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Person To Contact:

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CC:CORP:3
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Date:
September 13, 2023

Legend

Foreign Parent =

FSub1 =

FSub2 =

FSub3 =

FDE =

Parent =

Sub1 =

Sub2 =

Business =

Product Line X =

Product Line Y =

Government Regulatory Agency =

Country A =

Continuing Agreements =

Date 1 =

Date 2 =

Date 3 =

Date 4 =

Date 5 =

Shareholder A =

Fund =

Investment Advisor 1 =

Investment Advisor 2 =

Investment Advisor 3 =

Investment Advisor 4 =

a =

b =

c =

d =

e =

f =

g =

Dear :

This letter responds to your authorized representatives' letter dated March 23, 2023, as supplemented by subsequent information and documentation requesting rulings on certain federal tax consequences of a series of transactions (the "Proposed

Transaction,” as defined below). The material information submitted in that letter and subsequent correspondence is summarized below.

This letter is issued pursuant to Rev. Proc. 2017-52, 2017-41 I.R.B. 283, regarding one or more “Covered Transactions” under sections 355 and 368 of the Internal Revenue Code (the “Code”) and section 6.03(2) of Rev. Proc. 2023-1, 2023-1 I.R.B. 1, regarding one or more significant issues under section 368. This office expresses no opinion as to any issue not specifically addressed by the rulings below.

The rulings contained in this letter are based upon facts and representations submitted by the taxpayer and accompanied by a penalties of perjury statement executed by an appropriate party. This office has not verified any of the material submitted in support of the request for rulings. Verification of the information, representations, and other data may be required as part of the audit process.

This office has made no determination regarding whether the First Distribution, Second Distribution, Third Distribution, Fourth Distribution, or Fifth Distribution (defined below): (i) satisfies the business purpose requirement of Treas. Reg. § 1.355-2(b); (ii) is used principally as a device for the distribution of the earnings and profits of the distributing corporation or the controlled corporation or both (see section 355(a)(1)(B) and Treas. Reg. § 1.355-2(d)); or (iii) is part of a plan (or series of related transactions) pursuant to which one or more persons will acquire directly or indirectly stock representing a 50-percent or greater interest in the distributing corporation or the controlled corporation, or any predecessor or successor of the distributing corporation or the controlled corporation, within the meaning of Treas. Reg. § 1.355-8 (see section 355(e)(2)(A)(ii) and Treas. Reg. § 1.355-7).

Facts

Foreign Parent wholly owns FSub1. FSub1 wholly owns FSub2 and FDE. Each of Foreign Parent, FSub1, and FSub2 is a foreign corporation classified as a corporation for U.S. federal income tax purposes. FDE is a foreign eligible entity that is disregarded as separate from its owner for U.S. federal income tax purposes. FSub2 wholly owns Parent.

Parent is a domestic corporation and the parent of an affiliated group of corporations that file a consolidated return for U.S. federal income tax purposes (the “Parent Group”). Parent wholly owns Sub1, a domestic corporation.

Foreign Parent and its direct and indirect subsidiaries are engaged in Business, which includes conducting research and development activities for the manufacture of products under Product Line X and Product Line Y. Before these products may be marketed or sold to the public, they must go through a series of steps in order to receive approval from the Government Regulatory Agency. While certain Product Line X

products have obtained approval and are marketed and sold to the public, Product Line Y products are in an earlier stage of development.

For more than five years, Sub1 has been directly engaged in regular, continuing operational and managerial activities with respect to Business, including each of Product Line X and Product Line Y.

Financial information has been submitted indicating that Sub1's Product Line X has had gross receipts and operating expenses representing the active conduct of a trade or business for each of the past five years, as well as information indicating that Sub1's Product Line Y has incurred substantial, continuing operating expenses representing the active conduct of a trade or business with respect to researching and developing Product Line Y for each of the past five years.

Foreign Parent has determined that Product Line Y needs significant capital to transition to the commercialization stage. In order to raise capital for Product Line Y, Foreign Parent intends to separate the activities of Product Line X from Product Line Y.

Foreign Parent has outstanding equity awards issued pursuant to its equity incentive plans to its directors and to employees of its subsidiaries in connection with their performance of services. Recipients of such awards include individuals that are not subject to U.S. taxation.

