

Verne, B. Michael

From: [REDACTED]
Sent: Monday, February 06, 2012 10:57 PM
To: Verne, B. Michael
Cc: [REDACTED]
Subject: RE: Question

Mike,

Following up on your e-mail with [REDACTED] below: Let's say acquiring person X makes two corrective filings now with respect to the same issuer, one for a pre-2001 acquisition at the old 25% threshold (for which the next highest threshold was 50%) and another for an acquisition more than 5 years after that at the current \$500 million (as adjusted) threshold (at which point X was still over 25% but not over \$1 billion as adjusted). Does the 5-year exemption after the expiration of the waiting period for the corrective filing apply to both filings, such that X doesn't have to file until X gets to 50%? Or does it apply only to the most recent transaction, such that X would have to file if he makes another acquisition at a time when he is still over 25% (but under 50%) and his shares are worth more than \$1 billion (as adjusted)?

Thanks!

[REDACTED]

UP TO 50% REGARDLESS OF VALUE. J. JOHNSON CONCURS.

[Handwritten signature]
2/7/12

From: Verne, B. Michael [mailto:MVERNE@ftc.gov]
Sent: Tuesday, January 24, 2012 12:14 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Question

That's right. If you had a violation in 2000, then made another acquisition within five years that didn't cross a higher threshold, only one corrective filing. But if you made another acquisition in 2007 that didn't cross a higher threshold there would be two corrective filings.

From: [REDACTED]
Sent: Tuesday, January 24, 2012 11:23 AM
To: Verne, B. Michael
Cc: [REDACTED]
Subject: Question

Mike:

I'm trying to make sure we understand the application of 802.21 to corrective filings. As I understand it, if we make a corrective filing now for an acquisition that took place in, e.g., 2000, the filing party has five years from the end of the corrective filing waiting period (i.e., until sometime in early 2017) to make additional acquisitions that don't exceed the next higher threshold that applied in 2000. Is that right? But what about intervening acquisitions that may have occurred after 2000? I assume an acquisition in 2004 that didn't pass the next higher 2000 threshold will be covered by the corrective filing for 2000, but do we have to do an additional corrective filing for an acquisition in 2007 that also didn't pass the next higher threshold but was more than 5 years after the 2000 acquisition?

Thanks.

[REDACTED]