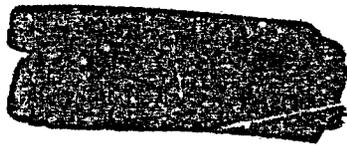


W.K.



February 14, 1985

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Wayne Kaplan  
Federal Trade Commission  
Room 301  
FTC Building  
7th and Pennsylvania Avenue, N.W.  
Washington, D.C. 20580

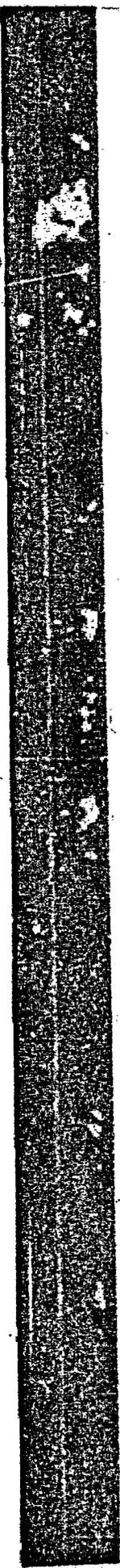
Re: Interpretation of "Control" under the Pre-Merger  
Notification Regulations

Dear Mr. Kaplan:

On January 30, 1985, I spoke with you by telephone concerning the applicability of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, Section 7A of the Clayton Act, 15 U.S.C. §18a (the "Act"), and the regulations promulgated under the Act, 16 C.F.R. Parts 801, 802 and 803 (the "Regulations"), to leveraged buy-outs. At that time, you informed me that, for purposes of determining the identity of the "acquiring person" and the "acquired person" in a merger or acquisition transaction, both the FTC and the Department of Justice interpret Section 801.1(b) of the Regulations such that a limited partnership cannot be "controlled by" another entity and therefore will always be considered the "ultimate parent entity" (Section 801.1(a)(3) of the Regulations) in a merger or acquisition transaction in which the limited partnership, or an entity it controls, is involved.

On February 13, 1985, I spoke with Ms. Addie Williams of your office in connection with a different leveraged buy-out transaction with which our Firm is also involved. I explained to Ms. Williams that the "acquired person" has assets of more than \$10,000,000 but less than \$100,000,000; that the transaction involves the purchase of assets valued at approximately

This material may be subject to the confidentiality provision of Section 7A (b) of the Clayton Act which restricts release under the Freedom of Information Act



[REDACTED]  
Mr. Wayne Kaplan  
February 14, 1985  
Page Two

\$30,000,000; and, that the entity acquiring the assets is a newly-formed limited partnership which, if deemed to be the "acquiring person" in this transaction, will have assets of less than \$25,000,000. Ms. Williams reiterated FTC staff's interpretation of Section 801.1(b) of the Regulations discussed above.

In reliance upon my telephone conversations with you and with Ms. Williams, we have determined that this transaction is exempt from the filing requirements of the Act and the Regulations. I would appreciate your reviewing this letter at your earliest convenience and contacting me to confirm that we are correct in our understanding of FTC staff's interpretation of Section 801.1(b) of the Regulations.

Thank you for your attention to this matter.

Very truly yours,

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
2/19/85 called [REDACTED] and  
he described partners. No overlap.  
w/acquired person in address  
transaction and 1st transaction  
isn't really. [REDACTED] will call  
if that one proceeds.  
Wayne Kaplan