

January 29, 2008

FTC Announces Revised Hart-Scott-Rodino Thresholds

The Federal Trade Commission (the “FTC”) has revised the jurisdictional and filing fee thresholds of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “HSR Act”) and the Premerger Notification Rules (the “Rules”). The changes to the dollar thresholds of the HSR Act and Rules are the fourth of the annual adjustments (based on changes in the gross national product) that are required by the 2000 amendments to the HSR Act.

The new thresholds take effect on **February 28, 2008** and will apply to transactions that close on or after that date. As a result of these changes, the minimum size of transaction threshold will increase from \$59.8 million to \$63.1 million. The size of transaction threshold above which the size of parties threshold is inapplicable will increase from \$239.2 million to \$252.3 million.

For transactions with a value between \$63.1 million and \$252.3 million, the size of parties test remains applicable and will be satisfied in one of the following three ways:

	I	II	III
<i>Acquiring Person:</i>	\$126.2 million annual net sales or total assets	\$126.2 million annual net sales or total assets	\$12.6 million annual net sales or total assets
	<i>and</i>	<i>and</i>	<i>and</i>
<i>Acquired Person:</i>	\$12.6 million total assets	a manufacturer with \$12.6 million annual net sales or total assets	\$126.2 million annual net sales or total assets

The various jurisdictional thresholds, notification thresholds, filing fee thresholds and thresholds applicable to certain exemptions will also increase as summarized in Appendix A to this memorandum.

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This memorandum is not intended to provide legal advice, and no legal or business decision should be based on its content. Any questions concerning these changes or the premerger notification requirements of the HSR Act should be addressed to any of the following:

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APPENDIX A

Summary of Revised Jurisdictional Thresholds of the HSR Act and Rules

<u>Relevant Section of HSR Act or Rules</u>	<u>Original Thresholds</u>	<u>2007 Thresholds</u>	<u>New Thresholds</u>
§7A(a)(2)(A) size of transaction test	\$200 million	\$239.2 million	\$252.3 million
§7A(a)(2)(B)(i) size of transaction test	\$50 million	\$59.8 million	\$63.1 million
§7A(a)(2)(B)(ii) size of parties test	\$10 million	\$12.0 million	\$12.6 million
§7A(a)(2)(B)(ii) size of parties test	\$100 million	\$119.6 million	\$126.2 million
§7A note -- filing fee thresholds*	\$50 million \$100 million \$500 million	\$59.8 million \$119.6 million \$597.9 million	\$63.1 million \$126.2 million \$630.8 million
Thresholds and limitation values in the Rules (16 C.F.R. Parts 801-803)**	\$10 million \$50 million \$100 million \$110 million \$200 million \$500 million \$1 billion	\$12.0 million \$59.8 million \$119.6 million \$131.5 million \$239.2 million \$597.9 million \$1,195.8 million	\$12.6 million \$63.1 million \$126.2 million \$138.8 million \$252.3 million \$630.8 million \$1,261.5 million

* The filing fee amounts, which are currently \$45,000, \$125,000 and \$280,000, remain unchanged. For transactions valued at more than \$63.1 million, but less than \$126.2 million, the filing fee is \$45,000. For transactions valued at \$126.2 million or more, but less than \$630.8 million, the filing fee is \$125,000. For transactions valued at \$630.8 million or more, the filing fee is \$280,000.

** The \$200 million and \$500 million limitations set forth in Rule 802.3 for acquisitions of certain carbon-based mineral reserves remain unchanged.