Prior to Date 5, Shareholder A filed Schedule 13D reporting beneficial ownership for U.S. securities law purposes of more than five percent (but less than ten percent) of Foreign Parent's total outstanding shares of common stock. On Date 5, Shareholder A filed Schedule 13D reporting beneficial ownership for U.S. securities law purposes of less than five percent of Foreign Parent's total outstanding shares of common stock.

Prior to Date 2, Investment Advisor 1 filed Schedule 13G designating itself as a parent holding company and reporting ownership for U.S. securities law purposes of more than five percent (but less than ten percent) of Foreign Parent's total outstanding shares of common stock, with one shareholder ("Fund") reporting ownership of more than five percent (but less than ten percent) of the total outstanding shares. On Date 2, Investment Advisor 1 filed Schedule 13G reporting ownership for U.S. securities law purposes of less than five percent of Foreign Parent's total outstanding shares of common stock.

On Date 3, Investment Advisor 2 filed Schedule 13G designating itself as an investment advisor and reporting beneficial ownership for U.S. securities law purposes of more than five percent of Foreign Parent's total outstanding shares of common stock. Item 6 stated that no one person's interest in Foreign Parent was more than five percent of the total outstanding common shares.

Also on Date 3, Investment Advisor 3, filed Schedule 13G designating itself as a parent holding company and reporting beneficial ownership for U.S. securities law purposes of more than five percent of Foreign Parent's total outstanding shares of common stock. Item 6 stated that no one person's interest in Foreign Parent was more than five percent of the total outstanding common shares.

Prior to Date 4, Investment Advisor 4, filed Schedule 13G designating itself as an investment advisor and reporting beneficial ownership for U.S. securities law purposes of more than five percent of Foreign Parent's total outstanding shares of common stock. Item 6 stated that no one person's interest in Foreign Parent was more than five percent of the total outstanding common shares. On Date 4, Investment Advisor 4 filed Schedule 13G reporting ownership for U.S. securities law purposes of less than five percent of Foreign Parent's total outstanding shares of common stock.

Foreign Parent has actual knowledge of directors and officers that own Foreign Parent shares and participate in its management or operation (each a "Foreign Parent Officer"). Each Foreign Parent Officer owns less than five percent of the shares of Foreign Parent. Neither Investment Advisor 1, Fund, Investment Advisor 2, Investment Advisor 3, nor Investment Advisor 4 is represented on Foreign Parent's board of directors or otherwise participates in Foreign Parent's management or operation.

Proposed Transaction

For what are represented to be valid corporate business purposes, Foreign Parent proposes to engage in the following steps, some of which have been completed, to separate Product Line X from Product Line Y (collectively, the "Proposed Transaction"):

1. Sub1 will form a domestic corporation ("Sub2"), which will have one class of common stock outstanding.
2. FDE will transfer assets associated with Product Line Y to Foreign Parent in exchange for cash or a note equal to the fair market value of the assets transferred.
3. Sub1 will contribute all its assets associated with Product Line Y to Sub2 solely in exchange for shares of common stock of Sub2.
4. Sub 1 will contribute an amount of cash not in excess of \$a to Sub2 solely in exchange for shares of common stock of Sub2 (Steps 3 and 4, together, the "First Contribution").
5. Sub1 will distribute all the stock of Sub2 to Parent (the "First Distribution").
6. The board of directors of Parent and FSub2 will approve an amendment to Parent's certificate of incorporation to split Parent's single class of issued and

outstanding common stock into two classes of stock: common stock and Class A common stock (the "Stock Split"). In connection with the Stock Split, Parent will allocate additional paid in capital to the Class A common stock so that for Country A law purposes, the nominal value of the Class A common stock will equal the fair market value of the stock of Sub2.

Pursuant to the same plan as the Stock Split, and no later than b days of the Stock Split, Parent will repurchase the Class A common stock, for Country A law purposes, at a nominal value, by transferring the stock of Sub2 to FSub2 (the "Repurchase", and together with the Stock Split, the "Second Distribution"). The repurchased Class A common stock will be retired.

