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100-443887-100

[REDACTED]

Richard B. Smith, Esquire  
January 2, 1991  
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Partnership D will be contractually committed to contribute the 30% interest in the assets which it receives from Company A and its subsidiary to the formation of Partnership C. The transfer of the assets to Partnership D and their subsequent contribution to the formation of Partnership C will likely occur on the same day, and in any event, will occur within a short period of time.

Given the facts set out above, it is my understanding that the Federal Trade Commission's Premerger Notification Office does not view the transfer of the 30% interest in the assets of the unit to Partnership D as reportable given that this is just an intermediate step in the partnership formation and exchange. I understand your caution that if Partnership D does not fulfill its contractual commitment to contribute the assets to Partnership C that a reportable transaction could occur without having been reported. I understand that this would potentially subject each of the companies and partnerships to the penalties provided under the Hart-Scott-Rodino Notification Report Act of 1976 15 U.S.C. § 18a ("the Act"), and I have so advised the parties.

If this letter does not correctly reflect our conversation or mischaracterizes the view of the Premerger Notification Office, please contact me immediately. Unless I hear to the contrary by January 4, 1991, I will advise my client to rely on your advice that no reporting obligation arises.

Very truly yours,

[REDACTED]

[REDACTED]

[REDACTED]

1/2/90 - advised [REDACTED] that we generally prefer to have the intermediate and final events occur at the same time. He said there would likely happen on the present case but since certain feelings of prudence may be needed, he used term "on the same day". In this a short period of time. I advised that since initial (potentially reportable) steps were only transitory and in a continuum which would result in the creation of a partnership (non-reportable), our view is that no report is needed as long subsequent event is certain and is an integral part of the transaction.