



Government Gazette Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID-AFRIKA

Vol. 568

Pretoria, 24 October 2012
Oktober 2012

No. 35816

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GENERAL NOTICES

NOTICE 871 OF 2012

COMPETITION COMMISSION

NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:

CLOVER S.A. PROPRIETARY LIMITED

AND

REAL JUICE CO HOLDINGS PROPRIETARY LIMITED

2012JUN0352

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is Clover S.A. (Pty) Ltd ("Clover"), a company incorporated in accordance with the laws of the Republic of South Africa. Clover is wholly owned by Clover Industries Limited ("CIL"), a public company listed on the Johannesburg Securities Exchange. CIL is not controlled by any firm. Clover controls about 8 firms.

The primary target firm is Real Juice Co Holdings (Pty) Ltd ("RJC"), a company incorporated in accordance with the laws of the Republic of South Africa. RJC is controlled by AVI Limited ("AVI"). AVI is not controlled by any firm.

The proposed transaction entails the acquisition by Clover of all ordinary shares in the issued share capital of, and shareholder claims on loan accounts against, RJC from AVI and Pleiad. On completion of the transaction, Clover will control RJC.

The Commission finds that the proposed transaction is unlikely to substantially prevent or lessen competition in the market for the manufacturing and distribution of fruit juices, as there are alternative players in the market that compete with the merging parties who will be in a position to constrain any potential anti-competitive behaviour by the merged entity. Further, the customers of the merging parties have sufficient countervailing power to counter any potential anti-competitive behaviour of the parties post-merger.

With respect to public interest concerns, the Commission is of the view that the proposed merger is likely to have a negative impact on employment since there is likely to be a duplication of jobs in the merged entity, in particular in the distribution of fruit juices. Initially, the merging parties made an undertaking to preserve jobs of the employees of RJC for a period of 12 months only following the implementation of the proposed merger. In order to address this concern, the Commission imposed a condition on the merged entity to preserve jobs for a period of 24 months from the date of the merger clearance and the merging parties agreed to the condition.

Further, since Clover has its own distribution network, the Commission is of the view that the proposed transaction is likely to result in job losses for the employees of independent distributors that are currently used by RJC as post-merger, Clover is likely to use its own distribution network to distribute fruit juices to its customers. In order to address this concern, the Commission approved the merger on condition that Clover extends the notice period for the termination of distribution agreements with independent distributors of RJC.

The Commission accordingly approves the proposed merger subject to the following conditions.

1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

- 1.1. **"Acquiring Firm"** means Clover S.A. Proprietary Limited;
- 1.2. **"Approval Date"** means the date referred to in the Commission's merger clearance certificate (Form CC15);
- 1.3. **"Clover"** means Clover S.A. Proprietary Limited, the primary acquiring firm;
- 1.4. **"Commission"** means the Competition Commission of South Africa;
- 1.5. **"Competition Act"** means the Competition Act 89 of 1998, as amended;
- 1.6. **"Conditions"** means these conditions;

- 1.7. **"Independent Distributors"** means third party distributors of fruit juice currently used by Real Juice Co Holdings Proprietary Limited and "Independent Distributor" means any one of them;
- 1.8. **"Merger"** means the acquisition of control over Real Juice Co Holdings Proprietary Limited by Clover S.A. Proprietary Limited;
- 1.9. **"Merging Parties"** means Clover S.A. Proprietary Limited and Real Juice Co Holdings Proprietary Limited;
- 1.10. **"RJC"** means Real Juice Co Holdings Proprietary Limited, the primary target firm.

2. Recordal

- 2.1 The proposed transaction is unlikely to raise significant competition concerns as customers have countervailing power to counter any potential anti-competitive behaviour of the parties post-merger. Further, there are other players in the market that compete with the Merging Parties who will be in a position to constrain any potential anti-competitive behaviour by the Merging Parties.
- 2.2 However, the proposed transaction is likely to have a negative impact on employment since there is likely to be a duplication of jobs at the merged entity, particularly in the distribution level of fruit juices. Further, as Clover has its own distribution network, the Commission is of the view that the proposed transaction is likely to result in job losses of the employees of the Independent Distributors that are currently used by RJC as post-merger, Clover is likely to use its own distribution network to distribute fruit juice to its customers.

3. Conditions to the approval of the Merger

- 3.1. No employees of RJC and Clover shall be retrenched as a result of this Merger within twenty four (24) months after the Approval Date. Retrenchments do not include (i) voluntary retrenchment and/or voluntary separation arrangements; (ii) voluntary early retirement packages; and (iii) unreasonable refusals to be redeployed in accordance with the provisions of the Labour Relations Act, 1995, as amended.

- 3.2. The notice period for the termination of the distribution agreements which RJC has with Independent Distributors shall be extended.

4. Monitoring of compliance with the Conditions

- 4.1. The Merging Parties shall circulate a copy of the condition in clause 3.1 above to their employees within seven (7) days of receipt of the merger clearance in any manner, including electronically, by uploading the condition onto their respective intranets, or by posting the condition on notice boards at their respective head offices and regional offices.
- 4.2. As proof of compliance hereof, Clover or RJC shall within five (5) days of circulating the condition, submit an affidavit to the Commission by a senior official attesting to the circulation of the condition.
- 4.3. The Merging Parties shall submit a report to the Commission on a twelve (12) month basis from the Approval Date confirming compliance with respect to 3.1. The first report will be submitted on 1 September 2013.
- 4.4. Clover or RJC shall submit an affidavit to the Commission within one (1) month after the Approval Date confirming that the notice period for the termination of the distribution agreements with affected Independent Distributors of RJC has been extended. In each instance, the amendment has been communicated with the affected Independent Distributor of RJC.
- 4.5. The reports and/or documents referred to in paragraph 4.2, 4.3 and 4.4 must be submitted to the following e-mail address mergerconditions@compcom.co.za.
- 4.6. An apparent breach by Clover or RJC of any of the Conditions shall be dealt with in terms of Rule 39 of the Rules for the Conduct of Proceedings in the Commission.
- 4.7. The Commission may on good cause shown by Clover, lift, revise or amend these Conditions.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 872 OF 2012
COMPETITION COMMISSION

NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:

RYMCO (PROPRIETARY) LIMITED

AND

YEASTPRO (PROPRIETARY) LIMITED

2012MAR0126

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is Rymco (Pty) Ltd ("Rymco"), a private company incorporated in accordance with the laws of the Republic of South Africa. Rymco is a wholly owned subsidiary of Lallemand Incorporated ("Lallemand"), a company incorporated in accordance with the laws of Canada. Rymco *inter alia*, owns the SA Bio-Products ("SABP") yeast facility and 74.999% of the Yeastpro (Pty) Ltd ("Yeastpro") facility.

The primary target firm is Yeastpro, a private company incorporated in accordance with the laws of the Republic of South Africa. Yeastpro is controlled by Rymco as to 74.999%, and Bidvest Group Limited ("Bidvest") as to 25.001%.

Bidvest is selling its 25.001% stake in Yeastpro to Rymco. Post-transaction, Rymco will own 100% of Yeastpro. As part of the transaction Rymco and Bidvest will enter into a supply agreement.

The rationale for the transaction, in summary, is that Yeastpro is no longer producing efficiently and competitively as compared to modern plants elsewhere in the world. Rymco would rather

divert production to its lower cost plant, namely the SABP factory in Amanzimtoti. Bidvest would also like to exit Yeastpro and source its yeast products from SABP.

The acquiring group, including Rymco and Lallemand, are involved in the production (upstream, through Yeastpro and SABP) and distribution (downstream, through Anchor) of yeast in South Africa. The parent company Lallemand has global yeast operations. The target, Yeastpro, is a factory producing both wet and dry yeast, located in Johannesburg, for its shareholders Rymco and Bidvest. Bidvest is a conglomerate which is also involved in the production (upstream, through NCP Durban), and distribution (downstream, through NCP Yeast) yeast business akin to Rymco.

Pre-merger there is a horizontal relationship between Rymco and Bidvest in that each produces and distributes some type of yeast. In addition, there is a vertical relationship in that Yeastpro supplies Bidvest with yeast. Post-transaction, these horizontal and vertical dimensions are likely to change. The proposed supply agreement creates a new vertical dimension in that Bidvest will also have access to Rymco's SABP facility for supply of yeast.

In terms of defining the relevant market, for the purposes of the assessment the Commission defined the following markets:

- A national upstream market for the manufacturing of yeast;
- A broad downstream market for the distribution of yeast (at least national, but also with international dynamics);
- A narrow national market for the distribution of wet yeast; and
- A narrow international market for the distribution of dry yeast.

Barriers to entry in the upstream market for production of yeast are considered relatively high given the various permits/licences, and technical equipment required. Land with optimal water intake and effluent disposal sites is also a critical factor and does not appear to be readily and ubiquitously available.

