



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

MARK E. VAN DER WEIDE
GENERAL COUNSEL

October 30, 2017

Mr. Tayfun Tuzun
Executive Vice President and Chief Financial Officer
Fifth Third Bank
38 Fountain Square Plaza
Cincinnati, Ohio 45202

Dear Mr. Tuzun:

This letter refers to your request on behalf of Fifth Third Bank (“Bank”), a state member bank subsidiary of Fifth Third Bancorp (together with Bank, “Fifth Third”), both of Cincinnati, Ohio, that the Board take no action against Fifth Third in connection with Bank’s ownership interest in Vantiv, Inc. (“Vantiv”), Symmes Township, Ohio, after consummation of a proposed merger between Vantiv and Worldpay Group plc, London, United Kingdom.

Vantiv provides electronic payment processing services to merchants and financial institutions in the United States. Bank has controlled Vantiv since the 1970s but has gradually reduced its ownership stake in Vantiv through a series of transactions since 2009. Bank currently owns approximately 8.6 percent of Vantiv’s common stock.

Vantiv has entered into an agreement to merge with Worldpay, which is a payment processing company based in the United Kingdom with significant foreign operations. Vantiv would be the surviving entity. Upon consummation of the proposed merger, Bank would directly own approximately 4.9 percent of the combined organization.¹

Under paragraph 20 of section 9 of the Federal Reserve Act (“FRA”), a state member bank is subject to the same limitations and conditions with respect to the purchasing, selling, underwriting, and holding of stock as are applicable in the case of national banks under 12 U.S.C. § 24(Seventh).² Bank has not demonstrated that its

¹ Fifth Third Bancorp would hold its indirect interest in the combined organization under section 4(c)(6) of the Bank Holding Company Act of 1956 (“BHC Act”), 12 U.S.C. § 1843(c)(6).

² 12 U.S.C. § 335.

investment in the combined organization would be permissible for a national bank, and thus for a state member bank, in light of the foreign activities and subsidiaries of the combined organization.

In connection with this request, Fifth Third has committed to divest itself fully of its interest in Vantiv within [REDACTED] from the date of consummation of the proposed merger. In addition, Fifth Third has agreed to abide by certain commitments of the type on which the Board previously has relied in determining that a company would not be able to exercise a controlling influence over another company for purposes of the BHC Act.³ For example, Fifth Third has committed not to exercise or attempt to exercise a controlling influence over the management or policies of Vantiv or any of its subsidiaries; not to have or seek to have a representative on the board of directors of Vantiv or any of its subsidiaries; and not to have any employee or representative serve as an officer, agent, or employee of Vantiv or any of its subsidiaries. Fifth Third also has committed not to enter into any agreement after consummation of the proposed merger that would substantially limit the discretion of the management of Vantiv or any of its subsidiaries over major policies and decisions of Vantiv or any of its subsidiaries.

Fifth Third has a limited number of legacy business relationships with Vantiv, including a BIN sponsorship agreement, service agreements, a customer referral agreement, and loan and swap agreements. Fifth Third represents that these relationships are nonexclusive, ordinary-course transactions that were entered into on an arm's-length basis and on market terms, and do not provide Fifth Third with the ability or incentive to exercise a controlling influence over Vantiv. Fifth Third also represents that these relationships are de minimis relative to the size of each organization's operations, accounting for approximately 1 percent of each of Bank's and Vantiv's gross revenues. The relationships also are qualitatively nonmaterial, as none of them are core to either institution's operations. Fifth Third has committed that, following the consummation of the proposed transaction, it will neither engage in any new business relationships nor expand materially any existing business relationships with Vantiv.

Based on all the facts of record, and specifically conditioned on compliance with all the representations and commitments made in connection with this request, the staff of the Legal Division would not recommend that the Board take action against Bank under paragraph 20 of section 9 of the FRA with respect to Bank's investment in Vantiv, so long as Fifth Third divests itself fully of its interest in Vantiv within [REDACTED] from the date of consummation of the proposal.

