August 9, 1991

Richard D. Smith, Esq.                          <u>VIA TELECOPIER</u>
Premerger Notification Office
Federal Trade Commission
Room 312
Sixth Street and Pennsylvania Ave., N.W.
Washington, D.C. 20580

Dear Dick:

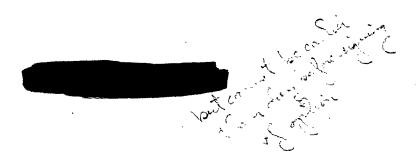This letter serves to confirm our telephone conversation of August 7, 1991, in which ▓▓▓▓▓▓ and ▓▓▓▓▓▓▓▓▓▓▓▓▓▓▓ also

concurrence with my interpretation of 16 C.F.R. § 801.10(c)(1)(ii) (the "rule"), as it applies to the following facts:

Corporations X and Y are entering into an option agreement that contemplates the formation of a non-corporate joint venture between them. X will initially pay $500,000 for an option to acquire a 50% interest in the joint venture, which may be exercised within a 60-day option period. If the option is exercised, there will be a closing within 10 business days thereafter.

so that the joint venture agreement will be available for execution at the

As you know, the rule defines "market price" as the lowest closing quotation or lowest closing bid price, as applicable, "within the 45 or fewer calendar days which are prior to the consummation of the acquisition but not earlier than the day prior to the execution of the contract, agreement in principle or letter of intent to merge or acquire." On the basis of the

(i.e., 10 business days after conclusion of the option period), and then count back 45 calendar days. If on the 45th day prior to the latest possible closing date, the closing market price of
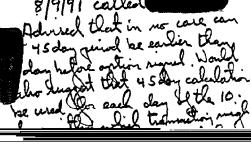
securities under Section 7A of the Clayton Act.

I might add that this interpretation, in these circumstances, comports fully with the

interpretation set forth above. Thank you for your consideration.

Sincerely yours,