

HINTZ DONALD C  
Form U-12-IB  
January 30, 2004

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM U-12(I)-B (ANNUAL STATEMENT)  
Calendar Year 2004

STATEMENT PURSUANT TO SECTION 12(I) OF PUBLIC UTILITY HOLDING COMPANY ACT OF 1935  
BY A PERSON  
REGULARLY EMPLOYED OR RETAINED BY A REGISTERED HOLDING COMPANY OR A  
SUBSIDIARY THEREOF  
AND WHOSE EMPLOYMENT CONTEMPLATES ONLY ROUTINE EXPENSES AS SPECIFIED IN RULE  
U-71(b)

(To be filed in DUPLICATE. If acknowledgment is desired, file in triplicate.)

1. Name and business address of person filing statement.

Donald C. Hintz  
639 Loyola Ave.  
New Orleans, LA 70161

2. Names and business addresses of any persons through whom the undersigned proposes to act in matters included within the exemption provided by paragraph (b) of Rule U-71.

None

3. Registered holding companies and subsidiary companies by which the undersigned is regularly employed or retained.

Refer to companies listed in Item 4

4. Position or relationship in which the undersigned is employed or retained by each of the companies named in Item 3, and brief description of nature of services to be rendered in each such position or relationship.

Entergy Charitable Foundation President  
Entergy Gulf States, Inc. Director  
Entergy Louisiana, Inc. Director  
Entergy Mississippi, Inc. Director  
Entergy New Orleans, Inc. Director  
Entergy Nuclear Generation Company Director  
Entergy Nuclear Holding Company Director  
Entergy Nuclear Holding Company #3 Director  
Entergy Nuclear Investment Company Director  
Entergy Nuclear New York Investment Company I Director  
Entergy Nuclear New York Investment Company II Director  
Entergy Nuclear PFS Company Director  
Entergy Nuclear Potomac Company Director  
Entergy Nuclear Vermont Investment Company Director  
Entergy Nuclear, Inc. Director

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Entergy Operations Services, Inc. Director  
 Entergy Operations Services, Inc. Acting President  
 Entergy Operations, Inc. Director  
 ENTERGY POWER GENERATION CORPORATION Director  
 Entergy Retail Holding Company Director  
 Entergy Retail Texas, Inc. Director  
 Entergy Services, Inc. Director  
 Entergy Services, Inc. Chairman of the Board  
 Entergy Services, Inc. President  
 EP EDEGEL, INC. Director  
 EWO WIND, LLC President  
 GSG&T, Inc. Director  
 Entergy Select LLC Management Committee Member  
 Entergy Nuclear Vermont Yankee, LLC Management Committee Member  
 Entergy Nuclear Indian Point 3, LLC Management Committee Member  
 Entergy Nuclear Indian Point 2, LLC Management Committee Member  
 Entergy Nuclear Environmental Services, LLC Management Committee Member  
 Entergy Indian Point Peaking Facility, LLC Management Committee Member  
 Entergy Arkansas, Inc. Director  
 ENTERGY ENTERPRISES, INC. Director  
 EWO WIND, LLC Manager  
 Entergy Corporation President  
 EK Holding I, LLC Management Committee Member  
 EK Holding II, LLC Management Committee Member  
 EK Holding III, LLC Management Committee Member  
 Entergy Nuclear FitzPatrick, LLC Management Committee Member  
 Entergy Holdings, LLC Management Committee Member  
 Entergy Nuclear Nebraska, LLC Management Committee Member  
 System Energy Resources, Inc. Director  
 System Fuels, Inc. Director  
 TLG Services, Inc. Director

My duties may include, from time to time, presenting, advocating or opposing matters affecting Entergy Corporation and its subsidiary companies before Congress and members and committees thereof, and before this Commission and the Federal Energy Regulatory Commission and members, officers and employees of such Commissions.

The services required to be described in this form under Section 12(i) of the Public Utility Holding Company Act of 1935 are incidental to the undersigned's primary and principal duties and, although such services vary in extent from time to time, they represent overall only a comparatively minor portion of the total services rendered

5(a) Compensation received during the prior year and to be received during the calendar year by the undersigned or others, directly or indirectly, for services rendered by the undersigned, from each of the companies designated in Item 3. (Use column (a) as supplementary statement only.)

Salary or other compensation	
Name of Recipient	During Prior Year (a)

To be received  
(b)

Person or company from whom received or to be received

D. C. Hintz

\$20.081

\$6.693

Entergy Services, Inc.

5(b) Basis for compensation if other than salary.

