

801.40; 801.90

[REDACTED]

January 9, 1992

Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Washington, D.C. 20580

ATTENTION: Richard Smith

Dear Mr. Smith:

This will confirm our telephone conversation on Wednesday, January 8, 1992 regarding the proposed formation by two foreign entities of a [REDACTED] limited partnership for the purpose of engaging in the business of [REDACTED]

[REDACTED] the factual background of the planned transaction, we tentatively concluded that it would not require the filing of a premerger notification report form.

The Business is presently conducted by an affiliated group of 71 foreign corporations (the [REDACTED]) which are

[REDACTED]. The [REDACTED] collectively own assets used in the Business which have an aggregate value of approximately \$25,000,000 (the "Assets"), and a net value of approximately [REDACTED]

The Business presently generates annual sales of [REDACTED]

Mr. Richard Smith

_____ is a corporation organized and existing under the laws of the _____. It is engaged in the business of _____ commonly referred to as _____ in _____ and annual sales in excess of \$100,000,000.

The _____ has suffered substantial operating losses and is presently in financial difficulty. It has entered into negotiations with _____ to induce _____ through a domestic subsidiary formed for that purpose, to join it in forming a limited partnership to conduct the Business previously conducted by the _____. Under the terms of the Partnership agreement, the _____ as limited partners, would contribute the Assets to the Partnership and the Partnership would assume certain liabilities associated with the Assets and the _____. _____ as general partner will contribute approximately \$3,000,000 in cash to the Partnership. Immediately after the receipt of the _____ contribution, the Partnership will distribute the sum of approximately _____ to the _____.

_____ will be entitled to a preferred return on its contribution and to a preferred return of the amount of its contribution. After _____ the amount of _____

of an amount equal to the _____ return, the partners will share equally in the profits of the Partnership.

The _____ will have an option to purchase the Partnership assets at any time on or before July 1, 1998. If that option is not exercised, _____ will have the right to purchase _____.

The selection of a limited partnership entity as the business

obligation to comply with the requirements of the Act.

On the basis of the foregoing facts, we tentatively concluded _____ notification under the Act. We would appreciate your confirmation of that conclusion.

Mr. Richard Smith
January 9, 1992
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Thank you for your courtesy and assistance in this matter.
Should you have further questions, please give me a call. I look

Sincerely,

[Redacted signature]

VIA TELECOPY

1/9/91 Advised [Redacted] that formation of [Redacted]
partnership (where contributions of [Redacted] and [Redacted] have a
direct [Redacted] consistent with an "equalization" payment" and where there
are tax and other [Redacted] under 801.40 and 801.70.
[Redacted] makes its formation non-reportable. Also advised
[Redacted] share of the partnership assets by either the [Redacted]

[Redacted] may well require an HSR filed depending on the circumstances
at the time of purchase. I advised [Redacted] that I will send a
[Redacted] in BC with [Redacted]

expected in potash. He advised [Redacted]
a public announcement of the deal very soon.
RBS Smith