

7A(c)(10)

[redacted]

TELEPHONE TELECOPIER [redacted]

June 6, 2000

[redacted]

Memorandum to Mr. Verne

Via Telecopier

(c)(10) Exemption

I am writing to confirm the substance of the telephone conversations that we had this morning concerning the number of Notifications that must be submitted, and the persons obligated to submit them, under the Hart-Scott-Rodino Antitrust Improvements Act (the "Act") and the rules promulgated thereunder with respect to the transaction described below.

*Formation of Acquisition Vehicle.* A corporation ("Acquisition") will be formed by several investors, one of whom ("Parent") will hold over 50% of the outstanding voting securities of Acquisition. For the purpose of the analysis, assume that only Parent will meet the size-of-person and size-of-transaction tests under the Act concerning its investment in Acquisition. In addition, Acquisition is a good joint venture corporation for the purposes of 16 CFR 801.40 (Formation of Joint Venture or Other Corporations). You and I agreed that Parent would be subject to the notification requirements under the Act regarding its investment in Acquisition.

*Merger (and Recapitalization).* It is intended that Acquisition merge (the "Merger") with and into a corporation ("Target") and that the Merger be recorded as a recapitalization for financial reporting purposes. Following the Merger, the separate existence of

[redacted]

2000 JUN 14 10:56 AM TELETYPE UNIT

Acquisition shall cease and Target shall continue as the surviving corporation ("Surviving Corporation") under its current name. At the effective time of the Merger, each share of capital stock of Acquisition shall be converted into a share of capital stock of the Surviving Corporation ("Surviving Corporation Common Stock"). Each share of the capital stock of Target that is outstanding immediately prior to the effective time of the Merger shall be converted into: (i) cash consideration and (ii) Surviving Corporation Common Stock. It is anticipated that the aggregate number of shares of Surviving Corporation Common Stock that will be held by the former stockholders of Target at the effective time of the Merger will equal approximately 7% of the outstanding voting securities of the Surviving Corporation.

At the effective time of the Merger Parent will continue to hold over 50% of the voting securities of the Surviving Corporation, although Parent will hold a smaller percentage of the outstanding voting securities of the Surviving Corporation than it held of Acquisition.

During our telephone conversation, you concluded (i) that Parent has a reporting obligation under the Act with respect to the formation of Acquisition, (ii) that the Surviving Corporation would be seen as a successor corporation to Acquisition and (iii) on the basis of a continuum theory and the exemption set forth in 15 USC §18a(c)(10) (Exempted transactions), no additional filings under the Act would be required by either of Parent or on behalf of Target. If after reviewing this memorandum, you are unable to sustain the foregoing conclusions with respect to the number of filings required under the Act and the parties obligated to submit them, I would appreciate your calling me as soon as you are able to do so (at [REDACTED]).

Thank you for the prompt attention that you have given this matter.

[REDACTED]

[REDACTED] AGREE - ONLY ONE FILING IS REQUIRED.

Bruchal [Signature]

[REDACTED]