

eLong, Inc.
Form SC 13E3/A
May 02, 2016

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

**SCHEDULE 13E-3
Amendment No. 3**

**RULE 13e-3 TRANSACTION STATEMENT UNDER
SECTION 13(E)
OF THE SECURITIES EXCHANGE ACT OF 1934**

eLong, Inc.

(Name of the Issuer)

**eLong, Inc.
China E-dragon Holdings Limited
China E-dragon Mergersub Limited
TCH Sapphire Limited
Tencent Asset Management Limited
Tencent Holdings Limited**

**C-Travel International Limited
Ctrip.com International, Ltd.
Seagull Limited
Ocean Imagination L.P.
Ocean Voyage L.P.
Ocean General Partners Limited
Nanyan Zheng
Luxuriant Holdings Limited
Hao Jiang
Oasis Limited
Rong Zhou
(Names of Persons Filing Statement)**

**Ordinary Shares, par value \$0.01 per share
American Depositary Shares, each representing two
Ordinary Shares
(Title of Class of Securities)**

290138205
(CUSIP Number)

eLong, Inc.

Hao Jiang

Oasis Limited

Rong Zhou

Xingke Plaza, Tower B, Third Floor

10 Middle Jiuxianqiao Road, Chaoyang District

Beijing 100015

People's Republic of China

Tel: +86-10-5860-2288

China E-dragon Holdings Limited

China E-dragon Mergersub Limited

c/o Walkers Corporate Limited,

TCH Sapphire Limited

Tencent Asset Management Limited

Tencent Holdings Limited

29/F., Three Pacific Place,

No. 1 Queen's Road East

Wanchai

Hong Kong

Tel: +86-755-8601-3388 ext 72000

Ocean Imagination L.P.

Ocean Voyage L.P.

Ocean General Partners Limited

Ordinary Shares, par value \$0.01 per share American Depositary Shares, each representing two Ordinary Shares (

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George Town, Grand Cayman KY1-9008
Cayman Islands
Tel: +86-755-8601-3388 ext 72000

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The People's Republic of China
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This statement is filed in connection with (check the appropriate box):

The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14-C or Rule 13e-3(c) under the Securities Exchange Act of 1934.

The filing of a registration statement under the Securities Act of 1933.

A tender offer

None of the above

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies:

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

Calculation of Filing Fee

Transactional Valuation*	Amount of Filing Fee**
\$159,009,263.24	\$16,012.23

Calculated solely for the purpose of determining the filing fee in accordance with Rule 0-11(b)(1) under the Securities Exchange Act of 1934, as amended. The filing fee is calculated based on the sum of (a) the aggregate cash payment for the proposed per share cash payment of \$9.00 for 16,196,272 outstanding Shares of the issuer subject to *the transaction plus (b) the product of options to purchase 96,836 Shares multiplied by \$1.09 per option (which is the difference between the \$9.00 per share merger consideration and the weighted average exercise price of \$7.91 per share) plus (c) the product of restricted share unit awards to receive 1,459,696 Shares multiplied by the \$9.00 per share merger consideration ((a), (b) and (c) together, the Transaction Valuation).

The amount of the filing fee, calculated in accordance with Exchange Act Rule 0-11(b)(1) and the Securities and **Exchange Commission Fee Rate Advisory #1 for Fiscal Year 2016, was calculated by multiplying the Transaction Valuation by 0.0001007.

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 of the fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

