

Verne, B. Michael

7A(c)(10)

From: [REDACTED]
Sent: Monday, September 25, 2006 8:04 AM
To: Verne, B. Michael
Subject: 7A(c)(10) Exemption

Hi Mike,

Hope you enjoyed your weekend. In a transaction in which the target is offering a new round of voting securities to its current shareholders and any new investors would the acquisition of a present investor that does not increase that investors interest in the target but does cross the threshold be exempt? If a present shareholder acquires additional securities its investment will be valued at over \$56.7 million, however the total percentage it will hold will decrease, so if the investor presently holds 30% after this new round that investor will hold 25% of the total outstanding voting securities of the target. Is this acquisition exempt from the HSR filing under 7A(c)(10) because the result of the acquisition of the voting securities does not result in an increase, directly or indirectly, of the acquiring person's per centum share of the outstanding voting securities?

Many thanks as always for your guidance.

[REDACTED]

To comply with IRS regulations, we advise you that any discussion of Federal tax issues in this e-mail was not intended or written to be used, and cannot be used by you, (i) to avoid any penalties imposed under the Internal Revenue Code or (ii) to promote, market or recommend to another party any transaction or matter addressed herein.

For more information please go to [REDACTED]

This email may contain material that is confidential, privileged and/or attorney work product for the sole use of the intended recipient. Any review, reliance or distribution by others or forwarding without express permission is strictly prohibited. If you are not the intended recipient, please contact the sender and delete all copies.

[REDACTED]

YES - EXEMPT UNDER 7A(C)(10)

Bruchstein

9/25/06