In terms of the supply agreement, access to downstream distributors of wet yeast is considered a significant hindrance to entry upstream. In this regard, a new manufacturer of yeast may not enter the upstream market because it will not have the opportunity to sell to distributors of wet yeast.

In terms of downstream barriers, there is no direct access by third party distributors to locally produced wet yeast, which prohibits entry in the downstream distribution market. In this regard,

entry by third party distributors of wet yeast is not possible unless direct access to yeast is made available.

From a coordinated effects perspective, the *prima facie* concern is that Bidvest will have access to information from Rymco. However, information exchange took place pre-merger in the joint venture at Yeastpro. The fact that the transaction removes a point of contact in the joint venture at Yeastpro, allays the Commission's concerns that this transaction will serve to further enhance the possibility of coordination.

The Commission is of the view that any efficiencies claimed, are not merger specific or necessarily dependent on this transaction. The transfer of activities from Yeastpro to SABP as well as the capital investment by Rymco into SABP may take place regardless of this transaction. Therefore, the argued efficiencies cannot be balanced to outweigh and offset the likely anti-competitive effect of the merger.

From a public interest perspective, retrenchments were found to occur due to operational reasons given the transfer of production from Yeastpro to SABP. In terms of the effect on a particular industrial sector or region, the Commission finds that the current state of the supply agreement is likely to be in conflict with the broader national policy objective of the Industrial Policy Action Plan. It is also unlikely to be in the public interest to have a single yeast producer, in the event the SABP factory suffers a contamination which could cut off supply of wet yeast for any unknown period of time, giving rise to incalculable concomitant effects.

In conclusion, the proposed original supply agreement is likely to make upstream and downstream entry in the yeast industry more difficult. The outcome of the competitive process in the yeast industry depends largely on making entry as easy as possible for any interested competitor.

The transaction is approved on condition that the supply agreement will be amended to remove the exclusivity clause, to be transferrable, and where capacity is available, to provide access (at Rymco's wet yeast factories) by new entrants on rational terms to facilitate competition downstream. Commission therefor approves the proposed transaction subject to the following conditions.

1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

- 1.1. **“Amended Supply Agreement”** means the commercial term sheet submitted to the Commission by Cliffe Dekker Hofmeyr on 11 June 2012.
- 1.2. **“Anchor”** means the distribution arm of Rymco.
- 1.3. **“Approval Date”** means the date referred to in the Commission's merger clearance certificate (Form CC15);
- 1.4. **“Bidvest”** means the company Bidvest Group Limited;
- 1.5. **“Cliffe Dekker Hofmeyr”** means the South African law firm located at 1 Protea Place Sandown as at 12 June 2012;
- 1.6. **“Commission”** means the Competition Commission of South Africa;
- 1.7. **“Competition Act”** means the Competition Act 89 of 1998, as amended;
- 1.8. **“Conditions”** means these conditions;
- 1.9. **“Downstream”** means the distribution level of the yeast value chain relating to the distribution of wet yeast;
- 1.10. **“NCP Yeast”** means the NCP yeast division of Bidvest;
- 1.11. **“Parties”** means Rymco and Bidvest;
- 1.12. **“Rymco”** means the company Rymco (Pty) Ltd;
- 1.13. **“Transaction”** means the transaction involving Rymco, Yeastpro and Bidvest in which Bidvest is selling its 25.001% interest in Yeastpro and entering into a Supply Agreement;
- 1.14. **“Supply Agreement”** means the commercial term sheet, dated 14 September 2011, filed as part of the original merger notification on 13 March 2012, for

merger case number 2012Mar0126;

- 1.15. **“Upstream”** means the manufacturing level of the yeast value chain relating to the manufacture of wet yeast;
- 1.16. **“Wet Yeast”** means compressed or liquid Yeast produced at Rymco’s yeast facilities;
- 1.17. **“Yeast”** means the yeast that is produced by yeast factories and is any of various one-celled fungi that reproduce by budding and can cause the fermentation of carbohydrates, producing carbon dioxide and ethanol; and
- 1.18. **“Yeastpro”** means Yeastpro (Pty) Ltd, the yeast producing factory located in Johannesburg.

2. Recordal

- 2.1. The structure of this Transaction is as follows:
 - 2.1.1. Rymco currently holds 74.999% interest in Yeastpro, Bidvest holds the remaining 25.001% interest in Yeastpro.
 - 2.1.2. Bidvest is selling, and Rymco is acquiring, a further 25.001% stake in Yeastpro, resulting in a 100% shareholding by Rymco in Yeastpro.
 - 2.1.3. As part of the transaction, Rymco and Bidvest will enter into a Supply Agreement.
- 2.2. The Commission is concerned that the proposed Supply Agreement gives rise to competition concerns by way of raising barriers to entry Upstream and Downstream.

3. Conditions to the approval of the merger

3.1. Amendments to the Supply Agreement

- 3.1.1. The proposed amendments to the Supply Agreement submitted to the

Commission by Cliffe Dekker Hofmeyr on 11 June 2012, must be adopted in writing without any further amendments, within 10 business days of the Approval Date.

3.2. Condition relating to exclusivity

- 3.2.1. No exclusivity agreement or exclusivity arrangement of any form whether in writing or tacitly, is to exist between the Parties, Anchor, and NCP Yeast, including any successor of NCP Yeast, in relation to the procurement and supply of Wet Yeast in South Africa.

4. Monitoring of compliance with the Conditions

- 4.1. The Parties must supply the Commission, within 10 business days, upon signature, with a copy of the signed Amended Supply Agreement as proof of compliance with the conditions contained in paragraphs 3.1.
- 4.2. The Parties must supply the Commission with a signed copy of any new supply agreement concluded between the Parties, including any successor of NCP Yeast, in relation to the procurement and supply of Yeast in South Africa as proof of compliance with 3.2.1 above.
- 4.3. An apparent breach by the Parties of any of the Conditions shall be dealt with in terms of the Competition Act, Rule 39 of the Rules for the Conduct of Proceedings in the Commission.
- 4.4. The Commission may on good cause shown, lift, revise or amend these Conditions.
- 4.5. The Parties shall submit the agreements referred to in 4.1 and 4.2 above by e-mail to mergerconditions@compcom.co.za.

5. Duration

- 5.1. The Conditions contained in 3.1 herein, shall exist for the duration of the Supply Agreement.
- 5.2. The Conditions contained in 3.2 herein, shall exist for the duration of the Supply Agreement.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 873 OF 2012**COMPETITION COMMISSION****NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:****THE TRUSTEES FOR THE TIME OF THE MERGENCE AFRICA PROPERTY
INVESTMENT TRUST****AND****GOLDEN POND 322 (PTY) LTD, SALESTALK 298 (PTY) LTD AND RAINBOW
BEACH TRADING 180 (PTY) LTD****CASE NUMBER: 2012JUL0422**

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firms are the trustees of the time being of Mergence Africa Property Investment Trust Fund (Pty) Ltd ("Mergence"). Mergence is a trust incorporated in terms of the laws of the Republic of South Africa. Dipula is a property loan stock company listed on the JSE. Dipula indirectly controls a diversified property portfolio of retail, industrial and office properties throughout South Africa.

The primary target firms are Golden Pond 322 (Pty) Ltd ("Golden Pond") in respect of Randfontein Station Shopping Centre ("Randfontein Centre"), Salestalk 298 (Pty) Ltd ("Salestalk") in respect of Bushbuckridge Shopping Centre ("Bushbuckridge Centre") and Rainbow Beach Trading 180 (Pty) Ltd ("Rainbow") in respect of The Plaza Shopping Centre ("The Plaza").

The target properties are lettable retail shopping centres fully described as follows:

Randfontein Centre is a retail centre with a gross lettable area ("GLA") of 5,963m² (five thousand nine hundred and sixty three square metres). It consists of one floor, 23 (twenty three)

shops. 4 Randfontein Centre is located on the corner of Station Road and Sutherland Roads, Randfontein on the West Rand.

Bushbuckridge Centre is a retail centre with a GLA of 14,640m². It consists of one floor, 43 (forty three) shops. 5 Bushbuckridge Centre is located on Main Bushbuckridge Road, Bushbuckridge, Mpumalanga.

The Plaza is a retail centre with a GLA of 25,000m². It consists of one floor, 120 open parking bays, 110 shops and the following anchor tenants: Shoprite and Bi-Bi Cash & Carry. The Plaza is located on Mopoi Street, Phuthaditjaba, Free State.

In terms of the Sale Agreements, Mergence will acquire, as a going concern, the target properties together with the letting enterprises, conducted by the target firms on the target properties. Post-merger Mergence will wholly own the target properties.

There is an overlap in the activities of the merging parties overlap in the market for the provision of rentable retail space specifically in convenience centre. However, the Commission found that none of the retail centres owned by the acquiring firms overlap geographically with the target properties. The Commission concludes that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition as there is no geographic overlap in the activities of the merging parties.

