

802.51(b)

ca.

[REDACTED]

June 18, 1998

BY HAND

Richard B. Smith, Esquire
Premerger Notification Office
Federal Trade Commission
Room 303
6th Street & Pennsylvania Avenue, N.W.
Washington, DC 20580

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provisions of the Freedom of Information
Act.*

Re: Applicability of § 802.51(b) Exemption from
Hart-Scott-Rodino Premerger Notification Filing

Dear Mr. Smith:

This letter is to confirm the advice you provided us

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shareholders' agreement pursuant to which it will have the right
to name one-half of the Board of Directors of that foreign
issuer.

As we noted, Interpretation No. 241 in the ABA
Premerger Notification Practice Manual addresses a similar
situation in the context of 16 C.F.R. § 802.20(b), with the

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the Statement of Basis and Purpose stated that the 802.51(b)

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Based on those facts, you advised us that if a foreign person acquires less than fifty percent of the voting securities of a foreign issuer, that transaction will be exempt even if the acquiring person simultaneously obtains a contractual right to appoint one-half of the members of the Board of Directors of that foreign issuer pursuant to a shareholders' agreement. You also advised us that this would not be the case if the right to appoint one-half of the directors was endorsed on or otherwise ~~part of the voting securities owned or controlled~~ from that right being conferred as a matter of contract, separate and distinct from those voting securities.

~~_____~~
~~_____~~
~~_____~~
~~_____~~
~~_____~~
~~_____~~
corporation, or 49% of the stock of _____ pursuant to a joint offer with _____ corporation whose ultimate parent entity is _____ an _____ We understand that _____ is today filing a _____ and _____

Please let us know as soon as possible if the summary of your advice set forth above is incorrect. We can be reached at _____

sincerely,



6/19/98 Confirmed that no filing would be required with SEC. (Tom Howard's response)

RB Smith