[redacted]

April 8, 1988

FEDERAL EXPRESS

Wayne Kaplan, Esq.
Federal Trade Commission
Office of Premerger Notification
Sixth Street and Pennsylvania
Room 301
Washington, D.C. 20589

Dear Mr. Kaplan:

On March 9, 1988, you and I discussed the interpretation by the Federal Trade Commission of the phrase "will not confer control of" as used in 16 C.F.R. §802.51(b). You indicated that if no foreign person acquires 50 percent or more of the voting securities of (or otherwise controls) a foreign issuer then the standards in §802.51(b)(1) and (2) need not be addressed and no filing requirement will arise for such foreign person. I am writing to confirm the substance of our conversation as it applies to the facts set forth below.

Summary of the Facts

"A" is a company incorporated in Liberia whose principal place of business is resident in Bermuda. "B" is a company incorporated in [redacted] whose principal place of business is resident in [redacted] "C" is a company incorporated [redacted] company incorporated in Sweden whose principal place of business is resident in Sweden. "F" is a company incorporated

in Finland whose principal place of business is resident in Finland. None of A, B, C, D, E or F are controlled by any other person within the meaning of §801.1(b) and each is therefore a "foreign person" within the meaning of §801.1(e)(2)(i). "G" is a company incorporated in Panama whose principal offices are in the United States.

A, B and C each own, directly or through wholly-owned foreign subsidiaries, one-third of each of a limited partnership, its corporate general partner and five additional partnerships owning certain vessels operated by the limited partnership (collectively, "H"). Each of the principal

A, D, E, F and G own 51%, 9.8%, 12.25%, 12.25% and 14.7% of "I," a company incorporated in Liberia whose principal place of business is resident in Barbados.

A, B, C, D, E, F and G (the "Parties") have entered into an agreement pursuant to which will be formed. will be incorporated in Liberia and will have its principal office in Bermuda. Each of the Parties will contribute all of their interests in H and I in exchange for the following percentages of common stock of

A	36.160%
B	28.000
C	28.000
D	1.568
E	1.960
F	1.960
G	2.352
	100.000%

For purposes of certain additional agreements between A and each of B and C, A, B and C have assigned a value of $4,500,000 for each 1% of the common stock of ($450,000,000 in the aggregate).

Analysis

We believe that these facts support the conclusion that this transaction will not create a filing obligation for any of the Parties under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. The acquisitions by each of A, B, C, D, E and F will each be acquisitions by a foreign person of

[redacted]

the voting securities of a foreign issuer, [redacted] None of such persons will acquire control of [redacted] within the meaning of §802.51(b) and, therefore, an inquiry need not be made as to whether [redacted] holds assets located in the United States . . . having an aggregate book value of $15 million or more or whether [redacted] in turn controls a U.S. issuer with annual net sales or total assets of $25 million or more.

G, a U.S. issuer, will only acquire 2.352% of [redacted] which is valued at $10,584,000. G's acquisition, therefore, does not meet the "size of transaction" test.

* * * * *

Please call me if you have any questions about the factual description or analysis set forth above. If I have not heard from you before the close of business on Wednesday, April 20, 1988, I will conclude that you agree with the conclusions stated herein.

[redacted]

OK.
Wayne Kaplan
4/11/88