

Verne, B. Michael

From: [REDACTED]
Sent: Thursday, August 24, 2006 11:05 AM
To: Verne, B. Michael
Subject: question

Hi, Mike -

We having a debate here. If the total enterprise value of a transaction (which is an acquisition of voting securities) is \$X and part of the proceeds will be used to retire \$Y debt of the company so that the company is debt-free at the time of closing, am I correct that $x - y =$ transaction value, assuming that payment of debt is not a device for avoidance?

Thanks,
[REDACTED]

*Correct -
B Michael
8/28/06*

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