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August 4, 1988

VIA AIRBORNE EXPRESS

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For
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Wayne Kaplan, Esq.
Staff Attorney
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
8th & Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Dear Mr. Kaplan:

I am sending this letter in confirmation of our telephone conversation yesterday in which we discussed the applicability of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "Act") to the three transactions outlined in [redacted] letter to you, dated August 2, 1988. You may want to refer to that letter at this time.

From our telephone conversation, I understand that your opinion regarding the Act's applicability to the three transactions is as follows:

Transaction 1:

The distribution of assets valued at \$90,000,000 to a 50/50 partner upon the dissolution of a partnership is a reportable transaction under the Act, and each partner must report as both an acquiring and acquired person. Accordingly, May must report its acquisition of assets upon the dissolution of [redacted]

Transaction 2:

The formation of a partnership and consequent contribution by one partner of voting securities and the contribution of cash by the other partner is non-reportable under the Act, because as long as it does not give 100% ownership of the partnership to any one person, the formation of a partnership, the contributions of its partners and the acquisition of interests therein are neither acquisitions of assets or of voting securities. Therefore, the formation of a partnership between [redacted] and [redacted] is an exempt transaction where [redacted] and one of its subsidiaries contributes 100% of the voting securities of [redacted] and a partnership including Prudential contributes \$600 million in cash.

Transaction 3:

A state law and/or private agreement which deems otherwise "voting" stock as "non-voting" while it is held directly or indirectly by its issuer, effectively makes that stock non-voting for HSR purposes and, therefore, not subject to the Act. Accordingly, [redacted] need not file a Notification Report Form when it exercises a put-option which requires a partnership that includes [redacted] to purchase non-voting securities.

If my understanding, as stated above, of the opinions that you gave in our telephone conversation is different from yours, please call me at [redacted]. Again, I thank you for your advice and indulgence.

Very truly yours,

[redacted signature]

[redacted]

OK. Limited to the facts.
W. Kaplan
8/5/88