

Sheinberg, Samuel I.

From: HSRHelp
Sent: Tuesday, June 21, 2022 2:18 PM
To: Walsh, Kathryn E.; Berg, Karen E.; Musick, Vesselina; Sheinberg, Samuel I.; Six, Anne, Whitehead, NOLA; Fetterman, Michelle
Subject: FW: HSR Guidance Request

From: Shaffer, Kristin <kshaffer@ftc.gov>
Sent: Tuesday, June 21, 2022 2:18 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: HSR Guidance Request

[REDACTED]
We do not view agreeing to leases via email as automatically resulting in the lease being entered into outside of the US.

The corporation is a US-based, foreign located entity.

Best regards,

Kristin

Kristin Shaffer

Attorney

Premerger Notification Office

Federal Trade Commission

202-326-2374 | kshaffer@ftc.gov

From: [REDACTED]
Sent: Thursday, June 16, 2022 12:10 PM
To: HSRHelp <HSRHelp@ftc.gov>
Cc: [REDACTED]

Subject: HSR Guidance

Dear PNO Team:

We write to confirm that the revenue derived from leasing of physical assets such as vessels in the same manner as described above is not considered to be derived from the sale of goods.

We represent Company A derives 100% of its revenue from leasing of movable, physical assets in the form of foreign-flagged vessels. Company A manages and services its leases outside of the United States. No payment is

accepted in the United States, and all payments are made to Company A's bank account where customers are located in the United States, but Company A's leases are agreed to by Mr. [REDACTED] where

Company A manages its leasing operations. Company A's vessels may enter the United States territory as part of some leasing arrangement.

Current guidance states that revenue derived from leasing of physical assets such as vessels is not considered to be derived from the sale of goods regardless of identity of the customer. See PNPM No. 155; Informal Interpretation No. 140500. See also Informal

Interpretation No. 1601001 (ship leases). As such, Company A's revenue would not be allocated to the jurisdiction where it manages and services its leases or its vessels. We write to confirm

PNO's current position.

Please let us know if you have any questions or if there is any additional information that may be helpful in responding to this inquiry.

