

Verizon (VZ) and Yahoo amend terms of definitive agreement
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- Verizon and Yahoo! announced that they have amended the existing terms of their agreement for the purchase of Yahoo's operating business.
- Under the amended terms, Verizon and Yahoo have agreed to reduce the price Verizon will pay to acquire Yahoo's operating **business by \$350M**.
- In addition, Verizon and Yahoo will share certain legal and regulatory liabilities arising from certain data breaches incurred by Yahoo.
- VZ Management comments:
 - 'We have always believed this acquisition makes strategic sense. We look forward to moving ahead expeditiously so that we can quickly welcome Yahoo's tremendous talent and assets into our expanding portfolio in the digital advertising space.'
 - 'The amended terms of the agreement provide a fair and favorable outcome for shareholders. It provides protections for both sides and delivers a clear path to close the transaction in Q2.'
- Under the amended terms, Yahoo will be responsible for 50% of any cash liabilities incurred following the closing related to non-SEC (SEC) government investigations and third-party litigation related to the breaches.
- Liabilities arising from shareholder lawsuits and SEC investigations will continue to be the responsibility of Yahoo.
- Also under the amended terms, the data breaches or losses arising from them will not be taken into account in determining whether a 'Business Material Adverse Effect' has occurred or whether certain closing conditions have been satisfied.
- Verizon's acquisition of Yahoo – now valued at approximately \$4.48B in cash, subject to closing adjustments – is expected to close in second-quarter 2017.

Reference Links:

- [Verizon and Yahoo amend terms of definitive agreement](#)

Industries: Communications Services, Computer & Internet Services

Primary Identifiers: VZ-US, LBTA.XX1-US

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