

Revised HSR Thresholds Announced

01/21/16

If you have any questions regarding the matters discussed in this memorandum, please contact the following attorneys or call your regular Skadden contact.

Matthew P. Hendrickson

New York
212.735.2066
matthew.hendrickson@skadden.com

Rita Sinkfield Belin

New York
212.735.2308
ritasinkfield.belin@skadden.com

Brian C. Mohr

Washington, D.C.
202.371.7774
brian.mohr@skadden.com

Steven Albertson

Washington, D.C.
202.371.7112
steven.albertson@skadden.com

This memorandum is provided by Skadden, Arps, Slate, Meagher & Flom LLP and its affiliates for educational and informational purposes only and is not intended and should not be construed as legal advice. This memorandum is considered advertising under applicable state laws.

Four Times Square
New York, NY 10036
212.735.3000

1440 New York Avenue, N.W.
Washington, D.C. 20005
202.371.7000

skadden.com

On January 21, 2016, the Federal Trade Commission (FTC) announced the revised thresholds for determining whether companies are required to notify federal antitrust authorities about a transaction under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (HSR Act). If a proposed merger; acquisition of stock, assets or unincorporated interests; or other business combination meets certain thresholds, the parties must notify the FTC and the Department of Justice and observe a waiting period before consummating the transaction. Section 7A(a)(2) of the Clayton Act requires the FTC to revise all of the HSR Act thresholds annually, based on changes in the gross national product.

The new minimum filing threshold will be \$78.2 million. All of the revised thresholds are higher than the current amounts, as shown on the chart below. The new HSR Act thresholds likely will be published in the Federal Register by the end of January 2016 and will become effective 30 days thereafter.

The FTC also announced the revised jurisdictional dollar thresholds applicable to Clayton Act Section 8 prohibitions of interlocking officers or directors on their corporate boards of directors. The revised thresholds are \$31,841,000 for Section 8(a)(1) and \$3,184,100 for Section 8(a)(2)(A). These new thresholds will take effect immediately upon publication in the Federal Register.

Original Threshold	Current Threshold	Revised Threshold
\$10 million	\$15.3 million	\$15.6 million
\$50 million	\$76.3 million	\$78.2 million
\$100 million	\$152.5 million	\$156.3 million
\$110 million	\$167.8 million	\$171.9 million
\$200 million	\$305.1 million	\$312.6 million
\$500 million	\$762.7 million	\$781.5 million
\$1 billion	\$1.525 billion	\$1.563 billion

These revised thresholds will affect the jurisdictional requirements and certain exemptions under the HSR Act, as well as the HSR Act's filing fee schedule. Thus, for example, a transaction valued below the revised minimum notification threshold of \$78.2 million generally will not need to be reported, and the size-of-person test will not apply to a transaction valued above \$312.6 million. The filing fees for reportable transactions will be as follows:

- **\$45,000** for transactions valued in excess of \$78.2 million but less than \$156.3 million;
- **\$125,000** for transactions valued at \$156.3 million or greater but less than \$781.5 million; and
- **\$280,000** for transactions valued at \$781.5 million or more.