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December 8, 1986

FEDERAL EXPRESS

Mr. Andrew Scanlon
FEDERAL TRADE COMMISSION
Pre-merger Notification Office, Rm. 303
Sixth and Pennsylvania Ave., N.W.
Washington, D.C. 20580

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FEDERAL TRADE COMMISSION
NOTICE: This document contains information which restricts a person's freedom of information.

Re: Hart-Scott-Rodino Act

Dear Mr. Scanlon:

The purpose of this letter is to confirm our conversation today, Monday December 8, 1986, regarding FTC review procedures under the Hart-Scott-Rodino Act. The facts which I conveyed to you are as follows:

A partnership is being formed to purchase improved real estate which includes a hotel, restaurant, small boat marina and apartments for approximately seventeen million dollars. Although the partners individually would probably meet the financial parameters of the Hart-Scott-Rodino Act, the partnership as an entity will not because it will have no assets other than the acquired property. My question was whether the FTC will look to the partnership entity or to the partners as individuals as the "ultimate parent entity" in determining whether the jurisdictional limits of the Act are reached.

You responded that, absent a determination that the partnership was formed to circumvent Hart-Scott-Rodino, the partnership shall be treated as the "ultimate parent entity." Thus, if the partnership entity does not meet the assets/sales jurisdictional limit, the Hart-Scott-Rodino Act is inapplicable and no filing is required.

I would greatly appreciate it if you could confirm our understanding in writing as soon as possible. If there is anything I can help you with, please call me at

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Thank you for your assistance in this matter.

Very truly yours,

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[REDACTED]

OK

F/C Scanlon
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