



DETERMINATION OF MERGER NOTIFICATION M/06/060 – BNY Holdings/AIB/BNY Securities

Section 21 of the Competition Act 2002

Proposed acquisition by BNY Holdings (UK) Limited of AIB/BNY Security Services (Ireland) Limited

Dated 26/09/06

Introduction

1. On 31 August 2006, the Competition Authority, in accordance with Section 18(1) of the Competition Act, 2002 (“the Act”), was notified on a mandatory basis of the proposed acquisition by BNY Holdings (UK) Limited (“BNY Holdings”), a subsidiary of The Bank of New York Company Inc. (“BNY”), of the outstanding shares in AIB/BNY Security Services (Ireland) Limited (“AIB/BNY Securities”).
2. Currently, AIB/BNY Securities is 50:50 owned by (a) BNY Holdings and (b) AIB Fund Services Limited, a wholly-owned subsidiary of Allied Irish Banks, plc (“AIB”). As a result of the proposed transaction, BNY will, through its wholly-owned subsidiary, BNY Holdings, be the sole owner of AIB/BNY Securities.

The Undertakings Involved

3. BNY, the acquirer, is a global provider of securities servicing, treasury management, investment management and individual and regional banking. In the State, all of BNY’s fund administration services are carried out through AIB/BNY Securities.
4. AIB/BNY Securities, the target, is the holding company of AIB/BNY’s fund and trustee/custody operating entities. AIB/BNY Securities provides fund administration and trustee/custodial services to large institutional customers.

Analysis

5. There is no overlap in the activities of the undertakings involved in the State. The Authority considers that the proposed transaction does not raise competition concerns.

Determination

6. The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition by BNY Holdings (UK) Limited, a subsidiary of The

Bank of New York Company Inc., of the outstanding shares in AIB/BNY Security Services (Ireland) Limited, 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

Dr Paul K. Gorecki
Member of the Competition Authority