GUIDELINES ON UNDERTAKINGS CONCERNED, TURNOVER AND ANCILLARY RESTRAINTS IN MERGERS AND ACQUISITIONS

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COMPETITION AUTHORITY

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1. INTRODUCTION

(1) Article 1 of the Act No. 4054 on the Protection of Competition prohibits mergers and acquisitions which would result in significant lessening of competition in a market for goods or services within the whole or a part of the country in order to create dominant position or strengthen an existing dominant position and it is stated that the Board shall declare, via communiqués to be issued by it, the types of mergers and acquisitions which have to be notified to the Board and for which permission has to be obtained, in order them to become legally valid. Within this framework, the Communiqué No. 2010/4 concerning the Mergers and Acquisitions calling for the Authorization of the Competition Board, which was published in the Official Gazette dated 10.7.2010 and No 27722, was issued to replace the Communiqué No. 1997/1 as of 1.1.2011. Article 7 of the Communiqué on mergers and acquisitions subject to authorization was first amended by the Communiqué No. 2012/3, which was published in the Official Gazette dated 29.12.2012 and numbered 28512 as of 1.2.2013. The last amendment about the related article was made with the Communiqué No. 2026/2, which was published in the Official Gazette dated 11.02.2026 and numbered 33165.

(2) With the Communiqué, the system of notification thresholds based on turnover replaces market share thresholds in order to increase legal certainty for undertakings. It is important to clarify the concepts of undertaking concerned and transaction party, and how the turnover is allocated in certain situations in order to find whether the said thresholds are exceeded. Similarly, it is useful to explain the main issues related to ancillary restrains.

(3) The aim of these guidelines is to increase certainty and predictability for the application of the Communiqué by making explanations about the concepts of undertaking concerned and transaction party mentioned in the Communiqué as

well as calculation of turnover thresholds and ancillary restrains. In addition, the Board shall make a decision depending on the characteristics of each case.

2. CONCEPTS OF UNDERTAKING CONCERNED AND TRANSACTION PARTY

2.1. In General

(4) The concepts of transaction party and undertaking concerned are important for the calculation of turnover, for determining whether the transaction is subject to authorization and for providing the information requested in the Notification form completely and accurately.

(5) Article 4 of the Communiqué titled "Definitions" defines undertakings concerned as merging persons or economic units in mergers; acquiring or acquired persons or economic units in acquisitions and defines transaction party as, in mergers the economic unities to which the merging undertakings belong, in acquisitions, the economic unities to which the acquiring undertakings belong and with respect to the acquired undertaking, the undertaking itself and the economic units it controls. Accordingly, the undertaking concerned means the persons or economic units that are directly a party to a merger or an acquisition; a transaction party means the economic unity to which each merging or acquiring undertaking concerned belongs, and the undertaking itself and the economic units it controls with respect to the acquired undertaking.

(6) In mergers and acquisitions, after the undertakings concerned are determined, the turnovers of transaction parties, which will form the basis of the evaluation of thresholds, are calculated taking into consideration other persons and economic units that might be in relation with the undertakings concerned within the framework of Article 8(1) of the Communiqué. The procedure for determining the undertakings concerned in mergers and acquisitions under possible scenarios is given below:

2.2. Undertaking concerned in Mergers

(7) Each of the merging persons or economic units is considered as an undertaking concerned individually in mergers.

2.3. Undertaking concerned in acquisitions

(8) In acquisitions, there may be more than one firm in both the acquiring party and the acquired party. As a general principle, each of those firms is considered as

an undertaking concerned under the scope of the Communiqué. Moreover, as stated below, the undertakings concerned might differ on the basis of a specific case depending on the structure of control in acquisitions.

2.3.1. Acquisition of full control

(9) In transactions where an undertaking acquires the full control of another undertaking, undertakings concerned are the acquiring undertaking and the undertaking to be acquired. In case of acquisitions realized by a group through one of its companies, the undertakings concerned are the acquiring firm and the undertaking to be acquired, except for the case where the acquiring firm is established as a means of acquisition.

