

Annual HSR Threshold Adjustments Announced

FTC adjusts the Hart-Scott-Rodino Act thresholds, raising the minimum size for reportable acquisitions to US\$90 million.

On February 15, 2019, the Federal Trade Commission (FTC) announced new jurisdictional thresholds for the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR Act). The FTC is required to adjust the thresholds annually, based on the change in gross national product. These increases will take effect in mid-March (30 days after the date of publication in the Federal Register), and will affect all transactions closing on or after the effective date.

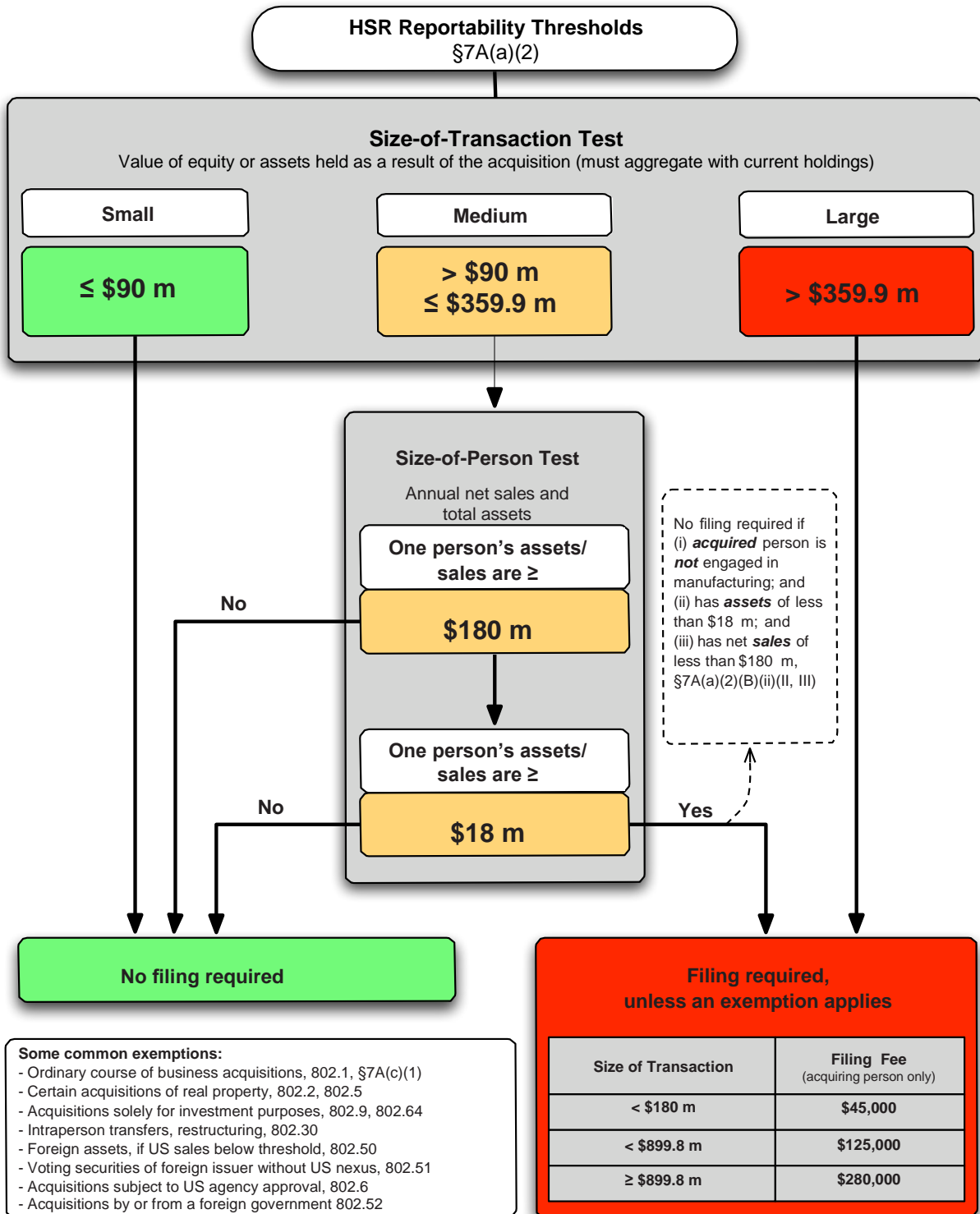
The new thresholds will:

1. Increase the minimum size-of-transaction test to US\$90 million; this means acquisitions valued at US\$90 million or less will not be reportable
2. Increase the transaction size to which the size-of-person test applies to US\$359.9 million; this means acquisitions of more than US\$359.9 million will be reportable regardless of the size of the parties unless an exemption applies
3. Increase the size-of-person test to US\$18 million and US\$180 million; this means that acquisitions of \$359.9 million or less are not reportable unless one person has assets or annual net sales of US\$18 million or more and the other person has assets or annual net sales of US\$180 million or more. The size-of-person test for an acquired person not engaged in manufacturing is sales of \$180 million or assets of US\$18 million.

The new thresholds for 2019 are set out below. The chart on the next page illustrates the application of the HSR thresholds and lists the filing fee amounts, which remain unchanged.

Original Threshold	New Threshold
<i>Size of Transaction</i> US\$50 million	US\$90 million
<i>Size of Person</i> US\$10 million and US\$100 million	US\$18 million and \$180 million
<i>Transaction Size Above Which Size-of-Person Test Is Inapplicable</i> US\$200 million	US\$359.9 million
<i>Notification Thresholds:</i> US\$50 million US\$100 million US\$500 million 25% of stock worth US\$1 billion	US\$90 million US\$180 million US\$899.8 million US\$1,799.5 million
<i>Filing fee thresholds:</i> \$50 million \$100 million \$500 million	US\$90 million US\$180 million US\$899.8 million

2019 Thresholds



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