

802.4  
802.51

Michael Verne

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From: [REDACTED]  
Sent: Tuesday, January 28, 2003 10:02 AM  
To: Michael Verne  
Subject: variation

Mike,

Thank you for your response to my questions. A slight variation would be the following:

Suppose Seller, a holding company, holds 100% interests in several tiers of US companies, which in turn ultimately hold interests in foreign based jvs. The intermediate US entities have no business other than holding interests in foreign based jv's. The scenario I asked about the other day deals with the situation where the security being sold is the interest in the foreign based jv. But assume that Seller (the UPE holding company) is instead selling an interest in a US company that has no business except for holdings in foreign based jv. Assume also that the buyer is foreign. Thus, what fundamentally is being sold is foreign based assets to a foreign buyer. Would that fact that the sale on paper is a sale of the parent's interest in a US company render the deal filable? Assume that the JV has no sale in or into the US, but the transaction price for sale of the intermediate subs's securities exceeds \$50 mil.

[REDACTED]

ADVISED THAT THIS WOULD BE A  
REPORTABLE TRANSACTION SINCE 802.51  
IS NOT ONE OF THE EXEMPTIONS LISTED  
IN 802.4.

B. Michael [Signature]  
1/29/03