

SENT BY:

802.9

March 4, 1998

VIA FACSIMILE

John Patrick Sharpe
Premerger Notification Office
Bureau of Competition
Sixth & Pennsylvania Avenue, N.W.
Room 303
Washington, DC 20580

Dear Mr. Sharpe:

I am writing to you to confirm the telephonic conversation we had on February 27, 1998, regarding application of the "acquisitions solely for the purpose of investment" exemption found under §802.9 of the Act (the "Exemption"). In our conversation you informed me that XYZ, LP may use the Exemption under the facts set forth below.

1. Parent, Inc. intends to acquire Target, Inc. in a stock for stock merger (the "Transaction"). Upon consummation of the Transaction, Parent, Inc. will be the sole stockholder of Target, Inc.
2. XYZ, LP, a limited partnership, is a stockholder of Target, Inc., and will acquire in excess of \$15 million in Parent's voting securities in connection with the Transaction.

You may recall that pursuant to our discussion you advised me that based on these facts the Exemption was available to XYZ, LP. Your rationality was, notwithstanding the fact that

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[REDACTED]

[REDACTED]

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one of the eight general partners of the sole general partner of XYZ, LP is also a director of Parent, Inc., XYZ, LP does not have the ability to participate in the formulation, determination or direction of the basic business decisions of Parent, Inc.

Based upon the above information, it is our view that XYZ, LP is not required to file a Notification and Report Form. Please confirm that this is correct.

If you have any questions or comments regarding our conclusions, please call me at the phone number [REDACTED].

Very truly yours,

[REDACTED]

cc: [REDACTED]

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Questions posed to [REDACTED]
What is the decision-making process of the eight general partners? Majority rule? Does X have veto power over the other seven?

Answer: The decision making process requires a vote of 6 of the 8 GPs. The one managing GP (Not Mr. X) has the power to veto the majority decision.

called [REDACTED] 3/5/98 - Given these facts, Mr. X's influence over the decision-making process is sufficient/diluted that he can take advantage of the exemption 802.9, acquisitions solely for the purpose of investment

(35)

(15 - concurs)
[REDACTED]