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February 23, 1996

VIA TELECOPY

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Bureau of Competition  
Room 303  
6th and Pennsylvania Avenue, N.W.  
Washington, D.C. 20580


Re: Limited Liability Company

Dear Nancy:

Attached is an outline of a transaction that involves the formation of a limited liability company and the subsequent transfer of certain membership interests in the limited liability company to other membership interest holders. We believe that the described transaction is exempt from the reporting requirements of the Hart-Scott-Rodino Antitrust Improvements Act.

We would appreciate your thoughts at your earliest convenience.

Sincerely,  


  
attachment

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FOR THE FREEDOM OF INFORMATION ACT  
1986

This transaction involves the formation of a limited liability company, and the transfer of membership in the limited liability company between the members at the time of its formation

of certain membership interests in this limited liability company among the members at the time

### **Transaction Outline**

1. Certain subsidiaries of A will form a limited liability company A/LLC. Upon formation, these subsidiaries will transfer certain assets to A/LLC.
2. A/LLC and B1 (a "controlled" entity of B) intend to form a limited liability company ("NewCo LLC").

- a. A/LLC will contribute certain assets to NewCo LLC in exchange for membership interests in NewCo LLC exceeding 50% in the aggregate. The value of these membership interests exceeds \$15 million.
- b. In connection with the formation of NewCo LLC, B1 will be obligated to contribute certain of its assets to NewCo LLC, but will not make such contributions until after the formation of NewCo LLC. Nevertheless, in exchange for B1's contractual commitment to contribute certain of its assets, B1 will hold the remaining NewCo LLC membership interests that A/LLC does not hold as a result

of payment and will indirectly make additional cash payments to A/LLC in the

LLC and NewCo LLC making subsequent disbursements of such contributions to A/LLC. In exchange for the initial payment by B1 to A/LLC, B1 will receive a portion of the NewCo LLC membership interests that A/LLC holds. Following such initial payment, B1 and A/LLC will each hold 50% of the membership

**Governance of NewCo LLC**

1. NewCo LLC will be governed by a four person management committee.
2. A/LLC and B1 will each appoint two persons to the management committee.
  - a. These persons will be officers, directors or employees of A and B or their  
respective "controlled" entities.

members.