

[REDACTED]

DATE: May 19, 1998

SENT BY:

RE:

CLIENT NO:

NO. OF PAGES: 3 (Including cover page)

*TO BE DELIVERED TO THE FOLLOWING:*

NAME: Dick Smith, Esq.

FAX NO.: (202)326-2624

COMMENTS:

MAY 19 3 09 PM '88

FEDERAL BUREAU OF INVESTIGATION  
COMMUNICATIONS SECTION  
OFFICE

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[REDACTED]

P [REDACTED]

801.11  
801.40

May 19, 1998

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

RE: [REDACTED]

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:

1. [REDACTED] will be formed for the sole purpose of purchasing stock in [REDACTED] from certain management and non-management stockholders. None of the shareholders of [REDACTED] will own a controlling interest as defined in 16 CFR §801.1(b). Each of the shareholders of [REDACTED] will own less than \$15 million in voting securities in [REDACTED].
2. [REDACTED] 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 [REDACTED] to purchase approximately 75-80% of all outstanding [REDACTED] stock currently held by [REDACTED] and others. [REDACTED] sales and assets are both below \$100 million.
3. Immediately subsequent to the transactions outlined in Item No. 2, [REDACTED] will be merged into [REDACTED].

[REDACTED]

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

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

At your earliest convenience, I would appreciate your calling me [redacted] to 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.

[redacted]

cc:

[redacted]

called [redacted] 5/21/98  
This transaction does not meet  
the size-of-person test.

(BS) RS concurs

[redacted]