

Verne, Michael

From: [REDACTED]
Sent: Wednesday, July 30, 2003 10:42 AM
To: Verne, Michael
Subject: HSR questions

Good Morning Mr. Verne,

I just left you a message on your machine but then i ran across your email address and figured it might be easier this way.

I have a question about compliance with HSR. I have read the rules and also Formal Interpretation 15 (and the amendments) regarding LLCs. My question is as follows:

Say there are two companies A and B who want to form an LLC. A contributes a business or part of a business to the deal and B contributes ONLY cash. According to the Formal Interpretation, the deal is not reportable. That is, as I understand it, the new LLC does not have to file a report. HOWEVER, do A and B still have to file reports in their capacities as acquiring or acquired persons? Assume that A and B would otherwise meet the requirements of entities who have to file a report, and assume that the amount of cash and value of the business contributed to the LLC would also meet the requirements. This is similar to "Example 4" in Formal Interpretation 15.

Thanks very much for your insight!

[REDACTED]

ADVISED THAT THIS IS NOT REPORTABLE.

B. Michael
7/30/03