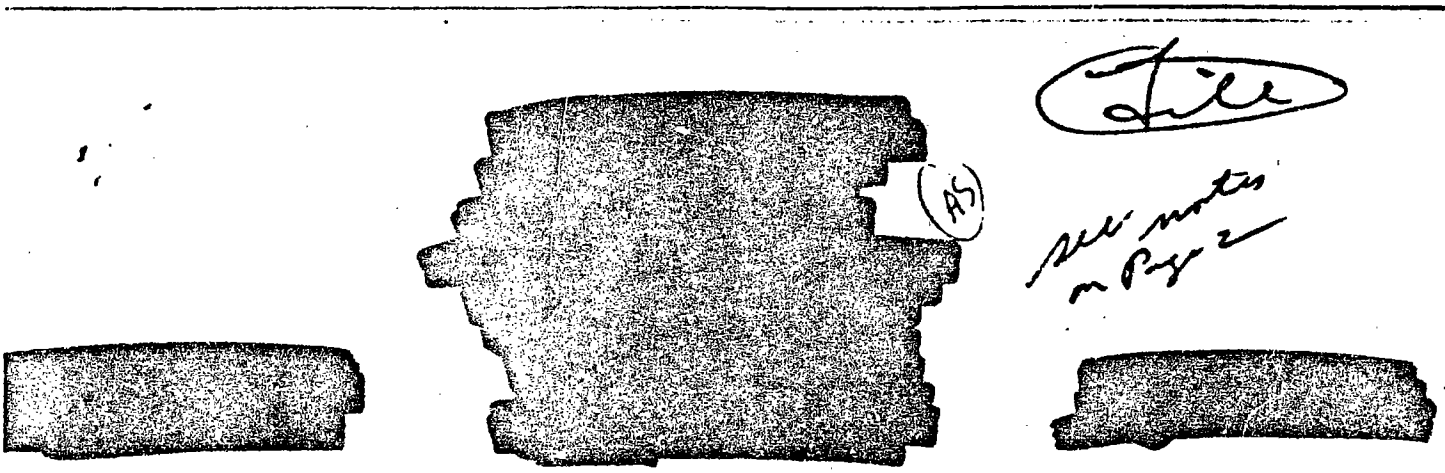

April 4, 1985

Mr. Andrew Scanlon
Compliance Specialist
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Room 301
Washington, D.C. 20580

Dear Mr. Scanlon:

About two weeks ago I asked you some questions about the applicability of the Hart-Scott-Rodino Act to a transaction which our firm is handling and you suggested that I write you a letter describing the matter. Accordingly, I will set forth below the facts that we discussed and will appreciate your advising me of your conclusions with respect to them.

Our client is an individual whom I will refer to as "A." A owns 100 % of B, a corporation with assets of $1 million according to its last regularly prepared balance sheet. A and B are general partners of a limited partnership, C, the total assets of which, according to its last regularly prepared balance sheet, are $78 million. A owns approximately 16% of the limited partnership interests in C.

A proposes to sell to D, a corporation, (1) all of the stock of B, (2) A's general partnership interests in C, and (3) approximately 12% of the limited partnership interests in C. After the sale A will no longer be a general partner of C. The total purchase price will be approximately $16 million, most of which is attributable to the market value of the limited partnership interests being sold.

D is a wholly owned subsidiary of E, a corporation with total assets, according to its last regularly prepared

balance sheet, of $51 million. D or E is, however, a general partner in a number of general partnerships which D or E actively manages and as a practical matter controls, which collectively have assets in excess of $100 million.

It is my understanding that in the past your office has treated partnerships as constituting ultimate parent entities and the transaction described above would not require HSR filings. Because C would be regarded as its own ultimate parent entity, B as its corporate general partner would be examined on a stand alone basis, (i.e., C's total assets are not regarded as being within the control of B, the general partner). D would not meet the $100 million size person test because each general partnership of which it is a general partner would be treated as an ultimate parent entity, i.e., for purposes of the size person test D would be regarded as having about $51 million in assets. Finally the acquisition of the limited partnership interests is not considered to be an acquisition of either assets or voting securities.

I would greatly appreciate having the opportunity to discuss this with you in the early part of next week. Thank you very much for your cooperation.

Very truly yours,

[redacted]

[redacted]

4/9/85 T/C Scanlon [redacted] that although D advised [redacted] he is correct in his statement that partnerships are [redacted] and that partnership interests are not considered reportable, the above facts indicate a possible reportable transaction between A + E if size of person test etc are met.