

**From:** HSRHelp  
**Sent:** Monday, August 12, 2024 2:57 PM  
**To:** Berg, Karen E.; Musick, Vesselina; Shaffer, Kristin; Sheinberg, Samuel I.; Six, Anne; Whitehead, Nora; Sulzerman, Michelle; Burton, June; Larson, Peter  
**Subject:** FW: Question Regarding Reportable Transaction Structure

**From:** Walsh, Kathryn E. <kwalsh@ftc.gov>  
**Sent:** Monday, August 12, 2024 2:57 PM  
**To:** [REDACTED]  
**Cc:** HSRHelp <HSRHelp@ftc.gov>  
**Subject:** FW: Question Regarding Reportable Transaction Structure

As long as the parties can attest to their good faith intent to acquire 100%, filing for that amount is fine. Additional detail in Item 3(a) is always welcome.

The filing is sufficient.

**From:** [REDACTED]  
**Sent:** Thursday, August 8, 2024 6:05:45 PM (UTC-05:00) Eastern Time (US & Canada)  
**To:** HSRHelp <HSRHelp@ftc.gov>  
**Subject:** Question Regarding Reportable Transaction Structure

Good Afternoon,

We represent "Seller," which is the UPE of "Target." Seller is under negotiations with "Buyer" (Buyer is its own UPE) for the sale of all or the majority of the equity interest in Target and are hoping to file a premerger notification. In the premerger notification sheet, Seller would sell 85% of the equity interest in Target to Buyer and retain 15%.

The issue however is that the parties are still exploring the possibility of Seller selling 100% of the equity interest in Target and in addition to Seller receiving cash for the 85%, also getting rollover equity in Buyer (in an amount equal to 15% of the total consideration for the purchase of Target).

Given that the rollover equity question is still to be determined, we are filing the premerger notification using the more "conservative" approach and treat the filing as if it would be a sale of 100% of the equity interest in Target and for Seller to receive 15% in equivalent rollover equity. This would be despite the fact that the transaction progresses, it may later result in rollover equity. Would this result in the parties having to refile the premerger notification? If helpful, the parties can also add clarifying information to the transaction description portion of the notification.

A second question is whether the Target will be a corporation immediately before closing (as part of an F-Reorganization). In other words, at the time of submission of the premerger notification, Target will be a corporation, however, upon closing, Target will be a limited liability company. Should the premerger notification be filed as if the acquisition of (i) voting securities of a corporation, or the acquisition of (ii) non-voting securities of a corporation, or the acquisition of (iii) non-voting securities of a limited liability company?

Thank you for your assistance.  
Kind regards,

[REDACTED]

