

801.13(b)(ii)

From: [REDACTED]
To: HQ.DCMAIL2(MVERNE)
Date: Fri, May 5, 2000 5:38 PM
Subject: HSR Question, Naturally

Mike-

This is the question I wanted to ask you on Friday afternoon.

S sells B \$17 million in assets but does not report, although the transaction should have been reported. More than a year after that closing, S and B sign a new contract under which B will acquire an additional \$5 million in assets from S. What is the value of the second transaction, \$5 million or \$22 million? Section 801.13(b)(2)(ii) is not clearly indicate whether assets acquired in the unreported first transaction are subject to the 180 day limitation. I seem to recall that the failure to file language is independent. In other words, for purposes of the SOT test, the value of unreported acquisitions are always aggregated with later transactions, but I have nothing in the database on this point.

I'd appreciate your answer asap. [REDACTED]

Thanks.

[REDACTED]

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CC: FTC [REDACTED]

SEE ATTACHED
B Michael Verne
5/8/00