

facts indicate that transfer of non-cash ^{general} assets to partnership for cash is part of formation process via exempt ^{fact} that partnership was not funded & not active are important.

This material may be confidential.
Section 201

November 30, 1992

Dear Mr. Cohen:

This will confirm your advice as given in a telephone conversation on November 25 with [redacted] and the undersigned.

[redacted] and I described a proposed transaction as follows: Corporation A and Corporation B (or wholly owned subsidiaries thereof) intend to form a joint venture in the form of a general partnership in which each partner will hold a 50% economic interest. The partnership is being formed for the sole purpose of owning and operating a business presently held by A (the "Business").

The transaction will be structured as follows: (1) in anticipation of the the transaction described herein, the parties formed on November 27, 1992 a general partnership under Delaware

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liabilities. The partnership will pay \$34 million in cash to A

\$371 million of assets to the partnership and the partnership will have assumed \$338 million of related liabilities of A. In order

It may also be relevant to note that A and B have no prior relationship, and in particular, have not jointly operated any other business in the past. In addition to the above described transaction, A and B are also planning to enter into an

No reporting obligation should arise with respect to the

meaning of § 801.40 of the Rules, nor are partnership interests viewed as voting securities within the meaning of § 7A(h)(3)(A) of

Interpretation Practice Manual, the above described transaction most closely resembles the first example in the last paragraph of Interpretation No. 47. We discussed whether the example given in the last sentence of Interpretation No. 196 would be applicable because the partnership technically will have been formed before

partnership was formed solely in connection with the transaction described and will not be funded until at the closing nor operate until after closing, and because the net effect of the events at closing will be that A and B will make equal contributions to the 50/50 partnership, the transaction would be viewed as a non-reportable partnership formation.

Although no further transactions are presently planned

Assets from one of the partners, such a transaction would be viewed as a non-reportable partnership formation if other requirements of the "S" test and Rules are

We very much appreciate your attention to this matter. I would appreciate your giving me a call if you are not in agreement with the foregoing. If a filing should be required, the parties hope to file on Tuesday, December 1 in anticipation of a closing by year end.

Very truly yours,

[REDACTED]

Victor Cohen, Esq.
Premerger Notification Office
Bureau of Competition - Room 301
Federal Trade Commission
Washington, D.C. 20580

[REDACTED]