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[Third Party Communication:

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From: [REDACTED]

Sent: Wednesday, June 17, 2015 4:35:20 PM

To: [REDACTED]

Cc: [REDACTED]

Bcc:

Subject: RE: Significant TEFRA Case - Summary of 6/15 Status Call

The bankruptcy of a tier partnership does not convert the partnership items for the indirect partners or make TEFRA inapplicable. Third Dividend Dardanos v. Commissioner, 96-2 USTC P50,386 (9th Cir.) See also American Principles Leasing, 904 F.2d 477 (9th Cir. 1990) That is because the partnership is merely an agent for its partners. In other words, the bankruptcy of an agent does not serve to convert the partnership item of partners holding an interest through an agent.

So the assessments are not treated as non-TEFRA as you suppose below.