

802-51

Verne, B. Michael

From: [Redacted]
Sent: Wednesday, August 02, 2006 8:24 AM
To: Verne, B. Michael
Subject: Informal interpretation request

Mike: Could you please confirm (and, if you like, comment upon) my HSR analysis of the following transaction:

Buyer is a foreign entity whose ultimate parent is a foreign person.
Seller is a foreign entity whose ultimate parent is a foreign person.

Buyer will acquire from Seller all of the stock of several foreign corporations and a controlling interest in a foreign partnership.

All of the target entities sell (and in the most recent year sold) all of their output to a trading company (foreign) affiliate of the Seller, which in turn re-sold that output worldwide, including some sales into the US.

The trading company affiliate of the Seller is not part of the deal and will remain with seller.

The foreign corporations and partnership being acquired had no direct sales in or into the US in the most recent year (and none of them has any US assets).

My analysis is that 802.51 exempts the transaction, and I don't have to analyze the Seller trading company's sales to see whether it sold in or into the US more than \$56.7 million of output traceable back to the entities that are being acquired. True?

[Redacted]

[Redacted]

AGREE -
B. Michael
8/2/06

[Redacted]

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