

802.30
802.52

[REDACTED]

October 8, 1991

Mr. Patrick Sharpe
Premerger Office
H-303
Federal Trade Commission
Washington, D.C. 20580

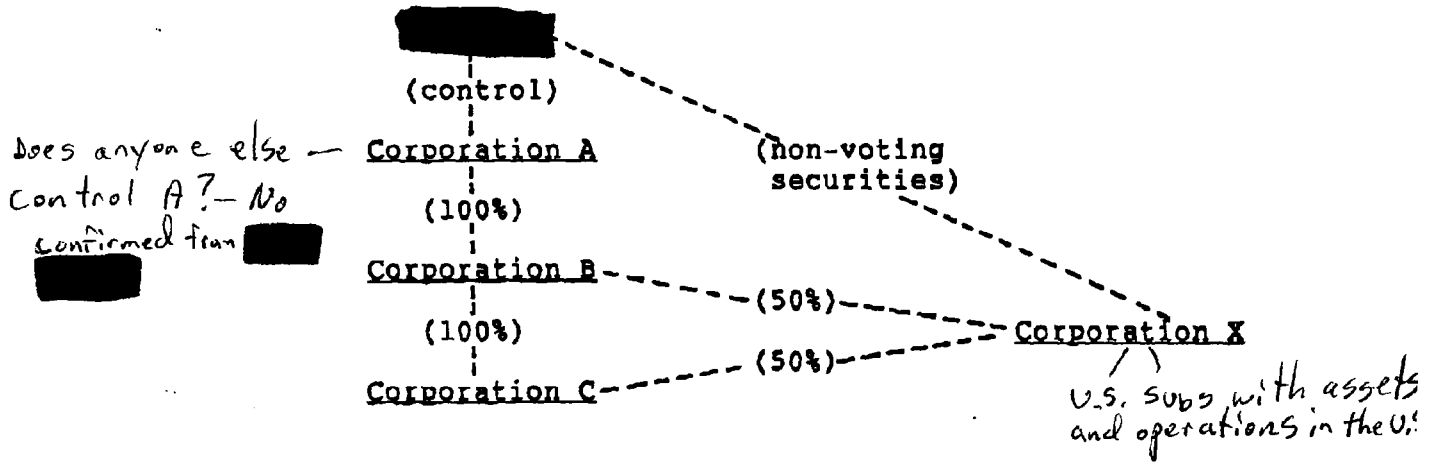
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FEDERAL TRADE COMMISSION
PREMERGER NOTICE

Re: Sections 802.30 and 802.52

Dear Mr. Sharpe:

A few weeks ago, I talked with you about the interpretation of various statements in the Statement of Basis and Purpose with respect to Section 802.52 of the regulations promulgated under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. Our conclusion was that the transaction as proposed was exempt under Section 802.52. I am including a more detailed description of the proposed transaction for your confirmation.

Corporation X is a company organized under the laws of [REDACTED]. Its voting securities are owned 50% by Corporation B and 50% by Corporation C. Corporation B owns all of the voting securities of Corporation C. Corporation A owns all of the voting securities of Corporation B. Corporation A does not have any voting securities, but is "controlled" by a [REDACTED] in that the [REDACTED] has the right to 50% or more of the profits of Corporation A and 50% or more of the assets of Corporation A upon liquidation. The [REDACTED] also owns non-voting securities of Corporation X. The following chart depicts these ownership/control relationships:



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Is a [redacted] a government state? yes

While Corporation X is organized under the laws of [redacted] Corporation A, Corporation B and Corporation C are each organized under the laws of the [redacted]. An unrelated [redacted] company is proposing to acquire Corporation X, either by acquiring Corporation X's voting securities from Corporation B and Corporation C or by acquiring the stock of Corporation B from Corporation A. The buyer will also acquire the non-voting securities of Corporation X.

Corporation X has U.S. subsidiaries with assets and operations in the U.S. Prior to consummating the sale of Corporation X, it is expected that one of two transactions will occur. Either certain U.S. assets of these U.S. subsidiaries having a total value of more than \$15 million will be transferred to a company whose voting securities will be owned, directly or indirectly, by Corporation A, or the voting securities of certain of these U.S. subsidiaries will be transferred to a company whose voting securities will be owned, directly or indirectly, by Corporation A. In either case, the transfer should be exempt under Section 802.30 in that the acquiring person and the acquired person both will be Corporation A by reason of holdings of voting securities.

Since Province is a foreign state and by definition not an entity in the U.S.

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agreed

Likewise, the sale of Corporation X should be exempt under 802.52 because (1) the [redacted] controls Corporation A, the ultimate parent entity, and (2) the acquisition will be of the voting securities of either Corporation X, a corporation organized under the laws of [redacted] or Corporation B, a corporation organized under the laws of the [redacted]. Under my interpretation of Section 802.52, the exemption should be available both with respect to acquisitions of issuers organized under the laws of [redacted] as well as acquisitions of issuers organized under the laws of the [redacted] if the [redacted] controls the ultimate parent entity.

Please review the facts and analysis stated in this letter and contact me to let me know if you are in agreement with my analysis. Let me thank you in advance for your corporation.

Very truly yours,

[redacted signature]

[redacted name]

[redacted]

called [redacted] 10-9-91
basically concur with letter and
noted comments.

(BS)

(RS) concurs

(JS) concurs