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INTRODUCTION

This Amendment No. 3 to the Rule 13e-3 transaction statement on Schedule 13E-3, together with the exhibits hereto (this Transaction Statement), is being filed with the Securities and Exchange Commission (the SEC) pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act), jointly by the following persons (each, a Filing Person, and collectively, the Filing Persons): (a) eLong, Inc., an exempted company with limited liability incorporated under the laws of the Cayman Islands (the Company), the issuer of the ordinary shares designated as ordinary shares, par value \$0.01 per share (each, an Ordinary Share and collectively, the Ordinary Shares), including the Ordinary Shares represented by American depositary shares, each representing two Ordinary Shares (ADSs), the ordinary shares designated as high-vote ordinary shares, par value \$0.01 per share (each, a High-Vote Ordinary Share and collectively, the High-Vote Ordinary Shares and together with the Ordinary Shares, the Shares and each a Share) that is subject to the transaction pursuant to Rule 13e-3 under the Exchange Act; (b) China E-dragon Holdings Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands (Parent); (c) China E-dragon Mergersub Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands that is wholly owned by Parent (Merger Sub); (d) TCH Sapphire Limited (TCH), a British Virgin Islands business company that is wholly owned by Tencent Holdings Limited; (e) Tencent Asset Management Limited (TAML), a British Virgin Islands business company that is wholly owned by Tencent Holdings Limited; (f) Tencent Holdings Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands (Tencent and together with TCH and TAML, the Tencent Entities); (g) C-Travel International Limited (C-Travel), an exempted company with limited liability incorporated under the laws of the Cayman Islands that is wholly owned by Ctrip.com International, Ltd.; (h) Ctrip.com International, Ltd., an exempted company with limited liability incorporated under the laws of the Cayman Islands (Ctrip and together with C-Travel, the Ctrip Entities); (i) Ocean Imagination L.P. (Ocean Imagination), an exempted limited partnership formed and registered under the laws of the Cayman Islands; (j) Ocean Voyage L.P. (Ocean Voyage), an exempted limited partnership formed and registered under the laws of the Cayman Islands; (k) Ocean General Partners Limited, formerly known as Fortune Smart Holdings Limited (Ocean GP), an exempted company with limited liability incorporated under the laws of the Cayman Islands; (l) Nanyan Zheng (Mr. Zheng and together with Ocean Imagination, Ocean Voyage and Ocean GP, the Ocean Parties); (m) Seagull Limited (Seagull), a British Virgin Islands business company; (n) Luxuriant Holdings Limited (Luxuriant), an exempted company with limited liability incorporated under the laws of the Cayman Islands; (o) Hao Jiang, the chief executive officer of the Company (Mr. Jiang), (p) Oasis Limited, a British Virgin Islands business company that is wholly owned by Mr. Jiang (Oasis together with Mr. Jiang, the Oasis Parties), and (q) Rong Zhou, the chief operating officer of the Company (Mr. Zhou). TCH, C-Travel, Ocean Imagination and Luxuriant are collectively referred to herein as the Rollover Shareholders. Parent, Merger Sub, the Tencent Entities, the Ctrip Entities, the Ocean Parties, Seagull, Luxuriant, the Oasis Parties and Mr. Zhou are collectively referred to herein as the Buyer Group.

On February 4, 2016, Parent, Merger Sub and the Company entered into an agreement and plan of merger (as amended by the first amendment thereto dated April 1, 2016, the merger agreement) which included a plan of merger required to be filed with the Registrar of Companies of the Cayman Islands, substantially in the form attached as Exhibit A to the merger agreement (the plan of merger). If the merger agreement and the plan of merger are approved and authorized by the Company's shareholders and the other conditions to the closing of the merger (as described below) are met, Merger Sub will merge with and into the Company (the merger) in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the Cayman Islands Companies Law), with the Company continuing as the surviving company resulting from the merger.

Under the terms of the merger agreement, at the effective time of the merger (the Effective Time), (a) each outstanding Share, other than (i) 25,440,699 Ordinary Shares and 33,589,204 High-Vote Ordinary Shares beneficially

owned by the Rollover Shareholders (such Shares collectively, the Rollover Shares), (ii) Shares (including Shares represented by ADSs) owned by Parent, the Company, or their respective direct or indirect subsidiaries, (iii) Shares (including Shares represented by ADSs) held by the ADS depository (as defined below) reserved for the issuance, settlement and allocation upon exercise or vesting of Company Options and/or Company RSU Awards (each as defined below) under the Company Equity Plans (as defined

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below) (Shares described under (i) through (iii) above are collectively referred to herein as the Excluded Shares), (iv) Shares owned by shareholders who have validly exercised and have not effectively withdrawn or lost their dissenters rights under the Cayman Islands Companies Law (the Dissenting Shares) and (v) Shares represented by ADSs, will be cancelled in exchange for the right to receive \$9.00 in cash without interest (the Per Share Merger Consideration), and (b) each issued and outstanding ADS together with the Shares underlying such ADS (other than any ADS representing Excluded Shares) will be cancelled in exchange for the right to receive \$18.00 in cash per ADS without interest (the Per ADS Consideration) (less \$0.05 per ADS cancellation fees pursuant to the terms of the amended and restated deposit agreement, dated as of July 15, 2014, by and among the Company, J.P. Morgan Chase Bank, N.A., (the ADS depository) and the holders from time to time of ADSs issued thereunder), in each case, net of any applicable withholding taxes described in the merger agreement. The Excluded Shares will be cancelled for no consideration.

The Dissenting Shares will be cancelled for their fair value as determined in accordance with, and subject to compliance with, the Cayman Islands Companies Law.

At the Effective Time, each outstanding fully vested option to purchase Shares (each a Company Option) granted under the Company s 2009 Share and Annual Incentive Plan, as amended in September 2013, and the Stock and Annual Incentive Plan adopted in July 2004 (together, the Company Equity Plans), other than the vested Company Options held by the Executive Equityholders (as defined below), shall be cancelled and immediately converted into the right to receive in exchange therefor an amount of cash (the Option Consideration) equal to (a) the excess, if any, of (i) the Per Share Merger Consideration over (ii) the exercise price per Ordinary Share subject to such Company Option, multiplied by (b) the number of Ordinary Shares underlying such Company Option, provided that if the exercise price of any such Company Option is equal to or greater than the Per Share Merger Consideration, such Company Option shall be cancelled without any payment therefor.

