

48-03

25 November 2003

**UNUM LIMITED AND SWISS LIFE PLC
CANCELLATION OF MERGER REFERENCE**

The Competition Commission has cancelled the reference concerning the proposed acquisition by Unum Limited of the employee benefits business of Swiss Life (UK) plc.

The reference was made to the Commission on 31 October 2003 by the Office of Fair Trading under section 33 of the Enterprise Act 2002. The terms of reference required the Commission to examine:

- whether arrangements were in progress or in contemplation which, if carried into effect, would result in the creation of a relevant merger situation in that enterprises carried on by or under the control of Unum Ltd will cease to be distinct from enterprises carried on by or under the control of Swiss Life (UK) plc; and
- if so, whether the creation of that situation may be expected to result in a substantial lessening of competition in relation to the supply of group risk insurance products in the United Kingdom.

The Commission has received assurances from Unum Limited and from Swiss Life plc that the proposed arrangements concerning Swiss Life's group risk business have been abandoned and that, in particular, the agreements under which the acquisitions were to be made have been terminated. The Chairman of the Commission, Sir Derek Morris, is satisfied that Unum has, within the terms of section 37(1) of the Enterprise Act 2002, abandoned the proposal to make arrangements of the kind mentioned in the reference. He has consequently cancelled the reference in accordance with his powers under Schedule 7 to the Competition Act 1998.

This cancellation is published in accordance with requirements laid down by sections 107(2)(a) and 107(4) of the Enterprise Act 2002.

Notes to Editors

1. The reference was made by the Office of Fair Trading (see OFT news release P/137/03). It has been cancelled in accordance with the provisions of section 37(1) of the Enterprise Act 2002.
2. The Enterprise Act came into force on 20 June 2003, replacing the Fair Trading Act 1973. Under paragraph 15(8) of Schedule 7 to the Competition Act 1998, the Chairman of the Commission, Sir Derek Morris, may exercise the powers conferred by section 37(1) of the Enterprise Act 2002 to cancel a reference while an inquiry group is being constituted or before it has held its first meeting if the Commission is satisfied that the parties have abandoned arrangements for an acquisition of the kind mentioned in the reference. Previously, under section 75(5) of the Fair Trading Act 1973, the Commission was required to seek the consent of the Secretary of State before laying the reference aside.
3. Further information can be obtained from the Commission's web site at <http://www.competition-commission.org.uk>.
4. Enquiries should be directed to Francis Royle, Press Officer, tel: 020 7271 0242.