6. (To be answered in supplementary statement only. See instructions.)

Expenses incurred by the undersigned or any person named in Item 2, above, during the calendar year in connection with the activities described in Item 4, above, and the source or sources of reimbursement for same.

(a) Total amount of routine expenses charged to client: \$2,628

(b) Itemized list of all other expenses: No other expenses

In accordance with the provisions of subdivision (c) of Rule U-71, the undersigned files this statement as a combined renewal of the advance statement filed by the undersigned January 2003 and as a supplemental statement to such advance statement.

(Signed) /s/ Donald C. Hintz

Dated: January 30, 2004

notifying our Secretary in writing of such change or revocation at any time prior to the voting of the proxy; submitting a later-dated proxy; attending the meeting and voting in person, calling the toll-free number on the proxy card and changing your vote, even if you did not previously vote by telephone; or submitting a later vote via the Internet.

Attendance at the special meeting alone is not sufficient to revoke a proxy. A revocation letter, later-dated proxy, or new vote through the Internet or telephone will not be effective unless it is received by us before the shareholder vote at the special meeting. The procedures for voting and revocation of proxies are described in more detail in The Variagenics Special Meeting Voting; Proxies; Revocation in the joint proxy statement/prospectus.

Our board of directors continues to recommend that the shareholders vote FOR the proposals listed in the joint proxy statement/prospectus, as supplemented.

BACKGROUND OF THE MERGER

On January 16, 2003, Variagenics, Inc. received an unsolicited business combination proposal from Acacia Research Corporation acting on behalf of its CombiMatrix group. Acacia Research Corporation develops, acquires and licenses enabling technologies for the life sciences sector through its CombiMatrix group and the media technology sector through its Acacia Technologies group. The proposal provided for a stock-for-stock merger in which Acacia would issue its A/R CombiMatrix class of common stock in exchange for the outstanding shares of Variagenics common stock at a price of \$1.60 per share of Variagenics common stock, determined on the basis of the average price of Acacia Research's A/R CombiMatrix class of common stock 20 trading days prior to closing. From January 16, 2003 through January 20, 2003, Variagenics and its representatives analyzed the proposal and conducted due diligence with respect to Acacia Research and its business. On January 20, 2003, the Variagenics board of directors determined that such proposal (i) did not constitute a superior proposal as that term is defined in the merger agreement with Hyseq, did not propose consideration that is more favorable to the Variagenics stockholders than the consideration to be provided by Hyseq and could not reasonably be expected to result in a superior proposal as that term is defined in the merger agreement with Hyseq and (ii) was not in the best interests of Variagenics or its stockholders. The Variagenics board of directors also reaffirmed its recommendation that stockholders of Variagenics vote their shares to approve the merger with Hyseq and adopt the Merger Agreement.

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In reaching its decision that the proposal was not in the best interests of Variagenics or its stockholders, the Variagenics board compared and contrasted with Variagenics management and Variagenics legal and financial advisors the elements of the combination with Hyseq with the offer from Acacia Research, including, but not limited to:

forward integrating as a biotherapeutic and diagnostic product focused company through a merger with Hyseq, as compared to the research tool business model of Acacia's CombiMatrix group (and, in regards to the former, the fact that Hyseq's management team has already made progress initiating leads for Variagenics' molecular diagnostic products);

the likelihood that a combination with Hyseq would result in the combined company's achieving significant value through ongoing product development and the creation of new and enhanced partnership opportunities, as compared to uncertain and potentially limited future partnership opportunities given the research tool business model of Acacia's CombiMatrix group (and, in regards to the former, the fact that Hyseq's collaborative partners have expressed interest in Variagenics' products and that Variagenics' collaborative partners have expressed interest in Hyseq's gene database);

although the proposal from Acacia Research represented a premium of 18.5% over the closing price per share of Variagenics common stock on January 17, 2003, fluctuations in the price of A/R CombiMatrix common stock could result in a transaction value lower than the anticipated value of the merger with Hyseq;

the trading history of the common stock of both Variagenics and Hyseq, compared to limited trading history of the A/R CombiMatrix common stock, which began trading on December 16, 2002 as a result of spin-off and not an initial public offering;

the risk of volatility and reduced liquidity due to the low trading volume of A/R CombiMatrix common stock compared to Hyseq common stock;

the fact that rapid integration with Hyseq was expected, given, among other things, Hyseq's recent reductions in headcount;

the tax-free status of the combination with Hyseq, as contrasted to the risk that the proposed combination with Acacia Research may not be eligible for tax-free status as a result of Acacia Research potentially being unable to receive a ruling from the Internal Revenue Service in connection with a proposed acquisition using A/R CombiMatrix common stock;

the level of institutional investor share ownership of Hyseq and Acacia's CombiMatrix group; and

the breadth, depth, experience and perceived strength of Hyseq's management team, compared with the breadth and depth of the management team of Acacia's CombiMatrix group.

