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LEGAL UPDATES

Temporary Suspension Of Early Termination Of Filings Made Under Hart-Scott Rodino

During the transition to the Biden Administration, the Federal Trade Commission (FTC), with support from the Antitrust Division of the U.S. Department of Justice (DOJ), will be reviewing the processes and procedures used to grant early termination to filings made under the Hart-Scott-Rodino Act (HSR).

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By [Rayna Sparks](#) and [Mark Heyl](#)

During the transition to the Biden Administration, the Federal Trade Commission (FTC), with support from the Antitrust Division of the U.S. Department of Justice (DOJ), will be reviewing the processes and procedures used to grant early termination to filings made under the Hart-Scott-Rodino Act (HSR). During that time, the FTC and DOJ will not grant early terminations. HSR established the federal premerger notification program, which provides the FTC and the DOJ with information about large mergers and acquisitions before they occur.

Under the HSR Premerger Notification Program, parties to an acquisition are required to provide information to the FTC and DOJ about large mergers and acquisitions before they occur, and these agencies identify and challenge those transactions that may substantially lessen competition in violation of federal law. During the preliminary review, the parties must normally wait 30 days (15 days in the case of a cash tender or bankruptcy transaction) before closing the transaction. However, in the case that "early termination" of the review period is available and requested, an early termination of the waiting period may be granted based on the findings of the FTC, thereby allowing the parties to consummate the proposed M&A transaction. Notwithstanding, if the initial review raises competition issues, the agencies will engage in an extended review process (second request) during which the parties would turn over additional information for an assessment of how the transaction will affect competition.

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