801.1(6)

[redacted]

September 4, 1991

Hy Rubenstein, Esquire
Federal Trade Commission
6th and Pennsylvania Avenue, N.W.
Room 301
Washington D.C. 20580

VIA TELEFAX
(202)350-2505 and
U.S. MAIL

Re: Hart - Scott - Rodino
AntiTrust Improvement Act of 1976 (the "Act") -
Application to Formation of Partnership [illegible]

Dear Mr. Rubenstein:

Thank you for discussing certain matters with me on Friday, August 30, 1991, in regard to a [illegible]

SCENARIO #1: A partnership was formed by X corporation and Y corporation (both over the threshold requirements as to size of party) to develop a shopping center. The partnership was not a publicly-traded partnership at any time. The partnership borrowed approximately $44,000,000.00 in construction financing and used those funds [illegible] over the threshold requirements as to size of party) as a possible source of funding for the permanent loan. Pension Plan did not desire to lend money to the partnership or directly to X corporation or Y corporation. In light of that, Pension Plan suggested that it acquire a 50% interest in the partnership. Pension Plan suggested that it contribute approximately $55,000,000.00 to the partnership and receive a 50% interest [illegible] corporation agreed to the scenario and allowed Pension Plan to enter the partnership as a 50% general partner. The assets of the partnership remained intact and as assets of the partnership in its restructured state. One of the significant reasons

> for keeping the partnership intact was significant state transfer taxes which would have [illegible]
>
> SCENARIO #2 [illegible]
>
> [illegible] corporation took back a 25% partner's interest each and Pension Plan took back a 50% partner's interest. The parties paid the significant state transfer taxes.

In discussing both scenarios, you determined that neither was subject to reporting under the Act. Specifically, our discussions included the determination that the partnership interests that were being [illegible]

After your review of this letter, if the determination above does not meet with your recollection of our conversation or if you are in any disagreement with the previous determination, please contact me as quickly as possible. Thank you for your attention to this matter.

Sincerely yours,

[redacted]

[redacted]