

**DATE:** [Insert Date]

**TO:** Board of Directors, [Insert Company Name]

**FROM:** [Insert Name/Legal Counsel]

**SUBJECT:** Analysis of Potential Triggering Event under Shareholder Rights Plan

Dear Board of Directors,

This letter provides a formal analysis regarding a potential "Triggering Event" as defined under the Shareholder Rights Plan (the "Plan") adopted by [Insert Company Name] on [Insert Date].

### **1. Description of Event**

On [Insert Date], the following actions were observed: [Describe the stock acquisition, tender offer, or formation of a beneficial ownership group].

### **2. Acquiring Person Identification**

The entity or individual involved is [Insert Name of Person/Group]. Based on current filings, their total beneficial ownership is approximately [Insert Percentage]% of the outstanding Common Stock.

### **3. Threshold Analysis**

Under Section [Insert Section Number] of the Plan, the "Distribution Date" is triggered when a person or group acquires [Insert Threshold, e.g., 10% or 15%] or more of the outstanding shares.

- Applicable Threshold: [Insert Percentage]%
- Current Ownership Level: [Insert Percentage]%
- Status: [Breached / Not Breached]

### **4. Exemption Review**

We have evaluated whether the following exemptions apply:

- Inadvertent Accretion: [Yes/No]
- Board-Approved Tender Offer: [Yes/No]
- Passive Investor Exception: [Yes/No]

### **5. Recommended Actions**

Based on the above, we recommend the Board take the following steps:

1. Formal determination of "Acquiring Person" status.
2. Issuance of a public announcement regarding the Rights becoming exercisable.
3. Review of the "Redemption" or "Exchange" provisions under the Plan.

Sincerely,

[Your Signature]

[Your Printed Name/Title]