

801.10

CONFIDENTIAL

VIA ELECTRONIC MAIL

July 26, 2007

Mr. B. Michael Verne
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
7th & Pennsylvania Avenue, NW
Washington, DC 20580

Dear Mike:

I am writing to confirm my understanding of a telephone conversation we had on July 24, 2007 relating to the applicability of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended ("HSR Act") to a proposed transaction.

Proposed Transaction

The purchaser is acquiring the stock of two non-publicly traded corporations. Both corporations are owned by a common parent, the seller, but the parent entity is not being acquired. The purchaser will pay to seller \$80 million at closing, with \$60 million of that amount to be used by seller to pay off the outstanding debt of the two issuers being acquired.

Conclusion

You agreed that the proposed transaction would be HSR exempt as the value of the transaction for HSR purposes would be \$20 million, and thus below the \$59.8 million size of the transaction test. See 16 C.F.R. § 801.10(a)(2)(i). Specifically, you confirmed that in this context of the acquisition of non-publicly traded voting securities, the value for HSR purposes would be based on the acquisition price, and the acquisition price would not include amounts to pay off the debt of the acquired issuers regardless of whether the buyer paid off the debt directly or transferred funds to seller at closing for the seller to pay off the debt of the issuers to be acquired. You also confirmed that where, as here, two or more issuers are being acquired by the purchaser from a common parent that the conclusion of non-reportability would not change regardless of how the debt was allocated among the issuers being acquired.

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Please let me know as soon as possible if you disagree with any of the conclusions discussed above, or if I have misunderstood any aspect of your advice. Thank you for your assistance in this matter.

Sincerely,

[REDACTED]

AGREE.
B
7/26/07

[REDACTED]