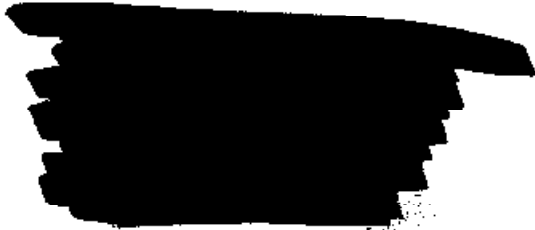


no. inc (c) 1998; 804.42; 804.01, 001.00



April 26, 1999

VIA MESSENGER

Richard B. Smith
Premerger Notification Office
Federal Trade Commission
6th and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

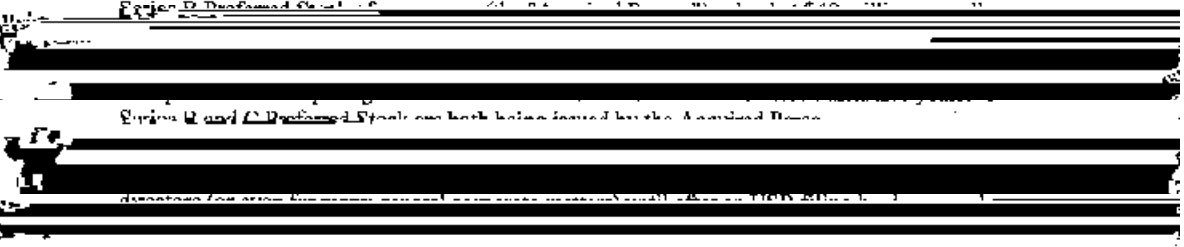
This enclosed may be subject to confidentiality provisions of or other provisions of The Freedom of Information Act.

1999 APR 26 10 12 AM

Re: "White Squire" preferred shares

Wednesday,

A limited partnership investment fund (the "Acquiring Person") is proposing to acquire



... have the right to vote ... [and] to elect one member of the board." The Series C Preferred Stock will contain the same language.

The Acquiring Person plans to acquire the Series B Preferred Stock and the option on the Series C Preferred Stock in the next few days. At this point the Series B Preferred Stock has no present right to vote for directors. Shortly thereafter, the Acquiring and Acquired Persons plan to



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file HSR Notification and Report Forms. After termination of the HSR waiting period, the Series B Preferred Stock will automatically have a present right to vote for a director.

Interpretation 98 of the Premerger Notification Practice Manual discusses a situation virtually identical to the one described in this letter, where "white squire" shares convert into fully voting shares upon expiration of the HSR waiting period. The interpretation states that the


files its HSR form and the HSR waiting period has expired, the Acquiring Person will be able to vote the Series C shares.

I would appreciate it if you would confirm the conclusion that no HSR filing is required to acquire the Series B Preferred shares or the option on the Series C shares.

Thank you very much for your assistance.

Sincerely yours,



cc:  4/26/99. Called writer and agreed with his conclusions. Confirmed that regarding Person would need to file as an 801.30. RBS