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From: [REDACTED]  
To: FTC.SERIUS("mverne@ftc.gov")  
Date: 5/10/02 4:13PM  
Subject: valuation of assets

Hi Mike - a quick question. We have a transaction where the Acquisition Price is a fixed amount plus an additional sum based upon future earnings. If the Board of the Acquiring Person concludes in good faith that the estimated value of the future earnings piece would put the Acquisition Price over \$50 million, yet the FMV would be a bit less than \$50 million, I assume that we have a filing obligation. Thanks.

[REDACTED]

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[REDACTED]

ADVISED THAT IF CONTINGENT PORTION COULD BE REASONABLY ESTIMATED THEN ACQUISITION PRICE IS DETERMINED. IF GREATER THAN FAIR MARKET VALUE, IT IS THE VALUE OF THE ASSETS.

B. Michael Verne  
5/13/02