

April 30, 1999

VIA FACSIMILE (202) 326-2624

Mr. Mike Verne Federal Trade Commission Room 303 600 Pennsylvania Avenue NW Washington DC 20580

Pre-Merger Notification (Reporting and Waiting Period Requirements in

OULTHE NO.

Dear Mr Vern:

The purpose of this letter is to confirm in writing my understanding of the conclusions we

notification requirement in connection with the below described transaction either prior to the proposed acquisition or prior to or after any distributions from Buyer to its equity holders. If the following is not consistent with our discussions it is my understanding that you will contact me at

FACTS

Buyer is in the orncess of acquiring \$47,000,000 of assets, (including closing costs), from

Soller has in excess of \$100,000,000 of assets and net sales as determined pursuant to the Hart-Scott-Rodino Auti-Trust Improvements Act of 1976 (the "Act").

Proposition finished fishiller assumed that I I D 1000 The Li

liquidation. The Operative Documents, in conjunction with certain loan and franchisor

Mr. Mike Vern Pederal Trade Commission April 30, 1999 Page 2

documents, prohibit any distributions in respect of equity ownership for at least one year / following the closing of the Transaction (the "Closing"). There has not been and will not be any distributions in respect of equity ownership made prior to or within one year of the Closing. After the one year anniversary of the Closing, distributions shall be made on a quarterly basis, provided that there is sufficient distributable eash.

Upon receipt of certain third party approvals, will transfer (i) 10% preferred interest to (ii) 7% to and (iii) 5% to None of certain third party approvals, and (iii) 5% to None of certain third party approvals, and (iii) 5% to None of certain third party approvals, and (iii) 5% to None of certain third party approvals, and (iii) 5% to None of Certain third party approvals, and (iii) 5% to Non

<u>LAW</u>

ANALYSIS

Decod on one discussion requirements, and although the profits of the entity. Such test is repeated after each distribution.

Mr. Mike Vern Federal Trade Commission April 30, 1999 Page 3

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merger notification requirement in the future, in connection with the Puyer's assets accorded in

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requirements.

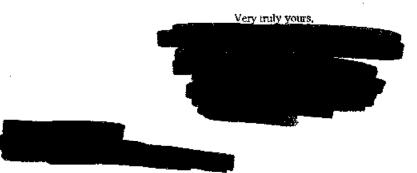
in any determination of greaters

CONCLUSION

Buyer does not satisfy the \$10,000,000 person requirement as defined in the Act, unless the os and he satisfied the \$10,000,000 Ultimate Parent Entity is determined to be سيشا بيداً ١٨٥٧م <u>بينا، سيد واصطواف د دوية .</u> ا الله ما المستقدم ا

assets of the Buyer and there has not been and will not be any distributions prior to Closing.

test. Therefore, there is no pre-merger notification and ming requirement for the above described transaction. Additionally, there is no subsequent filing required regardless of whether any person ultimately receives more than 50% of any regular distribution and this letter can be relied on by the Buyer.



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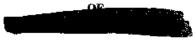
SCHEDULE 1

PREFERRED MEMBERS

Name, Address	Initial Capital Contribution	Initial Capital Initial Capital Account Contribution	Account	Percentage Interest	Membership Ui	Proferred Amount
	\$3,000,000.00	\$3,000,000.00		49.95%	49.95	00:000,000,00
	00'000'000 5	\$ 50,000.00		10.00%	10.00	500,000.00
Total	\$3,500,000.00	\$3,500,000.00		\$9.95%	59.95	3,500,000.00
3	ļ <u>.</u>	OTE Initial Capital	OTHER MEMBERS Initial Cantel A	SR MEMBERS Initial Central Account	Percentage	Sership Units
Name, Address	₩	Centribution \$ 350,000,00	\$ 350,000.00	00.00	Interest 28.05%	28.05
	559	00:3	s	0.00	12.00%	12.00
Total	69	350,000.00	\$ 350,000,00	00'00	40.05%	40.05
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SCHEDULE 2

RESTATED LIMITED LIABILITY COMPANY REGULATIONS



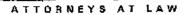
	ARTICLE 9
- 5	Dictributions of Mat Cook Bran Occuptions Distribution of Mat Cook Branch
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Member	's Preferred Amount; and
	b) second, to all Members in accordance their respective ownership percentages at of such distribution.
from	2.2. <u>Distributions of Net Cash From Transactions</u> . Distributions of Net Cash transactions shall be made to the Members within fifteen (15) days after such transaction, as follows:
Six Hur unti! eac	a) first, one hundred percent (100%) of the first Two Hundred Ninety-one Thousand idred Eighty-one and No/100 Dollars (\$291,681.00) to the Preferred Members pro rate the Preferred Member has received cumulative distributions in an amount equal to such its Preferred Amount; and
ያሌ - ድ	b) second, to all Members in accordance their respective ownership percentages at
an eveni Patagrai	t set forth in Section 608.441 of the Act, and provided dissolution is not avoided under the 11.1 bereaf and its husiness in boing liquidated in accordance with Section 608.441.44
promptly	ed as follows: the Chief Executive Manager shall liquidate the assets of the Company as y as possible, unless the Board shall determine that an immediate sale of Company assets



Company, including money, remaining after the discharge of the debts, obligations, and lightlifties of the Company and after taking into account all account adjustments in the

Regulations as a result of any base of the 1 topony in over-

allocations of profits as provided in Article 10 in an amount equal to the assuming the maximum federal and applicable payable on the member's allocated share of profits assuming the maximum federal and applicable state individual tax rates ("Tax Distributions").



THE INFORMATION CONTABRED IN THIS PAGSIMULE MESSAGE AND IN THE ACCOMPANYING DOCUMENTS IS CONFIDENTIAL AND PRIVILEGED AS ATTORNEY-CLIENT COMMUNICATION. IT IS INTENDED ONLY FOR THE USE OF THE RECAPIENT NAMED BELOW, IF

F	ACSIMILE TRANSMITTAL SHEET
то: Mike Vem	FAX NUMBER: (202) 326-2624
COMPANY:	DATE
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KE:	SANCE NUMBER:
Attached	
□ URGENT □ FOR REVIEW	DPLEASE COMMENT/REPLY
ORIGINAL BEING SENT VIA 🗆 RE	GULAR MAIL O OVERNIGHT MAIL O OTHER
NOTES/COMMENTS;	
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