

Sheinberg, Samuel I.

From: HSRHelp
Sent: Friday, February 9, 2024 11:48 AM
To: Walsh, Kathryn E.; Berg, Karen E.; Musick, Vesselina; Shaffer, Kristin; Sheinberg, Samuel I.; Six, Anne; Fetterman, Michelle; Burton, June; Larson, Peter
Subject: FW: Question Regarding Reportability of JV Dissolution

From: Whitehead, Nora <nwhitehead@ftc.gov>
Sent: Friday, February 9, 2024 11:47:50 AM (UTC-05:00) Eastern Time (US & Canada)
To: [REDACTED]
Cc: HSRHelp <HSRHelp@ftc.gov>
Subject: RE: Question Regarding Reportability of JV Dissolution

[REDACTED]

Yes, B has a potentially reportable acquisition of assets here, if the relevant thresholds are met and no other exemptions apply.

From: HSRHelp <HSRHelp@ftc.gov>
Sent: Thursday, February 8, 2024 10:25 PM
To: Walsh, Kathryn E. <kwalsh@ftc.gov>; Berg, Karen E. <KBERG@ftc.gov>; Musick, Vesselina <vmusick@ftc.gov>; Shaffer, Kristin <kshaffer@ftc.gov>; Sheinberg, Samuel I. <SSHEINBERG@ftc.gov>; Six, Anne <asix@ftc.gov>; Whitehead, Nora <nwhitehead@ftc.gov>; Fetterman, Michelle <mfetterman@ftc.gov>; Burton, June <jburton@ftc.gov>; Larson, Peter <plarson@ftc.gov>
Subject: FW: Question Regarding Reportability of JV Dissolution

From: [REDACTED]
Sent: Thursday, February 8, 2024 10:24:30 PM (UTC-05:00) Eastern Time (US & Canada)
To: HSRHelp <HSRHelp@ftc.gov>
Cc: [REDACTED]
Subject: Question Regarding Reportability of JV Dissolution

Dear PNO:

Party A and Party B are parties to a JV, which is structured and an LLC and in which Party A owns 60% of the non-corporate interests and Party B owns 40% of the non-corporate interests. Party A "controls" the non-corporate JV entity for purposes of the HSR Act.

Party A and Party B are seeking to "break up" the JV. As part of the "break up," and consistent with Party A and Party B's ownership/economic interests in the JV, assets equaling 60% of the FMV of the JV's assets will be distributed to Party A and assets equaling 40% of the FMV of the JV will be distributed to Party B. The JV entity will be dissolved following the distribution. There will be no purchase price or consideration exchanged between Party A and Party B relating to the distribution of the JV's assets or the dissolution of the JV.

Assuming the value of the non-exempt assets being distributed out of the JV to Party B exceeds the "size of transaction" threshold (and assuming the "size of person" test is met), is this a reportable acquisition of assets if it is part of a dissolution of an LLC?

Thanks very much,

[REDACTED]

