

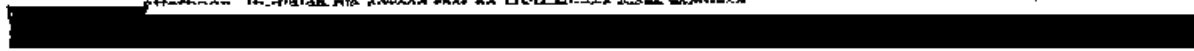
July 28, 1999

By Fax: 202-326-2624

Richard Smith, Esq.
Premier Office
Federal Trade Commission
Washington, DC

Dear Dick:

1. This letter will describe the transaction which we discussed on the phone this afternoon. [REDACTED]



[REDACTED]



[REDACTED]

to their original owners, the state university and the private university, as the case may be. In order for the transaction to be exempt, we need to find an exemption for each of the two parts of the transaction, the distribution of assets to the private university and the distribution of assets to the state university.

The distribution of assets by the joint venture to the state university does not require a filing because the state university is a political subdivision and hence is not an "entity", and



Richard Smith, Esq.

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Since the state university is not regarded as a "person", this means that the distribution of assets by the joint venture to the private university is viewed as the distribution of assets

2. It is also my view that the transaction between the joint venture and the state university should be exempt under Section 74 (b)(1) relating to transfers to or from a state or view of the HSR staff. I simply note it for the record.

Thank you for discussing the matter with me today.

Sincerely,

[Redacted signature]

7/29/99 [Redacted] Writer advised that both members appointed by Board. Advised writer that the private university must file for the acquisition of non-exempt assets from the non-profit controlled by it and the state university, a non-person under the 801.1(a)(2). The state university need not file as either an acquiring or acquired person but it states as a "non-person" *as a being obligation*