



Mr. Thomas F. Hancock which restricts and and though the premerger Notification Officedom of Information Act Bureau of Competition Room 303
Federal Trade Commission Washington, D.C. 20580

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Dear Mr. Hancock:

The purpose of this letter is to confirm our telephone

In No. 147, a corporation (A) had two shareholders, one of which (B) held outstanding voting securities constituting control of A, with the other shareholder (C) holding the minority stock ownership position. A created a new subsidiary (D) and transferred certain assets to it, and then redeemed a portion of B's shares in consideration for transferring all of D's shares to

without any affirmative action having been taken by C.

Item 147 indicates, according to a 1980 request for interpretation, that the transaction as a whole (and its three

annarently was exempt hecause the issuer was merely acquiring its

In our conversation, you confirmed this remains the position of the staff at the Premerger Notification Office, the criticism in the Commentary to Item No. 147 notwithstanding.

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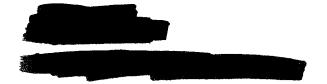
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behind the transaction, then it would be a sham transaction and the exemption would not be available.

Please let me know in writing whether or not the foregoing accurately and completely reflects our tolorbore converse.

AUDITECTATE YOUR ASSISTANCE. AND NIGHT ATTUC MA 2 COLD SE





12/7/10 Sounds OK 13/7/76

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