

CERTIFIED MAIL

Mr. Richard B. Smith Federal Trade Commission Assistant Chief

on This material may be subject to the confidentiality provisions of Section of the Clerton Act which mestrates

A STATE OF THE STA

MA AGOA HALAM TER EMERICAM AT INTAMMOTICAL

Nonprofit Corporation as an Acquisition of Assets

Dear Mr Cmith.

I am writing to confirm our phone conference of

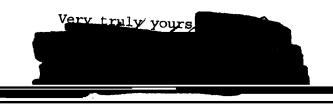
As we discussed, represents an "Acquiring Person" who will become the sole member of a Virginia rengtock, nonprofit corporation which operates an (the

corporations is considered a consolidation within the meaning of Section 801.2(d) of the Regulations, but that the Federal Trade Commission treats such acquisitions of membership interests in nonstock corporations as asset acquisitions for report form and valuation purposes. Furthermore, you confirmed that Section 802.20(b) of the Regulations, which provides that acquisitions of voting securities which confer control of an issuer with annual net sales or total assets of \$25,000,000 or more, is inapplicable to our trapsaction.

March 1, 1996
Page 2

Accordingly, the acquisition of a membership interest in a nonstock, nonprofit corporation is only be reportable if the parties meet the size of the parties test and the fair market value of the assets to be acquired are more than \$15,000,000.

I trust this letter accurately reflects



3/6/96 - Advised writer that in paregraph to alone, the abuse given in that of an informal interpretation by the Premajer office which is \$1_0.000 PM CO STATE OF THE PROPERTY OF THE PROPERTY

A TILL WILLIAM AND THE ATT ATT MELLIN TO THE MALLER TILL TO THE MALLER TILL TO THE MALLER TILL TO THE MALLER TILL THE MALLER TILL THE MALLER TILL THE MALLER THE MALL

valuation purposes and, as such, 802.20(6) does not come into