

[REDACTED]

March 10, 1991

This material may be exempt from the confidentiality provision of Section 7A (b) of the Clayton Act.

1 Pennsylvania Avenue, NW
Washington, DC 20580

Attention: Mr. Patrick Sharp

Re: Advice Concerning Hart-Scott-Rodino Antitrust
Improvements Act of 1976 (the "Act")

Dear Mr. Sharp:

This letter is a follow-up to a letter dated [REDACTED] the [REDACTED] of the Federal Trade Commission ("FTC") with respect to the acquisition of a beneficiary's interest in a trust established in connection with a leveraged sale-leaseback transaction. It is intended to

conversation on March 13, 1990 concerning two variations to the transaction structure outlined in the December 11 letter.

As I explained in the December 11 letter, our client, [REDACTED] is the lessee of an 80% interest in a power plant (the "Power Plant"). [REDACTED] which is not controlled by [REDACTED] is the lessee of a 20% interest in the Power Plant. As lessees, [REDACTED] and [REDACTED] are in operating control of the Power Plant. The Power Plant is owned by a trustee (the "Trustee"), which [REDACTED] for the benefit

of several independent entities [REDACTED]

income stream generated by the lease payments to the Trustee.

The terms of the Trust are typical of those in a

the Trustee holds legal title to the Power Plant and performs

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duties to the Beneficiaries, but the Trustee is not responsible
for managing the Power Plant and does not serve a policy-
making function with respect to the Trust. Also, while a super
majority of the Beneficiaries may remove the Trustee, the
Trustee is not elected annually or at any other periodic

has never been removed during the existence of the Trust. Risk

In the December 11 letter, I stated that [redacted]
and [redacted] have succeeded in removing [redacted] from the Beneficiaries

beneficial interest in the Trust

its interest in [redacted] which the Trustee

investor during the ten-year period to take action under the

involves payoff of outstanding debt of the Trust. At the
current time, the Trustee is debtor under a bond indenture

Trust, either by cash payments or, if acceptable to the
bondholders, by substitution of bonds of [redacted] and [redacted]
[redacted] for the bonds issued by the Trust.

You advised me in connection with the December 11

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12/04/91 15:13

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to the reporting requirements of the Act

leaseback transaction in which the sale of the beneficial
interest is in substance only the transfer of an income stream,
which is neither a voting security nor asset under the Act. In
our March 13, 1991 call you confirmed my conclusion that the

Department's Antitrust Division need not be sought regarding
the matters described above since it falls within the scope of

The parties would like to consummate the transaction

telephone conversation, or if you have any questions or further
comments, I would appreciate it if you would contact me
immediately. Thank you for your assistance.

Very truly yours,

[Redacted signature]

[Redacted text]