2.3.2. Partial acquisition

(10) In case the acquisition is related to acquiring one part of the undertaking to be acquired instead of the whole, the undertakings concerned will be the acquiring undertaking and the part to be acquired in the transferring firm. For instance, in a transaction where company A has more than one production facility and B acquires only one of them, the undertakings concerned are company B and the production facility to be acquired.

2.3.3. Transition from joint control to full control

(11) In cases where one of the shareholders of a company that is managed through joint control establishes full control over the company by purchasing the shares of other shareholders, the undertakings concerned are the acquiring shareholder and the joint venture company. The shareholders who leave the company by transferring their shares are not considered as undertakings concerned. For instance, in a transaction where company D is jointly controlled by A, B and C, and company A acquires the shares belonging to B and C and therefore gains full control over D, the undertakings concerned are A and D.

2.3.4. Acquisition of joint control

(12) In case a new joint venture is established, each of the shareholders who will have a say in the joint control are regarded as an undertaking concerned. The newly-established joint venture is not regarded as an undertaking concerned as it does not have turnover. Where an undertaking transfers its subsidy or its business as a contribution to a new joint venture, joint venture is not regarded as an

undertaking concerned. For instance, if companies A, B and C come together and establish the joint venture D, the undertakings concerned are A, B and C. The same condition applies where one of those companies transfers to company D an asset to which turnover can be attributed.

(13) However, in case one or more undertakings acquire another company so as to establish joint control, each of the undertakings to have joint control after the transaction and the acquired company are regarded as undertakings concerned. For instance, where the joint control of company B, which is solely controlled by undertaking A, is acquired by undertakings C and D; B, C and D are considered undertakings concerned. Similarly, where a shareholder having sole control over a company that is active as of the transaction date acquires joint control over that company together with a third party or parties, the undertakings that will have joint control and the acquired undertaking itself are considered the undertakings concerned. For instance, where company B, which is solely controlled by undertaking A comes under the joint control of A and C as a result of the transaction, undertakings A, B and C are considered undertakings concerned. The difference between this transaction and the example in the previous paragraph is that the joint venture is established on a company operating in the market independently of its parent companies. Therefore, the acquired company is regarded as an undertaking concerned beside the parent undertaking.

(14) Acquisition of a company to share its assets in a short time is regarded as the acquisition of full control individually over the related parts of the acquired company by each of the acquirers not as the acquisition of joint control over the company as a whole. In this case, the undertakings concerned are the acquiring companies and different parts that are acquired in each transaction.

2.3.5. Change of the shareholders controlling the joint venture

(15) Where, in the joint venture, one or more shareholders are subsequently included in the joint control as a new shareholder or purchasing a part of the existing shares; due to the structural change in control, all previous and new shareholders who will have joint control and the joint venture itself are regarded as undertakings concerned. For instance, if company D is included in company C, which is jointly controlled by A and B, via purchasing all of the shares of company B, undertakings concerned will be A, C and D.

2.3.6. Acquisition of control by the joint venture

(16) Where a joint venture acquires the control of another company, the joint venture per se and each of the parent companies may be considered as an undertaking concerned. In those cases the Board determines the undertaking concerned depending on the following principles taking into account the economic reality of the transaction.

(17) In case the acquisition is realized by a full-functioning joint venture, the undertakings concerned are the joint venture and the company acquired.

(18) In case the joint venture is used as a means in an acquisition by the parent companies, for instance, if the joint venture is established only for the acquisition, is not full-functioning and does not start operating yet, the parent companies are considered as the undertakings concerned, not the joint venture. Similarly, if there are facts showing that the parent companies are the real players behind the operation, for instance if the parent companies significantly contribute to initiation, organization and financing of the transaction, the parent companies are regarded as the undertakings concerned.

2.3.7. Break-up of joint control

(19) When parent companies break up the joint venture and split the assets, there are more than one transfer of control. If each of the parent companies gains full control over the asset it has after the transaction, the undertakings concerned for each transaction is the acquiring parent company and the asset acquired.

(20) A situation similar to the break-up scenario is the case where two or more companies exchange economic units. In this case, each transfer of control is considered as an acquisition of full control independently. The undertakings concerned will be the acquiring companies and the economic units acquired.

