

802.2(c)

March 3, 1999

VIA FEDERAL EXPRESS

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REC'D - II  
MAR 10 1999

Re: Nonreportability of  
Transactions

Dear Nancy:

This letter will confirm our telephone conversation earlier today in which we discussed the reportability of the following transactions under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR Act"), as amended, codified at 15 U.S.C. § 18a, and the rules ("HSR Rules") promulgated thereunder:

Company A, a department store chain, proposes acquiring from one or more affiliates of Company B, a department store chain that is currently reorganizing in a Chapter 11 Bankruptcy proceeding, fee simple title to two improved properties and a leasehold for a third property, for a total purchase price of approximately, but not less than, \$15 million, and in an unrelated transaction from other affiliates of Company B, fee simple

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title to two other improved properties and a leasehold for another property, for a total purchase price of approximately \$20.5 million. Company B is currently conducting or has conducted a "going out of business sale" and the premises will be turned over to Company A broom clean, with no inventory or store fixtures of Company B being used by Company A. Company A will be using its own department store trade names at each of the locations following the consummation of the transaction. The two transactions are each subject to bankruptcy court approval.

As we discussed, neither of these transactions are reportable under the ESR Rules, under 16 C.F.R. §802.2(c) as unproductive real property since the assets being transferred (without the fixtures and trade name) did not generate revenues. Please let me know if I have in anyway misunderstood your advice regarding these transactions. I appreciate your assistance in this matter.

Sincerely,  
[REDACTED]