

FROM [REDACTED]

(THU) 4/27/00 [REDACTED]

701.115  
801.10

[REDACTED] April 27, 2000

[REDACTED] Mr. Patrick Sharpe  
Premier Notification Office  
Federal Trade Commission  
6<sup>th</sup> Street and Pennsylvania Avenue, N.W.  
Room H-321  
Washington, D.C. 20580

Re: Transfer of Certain Canadian Assets from Company B to Company A

Dear Patrick:

I am writing to confirm the advice that you gave to [REDACTED] and

[REDACTED] subsidiary, assets of Company B-Sub, a wholly-owned Canadian subsidiary of Company B, of some of Company B-Sub's plants in Ontario, Canada, which I refer to in this letter as

States exceed \$25 million.

For many years, the Company A business was part of Company B. Company A was incorporated in late 1998 as a wholly-owned subsidiary of Company B, and on January 1, 1999 Company B initiated a spin-off of Company A by transferring [REDACTED] all of the business that Company A had been conducting as a business entity.

FROM [REDACTED]

(THU) 4 [REDACTED]

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When Company B decided to spin off Company A in 1998, its goal was to complete the separation on a global basis in a single step. The Canadian portion of the [REDACTED] would not be completed at this time, however, because the collective [REDACTED]

[REDACTED]  
Company B to transfer the Canadian Operations to Company A.

Even before the formation of Company A, the business sector of Company B that was to become Company A had responsibility for and operational oversight of the Canadian Operations. Notwithstanding the delay in the transfer of the Canadian Operations, Company A has, since January 1, 1999, had that same responsibility and operational oversight of the Canadian Operations. Company A, and not Company B, has recognized the profits and losses from the Canadian Operations under U.S. GAAP accounting principles. Company A has also (i) overseen the negotiations with customers and made decisions as to pricing of the products manufactured by the Canadian

Canadian Operations and has overseen investment and spending decisions for the Canadian Operations.

Based on the foregoing facts, you have agreed that Company A has had beneficial

[REDACTED]  
[REDACTED]  
The transfer of the title is an asset acquisition. However, since A beneficially owns the underlying assets, the value of the title may have little value. (ps) called [REDACTED] 4/29/00