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From: [REDACTED]  
To: "mike verne" <mverne@ftc.gov>  
Date: 5/16/02 12:06PM  
Subject: HSR Question

Hello Mike. I know that the PNO has made certain changes to eliminate filings that have no potential substantive issue (e.g., elimination of the primary filing where a person acquires 100% of the voting securities of a corporation that owns nothing other than a minority interest in another corporation or partnership). I am wondering if any changes have been made with respect to interperson transactions.

Here's the scenario:

Company A and Company B each own 50% of Partnership C. Company A and a subsidiary partnership of Partnership C (the "partnership") will exchange certain assets. When the exchange is complete, Company A will not hold any new assets. It will hold directly assets that it previously held through Partnership C and will hold through Partnership C assets that it previously held directly. Company B no longer will have an interest in the assets transferred to Company A. Company B will have a new interest in the assets transferred by Company A to the partnership. All jurisdictional tests are satisfied.

In the "old HSR world," Company A would have to file as an acquiring and acquired person for its acquisition of assets from itself and from Company B (i.e., for the acquisition of the assets transferred to it from the partnership and for the acquisition of the assets that it transfers to the partnership). Company B would have to file for its acquisition of the assets transferred by Company A to the partnership. Is the "new HSR world" any more forgiving?

Best regards,

[REDACTED]

ADVISED THAT TWO FILINGS ARE REQUIRED  
IN THE EXCHANGE:

A FILES TO ACQUIRE THE ASSETS FROM THE  
PARTNERSHIP. (B IS ACQUIRED)

B FILES TO ACQUIRE THE ASSETS A TRANSFERRED  
TO THE PARTNERSHIP. (A IS ACQUIRED)

A NEED NOT FILE TO ACQUIRE THE ASSETS  
IT IS CONTRIBUTING TO THE PARTNERSHIP AS  
AN ACQUIRING PERSON.

B. Michael Verne  
5/16/02