AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

portfolio limitations:
· term of mtg around 5 yrs. - basis for amortizing pre-tax benefits
351(e) invest. company rules - mtg. must be diversified



## II. Transaction Structure

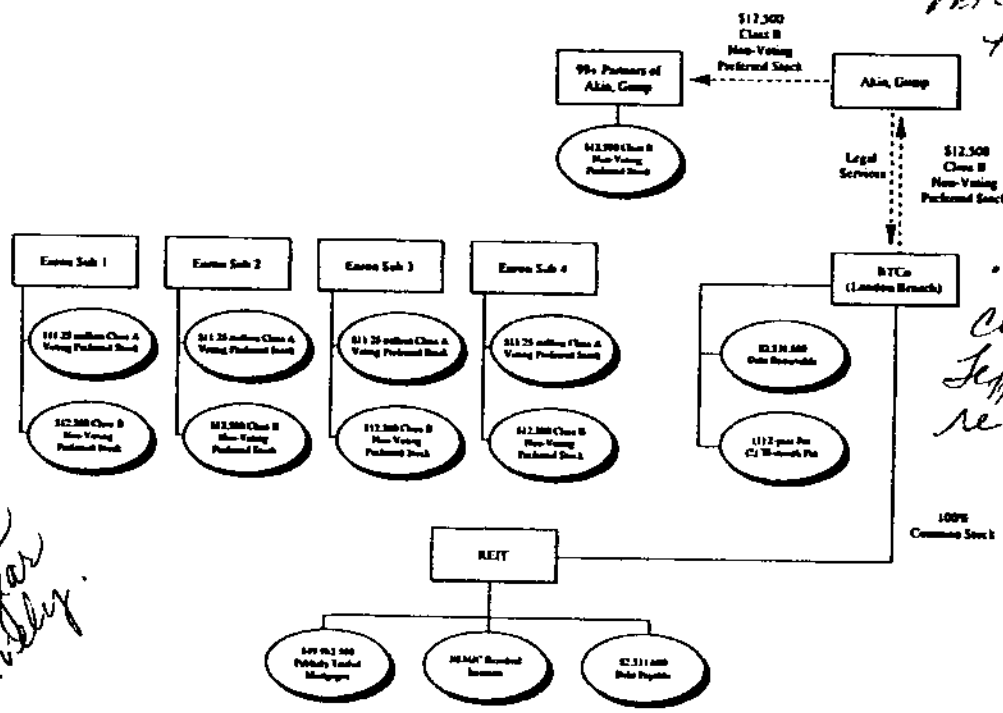
for each contributor to the REIT - 10 issuers of equal size accomplish this result

### 2. Transfer of Preferred Stock to Akin, Gump Partners

· found mtgs that meet these qualifications - fixed rate, callable - issues that need to be dealt w/ - sufficient cash flow to make payments on the preferred stock.

· need to start conversations w/ Jeff Kinneman re the CMO's

recent Tony Edwards article - can one count executive officers of private REITs toward the 600 owner unit




EC2 000037373

alternatives to Akin Gump being considered:
· lees of Enron
· holding by a benefit plan (w/ look through to beneficiaries)

REIT no investor rule is tested in the 2nd yr. - 1st month of the following year effectively.

- BTCo (London Branch) will transfer approximately $12,500 of Class B non-voting coupon preferred stock to Akin, Gump, Strauss, Hauer & Feld ("Akin, Gump") in satisfaction of legal services provided on matters unrelated to the REIT. Akin, Gump will distribute the Class B non-voting coupon preferred stock of the REIT to at least 99 partners of Akin, Gump.

— look @ grandfather rule in Admin. proposal — private REIT issue — complete mechanics before Labor Day - before legis extenders