My client, which satisfies the $168.8 million size-of-person test, is planning to purchase a non-manufacturing entity that has total assets of $8.5 million as of its most recent regularly prepared balance sheet. The target is owned 50/50 by two unrelated natural persons, one of the natural persons has total assets of approximately $7 million and the other natural person has total assets of about $6 million.

Neither UPE by himself satisfies the $16.9 million size-of-person test adding the value of the assets held by the target with the value of the assets he personally holds. I am writing to confirm that this analysis is correct and that I should not be adding together the value of the assets held by the two individuals to determine whether size-of-person is satisfied.

Thanks,