



DETERMINATION OF MERGER NOTIFICATION M/06/085 – ROYAL BANK OF SCOTLAND/TTT MONEYCORP

Section 21 of the Competition Act 2002

Proposed acquisition by Royal Bank Investments Limited of TTT Moneycorp

Dated 20/12/06

Introduction

1. On 28 November 2006 the Competition Authority (“the Authority”), in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby Royal Bank of Scotland Group plc, through Royal Bank Investments Limited, would acquire joint control of Winset Investments Limited, the ultimate holding company of TTT Moneycorp.
2. The proposed transaction would result in Royal Bank of Scotland Group plc jointly controlling TTT Moneycorp with Omayad Settlement, a Liechtenstein company owned and controlled by the Schlewett family.

The Undertakings Involved

3. Royal Bank of Scotland Group plc (“RBS”), the acquirer, is the holding company of a global banking and financial services group. RBS is headquartered in Edinburgh and operates in the UK, US and internationally through its two principal subsidiaries, the Royal Bank of Scotland and NatWest, which are UK clearing banks.
4. In the State, RBS is active through its wholly owned subsidiary, Ulster Bank Group, which provides a range of banking services throughout the State and Northern Ireland.
5. TTT Moneycorp, the target, provides foreign exchange and related services for both private and corporate customers in the UK and worldwide. TTT Moneycorp has three divisions trading under a number of brands (i.e., commercial foreign exchange, retail currency services and wholesale currency services) based in London.
6. TTT Moneycorp’s sole activities in the State are in the provision of commercial foreign exchange services from its London office to private clients in State who are purchasing overseas assets (principally properties), and the servicing of those assets. In the financial year ended 31 August 2005 it undertook transactions which generated turnover of €[...] in the State. TTT Moneycorp does not have any other business or presence in the State.
7. TTT Moneycorp is wholly owned by Omayad, a Liechtenstein trust of the Shlewett family. Post merger Omayad will jointly control TTT Moneycorp with RBS. Omayad and the Schlewett family do not have any other interests and are not involved in any other business activities.

Analysis

8. There is some overlap between the activities of the parties in the State in respect of the provision of foreign exchange services.
9. RBS provides a range of financial services in the State through its wholly owned subsidiary Ulster Bank. These services include foreign exchange services to retail, commercial and corporate clients.
10. TTT Moneycorp which does not have a physical presence in the State provides a non-cash foreign exchange service to private clients for the purchase of overseas assets as well as a non cash foreign exchange service for the subsequent servicing of those assets. Its activities in the State in 2006 were minimal.
11. Post merger the parties continue will continue to face strong competition from specialist providers of foreign exchange services as well as multinational banking groups and other financial institutions.
12. The proposed transaction does not, therefore, give rise to competition concerns.

Determination

The Competition Authority, in accordance with Section 21(2)(a) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition by Royal Bank Investments Limited of TTT Moneycorp will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

For the Competition Authority

Paul K. Gorecki
Member of the Competition Authority