2.3.8. Acquisition of control by real persons

(21) Real persons are deemed as undertakings individually or when they carry out economic activities via their rights of control on an economic unit. In acquisitions realized by real persons who are deemed as undertakings, the undertakings concerned will be the acquiring real person and the economic unit acquired.

3. TURNOVER

3.1. In General

(22) According to Article 7 of the Communiqué, in a merger or acquisition, authorization of the Board is required for the relevant transaction to carry legal validity in case total turnovers of the transaction parties in Türkiye exceed three billion TL, and turnovers of at least two of the transaction parties in Türkiye each exceed one billion TL, or in acquisitions the turnover of the asset or activity to be acquired in Türkiye; in mergers the turnover of at least one of the transaction parties in Türkiye exceeds one billion TL, and at least one of the remaining transaction parties has a turnover globally exceeding nine billion TL. On the other hand, the exceptional provisions set forth in article 7(2) of the Communiqué should also be taken into consideration with respect to technology undertakings.

(23) The Board tries to have the most accurate and reliable turnover figures in order to assess precisely the possible effects of the transaction in markets in control of mergers and acquisitions. Within this framework, according to Article 8(6) of the Communiqué, in accordance with the uniform accounting plan, the net sales generated as of the end of the financial year preceding the date of the notification, or, if this cannot be calculated, generated as of the end of the financial year closest to the date of notification are taken into account.

(24) For converting the annual turnover of an undertaking in foreign currency to TL, average buying rate of exchange of the Central Bank of the Republic of Türkiye for the financial year the turnover is generated is taken into consideration as the rate of exchange.

(25) When determining whether the turnover thresholds stated in Article 7 of the Communiqué are exceeded, the turnovers of the undertaking concerned as well as of all persons and economic units that are connected to it according to the criteria stated in Article 8(1) of the Communiqué are taken into account. The aim is to assess the total economic power of transaction parties through determining the total volume of economic sources affected by the transaction by complying with the legal certainty principle.

(26) According to Article 8(2) of the Communiqué, for the calculation of turnover in an acquisition, the turnover of the part transferred is taken into account with respect to the transferring party. For instance, if undertaking A is wishing to acquire

undertaking C, which is fully controlled by undertaking B, the turnovers of A and C are included in the calculation and the turnover of B is ignored.

3.2. Determination of the asset or activity to be acquired

(27) According to Article 7(1)(b) of the Communiqué, the transaction is subject to authorization, if in acquisitions, the turnover of the asset or activity to be acquired in Türkiye; in mergers the turnover of at least one of the transaction parties in Türkiye exceeds one billion TL, and at least one of the remaining transaction parties has a turnover globally exceeding nine billion TL. On the other hand, in assessing whether 250 million TL threshold is met in relation to transactions concerning the acquisition of technology undertakings, regulated in article 7(2) of the Communiqué, the turnover generated by such undertakings from their activities in the fields of digital platforms, software and gaming software, financial technologies, biotechnology, pharmacology, agricultural chemicals and health technologies are taken into account.

(28) In terms of acquisitions apart from joint ventures, the asset or activity to be acquired means the transferred part mentioned in article 8(2) of the Communiqué. The same case applies to the acquisitions made by an existing joint venture.

(29) In cases where one or more undertakings acquire another firm in a way to create joint control, for the determination of asset or activity to be acquired, this firm on which a joint control is established will be taken as a basis.

(30) In case there is a change of the control structure of an existing joint venture, for the determination of the asset or activity to be acquired, the activity or the asset on which a joint control will be established after the transaction will be taken as a basis.

(31) If a joint venture is established where the main undertakings is not transferring a branch of activity, due to the nature of the transaction, there is no asset or activity that can be attributed turnover. Therefore, in such cases it is not possible that the thresholds in article 7(1)(b) can be exceeded.

(32) Where an undertaking transfers its subsidy or its business as a contribution to a new joint venture, this subsidy or business will be considered an asset or an activity to be acquired.

