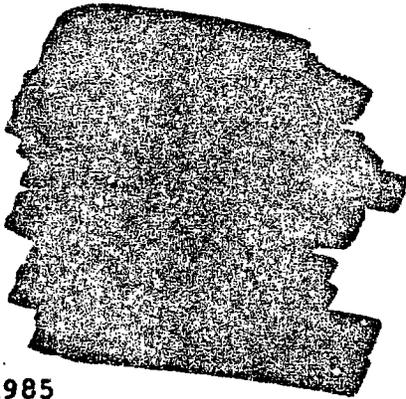
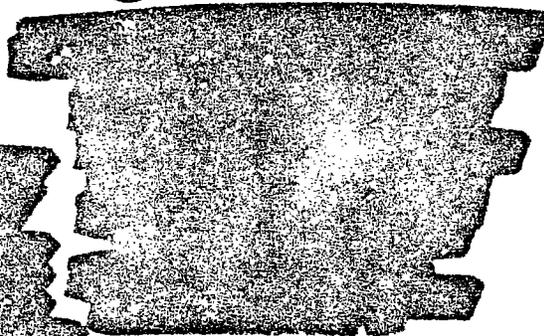
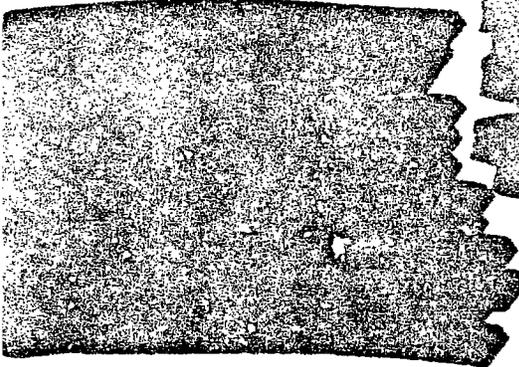


(W)



This material is exempt from the provisions of the Freedom of Information Act, 5 U.S.C. 552, which apply to the records of the Federal Government.

October 29, 1985

Wayne Kaplan, Esq.  
Premerger Notification Office  
Bureau of Competition  
Seventh Street and Pennsylvania Avenue, N.W.  
Washington, DC 20580

Dear Mr. Kaplan:

Thank you for your explanation by telephone today of certain matters relating to the requirement for Premerger Notification reporting. This letter is to confirm my understanding of your explanation.

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Your explanation was based on the following hypothetical: an acquiring entity plans to acquire substantially all of the assets of an acquired entity. As part of this transaction, the acquiring entity plans to assume a sublease owned by the acquired entity, which assumption discharges the acquired entity from liability for future payments pursuant to the sublease.

My understanding of your explanation is that, on these hypothetical facts, for the purposes of determining whether premerger notification reporting is necessary, the assumption of the sublease will constitute neither payment of consideration to the acquired entity nor the acquisition of an asset by the acquiring entity, so long as the sublease is assumed on its original terms, and the acquiring entity neither gives nor receives any consideration for making the assumption. Whether the terms of the sublease at the time of the assumption are at, above, or below current fair market value do not effect this conclusion.

by  
11/1/85  
call  
14/85

It is an  
asset of  
acquiring  
entity  
value may be 0.

Very truly yours,

