

## **Feds Set New Deal Reporting Thresholds**

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The normally quiet announcement of reporting thresholds for merger and acquisition agreements came with some unusual news this month.

The Federal Trade Commission, which each year sets the monetary deal value thresholds that require merger and acquisition deals to be reported to the government, announced that for the first time in years, it would <u>lower the thresholds by a little over 2 percent</u>.

The thresholds are based on the annual gross domestic product, which fell in 2020 due to the global COVID-19 pandemic's effect on business.

In another new development, the FTC and the U.S. Department of Justice said Thursday they will suspend early terminations to filings made under the Hart-Scott-Rodino Act. This is the second time in less than a year the agencies have suspended early terminations.

In anews release from the FTC, the agency said it will not grant the early terminations for a maximum of 30 days while it reviews "the processes and procedures used to grant early termination." The FTC cited the "unprecedented volume" of filings to start the fiscal year and the change in federal administration.

While the early termination period is suspended, parties awaiting clearance will need to wait the entire 30-day waiting period before closing may occur. Traditionally, many parties seek early termination to speed up closing.

The latest deal thresholds are, in reference to the monetary size of the deal:

If you have questions about the new monetary reporting and filing fee thresholds, please <u>contact me</u> or anyone in the <u>Barley Snyder Business Practice Group</u>.

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