There is a concern arising in respect of [REDACTED] clauses contained in the following:

- Memorandum of Lease between Century Retail Developments and Shoprite Checkers (Pty) Ltd in respect of [REDACTED] ("Century Retail/Shoprite Agreement");
- Memorandum of Lease between Golden Pond 322 (Pty) Ltd and Shoprite Checkers (Pty) Ltd in respect of [REDACTED] ("Golden Pond/ Shoprite Agreement");
- Memorandum of Agreement of Lease between Rainbow Beach Trading 180 (Pty) Ltd and Score Super Markets (Trading) (Pty) Ltd and Pick 'n Pay Retailers (Pty) Ltd in respect of [REDACTED] ("Rainbow/Score Agreement"); and
- Memorandum of Agreement of Lease between Setsing Shopping Centre (Pty) Ltd and Shoprite Checkers Limited in respect of clause 8.2 ("Setsing/Shoprite Agreement").

The Commission found that the exclusivity clauses have the effect of excluding rivals of Shoprite, Score and Pick n Pay from the centres with the implication that small businesses are prevented from competing effectively in the centres. In order to address the concern the

Commission negotiated with the merging parties to have the clause removed as the exclusivity clauses could not be justified. The Commission reached an agreement to impose a condition to have the exclusionary clauses removed (in accordance with the contractual terms) in the agreements.

The Commission therefore approves this merger transaction subject to the following conditions:

1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

- 1.1. "**Acquiring Firms**" means the trustees of the time being of Mergence Africa Property Investment Trust;
- 1.2. "**Approval Date**" means the date referred to in the Commission's merger clearance certificate (Form CC15);
- 1.3. "**Bushbuckridge Centre**" means Bushbuckridge Shopping Centre held by Salestalk 298 (Pty) Ltd;
- 1.4. "**Century Retail/Shoprite Agreement**" means the Memorandum of Lease concludes between Century Retail Developments and Shoprite Checkers (Pty) Ltd;
- 1.5. "**Commercial reasons**" means reasonable principles of commerce, or bona fide reasons, taken into account in arriving at a decision in the ordinary course of business;
- 1.6. "**Commission**" means the Competition Commission of South Africa;
- 1.7. "**Competition Act**" means the Competition Act 89 of 1998, as amended;
- 1.8. "**Conditions**" means these conditions;
- 1.9. "**Golden Pond/Shoprite Agreement**" means Memorandum of Lease between Golden Pond 322 (Pty) Ltd and Shoprite Checkers (Pty) Ltd;
- 1.10. "**Merger**" means the acquisition of control over Randfontein Station Shopping

Centre held by Golden Pond 322 (Pty) Ltd; Bushbuckridge Shopping Centre held by Salestalk 298 (Pty) Ltd and The Plaza Shopping Centre held by Rainbow Beach Trading 180 (Pty) Ltd, by the trustees of the time being of Mergence Africa Property Investment Trust;

1.11. **"Merging Parties"** means the trustees of the time being of Mergence Africa Property Investment Trust and Randfontein Station Shopping Centre held by Golden Pond 322 (Pty) Ltd; Bushbuckridge Shopping Centre held by Salestalk 298 (Pty) Ltd and The Plaza Shopping Centre held by Rainbow Beach Trading 180 (Pty) Ltd, by the trustees of the time being of Mergence Africa Property Investment Trust;

1.12. **"Mergence"** mean the trustees of the time being of Mergence Africa Property Investments Trust.

1.13. **"Randfontein Centre"** means Randfontein Station Shopping Centre as held by Golden Pond 322 (Pty) Ltd;

1.14. **"Setsing/Shoprite Agreement"** means Memorandum of Agreement of Lease between Setsing Shopping Centre (Pty) Ltd and Shoprite Checkers Limited;

1.15. **"The Plaza"** means the Plaza Shopping Centre held by Rainbow Beach Trading 180 (Pty) Ltd;

2. Recordal

2.1. Mergence has agreed to the following undertakings which are meant to address the public interest concerns.

2.2. It is the Commission's view that the conditions, in the current form, are necessary to address the public interest concerns.

3. Conditions to the approval of the merger

Mergence shall negotiate with Shoprite Checkers (Pty) Ltd (Pty) Ltd in respect of the Century Retail/Shoprite Agreement, Golden Pond/ Shoprite Agreement and Setsing/Shoprite Agreement, in the utmost good faith to have the exclusivity clauses in the lease agreement in respect of the target property, removed at the renewal of the lease.

Mergence shall negotiate with Pick n Pay Retailers (Pty) Ltd and Score Super Markets (Trading) (Pty) Ltd in respect of the Rainbow/Score Agreement, in the utmost good faith to have the exclusivity clauses in the lease agreement in respect of the target property, removed at the renewal of the lease.

4. Monitoring of compliance with the Conditions

4.1. Mergence shall within (30) thirty days after entering into the new lease agreements in respect of the centres, provide the Commission with reports setting out in details the extent to which they have complied with the conditions of removing the exclusivity clause.

All correspondence in relation to Conditions should be forwarded to mergerconditions@compcom.co.za.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 874 OF 2012**COMPETITION COMMISSION****NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:****SYNERGY INCOME FUND LIMITED****AND****RAINBOW BEACH TRADING (PTY) LTD AND WESTSIDE TRADING 600 (PTY) LTD****CASE NUMBER: 2012MAY0226**

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is Synergy Income Fund Limited ("Synergy"), a company incorporated in terms of the laws of the Republic of South Africa. Synergy is a variable loan stock company listed on the Johannesburg Stock Exchange.

The primary target firms are two letting enterprises, located in Free State and Western Cape provinces, currently owned by Rainbow Beach Trading 180 (Pty) Ltd ("Rainbow") and Westside Trading 600 (Pty) Ltd ("Westside") respectively.

The Commission found that the activities of the merging firms overlap horizontally as both the merging parties own retail properties in South Africa. Synergy does not own any shopping centre classified as a community centre in the Gugulethu node and in the Phuthaditjhaba node or within the 5-10 km radius of the target properties. Accordingly, the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition as there is no geographic overlap in the activities of the merging parties.

The Commission found that there is a public interest concern arising from the proposed transaction around an exclusivity clause found in the lease Agreement. The exclusivity clause has the effect of preventing small businesses from competing effectively in the shopping centre.

The concern around the exclusivity clauses is addressed by proposing that the merging parties remove the exclusivity clauses at the renewal of the agreement.

The Commission therefore approves this merger transaction subject to the following conditions:

1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings -

- 1.1 "Commission" means the Competition Commission of South Africa;
- 1.2 "Conditions" means these conditions;
- 1.3 "Westside" means Westside Trading 600 (Pty) Ltd;
- 1.4 "Rainbow" means Rainbow Beach Trading 180 (Pty) Ltd;
- 1.5 "Merger" means the acquisition of control over two Rainbow and Westside's letting enterprise by Synergy;
- 1.6 "Merging Parties" means Synergy and SA Corporate Real Estate Fund;
- 1.7 "Synergy" means Synergy Income Fund Limited.

2. Recordal

- 2.1 Synergy has agreed to the following undertakings meant to address the public interest concerns.
- 2.2 It is the Commission's view that the conditions, in the current form, are necessary to address the public interest concerns.

3. Condition to the approval of the merger

- 3.1 Synergy shall negotiate with the anchor tenant and its franchisee in the utmost good faith to have the exclusivity clause in the lease agreement removed at the renewal of the lease in respect of each of the following centres and on the dates indicated below:
 - The Setsing Crescent Shopping Centre
 - Gugulethu Square

4. **Monitoring of compliance with the Condition**

- 4.1 Synergy shall within thirty (30) days after entering into a new lease agreement with the anchor tenant and its franchisee in the centres listed in 3.1 above provide a report setting out in detail the extent to which they have complied with condition 3.1 above.
- 4.2 All information required in respect of the monitoring requirement for this condition must be submitted to the following email: mergerconditions@compcom.co.za.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 875 OF 2012**COMPETITION COMMISSION**

**NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:
THE TRUSTEES FOR THE TIME BEING OF THE MERGENCE AFRICA PROPERTIES
INVESTMENT TRUST**

AND

**NQUTHU PLAZA SHARE BLOCK (PTY) LTD, BOCHUM PLAZA (PTY) LTD, BLOUBERG
PLAZA (PTY) LTD**

CASE NUMBER: 2012FEB0072

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is The trustees for the time being of the Mergence Africa Properties Investment Trust ("Mergence"). Mergence is in the business of investing directly into retail, industrial and office properties. It houses a portfolio of commercial properties.

The primary target firms are Nquthu Plaza Share Block (Pty) Ltd ("Nquthu"); Blouberg Plaza (Pty) Ltd ("Blouberg"); and Bochum Plaza (Pty) Ltd ("Bochum") (collectively "the target firms"). Nquthu is in respect of Nquthu Plaza Shopping Centre ("Nquthu Plaza"); Blouberg is in respect of Blouberg Plaza Shopping Centre ("Blouberg Plaza"); and Bochum is in respect of Bochum Plaza Shopping Centre ("Bochum Plaza").

