

801.1 (b)(2)
802.30

EXHIBIT 1.1 New York

Facsimile

BY FACSIMILE

October 28, 1999

Re: HSR Act Exemption

Premerger Notification Office
Federal Trade Commission
6th Street and Pennsylvania Avenue, N.W.
Room 301
Washington, D.C. 20580

Dear Mr. Verne:

This letter is meant to summarize the discussion we had on September 2, 1999 relating to the issues of (i) whether an individual "controls" a corporation through a combination of holding 46.4% of the voting securities and an irrevocable proxy to vote an additional 35.7% of the voting securities of the corporation and, if so, (ii) whether a filing

under section 7A(c)(10) of the HSR Act from making an HSR filing for his acquisition of the voting securities of the four issuers controlled by the corporation because the individual would not increase his per centum share of the issuers.

As I generally described in the our telephone conversation, an individual ("A"), through a newly-formed, wholly-owned subsidiary ("Newco"), will acquire all of the issued and outstanding voting securities of four separate issuers (the "Targets"). Presently,

approximately 35.7% of the voting securities of Holdings. Holdings currently holds

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The control definition in section 801.1(b)(2) does not specifically refer to the power to vote 50% or more of the outstanding voting securities; rather, it provides that the

voting right is irrevocable" and "the voting rights...give the ability to elect half or more of the board...." Under the current circumstances, A "controls" Holdings because the

combined with the irrevocable proxy to vote an additional 35.7% of the voting securities of Holdings gives A the ability to vote approximately 82.1% of the outstanding voting securities toward the election of Holdings' directors.

Since Holdings holds approximately 72.7% of the voting securities of B and B, in turn, holds 100% of the voting securities of each of the Targets, A indirectly holds 100% of the voting securities of the Targets. In connection with A's intention to acquire

voting securities of the Targets as a result of his intended acquisition.

Very truly yours,

AGREE THAT 7A(2)(10) EXEMPTS THIS TRANSACTION.
R. SMITH & M. BRUNO CONCUR.
B. Michael Verne 10/28/99