

801.10

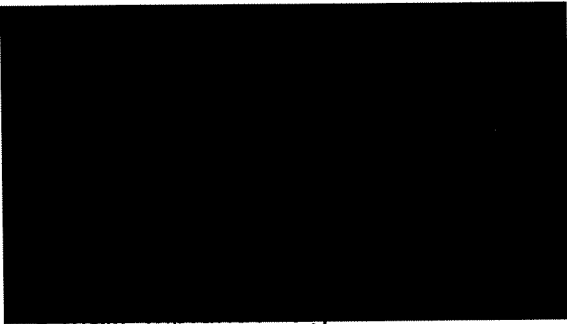
Verne, B. Michael

From: [REDACTED]
Sent: Friday, September 02, 2005 8:41 AM
To: Verne, B. Michael
Subject: HSR Question about the impact of transaction costs on "acquisition price"

In a voting securities acquisition, if the Buyer says "I'll pay Seller X dollars to acquire its shares, and in addition I'll also pay Seller's related transaction costs," my understanding is that the transaction costs don't count toward the "acquisition price" because they aren't consideration received by the Seller for the sale of its shares.

Suppose instead that the parties don't reach any agreement with respect to transaction costs. Buyer pays Seller X dollars to acquire its shares, and Seller pays its own transaction-related expenses. Can the Seller exclude its transaction costs from the "acquisition price," since the transaction costs ultimately reduce the consideration realized by the Seller for the sale of its shares?

Yes - EXCLUDE
B Michael
9/2/05



[REDACTED] made the following annotations.

This message may contain confidential and privileged information. If it has been sent to you in error, please reply to advise the sender of the error and then immediately delete this message.

=====

=