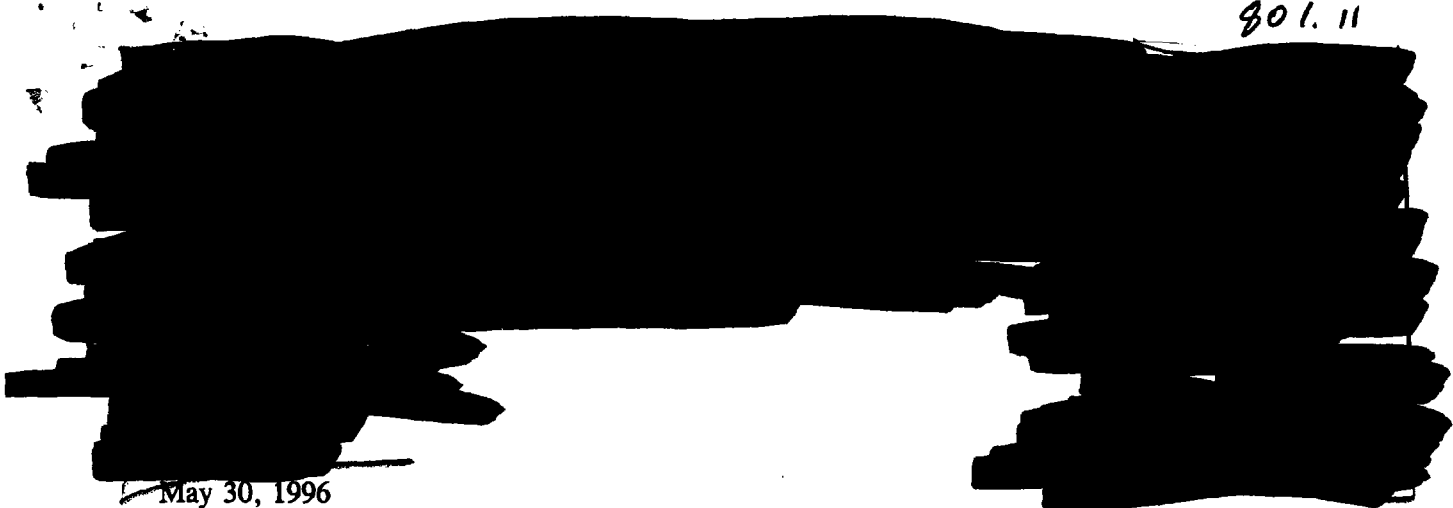


801.1(c)
801.11



May 30, 1996

BY HAND DELIVERY

Mr. Patrick Sharpe
Compliance Specialist
Premerger Notification Office
Federal Trade Commission

6th Street & Pennsylvania Avenue, N.W.
Washington, D.C. 20580

MAY 30 4 28 PM '96
FEDERAL TRADE COMMISSION
PREMERGER NOTIFICATION OFFICE

Re: Hart-Scott-Rodino Reporting Requirements: Size-of-Person Test

Dear Mr. Sharpe:

Thank you very much for taking time on May 23, 1996, to discuss with me the



person does not meet the "size-of-person" test under the Hart-Scott-Rodino Act (the "Act").

During our conversation, I described a proposed transaction during which Company B will acquire 100% of the voting stock of



test. B does not.

A and X have executed a Stock Purchase Agreement (the "Agreement") providing for the purchase of 100% of the voting stock of X's subsidiary, Y. The Agreement provides



Mr. Patrick Sharpe
Page 2

that A may assign its rights under the Agreement to a third party.^{1/} A intends to assign its rights under the Agreement to B prior to closing. The Agreement, however, does not specifically mention B as the assignee. At closing, the shares of Y will be transferred

assignment under the Agreement. B will become the primary obligor on the promissory notes

Based on our discussion of the facts set forth above, you concluded that (1) B is the acquiring person under the Act; and (2) the transaction is not reportable because B does not meet the size-of-person test. You explained that this situation is similar to A acting as an agent for B. Since B has all along intended to acquire and control the voting stock of Y, B is the acquiring person for purposes of the Act. Because B does not meet the size-of-person test, however, the transaction is not reportable under the Act.^{2/}

If this letter does not summarize accurately our conversation, I ask that you contact me promptly. Thank you for your guidance and assistance in this matter.

Very truly yours,

[Redacted signature block]

called [Redacted]
letter. (BS) 5/31/94

^{1/} In particular, the Agreement provides that A may assign its rights "to any person owned, directly or indirectly, by the holders of a majority of the shares of [A's] outstanding common stock. . . ."

^{2/} You noted that 16 C.F.R. § 801.90 (transactions or devices for avoidance) is not applicable in this case.