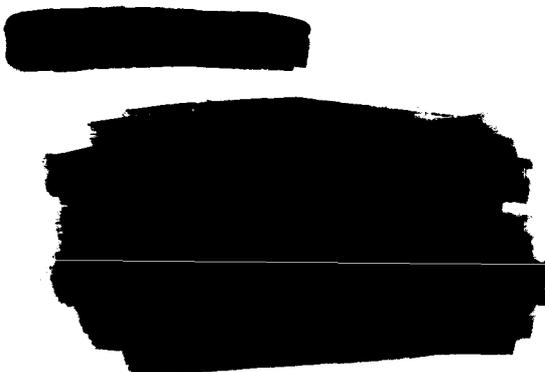


803.5



April 8, 2002

Nancy M. Ovuka  
Federal Trade Commission  
Pre-Merger Office  
Washington, DC

2002 APR -9 A 11:11  
FEDERAL TRADE  
COMMISSION  
PREMERGER NOTIFICATION  
OFFICE

Re: Proposed HSR Filing

Dear Nancy:

This will confirm the details of the transaction which I described to you over the phone today and my conclusion, in which you agreed, that Corporation A may now file an HSR Report for its acquisition of all of the stock Corporation T.

Corporation A, a corporation with sales or assets over \$10 million, plans to acquire all of the stock Corporation T, a corporation with sales or assets over \$100 million for a purchase price of \$81 million, pursuant to the terms of a Stock Purchase Agreement and the following procedures, which are somewhat complicated because Corporation T is in bankruptcy proceedings. (However, the special 15 day waiting period procedure is not apparently applicable.)

The purchase will be effected by Corporation A indirectly through a new subsidiary corporation called "Corporation Z". Corporation Z was recently formed for the purpose of acquiring Corporation T. Corporation Z does not currently have any shares outstanding. The parties anticipate that, prior to closing of the acquisition of Corporation T, (i) Corporation A will acquire shares of Corporation Z for approximately \$100,000 (such initial issuance of shares by Corporation Z will make Corporation Z a wholly-owned subsidiary of Corporation A and is to take place around the time of bankruptcy court approval of the acquisition of all of the shares of Corporation T) and (ii) thereafter, also before the time of the acquisition closing, Corporation A will contribute \$80.9 million as a capital contribution to Corporation Z.

Corporation T is in bankruptcy proceedings, and as part of a court-approved reorganization all its existing stock will be extinguished and new stock will be issued and sold to Corporation Z, resulting in Corporation A owning, indirectly through Corporation Z, all the shares of Corporation T. Corporation A is its own "ultimate parent" for HSR purposes.



Nancy Ovuka

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April 8, 2002

Corporation A (the "acquiring person") has a non-binding letter of intent to acquire all of the stock of Corporation Z, which, as noted above, is a shell corporation that has not yet issued any stock, and which has no sales and would have no assets on its balance sheet (if it had ever prepared a balance sheet). Corporation Z and Corporation T have entered into a Stock Purchase Agreement pursuant to which Corporation Z is to acquire all of the stock of Corporation T for \$81 million, subject to a very substantial number of closing conditions, including accuracy of representations and warranties, absence of any material adverse change, bankruptcy court approval and achievement of various revenue- and earnings- based performance targets, all of which must be satisfied or else waived by Corporation Z. This agreement -- which is from an economic point of view like an option -- has minimal value because it is a contract to buy all the new stock of Corporation T at what is judged to be the fair market value of all the new stock of Corporation T and because the agreement is subject to satisfaction of major contingencies. The agreement is not the type of asset that would get recorded by Corporation Z on a balance sheet under generally accepted accounting practices but would be footnoted.

Corporation A plans to execute the specified 803.5 Affidavit in which it will state that it has a good faith intention to complete the transaction contemplated by the letter of intent and the Stock Purchase Agreement, namely the acquisition of all the new stock of Corporation T.

My conclusion was that the above described documentation is sufficient to permit Corporation A to make an HSR filing now (which would then require a responsive filing by Corporation T), with Corporation A paying the required filing fee of \$45,000. You have indicated your agreement in this conclusion.

If this letter correctly represents your understanding, I would appreciate your giving me a confirmatory phone call at my number [REDACTED]

Thank you for your consideration.

Sincerely,

[REDACTED]

4/11

Confirmed advice

MV concurs