

Verne, B. Michael

---

From: [REDACTED]  
Sent: Tuesday, July 25, 2006 5:09 PM  
To: Verne, B. Michael  
Subject: HSR--Unincorporated Entities

Facts:

A is an 85% general partner in LP  
B is a 15% limited partner in LP  
A and B are unincorporated entities with the same UPE.

The Deal:

Buyer is purchasing 100% of the membership interests of A from A's sole owner.  
Buyer is also purchasing the 15% limited partner interest in LP directly from B

Question:

It is clear that UPE is the "acquired person" for HSR reporting purposes. Would the "acquisition" price be the aggregate price for the two interests or only the price allocated to purchase of A (the unincorporated entity over which the Buyer is obtaining direct control)? Put another way, does the fact that A will continue to control LP mean that Buyer's acquisition of the minority interest in LP is not relevant for HSR purposes (even though it is acquiring indirect control over LP)?

I would be happy to talk to you directly and answer any questions. As always, I am grateful for your assistance in gaining a better understanding of the new rules.

[REDACTED]

THE ACQUISITION PRICE WOULD BE  
THE AGGREGATE PRICE FOR 100%  
OF THE INTERESTS IN A PLUS THE  
15% INTEREST IN LP BEING ACQUIRED  
FROM B.

[REDACTED]

B Michael  
7/25/06