The Commission found that the activities of the merging firms overlap horizontally as both the merging parties own retail properties in South Africa. The Commission found that the acquiring firm does not own any community shopping centres in the Nquthu node, KwaZulu Natal and in the Bochum node, in Limpopo. Accordingly, the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition as there is no geographic overlap in the activities of the merging parties.

The Commission is however concerned about the exclusivity clause in the lease agreements which prevent small businesses from gaining access to the centres. This raises public interest concerns especially with regard to independent and small businesses' ability to gain access to the shopping centre. The Commission engaged with the parties regarding this concern and the parties proposed to try their best endeavours to negotiate with the anchor tenants to remove the exclusivity clause at renewal of the leases.

The Commission therefore approves the proposed transaction with the following condition:

1. Mergence shall negotiate with the anchor tenants in the utmost good faith to have the exclusivity clause in the lease agreement removed at the renewal of the lease in the following centres:
 - Blouberg & Bochum Plaza
 - Nquthu Plaza

Monitoring of compliance with the Condition

2. Mergence shall within thirty (30) days after entering into a new lease agreement with the anchor tenants in the centres listed in 1 above provide a report setting out in detail the extent to which they have complied with the condition of removing the exclusivity clause.

All correspondence in relation to Conditions should be forwarded to
mergerconditions@compcom.co.za

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 876 OF 2012**COMPETITION COMMISSION****NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:****DCD-DORBYL (PROPRIETARY) LIMITED****AND****ELGIN BROWN & HAMER GROUP HOLDINGS (PROPRIETARY) LIMITED****CASE NUMBER: 2012JAN0031**

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is DCD-Dorbyl (Pty) Ltd ("DCD"). DCD is a diversified mechanical engineering business that operates across four primary clusters, namely, rail, mining and energy, marine and defence. DCD's marine cluster is active in the provision of ship repair services and DCD is well established in Cape Town focusing on the repair of oil and gas vessels, while it is also active in the provision of general ship repairs.

The primary target firm is Elgin Brown and Hamer Group Holdings (Pty) Ltd ("EBH"). EBH provides a range of ship repair and associated services to local and foreign owners of shipping

vessels. EBH's core activities include, among other things, steel fabrication, piping work, mechanical repairs, machining, blasting and coating, electrical repairs, hydraulics ship inspections, underwater repair services and the provision of project management services.

In the regional market for general repairs including oil and gas repairs, the merged entity's share of the market will be over half post transaction, meaning that the merged entity will be dominant in the regional market. The Commission does hold the view the proposed transaction will lead to the removal of EBH as an effective competitor. The barriers to entry and expansion in the regional market are high, particularly for players who wish to compete as multi-disciplinary contractors.

The Commission concludes that the proposed merger is likely to result in the prevention and lessening of competition in the regional market for general repairs. We reach this conclusion particularly because post transaction, key and essential infrastructure like the docking facilities and workshop facilities will be largely controlled by the merged entity at the key ports within the regional market.

Being able to offer privately owned or controlled docking facility is a significant advantage when competing for tender work. This is when competitors submit bids for consideration by customers, it is important to demonstrate that the party tendering for a repair project has secured a docking facility, whether owned or booked with the TNPA. Meaning that, players in the market compete through capacity (i.e. docking facilities and workshop facilities). In addition, South African docking space is widely acknowledged by industry participants as being the most expensive in the world, therefore being able to offer a private dock at acceptable cost gives an entity an enormous competitive advantage.

The resulting concentration in the ownership and control of the facilities and infrastructure in the regional market will lead to a substantial prevention or lessening of competition in the general ship repair market. The proposed merger will lead to a decrease in choice of suppliers of ship repair services stemming from the removal of EBH as an effective competitor in the regional

market for general ship repairs. The Commission is however of the view that these concerns can be remedied by way of conditions that will reduce the concentration of control and ownership of ship repair facilities and infrastructure.

Therefore, the proposed transaction is approved with the following conditions aimed at allaying the competition concerns:

1. The merging parties submit that facilities of EBH include its Eldock floating dock which is situated in Durban as well as two floating docks that are situated in Walvis Bay. In respect of these facilities the following principles shall apply:
 - 1.1. The merging parties shall divest of one of the EBH's floating docks. For the avoidance of doubt the divestiture includes the rights and interests that vest in one of the EBH floating docks.
2. The merging parties also submit that EBH's facilities include a small plant and property located in the northern side of the Graving Dock in Cape Town. The property is leased from the TNPA but the buildings that are erected on the property belong to EBH. In respect of these facilities the following principles shall apply:
 - 2.1. The merging parties shall terminate the lease between EBH and the TNPA.
 - 2.2. The merging parties shall dispose of the EBH buildings that are erected on the property.

Divestiture of DCD-Dorbyl facility

3. DCD-Dorbyl shall divest all its rights and interests in the vacant land which forms part of the Berrio Road Lease Agreement. For avoidance of doubt, the vacant land comprises of the four thousand square meters (4000 m²) as set out in the Berrio Road Lease Agreement.

Time Periods

4. The merging parties shall dispose of the divested facility on or before the expiry of the divestiture period, being 6 months.
5. The divestiture period may be extended by the Commission upon receipt of a written request from the merging parties for a further period not exceeding 3 months on "good cause shown". For the purpose of this clause "good cause shown" means circumstances that could not have reasonably been foreseen by the merging parties at the time the clearance certificate was issued. This request must be made in writing to the Commission at least a month before the expiry of the divestiture period.

The Commission is of the view that the conditions are extensive and will address competition concerns in the regional market, as key infrastructure will post-merger not be concentrated within the merged entity, therefore allowing other competitors to be able to compete effectively. Essentially, the proposed conditions will preserve the competition that currently exists in the regional ship repair market.

6. All correspondence in relation to Conditions should be forwarded to mergerconditions@compcom.co.za

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 877 OF 2012**COMPETITION COMMISSION****NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:****CAPITAL PROPERTY FUND****AND****CLAIRWOOD RACECOURSE****CASE NUMBER: 2012JUN0337**

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is Capital Property Fund ("Capital"), a property fund portfolio registered with the Financial Services Board and listed on the Johannesburg Stock Exchange. Capital is not controlled by any firm. Capital owns a portfolio of properties which include offices, industrial and retail property. Capital properties are located across Gauteng, Eastern Cape, KwaZulu-Natal, Western Cape, Mpumalanga and Free State province.

The primary target firm is the property known as the Clairwood Race Course ("Clairwood"). Clairwood is an asset owned by Natal Racing Properties (Pty) Ltd ("NRP"). NRP is controlled by Gold Circle (Pty) Ltd ("Gold Circle"). Clairwood is an immovable property utilised as a horse racing, stabling and training venue. It holds the infrastructure required to support the sport of horse racing, including seating facilities (grandstands and standing areas); a grass racing surface; stabling and training facilities for thoroughbred racehorses.

The proposed transaction entails an acquisition of Clairwood by Capital from NRP.

The Commission finds that the proposed transaction is unlikely to substantially prevent or lessen competition, as there is no overlap in the activities of the merging parties.

With respect to public interest, the Commission is of the view that the proposed transaction is likely to have a negative impact on employment, since Clairwood would no longer be used for horse racing activities after two (2) years following the transfer of Clairwood to Capital. In light of the foregoing, Gold Circle and NRP made an undertaking that two years after the date of transfer of Clairwood to Capital, Clairwood employees will be re-deployed to existing Gold Circle and NRP facilities on terms not less favourable than the existing terms and conditions of employment.

The Commission therefore approves the proposed transaction subject to the following conditions:

1. Definitions

- The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

- 1.1. **"Acquiring Firm"** means Capital Property Fund;
- 1.2. **"Approval Date"** means the date referred to in the Commission's merger clearance certificate (Form CC15);
- 1.3. **"Capital"** means Capital Property Fund, the primary acquiring firm;
- 1.4. **"Clairwood"** means Clairwood Racecourse, the primary target firm;
- 1.5. **"Commission"** means the Competition Commission of South Africa;
- 1.6. **"Competition Act"** means the Competition Act 89 of 1998, as amended;
- 1.7. **"Conditions"** means these conditions;
- 1.8. **"Date of Transfer"** means the date of registration of transfer of ownership of Clairwood Racecourse into the name of Capital Property Fund;

- 1.9. "Gold Circle" means Gold Circle (Pty) Ltd;
- 1.10. "Merger" means the acquisition of control by Capital Property Fund over Clairwood Racecourse;
- 1.11. "Merging Parties" means Capital and Clairwood; and
- 1.12. "NRP" means Natal Racing Properties (Pty) Ltd.

