

801.11(b)(1); 801.11(e)

[REDACTED]

March 29, 1996

BY TELECOPY

Richard Smith, Esq.
Senior Attorney
Premerger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
6th Street and Pennsylvania Avenue N.W.
Washington, D.C. 20580

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FEDERAL TRADE COMMISSION
MARCH 29 1996

Re: Joint request to FTC for Informal HSR Interpretation

Dear Mr. Smith:

Thank you for your prompt telephone response to my fax of earlier today. My understanding of your advice is that our client, the LP, is required as of the date of closing to cause the two newly created corporations, the holding corporation and the acquisition corporation, to prepare pro forma balance sheets and to create a pro forma consolidated balance sheet reflecting the total assets of those two corporations and the LP. In doing so, however, the acquisition corporation may exclude cash to be used in purchasing the assets and in paying expenses incidental to that purchase. So long as this process does not result in the consolidated balance sheet's reflecting assets of \$10 million or more, no filing is required.

If I have misunderstood or misstated your advice, I would greatly appreciate your letting me know immediately. Thank you very much.

S:
[REDACTED]

RMB
CC [REDACTED]

4/11/96 - Called letter writer and advised that procedure set forth in this letter was correct under 801.11 to determine size of acquiring person. As set forth in ABA Letter # 169, acquiring person can exclude inquiries to be used for acquisition under 801.11(e) in the process of doing the consolidation required by 801.11(b)(1). (The preceding clause is the attached memo is not correct; however, the result may be same as if [REDACTED] Smith.)