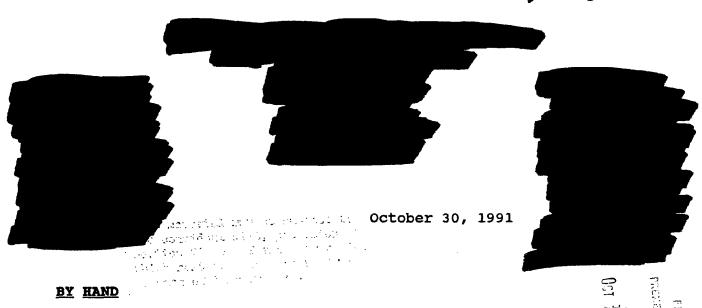
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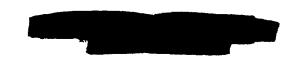
Hy David Rubenstein, Esquire
Premerger Notification Office
Room 323
Federal Trade Commission
Sixth Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Dear Hy:

I am writing to confirm the substance of my telephone conversation with you this morning. You advised me that under the following circumstances, the parties (Company A and Bank B) would not have to file premerger notification forms under Hart-Scott-Rodino. You also told me that unless I hear otherwise from you within three days, we may assume that your advice reflects

(e.g., MasterCard or Visa), or to A's own "private label" credit

transactions, and earn the very substantial attendant profits for itself. Under the contract, however, A would have to give B 3½ years notice before terminating the contract, and would have to pay a termination penalty of approximately \$21 million. Moreover, during the 3½ years, B would likely earn another \$80 million of profit on A's credit card business.



Hy David Rubenstein, Esquire October 30, 1991 Page 2

## B processes the private label credit cards of a number of

wants to process its own credit cards.

A and B are now negotiating an early termination of their contract. D has offered to sell a the lease for the facility where B now does its private label credit card processing and the negotiation to be a large than the large than

facility, for proceeding its private label credit cards

ROGINO. A WILL pay B more than \$70 million to cancel the contract and acquire the processing facility.

Sincerely,

surger roug . author lists already belong to A.

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