

**COMPLETED ACQUISITION OF THE ENTIRE ISSUED  
SHARE CAPITAL OF DIRECTCASH PAYMENTS INC. BY  
CARDTRONICS HOLDINGS LIMITED**

**Initial Enforcement Order made by the  
Competition and Markets Authority pursuant to  
section 72(2) of the Enterprise Act 2002 (the Act)**

Whereas:

- (a) the Competition and Markets Authority (CMA) has reasonable grounds for suspecting that it is or may be the case that Cardtronics Holdings Limited and DirectCash Payments Inc. (DirectCash Payments), a public limited company incorporated under the laws of the Province of Alberta, Canada have ceased to be distinct;
- (b) the CMA is considering whether to make a reference under section 22 of the Act;
- (c) the CMA wishes to ensure that no action is taken pending final determination of any reference under sections 22 of the Act which might prejudice that reference or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decisions on the reference; and
- (d) the circumstances set out in section 72(6) of the Act do not apply and the reference has not been finally determined in accordance with section 79(1) of the Act.

Now for the purposes of preventing pre-emptive action in accordance with section 72(2) of the Act the CMA makes the following order addressed to Cardtronics Plc, Cardtronics Holdings Limited, and DirectCash Payments (the Order).

**Commencement, application and scope**

1. This Order commences on the commencement date: 6 January 2017.
2. This Order applies to Cardtronics Plc, Cardtronics Holdings Limited and Direct Cash Payments.

3. Notwithstanding any other provision of this Order, no act or omission shall constitute a breach of this Order, and nothing in this Order shall oblige Cardtronics Plc, Cardtronics Holdings Limited or Direct Cash Payments to reverse any act or omission, in each case to the extent that it occurred or was completed prior to the commencement date.

### **Management of the Cardtronics and Direct Cash Payments businesses until determination of proceedings**

4. Except with the prior written consent of the CMA, Cardtronics Plc, Cardtronics Holdings Limited and Direct Cash Payments shall not, during the specified period, take any action which might prejudice a reference of the transaction under section 22 of the Act or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on such a reference, including any action which might:
  - (a) lead to the integration of the Direct Cash Payments business with the Cardtronics Plc business;
  - (b) transfer the ownership or control of the Cardtronics Plc business or the Direct Cash Payments business or any of their subsidiaries; or
  - (c) otherwise impair the ability of the Direct Cash Payments business or the Cardtronics Plc business to compete independently in any of the markets affected by the transaction.
5. Further and without prejudice to the generality of paragraph 5 and subject to paragraph 3, Cardtronics Plc and Cardtronics Holdings Limited and Direct Cash Payments shall at all times during the specified period procure that, except with the prior written consent of the CMA:
  - (a) the Direct Cash Payments business is carried on separately from the Cardtronics Plc business and the Direct Cash Payments business's separate sales or brand identity is maintained;
  - (b) the Direct Cash Payments business and the Cardtronics Plc business are each maintained as a going concern and sufficient resources are made available for the development of the Direct Cash Payments business and the Cardtronics Plc business, on the basis of their respective pre-merger business plans;
  - (c) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within, the Direct Cash Payments business or the Cardtronics Plc business;

- (d) the nature, description, range and quality of goods and/or services supplied in the United Kingdom (**UK**) by each of the two businesses are maintained and preserved;
- (e) except in the ordinary course of business for the separate operation of the two businesses:
  - (i) all of the assets of the Direct Cash Payments business and the Cardtronics Plc business are maintained and preserved, including facilities and goodwill;
  - (ii) none of the assets of the Direct Cash Payments business or the Cardtronics Plc business are disposed of; and
  - (iii) no interest in the assets of the Direct Cash Payments business or the Cardtronics Plc business is created or disposed of;
- (f) there is no integration of the information technology of the Direct Cash Payments or Cardtronics Plc businesses, and the software and hardware platforms of the Direct Cash Payments business shall remain essentially unchanged, except for routine changes and maintenance;
- (g) the customer and supplier] lists of the two businesses shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Direct Cash Payments business will be carried out by the Direct Cash Payments business alone and for the avoidance of doubt the Cardtronics Plc business will not negotiate on behalf of the Direct Cash Payments business (and vice versa) or enter into any joint agreements with the Direct Cash Payments business (and vice versa);
- (h) all existing contracts of the Direct Cash Payments business and the Cardtronics Plc business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to key staff of the Direct Cash Payments business or Cardtronics Plc business;
- (j) no key staff are transferred between the Direct Cash Payments business and the Cardtronics Plc business;
- (k) all reasonable steps are taken to encourage all key staff to remain with the Direct Cash Payments business and the Cardtronics Plc business; and
- (l) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses shall pass, directly or