3.3. Group or overseas sales

(33) While the turnover is calculated according to Article 8(6) of the Communiqué, turnovers generated from sales among the persons or economic units listed in the first paragraph of the same article will not be included. The aim is to take into account the real economic weight of the parties in the market with respect to the transaction. According to the same paragraph, the overseas sales of the transaction parties will be ignored when their turnover in Türkiye is calculated. However, sales made in Türkiye are also included in the calculation of worldwide turnover.

3.4. Avoiding double counting and allocation of turnover

(34) Double counting should be avoided when the turnovers of the transaction parties are calculated in joint ventures. Therefore, when the joint venture is regarded as an undertaking concerned beside the parent company, the turnover of the parent company will be calculated without the turnover of the joint venture to be acquired and the turnover of the joint venture will be calculated without the turnover of the parent company. For instance, when joint venture C is jointly controlled by companies A and B, and company A acquires the entire shares of B; while the turnover of company A is calculated, the turnover of joint venture C will be ignored and while the turnover of C is calculated, the turnover of company A will be ignored.

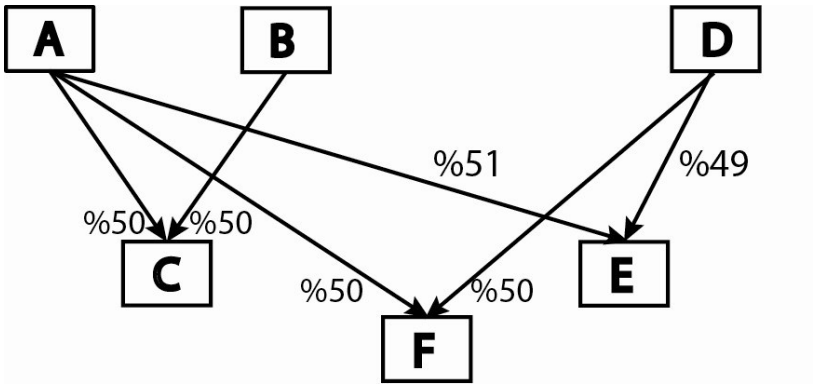
(35) In accordance with paragraph three of Article 8 of the Communiqué, the principle of avoiding double counting shall be applied where, in a merger or acquisition, undertakings concerned jointly hold the rights and powers listed in subparagraph (b) of paragraph 1 of the same article over a different person or economic unit. Accordingly, the turnover of the economic unit, over which the aforementioned rights and powers are jointly held, generated by its sales to third parties, will be divided by the number of the undertakings concerned. Consequently, this calculation will be based not on share percentages but on the number of the shareholders holding the rights or powers listed in subparagraph (b), paragraph 1 of Article 8 of the Communiqué, with the turnover of the economic units of the aforementioned nature divided equally among the undertakings concerned. For instance, in a transaction where Company A acquires Company B, the turnover of joint venture C, which is under joint control of A and B, each of which hold half

of the voting rights over it, will be included in the calculation by being divided equally among companies A and B.

(36) Similarly, in accordance with paragraph 4 of Article 8 of the Communiqué, turnovers of those undertakings over which undertakings concerned hold the right to manage operations jointly with third parties shall be calculated by division with the number of these right-holders.

(37) The aforementioned points may be explained as follows with a figure:

Figure 1.



In this figure, A and B refers to the undertakings concerned, while percentage numbers refer to the voting right percentages.

In light of the structure given in the figure:

- The turnover generated by company C through its sales to companies other than A, B, F and E will be divided equally among A and B.

- The turnover generated by company E through its sales to companies other than A, C and F will be wholly transferred to A.

- The turnover generated by company F through its sales to companies other than A, C and E shall be divided equally among A and D.

