

901.1 (2)(L)

**Verne, B. Michael**

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**From:** Walsh, Kathryn  
**Sent:** Monday, August 22, 2011 2:04 PM  
**To:** Verne, B. Michael  
**Cc:** Berg, Karen E.  
**Subject:** RE: Associates

That's where I came out too. Thanks.

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**From:** Verne, B. Michael  
**Sent:** Monday, August 22, 2011 2:03 PM  
**To:** Walsh, Kathryn  
**Cc:** Berg, Karen E.  
**Subject:** RE: Associates

I agree - X and P are not associates

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**From:** Walsh, Kathryn  
**Sent:** Monday, August 22, 2011 12:34 PM  
**To:** Verne, B. Michael  
**Cc:** Berg, Karen E.  
**Subject:** FW: Associates

For discussion.

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**From:** [REDACTED]  
**Sent:** Friday, August 19, 2011 3:01 PM  
**To:** Walsh, Kathryn  
**Subject:** Associates

Hi Kate.

I understand that an associate is an entity that is not under common HSR control with the acquiring person but: (A) has the right, directly or indirectly, to manage the operations or investment decisions of an acquiring entity (a "managing entity"); or (B) has its operations or investment decisions, directly or indirectly, managed by the acquiring person; ...."

I am trying to understand how to apply "manage the operations or investment decisions." What is meant by "investment decisions"? Does this refer only to decisions about equity investments in other entities?

For example, assume Company X does not control Partnership P but under contract manages the operations and assets of P, including devising the business plan for P and making decisions about whether P should invest in new equipment, plants, or retail outlets. Also assume that X operates P's business under the name of X. If X is not making decisions about P's investments in equity of other entities, is it correct to conclude that X and P are not associates?

Many thanks,