

[REDACTED]

[REDACTED]

[REDACTED]

From: Berg, Karen E.
Sent: Friday, February 10, 2017 2:49 PM
To: [REDACTED]
Subject: RE: Item 7(c)(iv)

Then yes, the establishments are where the revenue generating operations are conducted, not where the customers are.

From: [REDACTED]
Sent: Friday, February 10, 2017 1:37 PM
To: Berg, Karen E.
Subject: RE: Item 7(c)(iv)

NAICS 522320 financial transaction processing services for financial institutions.

Thank you very much.

Regards,

[REDACTED]

[REDACTED]

[REDACTED]

From: Berg, Karen E. [<mailto:KBERG@ftc.gov>]
Sent: Friday, February 10, 2017 10:50 AM
To: [REDACTED]
Subject: RE: Item 7(c)(iv)

What type of service is at issue? Usually the answer is not where the customers are, but where the filer's operations are.

As for the second question, I'm not quite sure how to provide more clarification than what you've already gotten from Interpretation 203 below.

203 **Applicable provision.** Item 7(c)(iv).

Issue. In responding to Item 7(c)(iv), does a reporting person list as "establishment[s] from which dollar revenues were derived": (1) locations in which the person holds only a security interest; (2) locations owned by companies in which the person holds less than a 50 percent interest; (3) locations owned by limited partnerships in which the person is a general partner, but in which it does not have a majority equity interest; (4) locations that are managed but not owned by the person; or (5) locations that are leased by the person?

Analysis. Item 7(c)(iv) requires a reporting person that derives revenues from any of the same specified six-digit NAICS Code industries in which any other person that is a party to the acquisition (or any associate of the acquiring person) also derived dollar revenues in the most recent year to list "each establishment from which dollar revenues were derived in the most recent year." The PNO has stated that the types of locations listed in (1)-(4) above are not considered "establishments" in response to Item 7(c)(iv), but that leased property is considered to be an establishment for Item 7(c) purposes, as there is no requirement that the location be owned by the person deriving revenues from it.

Editor's Note. The PNO frequently encounters mistakes in responses to Item 7(c)(iv). Responses must be arranged alphabetically by state, county, and city or town.

From: [REDACTED]
Sent: Thursday, February 09, 2017 12:56 PM
To: Berg, Karen E.
Subject: Item 7(c)(iv)

Ms. Berg,

Could you please provide clarification as to the meaning of "establishment" in Item 7(c)(iv). Specifically, does a reporting person list as "establishment(s) from which dollar revenues were derived" the location of customers using the reporting person's services?

Does a reporting person only report locations owned or leased by the reporting person (i.e., do not report locations in which the reporting person holds only a security interest, locations owned by companies in which the person holds less than a 50% interest, locations owned by limited partnerships in which the person is a general partner but does not have a majority equity interest, or locations that are managed but not owned by the person)?

Thank you very much for your assistance.

Regards,

[REDACTED]

[Redacted text block]

[Redacted text block]

