Question 271.23

Question: After the completion of the merger transaction, how does the acquirer treat securities previously sold by the target company pursuant to Rule 701 in its calculations for purposes of determining whether it has triggered a disclosure obligation pursuant to Rule 701(e)?

Answer: For purposes of Rule 701(e), following the merger transaction, in determining whether the amount of securities the acquirer sold during any consecutive 12-month period exceeds $~~5~~10 million, the acquirer must include any securities that the target company sold during the same period. [~~June 23~~March 6, ~~2016~~2026]