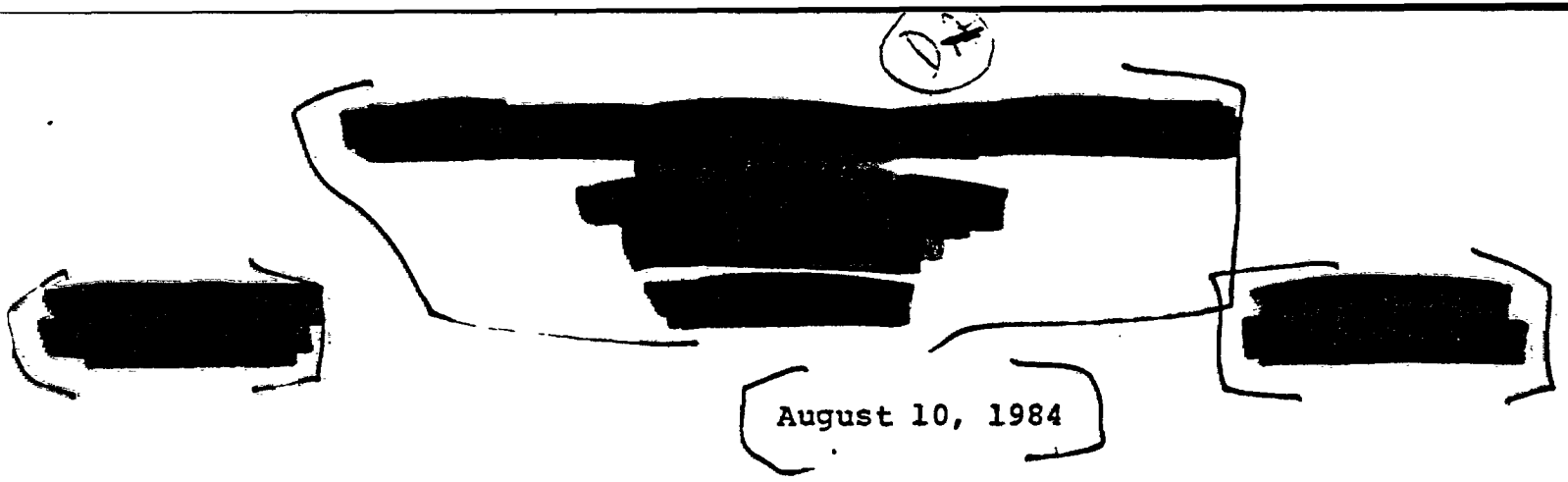

August 10, 1984

Dana Abrahamson, Esq.
Premerger Notification
Bureau of Competition, Room 303
Federal Trade Commission
Washington, D.C. 20580

Dear Mr. Abrahamson:

Recently we called you to discuss several issues relative to whether the reporting and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "Act") would apply to a disposition of the general partnership interest in a limited partnership. This letter is to confirm our understanding of your analysis based on this discussion.

As the transaction had originally been planned, a corporation and a general partnership were to jointly form a limited partnership for the purpose of purchasing a hotel. However, due to various business considerations, the transaction will be carried out in two stages. First, the corporation in question will form a limited partnership with a wholly owned subsidiary. The corporation will be the general partner and will own a 75% interest, and the wholly owned subsidiary will be the limited partner, owning a 25% interest. This limited partnership will purchase the hotel for approximately $22,000,000.

Subsequently, the general partnership will purchase the corporation's 75% interest in the limited partnership and will become the general partner. This is the transaction in question.

You advised us that the Federal Trade Commission, with the knowledge of the Justice Department, has taken the position that disposition of less than all the assets in a partnership is not a reportable event under the Act or the Federal Trade Commission Rules ("Rules") implementing the Act. This

[redacted]

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is based on the following interpretations:

(1) The disposition of less than 100% of a partnership's assets is not the sale of an asset or voting security within the meaning of the Act or the Rules. You explained that the Act was intended for application primarily to corporations, and to apply the same rules to partnerships would be unreasonable at this time because it would be difficult for the FTC to enforce the application of these rules to a partnership and even more difficult for practitioners to interpret them.

(2) The FTC has taken the position that a partnership is its own ultimate parent entity. Therefore, although the corporation would be the owner of 75% of the limited partnership, it would not be the ultimate parent entity. Again, your rationale was that corporations and partnerships differ greatly; directors and partners do not perform functions similar enough for them to fall within the same rules.

Since the described transaction involves the disposition of less than 100% of the limited partnership's assets, the transaction would not be reportable.

Since these interpretations have not been formally reported, I am writing this letter to memorialize our understanding of our discussion. I would appreciate your calling either myself or [redacted] of this office, collect, if anything in this letter incorrectly states your position.

Very truly yours,

[redacted]

[redacted]