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FEDERAL TRADE  
COMMISSION  
PREMERGER  
NOTIFICATION  
OFFICE

This information may be subject to the  
confidentiality provisions of the  
Hart-Scott-Rodino Act, 15 U.S.C. § 18a.

Washington, D.C. 20850

Dear Ms. Epps:

This letter is to confirm the verbal opinion given by you, a member of the FTC Premerger Notification Staff, on May 31, 1994. The question raised by my telephone call pertained to the Federal Trade Commission's interpretation of the term "asset" in the Hart-Scott-Rodino Act, 15 U.S.C. § 18a. The question was whether a payment made by one entity (Party A) in exchange for

(Party C), results in the acquisition of an asset.

The transaction in question would be structured so that Party A would pay Party B an amount of money (greater than \$15 million) and in exchange Party B would terminate its rights

enter into a new, separate contract. According to our conversation, you have indicated that such a transaction, which is in effect a payment for the relinquishing of contractual rights and obligations, and not a contract assignment, does not result in Party A acquiring any asset from Party B. Please return confirmation of the above to me, or if you have any questions or concerns about this matter, please telephone me at the above number. Thank you for your assistance and cooperation.

Sincerely,

[REDACTED]

6/8/94 I called [REDACTED] and confirmed that the above-stated opinion constitutes the policy of the Premerger Notification Office and is not binding on the Commission — MRE