

802.9

April 11, 2000

Mr. Michael Verne

6th Street and Pennsylvania Avenue, N.W.
Washington, DC 20580

Re: Interpretation of 16 C.F.R. 802.9

I am writing to confirm the advice that you gave to me and [redacted] in our phone conversation on Friday, April 7, 2000. Specifically, this letter confirms your advice that the "passive investor exemption" would excuse the transaction described below from the filing requirements of the Hart-Scott-Rodino Antitrust Improvements Act ("HSR Act").

Concurrently with the investment, Company A and Company B have entered into an agreement describing a "strategic alliance". Company A is a manufacturer and distributor of technology equipment and services. Company B is an "incubator" for

- Company A will have the right to send an observer to the meetings of the ~~7~~ Board of any Board matters.

such technology are competitive with other vendors of such technology.

[REDACTED]

↑ DOES NOT INVOLVE ITSELF IN PRICING OF B's PRODUCTS.

Mr. Michael Verne
April 11, 2000
Page 2

• In connection with the recommendations to its incubator clients, Company B will actively promote Company A products to its clients, make available to them Company B staff trained and certified on Company A products, and in

Company B clients.

• Company A and Company B will engage in joint marketing efforts to publicize and promote their preferred provider relationship and to promote and

• Company A will consider financing the acquisition of Company A product through leasing or debt financing, subject to Company A's standard credit review process. } OK

The initial investment is not a filing event under the HSR Act because the securities acquired do not have the present right to vote. Upon conversion of the initial investment Company A will hold voting securities of Company B valued at \$25 million

Company A is making the investment solely for investment purposes and does not intend to become engaged with or to influence the management of Company B. The activities

[REDACTED]

AGREE WITH THE WRITER.
Michael Verne
4/10/00

Sincerely,

[REDACTED SIGNATURE]

cc: [REDACTED]