

31 January 2020

## Revised Hart-Scott-Rodino Act Thresholds & Civil Penalty Amounts Announced

The Federal Trade Commission (“FTC”) has announced increases to the Hart-Scott-Rodino (“HSR”) Act filing thresholds.

Parties to a transaction closing on or after February 27, 2020 must, subject to certain exemptions, file HSR forms when, as a result of an acquisition, the buyer will hold assets, voting securities, and/or non-corporate interests valued in excess of \$94.0 million (the “Size-of-Transaction” test) and the transaction involves a buyer or seller with annual net sales or total assets valued at \$18.8 million or more and \$188.0 million or more, respectively (the “Size-of-Person” test). If the “Size of Transaction” exceeds \$376.0 million, the “Size of Person” is, subject to certain exemptions, irrelevant and HSR forms must be submitted.

The chart below summarizes the 2019 and the new thresholds.

HSR Jurisdictional Test	2019 Thresholds	New 2020 Thresholds
Size-of-Transaction	\$90.0 million \$359.9 million	\$94.0 million \$376.0 million
Size-of-Person	\$18.0 million \$180.0 million	\$18.8 million \$188.0 million

Filing fees have not changed and apply to the new thresholds as follows:

Transaction Value	Filing Fee
Greater than \$94.0 million but less than \$188.0 million	\$45,000
Greater than or equal to \$188.0 million but less than \$940.1 million	\$125,000
\$940.1 million or more	\$280,000

The FTC also announced an increase in the maximum civil penalty amounts for HSR violations from \$42,530 per day to \$43,280 per day, effective January 14, 2020.

Note there is no change in dollar values with respect to either (i) the \$500 million exemption in connection with the acquisition of reserves of oil, natural gas, shale or tar sands, or rights to reserves of oil, natural gas, shale or tar sands and associated exploration or production assets or (ii) the \$200 million exemption in connection with the acquisition of reserves of coal, or rights to reserves of coal and associated exploration or production assets.

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Application of the HSR thresholds to a transaction involves detailed knowledge of the HSR Act and its implementing regulations. If you have any questions regarding the HSR Act, the new thresholds or whether a transaction is subject to HSR reporting, please contact one of the following authors or your regular Kirkland contact:

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