2. Recordal

The Commission finds that the proposed transaction is unlikely to raise competition concerns as there is no overlap in the activities of the Merging Parties. However, the proposed transaction is likely to have a negative impact on employment since Clairwood would no longer be used for horse racing activities after two (2) years following the transfer of Clairwood to Capital. In light of the foregoing, Gold Circle and NRP undertake that two years after the Date of Transfer of Clairwood to Capital, Clairwood employees will be re-deployed to existing Gold Circle and NRP facilities on terms not less favourable than the existing terms and conditions of employment. For purposes of monitoring the undertaking made by Gold Circle and NRP this undertaking is made a condition for the approval of this merger.

3. Conditions to the approval of the merger

- 3.1. No employees of Clairwood, NRP or Gold Circle shall be retrenched as a result of this Merger within (2) two years after the approval date and within, a further 2 (two) year period after Clairwood's employees have been re-deployed to the other existing facilities of Gold Circle and/or NRP.
- 3.2. The prohibition in 3.1 shall not apply to any employee who is offered re-deployment as recorded in 2 above, and who does not accept that re-deployment.
- 3.3. Should Gold Circle or NRP wish to retrench within the period mentioned in 3.1 above, they shall notify the Commission of such contemplated retrenchments and motivate as to why these retrenchments are not merger specific or merger related.

4. Monitoring of compliance with the Conditions

- 4.1. Gold Circle or NRP shall report any retrenchments with respect to 3.2. by e-mail to mergerconditions@compcom.co.za.
- 4.2. An apparent breach by the Gold Circle and NRP of any of the Conditions shall be dealt with in terms of Rule 39 of the Rules for the Conduct of Proceedings of the Competition Act.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 878 OF 2012
COMPETITION COMMISSION

NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:

J M WRAGGE AND JUNE ALEXANDER FAMILY TRUST

AND

MOUNTAIN MILL SHOPPING CENTRE (PTY) LTD

CASE NUMBER: 2012MAY0290

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firms are J M Wragge ("Wragge") and June Alexander Family Trust ("Alexander Trust") The Alexander Trust Group is involved in the investment of fixed property including retail, office and residential developments in the Western Cape and KwaZulu Natal.

The primary target firm is Mountain Mill Shopping Centre (Pty) Ltd ("MMSC"), a company incorporated in terms of the laws of the Republic of South Africa. Mountain Mill Shopping Centre is a shopping centre which is categorised as a minor regional centre comprising of 37 558m² of rentable retail space.

The activities of the merging firms overlap horizontally as both the merging parties own retail properties in South Africa. The Commission found that the acquiring firms do not own any a minor shopping centres or any other retail property in the Worcester node, in Western Cape. Accordingly, the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition as there is no geographic overlap in the activities of the merging parties.

The Commission is however concerned about the exclusivity clauses in the lease agreements which prevent small businesses and other grocery stores from gaining access to the centre. This raises public interest concerns especially with regard to independent and small businesses' ability to gain access to the shopping centre. The Commission engaged with the parties regarding this concern and the parties proposed to try their best endeavours to negotiate with the anchor tenants to remove the exclusivity clause at renewal of the leases.

The Commission therefore approves the proposed transaction subject to the following condition:

1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings -

- 1.1 "Acquiring firms" means Wragge and Alexander Trust;
- 1.2 "Commission" means the Competition Commission of South Africa;
- 1.3 "Conditions" means these conditions;
- 1.4 "J M Wragge" means Wragge;
- 1.5 "June Alexander Family Trust" means Alexander Trust.

2. Recordal

- 2.1 The acquiring firms have agreed to the following undertakings meant to address the public interest concerns, which relates to the exclusivity clauses found in the lease agreements between the landlord and the anchor tenants.
- 2.2 It is the Commission's view that the conditions, in current form, are necessary to address the public interest concerns, raised in 2.1.

3. Conditions to the approval of the merger

- 3.1 The acquiring firms shall negotiate with the anchor tenants in the utmost good faith to have the exclusivity clause in the lease agreement removed at the renewal of the lease.

4. Monitoring of compliance with the Conditions

- 4.1 The acquiring firms shall within thirty (30) days after entering into a new lease agreement with the anchor tenants, provide a report setting out in detail the extent to which they have complied with the condition of removing the exclusivity clause.
- 4.2 All information required in respect of the monitoring requirement for this condition must be submitted to the following email: mergerconditions@compcom.co.za.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 879 OF 2012**COMPETITION COMMISSION****NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:****NEW GLEN SHOPPING CENTRES (PTY) LTD****AND****THE LUIS GROUP PLATINUM TRUST****CC CASE NUMBER: 2012APR0189**

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is New Glen Shopping Centres (Pty) Ltd ("New Glen"), a private firm incorporated in accordance with the laws of the Republic of South Africa. New Glen is jointly controlled by the Tamjon Investment Trust ("Tamjon Trust") and Ricjen Investment Trust ("Ricjen Trust"). The Ricjen Trust and Ricjen Trust jointly control numerous trusts which include property owning trusts. The property trust relevant for the current transaction is the Daleglen Property Group (Pty) Ltd ("Daleglen Group") which holds a retail centre.

New Glen is a newly incorporated firm established for purposes of the current acquiring the target firm as such it does not conduct any activities. The acquiring group is involved in the leasing of fixed property consisting of retail, office, industrial and selected title sectional residential development in the Western Cape. Relevant for purposes of the current transaction is a retail property named the Edgemead Shopping Centre a retail property classified as a neighbourhood centre with a gross lettable area ("GLA") of 5 850 m², located in the Milnerton node.

The primary target firm is a retail letting enterprise known as the Paddock ("the Paddock") classified as a neighbourhood centre with a GLA of 9 255m² situated in Milnerton Cape Town. The target property is owned by the Louis Group Platinum Trust ("Louis Group"), a trust incorporated in accordance with the laws of the Republic of South Africa. The Louis Group is controlled by three individuals. The Louis Group controls numerous property controlling trusts. In terms of the Sale Agreement, New Glen will purchase the Paddock from Louis Group, as a going concern. Upon completion of the proposed transaction, New Glen will own the target property.

The Commission found that the activities of the merging parties overlap in the market for the provision of rentable retail space in neighbourhood centres, which fall under convenience centres. The Commission found that, post-merger, the merging parties will have a [REDACTED] combined market share. The Commission concludes that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition as the merging parties will still face competition from Prop 1 Property Investments (Pty) Ltd; Blend Property 6 (Pty) Ltd; CBS Property Group (Pty) Ltd and Pick n Pay Retailers (Pty) Ltd which own neighbourhood centres within a 5 km radius to the merging properties.

The Commission had a concern that arises due to exclusivity clauses contained in the lease agreements between the Spar Group Limited (one of the anchor tenants in the target property) and the lease agreement with Woolworths (Pty) Ltd (other anchor tenant in the target property) in respect of the target property. The Commission found that the exclusivity clauses have the effect of excluding rivals of Spar and Woolworths from the centre with the implication that the ability of small businesses to compete in the local market in centre will be affected. In order to address the concern the Commission negotiated with the merging parties to have the clause removed as it could not be justified. An agreement was reached to impose a condition to have the exclusionary clauses removed (in accordance with the contractual terms) in the agreements. The Commission therefore approves this merger transaction subject to the following conditions:

1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

- 1.1 "**Approval Date**" means the date referred to in the Competition Commission's merger clearance certificate (Form CC 15);
- 1.2 "**Acquiring Firm**" means New Glen Shopping Centres (Pty) Ltd;
- 1.3 "**Commission**" means the Competition Commission of South Africa;
- 1.4 "**Conditions**" means these conditions;
- 1.5 "**Merger**" means the acquisition of control over the target property being the Paddock;
- 1.6 "**Spar Group**" means the Spar Group Limited;
- 1.7 "**Spar Agreement**" means the lease agreement concluded between Investec Property Group Limited and the Spar Group in respect of the Paddock, with all the respective rights held by the Louis Group Platinum Trust;
- 1.8 "**Target property**" means retail letting enterprise known as the Paddock;
- 1.9 "**Woolworths**" mean Woolworths (Pty) Ltd.; and
- 1.10 "**Woolworth Agreement**" means agreement concluded between Growthpoint Properties Limited and Woolworths in respect of the Paddock with all the respective rights currently held by Louis Group Platinum Trust

2. Recordal

- 1.2 New Glen has agreed to the following undertakings meant to address the public interest concerns.
- 1.3 It is the Commission's view that the conditions, in current form, are necessary to address the public interest concerns.

3. Conditions to the approval of the merger

- 3.1 The acquiring firm shall negotiate with Woolworths, in the utmost good faith to have the exclusivity clause in the respective lease agreements in relation to the target property removed at the renewal in 2015.

3.2 The acquiring firm shall negotiate with Spar, in the utmost good faith to have the exclusivity clause in the respective lease agreement in relation to the target property removed at the renewal of the each lease in 2014.

4 Monitoring of compliance with the conditions

4.1 The acquiring firm shall within (30) thirty days after entering into the new lease agreements with Woolworths, in connection to the centres, provide the Commission with a report setting out in details the extent to which they have complied with the conditions of removing the exclusivity clause.

