

formation of a partnership

March 27, 1992

VIA TELECOPIER (202) 326-2050 AND MAIL

Marian Bruno, Esq.
Premerger Notification Office
Bureau of Competition
Room 303, Federal Trade Commission
Washington, D.C. 20580

RE: Request for Confirmation of Non-Reportability Under the Hart-Scott Rodino Antitrust Improvements Act of 1976 (Section 7a of the Clayton Act, 15 U.S.C. §18a (the "Act") and the Rules Promulgated Thereunder (the "Rules"))

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FEDERAL TRADE COMMISSION
PREMERGER NOTIFICATION OFFICE

Dear Ms. Bruno:

Pursuant to our March 19, 1992 telephone conversation, I am writing this letter requesting confirmation of the non-reportability of the contemplated transaction described below. Since we are relying only on the joint venture exception, the recited facts of the contemplated transaction are limited to only the facts relevant to the joint venture exception and do not go into other facts which may be relevant to other exemptions.

I. FACTS:

We represent Company A, a [redacted] corporation, which will be entering into a joint venture with Company B, a [redacted] corporation. The joint venture will be a [redacted] general partnership [redacted] and Company A and Company B will each be 50 percent general partners. Company B owns development rights and contract rights, along with accompanying liabilities, for the development of a hotel, two golf courses, residential lots and a commercial lot [redacted] on property located in the State of [redacted]. The Property is mostly raw land except the foundation for the hotel and roadways leading to the hotel construction site. Company B is a limited purpose entity which does not own any other asset. Company B will contribute [redacted] in return for its [redacted] interest and Company A will contribute cash to the [redacted] in return for its [redacted] interest. The [redacted] will assume the liabilities of Company B arising from the [redacted]. The Partnership will then develop the various projects on the [redacted]. Company B will not be paid directly by Company A or the Partnership for the contribution of [redacted] prior to or in connection with the formation of [redacted].

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PREMERGER NOTIFICATION OFFICE

[REDACTED]

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II. JOINT VENTURE EXCEPTION:

general partnership

Since the [REDACTED] will be a 50/50 joint venture, and since the asset contributing partner will not receive any money prior to or in connection with the formation of [REDACTED] based upon our view and interpretation of the Act, the Rules, and telephone conversations with you, we believe that the proposed transaction is a non-reportable transaction under the joint venture exception rule, which the Premerger Notification Office of the Federal Trade Commission has recognized.

We request that you review the foregoing facts and analysis and respond to us by telephone to confirm our opinion that our client is not required to report the proposed transaction under the Act.

If you should require additional information or clarification, please respond to us by telephone inquiry, and we will provide you with further information or details as necessary. Please respond to the law offices of [REDACTED]

Thank you for your attention to this matter. We look forward to your earliest possible reply.

Very truly yours,

[REDACTED]

[REDACTED]

4-6-92-

Discussed with [REDACTED] - This is not a joint venture exemption but the ~~except~~ formation of a general [REDACTED] which is not reportable under the Act + Milco.