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802.9

March 7, 2000

FEDERAL EXPRESS

Michael Verne, Esq.
Premerger Notification Office
Federal Trade Commission
6th and Pennsylvania Ave., NW
Washington, DC 20580

REC'D
MAR 10 2000
10:33 AM
FEDERAL EXPRESS
COMMUNICATIONS
DIVISION

Dear Mike:

Thanks again for taking the time yesterday to discuss the analysis under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act") of the set of facts that I provided. This letter is to confirm that you concur that this set of facts, summarized herein, does not give rise to a reporting requirement under the HSR Act.

By way of background, Public Company ("Public") is acquiring Private Company ("Private") through a stock-for-stock merger. Public's acquisition of Private's voting

\$10 million party.

Analyzing potential "reciprocal" acquisitions of Public stock by the shareholders of Private, and 16 CFR 201.26(a)(2), either because the \$15 million size-of-transaction threshold is not met or because an exemption applies. Specifically, we confirmed that for one particular shareholder of Private, a venture capital entity structured as a limited partnership ("LP"), LP's

partnership interest holders has either the right to 50% or more of its profits or 50% or more of its assets on dissolution; in fact, its largest partnership interest holder is the general partner ("GP") which holds about a 20% interest. Also, LP will hold considerably less than 10% of the outstanding voting stock of Public following the

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March 7, 2000
Page 2

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PERMANENT EXEMPTION OF THE ABOVE INFORMATION IS BEING GRANTED AS IT IS DETERMINED THAT THE FOIA EXEMPTIONS APPLICABLE IN SUCH CIRCUMSTANCES ENTAIL AS IS THE

Please do not hesitate to contact me should you have any questions regarding this analysis.

Regards,

[REDACTED]

[REDACTED]

cc: [REDACTED]

AGREE THIS IS EXEMPT UNDER 802.9.

Michael Verne
3/9/00

[REDACTED]