At the Effective Time, each outstanding fully vested restricted share unit (each a Company RSU Award) granted under the Company Equity Plans, other than the vested Company RSU Awards held by the Executive Equityholders (as defined below), shall be cancelled and immediately converted into the right to receive in exchange therefor an amount of cash (the RSU Award Consideration) equal to (a) the Per Share Merger Consideration multiplied by (b) the number of Ordinary Shares underlying such Company RSU Award.

At the Effective Time, each outstanding unvested Company Option granted under the Company Equity Plans, other than the unvested Company Options held by the Executive Equityholders (as defined below), shall be cancelled and immediately converted into the right to receive in exchange therefor an award of options to purchase (each a Parent Option and collectively, the Parent Options) (a) the same number of Parent common shares as the total number of Ordinary Shares subject to such Company Option immediately prior to the Effective Time, (b) at a per-share exercise price equal to the exercise price per Ordinary Share at which such Company Option was exercisable immediately prior to the Effective Time, subject to and in accordance with the terms of the applicable Company Equity Plan and award agreement, and subject further, if applicable, to adjustments in accordance with the terms of the merger agreement to provide substantially the same economic terms of such Company Option.

At the Effective Time, each outstanding unvested Company RSU Award granted under the Company Equity Plans, other than the unvested Company RSU Awards held by the Executive Equityholders (as defined below) and the unvested Company RSU Awards held by the Former CEO (as defined below), shall be cancelled and immediately converted into the right to receive in exchange therefor an award of Parent restricted share units (each a Parent RSU Award and collectively, the Parent RSU Awards) to acquire the same number of Parent common shares as the total number of Ordinary Shares subject to such Company RSU Award immediately prior to the Effective Time, subject to and in accordance with the terms of the applicable Company Equity Plan and award agreement, and subject further, if applicable, to adjustments in accordance with the terms of the merger agreement to provide substantially the same economic terms of such Company RSU Award.

At the Effective Time, each outstanding Company Option held by certain members of the Company's executive management (each an Executive Equityholder and collectively, the Executive Equityholders),

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shall be cancelled and immediately converted into the right to receive in exchange therefor, either the Option Consideration (if any) or a Parent Option, as specified in, and in accordance with, the relevant agreement among each such Executive Equityholder, Parent and Merger Sub (each an Executive Excluded Securities Letter). At the Effective Time, each outstanding Company RSU Award held by each Executive Equityholder, shall be cancelled and immediately converted into the right to receive in exchange therefor, either the RSU Award Consideration or a Parent RSU Award, as specified in, and in accordance with the terms and conditions of the relevant Executive Excluded Securities Letter of such Executive Equityholder.

At the Effective Time, each unvested Company RSU Award held by the Company s former chief executive officer, Guangfu Cui (the Former CEO), shall be cancelled and immediately converted into the right to receive in exchange therefor, the RSU Award Consideration, in accordance with the terms and conditions of the agreement among the Former CEO, Parent, Merger Sub and the Company.

Under the terms of the support agreement entered into by and among Parent and the Rollover Shareholders (the Support Agreement), concurrently with the execution and delivery of the merger agreement, at the Effective Time, the Rollover Shares shall be cancelled for no consideration, and each Rollover Shareholder shall, at the closing of the merger, subscribe or cause its affiliate to subscribe, for the number and class of shares in Parent set forth in the Support Agreement.

The merger remains subject to the satisfaction or waiver of the conditions set forth in the merger agreement, including obtaining the requisite authorization and approval of the shareholders of the Company. In order for the merger to be completed, the merger agreement, the plan of merger and the merger must be authorized and approved by a special resolution of the Company passed by an affirmative vote of holders of Shares representing at least two-thirds of the voting power of the outstanding Shares entitled to vote present and voting in person or by proxy as a single class at the extraordinary general meeting of the shareholders of the Company.

The Company will make available to its shareholders a proxy statement (the proxy statement, a copy of which is attached as Exhibit (a)-(1) to this Transaction Statement), relating to the extraordinary general meeting of shareholders of the Company, at which the shareholders of the Company will consider and vote upon, among other proposals, a proposal to authorize and approve the merger agreement, the plan of merger and the transactions contemplated by the merger agreement, including the merger. A copy of the merger agreement is attached to the proxy statement as Annex A and is incorporated herein by reference.

