

## Sheinberg, Samuel I.

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**From:** HSRHelp  
**Sent:** Tuesday, March 19, 2024 9:07 AM  
**To:** Walsh, Kathryn E.; Berg, Karen E.; Musick, Vesselina; Shaffer, Kristin; Sheinberg, Samuel I.; Six, Anne; Fetterman, Michelle; Burton, June; Larson, Peter  
**Subject:** FW: Question re IPO

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**From:** Whitehead, Nora <nwhitehead@ftc.gov>  
**Sent:** Tuesday, March 19, 2024 9:06:28 AM (UTC-05:00) Eastern Time (US & Canada)  
**To:** [REDACTED]  
**Cc:** HSRHelp <HSRHelp@ftc.gov>  
**Subject:** RE: Question re IPO

[REDACTED]

We confirm both points.

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**From:** HSRHelp <HSRHelp@ftc.gov>  
**Sent:** Monday, March 18, 2024 11:09 AM  
**To:** Walsh, Kathryn E. <kwalsh@ftc.gov>; Berg, Karen E. <KBERG@ftc.gov>; Musick, Vesselina <vmusick@ftc.gov>; Shaffer, Kristin <kshaffer@ftc.gov>; Sheinberg, Samuel I. <SSHEINBERG@ftc.gov>; Six, Anne <asix@ftc.gov>; Whitehead, Nora <nwhitehead@ftc.gov>; Fetterman, Michelle <mfetterman@ftc.gov>; Burton, June <jburton@ftc.gov>; Larson, Peter <plarson@ftc.gov>  
**Subject:** FW: Question re IPO

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**From:** [REDACTED]  
**Sent:** Monday, March 18, 2024 11:08:56 AM (UTC-05:00) Eastern Time (US & Canada)  
**To:** HSRHelp <HSRHelp@ftc.gov>  
**Subject:** Question re IPO

You don't often get email from [REDACTED]

Dear PNO:

I am working on a filing for a company with an IPO ("Company A"). As a result of the IPO, Company A's preferred voting securities will automatically convert into shares of Company A common stock. One of the officers of Company A ("Officer B") holds shares of Company A common stock but does not hold preferred shares, meaning that Officer B does not hold voting securities that convert upon the IPO. However, as a result of the conversion of preferred shares held by other shareholders and corresponding changes to Company A's charter, Officer B's voting percentage will increase with the IPO. For this email, we can assume that Officer B is instrumental in causing the IPO and that the relevant HSR thresholds are satisfied.

1. Can you please confirm it remains PNO's position that a shareholder who is instrumental in causing an IPO and whose voting percentage increases as a result of the IPO must file HSR, even if the shareholder (i) does not hold voting securities that are subject to automatic conversion at the time of the IPO and (ii) will not otherwise acquire additional voting securities as a result of the IPO?
2. Assuming this remains the policy of PNO, we would file the HSR notification as an 801.30 transaction but none of the types of transactions listed in 801.30(a) are a perfect fit because Officer B will not acquire or convert voting securities. 801.30(a)(6) appears to be the best fit even though Officer B's voting securities will not actually be

converted because the conversion of other voting securities at the time of the IPO is what leads to the increase in voting percentage. Can you please confirm a filing in this scenario should be filed as an 801.30(a)(6) transaction?

Thanks,

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