

SENT BY:

12-19-94 ; 9:28AM ;

801.1 (b); 80220

[REDACTED]

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December 19, 1994

Richard Smith, Esq.
Premerger Notification Office,
H-303
Federal Trade Commission
Washington, D.C. 20580

Dear Mr. Smith:

I am writing to confirm the substance of our phone

[REDACTED]

through special purpose subsidiaries on each side.

100% owned by the ultimate parent entity ("UPE") of Partner S. This structure was chosen in order to permit such personnel to continue to participate in UPE's benefit plans.

Partner S wishes to transfer its entire interest in the Partnership and 100% of the capital stock of the Company to Partner B. In order to give Partner B time to establish appropriate benefit plans for the employees of the Company and put into place various administrative arrangements to support the Partnership business previously provided by UPE (e.g. payroll

[REDACTED]

[Redacted]

systems), the shares of the Company will not be transferred to Partner B until March 12, 1995. Partner S wishes to retain a minority interest in the Partnership until the shares of the Company have been transferred as an incentive to Partner B to

Partner S and Partner B accordingly propose to structure the transaction in such a manner that Partner S will transfer to Partner B a 49% interest in the Partnership prior to December 31, 1994 for a purchase price of approximately \$65.8 million (the "First Closing"). Partner S and Partner B will then file Notifications under the Act. The parties want the First Closing to take place promptly as Partner S desires to reflect on its books the consideration for the 49% interest this calendar

One partner will hold a 1% partnership interest after the first Closing.) The remaining 1% partnership interest, and all of the Company's assets, will be transferred on or about March 12, 1995

period under the Act.

During our telephone conversation, you concluded that the timing of the filings under the Act as set forth above would not violate the Act and the rules promulgated thereunder as long as the parties maintained the integrity of the substance as well

Sincerely,

[Redacted Signature]

Via Telecopier

12/19/94 - Advisor writes that there appeared to be some valid reasons for structuring the transaction in this manner. She confirmed that a filing would be made in early 1995 for the purchase of the remaining

1% partnership interest

appropriate under the facts and circumstances
Dick Smith