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May 26, 1989

Patrick Sharpe, Esq. ?
Premerger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20530

FEDERAL TRADE
COMMISSION
PREMERGER NOTIFICATION
OFFICE
MAY 30 2 40 PM '89

Our File 2960-6

Dear Mr. Sharpe:

I am writing to confirm advice which you gave to me in a telephone conversation of this date. I informed you that a corporation ("Company") which is a client of this firm, has two classes of voting shares, Class A and Class B. Prior to the time that Company, together with all entities which it controls, had less than \$25 million or more in total assets or annual net sales, two unrelated corporations (Shareholders "Y" and "Z") acquired the Class B shares, so that Y held 60% of those shares and Z 40% of those shares. Neither Y nor Z hold a majority of the voting shares of Company.

Pursuant to their agreement with the Company, Y and Z may be called on, from time to time, to make additional capital contributions to Company, which are then used by Company for its corporate purposes. However, Y and Z do not, by reason of these contributions, acquire shares of Company in addition to those they already hold.

Based on these facts, I asked you whether, in the view of the Premerger Notification Office, the making of such contributions would be considered an acquisition subject to premerger notification under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. You informed me that the making of such

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contributions would not be an acquisition subject to premerger notification, since no additional shares of voting stock were being issued to Y or Z in return for their contributions.

I very much appreciate your assistance in this matter. If I have failed to accurately reflect our conversation in this letter, please advise me at your earliest convenience. If I do not hear from you, I will assume that I have accurately stated your advice.

Sincerely yours,

[REDACTED]

There is no acquisition taking place
Is the initial acquisition of class B
shares by "Y" and "Z" reportable?
No, exempt under 802.20

I told [REDACTED]
attorney.

I am not an
[REDACTED]
contacted [REDACTED]
6-5-89