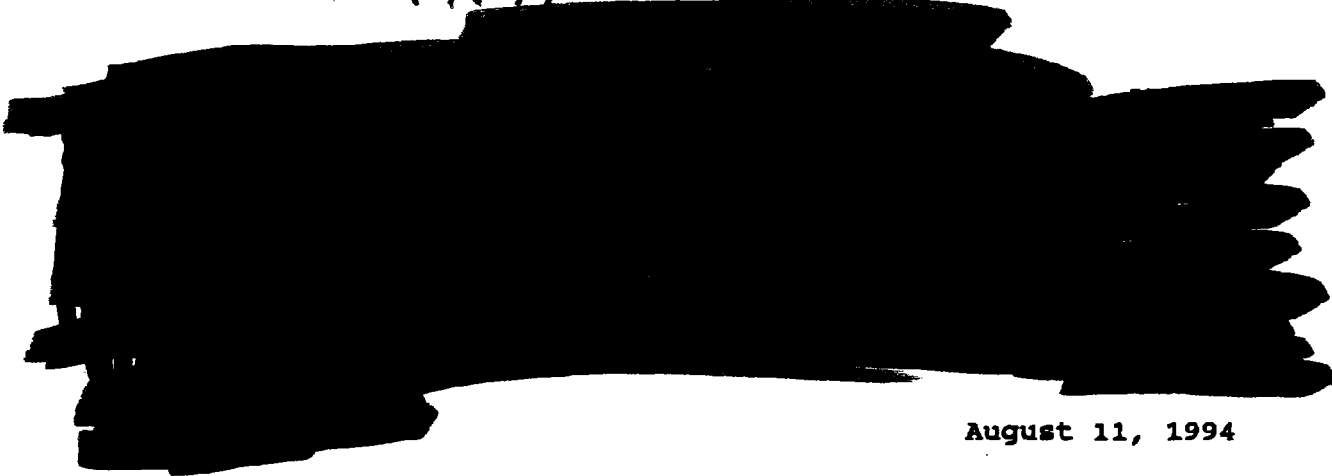


7A(c)(1); 7A(c)(2); 802.1(b)



August 11, 1994

re Applicability of Exemption in 15 U.S.C. § 18A(c)(1)

Richard Smith, Esq.  
Premerger Notification Office  
Bureau of Competition  
Room 303  
Federal Trade Commission  
Washington, D.C. 20580

Dear Mr. Smith:

I am writing to set forth my understanding of the advice which you gave me in the course of our telephone conversation on August 9.

Our client (the "Seller") is a [redacted] engaged in a variety of activities, including the [redacted] of assets through leveraged lease arrangements. The Seller has recently concluded an

assets subject to such leveraged lease arrangements to a [redacted] (the "Purchaser"). The assets to be sold represent: (1) significantly less than 1 percent of the Seller's total assets; (2) approximately 7 percent (on a net receivable basis) of the Seller's total [redacted] of assets subject to leveraged lease arrangements; and (3) approximately 95 percent (on a net

[redacted] assets are not managed separately

In the course of our telephone conversation, I understood you to say that the Seller was engaged in the [redacted] through leveraged lease arrangements, not in the business of [redacted] through leveraged lease arrangements, [redacted], the [redacted] would not constitute the sale of all or substantially

requirements of the Hart-Scott-Rodino Act

- (1) the assets were subject to bona fide lease [redacted]
- (2) operational and managerial control of the assets would not change as a result of the sale;
- (3) the assets were subject to long-term leases or leases renewable at the option of the lessees;
- (4) the Purchaser was not a competitor of any of the lessees; and
- (5) the transaction was purely [redacted]

As we discussed and as I have reconfirmed with the Seller and Purchaser, all of these conditions are not [redacted] necessarily, based on my conversation with you, I understand the sale of the assets to be exempt from the requirements of the HSR Act.

Please let me know by close of business on Monday, August 15 if I have misunderstood or mischaracterized the position of the Promoter Notification

Sincerely,

[redacted signature]

in [redacted] will be [redacted] under the criteria set forth

would not view the sale of substantially all the leveraged assets [redacted] as constituting the seller's exiting of the lease financing business, as long as they were not all the assets of a subsidiary or division, which is not the case here. RJS:sm