

August 9, 1996

Richard B. Smith, Esq. Premerger Notification Office Federal Trade Commission 600 Pennsylvania Avenue, N.W. Washington, D.C. 20580

Dear Mr. Smith:

Thank you for returning my call so promptly this morning. This will confirm our conversation concerning control of a corporation under the Hart-Scott-Rodino Act.

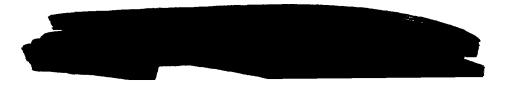
The fact situation I described is a corporation with three stockholders holding all of the voting securities. Stockholders X and Y each hold an equal

corporation.

There are five members of the comparate heard of directors I Indon the

corporate bylaws, A designates two directors and Y designates two directors. The fifth director is the Chief Executive Officer of the corporation. The Chief Executive Officer is nominated jointly by the two directors designated by X and the two directors designated by Y, but neither the directors designated by X alone nor the directors designated by Y alone have the absolute power to nominate the fifth director.

You stated that since neither X nor Y has the absolute power to appoint the fifth director, neither X nor Y would be considered as controlling the corporation. Such control would exist only if one or the other has the absolute



nominate the fifth director.

If my understanding of our conversation is mistaken, please give me a call. Again, thank you for your prompt return of my phone call and for your assistance in this matter.

8/12/96 - Writer confirmed that the fifth derector, nominated

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