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Verne, B. Michael

From: [REDACTED]
Sent: Wednesday, July 09, 2008 5:34 PM
To: Verne, B. Michael
Cc: [REDACTED]
Subject: HSR conversation on June 20, 2008

Mike:

Thanks for speaking with [REDACTED] and me on June 20. It is always helpful to be able to discuss unusual situations that arise under the HSR regulations and to confirm interpretations or obtain guidance.

To summarize our conversation, [REDACTED] client had previously submitted an HSR notification form and paid the filing fee for a transaction in which his client and my client would place four businesses into a newly formed LLC. While both of the clients were ultimate parent entities of three of the businesses prior to the creation of the new LLC, only my client was the ultimate parent entity of the fourth. The new LLC was to be owned in the ratio of 96/4 percent, with [REDACTED] client owning the larger percentage. My client did not have to file HSR as an acquired person, because the value of the 4% stake in the newly formed LLC was below the size of transaction threshold. Early termination was granted on the transaction.

After early termination was granted but before the closing, the financial situation changed. At the time of the closing the LLC now will be 100 percent owned by [REDACTED] client. Our question was whether any additional HSR filing is required from either client, in particular from my client, because it had not previously submitted a HSR filing as an acquired person. Because the same person ([REDACTED] client) still will be the controlling party of the LLC, and the commercial nature of the transaction does not appreciably change (100% instead of 96% ownership), your response was that neither party had to file anything else.

If my description of our conversation is inaccurate in any way, please let us know immediately. If we do not hear from you, I look forward to working with you on a different matter in the future.

[REDACTED]

[REDACTED]

Agree
BV
7/14/08

7/10/2008