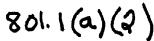
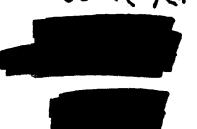
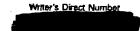
: 3-23-93 : 2:25PM :









March 23, 1993

FACSIMILE TRANSMISSION (202) 326-2050

Richard B. Smith, Esq.
Premerger Notification Office
Federal Trade Commission
6th and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Informal Hart-Scott-Rodino Opinion Letter

Dear Mr. Smith:

<u>As wall suggested I am writing to obtain the Staffe position on the </u>

amended (the Act.), under the facts outlined below.

FACTS

business in the name of the

which transacts

is contemplating purchasing certain assets comprising an enclosed

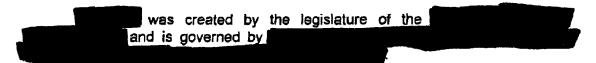
The proposed

ANALYSIS

We have concluded that the transfer of all the assets of the selfer to would be exempt because is a state agency and not an "entity." The Act only applies to an "entity," which is defined to exclude "the United States, any of the states thereof, or any political subdivision or agency of either other than a corporation engaged in commerce." 16 C.F.R. Section 801.1(a)(2).



Richard B. Smith, Esquire March 23, 1993 Page 2



We believe that the following provisions of the second clearly show that the state agency:

4. Board of Discolous The Board of Discolors of the

members appointed by the Governor, and reports to the state insurance Department. The Board of Directors is responsible for preparing annual financial statements which are submitted to the Governor and made available to

- 2. <u>Contributions</u>. The Commonwealth makes contributions to on behalf of all active members of the
- 3. Budget. The prepares its auministrative budget each year and submits it to the General Assembly for approval. The General Assembly makes an appropriation each year sufficient to provide for the Commonwealth's contribution obligations and to pay the administrative expenses of
- 4. Payments of Funds. The State Treasurer is the custodian of the funds deposited in the state and makes all payments from the state in accordance with requisitions signed by the Secretary of the Board of Directors and ratified by the Board.
- 5. State Guarantee. Statutory interest charges payable, the maintenance of reserves in and the payment of all annuities and other benefits granted by the Board are obligations of the Commonwealth.

there are two

is a state employee. Second, any interpretations of the

: 3-23-93 : 2:29PM :



Richard B. Smith, Esquire March 23, 1993

Palu to Such Deneticiaries nursulant to such interest

matters discussed above we believe

and the operational

maker. If you have any questions please call either

Yours very truly,

3/24/93- called and advised gualifies as a "state agency" and

is therefore not an "entity" within the defection set of

in 80t. 1 (a) (2). Therefore, its purchase of is exempt from HSR reporting requirements.