

Sheinberg, Samuel I.

From: [REDACTED]
Sent: Thursday, August 02, 2018 9:25 AM
To: Walsh, Kathryn E.; Berg, Karen E.; Shaffer, Kristin; Sheinberg, Samuel I.; Whitehead, Nora; Cummings, Stephanie
Subject: FW: Exemptions under 802.2(d) or (e)

From: Carson, Timothy
Sent: Thursday, August 2, 2018 9:24:43 AM (UTC-05:00) Eastern Time (US & Canada)
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Exemptions under 802.2(d) or (e)

[Agree the transaction you describe is exempt.](#)

From: [REDACTED]
Sent: Wednesday, August 1, 2018 4:58:54 PM (UTC-05:00) Eastern Time (US & Canada)
To: [REDACTED]
Cc: [REDACTED]
Subject: Exemptions under 802.2(d) or (e)

All,

We would like to confirm the application of the exemptions under 802.2(d) or (e) to the following transaction. For reference, attached please find an older interpretation we have from a few years ago in which the PNO advised the acquisition of a very similar business was exempt under 802.2.

Target is a provider of offsite workforce accommodation (modular housing units) at facilities that it owns. Incidental to its room and board services, Target also offers gym and recreation services (e.g., game rooms, outdoor picnic areas, but no casinos), and laundry services to lodgers at its facilities. Employers typically enter into contracts with Target to secure housing and board for their employees who are working on location. The company also serves off-contract customers (ie, "walk-ins") based on availability. Customers can use the company's online booking and billing system to manage and review reservations and incurred costs.

We believe the acquisition of Target is exempt either as an acquisition of residential property under 802.2(d) or as an acquisition of a hotel/motel under 802.2(e). Per interpretation 113 in the Premerger Practice Manual (5th edition), Target shares characteristics of residential property (or an extended stay hotel/motel) when employees stay for longer periods of time and a hotel/motel when they stay for shorter periods of time. In addition, the ancillary recreational and laundry facilities Target provides to lodgers would qualify as "common areas" under 802.2(d) or improvements under 802.2(e). We would appreciate your confirmation or let us know if you need anything further to confirm this.

Many thanks, as always, for your guidance.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]