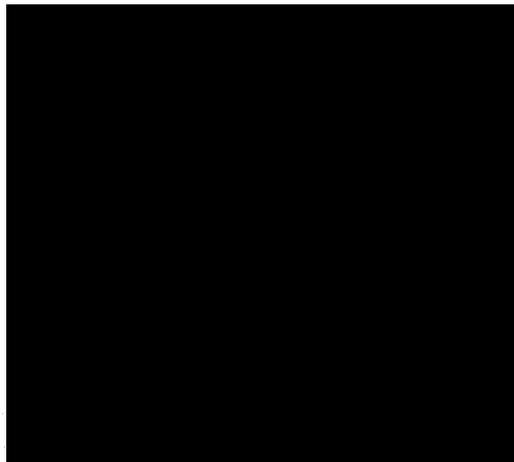


PARTNERSHIP



February 17, 2004

VIA E-MAIL TO mverne@ftc.gov

B. Michael Verne
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
6th & Pennsylvania Avenue, NW, Room 303
Washington, D.C. 20580

Dear Mr. Verne:

I am writing to you concerning the application of the filing requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. § 18a, to a proposed transaction involving a limited partnership. My client, who I will call B, is considering the transaction shown in the attached outline. After reviewing the available literature, it does not appear that the structure of the proposal will require a Hart-Scott-Rodino ("HSR") filing. However, because the rules concerning limited partnerships are not explicit, I would appreciate your reviewing the facts before my client proceeds. Any guidance you can provide will be helpful.

B is currently a participant with A in an unincorporated joint venture, Y Company. A and B each have a 50% interest in Y Company.

In the proposed transaction A and B would form a limited partnership, X Holdings, L.P. ("XH"). XH would purchase B's 50% interest in Y Company for a price in excess of \$50 million and would issue 100% of the limited partnership interests in XH to B. XH would issue 100% of the general partnership interests in XH to A. Y Company would continue as an unincorporated joint venture, with A and XH as the joint venturers.

From the published information concerning the treatment of limited partnerships by the FTC staff, it does not appear that the formation of the limited partnership or the change in the venturers in Y requires an HSR filing. If this conclusion is accurate, please let me know. If you need additional facts to understand the transaction, I will be glad to discuss the matter with you by telephone or to respond to a letter.



Mr. Michael Verne
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I found nothing to indicate that having one company as the sole general partner and another as the sole limited partner makes any difference in the HSR analysis. I also found nothing to indicate that the way the partners will split the revenues of the limited partnership is significant. If either of these factors is relevant to the analysis, please let me know or provide me with any guidance that is available.

Your assistance is appreciated.

Sincerely,



AGREE - THERE IS NOTHING
REPORTABLE IN THIS TRANSACTION.

B. Melton
2/17/04