

Title 44 CFR 17

January 2, 1991

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Richard B. Smith, Esquire
Promotions Verification Office

Room 312
6th & Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Dear Dick:

agreed that based on the facts I provided, the transaction

controlled by Company B for the purpose of an acquisition

convertible note is Company A's transfer to Partnership D of a
30% interest in Partnership C which Company A controls.

Partnership D's acquisition of the 30% interest in
Partnership C will be accomplished by the transfer of

50% interests in the unit assets to newly formed Partnership C
in exchange for 70% and 30% interests in Partnership C.

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Partnership D will be contractually committed to contribute the 30% interest in the assets which it receives from Company A and its subsidiary to the formation of Partnership C. The

contribution to the formation of Partnership C will likely occur on the same day, and in any event, will occur within a short period of time.

Given the facts set out above, it is my understanding that the Federal Trade Commission's Premerger Notification Office does not view the transfer of the 30% interest in the assets of the unit to Partnership D as reportable given that this is just an intermediate step in the partnership formation and exchange. I understand your caution that if Partnership D does not fulfill its contractual commitment to contribute the assets to Partnership C that a reportable transaction could occur without having been reported. I understand that this would potentially subject each of the companies and partnerships to the penalties provided under the Hart-Scott-Rodino Notification Report Act of 1976 15 U.S.C. § 18a ("the Act"), and I have so advised the parties.

If this letter does not correctly reflect our conversation

contrary by January 4, 1991, I will advise my client to rely on your advice that no reporting obligation arises.

Very truly yours,

1/2/90 - advised [redacted] that we generally prefer to have the intermediary and general

of papers. [redacted] a short period of time" I advised that

transitory and in a continuous [redacted] our new