7. FSub2 will distribute all the stock of Sub2 to FSub1 (the "Third Distribution").
8. FSub1 will distribute all the stock of Sub2 to Foreign Parent (the "Fourth Distribution").
9. Foreign Parent will contribute all its assets associated with Product Line Y (that it received in Step 2 of the Proposed Transaction) to Sub2 in exchange for shares of common stock of Sub2 ("Contribution 1").
10. Foreign Parent will contribute an amount of cash not in excess of \$c to Sub2 solely in exchange for shares of Sub2 common stock ("Contribution 2").
11. On Date 1, a third-party corporate service provider ("Initial Shareholder") formed FSub3, a foreign corporation. Initial Shareholder holds all the equity interests in FSub3, consisting of d ordinary shares (with a par value of €e per share), which will be acquired by FSub3 for zero consideration and immediately cancelled following the issuance of the Initial Ordinary Shares (defined below). FSub3 will issue the following equity interests to the Initial Shareholder:
 - (a) b ordinary shares (with a par value of \$f per share) (the "Initial Ordinary Shares")
 - (b) g non-voting deferred shares (with a par value of €e per share) (the "Initial Deferred Shares"); and
 - (c) e preferred share (with a par value of \$f per share) (the "Initial Preferred Share").

Following the share issuances, FSub3 will reregister as a publicly traded company under Country A law.

12. In exchange for all of Foreign Parent's shares in Sub2 (the "Sub2 Transfer"), FSub3 will issue shares of common stock (and potentially cash in lieu of

fractional FSub3 shares) to Foreign Parent's shareholders in proportion to their interest in Foreign Parent (the "Fifth Distribution").

13. FSub3 will issue e preferred share with par value of \$f per share (the "Bonus Share") to the Initial Shareholder.
14. FSub3 will acquire the Initial Deferred Shares and the Initial Ordinary Shares held by the Initial Shareholder for zero consideration and cancel them.
15. FSub3 will acquire the Initial Preferred Share and the Bonus Share held by the Initial Shareholder for zero consideration and cancel them (Steps 11 through 15, collectively, the "Demerger").

Following the Fifth Distribution, one or more third-party investors may provide financing to FSub3 via a share subscription.

In connection with the Proposed Transaction, FSub3 and Sub2 on the one hand, and Foreign Parent and its subsidiaries on the other hand, will enter into certain Continuing Agreements.

Representations

First Contribution and First Distribution

Except as otherwise set forth below, Foreign Parent has made all the representations in section 3 of the Appendix to Rev. Proc. 2017-52.

Foreign Parent has made the following alternative representations:

Representations 3(a), 8(a), 11(a), 15(b), 22(a), 31(a), and 41(a).

Foreign Parent has not made the following representations, which do not apply to the First Contribution and First Distribution:

Representations 7, 19, 20, 24, 25, 35, 39, and 40.

Foreign Parent has made the following modified representations:

Representation 32: No intercorporate debt will exist between Sub1 and Sub2 at the time of, or subsequent to, the First Distribution, other than any payables that may arise under the Continuing Agreements.

Representation 33: Except for certain payments made pursuant to the Continuing Agreements, payments made in connection with all continuing

transactions between Sub1 and Sub2 after the First Distribution will be for fair market value based on arm's length terms.

Second Distribution

Except as otherwise set forth below, Foreign Parent has made all the representations in section 3 of the Appendix to Rev. Proc. 2017-52.

Foreign Parent has made the following alternative representations:

Representations 3(a), 8(a), 11(a), 15(b), 31(a), and 41(a).

Foreign Parent has not made the following representations, which do not apply to the Second Distribution:

Representations 17, 18, 19, 20, 22, 24, 25, 26, 35, 39, and 40.

Foreign Parent has made the following modified representations:

Representation 32: No intercorporate debt will exist between Parent (or a member of its SAG) and Sub2 at the time of, or subsequent to, the Second Distribution, other than any payables that may arise under the Continuing Agreements.

Representation 33: Except for certain payments made pursuant to the Continuing Agreements, payments made in connection with all continuing transactions between Parent (or a member of its SAG) and Sub2 after the Second Distribution will be for fair market value based on arm's length terms.

Third Distribution

Except as otherwise set forth below, Foreign Parent has made all the representations in section 3 of the Appendix to Rev. Proc. 2017-52.

Foreign Parent has made the following alternative representations:

Representations 3(a), 8(a), 11(a), 15(b), 31(a), and 41(a).

Foreign Parent has not made the following representations, which do not apply to the Third Distribution:

Representations 7, 17, 18, 19, 20, 22, 24, 25, 26, 35, 36, 37, 38, 39, and 40.

Foreign Parent has made the following modified representations:

Representation 32: No intercorporate debt will exist between FSub2 (or a member of its SAG) and Sub2 at the time of, or subsequent to, the Third Distribution, other than any payables that may arise under the Continuing Agreements.