3.5. Transactions between the same persons or parties

(38) Article 8, paragraph five of the Communiqué specifies that two or more transactions executed within the meaning of the second paragraph of this article between the same persons or parties or by the same undertaking in the same relevant product market within a period of three years shall be considered to constitute a single transaction with respect to the calculation of the turnovers included in article 7 of Communiqué. In case such transactions exceed the notification thresholds individually or cumulatively, all of the transactions must be

notified, regardless of whether the transactions concerned are related to the same market or sector or whether they were previously notified. The main goal of this regulation is to prevent the conclusion of important mergers or acquisitions without authorization through the compartmentalization of those mergers and acquisitions originally subject to authorization. For instance, in a market where only companies A and B are active and have turnovers of 1.8 billion and 1.4 billion TL respectively, the acquisition of B by A is subject to authorization with current turnover thresholds. The acquisition of B's operations in two segments of 700 million TL each in order to remove this transaction from the scope of authorization would allow two transactions to occur, neither of which are apparently subject to authorization; however, in case the aforementioned transactions are concluded within a three-year period, they would be assessed together and the turnovers would be integrated. In the example of this transaction, while the turnover threshold is not exceeded when the first segment of B valued at 700 million TL is acquired; when the second 700 million TL segment is acquired, the relevant turnover amount would include the 700 million TL arising from the first transaction, the total turnover of 1.4 billion TL would be taken into consideration, and the transaction would be subject to authorization. Similarly, whether more than one acquisition transactions, which are implemented by a transaction party in the same relevant market and which fall below the threshold when considered on their own are subject to authorization is assessed in light of the total turnovers during the last three years. For calculating the total turnovers pursuant to article 7 of the Communiqué, in respect of each transaction within the three-year period, the net sales generated as of the end of the financial year preceding the relevant transaction or where this cannot be calculated, as of the end of the financial year closest to the relevant date will be taken into account. For calculating the three-year period, the date on which the notification enters into the Board’s records will be taken into account.

3.6. Calculation of the turnover

(39) Paragraph 1, Article 8 of the Communiqué specifies specific criteria for identifying the persons or economic units, in addition to undertakings concerned, whose turnovers may be attributed to the parties to the transaction. Accordingly, in the calculation of the turnover, the total of the following will be taken into account:

a) Undertaking concerned

b) Persons or economic units in which the undertaking concerned, directly or indirectly

1) holds more than half of the capital or commercial assets, or

2) the power to exercise more than half of the voting rights, or

3) holds the power to appoint more than half of the members of the board of supervisors, board of directors or the bodies authorized to represent the undertaking, or

4) holds the power to manage operations,

c) Persons or economic units which hold the rights and powers listed in b)

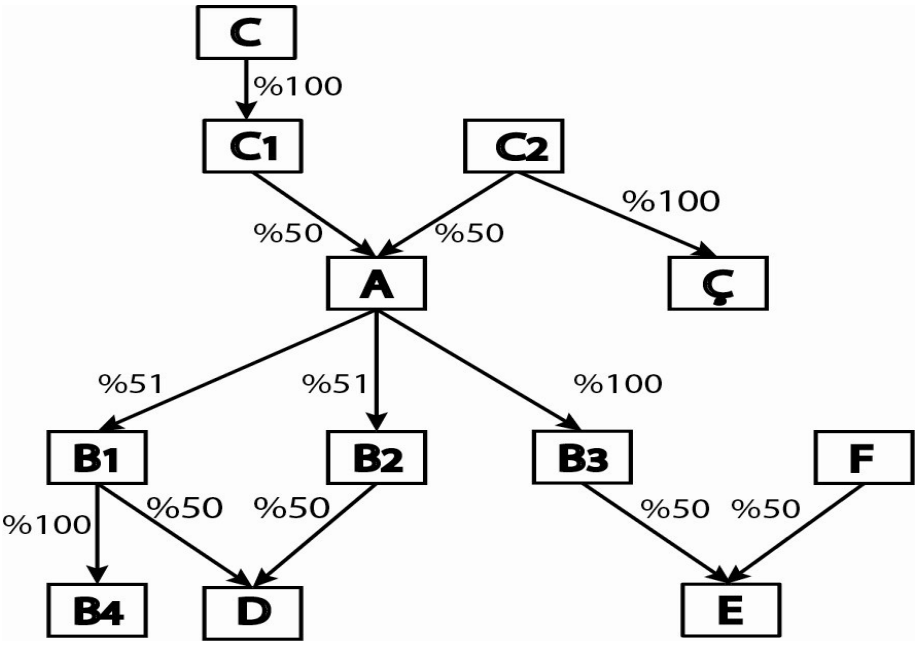
over the undertaking concerned,

ç) Persons or economic units over which those listed in (c) hold the rights and powers listed in (b),

d) Persons or economic units over which those listed in (a-ç) jointly hold the rights and powers listed in (b).

