



Revised Hart-Scott-Rodino ("HSR") Premerger Notification Thresholds

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On January 10, 2013 the Federal Trade Commission ("FTC") announced revised thresholds that determine whether companies are required to notify federal antitrust authorities about a transaction under the Hart-Scott-Rodino Antitrust Improvements Act ("HSR") and for the jurisdictional thresholds that trigger the prohibition on interlocking directorates.

New HSR Thresholds

Size-of-Transaction Thresholds. Premerger notification must be filed if – among other things – the value of a transaction exceeds the filing thresholds, which are revised annually, based on the change in gross national product. For 2013, the threshold for reporting proposed mergers and acquisitions subject to enforcement under Section 7A of the Clayton Act increased from \$68.2 million to \$70.9 million.

Size-of-Person Thresholds. If the value of the securities and assets held as a result of the transaction is between \$70.9 million and \$283.6 million, the transaction must be reported in most cases if either the acquired or acquiring person has annual net sales or total assets of at least \$14.2 million and the other party to the transaction has at least \$ 141.8 million in annual net sales or total assets. If the value of the securities or assets exceeds \$283.6 million, then the parties must report the transaction notwithstanding the size of the parties.

New Interlocking Directorates Thresholds. Section 8 of the Clayton Act prohibits the same person from serving as an officer or director of competing corporations if certain thresholds are met. The new thresholds for the Act's prohibition on interlocking directorates are \$28,883,000 for Section 8(a)(1) and \$2,888,300 for Section 8(a)(2)(A).

Effective Dates. The revised thresholds will apply to all transactions that close on or after the effective date of the FTC's notice, which is 30 days after its publication in the Federal Register. The interlocking directorates threshold revisions will be effective upon publication in the Federal Register.

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firm.

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