



Department of Justice

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MACANDREWS & FORBES HOLDINGS INC. TO PAY \$720,000 CIVIL PENALTY FOR VIOLATING ANTITRUST PREMERGER NOTIFICATION REQUIREMENTS

Violations Occurred When MacAndrews & Forbes Acquired Voting Securities of Scientific Games

WASHINGTON – MacAndrews & Forbes Holdings Inc. will pay a \$720,000 civil penalty to settle charges that the company violated premerger reporting and waiting requirements when it acquired voting securities of Scientific Games Corporation, 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 MacAndrews & Forbes 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.

MacAndrews & Forbes is a holding company based in New York and is wholly-owned by Ronald O. Perelman. Scientific Games is a New York-based provider of lottery and gaming services.

According to the complaint, MacAndrews & Forbes failed to comply with the antitrust premerger notification requirements of the HSR Act before acquiring voting securities of Scientific Games in June 2012. As a result of these acquisitions, MacAndrews & Forbes held Scientific Games voting securities in excess of \$68.2 million, the HSR reporting threshold then in effect. Although certain stock acquisitions relating to a previous HSR Act notification are exempt from additional notice and waiting requirements, MacAndrews & Forbes' June 2012 acquisitions of Scientific Games voting securities fell outside of the five-year time period for that exemption.

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 \$68.2 million in 2012 and is currently \$70.9 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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