In addition, in reaching its decision that the proposal was not in the best interest of Variagenics or its stockholders, the Variagenics board considered and reviewed with Variagenics management and Variagenics legal and financial advisors a variety of potentially negative factors that could materialize as a result of a combination with Acacia's CombiMatrix group, including, but not limited to:

the possibility that the market value of the A/R CombiMatrix common stock which would be issued to Variagenics stockholders might decline;

the risk that the complex nature of Acacia Research's capital structure, involving two classes of publicly traded common stock (A/R CombiMatrix and A/R Acacia Technologies), would not be well-understood by investors;

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the fact that Acacia Research's capital structure, involving two classes of publicly traded common stock (A/R CombiMatrix and A/R Acacia Technologies), would result in several risks to Variagenics stockholders if a combination with Acacia Research were completed, including, but not limited to:

shareholders of Variagenics being exposed to the risks of Acacia Research's consolidated business and liabilities, because the CombiMatrix group and Acacia Technologies group are both legally a part of Acacia Research;

the risk that the valuation of the A/R Acacia Technologies class could negatively impact the valuation of the A/R CombiMatrix class;

the risk that the cash resources and other assets of Acacia Research are allocated to the Acacia Technologies group;

the risk that corporate opportunities, operational and financial decisions favor the Acacia Technologies group over the CombiMatrix group;

the risk that the market value of A/R CombiMatrix could be negatively affected by market reactions to decisions by the Acacia Research directors and management that investors perceive to affect one class of the Acacia Research common stock differently than the other, such as decisions regarding the allocation of assets, expenses, liabilities and corporate opportunities and financing resources between the groups;

the holders of A/R CombiMatrix common stock and A/R Acacia Technologies common stock will generally vote together as a single class, even if the matter to be voted upon involves a divergence or conflict of interest between the holders of each respective class of common stock, so the holders of A/R CombiMatrix common stock will not be able to ensure that their voting power will be sufficient to protect their interests; and

the dilution in stock ownership caused by the board of directors of Acacia Research, in its sole discretion and without stockholder approval, determining to convert shares of A/R Acacia Technologies common stock into shares of A/R CombiMatrix common stock, or vice versa, at a time when either or both classes of common stock may be considered overvalued or undervalued;

the risk that Acacia Research's biochip technology platform is an unproven technology that may not be successfully commercialized or that may not achieve significant market penetration;

the fact that the CombiMatrix group has limited experience in manufacturing the products it is developing in quantities necessary for it to achieve commercial sales and in marketing and selling such products to potential customers;

the risk that CombiMatrix's commercial success is dependent on corporate partner manufacturing, sales and distribution;

the fact that CombiMatrix faces intense competition from companies that design, manufacture and market instruments for analysis of genetic variation and function and other applications using established sequential and parallel testing technologies;

the risk that after termination of the merger with Hyseq that a transaction between Variagenics and Acacia Research might not be consummated and its effect on Variagenics' partners, customers and employees; and

the transaction costs involved in connection with terminating the merger agreement with Hyseq, including the potential payment of termination fees, and structuring, negotiating and completing a transaction with Acacia Research.

During the course of its deliberations concerning the proposal, the Variagenics board of directors also considered and reviewed with Variagenics management and Variagenics legal and financial advisors potentially positive factors listed below, among various others:



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the benefits of increased financial resources based on representations by Acacia Research's financial advisor that Acacia Research holds \$58 million in cash;

possible synergies between Variagenics' cancer molecular diagnostic program and/or proprietary SNP database and the CombiMatrix group's biological array processor system;

the benefits of CombiMatrix' non-exclusive, worldwide, license, supply, research and development agreements with Roche Diagnostics GmbH and other collaborative partner agreements; and

the possibility that the proposed price per share offered to holders of Variagenics common stock may be at a premium to the price per share to be paid by Hyseq.

The foregoing factors are not intended to be an exhaustive list of all factors considered. In view of the wide variety of factors considered in connection with its evaluation of the proposal and the complexity of these matters, the Variagenics board found it impractical to, and did not, quantify or otherwise assign relative weights to the specific factors discussed above and considered in connection with its determination. In addition, the Variagenics board did not reach any specific conclusion with respect to each of the factors considered or any aspect of any particular factor. Instead, the Variagenics' board conducted an overall analysis of the factors described above, including thorough discussion with and questioning of Variagenics' management and its legal and financial advisors.

