

**Completed acquisition by Regus Group Limited (Regus) of Avanta Serviced Office Group plc (Avanta) (the Merger)**

**Consent to certain actions for the purposes of the Initial Enforcement Order (Initial Order) made by the Competition and Markets Authority (CMA) on 14 May 2015**

Under the Initial Order, save for written consent by the CMA, Regus is required to hold separate the Regus business from the Avanta business and refrain from taking any action which might prejudice a reference under section 22 of the Enterprise Act 2002 or impede the taking of any remedial action following such a reference.

After due consideration of Regus's requests for derogations from the Initial Order, based on the information received from Regus and in the particular circumstances of this case, Regus may carry out the following actions, in respect of the specific paragraphs:

**1. Paragraphs 5(a), (c), (e) and (l) of the Initial Order**

**Centralised bank accounts**

On the basis of representations made by Regus to the CMA, the CMA understands that Regus maintains at least one bank account for each legal entity.

Regus has requested a derogation from the CMA to include the Avanta legal entities in its centralised banking arrangement. This arrangement involves the cash from each account being pooled to or from a central treasury and then being recorded as an intercompany movement. The CMA understands that this is a fully automated process and that, under this arrangement, Regus's Group Treasury function will only see a single, end of day sweep of the day's net movement, and will not be able to identify any Avanta-specific financial information because this information will be aggregated alongside the movement of cash in and out of Regus entities' bank accounts.

The CMA gives consent in respect of the requested action subject to the following conditions:

- (a) Regus will limit the number of employees who will have access to the bank account and further financial data to the individuals agreed with the CMA.

- (b) Each Regus employee that will have access to the Avanta information under this arrangement shall sign a non-disclosure agreement in order to protect the confidentiality of Avanta's information and ensure that the two businesses continue to operate separately, as required by the Initial Order.

## **2. Paragraph 5(i) of the Initial Order**

### **Further redundancy process**

On the basis of representations made by Regus to the CMA, the CMA understands that Regus intends to terminate the employment of the following members of Avanta staff:

- (a) Three individuals within Avanta's finance department with purely administrative roles.
- (b) Two individuals (an enquiries handler and a team leader) within Avanta's enquiry processing function.
- (c) One direct sales manager within the Avanta business.

Regus has explained to the CMA that these individuals are no longer required by the Avanta business as a result of the transfer of certain operational areas to the Regus business due to actions taken prior to the Initial Order, and has therefore requested a derogation to allow it to terminate the employment of these individuals. The CMA is satisfied that the individuals are no longer required by the Avanta business.

The CMA gives consent in respect of the requested action.