

## **Consent to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (CMA) on 4 July 2016**

### **Completed acquisition by DX Network Services Limited of the businesses and assets comprising the Legal Post (Scotland) Limited and First Post Limited**

We refer to your emails dated 15 July 2016, 26 July 2016, 28 July and 1 August 2016 and our telephone conversations of 26 July 2016 and 29 July 2016 requesting that the CMA consents to derogations to the Initial Enforcement Order of 4 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, DX (Group) plc and DX Network Services Limited are required to hold separate the Legal Post and First Post businesses from the DX (Group) business and refrain from taking any action which might prejudice a reference under section 22 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 particular circumstances of this case, DX (Group) plc, DX Network Services Limited and the Legal Post and First Post businesses may carry out the following actions, in respect of the specific paragraphs:

#### **Paragraphs 4(a) and 5(l) of the Initial Order**

To ensure that DX (Group) is able to provide clear, accurate and timely responses to the information requests issued by the CMA in connection with its investigation, the CMA consents to [X] having access to certain confidential information relating to the Legal Post and First Post businesses, such confidential information to be limited to what is reasonably necessary to enable DX (Group) to respond to the CMA’s information requests.

This derogation is granted subject to the condition that [X] continues to be subject to the non-disclosure agreement dated 27 July 2016, which is in a form approved by the CMA, prohibiting (i) the onward sharing of any confidential information relating to the Legal Post and First Post businesses with the DX (Group) business and (ii) the use of

that information for any purpose other than to respond to the CMA's information requests.

### **Paragraphs 4(a), 5(g) and 5(h) of the Initial Order**

The First Post business was informed, at minimal notice, that the terms of its supply contract for [✂] had been changed, such that the arrangement had become untenable. Given the nature of the supply contract and the short notice available, DX (Group) is considered the only viable alternative supplier to fulfil this supply need, at least in the short term. To ensure that the First Post business is able to enter into viable supply arrangements necessary to maintain its services, the CMA consents to the First Post business and DX (Group) entering into a supply contract for this service.

This derogation is granted on the basis that DX (Group) will contract with the First Post business on materially the same terms as those agreed between the First Post business and its previous supplier of this service and that DX (Group) will contract with the First Post business on an arm's length basis.

1 August 2016