

## Sheinberg, Samuel I.

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**From:** [REDACTED]  
**Sent:** Thursday, September 05, 2019 4:05 PM  
**To:** Walsh, Kathryn E.; Berg, Karen E.; Carson, Timothy; Sheinberg, Samuel I.; Six, Anne  
**Subject:** FW: Question re: 802.4 / 802.50

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**From:** Whitehead, Nora  
**Sent:** Thursday, September 5, 2019 4:05:13 PM (UTC-05:00) Eastern Time (US & Canada)  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: Question re: 802.4 / 802.50

Confirmed.

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**From:** [REDACTED]  
**Sent:** Thursday, September 5, 2019 3:03:06 PM (UTC-05:00) Eastern Time (US & Canada)  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Question re: 802.4 / 802.50

Dear All,

We represent Company A, the acquiring UPE, in its potential acquisition of the voting securities of US and foreign entities controlled by Company B (the "Target Entities"). Company A may directly acquire the entities in each jurisdiction or acquire a parent that holds the entities in each jurisdiction. The overall size of transaction is expected to be greater than US\$90 million.

The Target Entities have both foreign and US assets:

- The Target Entities' foreign assets generated sales in or into the US of less than US\$90 million in B's most recent year.
- The Target Entities' US assets generated sales exceeding US\$90 million in the US in B's most recent year.

Using Rule 802.4, the Target Entities' foreign assets are exempt as they did not generate sufficient sales into the US.

We wanted to confirm that if Company A determines the fair market value of the Target Entities' US assets to be less than US\$90 million, the acquisition of the Target Entities is exempt, even though the Target Entities' US assets generated sales over \$90m in the US.

Thank you very much.

[REDACTED]  
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