4.2 The acquiring firm shall within (30) thirty days after entering into the new lease agreements with Spar, in connection to the centres provide the Commission with a report setting out in details the extent to which they have complied with the conditions of removing the exclusivity clause.

4.3 All correspondence in relation to Conditions should be forwarded to mergerconditions@compcom.co.za.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 880 OF 2012**COMPETITION COMMISSION****NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:****REUTECH LIMITED****AND****THE TACTICAL COMMUNICATIONS BUSINESS OF SAAB GRINTEK DEFENCE (PTY)
LTD****2012MAY0258**

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is Reutech Limited ("Reutech"), a firm incorporated in terms of the laws of the Republic of South Africa. Reutech is controlled by Reunert Limited ("Reunert"), which is listed on the JSE. Reunert is a public company and is not controlled by any company.

The primary target firm is the tactical communications business of SAAB Grintek Defence (Pty) Ltd ("SAAB"), a firm incorporated in terms of the laws of the republic of South Africa. SAAB is controlled by SAAB South Africa (Pty) Ltd which is ultimately controlled by SAAB AB ("SAAB AB"), a company registered in terms of the laws of Sweden.

The Commission is of the view that the products and services provided by the merging parties do not overlap because Reutech focus on *short range tactical military communication solutions*

while SAAB Grintek Defence focus on *long range tactical military communications solutions*. These products and services are not substitutable for each other.

The barriers to entry in these markets are high. The military tactical communications business requires high technological and research development costs. It might take about 3 to 10 years to enter the market and up to 10 more years to develop the market.

Customers of the merging parties however have some degree of countervailing power. In addition, most projects are on an international tender basis which increases the ability of these customers to negotiate prices and access more suppliers.

None of the merging parties contacted had concerns with the proposed transaction.

From public interest point of view, there are likely to be retrenchments involved. Reutech cannot provide any certainty as to the number and identity of the employees who are potentially facing retrenchments when the integration between Reutech and the SAAB is implemented. In particular, Reutech has made no decisions in relation to retrenchments, however, estimated that about 50 employees will be retrenched assuming the "worst case scenario".

The Commission is of the view that the proposed transaction does not lead to significant prevention or lessening of competition. However, there are public interest concerns regarding these 50 employees who are likely to be retrenched as a result of this transaction. In order to address this concern, the Commission has imposed the following conditions:

For a period of 2 years, Reutech will:

1. ensure that there are no more than 50 dismissals, based on the merged entity's operational requirements, in South Africa, resulting from the merger. For the sake of clarity, dismissals do not include (i) voluntary separation arrangements (ii) voluntary early retirement packages; and (iii) unreasonable refusals to be redeployed in accordance with the provisions of the Labour Relations Act, 1995, as amended.
2. use all reasonable efforts to redeploy any affected employees, where possible, into Reutech's other Johannesburg based production operations (i.e those Johannesburg

based operations outside of Reutech Communications, being the division into which the Tactical Communications Business of SAAB will be incorporated);

3. make available various support measures to assist the affected employees, such support measures to include:
 - a) making available pre and post-termination counselling to all affected employees;
 - b) hosting workshops and/or providing one-on-one individual assistance and support in dealing with administrative issues (e.g. pension, tax and UIF contributions and payments) that may arise as a result of the employee's termination of employment;
 - c) offering outplacement support, such as providing assistance in preparing a curriculum vitae, disseminating useful tips and skills to be used at future job interviews, as well as introducing affected employees to an appropriate placement agency; and
 - d) for a period of 12 (twelve) months after any affected employee's employment with the merged entity terminates, the merged entity shall retain the curriculum vitae of any such affected employee and consider that affected employee for any suitable vacancy that may arise in the merged entity's business provided the affected employee has, inter alia, the requisite skills, experience and qualifications.
4. set up a R1,000,000 (one million Rand) training fund (the "designated fund") to be used for the training of affected employees. The designated fund shall be applied in accordance with the principles and conditions set out above.

All correspondence in relation to Conditions should be forwarded to mergerconditions@compcom.co.za

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 881 OF 2012
COMPETITION COMMISSION

NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:

OCEANA GROUP LIMITED AND COMMERCIAL COLD STORAGE (PTY) LTD

AND

V&A COLD STORE (PTY) LTD

CASE NUMBER: 2012APR0187

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is Oceana Group Limited ("Oceana"), a public company incorporated in terms of the laws of the Republic of South Africa. Oceana is acting in this transaction through Commercial Cold Storage Group (Pty) Limited ("CCS"). Oceana, through CCS, owns and manages cold storage facilities in the main industrial and harbours of South Africa (including Cape Town, Durban and Johannesburg). It provides commercial cold storage and handling services to producers, importers, exporters, traders, wholesalers and retailers primarily in the frozen food industries including to the Oceana Group.

The primary target firm is V&A Cold Store (Pty) Limited ("V&A"). V&A is controlled by LG Family Trust. V&A is cold storage facility situated at the Cape Town quayside at the Table Bay harbour. V&A's cold storage facility provides handling and cold storage services to various types of commodities.

In relation to the proposed acquisition by Oceana, there is a horizontal relationship between the activities of the merging parties, as both Oceana and V&A are active in the provision of cold storage and handling services.

The Commission found that there will be no competition concerns arising from the proposed transaction in the broader Cape Town market for cold storage of packaged non-fish products and packaged fish products. Although the Commission found that the barriers to entry appear to be high in the said market, customers have a number of alternatives should the merged entity increase prices (or quality of service deteriorates) post the proposed transaction.

However, in relation to the market for cold storage which is limited to the quayside for loose fish and fish destined for the export market, the market share accretion is high. The merger will therefore result in Oceana being dominant in cold storage and handling of loose and packaged fish (destined for the export market) at the quayside.

Entry barriers for establishing a cold storage business at the quayside are high given the high capital costs, lack of space at the harbour to set up new storage facilities or for existing players to expand their cold store operations.

The merging parties are vertically integrated and are engaged in the harvesting, processing and selling of fish. Cold storage is a service that forms part of this value chain and can be thought of as an essential facility. The Commission is concerned that the constraint which V&A may have constituted in respect of the supply of storage and handling services for loose and packaged fish (destined for the export market) at the quayside will be removed as a result of the proposed merger. This may lead to possible foreclosure of customers and rise in handling and storage fees. The Commission's analysis shows that there is closeness of competition between the merging parties and the proposed transaction results in the removal of an effective competitor at the quayside.

Furthermore, customers that use the quayside have very limited countervailing power because of the lack of the cold storage alternatives at the quayside.

In order to address this concern of possible foreclosure and rise in prices, the Commission imposes a condition to ensure access to the cold storage facilities for fish customers on a non-discriminatory basis post-merger for as long as Oceana has control of V&A.

CONDITIONS

1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

- 1.1. **"Acquiring Firms"** means Oceana Group Limited and Commercial Cold Storage (Pty) Limited;
- 1.2. **"Approval Date"** means the date referred to in the Commission's Merger Clearance Certificate (Form CC15);
- 1.3. **"Commercial considerations"** means reasonable principles of commerce, or bona fide reasons, taken into account in arriving at a decision in the ordinary course of business;
- 1.4. **"Commission"** means the Competition Commission of South Africa;
- 1.5. **"Competition Act"** means the Competition Act 89 of 1998, as amended;
- 1.6. **"Conditions"** means these conditions
- 1.7. **"Merger"** means the acquisition of control over the V&A Cold Store (Pty) Ltd business by Oceana Group Limited and Commercial Cold Stores (Pty) Ltd;
- 1.8. **"Merging Parties"** means Oceana Group Limited, Commercial Cold Storage (Pty) Limited and V&A Cold Store (Pty) Ltd;
- 1.9. **"Target Firm"** means V&A Cold Store (Pty) Ltd;
- 1.10. **"V&A Cold Store"** means V&A Cold Store (Pty) Ltd.

2. Recordal

- 2.1. This merger results in the removal of an effective competitor and the control by the merging parties of over 70% of the market for the cold storage and handling of loose and packaged fish. There are also high barriers to entry into the market for cold storage and handling of loose and packaged fish at the quayside.
- 2.2. The merging parties are vertically integrated and are engaged in the harvesting, processing and selling of fish. Cold storage is a service that forms part of this value chain. The Commission is concerned that the constraint which V&A may have constituted in respect of the supply of storage and handling services for all fish will be removed as a result of the merger.
- 2.3. In order to address this concern the Commission imposes a condition to ensure access to the cold storage facilities for all fish on a non-discriminatory basis post-merger.

