

Verne, B. Michael

7A(c)(10)

From: [REDACTED]
Sent: Wednesday, July 12, 2006 12:01 PM
To: Verne, B. Michael
Subject: Confirmation of Telephonic Discussion

Mike:

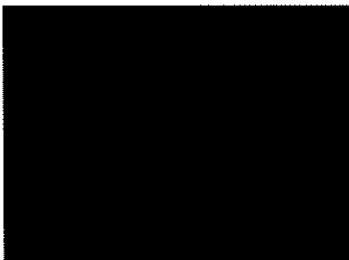
Thank you for taking time to speak with me earlier this morning. I wanted to confirm our discussion about a transaction whereby a husband and wife shareholder who control TargetCo are involved in a transaction whereby TargetCo will be merged with and into NewCo, with Target surviving.

In connection with the transaction, the husband and wife shareholder will exchange their shares in TargetCo for cash and stock in NewCo. Their holdings of NewCo stock will on a percentage basis, be less than their percentage holdings of stock in TargetCo.

Even though in this case the size of person and size of transaction tests will be satisfied, we discussed that the husband and wife shareholder could avail themselves of the exemption set forth in 7a(c)(10) so long as (i) at the time of the merger, their holdings of NewCo stock will be less than or equal to the percentage of stock they currently hold in TargetCo; (ii) NewCo did not have any other operations prior to the merger other than to be formed to facilitate the acquisition of Target; and (iii) in essence, NewCo is the successor to TargetCo.

As always, we thank you for your assistance. Please let us know if this letter accurately reflects your understanding of our conversation.

Best regards,



AGREE -
B Michael
7/12/06

[REDACTED] mail server made the following annotations on 07/12/06, 11:00:56:

IRS Circular 230 Disclosure: To comply with certain U.S. Treasury regulations, we inform you that, unless expressly stated otherwise, any U.S. federal tax advice contained in this communication, including attachments, was not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding any penalties that may be imposed on such taxpayer by the Internal Revenue Service. In addition, if any such tax advice is used or referred to by other parties in promoting, marketing or recommending any partnership or other entity, investment plan or arrangement, then (i) the advice should be construed as written in connection with the promotion or marketing by others of the transaction(s) or matter(s) addressed in this communication and (ii) the taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.