

Verne, B. Michael

801.30

From: [Redacted]  
Sent: Friday, May 06, 2011 6:03 PM  
To: Verne, B. Michael  
Cc: [Redacted]  
Subject: 25% Threshold

Mike,

Thanks for talking to us yesterday. As we discussed, X is the majority shareholder of public company A. Public company B is carrying out an amalgamation with A, in which the shareholders of A will become shareholders of B. As a result of the amalgamation, X will become a minority shareholder of B, and will hold voting securities of B with a fair market value in excess of \$1.319 billion. Due to factors beyond X's control, it is unclear whether the amalgamation will result in X holding 25% or more of B's voting securities. Our current estimate is that X will hold a few tenths of a percent below 25%, but that could change. X would also like to be able to buy additional shares of B after the amalgamation without filing a further HSR.

You agreed that in this circumstance X can file at the 25% threshold, would not need to check the Rule 801.30 box on the HSR Form, and would not need to make the notice required under Rule 801.30. In addition, you agreed that in the event the amalgamation resulted in X holding less than 25% of B's voting securities, X could acquire additional voting securities of B without a further HSR filing, since it will have already been cleared at the 25% threshold.

Please confirm that you agree with this analysis.

Many thanks,

[Redacted]

[Redacted]

AGREE  
B  
5/9/11

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To comply with IRS regulations, we advise you that any discussion of Federal tax issues in this e-mail was not intended or written to be used, and cannot be used by you, (i) to avoid any penalties imposed under the Internal Revenue Code or (ii) to promote, market or recommend to another party any transaction or matter addressed herein.

For more information please go to [Redacted]

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