indirectly, from the DirectCash Payments business (or any of its employees, directors, agents or affiliates) to the Cardtronics Plc business (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting obligations) and on the basis that, should the transaction be prohibited, any records or copies (electronic or otherwise) of such information that have passed, wherever they may be held, will be returned to the business to which they relate and any copies destroyed.

## **Compliance**

6. Cardtronics Plc and Cardtronics Holdings Limited and Direct Cash Payments shall procure that each of their subsidiaries complies with this Order as if the Order had been issued to each of them.
7. Cardtronics Plc and Cardtronics Holdings Limited and Direct Cash Payments shall provide to the CMA such information or statement of compliance as it may from time to time require for the purposes of monitoring compliance by Cardtronics Plc and Cardtronics Holdings Limited and Direct Cash Payments and their subsidiaries with this Order. In particular, on 20 January 2017 and subsequently every two weeks/month/specified date of the month (or, where this does not fall on a working day, the first working day thereafter) the Chief Executive Officer of Cardtronics Plc and Cardtronics Holdings Limited and the Chief Executive Officer of Y or other persons of Cardtronics Plc and Cardtronics Holdings Limited and Y as agreed with the CMA shall, on behalf of each of Cardtronics Plc and Cardtronics Holdings Limited and Y, provide a statement to the CMA in the form set out in the Annex to this Order confirming compliance with this Order.
8. At all times, Cardtronics Plc and Cardtronics Holdings Limited and Direct Cash Payments shall actively keep the CMA informed of any material developments relating to the Direct Cash Payments business or the Cardtronics Plc business, which includes but is not limited to:
  - (a) details of key staff who leave or join the Direct Cash Payments business or the Cardtronics Plc business;
  - (b) any interruption of the Direct Cash Payments or Cardtronics Plc business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 24 hours;

- (c) all substantial customer volumes won or lost or substantial changes to the customer contracts for the Direct Cash Payments or Cardtronics Plc business including any substantial changes in customers' demand; and
  - (d) substantial changes in the Direct Cash Payments or Cardtronics Plc business's contractual arrangements or relationships with key suppliers.
9. If Cardtronics Plc or Cardtronics Holdings Limited or Direct Cash Payments has any reason to suspect that this Order might have been breached it shall immediately notify the CMA and any monitoring trustee that Cardtronics Plc and/or Cardtronics Holdings Limited or Direct Cash Payments may be directed to appoint under paragraph 10.
10. The CMA may give directions to a specified person or to a holder of a specified office in any body of persons (corporate or unincorporated) to take specified steps for the purpose of carrying out, or ensuring compliance with, this Order, or do or refrain from doing any specified action in order to ensure compliance with the Order. The CMA may vary or revoke any directions so given.
11. Cardtronics Plc and Cardtronics Holdings Limited and Direct Cash Payments shall comply in so far as they are able with such directions as the CMA may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with this Order.

## **Interpretation**

12. The Interpretation Act 1978 shall apply to this Order as it does to Acts of Parliament.
13. For the purposes of this Order:

**'the Act'** means the Enterprise Act 2002;

**'an affiliate'** of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act;

**'business'** has the meaning given by section 129(1) and (3) of the Act;

**'Cardtronics Holdings Limited'** means Cardtronics Holdings Limited, UK company number 10187501;

**'the Cardtronics Holdings Limited business'** means the business of Cardtronics Holdings Limited and its subsidiaries carried on as at the commencement date;

**'Cardtronics Plc'** means Cardtronics Plc, UK company number 10057418;

**'the Cardtronics Plc business'** means the business of Cardtronics Plc and its subsidiaries carried on as at the commencement date;

**'Direct Cash Payments'** means DirectCash Payments Inc., a public limited company incorporated under the laws of the Province of Alberta, Canada;

**'the Direct Cash Payments business'** means the business of Direct Cash Payments and its subsidiaries carried on as at the commencement date;

**'commencement date'** means 6 January 2017;

**'control'** includes the ability directly or indirectly to control or materially to influence the policy of a body corporate or the policy of any person in carrying on an enterprise;

