

MEDQUIST INC
Form SC TO-T/A
March 17, 2011

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Amendment No. 5
to
Schedule TO
Tender Offer Statement under Section 14(d)(1) or 13(e)(1) of the
Securities Exchange Act of 1934**

**MedQuist Inc.
(Name of Subject Company (Issuer))
MedQuist Holdings Inc.
(formerly CBaySystems Holdings Limited)
(Name of Filing Person (Offeror))**

**Shares of Common Stock, no par value per share
(Title of Class of Securities)**

**584949101
(CUSIP Number of Class of Securities)**

**Robert Aquilina
Chairman and Chief Executive Officer
MedQuist Holdings Inc.
9009 Carothers Parkway
Franklin, Tennessee 37067
(615) 261-1740**

**(Name, address and telephone number of person authorized to receive notices and communications on
behalf of filing person)**

With copies to:

**D. Rhett Brandon
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017-3954
(212) 455-2000**

**Colin Diamond Esq.
White & Case LLP
1155 Avenue of the Americas
New York, NY 10036
(212) 819-8200**

CALCULATION OF FILING FEE

| Transaction valuation(*) | Amount of Filing Fee(**) |
|---------------------------------|---------------------------------|
| \$60,833,253.56 | \$7,230 |

* Estimated solely for the purpose of calculating the filing fee. This Amendment No. 5 to Schedule TO amends and supplements the Tender Offer Statement on Schedule TO, relating to an exchange offer (the Exchange Offer) by MedQuist Holdings Inc., a Delaware corporation, to exchange shares of MedQuist Holdings Inc. common stock, par value \$0.10 per share, for properly tendered and accepted shares of common stock, no par value, of MedQuist

Edgar Filing: MEDQUIST INC - Form SC TO-T/A

Inc., a New Jersey corporation. This transaction valuation was calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934, as amended (the Exchange Act), by calculating the product of \$9.095, the average of the bid and asked price per share of the MedQuist Inc. common stock on The NASDAQ Global Market on January 31, 2011 times 6,688,648 shares of MedQuist Inc. common stock. The number of shares of MedQuist Inc. common stock represents the maximum number of shares of common stock that are subject to the Exchange Offer.

** The amount of the filing fee was computed in accordance with Rule 0-11 of the Securities Exchange Act of 1934, as amended, and equals \$116.10 for each \$1,000,000 of the value of the transaction.

Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

| | | | |
|---------------------------|---------------------------------|---------------|--|
| Amount Previously Paid: | \$5,504 | Filing Party: | MedQuist Holdings Inc. (formerly CBaySystems Holdings Limited) |
| Form or Registration No.: | Form S-4 File No. 333-170003 | Date Filed: | October 18, 2010 |

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

third-party tender offer subject to Rule 14d-1.

issuer tender offer subject to Rule 13e-4.

going-private transaction subject to Rule 13e-3.

amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

INTRODUCTORY STATEMENT

This Amendment No. 5 to Schedule TO amends and supplements the Tender Offer Statement on Schedule TO (Tender Offer Statement) relating to the Exchange Offer by MedQuist Holdings Inc. (formerly CBaySystems Holdings Limited), a corporation organized under the laws of Delaware, to exchange shares of MedQuist Holdings Inc. common stock, par value \$0.10 per share, for properly tendered and accepted shares of MedQuist Inc. common stock, no par value, on the terms and subject to the conditions set forth in this document and in the prospectus dated February 3, 2011, as supplemented by the prospectus dated February 11, 2011 and incorporated by reference herein as Exhibit (a)(1)(A) (the Prospectus) and the letter of transmittal incorporated by reference herein as Exhibit (a)(1)(B) (the Letter of Transmittal).

Except as specifically set forth herein, this Amendment No. 5 does not modify any of the information previously reported on the Schedule TO. All capitalized terms used in this Amendment No. 5 and not otherwise defined have the respective meanings ascribed to them in the Prospectus.

The information set forth in the Prospectus and the Letter of Transmittal is incorporated herein by reference in response to all items required in this Tender Offer Statement, as more particularly described below.

Item 11. Additional Information.

Item 11 is hereby amended and supplemented as follows:

At 5:00 p.m., New York City time, on March 11, 2011, the Exchange Offer expired. Based on information from the exchange agent, a total of 5,452,402 shares of MedQuist Inc. common stock were validly tendered for exchange and not withdrawn. MedQuist Holdings has accepted all such shares of MedQuist Inc. common stock in exchange for 5,452,402 shares of MedQuist Holdings common stock, reflecting an exchange ratio of one MedQuist Holdings share for each MedQuist Inc. share. Together with the shares of MedQuist Inc. that MedQuist Holdings already owns, after acceptance of the MedQuist Inc. shares tendered for exchange, MedQuist Holdings owns 36,324,647 shares of MedQuist Inc. common stock, or approximately 97% of the issued and outstanding shares of MedQuist Inc. common stock.

As previously announced, pursuant to a memorandum of understanding with respect to settling previously disclosed litigation in respect of the Exchange Offer, MedQuist Holdings has agreed that if, as a result of the Exchange Offer, it obtained ownership of at least 90% of the outstanding common stock of MedQuist Inc., MedQuist Holdings would conduct a short-form merger under applicable law to acquire the remaining shares of MedQuist Inc. common stock that it does not own at the same exchange ratio applicable under the Exchange Offer. The settlement and dismissal of the shareholder litigation are conditioned upon, among other things, execution of a final settlement stipulation and receipt of court approval, which have not yet occurred.

The press release announcing the completion of the Exchange Offer is attached hereto as Exhibit (a)(5)(H).

Item 12. Exhibits

(a)(5)(H) Press Release, dated March 15, 2011, announcing the completion of the Exchange Offer.

SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: March 16, 2011

MEDQUIST HOLDINGS INC.

By: /s/ ANTHONY JAMES

Anthony James

Chief Financial Officer

4

EXHIBIT INDEX

(a)(5)(H) Press Release, dated March 15, 2011, announcing the completion of the Exchange Offer.