

802.1  
802.2(d)

From: [redacted]

Date: Wed, Sep 13, 2000 11:40 AM

Subject: HSR Filing Obligations

Please confirm the following analysis with respect to HSR filing obligations.

A and B are a natural persons who manage 8 limited liability companies and 7 corporations (together the "X Companies") owned by Corporation Z. A and B intend to create 15 separate corporate entities (together the "C Companies"), each of which A and B will own jointly 50-50%. Z agrees to sell the equity of the X Companies to the C companies with each individual

and E corporations that A and B will own jointly 50-50%. Z also agrees to

an aggregate value of less than \$15 million. A and B each have personal

The X Companies are all automobile dealerships. The real estate assets (as defined in the Agreement) include only the land on which each dealership is located. The non-real estate assets (as defined in the agreements) include the office space, show room space, service area, parking lots, inventory of sales vehicles and service parts among others.

Question One: A's income is derived from salary for managing the X Companies and income from his personal investments. He is not a professional investment manager and does not invest for anyone's account

that the correct answer to Item 5 is "None."  No

Question Two: Please confirm that the transaction must be reported as both an asset and a stock deal notwithstanding that the value of the stock portion is only \$1 dollar.  Yes

Question Three: Please confirm that, under Rule 802.2(d), the value of the portions of the automobile dealerships that constitute parking lots and office space may be excluded from the value of the assets to be acquired.  NO

PARKING LOTS / OFFICE SPACE ACQUIRED IN CONNECTION WITH A BUSINESS ARE NOT EXEMPT UNDER 802.2(d)

Question Four: Please confirm that the exemption in 802.1 for real

because each Acquiring Person's UPE files on the entire value even if the it only owns 50% of the Acquiring Person.)

Thank you in advance.



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SEE NOTES ABOVE.

*B. Mueller*

9/15/00

