

[REDACTED]

This material may be subject to  
the provisions of the exemption of  
Section 7A(c)(1) of the Clayton Act  
which prohibits release under the

April 17, 1987, of Information Act

Wayne Kaplan, Esq.  
Premerger Notification Office  
Bureau of Competition  
Room 303  
Federal Trade Commission  
Washington, D.C. 20580

APR 20 12 15 PM '87  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C.

Dear Wayne:

This letter will confirm our telephone conversation of today in which you advised me that the transaction described below qualifies for the "ordinary course" exemption of Section 7A(c)(1) of the Act. In reliance on that advice, I have informed my client that it may promptly close the transaction.

The pertinent facts are as follows. A subsidiary of [REDACTED] that is engaged in sales finance has contracted with [REDACTED] to purchase from the latter approximately \$30 million of accounts receivable -- specifically, revolving charge accounts arising from retail sales by a [REDACTED]-based manufacturer and retailer of consumer products. Both [REDACTED] routinely make such purchases of accounts from banks and other financial institutions, as well as directly from retail merchants, and these transactions represent an investment opportunity for the buyer (and for the seller, realization of cash) with no competitive consequences.

As I mentioned to you, the requirement of Rule 802.1 that the purchase not constitute "all or substantially all of the

[REDACTED]

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assets of [the selling] entity" is unquestionably met here since, as you will appreciate, the receivables in question constitute less than one percent of [REDACTED] assets.

Very truly yours,

[REDACTED]

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