[redacted] Agree 801.10 [redacted]

July 24, 2007

VIA EMAIL & REGULAR MAIL

Kathryn E. Walsh, Esq.
Premerger Office
Federal Trade Commission
6th St. & Pennsylvania Ave., N.W.
Washington, DC 20580

Dear Kate:

I am writing to confirm the analysis we set out in our conversation of Monday noon (in which [redacted] also participated). I had forwarded to you the following description of a series of steps in an integrated transaction, and I understand that you forwarded the description to Mike Verne and consulted with him in confirming your analysis and conclusions.

1. S is the owner of all of the issued and outstanding stock of C, a privately held company (100,000 shares).

2. C will issue and sell to B, 65,000 validly issued, fully paid and nonassessable new shares (the "Investment Shares") of C which (after giving effect to the repurchase set forth in 5, below) constitute 65% of the shares of C, for $32.5 million.

3. C., S and B will enter into a stockholders' agreement pursuant to which B will have the power to name a majority of the Board of Directors of C and will provide certain protections for S as minority holder (S will be a minority holder after the repurchase set forth in 5, below).

4. C will enter into a credit agreement with a syndicate of lenders providing for a $[57] million senior credit facility, including a revolving credit facility, and will use the proceeds of this financing to repay all of C's then-outstanding indebtedness and to consummate the repurchase described in the next paragraph.

5. C will repurchase from S 65,000 shares of C stock, such that S will own 35,000 shares of C stock (35% of the shares of C stock then outstanding, after giving effect to the sale of the Investment Shares identified in 2, above), in exchange for the sum of $82,850,000, subject to reduction for C's existing debt and adjustment for cash and tax benefits in C and payment of certain expenses of the transaction (adjusted amount expected to be, for talking purposes, around $60 million).

6. The transaction documents recite that all of the steps outlined above happen simultaneously.

[redacted]

We all agreed that the transaction set forth in step 2, above, is not reportable because it fails the "size of transaction" jurisdictional test (as a private company and with the purchase price already determined, the "size of transaction" is $32.5 million, per rule 801.10(a)(2)(i)). We also agreed that this conclusion was not altered or affected by the repurchase set forth in step 5, even though the 65,000 shares to be repurchased will have an adjusted purchase price of approximately $60 million.

We did not discuss step 3 in any detail, but I think that step 3 does not grant any rights to B that are any different from the rights of ownership resulting from the transaction in step 2. Step 4 is a financing transaction and not an acquisition of voting securities or assets, and so does not implicate the HSR notification rules. The issuer's repurchase of its own shares in step 5 is an intra-person transaction exempted from HSR notification by rule 802.30. While we did not dwell on the statement set forth in 6, I believe that there is not any conceivable sequence of these steps that would change the conclusion that the series of steps, taken as a whole, are not reportable.

Best regards,

[redacted]

cc: [redacted]

[redacted]

[redacted]