

ASK

October 3, 1983

Re: Premerger Notification Requirements
Under the Hart-Scott-Rodino Antitrust
Improvements Act of 1976
Transaction Number: [REDACTED]

By Federal Express

Wayne Kaplan, Esquire
Premerger Notification Office
Room 301
Bureau of Competition
Federal Trade Commission
Seventh & Pennsylvania Avenues, N.W.
Washington, DC 20580

Dear Mr. Kaplan:

By our letters to you dated July 14, 1983 and August 5, 1983, we submitted to you certain information pursuant to Section 7A(c)(5) (15 U.S.C. §18a(c)(5) and 7A(c)(6) (15 U.S.C. §18a(c)(6)) of the Clayton Act and Section 802.6 of the premerger rules in connection with the proposed acquisition by [REDACTED] of all of the issued and outstanding stock of [REDACTED]

In that connection, we advised you that the parties had petitioned the Interstate Commerce Commission (ICC) for a determination that the transaction is exempt from any requirement for ICC approval pursuant to 49 U.S.C. §11343(e). We also forwarded to you a copy of the petition for exemption filed with the ICC and which has been assigned [REDACTED]

By decision and order served on [REDACTED] Division 2 of the ICC exempted the proposed transaction from any requirement of prior review and approval by the ICC. The exemption became effective on [REDACTED]. We are enclosing a copy of the decision and order which has been duly certified by the Office of the Secretary of the Commission.

Wayne Kaplan, Esq.
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In view of the ICC action, we understand that anti-trust exemptions set forth in 49 U.S.C. §11341(a) will be applicable and it will not be necessary for the parties to comply with the notification and waiting period requirements of the Hart-Scott-Rodino Amendment contained in 15 U.S.C. §18a.

We respectfully request that you advise us based on the action of the ICC that the parties to the proposed transaction need take no further action with your Commission and that the case will be removed from your active file.

We appreciate your continued cooperation.

Sincerely yours,

A large, dark, irregularly shaped redacted area covering the signature and name of the sender.

Enclosure

A long, dark, horizontal redacted mark located below the word "Enclosure".

~~_____~~ ~~_____~~
~~_____~~ ~~_____~~
~~_____~~ ~~_____~~
10/6/83

Parent of 60 Cos.
owned 32% by individual -
voting control of trust - 75.3%
& controls bd of directors

1st several transactions will create
2 ~~new~~ corporate groups
& stock of one of the groups
- 50% - will be distributed
pro rata to shhs

10/7/83

802.20
2 classes of stock -
voting & non-voting.
\$700,000 of voting securities.

22% & contractual power to
control A+B
but can't say he holds more
than

Individual is one of two trustees (other
is bank) & is one of several beneficiaries
(trust set up by will of deceased).

11/29/83

~~Confidential~~
[Redacted]
2-30

7AC(1) → { Realty exemption.
Ordinary cause.

numerous
different
foreclosure
projects -
in various
areas of
country.

Indebtedness Rates mortgages

Bank has foreclosed on securities put up as loans. or by bad loans to transfer

Loans secured by real estate unprayed + unimpinged real property - Bank now has title by reason of foreclosure.

Stock in a corporation whose assets are real property. Other stock in Corp which managed real property.

Bank will transfer assets loans to a Company which is in the business of disposing of such - aquirer may operate til finds a buyer but is a factor.

Bank will receive cash + notes.

§ 02.63 exempts banks taking of the ^{benefit of interest on the} collateral in any form - see Example 1

But see Example 2 - after having taken the collateral the sale of it by bank to third party may be reportable.

Ex. 10. Areas of application of 7AC1 + 802.1

Del Corp affiliates - owned
100% by 2 ptps (B)
org acquired for investment some
assets from Bank -
intended to manage
 $\frac{1}{2}$ of 1981 assets have been
sold.

17 projects

103 MM

13.85 MM in cash
& balance in notes.

B meets size of person.

corp set up to
manage recreational
facilities & has
contract to manage
actually sub contracts.

I advised that transaction as to banks
not w/in banks ord cause of B - its an subsidiary
transaction r.i. issue is whether it is in ord
cause of acq. cos business to buy & sell real
estate packages - Fact Q is probably
determined on basis of whether its operations
of real estate is substantial enough & for
sufficient time to make it an operator r.i.
~~not to acquire & sell~~
if it is operator it should report & bank
should report.