

Via Facsimile

Richard B. Smith, Esq. Federal Trade Commission Premerger Notification Office

Dear Mr. Smith:

telephone conversation of April 13, 1999, that the transactions described belows are not subject to the notification and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the <u>"Act"</u>) and the regulations promulgated thersunder (the <u>"Rules"</u>).

1. Company A is a limited liability company that owns 100% of the membership interest in Subsidiary A, a limited liability company. Company A will purchase 27.5% of the approach membership interests in a limited necessition

The following statement of the facts is somewhat more detailed than the one I provided to you in our telephone conversation but this should not affect the proposed translations for purposes of the Ant and Bules.

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price of \$225 million, in two separate transactions. Following this purchase, the partners of Subsidiary B will then contribute their remaining partnership interests in Subsidiary B to a newly formed limited partnership ("Partnership B"), provided that 1% of the aggregate general partnership interests in Subsidiary B will be retained by the General Partner of Subsidiary B (the "General Partner").2

2. Company A and Partnership B will then form a limited liability company ("Newco"). In exchange for 50% of the membership interests in Newco,

membership interests in Newco. Partnership B will contribute all of its partnership interests in Subsidiary B, which shall represent 61.5% of the aggregate partnership interests of Subsidiary B. Immediately following the contributions by Company A and Destroyable B. Manua will distribute to such of Company A and Destroyable B.

(i) Company A and Partnership B will each hold 50% of the membership interests in Newco, (ii) Newco will hold 99% of the membership interests in Subsidiary A and 98% of the partnership interests in Subsidiary B, (iii) Company A and the General Partner will each hold 1% of the partnership interests in Subsidiary B and (iv) Company A and Partnership B will each hold one-half of 1% of the membership interests in Subsidiary A. (See post closing structure diagram attached as Exhibit A.)

You advised me that the formation of Newco described above would

voting securities to Newco but, instead, in the case of Company A after taking into account the Distribution is contributing membership interests in a limited liability company representing less than 100% of the interest in such company and, in the case

The purchase by Company A of a 37.5% partnership interest in Subsidiary B is not reportable under the Premerger Notification Office's interpretation that acquisitions of partnership interests that do not result in one person holding 100% of the interests in a partnership are not reportable. Likewise, the formation of Partnership B is exempt under the Premerger Notification Office's interpretation that the formation of a partnership is not account.

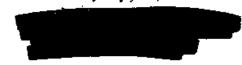
<sup>64</sup> Fed. Reg. 24, 5808-5811, (effective March 1, 1999).

of Partnership B. partnership interests representing lace than 100% of the automobiles.

numeritately prior to the Distribution, and Company A is viewed as contributing 100% of the membership interest in Subsidiary A to Newco, the formation of Newco would not satisfy the requirements of Formal Interpretation Number 15 because only one "business" (i.e., the 100% interest in Subsidiary A) would be contributed to Newco.

I would be pleased to answer any questions you might have regarding this transaction or to discuss the matter further. Thank you in advance for your attention to this request.

Very truly yours,



person lawing Newco LL has a reputable event vince matter of the partnership or LC interest being contributed to the LLC boy the other Since the tooking being contributed to the LLC boy the other since the tooking the fact that the LC outerest or an LLC outerest of law than 100% of a partnership entered or an LLC outerest of law than 100% of a gentless of a voting stack or an account of a voting stack or an acc

