

[REDACTED]

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[REDACTED]

[REDACTED]

MAY 26 1994

Hy David Rubenstein, Esq.  
Premerger Notification Office  
Federal Trade Commission

Room 303  
Washington, DC 20580

This material may be subject to the  
confidentiality provisions of the  
Freedom of Information Act which  
relate to the release of this information.

Dear Hy:

This letter will confirm our conversation earlier today during which we discussed the following hypothetical:

Corporations A and B contemplate a step transaction. The first step entails entering into a collaboration agreement pursuant to which engineering personnel from both corporations will engage in research and development activities geared toward development of the general specifications of a new type of widget. Each party would independently implement these general specifications into its own widgets. As part of the first step, a trust will be formed into which each party will contribute certain existing intellectual property ("IP") rights necessary to carry out the development effort. IP rights resulting from the collaboration will also be held by that trust.

Step 2 contemplates the formation of a joint venture corporation into which the IP rights held by the trust will be transferred and through which the parties will continue their collaboration.

Step 2 will not be a reportable transaction because it

requires HSR notification forms with regard to the step 2

joint venture  
(Not a corp.)  
Formation of a Partnership or

1 0A1

[REDACTED]

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You confirmed our understanding that the parties can  
pursue all of the activities contemplated under step 1, including

waiting period applicable to the step 2 transaction.

Please call me as soon as possible if you believe that

Sincerely,

[REDACTED]

*5-31 called writer; step 1 is a formation of a non-corp.  
- Not readable.*

[REDACTED]