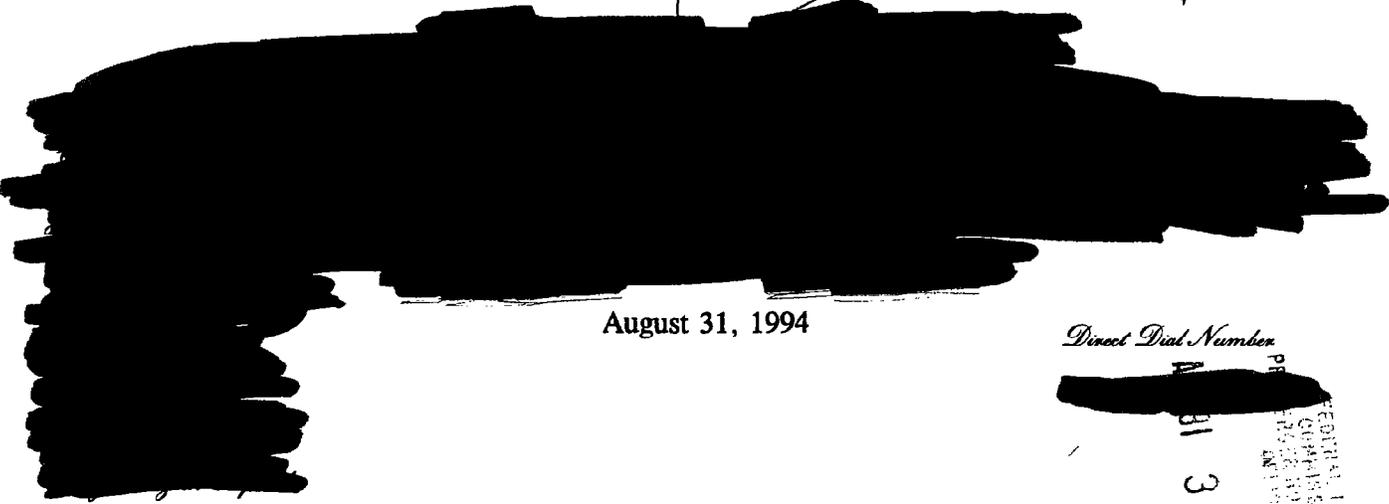


35

\$ 8.1.42  
Partnership formation



August 31, 1994

Direct Dial Number

81 3 42 11 94  
FEDERAL TRADE COMMISSION  
NOTIFICATION

**BY HAND**

John M. Sipple, Jr., Esq.  
Assistant Director for  
Premerger Notification  
Federal Trade Commission  
Room 306  
6th & Pennsylvania Avenue, N.W.  
Washington, D.C. 20580

RECEIVED  
FEDERAL TRADE COMMISSION  
NOTIFICATION  
AUG 31 1994

Dear John:

This letter confirms our discussion concerning whether an HSR filing is required in connection with the formation of a joint venture that for tax and other legitimate business reasons will be organized as a partnership. Under the scenario we outlined for you on August 30, both parties to the proposed transaction would meet the size-of-parties and size-of-transaction test and otherwise meet all jurisdictional requirements for filing. Company A would contribute a plant and know-how to the venture and would own 51-50% of the newly formed partnership; Company B would pay Company A in excess of \$15 million dollars in exchange for a 49 - 50% interest in the partnership. None of the money contributed by Company B would be retained by the partnership; the cash would go directly to Company A.

You advised us that under the set of facts described above no HSR filings would be required because only a partnership interest was being acquired. You indicated that if Company B were acquiring a dominant, controlling interest in the partnership, such a transaction might be viewed as a sale of assets. Since this is not the case here, this would not be viewed as an asset acquisition, and no filing would be required.

John M. Sipple, Jr., Esq.  
August 31, 1994  
Page 2

[REDACTED]

Thank you very much for your assistance and prompt response.

Sincerely,

[REDACTED]

Called on 9/1/94. Letter reflects the advice given. B will not receive ownership interest in the plant to be contributed to the partnership other than through its receipt of 49% partnership interest. B will not receive title or ~~an~~ an undivided interest in the plant prior to A's contributing the asset to the partnership as part of the formation.