This opinion is based on all the facts of record, including all of the representations made by or on behalf of Fifth Third in connection with this proposal. Any change in the terms or circumstances of the transaction may result in a different outcome and should be reported immediately to Board staff. Should Fifth Third be

³ The commitments are included in the Appendix.

unable to complete its divestiture within [REDACTED], the Board reserves the right to take an enforcement action against Fifth Third under any applicable law. This opinion also is limited to this proposed transaction and does not apply to any other transaction.

If you have any questions regarding this matter, please contact Adam Cohen (202-912-4658), Daniel Hickman (202-973-7432), or Andrew Hartlage (202-452-6483) of my staff.

Sincerely,

A handwritten signature in blue ink that reads "Mark Van Der Weide". The signature is written in a cursive style with a large initial 'M'.

Appendix

Appendix

In connection with the proposed acquisition (“Acquisition”) by Vantiv, Inc., Symmes Township, Ohio (“Vantiv”), of Worldpay Group plc, London, United Kingdom, Fifth Third Bancorp and Fifth Third Bank, both of Cincinnati, Ohio (and together with their affiliates, “Fifth Third”), hereby commit to the following:

1. Fifth Third will not exercise, or attempt to exercise, a controlling influence over the management or policies of Vantiv or any of its subsidiaries.
2. Fifth Third will not have, or seek to have, any representative of Fifth Third serve on the board of directors of Vantiv or any of its subsidiaries.
3. Fifth Third will not have, or seek to have, any employee or representative of Fifth Third serve as an officer, agent, or employee of Vantiv or any of its subsidiaries.
4. Fifth Third will not take any action that would cause Vantiv or any of its subsidiaries to become a subsidiary of Fifth Third.
5. After consummation of the Acquisition, Fifth Third will not own, control, or hold voting securities that (when aggregated with voting securities that the officers and directors of Fifth Third own, control, or hold) represent more than 4.9 percent of any class of voting securities of Vantiv or any of its subsidiaries, other than voting securities held in good faith in a fiduciary capacity.
6. After consummation of the Acquisition, Fifth Third will not own or control equity interests that would result in the combined voting and nonvoting equity interests of Fifth Third and its officers and directors to exceed 4.9 percent of the total equity capital of Vantiv or any of its subsidiaries, other than equity interests held in good faith in a fiduciary capacity.
7. Fifth Third will dispose of its entire ownership interest in Vantiv no later than [REDACTED] the consummation of the Acquisition.
8. After consummation of the Acquisition, Fifth Third will not enter into any agreement with Vantiv or any of its subsidiaries that substantially limits the discretion of Vantiv’s management over major policies and decisions, including, but not limited to, policies or decisions about employing and compensating executive officers; engaging in new business lines; raising additional debt or equity capital; merging or consolidating with another firm; or acquiring, selling, leasing, transferring, or disposing of material assets, subsidiaries, or other entities.
9. After consummation of the Acquisition, Fifth Third will (a) not engage in any new business relationships with Vantiv or any of its subsidiaries, and (b) limit its business relationships with Vantiv and its subsidiaries such that: (i) Fifth Third’s gross revenues attributable to those business relationships do not exceed 2.0 percent of Fifth

Third Bank's gross revenues, on a consolidated basis, and (ii) Vantiv's gross revenues attributable to those business relationships do not exceed 2.0 percent of Vantiv's gross revenues, on a consolidated basis, in each case under (i) and (ii) as calculated based on the rolling average of the prior four quarters.

10. Fifth Third will not propose a director or slate of directors in opposition to a nominee or slate of nominees proposed by the management or board of directors of Vantiv or any of its subsidiaries.
11. Fifth Third will not solicit or participate in soliciting proxies with respect to any matter presented to the shareholders of Vantiv or any of its subsidiaries.
12. Fifth Third will not dispose or threaten to dispose (explicitly or implicitly) of equity interests of Vantiv or any of its subsidiaries in any manner as a condition or inducement of specific action or nonaction by Vantiv or any of its subsidiaries.

Fifth Third also commits that it will promptly provide an executed copy of these commitments to Vantiv.