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[REDACTED]

January 27, 1984

Wayne Kaplan, Esq.  
Premerger Notification Office  
Bureau of Competition  
Federal Trade Commission  
Washington, D.C. 20580

Dear Mr. Kaplan:

This letter will summarize our telephone conversation on January 26, 1984.

Two corporations, at least one of which has assets in excess of \$100,000,000 are, directly or through subsidiaries, equal partners, and the only partners, in a general partnership that owns assets that are to be sold for approximately \$40,500,000. The assets and the annual revenues of the general partnership are both under \$100,000,000.

The buyer is a newly formed limited partnership, the general partner of which is a newly formed subsidiary, with a capitalization of approximately \$1,000,000, of a parent corporation with assets or revenues in excess of \$100,000,000.

Limited partnership interests in the buyer will be sold for approximately \$17,000,000. Prior to the proposed acquisition, the limited partnership will borrow \$11,000,000

[REDACTED]  
Following the acquisition, the acquiring limited partnership will have assets of less than \$10,000,000 apart from the assets to be acquired from the acquired person.

In our telephone conversation yesterday you confirmed that the following are current interpretations that FTC staff places on the Hart-Scott-Rodino Act and the regulations promulgated thereunder:

1. Debt and equity raised by a newly formed person and used for the purpose of making an acquisition are not considered assets of the acquiring person for purposes of applying the size-of-parties test to that acquisition.

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2. A general partner is not ordinarily deemed to "control" a limited partnership; thus the limited partnership, not the general partner or its parent company, would be the acquiring person in this transaction.

3. The selling partnership, not its general partners, would be considered the "acquired person."

We intend to rely on these interpretations of the law and regulations unless you advise us within the next two weeks that this letter does not accurately reflect FTC staff's interpretation of the law and regulations.

Thanks again for your helpful guidance.

Sincerely yours,

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[REDACTED]