



FACSIMILE/TELECOPIER TRANSMISSION

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No. Pages (Including Cover): 3

To: Nancy Ovuka

Company: Federal Trade Commission

Main Telephone: 202-326-2609

02-326-2609 Facsimile #:

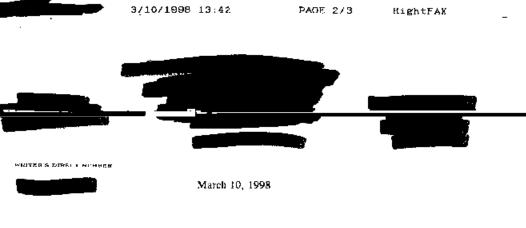
From:

Subject: E-Fax:

Message:

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VIA TELECOPY

Ms. Nancy Ovuka
Premerger Notification Office
Bureau of Competition
Room 303
Epidemi Tanda Competition

Re:

Dear Nancy:

Attached is an outline of a transaction that involves the transfer of a band certain.

We believe that the described transaction is

Sincerely,

For purposes of analysis, assume that all relevant "size-of-person" and "size-of-transaction" texts are met.

Separal "commodise" partition of A. including A.L. including modificated Line building bank conditioned

(the "Receivables")

and private latter cream cards) to consumers. Is cand the case a conditioned entity of the

action whereby C1 and D1 will purchase the following:

- B. C) will acquire from A1, B1, and B2, M of the Receivables;
- C. DI will acquire from A1 ¼ of the Accounts, and

B. B1 will still issue private label credit cards to consumers, and other "controlled" entities of B will still issue bank credit cards and private label credit cards to consumers.

Since the "nerson" of which each of A and B are included will still extend consumer credit

to be connucted in the ordinary course of all of the parties respective businesses.

LLC 802.9

March 11, 1998

VIA FACSIMILE

Ms. Nancy Ovuka

Federal Trade Commission Washington RC 20580

Dear Ms. Ovuka:

I represent LLC (" and and I appreciate the

I. Background Facts

A. Corporation that operates \$6\$ stores in eleven western states. LLC is the sole shareholder of has two classes of membership interests: Governance Units and Financial Units. Both Units have the same rights to receive profits and distributions upon liquidation. Members with Governance Units and Indiana.

	<u>Gov. Units</u>	<u>Fin. Units</u>	<u> Fotal</u>	<u>%</u>
	100	475	575	28.75
	-0-	525	525	26.25
	-0-	525	525	26.25
	<u>-0-</u>	<u>375</u>	<u> 375</u>	18.7 <u>5</u>
Totals		-	2,000	100%

Ms. Nancy Ovuka March 11, 1998 Page 2

**2439

Managers and sole holders of the Governance Units, have powers similar to peneral pariners in a

agreement specifically provides that so long as harmonic is employed by the surviving

is a consultant for an anomalor management responsibilities may be delegated to him alone. Because there are only two Managers, both must agree to act.

At this time, where the stock of the stock of the stock.

B. Proposed Transaction Enclosed is a chart that briefly summarizes the proposed merger transaction.

Proposed Transaction will form transaction.

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As of January 30, 1998, *** The had 2,904,745 shares of Class A common stock outstanding (which stock has 10 votes per share), and 45,575,415 shares of Common Stock outstanding. If

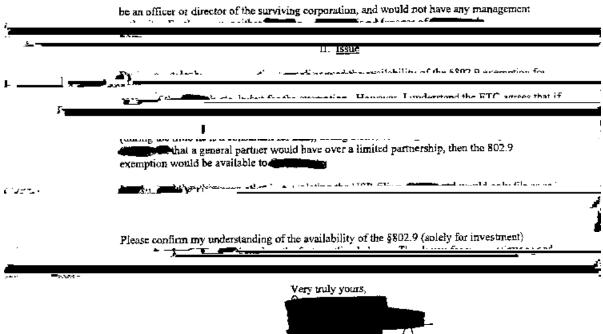
outstanding This Common Stock (using the 45,575,415 figure, plus the 2,143,013 new shares issued to This does not include the nonregistered Class A common stock with the super-

C. Involvement of the with the most now serves as the president of After the merger, Name will serve as a consultant for the 's for a year. He will not be a director, officer or employee of the most and will not have any management authority of the hand will be an employee with some management authority over the the subsidiary.

There is a possibility that will provide consulting services to during the transition period because of his knowledge of his secomputer systems.

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Cc:

ELLIS, LI & MCKINSTRY PLLC