The cross-references below are being supplied pursuant to General Instruction G to Schedule 13E-3 and show the location in the proxy statement of the information required to be included in response to the items of Schedule 13E-3. Pursuant to General Instruction F to Schedule 13E-3, the information contained in the proxy statement, including all annexes thereto, is incorporated in its entirety herein by this reference, and the responses to each item in this Schedule 13E-3 are qualified in their entirety by the information contained in the proxy statement and the annexes thereto. Capitalized terms used but not defined in this Transaction Statement shall have the meanings given to them in the proxy statement.

All information contained in this Transaction Statement concerning each Filing Person has been supplied by such Filing Person.

Item 1 Summary Term Sheet

The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Summary Term Sheet

Questions and Answers about the Extraordinary General Meeting and the Merger

Item 2 Subject Company Information

(a) Name and Address. The information set forth in the proxy statement under the following caption is incorporated herein by reference:

Summary Term Sheet The Parties Involved in the Merger

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- (b) Securities. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

The Extraordinary General Meeting Record Date; Shares and ADSs Entitled to Vote
The Extraordinary General Meeting Shareholders and ADS Holders Entitled to Vote; Voting Materials
Security Ownership of Certain Beneficial Owners and Management of the Company

- (c) Trading Market and Price. The information set forth in the proxy statement under the following caption is incorporated herein by reference:

Market Price of the Company s ADSs, Dividends and Other Matters Market Price of the ADSs

- (d) Dividends. The information set forth in the proxy statement under the following caption is incorporated herein by reference:

Market Price of the Company s ADSs, Dividends and Other Matters Dividend Policy

- (e) Prior Public Offering. The information set forth in the proxy statement under the following caption is incorporated herein by reference:

Transactions in the Shares and ADSs Prior Public Offerings

- (f) Prior Stock Purchase. The information set forth in the proxy statement under the following caption is incorporated herein by reference:

Transactions in the Shares and ADSs
Special Factors Related Party Transactions

Item 3 Identity and Background of Filing Person

- (a) Name and Address. eLong, Inc. is the subject company. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Summary Term Sheet The Parties Involved in the Merger
Annex D Directors and Executive Officers of Each Filing Person

- (b) Business and Background of Entities. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Summary Term Sheet The Parties Involved in the Merger
Annex D Directors and Executive Officers of Each Filing Person

- (c) Business and Background of Natural Persons. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Summary Term Sheet The Parties Involved in the Merger
Annex D Directors and Executive Officers of Each Filing Person

Item 4 Terms of the Transaction

(a)(1) Material Terms. Not applicable.

- (a)(2) Material Terms. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Summary Term Sheet
Questions and Answers about the Extraordinary General Meeting and the Merger
Special Factors

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The Extraordinary General Meeting
The Merger Agreement and Plan of Merger
Annex A Agreement and Plan of Merger

(b) Different Terms. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Summary Term Sheet Interests of the Company's Executive Officers and Directors in the Merger
Special Factors Interests of Certain Persons in the Merger
The Extraordinary General Meeting Proposals to be Considered at the Extraordinary General Meeting
The Merger Agreement and Plan of Merger
Annex A Agreement and Plan of Merger

(d) Dissenters' Rights. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Summary Term Sheet Dissenters' Rights
Questions and Answers about the Extraordinary General Meeting and the Merger
Dissenters' Rights

(e) Annex C Cayman Islands Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) Section 238 Provisions for Unaffiliated Security Holders. The information set forth in the proxy statement under the following caption is incorporated herein by reference:

(f) Provisions for Unaffiliated Security Holders
Eligibility of Listing or Trading. Not applicable.

Item 5 Past Contracts, Transactions, Negotiations and Agreements

(a) Transactions. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Special Factors Related Party Transactions
Transactions in the Shares and ADSs

(b) Significant Corporate Events. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Special Factors Background of the Merger
Special Factors Reasons for the Merger and Recommendation of the Special Committee and Our Board of Directors
Special Factors Buyer Group's Purpose of and Reasons for the Merger
Special Factors Interests of Certain Persons in the Merger
The Merger Agreement and Plan of Merger
Annex A Agreement and Plan of Merger

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(c) Negotiations or Contacts. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Special Factors Background of the Merger
Special Factors Plans for the Company after the Merger
Special Factors Interests of Certain Persons in the Merger
The Merger Agreement and Plan of Merger
Annex A Agreement and Plan of Merger

(e) Agreements Involving the Subject Company's Securities. The information set forth in the proxy statement under the following captions is incorporated herein by reference:

Summary Term Sheet Support Agreement
Summary Term Sheet Financing of the Merger
Special Factors Background of the Merger
Special Factors Plans for the Company after the Merger
Special Factors Financing
Special Factors Interests of Certain Persons in the Merger