

Verne, B. Michael

From: [REDACTED]
Sent: Monday, October 18, 2004 4:10 PM
To: Verne, B. Michael
Subject: Effect of Cash Distribution Value of Voting Securities

Dear Mike,

Thank you for your time. This email confirms our telephone conversations of this morning and several weeks ago, where we discussed the effect of a cash distribution by the Acquired Entity to its shareholders at or immediately preceding closing of a merger.

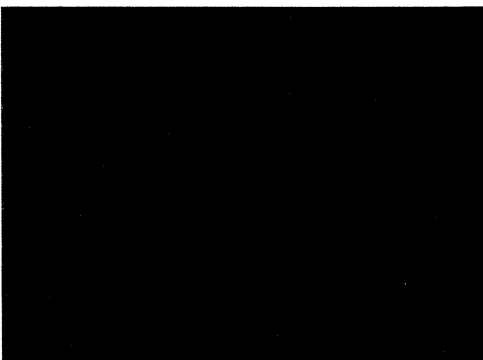
Specifically, I explained that my client had executed a merger agreement, as a result of which it would acquire control of the Acquired Entity. Further, the Acquired Entity is not a public company. The merger agreement expressly provides for a cash payment from the Acquired Entity to its shareholders and states that the cash payment is part of the "Merger Consideration."

You agreed that, despite the fact that the cash payment by the Acquired Entity was not a dividend distribution and was denoted as part of the "Merger Consideration," that payment would not be included in the calculation of the purchase price for or value of the voting securities being acquired as a result of the merger.

If for any reason, this email does not correctly reflect our discussions, please let me know as soon as possible.

As always, your assistance is very much appreciated.

Regards,



AGREE -
B. Michael
10/19/04