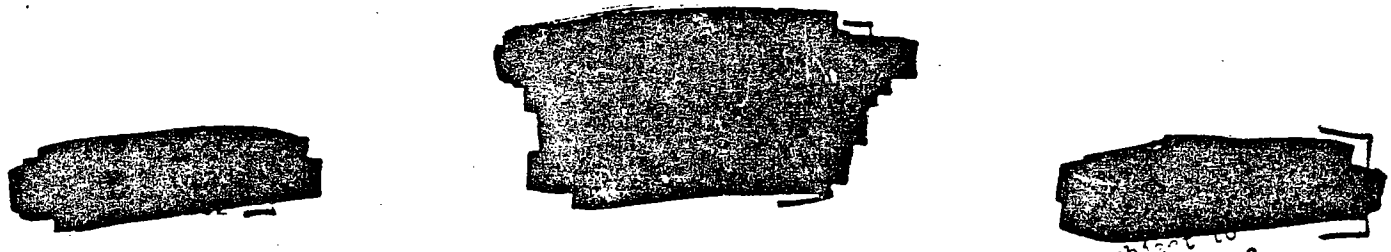

December 9, 1983

This material may be subject to the confidentiality provision of Section 7A (h) of the Clayton Act which restricts release under the Freedom of Information Act

Mr. Dana Abrahamson
Federal Trade Commission
Sixth Street & Pennsylvania Avenue
Washington, D.C. Northwest 20580

VIA FEDERAL EXPRESS

Dear Dana:

Confirming our telephone conversation of December 8, 1983, you have advised me that the following transaction is not reportable under the Hart-Scott-Rodino Act of 1976 (the "Act").

A is a corporation and an "Ultimate Parent Entity" within the meaning of the Act, which controls several subsidiaries. Its most recently prepared consolidated annual financial statement reported net sales of $98.4 million. To this figure should be added $2.4 million in sales of other subsidiaries located in [redacted]. (These sales were excluded from the consolidated report by the Corporation because the investment in the subsidiaries was written off Corporation A's books due to deterioration of the [redacted] economy, including foreign exchange controls and import restrictions).

B is a corporation and an Ultimate Parent Entity controlling two subsidiaries (collectively the "B Group"). Its sales as reported in its most recent regularly prepared annual financial statement are more than $10 million but substantially less than $100 million.

Neither A nor B directly or indirectly "Held" assets of $100 million or more as of the date of its most recently prepared balance sheet.

A and B intend to cause the formation of an Illinois General Partnership (the "Partnership"). A will merge two of its subsidiaries into a third existing subsidiary, S. It will then cause S to contribute substantially all of its assets, subject to liabilities, to the Partnership, in exchange for a one-half interest in the Partnership. The assets S will represent more than 15% of the assets of A at the time they are contributed.

Simultaneously, the B Group will contribute substantially all of their respective assets, subject to liabilities, to the Partnership. The B Group will receive in the aggregate a one-half interest in the Partnership. Under the proposed Partnership

Agreement, B will have the contractual right to control the day-to-day business operations of the Partnership.

The fair market value of assets plus assumed liabilities to be contributed to the Partnership by S and the B Group is probably in excess of $15 million.

The parties have chosen to form a partnership and not a corporate joint venture to achieve certain tax advantages, and not for the purpose of avoiding the need to file a premerger notification report. The proposed transaction is not reportable as the formation of a corporate joint venture under Rule 801.40 because the new entity will be a partnership and not a corporation.

Moreover, the proposed transaction is not reportable as an acquisition. The new partnership will be deemed to be its own Ultimate Parent Entity and thus it, not A or B, will be the "Acquiring Person" within the meaning of the Act. Since it is just being formed it has no regularly prepared balance sheet. It will have no assets until it receives the proposed contributions, which it will receive simultaneously from S and the B Group. The Partnership is therefore deemed to be a $0 person. Even though the partnership will acquire assets and assume liabilities of more than $15 million from a $100 million person, the Partnership is not a $10 million Acquiring Person. Therefore, the jurisdictional prerequisites of the Act are not satisfied.

The parties intend to close the transaction on Wednesday morning, December 14, 1983, without filing a premerger notification report. If I have misunderstood our conversation, or the application of the Act to the proposed transaction, please call me no later than Tuesday afternoon.

Very truly yours,