July 18, 1989

VIA TELECOPIER

be subject to

which restric 7th & Pennsylvania Avenue, N.W. Freedom of Informative Washington, D.C. 20580

Dear Mr. Cohen:

Pursuant to our telephone conversation of July 10, 1989, I am writing on behalf of a client to inquire if a preacquisition notification is required to be filed pursuant to the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended (the "Act"), in light of the following salient facts:

1. Structure of the Transaction. The shareholders of a

contracted to sext on or about August /, 1969 all or the **5**. *****

a wholly-owned substituty of a publicity-traded corporation organized under the laws of Great Britain ("Company C"). Gempany C has total assets and net sales which are each substantially

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Dilution of the Controlling Interest of the Ultimate
In order to fivence the proposed acquisition on

contractuarry ornernd rights ("kights") to purchase additionar

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to be issued by Company C pursuant to a firm commitment

sold its entitlement to the Rights allocated to its current

Company C. Company C is required to "issue" the New Stock by entering the names of the owners of the Rights onto the stock register of Company C (it is proposed that it will do so on

the Rights will have no voting or dividend rights until the New Stock is issued and registered in Company C's books on or about August 23, 1989, as a practical matter the New Stock can be treated as outstanding as of August 3, 1989. On August 3, 1989, the London Stock Exchange will be advised that Company D has had its interest diluted by the New Stock to less than a 50% position in Company C. From and after August 3, 1989, the New Stock will have been fully paid for and the Rights evidencing the New Shares

Company C stock.

4 Pirt to Elect Directors Under English law Directors

be held during that period and a resolution presented for the

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words, if Company D submits a request for a shareholders meeting

Company D by convening a meeting on the earliest permissible day

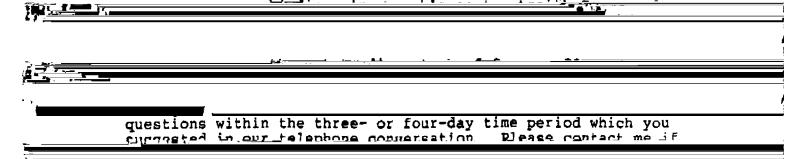


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on which a meeting could legally be held (unless shareholders holding 95% of Company C's shares consented to an earlier meeting), that day would be August 23, 1989, at which time more than 50% or Company C's outstanding snares. Company C's directors are not obliged to act in this way, nor does the

5. Questions.

- A. Does the temporary record ownership of 68% of the stock of Company C by Company D between August 7, 1989 and August 23, 1989 require a filing under the Act pursuant to 16 C.F.R. § 801.1(b), on the basis that Company D is the ultimate parent of the acquiror with assets in excess of \$100,000,000?
- B. If a filing would be required under the afore-



Thank you for your assistance in this matter.

Very truly yours,