

FEDERAL TRADE COMMISSION  
PREMERGER NOTIFICATION OFFICE

2004 MAR 31 P 2:40

March 31, 2004

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FAX

Mr. B. Michael Verne  
Premerger Notification Office  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W.  
Washington, DC 20580

Re: *Hart-Scott-Rodino Act Filing Requirements*

Dear Mr. Verne:

We are writing to confirm our understanding of the conversation on March 30, 2004, among you, [REDACTED] of the law firm of [REDACTED] and the undersigned about the premerger notification filing requirements relating to the following proposed transaction.

Company A will merge with Company B. Company A's ultimate parent entity ("UPE") is shareholder Mr. X, who holds more than 50%, but less than 100% of its voting securities. Company B is its own UPE. The merger agreement provides that Company B will be the surviving entity and Company B will issue new Company B voting securities to the current shareholders of Company A. Company B is a significantly smaller entity than Company A. As a result, Mr. X will hold more than 50% of the voting securities of Company B and will be its UPE.

In this proposed transaction, we believe that Mr. X is the acquiring person pursuant to § 801.2(d)(1)(ii) of the Premerger Notification Rules and that Company B is the acquired person. The transaction is a proposed merger, and Mr. X is the "person" who, after consummation, will include the corporation (Company B) in existence prior to consummation which is designated as the surviving corporation in the merger agreement. Company B is the acquired person under either § 801.2(b) or § 801.2(d)(2)(ii). Thus, assuming that the size-of-persons and size-of-transaction tests are met, filings by Mr. X as acquiring person and by Company B as acquired person will satisfy the requirements of the HSR Act.

In our conversation you agreed with our analysis. Please let me know if the above does not accurately reflect our telephone conversation. We very much appreciate your help on this matter and do not hesitate to contact the undersigned at (713) 229-1902 if you have any questions.

[REDACTED]

Mr. B. Michael Verne

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March 31, 2004

Very truly yours,

[Redacted signature]

By:

[Redacted signature]

cc:

[Redacted text]

AGNEE -  
Bucher  
3/31/04

[Redacted text]