Taking into account all of the material facts, matters and information publicly available to the Board of Directors of Variagenics, including those described above, the Variagenics board of directors determined that the Acacia Research proposal (i) did not constitute a superior proposal as that term is defined in the merger agreement with Hyseq, did not propose consideration that is more favorable to the Variagenics stockholders than the consideration to be provided by Hyseq and could not reasonably be expected to result in a superior proposal as that term is defined in the merger agreement with Hyseq and (ii) was not in the best interests of Variagenics or its stockholders. The Variagenics board of directors also reaffirmed its recommendation that stockholders of Variagenics vote their shares to approve the merger with Hyseq and adopt the Merger Agreement.

**THE VARIAGENICS BOARD OF DIRECTORS RECOMMENDS THAT VARIAGENICS STOCKHOLDERS VOTE FOR APPROVAL OF THE MERGER AND ADOPTION OF THE MERGER AGREEMENT.**

**Additional Information**

In connection with the proposed merger, Hyseq and VARIAGENICS have filed a joint proxy statement/prospectus and supplement to joint proxy statement/prospectus with the Securities and Exchange Commission (SEC). INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE JOINT PROXY STATEMENT/ PROSPECTUS AND THE SUPPLEMENT TO THE JOINT PROXY STATEMENT/ PROSPECTUS AS IT CONTAINS IMPORTANT INFORMATION ABOUT HYSEQ, VARIAGENICS, THE MERGER AND RELATED MATTERS. INVESTORS AND SECURITY HOLDERS HAVE ACCESS TO FREE COPIES OF THE JOINT PROXY STATEMENT/ PROSPECTUS AND SUPPLEMENT TO JOINT PROXY STATEMENT/ PROSPECTUS AND OTHER DOCUMENTS FILED WITH THE SEC BY VARIAGENICS THROUGH THE SEC WEB SITE AT WWW.SEC.GOV. THE JOINT PROXY STATEMENT/ PROSPECTUS AND SUPPLEMENT TO JOINT PROXY STATEMENT/ PROSPECTUS AND RELATED MATERIALS MAY ALSO BE OBTAINED FOR FREE FROM VARIAGENICS BY CALLING INVESTOR RELATIONS AT (617) 588-5300.

INVESTORS AND SECURITY HOLDERS HAVE ACCESS TO FREE COPIES OF THE JOINT PROXY STATEMENT/PROSPECTUS AND SUPPLEMENT TO JOINT PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS FILED WITH THE SEC BY HYSEQ AND VARIAGENICS THROUGH THE SEC WEB

SITE AT WWW.SEC.GOV. THE JOINT PROXY STATEMENT/PROSPECTUS AND SUPPLEMENT TO JOINT PROXY STATEMENT/PROSPECTUS AND RELATED MATERIALS MAY ALSO BE OBTAINED FOR FREE FROM HYSEQ BY CALLING NICOLE ESTRIN, MANAGER OF CORPORATE COMMUNICATIONS AND INVESTOR RELATIONS, AT (408) 746-4572.

### **Forward-Looking Statements**

This document contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words such as believe, expect, anticipate, should, may, estimate, goals, and potential, among others. These statements, including about the proposed merger, the reasons for timing of and benefits of the proposed merger, and future financial and operating goals and results, are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from those in the forward-looking statements. Such factors include risk that the proposed merger may not be approved by stockholders, Hyseq's or Variagenics' inability to satisfy the closing conditions of the merger, risk that the two companies' businesses will not be integrated successfully, costs related to the proposed merger, the termination of existing pharmaceutical and biotechnology collaborations, the combined company's inability to further identify, develop and achieve commercial success for new products and technologies, the risk that the combined company may be unable to successfully finance and secure regulatory approval of and market its drug candidates, risks associated with Variagenics' technology, the combined company's ability to protect its proprietary technologies, risk of new, changing and competitive technologies, and regulations in the U.S. and internationally, and other factors (such as economic, business, competitive and/or regulatory factors) affecting each company's businesses generally as set forth in Hyseq's and Variagenics' filings with the SEC, including their Annual Reports on Form 10-K for the fiscal years ended 2001, their most recent Quarterly Reports on Form 10-Q, their Current Reports on Form 8-K and the joint proxy statement/prospectus and supplement to joint proxy statement/prospectus filed in connection with the merger. Hyseq and Variagenics each expressly disclaim any duty to update information contained herein.