

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

Anticipated acquisition by Co-operative Food Ltd and Co-operative Group Ltd of eight My Local Stores

We refer to your emails and accompanying note dated 5 July 2016 requesting that the CMA consents to derogations to the Initial Enforcement Order of 1 July 2016 (the '**Initial Order**'). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, CGL and CFL are required to hold separate the Target Stores businesses from the CFL business and refrain from taking any action which might prejudice a reference under section 22 or 33 of the Act or impede the taking of any remedial action following such a reference. After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the exceptional circumstances of this case, in particular the administration procedure in respect of MLCG, CGL and CFL may carry out the following actions, in respect of the specific paragraphs:

Paragraph 6(e) and 6(f)(i) of the Initial Order

The CMA accepts the request for derogation from the above paragraphs to allow CGL to close the six stores as defined under (a)(i), (iii)-(vii) of the Initial Order (**Six Stores**) until Thursday, 21 July 2016. As of Friday 22 July 2016, the Six Stores must be open and operational in compliance with the Initial Order.