December 6, 1989

VIA HAND DELIVERY

Mr. Patrick Sharpe Premerger Office Federal Trade Commission Washington, D.C. 20580 This Later to the contrion of the training and the contribution of Service in the contribution and the which restrict a science which restrict a science the Freedom of Information 400 The

Re: 16 CFR 801.01(a)(2) - Exemption of Foreign Governments from "Entity"

Dear Mr. Sharpe:

This is to confirm our telephone conversation of Sovember 29, 1989.

Our client, Company "A," a non-U.S. industrial corporation,

Improvements Act.

The issue we discussed on the telephone deals with the determination of "ultimate parent entity" in respect of "A."

1. Facts. Substantially all (more than 90%) of A's outstanding shares are owned by a foreign city, a municipal

foreign city holds A's shares in a separate, segregated fund

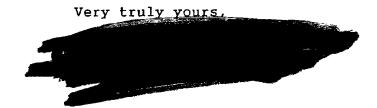
is earmarked solely for charitable, eleemosynary and public purposes within the city.

7, <u>Conclusion</u> After consulting with Richard Smith. we concluded that the "ultimate parent entity" in this case is "A" and not the city which owns A. This conclusion is based upon Section 801.1(a)(2) of the Commission's Rules which exempt

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from the definition of the term "entity" any foreign state, foreign government or agency thereof."

In reporting the contemplated transaction on behalf of A we intend to rely on the foregoing interpretation of the Commission's Rules.



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city is municipal corporation, isn't the

called and said she used that the term corporation loosely and that the term the city was not a corporation.