

**DEROGATION LETTER  
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED  
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002  
COMPLETED ACQUISITION BY BOTTOMLINE TECHNOLOGIES  
LIMITED OF CERTAIN ASSETS OF EXPERIAN LIMITED**

Dear Ms Kim

**Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 22 May 2019.**

**Completed acquisition by Bottomline Technologies Limited of certain assets of Experian Limited**

We refer to your submissions dated 28 May, 5 June, 14 June, 28 June and 17 July 2019 requesting that the CMA consent to derogations to the Initial Enforcement Order of 22 May 2019 (the 'Initial Order'). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, Bottomline and Bottomline UK are required to hold separate the former Experian Payments Gateway business from the Bottomline business and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference. After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, Bottomline and Bottomline UK may carry out the following actions, in respect of the specific paragraphs:

**1. Back-office support- paragraphs 4(a) and 5(a) (f) (g) (h) and (l) of the Initial Order**

The CMA understands that, prior to completion, the Experian Payments Gateway business was integrated into the Experian Limited business which provided it with back-office support. The CMA also understands that no back-office support transferred to Bottomline as a result of the transaction. In order to ensure the continuity and viability of the Experian Payments Gateway business, the CMA consents to the specific individuals within Bottomline and/or Bottomline UK listed in

Annex 1 providing the following support services to the Experian Payments Gateway business (with each individual limited to the relevant function specified in Annex 1):

- (a) **IT Implementation and Maintenance** – the provision of support for the computer systems, networks and IT used by the Experian Payments Gateway business, in particular to log, analyse and fix problems occurring with the Experian Payments Gateway business' staff's IT systems (laptop, mobile, network, telephony, servers) in relation to their day-to-day business, respond to requests for assistance with common productivity applications such as Microsoft Windows/Outlook and liaise with specialists to resolve technical queries. This will not involve any interaction with EPG customers.
- (b) **Legal** – the provision of legal support for external and internal legal matters.
- (c) **Finance** – the provision of financial planning and analysis, accounting, order administration, and credit control support.
- (d) **Human resources and payroll** – the provision of human resources support including in relation to payroll, performance management and training for staff of the Experian Payments Gateway business.
- (e) **Marketing** – the provision of support and assistance in the preparation of communications with existing and prospective EPG customers and wider advertising and marketing. This will not involve any commercial or strategic decision-making, or defining marketing strategy, but rather handling the logistics and mechanics of EPG marketing (e.g. the creation of copy, managing campaign process in marketing tools for sending marketing emails).
- (f) **Sales administration** – the provision of support and assistance with sales systems used to produce quotes, customer requests for information, supplier questionnaires, moving orders to order administration and assisting the EPG business with administrative tasks. This will not involve any commercial or strategic decision-making.
- (g) **Enterprise Applications** – the provision of a software platform on which business applications are run.

The CMA consents to this derogation as it understands that Annex 1 reflects the minimum number of support staff per function that are necessary to support the EPG business.

The CMA also consents to the individuals in Annex 1 receiving commercially sensitive information relating to the Experian Payments Gateway business but only where it is strictly necessary for the purposes of providing the relevant permitted back-office support to the Experian Payments Gateway business, and any such

commercially sensitive information must only be used for the purposes specified in this derogation.

The CMA consents to this subject to each of the individuals named in Annex 1 signing appropriate non-disclosure agreements approved by the CMA and receiving appropriate training to ensure they understand the requirements of the Initial Order.

## **2. Product Support - paragraphs 4(a) and 5(a), (f), (g), (h) and (l) of the Initial Order**

The CMA also understands that prior to completion, the Experian Limited business provided the Experian Payments Gateway business with product support (shared with other parts of the Experian Limited business). The CMA understands that no product support staff other than one software development engineer and one quality assurance (QA) engineer transferred with the Experian Gateway business as part of the Transaction. In order to ensure the continuity and viability of the Experian Payments Gateway business the CMA consents to the individuals within Bottomline and/or Bottomline UK listed in Annex 2 providing the following product support services to customers of the Experian Payments Gateway business (with each individual limited to the relevant function specified in Annex 2):

- (a) **Customer support** – responding to incoming queries from customers in relation to the software solution deployed at the customer site. Customer support is permitted to provide first-line help-desk functions such as logging problems, analysing issues, advising customers, providing simple training and resolving common queries raised by customers. Customer support is permitted to provide second-line help by telephone or webex to discuss issues and try and find solutions.
- (b) **Development support** – maintenance of the software product through programming, testing, bug-fixing and upgrading the source code to incorporate fixes and so that it functions correctly. This function is limited to development support and maintenance that is reasonably necessary to:
  - (i) comply with regulatory or legal requirements;
  - (ii) resolve bugs or known technical issues; or
  - (iii) implement functional enhancements that are requested by customers.

The CMA consents to this derogation as it understands that Annex 2 reflects the minimum number of product support staff per function that are necessary to support the EPG business.

The CMA also consents to the individuals in Annex 2 receiving commercially sensitive information relating to the Experian Payments Gateway business but only

where it is strictly necessary for the purposes of providing the relevant permitted product support services to the Experian Payments Gateway business, and any such commercially sensitive information must only be used for the purposes specified in this derogation.

The CMA consents to this subject to each of the individuals named in Annex 2 signing appropriate non-disclosure agreements approved by the CMA and receiving appropriate training to ensure they understand the requirements of the Initial Order.

The CMA consents to this subject to Bottomline being required to provide the CMA and the Monitoring Trustee with a regular report (no later than two weeks after the date of this derogation, and at least every two weeks thereafter) with a log of development support provided by Bottomline or Bottomline UK to the Experian Payments Gateway business (specifying the relevant category of permitted development support under paragraph (b)(i)-(iii) above).

**Susan Zhuang**  
**Assistant Director, Mergers**  
**19 July 2019**

## Annex 1

### Back-office support – List of permitted individuals and functions

#### Back office

- IT Implementation and Maintenance – [✂]
- Legal – [✂]
- Finance:
  - FP & A – [✂]
  - Order administration – [✂]
  - Credit control – [✂]
  - Accounts – [✂]
- Human resources and payroll:
  - Manager – [✂]
  - HR – [✂]
  - Payroll – [✂]
- Marketing (logistical support) – [✂]
- Sales administration – [✂]
- Enterprise applications – [✂]

## **Annex 2**

### **Product support – List of permitted individuals and functions**

#### **Customer support**

[✂]

#### **Development support (development engineers)**

[✂]

#### **Development support (quality assurance engineers)**

[✂]