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**To:** FTC.SERIOUS("hsr-rules@ftc.gov")  
**Date:** Thu, Feb 15, 2001 11:30 AM  
**Subject:** New Rules re Joint Ventures

Example 1 under sec. 801.40 is a little confusing. After describing the facts the example concludes:

Under paragraph (c), "A" and "B" must file notification. Note that "A" and "B" also meet the criterion of Section 7A(a)(2)(B)(i) since they will be acquiring one third of the voting securities of the new entity for \$69 million. N need not file notification . . .

The second sentence implies an additional source of the filing requirement by the use of "note" and "also." However, paragraph (c)'s filing requirement is based on meeting the criterion of Section 7A(a)(2)(B)(i). Thus, the second sentence is redundant which one figures out only after looking carefully at the references. Also the reference to the acquisition of one-third of the voting securities is irrelevant under the section.

I would suggest that the two sentences be revised to read as follows:

Under paragraph (c), "A" and "B" must file notification because they meet the criterion of Section 7A(a)(2)(B)(i) since they will be acquiring voting securities of the new entity for \$69 million.

I think that this would make the example a little clearer and simpler.

Thank you for your consideration. If you have any questions, please feel free to contact me.

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