3. Conditions to the approval of the merger

- 3.1. The Acquiring Firm shall, post-merger, make available cold storage facilities and all related ancillary services in respect of all fish to existing and future independent third party customers on a non-discriminatory basis;
- 3.2. The Acquiring firm shall not differentiate in its pricing to any of its subsidiary and related companies and third parties, other than on standard commercial terms such as volume commitments. Any discounts and/or allowances granted shall be transparent and available to all customers willing and able to meet such volume commitments; and
- 3.3. Oceana shall inform all customers of the Merging Parties, by way of written notice, of the above conditions within two weeks of the Approval Date. To this end, Oceana must provide an affidavit by a senior official attesting to the notification and provide a copy of the notice that was sent to its customers within 1 month of the Approval Date.

4. Duration

- 4.1 The above conditions shall remain in place for as long as the Acquiring Firms have control over V&A Cold store.
- 4.2 At any time during the duration of the conditions the Commission may, on good cause shown, lift, revise or amend the conditions upon being approached by the Acquiring Firms or any third party.

5. Monitoring of compliance with the Conditions

- 5.1. In the event that the Commission receives any complaint in relation to non-compliance with the above condition, or otherwise determines that there has been an apparent breach by Oceana of the conditions, the breach will be dealt with in terms of Rule 39 of the Competition Commission Rules.
- 5.2. All correspondence in relation to Conditions should be forwarded to mergerconditions@compcom.co.za.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 882 OF 2012**COMPETITION COMMISSION****NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:****OCEANA GROUP LIMITED ("OCEANA")****AND****SOLE BUSINESSES OF PHAMBILI FISHERIES (PTY) LIMITED, BATO STAR FISHING (PTY) LIMITED AND ENTITIES WITHIN THE AFRICAN MARINE PRODUCTS (PTY) LIMITED GROUP OF COMPANIES****CASE NO: 2012APR0188**

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firm is Oceana Group Limited ("Oceana") acting in this transaction through its wholly-owned subsidiaries Oceana Lobster Limited ("Oceana Lobster") and Blue Continent Products (Proprietary) Limited ("BCP"). Oceana harvests, processes and markets (both domestically and internationally) pilchard, fishmeal, lobster, horse mackerel, squid and hake. It has invested substantially in the only vessel dedicated to catching horse mackerel, the Dessert Diamond. It further has fishing rights to a small quota in respect of south coast rock lobster ("SCRL") and hake and no quota in respect of sole fish.

The primary target firms are Phambili Fishing (Proprietary) Limited ("Phambili"), Bato Star Fishing (Proprietary) Limited ("Bato Star") and a number of entities within African Marine Products (Proprietary) Limited ("AMP"). AMP, through its subsidiaries and related companies conducts a diversified fishing business in South African waters in respect of hake, sole, horse mackerel, pilchard and rock lobster. AMP owns certain crewed fishing vessels which are used to catch their fish and also operates certain fish catching, storing, packaging and processing

businesses. Phambili and Bato Star are similarly engaged in fishing. Phambili has fishing rights in respect of SCRL and Bato Star has been granted fishing rights in respect of the west coast rock lobster ("WCRL"), hake and tooth fish.

The purchase of these shares, interests and assets essentially amounts to Oceana purchasing the SCRL, sole, hake and horse mackerel fishing business units belonging to the target firms. Pursuant to the implementation of the proposed transaction, Oceana will own and control the shares, interests and assets comprising the fishing business units of the target firms.

There is no overlap between the merging parties with regards to the sole market.

In respect of the hake fishing rights, including the gains accrued from Oceana's joint venture partners and AMP's contracted rights, the merged entity will have a market share estimated of less than 10%. There are several other competitors in the hake market and these include I&J, Sea Harvest, Foodcorp, Viking and several other smaller quota holders. The merged entity will become the 3rd largest competitors although trailing significantly behind the top two players.

The target entities have a number of agreements with small independent fish right holders for the catching of fish on their vessels (Sandile and Toralla) which are being acquired as part of the proposed transaction. The Commission considered whether Oceana will have the incentive going forward not to catch for 3rd parties. The Commission found that, given the scale requirement in the harvesting of hake, it would be irrational for Oceana not to utilise the quotas from third parties. Moreover, Oceana has shown intent to enter into catching arrangements with third parties that currently have arrangements with the target firms. A new provision in the Reinstatement Agreement requires that AMP concludes an agreement between these right holders and Oceana for the duration of the fishing rights which ends in 2020.

Furthermore, the Commission's investigation found that there are alternatives for 3rd parties in the likes of I&J and Sea Harvest that are continuously seeking to engage 3rd party right holders for catching agreements. Given the agreements being contemplated and that there is competition among the larger rights holders such as I&J and Sea Harvest for these small fishing quotas in order to improve their economies of scale; it is unlikely that third parties will be disadvantaged from the sale of the Sandile or the Toralla due to availability of alternatives as

well as scale requirements of Oceana. As such the Commission is of the view that the proposed transaction is unlikely to raise competition concerns in the hake market.

With regards to the horse mackerel market, the merged entity's share of the horse mackerel rights including contracted rights is estimated to be very high with an accretion from AMP of about being less than 5%. Oceana is however dominant in this market pre-merger, therefore dominance does not result from the proposed acquisitions. The Commission found that there are no anticompetitive concerns arising in the horse mackerel market as a result of the proposed transaction.

Concerning, the SCRL market, the merged entity will have a combined market share (including JV quotas and rights to be contracted) of over 25%. The market shares estimates above suggest that Oceana's market share accretion will be high but this is not reflective of the current dynamics of the market as Oceana is already in a joint venture arrangement with AMP pre-merger. From the proposed transaction, Oceana's accretion will be thus be less than 10%. Given the relatively low real market share accretion, the proposed transaction does not change the dynamics in the SCRL market in this regard.

However, the Commission was concerned that smaller rights holders might be refused access to the SCRL catching vessels post transaction. In that, Oceana may decide not to give third parties access to the vessels or make their trade conditions unfavourable, thereby constructively refusing to supply an essential input. This concern has been addressed as the affected third parties with the exception of one have signed the re-instatement agreements with Oceana. The remaining 3rd party cited alternatives in the market.

The Commission is of the view that the proposed transaction is unlikely to result in anticompetitive effects in any of the markets involved as long as the third parties that have catching arrangements with the target entities will continue to have access to the merged entities vessels/ and or if those catching agreements are transferred to the merged entity.

Regarding public interest considerations, the proposed transaction raises issues around the transformation of the fishing industry and participation of BEE owned companies, this is an area that is actively regulated by Department of Agriculture Forestry and Fisheries ("DAFF"). The Commission and DAFF have concurrent jurisdiction on the proposed transactions and therefore the Commission's decision does not supersede that of DAFF. The transactions that have not been approved by DAFF become devisable from the main transaction and alternative agreements will be entered into which would still allow Oceana to exploit the fishing rights concerned albeit by way of a joint venture agreement or the creation of a separate new corporate entity with a 100% BEE partner. It is unclear whether these new agreements will meet the threshold that deems them to be filled with Commission at this stage.

In respect of employment issues, the merging parties submitted that there are no employees in entities where AMP is selling fishing assets or disposing of 100% of issued shares. In as far as Blue Continent is taking over the crew of the MFV Sandile; the merging parties submit that such crew will be re-deployed on the new vessel to be acquired by Oceana in terms of the proposed transaction, the Helena Marie (previously called Cobelo). The merging parties also indicated that the crew will also replace any vacancies arising within Blue Continent on Oceana vessels (MFV Compass Challenger; MFV Reakela; MFV Desert Diamond and MFV Toralla) as relief crew. The parties also submit that these employees will be transferred on the same terms and conditions. The merging parties further indicated that land-based employees, who do not form part of the crew, will be transferred into the AMP group of companies as full-time employees.

The Commission however remained concerned about the future of seasonal or short term contract employees and therefore imposes a condition that no retrenchments of employees may be made as a consequence of the merger.

Commission thus approves the proposed transaction on condition that Oceana does not retrench any employees on contract for a period of two years.

1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

- 1.1. **"Acquiring Firms"** means Blue Continent Products (Proprietary) Limited and Oceana Lobster Limited;
- 1.2. **"Approval Date"** means the date referred to in the Commission's Merger Clearance Certificate (Form CC15);
- 1.3. **"Commercial reasons"** means reasonable principles of commerce, or bona fide reasons, taken into account in arriving at a decision in the ordinary course of business;
- 1.4. **"Commission"** means the Competition Commission of South Africa;
- 1.5. **"Competition Act"** means the Competition Act 89 of 1998, as amended;
- 1.6. **"Conditions"** means these conditions;
- 1.7. **"Employees"** means all permanent and contract workers of the Target Firms affected by the Merger;
- 1.8. **"Merger"** means the acquisition of control over Sole Businesses of Phambili Fisheries (Pty) Limited, Bato Star Fishing (Pty) Limited and Entities within the African Marine Products (Pty) Limited group of business by the Acquiring Firms;
- 1.9. **"Merging Parties"** means the Acquiring Firms and Sole Businesses of Phambili Fisheries (Pty) Limited, Bato Star Fishing (Pty) Limited and entities within the African Marine Products (Pty) Limited group of businesses;
- 1.10. **"Target firms"** means Sole Businesses of Phambili Fisheries (Pty) Limited, Bato Star Fishing (Pty) Limited and entities within the African Marine Products (Pty) Limited group of businesses.

