

24 June 2014

Mr John Attard  
FOGG Insurance Agencies Limited  
La Concorde  
Triq Abate Rigord  
Ta' Xbiex - XBX 1121

Dear Sir

**Re: COMP-MCCAA/14/2014 – Acquisition by Fogg Insurance Agencies Limited and  
Millenium Insurance Agency Limited**

Please find enclosed decision relevant to the notification of the concentration captioned  
above.

Yours sincerely



Stefan Vella  
f/Acting Director General  
Office for Competition

## OFFICE FOR COMPETITION

24 June 2014

### **COMP-MCCAA/14/2014 – Acquisition by Fogg Insurance Agencies Limited and Millenium Insurance Agency Limited**

**Decision on acquisition in terms of regulations 6 (1) (ii) and 12(4) of the Control of Concentrations Regulations (LN 294 of 2002 as subsequently amended)**

**The Office for Competition,**

**Having considered the notification dated 2 June, 2014 pursuant to regulation 5 of the Control of Concentrations Regulations,**

**Having considered the provisions of the Control of Concentrations Regulations,**

**Having considered Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No. 139/2004**

#### **Facts**

1. On the 13 May 2014, the Office for Competition received a notification of a proposed concentration pursuant to regulation 5 of the Control of Concentrations Regulations (hereinafter referred to as “the Regulations”) whereby, pursuant to a Sale and Transfer Agreement dated 7 May, 2014 (hereinafter referred to as “Agreement”), Millenium Insurance Agency Limited (hereinafter referred to as “Seller”), will sell, assign, and transfer to Fogg Insurance Agencies Limited (hereinafter referred to as “Notifying Party”), the assets on the terms and subject to the provisions of this Agreement. The “assets” referred to represent the entirety of the Seller’s business of insurance as a going concern, namely, the Seller’s rights and title to the agencies, the agency policies, the policies and its customers..
2. The notification was filed on the 13 May 2014, and accepted on the 2 June, 2014 as a complete notification and was notified to the public through a notice that appeared in the Government Gazette number 19,265 on the 6 June 2014 and a notice that appeared in a daily newspaper on the 9 June 2014

#### **Parties**

3. The Notifying Party with registered office at “La Concorde”, Triq Abate Rigord, Ta’ Xbiex, Malta is a licensed insurance intermediary primarily involved in the non-life insurance market as reported to Malta Financial Services Authority and is authorised to issue policies

in Malta as agent or coverholder in the following classes of business: a) Accident, b) Motor; c) Marine and Transport; d) Fire and Other Damage to Property; and e) Liability.

4. The Seller with registered office at "Vincenti Buildings", 28/12, Strait Street, Valletta, Malta is a licensed insurance intermediary primary involved in the non-life insurance market as reported by the Malta Financial Services Authority and is authorised to issue policies in Malta in the following classes of business: a) Accident and Sickness b) Marine and Transport; c) Fire and Other Damage to Property; d) Liability; and e) Miscellaneous Financial Loss.

#### **Transaction**

Pursuant to the Agreement, it is proposed that the Notifying Party acquires from Millenium Insurance Agency Limited that part of the business pertaining to the rights and title to the Seller's agency agreement and binding authority agreement with certain agencies, its agency policies, its policies and its customers. The ownership structure of both the Notifying Party and of the Seller, therefore, shall remain unchanged.

#### **Notifiable Concentration**

5. In terms of regulation 2 of the Regulations, a concentration refers to the acquisition by one or more undertakings or by one or more persons already controlling at least one undertaking, whether by purchase of securities or assets, by contract or by any other means, of direct or indirect control of the whole or parts of one or more undertakings.
6. The proposed transaction brings about a permanent change of control over the assets transferred from the Seller to the Notifying Party. The assets to be transferred constitute a business to which a market turnover can be attributed.
7. Therefore the proposed transaction constitutes a concentration within the meaning of regulation 2 of the Regulations.

#### **Threshold for Notification**

8. The aggregate turnover of the undertakings concerned in the preceding financial year exceeds €2,329,373.40 and each of the parties concerned had a turnover in Malta equivalent to at least 10% of the combined aggregate turnover of the undertakings concerned.
9. The notified concentration, therefore, meets the notification threshold as set out in regulation 2 of the Regulations.

#### **Simplified Procedure**

10. Following the examination of the notification, it is considered that the notified concentration falls within the scope of regulation 12(1)(iii) of the Regulations, whereby it is provided that:

*“The simplified procedure will apply to the following categories of concentrations that are deemed not to raise serious doubts as to their legality in terms of the provisions of these regulations...”*

*(iii) two or more undertakings merge, or one or more undertakings acquire sole or joint control of another undertaking and two or more of the parties to the concentration are engaged in business activities either in the same product and geographical market and their combined market share is less than 15%...”*

### Conclusion

For the above mentioned reasons and in terms of regulations 6 (1) (ii) and 12(4) of the Regulations, it is decided:

- (1) that the Concentration falls within the scope of the Regulations on Control of Concentrations;
- (2) that the Concentration does not raise serious doubts as to its lawfulness;
- (3) not to oppose the notified Concentration and to declare it a lawful Concentration.



Marcel Pizzuto  
Acting Director General