****

**OUTCOME OF TRIBUNAL ROLL FOR WEDNESDAY, 21 DECEMBER 2016**

|  |  |  |  |
| --- | --- | --- | --- |
| Type of matter | Parties involved | Competition Commission’s recommendation to Tribunal | Tribunal decision |
| Large merger | Bidvest Bank Limited And Fulcrum Group (Pty) Ltd | Approved without conditions  | Approved without conditions |
| Large merger | Firefly Investments 326 (Pty) Ltd And Bayport Financial Services 2010 (Pty) Ltd | Approved without conditions  | Approved without conditions |
| Large merger  | Kap Diversified Industrial (Pty) Ltd And Safripol Holdings (Pty) Ltd | Approved with conditions | Approved without conditions |
| Consent order  | Competition Commission and Phambili Pipelines (Pty) Ltd | To confirm consent order  | Consent order confirmed  |

**Merger between Bidvest Bank and Fulcrum Group approved**

The Competition Tribunal has conditionally approved the merger of Bidvest Bank and the Fulcrum Group.

The Bidvest group is involved in the automotive, electrical, financial services, freight, commercial products, office and print and services industry. Relevant to the transaction is the activities of the Bidvest Insurance Group within the relevant market of the provision of financial services.

The target firm, Fulcrum Group provides premium handling services, including debit order collections and premium disbursements. It also finances annual insurance premiums and provides broker acquisition financing.

**Firefly Investments 326 and Bayport Financial Services 2010 to merge**

The Tribunal has approved the merger of Firefly Investments and BFSSA. Post-merger Firefly Investments will control BFSSA.

The primary acquiring firm is Firefly Investments, a newly formed entity for the transaction.

The Government Employees Pension Fund (GEPF), represented by the Public Investment Corporation (PIC) and the Legal Exchange Corporation (Lexcorp) are among the entities with control over Firefly.

The GEPF’s core business is to manage and administer pensions and other benefits for government employees in South Africa, while Lexcorp offers personal legal expense insurance, commercial legal expense insurance, provides comprehensive legal advice, recovery of insurance claims, legal advice and assistance telephonic call centre services and financial counselling and assistance call centre services.

The target firm Bayport Financial Services 2010, was wholly-owned and controlled subsidiary of Bayport Management Ltd. Bayport Financial Services and is a financial institution specialising in the provision of unsecured personal loans in South Africa.

**KAP Diversified Industrial and Safripol Holdings merger approved**

The Tribunal decided that the merger between KAP and Safripol be approved without conditions, despite the Commission recommending conditions be imposed.

KAP is an investment company which invests in a number of industrial businesses mainly falling within two segments, diversified logistics and diversified industrial. Safripol is a producer of polymers, namely high-density polyethylene (HDPE) and Polypropylene.

The Commission had originally recommended the imposition of a supply condition. The merger was approved by the Tribunal without conditions.

**Phambili Pipelines settlement agreement confirmed by the Tribunal**

The consent order involving Phambili Pipelines is the final step in a complaint referral filed by the Commission against Phambili Pipelines and others. Phambili was one of the first companies that came forward regarding the collusive conduct in 2008 in relation to a Thabazimbi Pipeline Project. Phambili Pipelines was granted conditional immunity in relation to the project. The Tribunal has confirmed the settlement agreement.

The Commission discovered that Cycad Pipelines, the winning bidder in the Thabazimbi project, Phambili Pipelines and the Delatoy Group, entered into a collusive tendering arrangement with regards to the project. This involved the winning bidder paying a loser’s fee to each of the two companies that lost the bid. The fees were paid by Cycad Pipelines to Phambili Pipelines and the Delatoy Group.

On 13 July 2016 a settlement agreement with Delatoy was made an order of the court, but not until the Tribunal had decided that the Delatoy Group constituted a firm for the purposes of the Competition Act, and that the Commission’s complaint had not prescribed. The Commission also entered into a settlement agreement with Cycad, in which the company was fined R3 394 151. Delatoy paid an administrative penalty of R4 136 122, 02.

Issued by:

Chantelle Benjamin

Communications: Competition Tribunal

Tel (012)394 1383

Cell: +27 (0) 73 007 5603

Twitter: @comptrib

E-Mail: [chantelleb@comptrib.co.za](file:///C%3A%5CUsers%5CGilliand%5CDownloads%5Cchantelleb%40comptrib.co.za)

On Behalf Of:

Lerato Motaung

Registrar: Competition Tribunal

Tel: (012) 394 3355

Cell: +27 (0) 82 556 3221

E-Mail: LeratoM@comptrib.co.za