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NO



August 30, 2006



**VIA FEDERAL EXPRESS**

Premerger Notification Office  
Bureau of Competition  
Federal Trade Commission  
600 Pennsylvania Avenue  
Washington, DC 20580

REC AUG 31 AM 11:21

Attn: Nancy M. Ovuka

Dear Ms. Ovuka:

I write to confirm our telephone conversation today regarding the valuation of assets under the premerger notification requirements imposed by the Hart-Scott-Rodino Act, 15 U.S.C. § 18a, and related federal regulations.

As we discussed, this firm represents the Buyer in a sale of assets. Seller and Buyer have agreed to an acquisition price of \$59,500,000, subject to pre- and post-closing downward adjustments equal to any advance billings and contract loss reserves retained by Seller. Buyer anticipates that those adjustments will reduce the purchase price by \$5,000,000 - \$6,000,000, putting the acquisition price as defined in 16 C.F.R. 801.10(c)(2) between \$53,500,000 and \$54,500,000. Based on our conversation and assuming the accuracy of the anticipated adjustments, I understood you to agree with this analysis.

You pointed out that Buyer would need to determine the transaction's fair market value pursuant to 16 C.F.R. 801.10(c)(3). Should that determination yield a fair market value of less than \$56,700,000, this transaction would not be reportable under §18a.

If my understanding of our conversation is incorrect in any way, or if you desire any additional information, please let me know. I appreciate the opportunity to have discussed this transaction with you.

Sincerely,



Agree  
N. Ovuka

