

NEW YORK, NEW YORK

802.9

September 20, 2000

Mr. B Michael Verne
Investigator
Premerger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
6th Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Dear Mr. Verne:

The purpose of this letter is to confirm your recent advice regarding the application of the exemption from premerger notification afforded by 16 C.F.R. § 802.9. The facts I have laid out for you are as follows:

1. Four limited partnerships ("A", "B", "C" and "D"), each of which is its own ultimate parent entity, are shareholders of a corporation ("Target"). Target will be acquired by Acquiror in a stock-for-stock merger (the "Merger").
2. As a result of the Merger, each partnership will hold voting securities of Acquiror with a value in excess of \$15 million but representing less than 10% of the voting securities of Acquiror.

3. A, B, C, and D will be granted, collectively, the right to one seat on the board of directors of Acquiror. The natural person who will represent A, B, C and D on the board of directors of Acquiror is a general partner of partnerships A and B and is one of 11 managing members of a limited liability company (the "LLC") which is the general partner of partnerships C and D. He does not have the right to 50% or more of the profits of the LLC or to 50% or more of its assets in the event of dissolution.

You have advised me that, as to partnerships A and B, the exemption of 16 C.F.R. § 802.9 is not available because the director is a general partner of A and B. You have further advised that, as to partnerships C and D, their shared right to one seat on the board of Acquiror does not preclude them from relying on the exemption of 16 C.F.R. § 802.9 because neither partnership has the unilateral right to designate a director and the director is not a general partner or a controlling member of the general partner of either partnership.

Please let me know whether I have accurately summarized your advice. When you have an opportunity to respond, or if you need any clarification in respect of this analysis, please call me at [REDACTED]

Very truly yours,
[REDACTED]

AGREE -

B. Michael Verne

9/26/00