

801.1(b)
802.1(F)
802.30

January 11, 2007

VIA ELECTRONIC MAIL

Mr. B. Michael Verne
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
7th & Pennsylvania Avenue, NW
Washington, DC 20580

Dear Mike:

I am writing to confirm my understanding of a telephone conversation we had on December 29, 2006 concerning the non-reportability under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended ("HSR Act"), of a proposed transaction discussed below.

Proposed transaction

Pursuant to a Purchase Agreement, the Sellers will sell all of their limited partnership interests (the "Interest") in the Partnership, a limited liability limited partnership. The Sellers are two Delaware limited liability companies, which are each wholly owned subsidiaries of a common parent. Under the Purchase Agreement, the Sellers' Interest will be sold back to the Partnership, but the Partnership may assign its right to purchase that Interest at its discretion.

The outstanding limited partnership interests of the Partnership are divided into two classes of interests with the economic rights in terms of rights to profits of the Partnership or rights to assets upon dissolution of the Partnership varying as between those classes. The interest of the sole general partner of the Partnership consists of approximately .1 percent of the common equity of the Partnership. The Sellers' Interest, all of which is contemplated to be transferred in the proposed transaction, consists of a minority share of each class of interests. Neither Seller individually has, and the Sellers collectively, do not have, the right to 50% or more of the profits of the Partnership, or the right, in the event of dissolution, to 50% or more of the assets of the Partnership.

The remaining limited partnership interests are all owned by Majority Partner, a limited liability company, which also owns the general partner of the Partnership. The Majority Partner already owns a greater than 50% interest in each class of the Partnership interests. Accordingly, the Majority Partner has the right to 50% or more of the profits of the Partnership, or the right, in the event of dissolution, to 50% or more of the assets of the Partnership.



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Conclusions

You agreed that the transaction described above is not HSR reportable regardless of the size of the transaction or the size of the parties to the transaction. Specifically, you confirmed that this transaction would be exempt under 16 C.F.R. § 802.30 as an intraperson transaction for any acquisition of the Interest by the Partnership or the Majority Partner since Majority Partner already controls the Partnership for HSR purposes under 16 C.F.R. § 801.1(b). You agreed that this conclusion was not affected by the fact that the Majority Partner acquired its controlling stake in the Partnership with no HSR reporting obligation since it acquired such position prior to April 7, 2005, that is, at a time when the FTC's position was that the acquisition of a less than a 100% interest in a limited liability partnership was never reportable.

You also confirmed that in the event that Partnership assigned its right to purchase the Interest to an entity not related to the Majority Partner, the acquisition of the Interest by the third party would be exempt under 16 C.F.R. § 801.2(f)(1) since that third party only would hold a minority interest in a non-corporate entity.

Please let me know as soon as possible if you disagree with any of the conclusions discussed above, or if I have misunderstood any aspect of your advice. Thank you for your assistance in this matter.

Sincerely,

Agree
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1/11/07

