

UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580



Office of the Director  
Bureau of Competition



August 1, 2006

Tom D. Smith, Esq.  
Jones Day  
51 Louisiana Avenue, N.W.  
Washington, D.C. 20001-2113


Re: Alon/Paramount, FTC File No. 061-0188

Dear Mr. Smith:

The Federal Trade Commission has conducted a nonpublic investigation to determine whether the proposed acquisition by Alon Israel Oil Company Ltd. of Paramount Petroleum Corporation may violate Section 7 of the Clayton Act or Section 5 of the Federal Trade Commission Act.

Upon further review of this matter, it now appears that no additional action is warranted by the Commission at this time. Accordingly, the investigation has been closed. This action is not to be construed as a determination that a violation has not occurred, just as pendency of an investigation should not be construed as a determination that a violation has occurred.

Sincerely,

  
Jeffrey Schmidt  
Director