

Verne, B. Michael

801.15(d)

From: [REDACTED]
Sent: Tuesday, February 14, 2006 9:45 AM
To: Verne, B. Michael
Subject: Exempt stock and assets

802.51

Hi Mike,

If the transaction involves a foreign seller of stock of a foreign entity ("FE"), stock of a US entity and some foreign assets. If FE does not have assets in the US or aggregate sales in or into the US or over \$53.1 million (after Friday \$56.7 million) that part of the transaction would be exempt under 802.51 - right?

If the assets are all foreign assets and they do not have sales in or into the US or over \$53.1 million (after Friday \$56.7 million) that part of the transaction would be exempt under 802.51 - right?

The US entity would be reportable assuming it meets the size-of-person test. I am pretty clear on the sale of the FE, but not 100% on the foreign assets. I would appreciate any guidance. Many thanks

[REDACTED]

To comply with IRS regulations, we advise you that any discussion of Federal tax issues in this e-m was not intended or written to be used, and cannot be used by you, (i) to avoid any penalties imposed under the Internal Revenue Code or (ii) to promote, market or recommend to another party any transaction or matter addressed herein.

For more information please go to [REDACTED]

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[REDACTED]

801.15(d) Requires you to aggregate the sales into the US of the foreign assets } Foreign issuer.

B. Michael
2/14/06