



Department of Justice

FOR IMMEDIATE RELEASE
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BIGLARI HOLDINGS INC. TO PAY \$850,000 CIVIL PENALTY FOR VIOLATING ANTITRUST PREMERGER NOTIFICATION REQUIREMENTS

Violations Occurred When Cracker Barrel Voting Securities Were Acquired

WASHINGTON – San Antonio-based Biglari Holdings Inc. will pay an \$850,000 civil penalty to settle charges that it violated premerger reporting and waiting requirements when it acquired Cracker Barrel voting securities, the Department of Justice announced today.

The Justice Department's Antitrust Division, at the request of the Federal Trade Commission, filed a civil antitrust lawsuit today in U.S. District Court in Washington, D.C., against Biglari Holdings for violating the notification requirements of the Hart-Scott-Rodino (HSR) Act of 1976. At the same time, the department filed a proposed settlement that, if approved by the court, will settle the charges.

According to the complaint, Biglari Holdings failed to comply with the antitrust premerger notification requirements of the HSR Act before acquiring voting securities of Cracker Barrel Old Country Store Inc. in June of 2011. Although the HSR Act exempts from its premerger notification requirements certain acquisitions "solely for the purpose of investment," Biglari Holdings' acquisitions were not made solely for the purpose of investment, the department said. The complaint alleges that Biglari Holdings was in violation of the HSR Act from June 8, 2011 through Sept. 22, 2011.

The Hart-Scott-Rodino Act of 1976, an amendment to the Clayton Act, imposes notification and waiting period requirements on individuals and companies over a certain size before they consummate acquisitions resulting in holding stock or assets above a certain value, which was \$66 million in 2011 and is currently \$68.2 million.

Federal courts can assess civil penalties for premerger notification violations under the HSR Act in lawsuits brought by the Department of Justice. For a party in violation of the HSR Act the maximum civil penalty is \$16,000 a day.

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