

February 24, 1998

VIA FACSIMILE TRANSMISSION (202) 326 2624

Joseph Krauss, Esq.
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Sixth and Pennsylvania Avenue, N.W.
Room 303
Washington, DC 20580

Re: Premerger Notification Analysis Issue [REDACTED]
Transaction Number [REDACTED]

Dear Mr. Krauss:

This letter is to confirm the information in our telephone conversation of February 23, 1998, regarding the acquisition of [REDACTED] under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended ("HSR Act") and the rules promulgated thereunder. [REDACTED] is acquiring [REDACTED] through the acquisition by a subsidiary of [REDACTED] of four [REDACTED] preparation franchises ("New Franchises"). It is our understanding, based upon the facts set forth below, that the acquisition of the New Franchises by [REDACTED] would not be a reportable transaction under the HSR Act and the HSR Rules.

For purposes of this inquiry, we have assumed that [REDACTED] had in excess of \$100 million in sales for the most recent year and the seller of the New Franchises has in excess of \$10 million in sales and assets.

The seller of the New Franchises is the Estate of [REDACTED] which presently owns [REDACTED]. Through a bidding process, the [REDACTED]

[REDACTED] was initially unsuccessful in bidding for the remaining five franchises held by the [REDACTED] and the [REDACTED] made their

[REDACTED]

Joseph Kraus, Esq.
February 24, 1998
Page 2

solely to the acquisition of the Acquired Franchises. On January 30, 1998, early termination of the HSR Act waiting period was granted.

On February 12, 1998, [REDACTED] learned that because of difficulties with the original [REDACTED] Bid, [REDACTED] had become the [REDACTED] of [REDACTED].

[REDACTED]

[REDACTED]

[REDACTED]

a separate transaction from the acquisition of the Acquired Franchises, and as such must satisfy the HSR Act's Size of Transaction requirements in order to be reportable under the HSR Act.

Should you have any questions, or if our understanding is incorrect, please contact me at your earliest opportunity. The assistance and guidance that you have provided in this matter are very much appreciated.

Yours very truly,

[REDACTED]

3/4/98

Confirmed w/ unit that acquisition of "new franchises" would be looked at as a separate transaction from previously filed transaction and thresholds would be applicable. If [REDACTED] did not meet size of transaction thresholds, then acquisition of the "new franchises" would not be reportable.

[Signature]