

801.40; 801.1 (8)(1)

[REDACTED]

...shall not be subject to the  
anti-takeover provisions of Section  
of the Clayton Act which restricts  
...under the Director of Information

June 13, 1994

JUN 16 10 42 AM '94  
FEDERAL TRADE  
COMMISSION  
MERGER NOTIFICATION  
OFFICE

Richard Smith, Esq.  
Pre-Merger Notification Office  
Bureau of Competition  
Room 303 Federal Trade Commission  
Washington, D.C. 20580

Re: Acquisition of Partnership Interest

Dear Mr. Smith:

I am writing to follow up on the various telephone  
conversations we have had regarding the above-referenced

we represent a person involved in a transaction which,  
if consummated, will be structured as follows:

The stockholders of Corporation A will form a new  
company, Corporation B. They will contribute cash to  
Corporation B, and receive shares in the same proportions as  
they own shares of Corporation A. In other words,  
Corporation A and Corporation B will be held by the same  
people, in the same percentages. The formation of B will  
not be a reportable event.

A and B will then form Partnership. B will contribute  
a not insignificant amount of cash, and receive a 1%  
interest in Partnership. Corporation A will contribute its  
entire business -- fixed assets, intangibles, liabilities,

[REDACTED]

Immediately after Partnership is formed and funded,  
Corporation X will acquire a 50% interest in Partnership  
from A (leaving A with 49%) and a 1% interest in Partnership

[REDACTED]

[REDACTED]

June 13, 1994  
Page 2

All of these events will occur at a single closing. Conceptually they will occur seriatim, but for all practical purposes they will take place simultaneously.

It is our understanding that the above-described transaction is not reportable under the Hart-Scott-Rodino Antitrust Improvements Act, even though it meets the size-of-the-parties and size-of-the-transaction tests of the Act. We understand that the formation of a bona fide partnership is never a reportable transaction. We also understand that, in the view of the Pre-Merger Notification Office, acquisition of a bona fide partnership interest of less than 100% is neither an acquisition of voting securities nor an acquisition of assets, for purposes of pre-merger notification requirements, and thus is not reportable. Finally, we understand that, if at some time in the future Corporation X acts to acquire 100% of Partnership, the acquisition which takes Corporation X to 100% ownership will be reportable.

I would appreciate receiving your informal opinion as to whether, based on the facts as set forth in this letter, our understanding is correct. I appreciate your cooperation, and I look forward to hearing from you.

Very truly yours

[REDACTED]

[REDACTED]

6/16/94 - called writer and advised that [REDACTED] had

previously informed me that there was no [REDACTED] behind the manner in which this deal was structured but rather, that its complex structure was driven by a variety of tax considerations.)

[REDACTED]

RB Smith