

One Minute Memo™



H-S-R Filing Thresholds Increased

Effective February 22, 2007, The Federal Trade Commission has increased the threshold amounts for Hart-Scott-Rodino premerger filings pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976. As a result, no transaction resulting in the acquiring person holding assets of securities valued at \$59.8 million or less (increased from \$56.7 million) will be required to be reported. All acquisitions in excess of \$239.2 million (increased from \$226.8 million) will have to be reported regardless of the size of the persons to the transaction.

For acquisitions between \$59.8 million and \$239.2 million, the "size-of-the-person" test still determines reportability. If one party has sales or assets of \$119.6 million or more (up from \$113.4 million) and the other party has sales or assets of \$12 million (up from \$11.3 million) or more, the transaction will generally be reportable. Further, it must be remembered that since acquiring person is the "ultimate parent entity," the sales of assets of a particular subsidiary or affiliate may not determine reportability.

Finally, the levels for the filing fees have been increased although the fees themselves have not been adjusted. The fee levels are:

- Transactions valued up to \$119.6 million - \$45,000
- Transactions valued between \$119.6 million and \$597.9 million - \$125,000
- Transactions valued at \$597.9 million or more - \$250,000

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