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April 9, 1992

APR 9 4 47 PM '92
FEDERAL TRADE
COMMISSION
PREMERGER NOTIFICATION
OFFICE

Section 22 (b) of the Securities Act
which restricts releases under the
Freedom of Information Act

Mr. Patrick Sharpe
Premerger Office
H-303
Federal Trade Commission
Washington, D.C. 20580

Dear Mr. Sharpe:

Last week, in your absence, Dick Smith of the Premerger Office called me concerning the fact scenario outlined in my letter to you of April 1, 1992. Mr. Smith explained that the Premerger Office does not recognize that transactions can happen simultaneously. He requested that the parties order the separate parts of the proposed transaction. I have conferred with the parties to the proposed transaction and they confirm that the initial sale of Company X stock to the public will immediately follow the redemption of the Company X stock. The receipt by Company A and Company B of the stock of Subsidiary Z in partial consideration for the redemption will therefore precede the initial public offering of Company X stock. Thus, Company A and Company B will each own 50% of Company X at the time they receive the Subsidiary Z stock, and this stock acquisition will be exempt under Section (c)(3) of the Act.

Please contact me if you have any further comments or questions. Based upon the exemptions outlined in my April 1, 1992 letter, the parties propose to consummate the transaction in May without submitting any filings under the Act. Once again, thank you for your review of this matter.

Very truly yours,

[REDACTED]

cc: Mr. Dick Smith

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