Representation 33: Except for certain payments made pursuant to the Continuing Agreements, payments made in connection with all continuing transactions between FSub2 (or a member of its SAG) and Sub2 after the Third Distribution will be for fair market value based on arm's length terms.

Fourth Distribution

Except as otherwise set forth below, Foreign Parent has made all the representations in section 3 of the Appendix to Rev. Proc. 2017-52.

Foreign Parent has made the following alternative representations:

Representations 3(a), 8(a), 11(a), 15(b), 31(a), and 41(a).

Foreign Parent has not made the following representations, which do not apply to the Fourth Distribution:

Representations 7, 17, 18, 19, 20, 22, 24, 25, 26, 35, 36, 37, 38, 39, and 40.

Foreign Parent has made the following modified representations:

Representation 32: No intercorporate debt will exist between FSub1 (or a member of its SAG) and Sub2 at the time of, or subsequent to, the Fourth Distribution, other than any payables that may arise under the Continuing Agreements.

Representation 33: Except for certain payments made pursuant to the Continuing Agreements, payments made in connection with all continuing transactions between FSub1 (or a member of its SAG) and Sub2 after the Fourth Distribution will be for fair market value based on arm's length terms.

Fifth Distribution

Except as otherwise set forth below, Foreign Parent has made all the representations in section 3 of the Appendix to Rev. Proc. 2017-52.

Foreign Parent has made the following alternative representations:

Representations 3(a), 8(a), 11(a), 15(b), 22(a), 31(a), and 41(a).

Foreign Parent has not made the following representations, which do not apply to the Fifth Distribution:

Representations 7, 17, 18, 19, 20, 24, 25, 36, 37, 38, 39, and 40.

Foreign Parent has made the following modified representations:

Representation 32: No intercorporate debt will exist between Foreign Parent (or a member of its SAG) and FSub3 (and its subsidiary, Sub2) at the time of, or subsequent to, the Fifth Distribution, other than any payables that may arise under the Continuing Agreements.

Representation 33: Except for certain payments made pursuant to the Continuing Agreements, payments made in connection with all continuing transactions between Foreign Parent (or a member of its SAG) and FSub3 (or a member of its SAG) after the Fifth Distribution will be for fair market value based on arm's length terms.

Representation 35: The payment of cash in lieu of fractional shares of FSub3 is solely for the purpose of avoiding the expense and inconvenience of issuing fractional shares and does not represent separately bargained-for consideration. The fractional share interests of each Foreign Parent shareholder will be aggregated and no Foreign Parent shareholder of record will receive cash in an amount equal to or greater than the value of one full share of Foreign Parent (with the possible exception of shareholders who hold Foreign Parent shares in multiple accounts or with multiple brokers).

Additionally, Foreign Parent has made the following representations:

- (a) Each of Contribution 1 and Contribution 2 will qualify as a transaction under section 351(a).
- (b) The amount of cash contributed to Sub2 in Step 4 and 10 of the Proposed Transaction (i.e., an amount not in excess of the sum of \$a and \$c) represents an amount Foreign Parent estimates is necessary for Sub2's present and reasonably anticipated future needs to progress towards regulatory approval and to bring Product Line Y products to market.
- (c) None of the cash received in Steps 4 or 10 of the Proposed Transaction will be used by FSub3 to fund any distributions to its shareholders.
- (d) The steps of the Demerger will occur pursuant to a single, integrated, and prearranged plan such that no step of the Demerger will occur unless each and every step of the Demerger occurs in the order described in any relevant legal agreements.

- (e) To Foreign Parent's knowledge, none of its shareholders that own an economic interest of more than 5 percent of the issued and outstanding shares immediately before the Fifth Distribution have a plan or intention to sell or exchange any shares of Foreign Parent or FSub3 following the Fifth Distribution.

