

June 2, 1988

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By telecopier

John M. Sipple, Jr., Esq.  
Premerger Notification Office - Room 303  
Federal Trade Commission  
6th Street and Pennsylvania Avenue, N.W.  
Washington, D.C. 20580

Dear Mr. Sipple:

This is to confirm our recent conversations concerning the application of Rule 802.51(b)(1) of the Hart-Scott-Rodino Rules to the following facts.

A (a foreign person) proposes to acquire from B (a U.S. person) B's foreign subsidiary, C. Prior to the closing, C will hold less than \$15 million of assets located in the U.S., with the exception of a loan of \$100 million from C to a U.S. subsidiary of B. Simultaneous with the closing of the acquisition of C by A, A will assume the indebtedness owing from B's U.S. subsidiary to C. The debt assumption agreement

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provides that the assumption shall be in consideration of and in connection with the execution of the acquisition agreement. Thus, subsequent to the closing, A would owe \$100 million to its newly acquired subsidiary, C; C would no longer hold an asset -- indebtedness owing from a U.S. borrower -- arguably located in the U.S.

On these facts, you stated that no filing is required by Rule 802.51(b)(1) because, subsequent to the acquisition, A will not have control of an issuer which holds assets located in the U.S. having an aggregate book value of \$15 million or more.

Please let me know if this accurately reflects your advice.

Thank you for your assistance.

Sincerely,

Called author on June 2.

Letter reflects the substance of our earlier conversation concerning these unique facts and the application of § 802.51(b)(1).