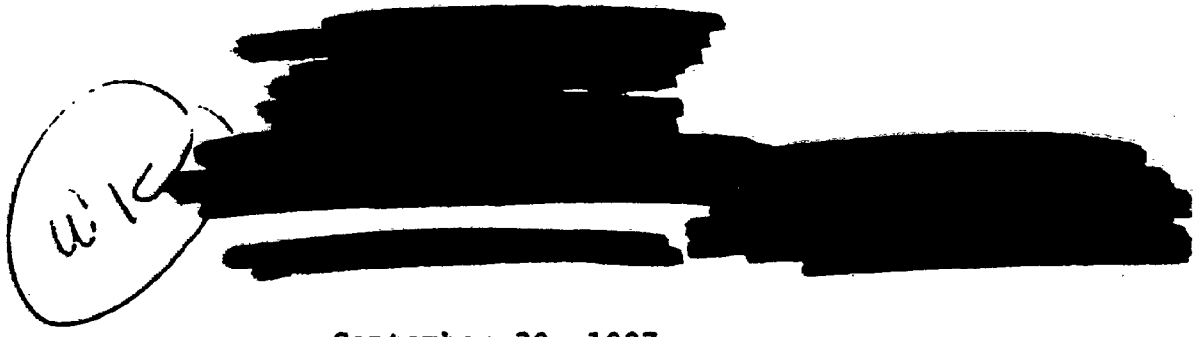

September 30, 1987

Mr. Wayne Kaplan
Room 303
Federal Trade Commission
6th Street and
Pennsylvania Ave., N.W.
Washington, DC 20580

This [illegible] may be subject to [illegible] of the Clayton Act [illegible] under the Freedom of Information Act

Dear Mr. Kaplan:

This letter is to confirm our telephone conversation of Tuesday, September 29, 1987.

I called you with the following question: When an irrevocable trust instrument names a sole trustee and a successor trustee, and gives the successor trustee the power to designate his own successor, does either the named trustee or the named successor trustee retain a sufficient degree of control over the trust such that he or she must be considered the trust's ultimate parent entity?

You referred me to the § 801.1(b)(2) definition of "control," and pointed out that, in this context, the term "control" would mean "having the contractual power presently" to designate a sole trustee. Your opinion was that because the named trustee has no power at all to designate a successor, and because the named successor has only a subsequent power, but no present power, to name a successor, neither of these individuals retain a sufficient degree of control over the trust such that they must be considered the trust's ultimate parent entity. The trust, in your opinion, would therefore be its own ultimate parent entity.

The 1987 amendments to § 801.1(b) retain the relevant language, "Having the contractual power presently . . .," and therefore would not alter this result.

We also discussed the hypothetical possibility that, should the named successor eventually become sole trustee, his power to appoint a successor might make him the trust's ultimate parent entity for purposes of a subsequent Hart-Scott-Rodino filing.

I greatly appreciate your help in this matter.

Sincerely,

[redacted]

[redacted]

OK W E Kaplan