Rulings

First Contribution and First Distribution

1. The First Contribution, together with the First Distribution, will constitute a reorganization within the meaning of section 368(a)(1)(D). Sub1 and Sub2 will each be "a party to a reorganization" under section 368(b).
2. Sub1 will not recognize gain or loss on the First Contribution. Section 361(a).
3. Sub2 will not recognize gain or loss on the First Contribution. Section 1032(a).
4. Sub2's basis in each asset received in the First Contribution will be the same as the basis of the asset in the hands of Sub1 immediately before the First Contribution. Section 362(b).
5. Sub2's holding period in each asset received in the First Contribution will include the period during which Sub1 held the asset. Section 1223(2).
6. Sub1 will not recognize gain or loss on the First Distribution. Section 361(c).
7. Parent will not recognize gain or loss (and no amount otherwise will be includable in its income) upon receipt of the Sub2 stock in the First Distribution. Section 355(a).
8. Parent's holding period in the Sub2 stock received will include its holding period in the Sub1 stock with respect to which the First Distribution is made, provided that such Sub1 stock is held by Parent as a capital asset on the date of the First Distribution. Section 1223(1).
9. Earnings and profits ("E&P"), if any, will be allocated between Sub1 and Sub2 in accordance with section 312(h), Treas. Reg. § 1.312-10(a), and Treas. Reg. § 1.1502-33.

Second Distribution

10. Parent will not recognize gain or loss on the Second Distribution. Section 355(c).

11. FSub2 will not recognize gain or loss (and no amount otherwise will be includable in its income) upon receipt of the Sub2 stock in the Second Distribution. Section 355(a).
12. FSub2's holding period in the Sub2 stock will include its holding period in the Parent stock with respect to which the Second Distribution is made, provided that such Parent stock is held by FSub2 as a capital asset on the date of the Second Distribution. Section 1223(1).
13. E&P, if any, will be allocated between Parent and Sub2 in accordance with section 312(h), Treas. Reg. § 1.312-10(b), and Treas. Reg. § 1.1502-33(e)(3).

Third Distribution

14. FSub2 will not recognize gain or loss on the Third Distribution. Section 355(c).
15. FSub1 will not recognize gain or loss (and no amount otherwise will be includable in its income) upon receipt of the Sub2 stock in the Third Distribution. Section 355(a).
16. FSub1's holding period in the Sub2 stock will include its holding period in the FSub2 stock with respect to which the Third Distribution is made, provided that such FSub2 stock is held by FSub1 as a capital asset on the date of the Third Distribution. Section 1223(1).
17. E&P, if any, will be allocated between FSub2 and Sub2 in accordance with section 312(h) and Treas. Reg. § 1.312-10(b).

Fourth Distribution

18. FSub1 will not recognize gain or loss on the Fourth Distribution. Section 355(c).
19. Foreign Parent will not recognize gain or loss (and no amount otherwise will be includable in its income) upon receipt of the Sub2 stock in the Fourth Distribution. Section 355(a).
20. Foreign Parent's holding period in the Sub2 stock received will include its holding period in the FSub1 stock with respect to which the Fourth Distribution is made, provided that such FSub1 stock is held by Foreign Parent as a capital asset on the date of the Fourth Distribution. Section 1223(1).
21. E&P, if any, will be allocated between FSub1 and Sub2 in accordance with section 312(h) and Treas. Reg. § 1.312-10(b).

Fifth Distribution

22. For U.S. federal income tax purposes, the Demerger will be treated as if (i) Foreign Parent contributes Sub2 to FSub3 in exchange for all the shares of FSub3 (the "FSub3 Contribution"), followed by (ii) a pro rata distribution by Foreign Parent of all the FSub3 shares to its shareholders (the "Fifth Distribution"). See Rev. Rul. 77-191, 1971-1 C.B. 94, Rev. Rul. 57-311, 1957-2 C.B. 243.
23. The FSub3 Contribution, together with the Fifth Distribution, will constitute a reorganization within the meaning of section 368(a)(1)(D). Foreign Parent and FSub3 will each be "a party to a reorganization" under section 368(b).
24. Foreign Parent will not recognize gain or loss on the FSub3 Contribution. Section 361(a).
25. FSub3 will not recognize gain or loss on the FSub3 Contribution. Section 1032(a).
26. FSub3's basis in each asset received in the FSub3 Contribution will be the same as the basis of the asset in the hands of Foreign Parent immediately before the FSub3 Contribution. Section 362(b).
27. FSub3's holding period in each asset received in the FSub3 Contribution will include the period during which Foreign Parent held the asset. Section 1223(2).
28. Foreign Parent will not recognize gain or loss on the Fifth Distribution. Section 361(c).
29. Foreign Parent's shareholders will not recognize gain or loss (and no amount otherwise will be includable in their income) upon receipt of the FSub3 stock in the Fifth Distribution. Section 355(a).
30. The aggregate basis of the Foreign Parent stock and FSub3 stock in the hands of each Foreign Parent shareholder immediately after the Fifth Distribution will equal the shareholder's aggregate basis in the Foreign Parent stock immediately before the Fifth Distribution, allocated between the Foreign Parent stock and the FSub3 stock in proportion to the fair market value of each immediately following the Fifth Distribution in accordance with Treas. Reg. § 1.358-2(a). Section 358(a)(1).
31. Each Foreign Parent shareholder's holding period in the FSub3 stock will include the holding period of the Foreign Parent stock with respect to which the Fifth Distribution is made, provided that such Foreign Parent stock is held as a capital asset on the date of the Fifth Distribution. Section 1223(1).

