P. 01/03

DATE:

May 19, 1998

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RE:

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3 (Including cover page)

TO BE DELIVERED TO THE FOLLOWING:

NAME;

Dick Smith, Esq.

FAX NO.: (202)326-2624

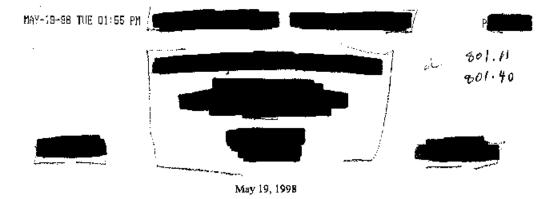
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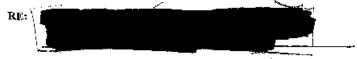
THE DITUINATION CONTAINED IN 1995 FACSIMILE TRANSMITTAL IS INTERED FOR THE PERSONAL AND CONPIDENTIAL USE OF THE DESIGNATED RECIPIENTIS! NAMED ABOVE.

THE TRANSMITTAL MAY DE CONFIDENTIAL ATTRIBUTE ALIGENT COMMUNICATION OR MAY OTHERWISE BURINILEDED AND CONFIDENTIAL. IF THE READES DETRIBUTED THAT IS AMBIETTAL AS NOT, THE MYPORID RECIPION OF AN ACTION SPACES PCR DELIVERING IT TO THE INTERMEDIATE, TO USE THE STANSMITTAL TO US CONTINUED THAT ANY REVIEW, DISSEMINATION, DISTRIBUTION OF CONTINUED THAT ANY REVIEW, DISSEMINATION, DISTRIBUTION OF CONTINUED THAT AS ARRESTED, STANSMITTAL IS STREETLY PROBRING IN FOUR MY DECEMBED AND ACCORDANCE OF THE PROBREMENT AS A PROBLEM OF THE PROBREMENT AS A PROBLEM OF THE PROBL



Via Facsimile Transmission and Ordinary Mail

Dick Smith, Esq.
Pre-Merger Notification Office
Bureau of Competition, Room 303
Federal Trade Commission
Sixth Street & Pennsylvania Avenue, NW
Washington, DC 20580



Dear Mr. Smith:

This will confirm our earlier telephone conversation in which I recited to you the following procedural steps which will be taken to accomplish the captioned transaction:

- inanagement and non-management stockholders. None of the shareholders of will own a controlling interest as defined in 16 CFR §801.1(b). Each of the shareholders of will own less than \$15 million in voting securities in
- 2. Will raise approximately \$27 million in cash through equity investments by its shareholders and borrowings. Virtually all of the cash raised will be utilized by to purchase approximately 75-80% of all outstanding stock currently held by and others. Sales and assets are both below \$100 million.
- Immediately subsequent to the transactions outlined in Item No. 2, will be merged into





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It is my understanding that the formation of will not be a reportable event because each shareholders will hold less that \$15 million in its stock. It is also my understanding that the purchase of stock by would not be reportable because neither sales or assets exceed \$100 million. The asset and volume levels of shareholders will not be considered because due to their ownership of less that 50% of stock, they will not be considered the "ultimate parents" of

It is my further understanding that the subsequent merger q also exempt from reporting because of the size of the parties.

At your earliest convenience, I would appreciate your calling mo confirm that, in fact, it will not be necessary to file a Pre-Merger Notification Form in connection with the transactions outlined above. Thank you very much for your assistance and for your attention to this matter.



talled 5/21/94
This transaction loes not meet
the size of gerson test.

(89) RS concurs