

**DEROGATION LETTER
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED PURSUANT TO
SECTION 72(2) ENTERPRISE ACT 2002**

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 2 April 2020

Completed acquisition by ION Trading Technologies Limited of a controlling stake in Broadway Technology Holdings LLC

We refer to your submissions of 27 July and 3 August requesting that the CMA consents to a derogation to the Initial Enforcement Order of 2 April 2020 (the '**Initial Order**'). Unless otherwise stated, 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, ION Investment Group Limited (**ION**) and ION Trading Technologies Limited (**ION Trading**), (together, **ION**) are required to hold separate the ION business from the business of Broadway Technology Holdings LLC (**Broadway**) 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.

On 14 July 2020 ION submitted to the CMA proposed undertakings in lieu of a reference to Phase 2 (**UILs**). On 21 July the CMA announced that the CMA considers that there are reasonable grounds for believing that the undertakings offered by ION, or a modified version of them, might be accepted by the CMA under the Act. The undertakings included the offer of an upfront purchaser for Broadway. Following the divestment of Broadway, ION would transfer back from the upfront purchaser Broadway's FX business, as defined in the [decision that undertakings might be accepted](#). The purchaser would retain Broadway's FI business, as defined in the decision that undertakings might be accepted. On 23 July 2020, the CMA sent ION a Notice under section 109 of the Act (**s109 Notice**) in respect of the UILs.

After due consideration of your request for a derogation from the Initial Order, based on the information received from you and in the particular circumstances of this case, the CMA consented in writing, on Wednesday 5 August, to ION and Broadway carrying out the following actions in relation to the UILs process, in respect of the specific paragraphs:

Paragraph 5(I) of the Initial Order

In order to enable ION to assess finding a suitable purchaser, ION requested that [REDACTED: **Authorised ION Individuals**] be given permission to receive Broadway information to (i) ensure compliance with s109 Notices issued to ION by the CMA with respect to the UILs process and (ii) assess and prepare the transaction documents for the Broadway FX business transfer as well as the transfer of employees, contracts, TOC licence agreement and transitional services agreement (the **Permitted Purpose**).

To allow ION to prepare effectively to transfer the Broadway FX business the CMA consents to [REDACTED: **Authorised ION Individuals**] (or any other ION employee as agreed by the CMA in writing) being provided with the Broadway information which is strictly necessary for the Permitted Purpose (the **Specified Information**). The Specified Information includes each of:

- (a) Information strictly necessary to ensure compliance with any s109 Notice issued by the CMA to ION in respect of the UILs.
- (b) The Broadway information provided to the CMA in the UIL submission dated 14 July 2020, including its Appendices 1, 5, 6, 7 and 9.
- (c) Information regarding Broadway's FX business submitted to the CMA by ION's external counsel in future submissions. Said information should be shared only to the extent strictly required for the Permitted Purpose.

The Specified Information also includes any additional information expressly consented to by the CMA in writing because it is strictly necessary for the Permitted Purpose.

This consent is provided on the proviso that:

- (a) access to the Specified Information is limited to [REDACTED: **Authorised ION Individuals**];
- (b) any additional individuals requiring access to the Specified Information will first be approved in writing by the CMA;
- (c) [REDACTED: **Authorised ION Individuals**] (and any future named individuals) will sign NDAs approved by the CMA;
- (d) the information which is shared with [REDACTED: **Authorised ION Individuals**] (and any future named individuals approved by the CMA) is limited to the Specified Information;
- (e) the information which is shared with [REDACTED: **Authorised ION Individuals**] (and any future named individuals approved by the CMA) will have had all customer names removed, as well as any information which would render specific customers identifiable;
- (f) where further information is required in the context of the UIL process, ION will first consult with the CMA to agree whether the information can be

defined as Specified Information; and

- (g) ION will implement safeguards, including IT firewalls, to ensure the shared information cannot be accessed by anyone at ION outside of [REDACTED: *Authorised ION Individuals*] (and any future named individuals approved by the CMA).

Yours sincerely,

Joanne Webb

Assistant Director, Remedies Business and Financial Analysis

11 August 2020