

enforcement by giving the agencies an opportunity to investigate certain large acquisitions before they are consummated.

As alleged in the Complaint, Defendant acquired voting securities of KCG in excess of the \$70.9 million statutory threshold then in effect without complying with the pre-merger notification and waiting period requirements of the HSR Act. Defendant's failure to comply undermined the statutory scheme and the purpose of the HSR Act by precluding the agencies' timely review of the Defendants' acquisitions.

The Complaint further alleges that the Defendant could not rely on the HSR Rules' exemption for acquisitions made by certain institutional investors because KCG is the same type of institutional investor as Jeffries Group, the entity within Leucadia making the acquisition. The Complaint seeks an adjudication that the Defendant's acquisition of voting securities of KCG violated the HSR Act, and asks the Court to award an appropriate civil penalty.

At the same time the Complaint was filed, the United States also filed a Stipulation and proposed Final Judgment. The terms of the proposed Final Judgment are designed to deter Defendant's future HSR Act violations by imposing a civil penalty of \$240,000.

Entry of the proposed Final Judgment would terminate this action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the Final Judgment and to punish violations thereof.

II. COMPLIANCE WITH THE APPA

The APPA requires a sixty-day period for the submission of written comments relating to the proposed Final Judgment, 15 U.S.C. § 16(b). In compliance with the APPA, the United States filed the CIS with the Court on April 20, 2016, and published the proposed Final Judgment and CIS in the *Federal Register* on April 28, 2016, *see* 81 Fed. Reg. 25420-25 (2016).

IV. CONCLUSION

For the reasons set forth in this Motion and Memorandum and the CIS, the Court should find that the proposed Final Judgment is in the public interest and should enter the proposed Final Judgment without further proceedings. The United States respectfully requests that the proposed Final Judgment, attached hereto as Exhibit 2, be entered at this time.

Dated: July 11, 2016

Respectfully Submitted,

/s/ Kenneth A. Libby
Kenneth A. Libby
Special Attorney