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[REDACTED]

WRITER'S DIRECT DIAL NUMBER

[REDACTED]

March 23, 1999

VIA FACSIMILE

Mr. Michael Verne
Premerger Notification Office
Bureau of Competition
6th & Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Discussion on March 17, 1999

Dear Michael:

I am writing to confirm the advice you provided to me on March 17, 1999. The facts that I presented to you are as follows. Persons One, Two and Three (each of which are their own respective ultimate parent entities) will form a holding company joint venture ("JV"). Each of the JV founders will contribute to the JV, as part of the formation transaction, their shares in a separate company, Company Z. Additionally, Person One will contribute certain other assets. Person One holds approximately 43% of Company Z; Person Two holds approximately 24% of Company Z and Person Three holds approximately 22% of Company Z. The value of the shares held by Person One in Company Z (which are not traded on a national exchange) are valued in excess of \$15 million. The value of the shares held by Person Two in Company Z are valued at approximately \$7.5 million and the value of the shares held by Person Three in Company Z are valued at approximately \$6.25 million. After Persons One, Two and Three contribute their respective shares in Company Z to JV, each will take back voting securities in JV. Person One will receive approximately 70% of the outstanding voting securities of JV, Person Two will receive approximately 16% of the outstanding voting securities of JV and Person Three will receive approximately 14% of the outstanding voting securities of JV. Finally, Person One has over \$100 million dollars in total assets or net sales, and both Persons Two and Three have over \$10 million dollars in total assets or net sales, but less than \$100 million dollars in total assets or net sales.

for [unclear]?

[REDACTED]

[REDACTED]

Mr. Michael Venti
March 23, 1999
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Handwritten notes:
John [unclear]
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From the above facts you advised me that only one filing would be required. The formation of JV meets the requirements of 16 C.F.R. §801.40, because Person One constitutes a "\$100 million dollar person," the joint venture constitutes a "10 million dollar person" and there is one other acquiring person that is a "10 million person" (in fact, both Persons Two and Three are). Because Person One is contributing more than \$15 million dollars worth of voting securities, he is presumed to be acquiring voting securities of the JV of the same value. Thus, his acquisition of JV voting securities meets the "size-of-transaction" test. Neither Person Two nor Person Three, however, must make a filing because the value of their contribution to JV is less than \$15 million dollars and they are presumed to be acquiring voting securities of JV in the same value as their contribution. Moreover, each is acquiring less than 50% of the issuer. Therefore, pursuant to 16 C.F.R. §802.20, Persons Two and Three fail the "size-of-transaction" test and neither must make a filing.

Handwritten note:
Plus Assets

You further advised me stated that no additional filing is required by Person One with respect to Company Z, notwithstanding the fact that, as a result of the formation of JV, Person One will now "control" Company Z. I believe that you also stated that this is true regardless of whether Person One is required to file for the formation transaction (e.g., if it turns out both Persons One and Two do not have \$10 million in net sales or total assets).

Thank you very much for your assistance in this matter. If I have misstated any of the advice you provided me, please contact me as soon as possible.

[Redacted signature block]

AGREE - B. Michael Venti
3/23/99 (ABS covers)

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