

Gillis, Diana L.

From: Gillis, Diana L.
Sent: Friday, May 22, 2015 2:49 PM
To: [REDACTED] Whitehead, Nora
Cc: Walsh, Kathryn E.; [REDACTED]
Subject: RE: CONFIDENTIAL TREATMENT REQUESTED RE: Informal Interpretation

[REDACTED]

If you are able, do not report revenues in Item 5 that solely relate to the assets that are not being acquired.

-Diana

From: [REDACTED]
Sent: Friday, May 22, 2015 2:25 PM
To: Whitehead, Nora
Cc: Walsh, Kathryn E.; Gillis, Diana L.; [REDACTED]
Subject: CONFIDENTIAL TREATMENT REQUESTED RE: Informal Interpretation

Hello Nora, Kate and Diana:

I am writing you all only because that was our last form of communication. Please let me know if, going forward, you would prefer that only some of you be the recipient of these sorts of communications.

I have an Item 5 question. In a potential acquisition of voting securities, the seller will be reorganizing the acquired entity, pre-closing, to remove certain assets and place them into another entity, not being sold.

Therefore, on an entity basis, the revenues for last year would include revenues attributable to an businesses not being sold to the buyer. I am wondering how, if at all, we may adjust these revenues for Item 5 purposes.

In the past we may have reported them in Item 5(a) and then as deleted products in Item 5(b), thus effectively removing them from the analysis. Given that that "added or deleted" element has now been itself deleted from the form, that is not an option.

Do we need to report the NAICS codes and revenues for the assets that are not being sold, in Item 5, given that they were part of the last FY revenues for the target entity? Or is there an interpretation that would allow us to focus on only the revenues attributable to businesses of that reorganized entity that exist post-reorganization – the businesses being transferred to the buyer? It seems as if including the codes and revenues for businesses not being sold is an unhelpful distraction.

I realize we could cover the reorganization in an endnote, but this still seems to present a risk of needing to deal with other issues like Item 7 overlaps, for a business that is not being transferred to the buyer. If there is another way to manage that Item 7 issue, I would appreciate any insights on that as well.

Thank you for any clarification you can provide.

Best,
[REDACTED]