32. E&P, if any, will be allocated between Foreign Parent and FSub3 in accordance with section 312(h) and Treas. Reg. § 1.312-10(a).
33. The receipt by Foreign Parent's shareholders of cash in lieu of fractional shares of FSub3 stock will be treated for U.S. federal income tax purposes as if the fractional shares had been distributed as part of the Fifth Distribution and then had been disposed of by such shareholders for the amount of such cash in a sale or exchange.
34. The gain (or loss) recognized, if any, will be treated as capital gain (or loss), provided that such Foreign Parent stock was held as a capital asset by the selling shareholder (section 1001). Such gain (or loss) will be short-term or long-term capital gain (or loss). Sections 1221 and 1222.
35. For purposes of applying section 355(e) and determining the identity of, and number of shares owned by, relevant shareholders over the two-year period preceding the Proposed Transaction (in the case of Foreign Parent) and the two-year period following the Proposed Transaction (in the case of Foreign Parent and FSub3), Foreign Parent and FSub3 may look through entities to the ultimate indirect owners of Foreign Parent stock or FSub3 stock based on actual knowledge, or if Foreign Parent or FSub3 does not have actual knowledge, then based upon information that is "publicly available."

Actual Knowledge means the actual knowledge of the Chief Financial Officer, General Counsel, or person in a functionally similar position at Foreign Parent and FSub3, respectively, of the existence of a Controlling Shareholder or Ten-Percent Shareholder. Publicly available information includes the filing of a Schedule 13D, Schedule 13G, Form 3, or Form 4, indicating the shareholder holds enough shares to be considered a five-percent shareholder within the meaning of Treas. Reg. § 1.355-7(h)(8) (and such shareholder actively participates in the management or operation of Controlled as described in Treas. Reg. § 1.355-7(h)(3)) (a "Controlling Shareholder") or a ten-percent shareholder within the meaning of Treas. Reg. section 1.355-7(h)(14) (a "Ten-Percent Shareholder"). For purposes of determining whether a Controlling Shareholder or a Ten-Percent Shareholder exists, Foreign Parent and FSub3 may disregard a Schedule 13G unless Item 6 reports such a shareholder or is left blank, or the filer discloses its status as a Controlling Shareholder or a Ten-Percent Shareholder on Form 3 or Form 4.

36. Any direct or indirect increase in the percentage of either voting power or value of the stock of Foreign Parent or FSub3 owned by a shareholder by virtue of acquisitions of Foreign Parent or FSub3 stock, as part of a plan (or series of related transactions) with the Fifth Distribution, will be taken into account for purposes of section 355(e) only after reducing such increase for any direct or indirect reduction in such percentage interest resulting from any disposition of Foreign Parent or

FSub3 stock by such shareholder as part of a plan (or series of related transactions) with the Fifth Distribution.

37. Neither the grant of equity awards by Foreign Parent pursuant to its equity incentive plans nor the acquisition of Foreign Parent stock pursuant to the exercise of the equity awards will be taken into account for purposes of applying section 355(e).

Caveats

Except as expressly provided herein, no opinion is expressed or implied concerning the tax treatment of the Proposed Transaction under any provision of the Code and regulations or the tax treatment of any condition existing at the time of, or effects resulting from, the Proposed Transaction that is not specifically covered by the above rulings. In addition, no opinion is expressed concerning the tax treatment of Contribution 1 and Contribution 2, or the application of section 267 to the Continuing Agreements.

Procedural Statements

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

A copy of this letter must be attached to any income tax return to which it is relevant. Alternatively, taxpayers filing their returns electronically may satisfy this requirement by attaching a statement to their return that provides the date and control number of the letter ruling.

In accordance with the power of attorney on file with this office, a copy of this letter is being sent to your authorized representative.

Sincerely,

Richard K. Passales
Senior Counsel, Branch 4
Office of Associate Chief Counsel (Corporate)

cc: