

Consent to certain actions for the purposes of the Interim Order made by the Competition and Markets Authority (CMA) on 1 July 2016

Completed acquisition by Arriva Rail North Limited (Arriva) of the Northern Rail Franchise

We refer to your email of 4 July 2016 requesting that the CMA consents to derogations to the Interim Order of 1 July 2016 (the '**Interim Order**'), as listed below. The terms defined in the Interim Order have the same meaning in this letter.

Under the Interim Order, save for written consent by the CMA, provision was made that Arriva will hold separate the Northern Franchise Business from any Arriva Business and refrain from taking any action which might prejudice the Reference or impede the taking of any remedial action following such a reference.

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

Derogation from paragraph 5(g) (ii) of the Interim Order: Changes in nature, description, range and/or quality of services provided by Northern Rail Franchise/Arriva

By email dated 4 July 2016, Arriva requested permission to raise the price on cheap day-return tickets in the Greater Manchester area by up to 50p. Arriva stated that this was a commercial decision made by ARNL independently, and was [redacted], as well as [redacted]. Arriva explained that similar changes were implemented by the Northern Rail Franchise in other areas but these could not be implemented at the time in Greater Manchester due to regulatory constraints, which have now been removed. Furthermore, the Specified Routes only make up a small proportion of services affected.

Arriva is, accordingly, permitted to raise the price on cheap day-return tickets in the Greater Manchester area by up to 50p. The CMA grants this derogation without prejudice to its right to take any remedial action in future, should such remedial action be required.

The CMA's consent to the aforementioned actions does not, under any circumstances, permit Arriva from taking any other action prohibited under the Interim Order.