§ 229.913 Other provisions of the transaction.

(a) State whether or not appraisal rights are provided under applicable state law, under the partnership’s governing instruments or will be voluntarily accorded by the successor, the general partner or the sponsor (or any of their affiliates) in connection with the roll-up transaction. If so, summarize such appraisal rights. If appraisal rights will not be available to investors who object to the transaction, briefly outline the rights which may be available to such investors under such law.

(b) If any provision has been made to allow investors to obtain access to the books and records of the partnership or to obtain counsel or appraisal services at the expense of the successor, the general partner, the partnership, the sponsor (or any of their affiliates), describe such provision.

(c) Discuss the investors’ rights under federal and state law to obtain a partnership’s list of investors.

§ 229.914 Pro forma financial statements: selected financial data.

(a) In addition to the information required by Item 301 of Regulation S-K, Selected Financial Data (§ 229.301), and Item 302 of Regulation S-K, Supplementary Financial Information (§ 229.302), for each partnership proposed to be included in a roll-up transaction provide: Ratio of earnings to fixed charges, cash and cash equivalents, total assets at book value, total assets at the value assigned for purposes of the roll-up transaction (if applicable), total liabilities, general and limited partners’ equity, net increase (decrease) in cash and cash equivalents, net cash provided by operating activities, distributions; and per unit data for net income (loss), book value, value assigned for purposes of the roll-up transaction (if applicable), and distributions (separately identifying distributions that represent a return of capital). This information should be provided for the same period(s) for which Selected Financial Data and Supplementary Financial Information are required to be provided. Additional or other information should be provided if material to an understanding of each partnership proposed to be included in a roll-up transaction.

(b) Provide pro forma financial information (including oil and gas reserves and cash flow disclosure, if appropriate), assuming:

(1) All partnerships participate in the roll-up transaction; and

(2) Participation in a roll-up transaction of those partnerships that on a combined basis have the lowest combined net cash provided by operating activities for the last fiscal year of such partnerships, provided participation by such partnerships satisfies all conditions to consummation of the roll-up transaction. If the combination of all partnerships proposed to be included in a roll-up transaction results in such lowest combined net cash provided by operating activities, this shall be noted and no separate pro forma financial statements are required.

(c) The pro forma financial statements required by paragraph (b) of this Item (§ 229.914) shall disclose the effect of the roll-up transaction on the successor’s:

(1) Balance sheet as of the later of the end of the most recent fiscal year or the latest interim period;
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(2) Statement of income (with separate line items to reflect income (loss) excluding and including the roll-up expenses and payments), earnings per share amounts, and ratio of earnings to fixed charges for the most recent fiscal year and the latest interim period;

(3) Statement of cash flows for the most recent fiscal year and the latest interim period; and

(4) Book value per share as of the later of the end of the most recent fiscal year or the latest interim period.

Instructions to Item 914.

(1) Notwithstanding the provisions of this Item (§ 229.914), any or all of the information required by paragraphs (b) and (c) of this Item (§ 229.914) that is not material for the exercise of prudent judgment in regard to the matter to be acted upon, may be omitted.

(2) If the roll-up transaction is structured to permit participation by portions of partnerships, consideration should be given to the effect of such participation in preparing the pro forma financial statements reflecting a partial roll-up.

§ 229.1001 (Item 1001) Summary term sheet.

Subpart 229.1000—Mergers and Acquisitions (Regulation M-A)

SOURCE: 64 FR 61443, Nov. 10, 1999, unless otherwise noted.

§ 229.1000 (Item 1000) Definitions.

The following definitions apply to the terms used in Regulation M-A (§§ 229.1000 through 229.1016), unless specified otherwise:

(a) Associate has the same meaning as in § 240.12b–2 of this chapter;

(b) Instruction C means General Instruction C to Schedule 13E–3 (§ 240.13e–100 of this chapter) and General Instruction C to Schedule TO (§ 240.14d–100 of this chapter);

(c) Issuer tender offer has the same meaning as in § 240.13e–4(a)(2) of this chapter;

(d) Offeror means any person who makes a tender offer or on whose behalf a tender offer is made;

(e) Rule 13e–3 transaction has the same meaning as in § 240.13e–3(a)(3) of this chapter;

(f) Subject company means the company or entity whose securities are sought to be acquired in the transaction (e.g., the target), or that is otherwise the subject of the transaction;

(g) Subject securities means the securities or class of securities that are sought to be acquired in the transaction or that are otherwise the subject of the transaction; and

(h) Third-party tender offer means a tender offer that is not an issuer tender offer.

§ 229.1001 (Item 1001) Summary term sheet.

Summary term sheet. Provide security holders with a summary term sheet that is written in plain English. The summary term sheet must briefly describe in bullet point format the most material terms of the proposed transaction. The summary term sheet must provide security holders with sufficient information to understand the essential features and significance of the proposed transaction. The bullet points must cross-reference a more detailed discussion contained in the disclosure document that is disseminated to security holders.