

## **ACQUISITION BY SABRE CORPORATION OF FARELOGIX INC.**

### **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 arrangements are in progress or in contemplation which, if carried into effect, will result in Sabre Corporation and Farelogix Inc (**Farelogix**) ceasing to be distinct (the **Merger**);
- (b) the CMA is considering whether to make a reference under section 22 or 33 of the Act;
- (c) the CMA wishes to ensure that no action is taken pending final determination of any reference under sections 22 or 33 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 Sabre Corporation, Sabre GLBL Inc (**Sabre GLBL**), Sabre Global Technologies Limited, Sabre UK Marketing Limited, and Sabre EMEA Marketing Limited (the **Order**).

#### **Commencement, application and scope**

1. This Order commences on the commencement date: being the date of completion of the Merger.

2. This Order applies to Sabre Corporation, Sabre GLOBL, Sabre Global Technologies Limited, Sabre UK Marketing Limited, and Sabre EMEA Marketing Limited.
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 Sabre Corporation, Sabre GLOBL, Sabre Global Technologies Limited, Sabre UK Marketing Limited, or Sabre EMEA Marketing Limited 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 Sabre and Farelogix businesses until determination of proceedings**

4. Except with the prior written consent of the CMA, Sabre Corporation, Sabre GLOBL, Sabre Global Technologies Limited, Sabre UK Marketing Limited, and Sabre EMEA Marketing Limited shall not, during the specified period, take any action which might prejudice a reference of the transaction under section 22 or 33 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 Farelogix business with the Sabre business;
  - (b) transfer the ownership or control of the Sabre business or the Farelogix business or any of their subsidiaries; or
  - (c) otherwise impair the ability of the Farelogix business or the Sabre business to compete independently in any of the markets affected by the transaction.
5. Further and without prejudice to the generality of paragraph 4 and subject to paragraph 3, Sabre Corporation, Sabre GLOBL, Sabre Global Technologies Limited, Sabre UK Marketing Limited, and Sabre EMEA Marketing Limited shall at all times during the specified period procure that, except with the prior written consent of the CMA:
  - (a) the Farelogix business is carried on separately from the Sabre business and the Farelogix business's separate sales or brand identity is maintained;
  - (b) the Farelogix business and the Sabre business are maintained as a going concern and sufficient resources are made available for the development of the Farelogix business and the Sabre 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 Farelogix business or the Sabre business;
- (d) the nature, description, range and quality of goods and/or services supplied in the 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 Farelogix business and the Sabre business are maintained and preserved, including facilities and goodwill;
  - (ii) none of the assets of the Farelogix business or the Sabre business are disposed of; and
  - (iii) no interest in the assets of the Farelogix business or the Sabre business is created or disposed of;
- (f) there is no integration of the information technology of the Farelogix or Sabre businesses, and the software and hardware platforms of the Farelogix 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 Farelogix business will be carried out by the Farelogix business alone and for the avoidance of doubt the Sabre business will not negotiate on behalf of the Farelogix business (and vice versa) or enter into any joint agreements with the Farelogix business (and vice versa);
- (h) all existing contracts of the Farelogix business and the Sabre business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to key staff of the Farelogix business or Sabre business;
- (j) no key staff are transferred between the Farelogix business and the Sabre business;
- (k) all reasonable steps are taken to encourage all key staff to remain with the Farelogix business and the Sabre 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 Farelogix business (or any of its employees, directors, agents or affiliates) to the Sabre business (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (including, for example, where required for compliance with external regulatory and/or accounting obligations or for due diligence, integration planning or the completion of any merger control proceedings relating to the transaction) 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. Sabre Corporation, Sabre GLOB, Sabre Global Technologies Limited, Sabre UK Marketing Limited, and Sabre EMEA Marketing Limited shall procure that each of their subsidiaries complies with this Order as if the Order had been issued to each of them.
7. Sabre Corporation, Sabre GLOB, Sabre Global Technologies Limited, Sabre UK Marketing Limited, Sabre EMEA Marketing Limited, and Farelogix 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 Sabre Corporation, Sabre GLOB, Sabre Global Technologies Limited, Sabre UK Marketing Limited, Sabre EMEA Marketing Limited, and their subsidiaries with this Order. In particular, two weeks from the date of completion and subsequently every two weeks (or, where this does not fall on a working day, the first working day thereafter) the Chief Executive Officer of each of Sabre Corporation, Sabre GLOB, Sabre Global Technologies Limited, Sabre UK Marketing Limited, Sabre EMEA Marketing Limited, and Farelogix or other persons of Sabre Corporation, Sabre GLOB, Sabre Global Technologies Limited, Sabre UK Marketing Limited, Sabre EMEA Marketing Limited, and Farelogix as agreed with the CMA shall, on behalf of Sabre Corporation, Sabre GLOB, Sabre Global Technologies Limited, Sabre UK Marketing Limited, Sabre EMEA Marketing Limited, and Farelogix, 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, Sabre Corporation, Sabre GLOB, Sabre Global Technologies Limited, Sabre UK Marketing Limited and Sabre EMEA Marketing Limited shall, or shall procure that Farelogix shall, actively keep the CMA informed of

any material developments relating to the Farelogix business or the Sabre business, which includes but is not limited to:

