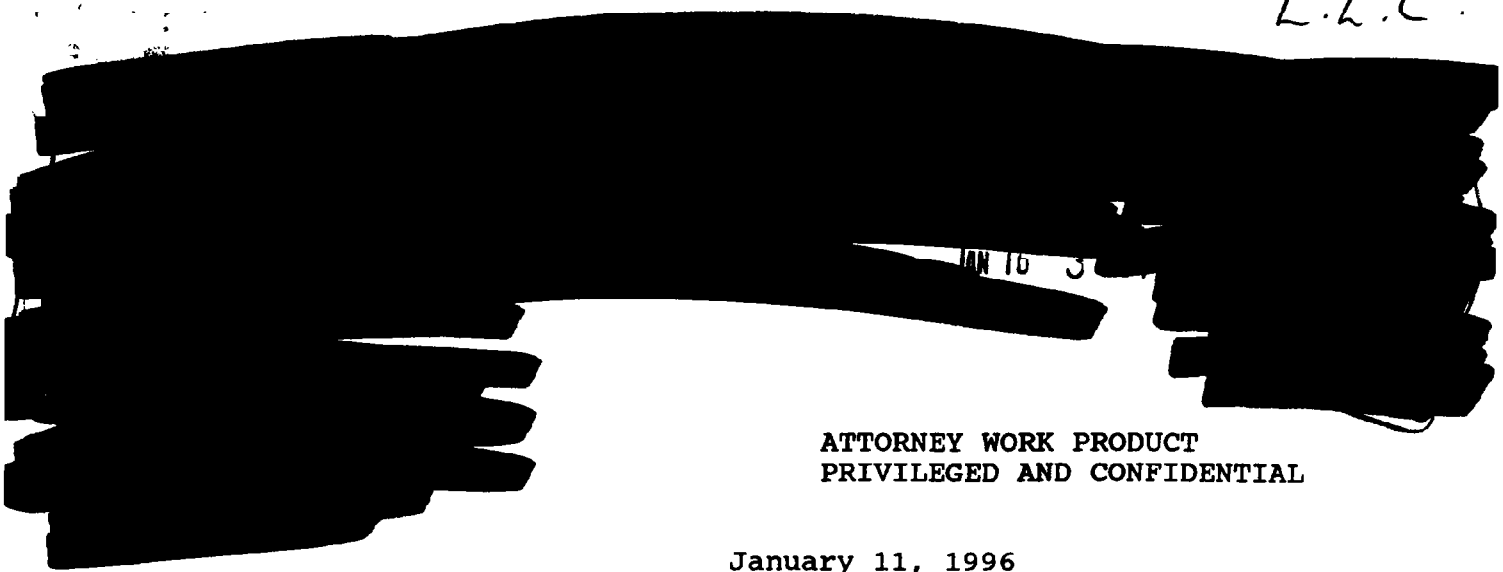


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January 11, 1996

VIA FEDERAL EXPRESS

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7A(h) of the Clayton Act which may
release under

Premerger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
6th Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Premerger Notification Requirement for
Formation of a [redacted] Limited Liability Company

Dear Ms. Ovuka:

I am writing to seek your advice as to whether a Hart-Scott-Rodino filing would be required with respect to the following transaction:

A newly formed [redacted] subsidiary of our client (hereinafter "Newco") and the target company (hereinafter "Target") will form a [redacted] limited liability company ("LLC") pursuant to which each entity will receive a 50% common interest in the LLC with minimal initial capital contributions (under

\$1,000 in the aggregate). At a simultaneous closing, our client retire outstanding bank debt of Target. As part of the same closing, Newco will buy an undivided one-half interest in the agreed assets and certain trade liabilities of Target for \$10 million and Newco and Target will each contribute to the LLC their interest in the agreed assets (subject to our client's loan) as additional paid in capital contributions.

Don't loan

what are the assets?

- purchase price.

market val. is lower



[REDACTED]

Nancy Ovuka, Esquire
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The LLC will be managed by its members, Newco and Target, through a Members Committee which initially will consist of employees of the LLC.

[REDACTED]

[REDACTED]

[REDACTED]

representative as voting agent, and such voting agent shall not be deemed an agent or sub-agent of the LLC or the other Member and shall have no independent authority.

I understood from a telephone conversation we had last month that the formation of a LLC is not reportable under the HSR Act if the LLC would be managed exclusively by the Members and the Members were not delegating any of their management responsibilities to third parties. I understood that, in such a situation, the Premerger Notification Office treated the formation of the LLC like the formation of a partnership and that therefore notification under the HSR Act would not be

[REDACTED]

filing would not be required for the above transaction.

[REDACTED]

me if you have any questions.

Very truly yours,

[REDACTED]

[REDACTED]

[REDACTED]