An example is given in the figure below in order to explain which undertakings shall be included in the calculation of the turnover.

Figure 2.



In the Figure, A refers to the undertaking concerned, while percentage numbers refer to the voting right percentages.

(40) The rights and powers listed in points 1,2 and 3 of sub-paragraph (b), paragraph 1 of Article 8 of the Communiqué may be established in a simple and clear manner since they are based on quantitative criteria. These thresholds are met in terms of companies in which the undertaking concerned holds more than half of the capital or commercial assets, holds the power to exercise more than half of the voting rights or is empowered *de jure* to appoint more than half of the members of the board of supervisors, board of directors or the bodies authorized to represent the undertaking. Also, if it is *de facto* possible for the undertaking concerned to exercise more than half of the voting rights in the shareholders' meeting of other companies or to appoint more than half of the members of the bodies authorized to represent other companies, such companies will also be included in the calculation of the turnover.

(41) The provision in point 4, sub-paragraph (b), paragraph 1 of Article 8 of the Communiqué No 2010/4 refers to the right of undertakings to manage their operations. “The right to manage operations” is the right which ensures *de jure* the determination of the strategic behavior of the undertaking. These rights may occur in the form of holding the voting rights or they may arise from contracts such as leasing contracts, etc.

(42) The right to manage operations also covers the situations where the undertaking concerned holds the right to manage the operations of a company jointly with third parties. Accordingly, even when each of the undertakings with joint control only holds these rights in the negative sense individually, i.e. in terms of veto power, it is excepted that they hold the right the manage the operations of the company controlled. In the above figure, company E, which is controlled by the undertaking concerned A and the third-party F, will be included in the calculation of the turnover as a company whose operations are managed by the undertaking concerned. In accordance with point 4, sub-paragraph (b), paragraph 1 of Article 8 of the Communiqué, in case of de jure rights which only grant explicit rights to manage operations to the undertaking concerned and to third parties, such joint ventures will be taken into account in the calculation of the turnover. Therefore, the inclusion, in the calculation of the turnover, of joint ventures controlled with third parties has been limited to those cases where the undertaking concerned and third parties hold joint management rights on the basis of an agreement such as a shareholders' agreement or where the undertaking concerned and the third

party has equal voting rights, i.e. they can appoint an equal number of members in the decision-making body of the joint venture.

(43) The turnovers of all persons or economic units which hold the rights and powers listed in sub-paragraph (b), paragraph 1 of Article 8 of the Communiqué over the undertaking concerned must be included in the calculation. In the figure, the two parent companies (C1 and C2) of the undertaking concerned A as well as C, which is the parent company of C1, will be jointly taken into consideration in the calculation of the turnover.

(44) Persons or economic units in which the undertaking concerned, directly or indirectly, holds the rights and powers listed in sub-paragraph (b), paragraph 1 of Article 8 of the Communiqué are also taken into account in the calculation of the turnover. In the figure given as an example, companies B1, B2 and B3 where the undertaking concerned A directly holds more than half of the shares, as well as Companies B4 and D, where A indirectly holds more than half of the shares will be included in the calculation of the turnover. Also, in accordance with sub-paragraph (ç), paragraph 1 of Article 8 of the Communiqué, those companies in which the parent company of the undertaking concerned directly or indirectly holds the rights and powers listed in sub-paragraph (b) of the same paragraph will be taken into account in the calculation of the turnover. In the above example, the turnover of Ç, which is a subsidiary of the parent company C2 of the undertaking concerned A will be included in the calculation.

4. ANCILLARY RESTRAINTS

4.1. In general

(45) Paragraph 5 of Article 13 of the Communiqué provides that the authorization granted by the Competition Board concerning the merger and acquisition shall also cover those restraints which are directly related and necessary to the implementation of the transaction, with the principle being the parties to the transaction should determine whether the restraints introduced by the merger or acquisition exceed this framework.

