801.1(b)

[redacted]

January 15, 2008

VIA ELECTRONIC MAIL

Mr. B. Michael Verne
Compliance Specialist
Premerger Notification Office
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Re: Hart-Scott-Rodino Act Interpretation

Dear Michael:

Thank you for taking the time to speak with me on Friday. I am writing to confirm our conclusion that, under the facts described below, the limited partnership LP is its own ultimate parent entity for purposes of the HSR Act:

Investor controls two entities, GP Inc. and Management LP. Investor also has limited partnership interests in a number of limited partnerships, the business of each of which is to invest in the voting securities of other issuers. While there are a number of such partnerships, the legal question is the same for each of them, so we will assume a single partnership LP. No limited partner in LP (including Investor) has the right to 50% or more of the profits of LP, or of its assets upon dissolution. In addition to Investor's limited partnership interests, GP Inc. (controlled by Investor) is the general partner of LP, and thereby controls its day-to-day business and investment decisions, and Management LP has a management agreement with LP pursuant to which Management LP provides overhead and administrative services in exchange for an annual management fee (paid in cash quarterly, in advance). Although, as general partner, GP Inc. is also entitled to a small share of LP's profits and assets upon dissolution, even when that interest is aggregated with Investor's limited partnership interest, Investor does not have the right to 50% or more of the profits of LP, or of its assets upon dissolution.

At the outset, you confirmed that Management LP's right to an annual management fee is neither a right to "profits" or "assets upon dissolution" of LP, and is not a non-corporate interest that needs to be aggregated with Investor's limited partnership interests for purposes of determining the control of the LP. That is true even if the management fee is in whole or in part contingent on the annual performance of LP.

I then explained a potential deferred management fee arrangement, by which Management LP could elect to defer a portion of its earned fee for a period of years, during which the cash would remain invested by LP, and at the end of which period Management LP would be entitled to its deferred amount times the percentage gain or loss in value of LP over the deferral period. Management LP would not be a partner in LP and would not be entitled to any interim profit distributions during the deferral period. You confirmed that, notwithstanding the fact that Management LP's gain or loss from this arrangement would be equal to that of a limited partner of LP over the same period, Management LP would still not have a right to the "profits" or "assets upon dissolution" of LP, and thus the amount payable to Management LP is not a non-corporate interest that must be aggregated with Investor's limited partnership interests in LP and GP Inc.'s general partnership interest in LP for purposes of determining control of LP. LP is, therefore, still its own ultimate parent entity for purposes of the HSR Act.

If I have misstated our conversation or your advice in any way, please call me at [redacted] so that we can correct the misunderstanding.

Thank you again for your assistance in this matter.

Sincerely,

[redacted]

Agree -
BV
1/15/08