

802.2(c)

Verne, B. Michael

From: [REDACTED]
Sent: Thursday, August 03, 2006 12:38 PM
To: Verne, B. Michael
Subject: Unproductive Real Property

Mike,

This is to confirm our telephone conversation on Tuesday of this week regarding the FTC's interpretation of certain rules related to the unproductive real property exemption from the requirements of the Hart-Scott-Rodino Antitrust Improvements Act (the "Act"). As you may remember, the situation we discussed involves the potential sale of real property for an amount in excess of the Act's reporting thresholds. The subject property had been used for non-exempt purposes prior to the happening of a hurricane, which destroyed or so severely damaged the improvements that were a part of that real property to the extent that any remains of such improvements are not useable in their present condition and have been or will be razed.

During our conversation, you indicated that when determining the application of the unproductive real property exemption to the foregoing facts we would not have to concern ourselves as to (i) whether the property generated total revenues in excess of \$5 million during the 36 months preceding the acquisition (Section 802.2(c)(1)) or (ii) whether manufacturing or non-manufacturing facilities were in operation on the subject property during the 12 months preceding the acquisition (Section 802.2(c)(2)).

Please contact me at the number below as soon as possible if the foregoing statement is contrary to our telephone conversation or you would otherwise disagree with the conclusions stated above.

As always, thank you for your time.

Best regards,

[REDACTED]

*AGREE -
B. Michael
8/3/06*

[REDACTED]

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