- (a) details of key staff who leave or join the Farelogix business or the Sabre business;
  - (b) any interruption of the Farelogix or Sabre 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 Farelogix or Sabre business including any substantial changes in customers' demand; and
  - (d) substantial changes in the Farelogix or Sabre business's contractual arrangements or relationships with key suppliers.
9. If any of Sabre Corporation, Sabre GLOBL, Sabre Global Technologies Limited, Sabre UK Marketing Limited, Sabre EMEA Marketing Limited, or Farelogix has any reason to suspect that this Order might have been breached it shall immediately notify the CMA and any monitoring trustee that Sabre Corporation, Sabre GLOBL, Sabre Global Technologies Limited, Sabre UK Marketing Limited, Sabre EMEA Marketing Limited, or Farelogix 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. Sabre Corporation, Sabre GLOBL, Sabre Global Technologies Limited, Sabre UK Marketing Limited, Sabre EMEA Marketing Limited, and Farelogix 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;

**'commencement date'** means the date of completion of the Merger;

**'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;

**'Farelogix'** means Farelogix Inc., a company incorporated in the State of Florida, United States, with registered address at 760 NW 107 Ave Suite 300 Miami, FL 33172, USA;

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

**'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 Farelogix or Sabre and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of Farelogix and Sabre;

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

**'Sabre Corporation'** means Sabre Corporation, a company incorporated in the State of Delaware, United States, with registered addresses at 3150 Sabre Drive, Southlake, TX 76092, USA;

**'Sabre EMEA Marketing Limited'** means Sabre EMEA Marketing Limited, a company incorporated in the UK, with company number 04204232;

**'Sabre GLBL'** means Sabre GLBL Inc., a company incorporated in the State of Delaware, United States, with registered addresss at 3150 Sabre Drive Southlake, TX 76092, USA;

**'Sabre Global Technologies Limited'**, means Sabre Global Technologies Limited, a company incorporated in the UK, with company number 03017786;

**'Sabre UK Marketing Limited'**, means Sabre UK Marketing Limited, a company incorporated in the UK, with company number 03017798;

**'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 Sabre GLBL and Farelogix will cease to be distinct within the meaning of section 23 of the Act;

**'the two businesses'** means the Sabre business and the Farelogix business;

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

**Alba Ziso Assistant Director, Mergers**

**Compliance statement for [Sabre Corporation, Sabre GLOBL/Sabre Global Technologies Limited/Sabre UK Marketing Limited/Sabre EMEA Marketing Limited]**

I [insert name] confirm on behalf of [Sabre Corporation/Sabre GLOBL/ Sabre Global Technologies Limited/Sabre UK Marketing Limited/Sabre EMEA Marketing Limited] that:

**Compliance in the Relevant Period**

1. In the period from [insert date] to [insert date] (the Relevant Period):
  - (a) [Sabre Corporation/Sabre GLOBL/ Sabre Global Technologies Limited/Sabre UK Marketing Limited/Sabre EMEA Marketing Limited] has complied with the Order made by the CMA in relation to the transaction on 12 August 2019 (the Order).
  - (b) [Sabre Corporation/Sabre GLOBL/ Sabre Global Technologies Limited/Sabre UK Marketing Limited/Sabre EMEA Marketing 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 [Sabre Corporation/Sabre GLOBL/ Sabre Global Technologies Limited/Sabre UK Marketing Limited/Sabre EMEA Marketing 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 Farelogix business with the Sabre business;
    - (ii) transfer the ownership or control of the Sabre business or the Farelogix business or any of their subsidiaries; or
    - (iii) otherwise impair the ability of the Farelogix business or the Sabre business to compete independently in any of the markets affected by the transaction.



- (b) The Farelogix business has been carried on separately from the Sabre business and the Farelogix business's separate sales or brand identity has been maintained.
- (c) The Farelogix business and the Sabre business have been maintained as a going concern and sufficient resources have been made available for the development of the Farelogix business and the Sabre 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 Farelogix business or the Sabre 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 Farelogix business and the Sabre 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 Farelogix business and the Sabre 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 Farelogix business or the Sabre business have been disposed of; and
  - (iii) no interest in the assets of the Farelogix business or the Sabre business has been created or disposed of.
- (g) There has been no integration of the information technology of the Farelogix or Sabre businesses, and the software and hardware platforms of the Farelogix 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 Farelogix business have been carried out by the Farelogix business alone and, for the avoidance of doubt, the Sabre business has not negotiated on behalf of the Farelogix business (and vice versa) or entered into any joint agreements with the Farelogix business (and vice versa).

