

MEMORANDUM

August 18, 1999

TO: Michael Verne  
FROM: [REDACTED]  
RE: Partnership Roll-Ups

100 V U I C A T I O N

This memorandum confirms our telephone conversations earlier today regarding the HSR Act implications of certain transactions that result in an ultimate parent entity ("UPE") indirectly holding 100% of the interests of a partnership or limited liability company ("LLC").

Under the Premerger Notification Office's policy, the

Thus, a filing is required if a UPE directly (or indirectly through corporate entities that it controls) holds 99% of a entities that it controls) acquires the remaining 1% of the partnership. You advised me, however, that as an exception to the policy, a filing is not required if any part of the 100% interest in the partnership or LLC is held by another partnership or LLC that is not wholly-owned by the UPE or corporate entities that it controls. Thus, no filing is required if a UPE directly holds a 99% interest in Partnership B, which directly holds a 99% interest in Partnership C, and the UPE acquires the remaining 1% of Partnership C directly, or indirectly through corporate

entity holds 100% of all partnerships and LLCs between itself or

You agreed that this conclusion is seemingly partnership to be included within a person's ownership 50% or greater interest, but confirmed that this conclusion is consistent with the Premerger Notification Office's current

position regarding the acquisition of a partnership or limited liability interest.

Please confirm that the foregoing is consistent with our conversation and the Premerger Notification Office's current view.

cc: [REDACTED]

AGREE THAT THIS IS OUR CURRENT POSITION.  
R. SMITH CONCURS.

*Richard O'Leary*  
5/19/99