

Gillis, Diana L.

From: Verne, B. Michael
Sent: Tuesday, September 30, 2014 10:06 AM
To: Gillis, Diana L.
Subject: FW: Item 5 question

Diana – could you please add this to the database. Thanks

From: Verne, B. Michael
Sent: Tuesday, September 30, 2014 10:05 AM
To: [REDACTED]
Subject: RE: Item 5 question

If the assets constituted an operating unit, as defined in §802.1(a), the revenues it generated in 2013 should be reported.

From: [REDACTED]
Sent: Tuesday, September 30, 2014 9:52 AM
To: Verne, B. Michael
Subject: Item 5 question

Mike,

Hope all is well.

I was surprised I couldn't find anything on this question, which seems like a simple one (and maybe so simple no one has ever asked before), but we have a situation where the seller is selling an entity that did not exist in 2013. It was formed in 2014 and the assets of an existing business were put into it. That business (but not the entity to be sold) had revenues in 2013.

For Item 5, do we report based on the assets that are now in that entity or do we report nothing because the entity had no revenue in 2013?

Thanks as always.

[REDACTED]

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