

## Sheinberg, Samuel I.

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**From:** HSRHelp  
**Sent:** Thursday, September 2, 2021 3:18 PM  
**To:** Walsh, Kathryn E.; Berg, Karen E.; Sheinberg, Samuel I.; Six, Anne; Whitehead, Nora; Shaffer, Kristin  
**Subject:** FW: Multi-step closing

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**From:** Musick, Vesselina <vmusick@ftc.gov>  
**Sent:** Thursday, September 2, 2021 3:18:09 PM (UTC-05:00) Eastern Time (US & Canada)  
**To:** [REDACTED] >  
**Cc:** HSRHelp <HSRHelp@ftc.gov>  
**Subject:** RE: Multi-step closing

[REDACTED]  
The transaction is reportable. SOP is determined looking at the parties as they stand before the transaction.

Best,  
Vesselina

### Vesselina Musick

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**From:** HSRHelp <HSRHelp@ftc.gov>  
**Sent:** Thursday, September 2, 2021 10:18 AM  
**To:** Walsh, Kathryn E. <kwalsh@ftc.gov>; Berg, Karen E. <KBERG@ftc.gov>; Sheinberg, Samuel I. <SSHEINBERG@ftc.gov>; Six, Anne <asix@ftc.gov>; Whitehead, Nora <nwhitehead@ftc.gov>; Musick, Vesselina <vmusick@ftc.gov>; Shaffer, Kristin <kshaffer@ftc.gov>  
**Subject:** FW: Multi-step closing

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**From:** [REDACTED]  
**Sent:** Thursday, September 2, 2021 10:18:11 AM (UTC-05:00) Eastern Time (US & Canada)  
**To:** HSRHelp <HSRHelp@ftc.gov>  
**Subject:** Multi-step closing

Hello PNO,

Fund A controls Partnership B, a newly-formed limited partnership. Assume that Size of Transaction and Size of Person are satisfied while Fund A controls Partnership B.

In a multi-step closing, in which each step would occur nearly simultaneously (and certainly all on the same day), Partnership B will, in the first step, acquire more than 50% of the interests of Target, an LLC. In the second step, certain interest holders of Target will exchange their interests in Target for LP interests of Partnership B, resulting in Fund A no longer controlling Partnership B. Therefore, at the conclusion of all of the closing steps, Partnership B, not Fund A, will be Target's ultimate parent entity and Partnership B does not satisfy Size of Person.

Is this transaction reportable because, at the first step, Size of Person is satisfied due to Fund A's control of Partnership B? Or does the continuum, or similar principle, permit a conclusion that it is not reportable because Partnership B (no longer controlled by Fund A) does not satisfy Size of Person?

Thanks,

[REDACTED]

[REDACTED]

[REDACTED]