

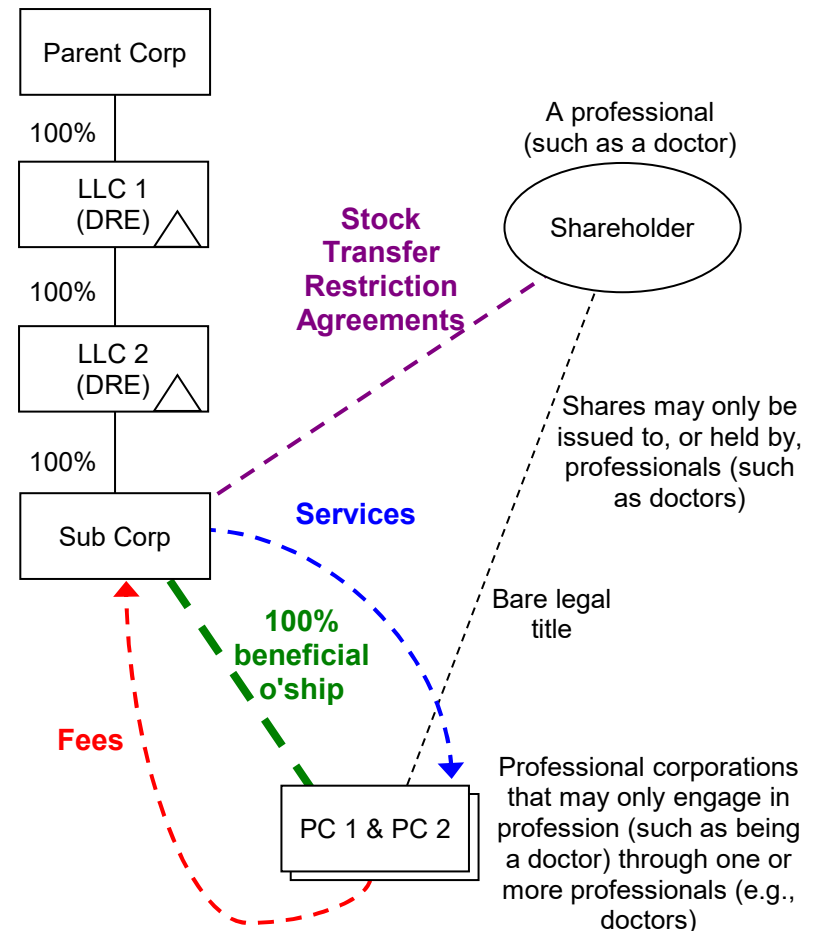
**Professional Corps Allowed
In Consolidated Group**

Parent is the common parent of an affiliated group of corporations that files a consolidated federal income tax return. Parent wholly owns LLC 1, and LLC 1 wholly owns LLC 2; both LLC 1 and LLC 2 are disregarded as entities separate from Parent for U.S. federal tax purposes. LLC 2 wholly owns Sub, a corporation and member of the Parent Group. PC 1 is a professional corporation. PC 2 is a professional corporation. PC 1 and PC 2 are engaged in Profession. Under state law, PC 1 and PC 2, may only engage in Profession through one or more Professionals. Under state law, the shares of corporations engaged in Profession generally may only be issued to, held by, or transferred to Professionals. Shareholder is a Professional and is authorized to engage in Profession under state law.

Under the terms of support services agreements among Sub, on the one hand, and PC 1 or PC 2, on the other, Sub performs all administrative and support services on behalf of the PCs in exchange for a fee. Sub also manages the PCs, to the extent such management does not constitute engagement in Profession.

Shareholder paid a nominal amount to acquire, and holds, legal title to all of the shares of the PCs. Sub, Shareholder and the PCs have entered into stock transfer restriction agreements. The stock transfer restriction agreements prohibit Shareholder from transferring or disposing of any shares of stock in the respective PCs. The stock transfer restriction agreements also prohibit Shareholder from having a PC make a dividend or other distribution with respect to its stock or issue additional equity interests or rights to acquire additional equity interests, and require Shareholder to take all steps necessary to prevent the PCs from taking any such action. Furthermore, Shareholder is not permitted to consent to a liquidation or dissolution of a PC without the prior consent of Sub.

The PLR ruled that both PC 1 and PC 2 are members of the affiliated group of which Parent is the common parent, and will be permitted to join in the filing of a consolidated federal income tax return with the Parent Group. See Rev. Rul. 84-79.



△ Means "flow-thru" for U.S. tax purposes