

802.2(e)

September 20, 2006

FEDERAL EXPRESS

Mr. B. Michael Verne
Premerger Notification Office
Room 303
Federal Trade Commission
6th and Pennsylvania Avenue, N.W.
Washington, DC 20580

2006 SEP 21 AM 11:49
FEDERAL EXPRESS

Re: Section 802.2(e) Exemption

Dear Mr. Verne:

This confirms our telephone conversation on September 18 concerning the applicability of the exemption from filing under the HSR Act provided by section 802.2(e) of the FTC Rules.

In our discussion I described the following scenario, in which we represent the purchaser. The purchaser will be a limited liability company formed for the purpose of the acquisition. Neither the purchaser nor its owner(s) has a gambling license, nor do they intend to obtain one in connection with the property to be acquired. The property to be acquired consists of a resort hotel that currently has a casino operating on-site. In connection with the acquisition, the current casino operator's contract will terminate. The purchaser has no intention to operate a casino at the hotel, nor does it intend to permit anyone else to operate a casino there. The space previously used for the casino will be used for other hotel facilities. The gambling equipment will not be part of the acquisition. The gambling equipment now in the casino space will be shut down by the time of the closing, and will either have been removed or will be removed shortly thereafter. If the gambling equipment remains on-site for a brief period after the closing, the public will be excluded from the area and there will be no gambling.

Under these assumed facts, you advised me that the casino carve-out set out in section 802.2(e)(2) was not applicable, and therefore the exemption for acquisitions of hotels provided in section 802.2(e)(1) was applicable.

Please call or e-mail me immediately if this letter does not reflect our conversation.

Thanks.

AGREE -
B. Michael Verne
9/21/06