

Sheinberg, Samuel I.

From: HSRHelp
Sent: Tuesday, June 27, 2023 4:03 PM
To: Walsh, Kathryn E.; Berg, Karen E.; Musick, Vesselina; Sheinberg, Samuel I.; Six, Anne; Whitehead, Nora; Fetterman, Michelle
Subject: FW: 7A(c)(10)

From: Shaffer, Kristin <kshaffer@ftc.gov>
Sent: Tuesday, June 27, 2023 4:02:51 PM (UTC-05:00) Eastern Time (US & Canada)
To: [REDACTED]
Cc: HSRHelp <HSRHelp@ftc.gov>
Subject: RE: 7A(c)(10)

[REDACTED]
As long as the percentage is the same or lower at the end of the day, we agree.

Best regards,
Kristin
Kristin Shaffer
Attorney
Premerger Notification Office
Federal Trade Commission
202-326-2388 | kshaffer@ftc.gov

From: [REDACTED]
Sent: Tuesday, June 27, 2023 3:22:39 PM (UTC-05:00) Eastern Time (US & Canada)
To: HSRHelp <HSRHelp@ftc.gov>
Cc: [REDACTED]
Subject: 7A(c)(10)

Dear All:

I am writing to discuss the application of the exemption set forth in 7A(c)(10) of the HSR statute.

Assume that Fund A presently holds voting securities of Corp B. Under the terms of its agreement with Corp B, Fund A has a pre-emptive right to acquire additional voting securities of Corp B in the event other investors acquire voting securities of Corp B – so that Fund A's percentage interest in Corp B's voting securities is not diluted.

There will be a PIPE (Private Investment in Public Equity) investment in which another existing holder will add to its holdings of Corp B voting securities and will submit an HSR Act filing for that acquisition.

When the PIPE investment closes, Fund A would exercise its pre-emptive right and would receive, on the same day, additional shares of voting securities of Corp B in an amount equal to its pro rata holdings in Corp B. The value of the Corp B shares that will then be held by Fund A as a result of that pro rata exercise of its pre-emptive rights will exceed \$111.4 million. However, the percentage of Corp B's voting securities to be held by Fund A will either remain the same or will slightly decline.
