

November 13, 1990

may be subject to

Section 552(b)(7)(C) which restricts release of information under Freedom of Information Act

Marion Bruno, Esq.
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Washington, D.C. 20580

Re: Hart-Scott-Rodino Filing Requirements

Dear Ms. Bruno:

This letter is to confirm our conversation today during which the following fact pattern was discussed:

1. Company A agrees to sell Companies B and C to Companies D and E, for a total purchase price of \$10 million.

commerce, and size-of-the-transaction tests.

2. Initially, Companies D and E each will purchase 15% in Company B and in Company C, leaving Company A with a 70% stock interest in Company B and in Company C. This transaction is to be completed by December 31, 1990.

3. Companies D and E each agree to buy the balance of the stock in Companies B and C, i.e., each will purchase 35% in

4. Another entity, Company F, will have an option, to be exercised between stages one and two, to purchase up to 50% of

and C total more than \$25 million. Neither of these Companies is publicly traded.

[REDACTED]

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It is my understanding, based on our discussion today,
that Rule § 802.20 exempts Companies D and E from filing at stage
one, since each will only acquire 15% of Companies B and C, and
the total purchase price is \$10 million, \$3 million of which will
be paid at this juncture. Should Company F elect not to exercise
its option, it will be necessary for companies A, D and E to file
before companies D and E acquire the balance of the stock in

Companies B and C, bringing their respective interests in these
companies to 50%. Rule § 802.20 will no longer exempt the
transaction because Companies B and C have assets in excess of
\$25 million. I understand that Mr. Dick Smith of your office
shares this view as well.

D+E will have control, as defined by 801.1(b) of

Please confirm whether this is an accurate
representation of our discussion. Thank you for your assistance
in this matter.

Very truly yours,

[REDACTED]

[REDACTED]

11-14-90 - discussed with [REDACTED]
made the clarification set
out above.