(46) This regulation eliminates the previous practice of assessing ancillary restraints in all concentration transactions and basically leaves the assessment of whether or not a restraint is an ancillary restraint to the responsibility of the parties. Consequently, with the aforementioned regulation of the Communiqué, the

adopted and announced principle is that even in the absence of an assessment concerning ancillary restraints in the Competition Board decisions on concentrations, the relevant authorization decision would cover the ancillary restraints as well. However, on the request of the parties, in its decision concerning the concentration, the Competition Board will assess any restraints with a novel aspect, which have not been addressed in the Guidelines herein or in its previous decisions.

(47) It is not possible to apply Articles 4 and 6 of the Act to ancillary restraints. However, any limitation that does not carry the characteristics of an ancillary restraint may be assessed within the framework of Articles 4, 5 and 6 of the Act.

4.2. The concept of ancillary restraints

(48) Ancillary restraints are those which are directly related to the concentration and which are necessary to the implementation of the transaction and to fully achieving the efficiencies expected from the concentration.

(49) The criteria of "direct relation" and "necessity" will be assessed objectively in accordance with the characteristics of the case.

(50) For the restraints to be directly related, it is not sufficient for them to be implemented within the same scope or time period with the concentration transaction; in addition, they have to be closely related economically to the main transaction and they have to be envisaged for a smooth transition to the new structure to be formed following the concentration.

(51) The criterion of necessity, on the other hand, may be fulfilled in case the relevant restraint is obligatory for the implementation of the concentration or in case of a significant increase in uncertainty and costs of the main transaction in the absence of the restraint. In establishing whether a restraint is necessary, the duration and scope of the restraint shall be taken into consideration, in addition to its nature. On the other hand, the restraint with the least restriction on competition must be preferred among alternative restraints that serve to attain the same goal.

4.3. General principles concerning application

(52) In acquisitions, in order to ensure that the value of the right or asset acquired is fully transferred to the buyer, the seller might have to be placed under an

obligation not to compete with the buyer for a certain period. This requirement may come up particularly in relation to building up a clientèle and sufficiently exploiting the know-how acquired.

(53) In order for the non-compete obligation placed on the seller to be accepted as an ancillary restraint, its scope in terms of duration, subject, geographic area and persons must not exceed the reasonably necessary level.

(54) Non-compete obligations that do not exceed three years in terms of their duration are generally accepted as reasonable. However, it may be possible to accept under the framework of ancillary restraints non-compete obligations with a duration longer than three years, in case customer tie-in lasts longer or it is required by the nature of the know-how transferred, provided that the scale required by the concrete case is not exceeded[1]. On the other hand, in joint ventures, long-term or indefinite non-compete obligations preventing the parent undertakings from competing with the joint venture may be accepted as ancillary restraints.

(55) As a rule, non-compete obligations must be limited to those goods and services comprising the area of operation of the economic unit to be acquired before the transaction. Goods and services which have mostly completed development phase but not yet entered marketing phase may be included within this framework.

(56) Similarly, non-compete obligations must be limited geographically to the area of operation of the seller before the transaction. However, in exceptional circumstances such as when the seller has made investments to enter into new regions, restraints concerning these regions may also be accepted as necessary and reasonable.

(57) Restraints concerning the seller itself and those economic units and agencies which constitute an economic unit with the seller may be accepted as reasonable, while any non-compete obligations beyond them, especially those concerning the dealers of the seller or users, will not be accepted as necessary and related restraints.

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[1] For instance, see Competition Board Decisions dated 24.11.2005 and numbered 05-79/1088-314, dated 14.8.2008 and numbered 0850/741-297, dated 15.4.2009 and numbered 09-15/343-85.

(58) Any obligation similar to or complementary with non-compete obligations such as those preventing the seller from employing the workers of the undertaking to be acquired and from disclosing or using the trade secrets of the undertaking to be acquired will be assessed in a manner similar to non-compete obligations. Such that, where confidentiality is related to the know-how, an obligation to prevent the disclosure and utilization of the relevant information as long as it stays confidential, i.e. retains its know-how characteristics, may be assessed as an essential element of the transaction.