

Verne, B. Michael

802.4
802.51

From: [REDACTED]
Sent: Wednesday, May 03, 2006 2:39 PM
To: Verne, B. Michael
Subject: Joint ventures and 802.51

Dear Mike,

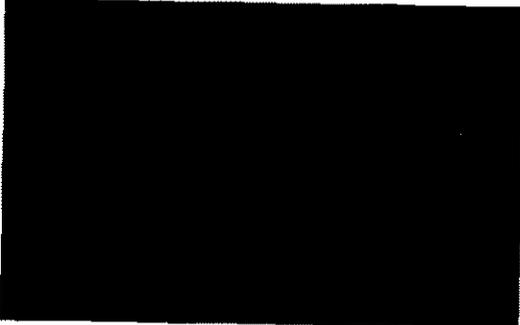
I have a question similar to the one I asked you recently regarding the formation of a foreign JV and looking through the JV via 802.4 versus examining the transaction directly under 802.51.

Two entities, A and B, are forming a foreign JV. Both A and B are foreign. Only B will control the JV after formation; A will have less than 50% of the voting securities and the right to appoint less than 50% of the BOD of JV. Is A exempt from filing under 802.51(b)?

I am pretty sure that the following informal opinions support the view that this acquisition by A is exempt under 802.51(b), but I wanted to be certain that I need not look through the JV to the assets it will hold.

<http://www.ftc.gov/bc/hsr/informal/opinions/0301008.htm>
<http://www.ftc.gov/bc/hsr/informal/opinions/9112012.htm>

Thank you,



IT IS EXEMPT UNDER 802.51
BECAUSE A IS ACQUIRING
LESS THAN 50% OF THE VOTING
SECURITIES OF JV.
YOU NEED NOT DO AN 802.4
ANALYSIS.

B. Michael
5/3/06

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