## Sheinberg, Samuel I.

**From:** HSRHelp
**Sent:** Wednesday, February 2, 2022 12:27 PM
**To:** Walsh, Kathryn E.; Berg, Karen E.; Musick, Vesselina; Sheinberg, Samuel I.; Six, Anne; Whitehead, Nora
**Subject:** FW: Question about Section 7A(c)(10)

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**From:** Shaffer, Kristin <kshaffer@ftc.gov>
**Sent:** Wednesday, February 2, 2022 12:26:51 PM (UTC-05:00) Eastern Time (US & Canada)
**To:** [redacted]
**Cc:** HSRHelp <HSRHelp@ftc.gov>
**Subject:** RE: Question about Section 7A(c)(10)

[redacted]

Assuming that the SPAC only holds cash, we agree.

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

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**From:** [redacted]
**Sent:** Wednesday, February 2, 2022 10:09 AM
**To:** HSRHelp <HSRHelp@ftc.gov>
**Subject:** Question about Section 7A(c)(10)

I am writing to ask whether the following acquisition is exempt under Section 7A(c)(10) of the HSR Act. Corporation A currently holds 80% of the voting securities of Corporation B. Under a merger agreement, Corporation B will be acquired by a SPAC whose sole holdings after the merger will be 100% of the voting securities of Corporation B, worth approximately $500 million. In return for the voting securities it holds in Corporation B, Corporation A will receive up to (but no more than) 80% of the voting securities of the SPAC, worth approximately $400 million. While the SPAC's acquisition of Corporation B through the merger will be reportable, under Section 7A(c)(10), it appears that Corporation A's acquisition of up to 80% of the SPAC is exempt because it's ownership interest in Corporation B will not increase as a result of that acquisition. See Informal Interpretation 0501012 (acquisition by existing target shareholders of voting shares of Newco formed to acquire 100% of target's voting securities exempt so long as shareholders receive the same or a lower percentage of Newco voting securities as they held in target, and Newco has no holdings after merger other than target's voting securities). Please let me know as soon as possible if you agree. Thanks.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]