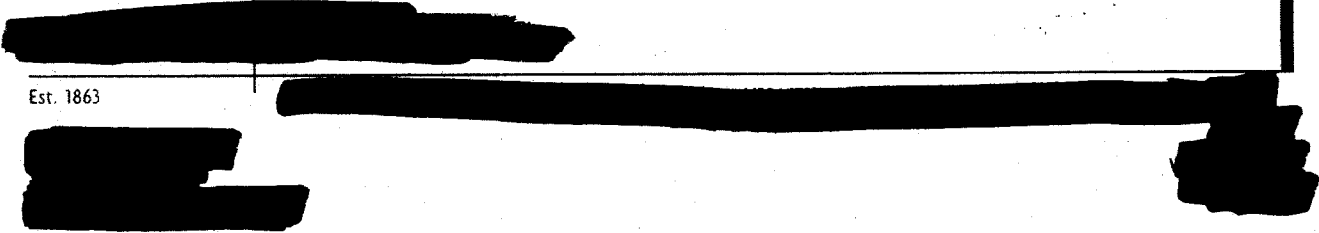


801-1(b)
801-1(c)



Est. 1863

November 21, 2003

VIA EMAIL: mverne@ftc.gov

Mike Verne
Federal Trade Commission
Washington, D.C.

Re: Hart-Scott-Rodino Filing

Dear Mr. Verne:

Pursuant to our telephone conversation yesterday, please let me know whether the transaction described below would require the filing of a Premerger Notification and Report Form ("HSR Filing") pursuant to Section 7A of the Clayton Act.

FACTS

Pursuant to an agreement between the parties (the "Agreement"), X (a non-profit health system) and Y (a non-profit health system) became the sole corporate members of A (a non-profit hospital system). No HSR Filing was required at that time.

Pursuant to the Agreement and the Bylaws of A, the initial Board of Directors of A consisted of four members appointed by X, four members appointed by Y, and two members appointed jointly by X and Y (the "Initial Board").

With respect to appointments after the expiration of the terms of the Initial Board members, A's Bylaws provide as follows:

1. X shall appoint four members;
2. Y shall appoint four members; and
3. beginning in 2004, X shall appoint all remaining members of the 18 member Board.

The Bylaws further provide that X has the exclusive authority with respect to the following:

1. Dissolution of A, the winding up or abandonment of its business enterprises or liquidation of its assets or the filing of any action in bankruptcy, receivership or similar action.



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2. The power to transfer assets of A, or require A to transfer assets, to X or any entity controlled by X.

Finally, under the Agreement, Y may terminate its membership at any time upon written notice to X.



CURRENT TRANSACTION

Pursuant to the Bylaws of A, Y's board representation will automatically decline, and X will be entitled to appoint up to 14 members of the 18 member Board of Directors. At or about the same time, Y proposes to transfer its remaining membership interest in A to X.

Please provide us with your conclusions regarding any HSR Filing obligations upon the reduction of Y's representation on A's Board of Directors pursuant to the Bylaws and/or the transfer of Y's remaining minority membership interest to X.

Please call me at your earliest convenience. If you need any additional information, please do not hesitate to call or contact the undersigned.

Yours very truly,



UNDER THE CURRENT CONTROL RULE,
X HAS THE RIGHT TO ALL OF A'S
ASSETS UPON DISSOLUTION AND THIS
CONTROLS. SINCE 801.1(C)(8) IS
APPLIED LITERALLY TO NOT-FOR-PROFIT
CORPORATIONS, X ALREADY HOLDS
THE ASSETS OF A AND IS NOT
MAKING AN ACQUISITION IN THE
CURRENT TRANSACTION.



11/24/03

