

December 28, 1987

BY FEDERAL EXPRESS

Victor Cohen, Esq.
Wayne Kaplan, Esq.
Premerger Notification Officer
Bureau of Competition
Federal Trade Commission
Washington, D.C. 20580

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 01-11-87 BY SP-10/STP/STP
SECTION 7E (H) OF THE CLERK'S ACT
WHICH PROHIBITS RELEASE UNDER THE
PENALTY OF INFORMATION


Re: Telephone Conversations of
December 23 and December 28, 1987

Gentleman:

This will confirm my telephone conversation with Mr. Kaplan on December 23, 1987 and my telephone conversation with Mr. Cohen on December 28, 1987, both of which related to the proposed transaction described in my letter to Mr. Cohen dated December 18, 1987. Capitalized terms used in this letter have the same meanings assigned to them in my December 18 letter.

Both of you agreed with my conclusion that no filing of a Notification and Report Form is required in connection with the proposed transaction. Specifically, both of you agreed that each of Son, Trust 1 and Trust 2 is its own ultimate parent entity, that for purposes of the Act it is necessary to analyze the proposed transaction as three separate transactions pursuant to which each of the Son, Trust 1 and Trust 2 will acquire voting securities of the Subsidiary, and that each of the three transactions is exempt from the Act pursuant to Rule 802.20. Both of you further agreed that the securities being acquired by Trust 1 and Trust 2 need not be aggregated.

Mr. Kaplan indicated that the fact that the Son has the right to amend, alter or revoke Trust 2 during his lifetime is a circumstance not addressed by the current Rules or staff positions, and that this fact might be addressed by future amendments to the Rules. However, both of you agreed that under the current Rules and staff positions, there is no basis for aggregating in any manner the securities being acquired by the Son, Trust 1 and Trust 2. We recognize, however, that if Trust 2 were revoked in the future, and the securities of the Subsidiary acquired by Trust 2 in the proposed transaction were then transferred to the Son, there may be a reportable transaction at that time.



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Thank you very much for your assistance in this matter.
Best wishes for a healthy and prosperous 1988.

Very truly yours,

