

Consent to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 1 April 2014

Completed acquisition by Wolseley UK Limited ('Wolseley') of Fusion Provida Holdco Limited ('Target')

We refer to your letter dated 26 March 2014 requesting that the CMA consents to derogations to the Initial Enforcement Order of 1 April 2014 (the 'Initial Order').

Under the Initial Order, save for written consent by the CMA, provision was made that Wolseley will hold separate the Wolseley business (as defined in the Initial Order) from the Target's business. After due consideration of your request for a derogation to the Initial Order, Wolseley may carry out the following actions, in respect of the specific paragraphs:

Paragraphs 5(a) and 6(l) of the Initial Order

During the specified period (as defined in the Initial Order), Wolseley is permitted to undertake an audit of the Target's Health and Safety policies and practices, and to make subsequent remedial recommendations, to the extent required in order to comply with Health and Safety regulations and Wolseley's Health and Safety policies.

Paragraph 6(e) of the Initial Order

During the specified period, Wolseley is permitted to carry out improvements to the traffic routing and road markings in the Target's sites to the extent required to minimize Health and Safety risks.

Paragraph 6(l) of the Initial Order

During the specified period, to the extent required in order to comply with the Target's Goods Vehicle Operator's Licence, Wolseley is permitted to implement and supervise a new operational protocol for the Target's logistics team. No competitively sensitive information will pass to Wolseley as a result of this arrangement.

Paragraphs 5(a), 6(i) and 6(l) of the Initial Order

During the specified period, to the extent required by its regulatory obligations as a listed company, the Target is permitted to provide the following financial information (on an aggregated and not branch-specific basis) to [] (Director of Central Finance) and [] (Head of Operations & Process) at Wolseley:

- (i) monthly sales versus target;
- (ii) monthly cash flow;
- (iii) monthly profit & loss summary and balance sheet.

Neither [] nor [] have any involvement in the day to day commercial activity of any Wolseley trading entity. Wolseley will implement measures to ensure that this information is not provided to any other individual at Wolseley, including confidentiality agreements and appropriate IT firewalls.

Paragraphs 5(a), 6(c), 6(i), 6(j) and 6(l) of the Initial Order

During the specified period, [] (a contractor) will act as the Target's Interim Finance Director, [] (a contractor) will act as the Target's Interim Human Resources Manager, and [] will act as the Target's Executive Chairman. These individuals will no longer perform any role within the Wolseley business and will sign confidentiality agreements and be subject to appropriate IT firewalls.