

Q 500.63

[REDACTED]

[REDACTED]

[REDACTED]

June 21, 1991

Via Federal Express

Mr. Thomas Hancock
Premerger Notification Division
Room 303
Federal Trade Commission
Sixth Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

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NOTIFICATION

Our File No. [REDACTED]

Dear Mr. Hancock:

I am writing to confirm the informal advice which you provided today concerning application of the regulations governing premerger notification.

I described to you the following situation. A, a corporation, holds approximately 40% of the outstanding voting securities of an issuer (the "Issuer"), which has net assets or total annual sales in excess of \$100 million. A made a substantial loan to X, an individual. X does not control or have an ownership interest in A, and the loan agreement was negotiated

[REDACTED]

entities and does not regularly loan money. A provided security for the loan by a pledge of approximately 20%

[REDACTED]

A is now in default on the loan. A wishes to foreclose on the charge of the Issuer, pledge to it and subsequently resell

[REDACTED]

loan and await the waiting period prior to foreclosing on the securities, or whether A may avail itself of the exception to

Mr. Thomas Hancock

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reporting contained in 16 CFR §802.63(a). You told me that it

acquisition of shares of the Issuer upon foreclosure even though A is not in the business of lending money.

Additionally asked you whether I must file a
premerger notification and report form and observe the waiting

you'd rather stated that since A would hold out of the shares of the Issuer at the time of the resale, A, not the Issuer, would be required to report as the "acquired" person.

I very much appreciate your assistance. If I have inaccurately stated any part of our discussion in this letter, I would appreciate it if you would notify me so that I can correctly memorialize your advice.

Sincerely yours,

[Redacted signature block]

[Redacted signature block]

6/26/91

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OK OK

TEH
TEH