



FACSIMILE COVER SHEET

TO: Alice Villavacencia

FAX NO: (202) 326-2624

TIME: 9:00 PM

FILE NO: _____ NUMBER OF PAGES INCLUDING COVER SHEET: 3

MESSAGE

Please see the attached letter.

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98 JUN 15 PM 1 28



June 12, 1998

via facsimile no. (202) 326-2624

Ms. Alice Villavacencia
Premerger Notification Office
Bureau of Competition, Room 303
Federal Trade Commission
6th Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Size of Party to Transaction pursuant to 15 C.F.R. 801.11

Dear Ms. Villavacencia:

In accordance with our conversation on June 11, 1998, the following is a summary of the transaction which we discussed. I would appreciate your opinion of whether the acquiring party satisfies the size of the party requirements pursuant to the Hart Scott Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act").

Our client has formed a holding corporation ("Holding Company") and two wholly-owned subsidiary corporations of the Holding Company ("Sub-1" and "Sub-2", respectively) in order to acquire a wholly-owned subsidiary (the "Target") of another corporation (the "Target's

Company is the ultimate parent entity of Sub-1 and Sub-2. Each of Holding Company, Sub-1 and Sub-2 are newly formed entities which prior to the consummation of the transactions described herein and the financing therefore have only nominal assets.

The acquisition of the Target will occur in two stages. The later stage will occur within hours of the former (as soon as the cash payment described below is received by the Target). In the first stage, Sub-1 will purchase the majority of the Target's receivables from the Target. Sub-2 will purchase the remaining receivables from the Target. Sub-1 will purchase the receivables from the Target in the face amount of the receivables which is anticipated to be

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[REDACTED]

has been received by the Target, the Target will be merged with and into Sub-2 with Sub-2 being the surviving corporation. The Holding Company has no other assets attributable to it other than as is set forth above.

After explaining the basic structure of the transaction to you, it was your preliminary conclusion that the purchase of the receivables is incidental to the entire transaction, and ~~the purchase of the receivables would not be considered in determining the size of the Holding Company~~ under the applicable provisions of the HSR Act.

I would appreciate any written confirmation you are able to provide with respect to this analysis. Please provide your response to me via facsimile no. [REDACTED] in the event that

[REDACTED]

*Called writer to confirm
no filing is required*

*AMV
6/16/98*

¹The receivables are being purchased in this manner for *bona fide* tax planning purposes and in order to satisfy certain requirements of the lender. *K*