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May 26, 1989

VIA FEDERAL EXPRESS

Pre-Merger Notification Office
Bureau of Competition
Federal Trade Commission
[redacted]

Attention: Victor Cohen, Esq.

Gentlemen:

Pursuant to my May 25, 1989 conversation with Victor Cohen, I would appreciate your advising whether any aspect of the following transaction would require filing of a Notification and Report Form ("Report Form") under the Hart-Scott-Rodino Antitrust [redacted]

A and B will each have a 50% interest in the profits of C and in the assets of C on its dissolution. A may be its own ultimate parent entity or may be included within another corporate entity, and B is a majority owned subsidiary of another corporation. There currently exists no relationship between A or any ultimate parent entity of A, on the one hand, and B or its parent on the other. A will contribute assets to C in exchange for A's partnership interest in C, and B will contribute voting securities of X to C in exchange for B's partnership interest in C. X is its own ultimate parent entity. C is not being formed with a view to [redacted]

In our view, no notification under the Act is required with respect to any aspect of the above transaction, for the

following reasons. The long-standing position of the staff of the Federal Trade Commission has been that partnership interests do not constitute voting securities; accordingly, no Report Form must be filed in connection with the formation of a partnership, as opposed to a corporate joint venture or other corporation. See Reg. §801.40. Because C is a partnership, its formation by A and B clearly is outside the coverage of Reg. §801.40 and therefore [redacted]

For similar reasons, A cannot be deemed to have acquired the voting securities of X. Because partnership interests do not constitute voting securities, C cannot be an issuer for purposes of Reg. §801.4, and A cannot have made a primary acquisition for purposes of such section. Accordingly, A could not be considered to have made a secondary acquisition of the voting securities of X as a result of the formation of C, so no filing by A and X should be required by the Act.

Very truly yours,

[redacted]

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