2. Recordal

- 2.1. The merging parties indicate that there will be no retrenchments as a result of the merger. The Commission however remained concerned about the future of seasonal or short term contract employees and therefore imposes a condition that

no retrenchments of Employees may be made as a consequence of the merger.

3. Conditions to the approval of the merger

- 3.1. The merging parties will not retrench any Employees for a period of two years from the Approval Date.

4. Duration

- 4.1 Clause 3.1 will remain in place for a period of two years.
- 4.2 At any time during the duration of this condition the Commission, on good cause shown, may lift, revise or amend this condition upon being approached by the Acquiring Firm or any third party.

5. Monitoring of compliance with the Conditions

- 5.1. With respect to Employees, the Acquiring Firm will on a yearly basis from the Approval Date submit a written confirmation detailing adherence to clause 3.1.
- 5.2. All correspondence in relation to Conditions should be forwarded to mergerconditions@compcom.co.za.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

NOTICE 883 OF 2012**COMPETITION COMMISSION****NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:****THE TRUSTEES FOR THE TIME OF THE MERGENCE AFRICA PROPERTY INVESTMENT TRUST****AND****GOLDEN POND 322 (PTY) LTD, SALESTALK 298 (PTY) LTD AND RAINBOW BEACH****TRADING 180 (PTY) LTD****CASE NUMBER: 2012JUL0422**

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission, that it has approved the transaction involving the above mentioned firms subject to conditions as set out below:

The primary acquiring firms are the trustees of the time being of Mergence Africa Property Investment Trust Fund (Pty) Ltd ("Mergence"). Mergence is a trust incorporated in terms of the laws of the Republic of South Africa. Dipula is a property loan stock company listed on the JSE. Dipula indirectly controls a diversified property portfolio of retail, industrial and office properties throughout South Africa.

The primary target firms are Golden Pond 322 (Pty) Ltd ("Golden Pond") in respect of Randfontein Station Shopping Centre ("Randfontein Centre"), Salestalk 298 (Pty) Ltd ("Salestalk") in respect of Bushbuckridge Shopping Centre ("Bushbuckridge Centre") and Rainbow Beach Trading 180 (Pty) Ltd ("Rainbow") in respect of The Plaza Shopping Centre ("The Plaza").

The target properties are lettable retail shopping centres fully described as follows:

Randfontein Centre is a retail centre with a gross lettable area ("GLA") of 5,963m² (five thousand nine hundred and sixty three square metres). Randfontein Centre is located on the corner of Station Road and Sutherland Roads, Randfontein on the West Rand.

Bushbuckridge Centre is a retail centre with a GLA of 14,640m². Bushbuckridge Centre is located on Main Bushbuckridge Road, Bushbuckridge, Mpumalanga.

The Plaza is a retail centre with a GLA of 25,000m². The Plaza is located on Mopoi Street, Phuthaditjaba, Free State.

In terms of the Sale Agreements, Mergence will acquire, as a going concern, the target properties together with the letting enterprises, conducted by the target firms on the target properties. Post-merger Mergence will wholly own the target properties.

There is an overlap in the activities of the merging parties overlap in the market for the provision of rentable retail space specifically in convenience centre. However, the Commission found that none of the retail centres owned by the acquiring firms overlap geographically with the target properties. The Commission concludes that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition as there is no geographic overlap in the activities of the merging parties.

There is a concern arising in respect of exclusivity clauses contained in the following:

- Memorandum of Lease between Century Retail Developments and Shoprite Checkers (Pty) Ltd
- Memorandum of Lease between Golden Pond 322 (Pty) Ltd and Shoprite Checkers (Pty) Ltd
- Memorandum of Agreement of Lease between Rainbow Beach Trading 180 (Pty) Ltd and Score Super Markets (Trading) (Pty) Ltd and Pick 'n Pay Retailers (Pty) Ltd
- Memorandum of Agreement of Lease between Setsing Shopping Centre (Pty) Ltd and Shoprite Checkers Limited

The Commission found that the exclusivity clauses have the effect of excluding rivals of Shoprite, Score and Pick n Pay from the centres with the implication that small businesses are prevented from competing effectively in the centres. In order to address the concern the Commission negotiated with the merging parties to have the clause removed as the exclusivity clauses could not be justified. The Commission reached an agreement to impose a condition to

have the exclusionary clauses removed (in accordance with the contractual terms) in the agreements.

The Commission therefore approves this merger transaction subject to conditions as listed below:

1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

- 1.1. "**Acquiring Firms**" means the trustees of the time being of Mergence Africa Property Investment Trust;
- 1.2. "**Approval Date**" means the date referred to in the Commission's merger clearance certificate (Form CC15);
- 1.3. "**Bushbuckridge Centre**" means Bushbuckridge Shopping Centre held by Salestalk 298 (Pty) Ltd;
- 1.4. "**Century Retail/Shoprite Agreement**" means the Memorandum of Lease concludes between Century Retail Developments and Shoprite Checkers (Pty) Ltd;
- 1.5. "**Commercial reasons**" means reasonable principles of commerce, or bona fide reasons, taken into account in arriving at a decision in the ordinary course of business;
- 1.6. "**Commission**" means the Competition Commission of South Africa;
- 1.7. "**Competition Act**" means the Competition Act 89 of 1998, as amended;
- 1.8. "**Conditions**" means these conditions;
- 1.9. "**Golden Pond/Shoprite Agreement**" means Memorandum of Lease between Golden Pond 322 (Pty) Ltd and Shoprite Checkers (Pty) Ltd;
- 1.10. "**Merger**" means the acquisition of control over Randfontein Station Shopping Centre held by Golden Pond 322 (Pty) Ltd; Bushbuckridge Shopping Centre held by Salestalk 298 (Pty) Ltd and The Plaza Shopping Centre held by Rainbow Beach Trading 180 (Pty) Ltd, by the trustees of the time being of Mergence Africa Property Investment Trust;

- 1.11. **"Merging Parties"** means the trustees of the time being of Mergence Africa Property Investment Trust and Randfontein Station Shopping Centre held by Golden Pond 322 (Pty) Ltd; Bushbuckridge Shopping Centre held by Salestalk 298 (Pty) Ltd and The Plaza Shopping Centre held by Rainbow Beach Trading 180 (Pty) Ltd, by the trustees of the time being of Mergence Africa Property Investment Trust;
- 1.12. **"Mergence"** mean the trustees of the time being of Mergence Africa Property Investments Trust.
- 1.13. **"Randfontein Centre"** means Randfontein Station Shopping Centre as held by Golden Pond 322 (Pty) Ltd;
- 1.14. **"Setsing/Shoprite Agreement"** means Memorandum of Agreement of Lease between Setsing Shopping Centre (Pty) Ltd and Shoprite Checkers Limited;
- 1.15. **"The Plaza"** means the Plaza Shopping Centre held by Rainbow Beach Trading 180 (Pty) Ltd;

2. Recordal

- 2.1. Mergence has agreed to the following undertakings which are meant to address the public interest concerns.
- 2.2. It is the Commission's view that the conditions, in the current form, are necessary to address the public interest concerns.

3. Conditions to the approval of the merger

- 3.1 Mergence shall negotiate with Shoprite Checkers (Pty) Ltd (Pty) Ltd in respect of the Century Retail/Shoprite Agreement, Golden Pond/ Shoprite Agreement and Setsing/Shoprite Agreement, in the utmost good faith to have the exclusivity clauses in the lease agreement in respect of the target property, removed at the renewal of the lease.
- 3.2 Mergence shall negotiate with Pick n Pay Retailers (Pty) Ltd and Score Super Markets (Trading) (Pty) Ltd in respect of the Rainbow/Score Agreement, in the utmost good faith

to have the exclusivity clauses in the lease agreement in respect of the target property, removed at the renewal of the lease.

4. Monitoring of compliance with the Conditions

4.1. Mergence shall within (30) thirty days after entering into the new lease agreements in respect of the centres, provide the Commission with reports setting out in details the extent to which they have complied with the conditions of removing the exclusivity clause.

4.2. All correspondence in relation to Conditions should be forwarded to mergerconditions@compcom.co.za.

Enquiries in this regard may be addressed to Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298, or Facsimile: (012) 394 4298.

Printed by and obtainable from the Government Printer, Bosman Street, Private Bag X85, Pretoria, 0001
Publications: Tel: (012) 334-4508, 334-4509, 334-4510
Advertisements: Tel: (012) 334-4673, 334-4674, 334-4504
Subscriptions: Tel: (012) 334-4735, 334-4736, 334-4737
Cape Town Branch: Tel: (021) 465-7531

Gedruk deur en verkrygbaar by die Staatsdrukker, Bosmanstraat, Privaatsak X85, Pretoria, 0001
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