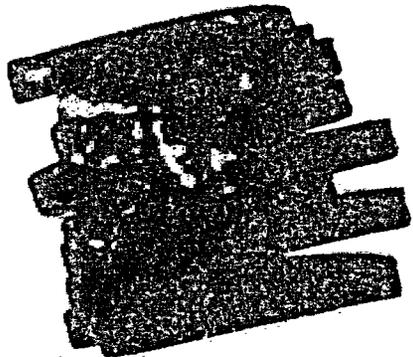


(WK)



September 3, 1985

Wayne E. Kaplan, Esq.
Senior Attorney
Premerger Notification Office
Bureau of Competition
Room 301
Federal Trade Commission
Washington, D.C. 20580

This document is subject to the provisions of the Freedom of Information Act which requires that the Freedom of Information Act

Dear Mr. Kaplan:

This letter will serve to confirm our August 30, 1985 telephone conversation. During that conversation, I advised you that my office represents a newly-formed corporation. Such corporation will be raising an aggregate of \$10,000,000 in equity through the sale of stock to various investors, none of whom will own 50% or more of such stock. The corporation proposes to acquire certain assets from another corporation. The \$10,000,000 raised through the sale of stock together with loans from various sources will be used to fund the acquisition, to provide the corporation with working capital, and to pay expenses incurred in connection with the acquisition. The aggregate working capital retained and expenses paid by the corporation will not equal or exceed \$10,000,000. To date, the corporation has issued no financial statements, nor does it intend to issue any financial statements prior to the acquisition.

My understanding based on our telephone conversation is that since (a) this newly formed corporation is the only "acquiring person" and the "ultimate parent entity", (b) it will be using substantially all of its assets, including funds borrowed, to finance the acquisition, and (c) the aggregate amount of working capital retained by it when added to the expenses paid by it will be less than \$10,000,000, the FTC staff has taken the position that no Premerger Notification must be filed under the Hart-Scott-Rodino Antitrust Improvement Act of 1976 in connection with the proposed acquisition. If my understanding is incorrect in any manner, I would appreciate

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Wayne E. Kaplan, Esq.
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receiving a letter from your office to that effect by September 16, 1985 so that my office may commence working on the appropriate notification forms.

Your cooperation in this matter is most appreciated.

Very truly yours,

[REDACTED]

RBZ:ds

CERTIFIED MAIL
Return Receipt Requested

OK upon later
review. WEX 3/9/87