

WRITER'S DIRECT LINE

January 3, 1983

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PREMERGER  
NOTIFICATION  
OFFICE

Dana Abrahamsen  
Premerger Notification Office  
Federal Trade Commission  
6th Street & Pennsylvania Avenue, N.W.  
Washington, D.C. 22580

Re: January 3, 1983 Telephone Conversation

Dear Dana:

In a conversation this morning, I requested an informal opinion with respect to the following factual situation:

Company A will make a tender offer for 51% of the outstanding voting securities of Company B. This transaction will be valued in excess of \$15 million. Company A will also enter into an option agreement with Company B, granting Company A the option to purchase up to 18% of Company B's outstanding voting securities, (valued at approximately \$11 million). Finally, Company A will enter into a stock purchase agreement with certain of Company B's shareholders to purchase up to 15% of B's outstanding voting securities, (valued at approximately \$9 million). If Company A acquires 51% of Company B's outstanding voting securities pursuant to the tender offer, it may decide not to acquire any additional shares pursuant to the option or the purchase agreement.

Discussion

You have advised that, if Company A so desires, Company A may file for all three transactions on a single Notification and Report Form. Further, in the notice to the acquired person, Company A should state its intention to make a tender offer for 51% and should note that Company A may exercise its option, or may purchase pursuant to the purchase agreement, if,

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as a result of the tender offer, Company A does not acquire 51% of Company B. At the bottom of the affidavit accompanying the filing, Company A should state its "good faith intention to make the acquisition as described in the attached notice."

You have also advised that, if the transaction does not pose any substantive antitrust problems, early termination of the 30-day waiting period applicable to the option and the purchase agreement should be granted.

Finally, you advised that the waiting period would not be delayed if the affidavit required to be filed with the Notification and Report Form were telecopied so long as an original were provided as soon as possible.

I believe this accurately describes our conversation and the informal opinion which you rendered today. If it does not, please contact me as soon as possible.