**'the decisions'** means the decisions of the CMA on the questions which it is required to answer by virtue of section 35 of the Act;

**'key staff'** means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the business;

**'the ordinary course of business'** means matters connected to the day-to-day supply of goods and/or services by Direct Cash Payments or Cardtronics Plc or Cardtronics Holdings Limited and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of Direct Cash Payments and Cardtronics Plc and Cardtronics Holdings Limited;

**'specified period'** means the period beginning on the commencement date and terminating in accordance with section 72(6) of the Act;

**'subsidiary'**, unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006;

**'the transaction'** means the transaction by which Cardtronics Holdings Limited and Direct Cash Payments have ceased to be distinct within the meaning of section 23 of the Act;

**'the two businesses'** means the Cardtronics Plc business and the DirectCash Payments business;

unless the context requires otherwise, the singular shall include the plural and vice versa.

Greg Bonne  
Assistant Director, Mergers

## **Compliance statement for Cardtronics Plc/Cardtronics Holdings Limited**

I [insert name] confirm on behalf of Cardtronics Plc/Cardtronics Holdings Limited that:

### **Compliance in the Relevant Period**

1. In the period from [insert date] to [insert date] (the Relevant Period):
  - (a) Cardtronics Plc/Cardtronics Holdings Limited has complied with the Order made by the CMA in relation to the transaction on 6 January 2017 (the Order).
  - (b) Cardtronics Plc/Cardtronics Holdings Limited's subsidiaries have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
  - (a) No action has been taken by Cardtronics Plc/Cardtronics Holdings Limited that might prejudice a reference of the transaction under section 22 or 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
    - (i) lead to the integration of the Direct Cash Payments business with the Cardtronics Plc business;
    - (ii) transfer the ownership or control of the Cardtronics Plc business or the Direct Cash Payments business or any of their subsidiaries; or
    - (iii) otherwise impair the ability of the Direct Cash Payments business or the Cardtronics Plc business to compete independently in any of the markets affected by the transaction.
  - (b) The Direct Cash Payments business has been carried on separately from the Cardtronics Plc business and the Direct Cash Payments business's separate sales or brand identity has been maintained.
  - (c) The Direct Cash Payments business and the Cardtronics Plc Limited business have been maintained as a going concern and sufficient resources have been made available for the development of the Direct



Cash Payments business and the Cardtronics Plc business, on the basis of their respective pre-merger business plans.

- (d) No substantive changes have been made to the organisational structure of, or the management responsibilities within, the Direct Cash Payments business or the Cardtronics Plc business, except in the ordinary course of business.
- (e) The nature, description, range and quality of goods and/or services supplied in the UK by the Direct Cash Payments business and the Cardtronics Plc business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
  - (i) all of the assets of the Direct Cash Payments business and the Cardtronics Plc business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
  - (ii) none of the assets of the Direct Cash Payments business or the Cardtronics Plc business have been disposed of; and
  - (iii) no interest in the assets of the Direct Cash Payments business or the Cardtronics Plc business has been created or disposed of.
- (g) There has been no integration of the information technology of the Direct Cash Payments or Cardtronics Plc businesses, and the software and hardware platforms of the Direct Cash Payments business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Direct Cash Payments business have been carried out by the Direct Cash Payments business alone and, for the avoidance of doubt, the Cardtronics Plc business has not negotiated on behalf of the Direct Cash Payments business (and vice versa) or entered into any joint agreements with the Direct Cash Payments business (and vice versa).
- (i) All existing contracts of the Direct Cash Payments business and the Cardtronics Plc business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.

- (j) No changes have been made to key staff of the Direct Cash Payments business or the Cardtronics Plc business.
- (k) No key staff have been transferred between the Direct Cash Payments business and the Cardtronics Plc business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the Direct Cash Payments business and the Cardtronics Plc business.
- (m) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses, has passed, directly or indirectly, from the Direct Cash Payments business (or any of its employees, directors, agents or affiliates) to the Cardtronics Plc business (or any of its employees, directors, agents or affiliates), or vice versa.
- (n) Except as listed in paragraph (o) below, there have been no:
  - (i) key staff that have left or joined the Direct Cash Payments business or the Cardtronics Plc business;
  - (ii) interruptions of the Direct Cash Payments business or the Cardtronics Plc business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;
  - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Direct Cash Payments business or the Cardtronics Plc business; or
  - (iv) substantial changes in the Direct Cash Payments or Cardtronics Plc business's contractual arrangements or relationships with key suppliers.
- (o) *[list of material developments]*

3. Cardtronics Plc/Cardtronics Holdings Limited and its subsidiaries remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Direct Cash Payments or the Cardtronics Plc business in accordance with paragraph 9 of the Order.

