802.10; 802.30

[redacted]

RAL TRADE
MISSION

[redacted]

November 21, 1995

By Facsimile
Richard B. Smith, Esq.
Room 323
Federal Trade Commission
6th Street and Pennsylvania Avenue
Washington, D.C. 20580

Dear Dick:

This letter will confirm the substance of our discussion this afternoon.

I posited the following facts: B owns 100% of the voting stock of C. B has two classes of voting stock. A holds a majority of each class of B's voting stock, and is thus the ultimate parent entity of B (though A holds a different percentage of each of the classes of B stock).

B proposes to sell part of its business to D. The transaction(s) will take the following form: B will place those of its assets which it does not intend to sell to D within C. It will reconfigure C to provide for two classes of voting stock to [redacted] voting stock to its current shareholders pro rata. The shareholders will then hold precisely the same voting interest in C as they now hold in B. Finally, B will be merged into D in return for non-voting stock in D which will be distributed pro rata to shareholders of B.

The merger of B into D will be a reportable transaction. I understand that the acquisition of certain of B's assets by C and the distribution of C's voting securities pro rata to B's existing shareholders will be exempt under 16 C.F.R. §802.10 (and, as regards A under 16 C.F.R. §802.30). If that understanding is [redacted] earliest convenience.

Thanks for your assistance.

Sincerely,

[redacted]

11/22/95 - Advised writer that distribution of [redacted] exempt under 802.10 & controlling shareholder also exempt under 802.30 as transfer is from B to C.)

[redacted]