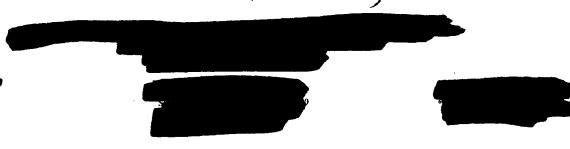
## 154.5.2. 1822/21; 1822)(3); Rule802.20; Ru801.21



February 23, 1995

HP BASSASSAS BEENDERG



SG.

OF COUNSEL

Federal Trade Commission
Premerger Office

6th and Panneydyania Ava N W

vashington DC 20000

ATTN:

Ms. Alice Villavicencio Compliance Specialist

13500

RE: Premerger Notification Requirements

Dear Ms. Villavicencio:

As we have discussed with you over the past several days, our firm has been asked to advise a party to a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days, our firm has been asked to advise a prospective merger with respect to the past several days.

For purposes of this letter, we make the following assumptions:

- 1. "A" is a company which is engaged in commerce and has total assets or annual net sales of \$100,000,000 or more.
- 2. "B" is a company which is engaged in commerce, but not engaged in manufacturing, and has total assets of \$10,000,000 or more.

100% of the voting securities or assets of B.

## Size of Person Issue

In the past A has advanced credit to B in the ordinary course of business. B is

assets of less than \$10,000,000. We understand that because B's assets will be less than \$10,000,000, the "size of person" test in 15 U.S.C. 18a(a)(2) will not be met. With

Alice Villavicencio Fabruse, 22, 1995 Page 2

respect to a subsequent stock-for-stock transaction, therefore, neither A nor B will be required to file a premercer neitheration \_\_\_\_\_\_

## Size of Transaction Issue.

We understand that in an asset acquisition which satisfied the requirements of 18a(a)(3)(A) (in that A would hold 15% or more of the assets of B) but which did not satisfy Section 18a(a)(3)(B) (in that the total aggregate amount of B's assets would not exceed \$15,000,000) the premerger notification requirements would not apply pursuant to 16 CFR 802.20.

Finally, we understand that the "exclusion of cash from assets" provision in 801.21 would be applied in measuring assets for purposes of 802.20(a) the same way it is applied in measuring assets for purposes of 18a(a)(3)(B).

If our understanding on any of the foregoing points is incorrect, please advise us immediately. If you have any questions or comments, please call us at Again, we appreciate your assistance.

Very truly yours,



