801.1(b)(a); 801.1(c)(a)

July 10, 1996

## BY HAND

Richard B. Smith, Esquire
Premerger Notification Office
Bureau of Competition, Room 303
Federal Trade Commission
Sixth St. and Pennsylvania Ave., N.W.
Washington, D.C. 20580

Dear Dick:

This letter memorializes the advice you provided yesterday

and the imprementing regulations, as to who controls a corporation under the following circumstances:

X is a not-for-profit corporation that has no voting securities. X is managed by a board of directors consisting of four natural persons, A, B, C, and D. A and B are husband and wife; C is a lawyer, among whose clients are A and B; and D is a third party who is president of the corporation. None of the directors has any contractual power to control the vote of any other director; each can vote as he or she deems fit, consistent with the fiduciary

X's by-laws provide that directors are elected at each annual meeting of directors by a plurality of the votes cast by the then-serving directors. Directors can be removed for cause by a majority vote of the directors. If a director resigns or is removed, a new director is selected by

not controlled by A or B or any other person, and that X is therefore its own ultimate parent entity. You explained that because X has no voting securities, determining whether X is controlled by any other person depends upon whether any person

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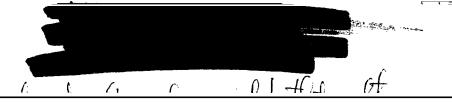
has "the contractual power presently to designate 50% or more of

pertaining to "holdings" of spouses, would not apply in this context, and that C's status as an attorney to A and B should Likowine bo diamearded in the shaeman of sur-earement hinding C

the contractual right presently to designate 50% or more of the

If this letter does not accurately reflect the advice you provided please call me as soon as possible.

Very truly yours,



cleaning with two stell members of the TTIN UYJUL, were correct and X is its own UPF.