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June 15, 2011

Mr. B. Michael Verne
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Grantor Retained Annuity Trust

Dear Mr. Verne:

We are emailing you to see if you agree with our views that the below described trusts (and not the grantor) would be the holder of voting securities of Corporations A and B and unincorporated interests of Limited Liability Company C. In our transaction Buyer will purchase 100% of the voting securities of Corporation A and Corporation B and 100% of the equity interests of Limited Liability Company C for a combined acquisition price of approximately $115 million. The acquisition price attributable to each individual acquired entity is less than $66 million. Please see the attached transaction overview. Three Grantor Retained Annuity Trusts ("GRATs") have been established by Grantor X. All of the GRAT agreements are relevantly identical. Grantor X is currently the sole trustee of each of the three GRATs. Each trust is irrevocable.

1) Each GRAT pays an annual annuity to Grantor X during the three-year term of each GRAT (the "Annuity Term"). We have reviewed Informal Staff Opinions 0606001 dated June 2, 2006 and 0601008 dated January 11, 2006 and it is our understanding that the receipt of annuity payments by a settlor of a GRAT does not constitute a "reversionary interest" for purposes of Rule 801.1(c)(3) and that Grantor X would not be deemed to "hold" the assets of the GRAT by reason of that annuity payment.

2) Although Grantor X has the power to substitute alternative property for all or part of the corpus of each GRAT having equivalent fair market value, we understand that such ability to substitute assets in the corpus of a trust does not constitute a reversionary interest.

3) Currently Grantor X serves as the sole trustee of each of the three GRATs. The Grantor cannot serve as a Trustee after expiration of the Annuity Term. Upon the expiration of the Annuity Term, each GRAT designates individuals, in descending order of priority, who are to serve as successor trustees. During the Annuity Term, Grantor X in his capacity as sole trustee can also designate alternative successor trustees. We have reviewed Informal Staff Opinions 0604016 dated April 20, 2006 and 1006006 June 15,

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2006 and it is our understanding that a settlor of the trust being able to name a successor trustee is not the equivalent of having the ability to replace trustees for HSR purposes.

4) With respect to the power to remove trustees, each GRAT agreement contains the following provision:

(1) The individual Trustees, acting together, or if none, a majority of the beneficiaries, shall have the right, at anytime and for any reason, to remove any current or successor individual or corporate Trustee. Simultaneously with such removal, the Trustees removing the individual or corporate Trustee, acting together, may designate a successor individual or corporate Trustee. Notwithstanding the foregoing, the guardian of any beneficiary who is not then legally competent may exercise the power on behalf of such incompetent beneficiary.

Grantor X cannot unilaterally remove a trustee. If a GRAT only has one trustee, the sole trustee can resign and appoint his successor as described above. To the extent additional trustees are appointed, a current or successor trustee may be removed only with the unanimous consent of all trustees (if there are two trustees) or by a majority of the trustees (if there are three or more trustees). We believe that Interpretation Nos. 42, 44 and 58 contained in the ABA SECTION OF ANTITRUST LAW, Premerger Notification Practice Manual (4th ed. 2007) supports the premise that Grantor X does not control, for HSR purposes, the three GRATs. These interpretations state that when the power to designate a replacement trustee is shared or subject to the consent of a third party, no one person has the power to appoint 50% or more of the trustee and no one person would be deemed to control the trust.

We believe under the facts and circumstances as described above the filing of a Premerger Notification Form under the HSR Act will not be necessary as each GRAT will be deemed the owner of its securities as opposed to Grantor X. We would appreciate knowing whether you concur or do not concur with our analysis. We thank you for your time.

[redacted]

CC: [redacted]

Agree -
BM
6/15/11

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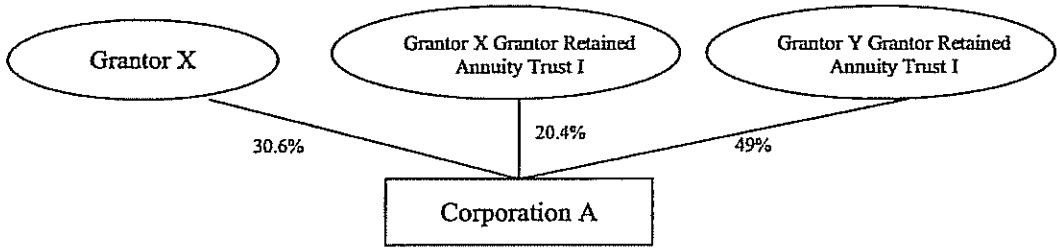
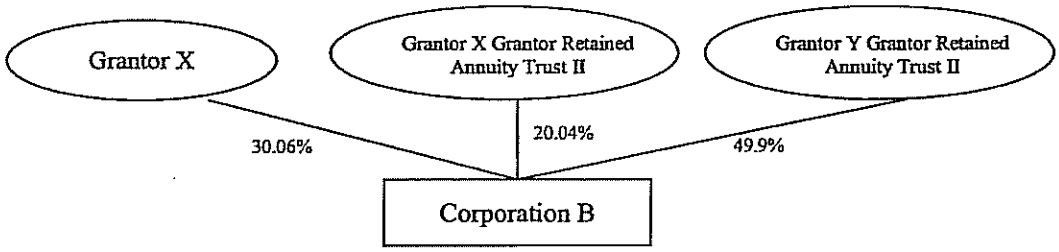
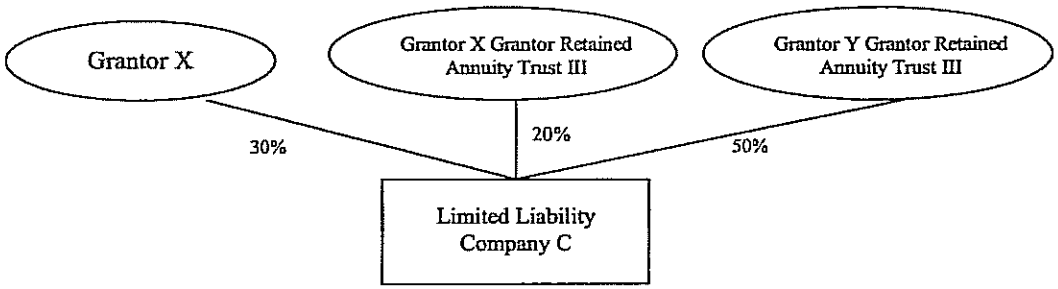
TRANSACTION OVERVIEW

- Buyer intends to purchase 100% of the stock in Corporation A and Corporation B, and 100% of the membership interests in Limited Liability Company C, for a *combined* acquisition price of approximately $115 million. (The acquisition price attributable to each acquired person will be less than $66 million.)

- Corporation A, Corporation B and Limited Liability Company C are owned as follows:







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