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[REDACTED]

[REDACTED]

Material may be subject to
confidentiality provision of
Section 7A (b) of the Clayton Act
which restricts release under the
Freedom of Information Act

[REDACTED]

July 19, 1991

John M. Sipple, Jr., Esq.
Chief
Premerger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580

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FEDERAL TRADE
COMMISSION
PREMERGER
NOTIFICATION

Dear Mr. Sipple:

[REDACTED] and I, representing the buyer and seller respectively, in a pending transaction, have encountered a difference in opinion on an HSR point, and we have agreed to ask you to advise us of the position of the Premerger Office. The buyer, a "foreign person" for purposes of the HSR regulations, proposes to buy certain assets located in the United States. The size-of-person test is met. Please assume for purposes of the hypothetical that, as of the date of the closing, the last regularly prepared balance sheet of the seller will show that the book value of the U.S. assets to be transferred is \$10 million. (This balance sheet will also include assets other than the U.S. assets to be transferred to the buyer, a fact I assume is not material.) Please assume further that the consideration to be given for

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As we see it, the question is whether in this hypothetical the parties are entitled to rely upon the exemption set forth in Section 802.51(c), which, as you know, exempts an assets acquisition by a "foreign person" if the acquisition is of less than \$15 million of assets located in

the United States (other than investment assets)." Section

have no knowledge as to how this question would be resolved pursuant to the first principles of justice, my understanding of the position of the Premerger Office is that, for purposes

would apply to the hypothetical set forth above and no filing would be required. [redacted] understanding is to the contrary.

I would very much appreciate hearing from you on this matter. My telephone number is [redacted]. If I do not hear from you in a few days, I will follow up with a telephone call.

Thank you very much in advance for your [redacted]

cc: [redacted]

Called on 7/22. Advised that ^{under} ~~applying~~ § 2.51(c) it is the transaction size, or in this case, the consideration in [redacted]

Exemption.