## Interpretation

4. Terms defined in the Order have the same meaning in this compliance statement.

FOR AND ON BEHALF OF Cardtronics Plc/Cardtronics Holdings Limited

Signature .....

Name .....

Title .....

Date .....

## Compliance statement for Direct Cash Payments

I [insert name] confirm on behalf of Direct Cash Payments that:

### Compliance in the Relevant Period

5. In the period from [insert date] to [insert date] (the Relevant Period):
  - (a) Direct Cash Payments has complied with the Order made by the CMA in relation to the transaction on 6 January 2017 (the Order).
  - (b) Direct Cash Payments' subsidiaries have also complied with this Order.
6. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
  - (c) No action has been taken by Direct Cash Payments that might prejudice a reference of the transaction under section 22 or 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
    - (i) lead to the integration of the Direct Cash Payments business with the Cardtronics Plc business;
    - (ii) transfer the ownership or control of the Cardtronics Plc business or the Direct Cash Payments business or any of their subsidiaries; or
    - (iii) otherwise impair the ability of the Direct Cash Payments business or the Cardtronics Plc business to compete independently in any of the markets affected by the transaction.
  - (d) The Direct Cash Payments business has been carried on separately from the Cardtronics Plc business and the Direct Cash Payments business's separate sales or brand identity has been maintained.
  - (e) The Direct Cash Payments business and the Cardtronics Plc business have been maintained as a going concern and sufficient resources have been made available for the development of the Direct Cash Payments business and the Cardtronics Plc business, on the basis of their respective pre-merger business plans.
  - (f) No substantive changes have been made to the organisational structure of, or the management responsibilities within, the Direct Cash Payments business, except in the ordinary course of business.

- (g) The nature, description, range and quality of goods and/or services supplied in the UK by the Direct Cash Payments business have been maintained and preserved.
- (h) Except in the ordinary course of business for the separate operation of the two businesses:
  - (iv) all of the assets of the Direct Cash Payments business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
  - (v) none of the assets of the Direct Cash Payments business have been disposed of; and
  - (vi) no interest in the assets of the Direct Cash Payments business has been created or disposed of.
- (i) There has been no integration of the information technology of the Direct Cash Payments or Cardtronics Plc businesses, and the software and hardware platforms of the Direct Cash Payments business have remained essentially unchanged, except for routine changes and maintenance.
- (j) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Direct Cash Payments business have been carried out by the Direct Cash Payments business alone and, for the avoidance of doubt, the Cardtronics Plc business has not negotiated on behalf of the Direct Cash Payments business (and vice versa) or entered into any joint agreements with the Direct Cash Payments business (and vice versa).
- (k) All existing contracts of the Direct Cash Payments business and the Cardtronics Plc business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (l) No changes have been made to key staff of the Direct Cash Payments business.
- (m) No key staff have been transferred between the Direct Cash Payments business and the Cardtronics Plc business.
- (n) All reasonable steps have been taken to encourage all key staff to remain with the Direct Cash Payments business.

- (o) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses, has passed, directly or indirectly, from the Direct Cash Payments business (or any of its employees, directors, agents or affiliates) to the Cardtronics Plc business (or any of its employees, directors, agents or affiliates), or vice versa.
- (p) Except as listed in paragraph (o) below, there have been no:
  - (v) key staff that have left or joined the Direct Cash Payments business;
  - (vi) interruptions of the Direct Cash Payments business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;
  - (vii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Direct Cash Payments business; or
  - (viii) substantial changes in the Direct Cash Payments business's contractual arrangements or relationships with key suppliers.
- (q) *[list of material developments]*

7. Direct Cash Payments and its subsidiaries remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Direct Cash Payments or the Cardtronics Plc business in accordance with paragraph 9 of the Order.

**Interpretation**

8. Terms defined in the Order have the same meaning in this compliance statement.

FOR AND ON BEHALF OF Direct Cash Payments

Signature .....

Name .....

Title .....

Date .....