- (j) All existing contracts of the Farelogix business and the Sabre 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.
- (k) No changes have been made to key staff of the Farelogix business or the Sabre business.
- (l) No key staff have been transferred between the Farelogix business and the Sabre business.
- (m) All reasonable steps have been taken to encourage all key staff to remain with the Farelogix business and the Sabre business.
- (n) 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 Farelogix business (or any of its employees, directors, agents or affiliates) to the Sabre business (or any of its employees, directors, agents or affiliates), or vice versa.
- (o) Except as listed in paragraph (o) below, there have been no:
  - (i) key staff that have left or joined the Farelogix business or the Sabre business;
  - (ii) interruptions of the Farelogix business or the Sabre 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 Farelogix business or the Sabre business; or
  - (iv) substantial changes in the Farelogix or Sabre business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. [Sabre Corporation/Sabre GLOB/ Sabre Global Technologies Limited/Sabre UK Marketing Limited/Sabre EMEA Marketing Limited] and its subsidiaries remain in full compliance with the Order and will, or will procure that Farelogix, continue actively to keep the CMA informed of any material developments

relating to the Farelogix or the Sabre business in accordance with paragraph 8 of the Order.

**Interpretation**

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

**I understand that:**

It is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in **fines, imprisonment for a term not both.** (Section 117 of the Enterprise Act 2002.)

Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and outside the United Kindom) of the enterprises owned or controlled by the person on whom the penalty is imposed. (Section 94A of the Enterprise Act 2002.)

FOR AND ON BEHALF OF [Sabre Corporation/Sabre GLOB/ Sabre Global Technologies Limited/Sabre UK Marketing Limited/Sabre EMEA Marketing Limited]

Signature .....

Name .....

Title .....

Date .....

## Compliance statement for Farelogix

I [insert name] confirm on behalf of Farelogix that:

### Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
  - (a) Farelogix has complied with the Order made by the CMA in relation to the transaction on 12 August 2019 (the Order).
  - (b) Farelogix'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 Farelogix that might prejudice a reference of the transaction under sections 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 Farelogix business with the Sabre business;
    - (ii) transfer the ownership or control of the Sabre business or the Farelogix business or any of their subsidiaries; or
    - (iii) otherwise impair the ability of the Farelogix business or the Sabre business to compete independently in any of the markets affected by the transaction.
  - (b) The Farelogix business has been carried on separately from the Sabre business and the Farelogix business's separate sales or brand identity has been maintained.
  - (c) The Farelogix business and the Sabre business have been maintained as a going concern and sufficient resources have been made available for the development of the Farelogix business and the Sabre 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 Farelogix business or the Sabre 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 Farelogix business and the Sabre 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 Farelogix business and the Sabre 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 Farelogix business or the Sabre business have been disposed of; and
  - (iii) no interest in the assets of the Farelogix business or the Sabre business has been created or disposed of.
- (g) There has been no integration of the information technology of the Farelogix or Sabre businesses, and the software and hardware platforms of the Farelogix 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 Farelogix business have been carried out by the Farelogix business alone and, for the avoidance of doubt, the Sabre business has not negotiated on behalf of the Farelogix business (and vice versa) or entered into any joint agreements with the Farelogix business (and vice versa).
- (i) All existing contracts of the Farelogix business and the Sabre 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 Farelogix business or the Sabre business.
- (k) No key staff have been transferred between the Farelogix business and the Sabre business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the Farelogix business and the Sabre 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 Farelogix business (or any of its employees, directors, agents or affiliates) to the Sabre 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 Farelogix business or the Sabre business;
- (ii) interruptions of the Farelogix business or the Sabre 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 Farelogix business or the Sabre business; or
- (iv) substantial changes in the Farelogix or Sabre business's contractual arrangements or relationships with key suppliers.

(p) *[list of material developments]*

(o) Farelogix and its subsidiaries remain in full compliance with the Order and will, or will procure that Farelogix, continue actively to keep the CMA informed of any material developments relating to the Farelogix or the Sabre business in accordance with paragraph 8 of the Order.

## **Interpretation**

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

### **I understand that:**

It is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in **fines, imprisonment for a term not both**. (Section 117 of the Enterprise Act 2002.)

Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom the penalty is imposed. (Section 94A of the Enterprise Act 2002.)

FOR AND ON BEHALF OF Farelogix

Signature .....

Name .....

Title .....

Date .....