

EO 2.2(e)

EO 2.2(f)

[REDACTED]

February 23, 1999

Ms. Nancy Ovuka

Premerger Notification Office  
6<sup>th</sup> and Pennsylvania Avenues N.W.  
Washington, DC 20580

Re: Nonreportability of Transaction

Dear Nancy:

[REDACTED]

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"possessory interest"<sup>1</sup> in the buildings and improvements. In the

[REDACTED]  
(or the concessioner's successor, as the case may be) the fair  
value of the buildings and improvements as of the date of the

Company A also owns a campground consisting of heated cabins

Company B proposes acquiring all of Company A's interest in the hotel, golf course, and campground, including the ancillary operations, for total consideration of approximately \$50 million. There is no premium being paid to Company A for the value of the concession contract.<sup>2</sup>

As recommended, the acquisition of the assets relating to the hotels (including the restaurants) and the cabins on the campground would be exempt under 16 C.F.R. § 802.2(e). Moreover, the acquisition of the golf course, including the pro shop and restaurant,

recreational vehicle facilities, would not be exempt. There is no premium being paid toward

assets is less than \$10 million, the transaction does not meet the size-of-transaction test and need not be reported under the HSR Act.

<sup>1</sup> A possessory interest can be pledged as security, may be transferred as part of a transfer of a concessions contract, is not extinguished by contract expiration or termination, and may not be taken for public use without just compensation.

<sup>2</sup> In addition, Company B will be acquiring from Company A a public utility company that services Company A's facilities and adjacent residential properties, a supermarket, and three gasoline stations that combined are valued at

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Please let me know immediately if I have in anyway misunderstood your advice regarding the nonreportability of the above transaction. As always, I appreciate your prompt and courteous advice. Best regards.

Sincerely,  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
under \$5 million. Although these assets are non-exempt for HSR Act purposes, they are well below the size-of-transaction threshold.