

ITEM 2
ITEM 3

Verne, B. Michael

From: [REDACTED]
Sent: Tuesday, June 21, 2011 6:03 PM
To: Verne, B. Michael
Cc: [REDACTED]
Subject: Hypothetical - Request for Input

Hi Michael,

Could you please give us input on the following hypothetical? Specifically, we're wondering whether and how best to describe the real property transfer described below in the HSR report to be filed in connection with the equity acquisition described below.

All of the non-corporate voting interests of ABC, LLC are owned by Holdco, Inc. Mr. Man, a natural person, is the 100% shareholder of Holdco. Thus, Mr. Man is the UPE of ABC, LLC. Holdco, Inc. and Mr. Man will be entering into a Purchase and Sale Agreement with Buyer to sell to Buyer all of the non-corporate voting interests of ABC, LLC for a purchase price of \$326 million.

Currently, the operations of ABC, LLC take place on real estate owned by Property, LP. Property, LP leases the real estate to ABC, LLC. Property, LP is controlled by Mr. Man's two adult daughters – each daughter is a 49.5% limited partner in Property, LP and Property GP, LLC is the 1% general partner of Property, LP. Mr. Man is the sole member of Property GP, LLC.

The Purchase and Sale Agreement contemplates that in addition to the purchase of the ABC, LLC interests, Buyer will also be purchasing the property owned by Property, LP for \$7.5 million pursuant to a separate Real Property Purchase Agreement. Although there is a separate Real Property Purchase Agreement, the Purchase and Sale Agreement contains a number of representations of Property, LP and other provisions relating to the purchase of the real estate. It is currently intended that the Real Property Purchase Agreement is signed the same day that the Purchase and Sale Agreement is signed, and that the closing of the equity purchase will occur simultaneously with the closing of the real property purchase.

First, we're unclear whether the real property transaction should be described on Item 3(a) of the HSR Report to be filed in connection with the equity transaction. Secondly, if it should be described on Item 3(a), is that the only place where the real property acquisition needs to be described or mentioned? For instance, should we check the box for "asset acquisition" on Item 2(b) and should we describe the assets (i.e., the real property) on Item 3(b)(i)?

Please let me know if you need any additional information to answer our questions. Thank you so much in advance for your input.

Best,



YOU CAN MENTION IT IN 3(a) BUT IT IS
A SEPARATE NON-REPORTABLE TRANSACTION,
SO YOU DO NOT NEED TO RESPOND TO 2(b)
OR 3(b)(i)

BM
6/22/11

This message is confidential and may be attorney-client privileged. If received in error, please do not read. Instead reply to me that you have received it in error and then delete the message. Thank you.