

Completed acquisition by FNZ (Australia) Bidco Pty Ltd of GBST Holdings Limited

Notice of Acceptance of Final Undertakings pursuant to sections 41, 82, 90 and schedule 10 to the Enterprise Act 2002

Background

1. On 5 November 2019, FNZ (Australia) Bidco Pty Limited (**FNZ**) acquired the whole issued share capital of GBST Holdings Limited (**GBST**) (the **Merger**).
2. On 8 April 2020, the Competition and Markets Authority (**CMA**), in exercise of its duty under [section 22\(1\)](#) of the Enterprise Act 2002 (the **Act**), referred the Merger to determine, pursuant to [section 35](#) of the Act (the **Reference**):
 - (a) whether a relevant merger situation has been created; and
 - (b) if so, whether the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition (**SLC**) in any market or markets in the United Kingdom (**UK**) for goods or services.
3. On 5 November 2020, pursuant to [section 38](#) of the Act, the CMA published a final report (the **Phase 2 Report**) concluding that:
 - (a) the Merger has resulted in the creation of a relevant merger situation;
 - (b) the creation of that situation has resulted in, or may be expected to result, in an SLC in relation to the supply of Retail Platform Solutions excluding in-house software in the UK; and
 - (c) the CMA should take action to remedy the SLC and any resulting adverse effects resulting from it.
4. On 2 December 2020, FNZ made an application to the Competition Appeal Tribunal ('CAT') pursuant to section 120 of the Act for a review of the CMA's decision in the Phase 2 Report.
5. On 21 January 2021, the CAT, following the CMA's request, ordered the remittal of the Phase 2 Report to the CMA in respect of the finding of the SLC

(paragraph 10.2 of the Phase 2 Report) and the final decision as to the remedy (paragraph 11.379 of the Phase 2 Report).

6. On 25 January 2021, the CMA appointed a group of CMA panel members to further investigate and report on the Merger.
7. On 4 June 2021, the CMA published its final report on the Merger (**Final Report**) pursuant to section 35(1) of the Act, which concluded that:
 - (a) the Merger has created a relevant merger situation;
 - (b) the creation of that situation has resulted in, or may be expected to result, in an SLC in relation to the supply of Retail Platform Solutions, in the UK; and
 - (c) the CMA should take action to remedy the SLC found and any adverse effects resulting from it.
8. The CMA, having regard to its findings in the Final Report, requires the divestiture of GBST, or the divestiture of GBST with the right for FNZ to buy-back certain assets of the Capital Markets business (**Buy-back Assets**) subsequent to GBST's sale, in line with the parameters set out in Annex 1 of the Final Undertakings (the '**Remedy**').
9. The CMA has reached agreement with FNZ and GBST as to the terms of Final Undertakings for the purpose of remedying, mitigating or preventing the SLC and any adverse effects arising from it and the proposed undertakings are attached to this Notice.
10. On 2 August 2021, the CMA gave notice of a proposal to accept Final Undertakings on its website. No representations were received.
11. On 24 August 2021, FNZ, Caisse de dépôt et placement du Québec, Falcon General Partner LLC, Falcon LP, Falcon Newco Limited, Generation Investment Management LLP and GBST gave the CMA Final Undertakings, giving effect to the CMA's decision as published in its Final Report and which are in the same terms as those consulted on.
12. The CMA, under section 82 of the Act, now accepts those Final Undertakings as given by FNZ, Caisse de dépôt et placement du Québec, Falcon General Partner LLC, Falcon LP, Falcon Newco Limited, Generation Investment Management LLP and GBST. A copy of the Final Undertakings is attached. The Final Undertakings now come into force and the reference is finally determined.

13. The Final Undertakings may be varied, superseded or released by the CMA under section 82(2) of the Act.
14. This notice and a non-confidential version of the Final Undertakings will be published on the CMA website. The CMA has excluded from the non-confidential version of the Final Undertakings information which it considers should be excluded, having regard to the considerations set out in section 244 of the Act. These omissions are indicated by [✂].

Signed by authority of the CMA

Martin Coleman
Inquiry Group Chair
24 August 2021