

**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 2016 and 4 August 2016 and our telephone conversations of 26 July 2016, 29 July 2016, 5 August 2016 and 9 August 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), 5(c) and 5(l) of the Initial Order**

To ensure that an appropriate level of corporate governance is maintained within the Legal Post and First Post businesses, and thereby ensure the ongoing viability of those businesses, the Managing Directors of Legal Post [X] and First Post [X] (the '**Managing Directors**') shall be permitted to report to, and seek guidance from, the Chief Compliance Officer of DX (Group) [X] (the '**CCO**') on the following matters:

- (a) on a monthly basis, the Managing Directors may submit to the CCO high-level financial information relating to the revenue, costs and overheads of the Legal Post and First Post business, in the template form agreed between DX and the CMA;
- (b) on an adhoc basis, the Managing Directors may report to, and seek guidance from, the CCO on out-of-plan expenditure, major human resource related

issues and other matters of a serious nature which may affect the ongoing viability of the Legal Post and First Post businesses.

This derogation is granted on the basis that the CCO is and remains independent from sales and marketing operations within the DX (Group) business and subject to the following conditions:

- (i) the CCO enters into a non-disclosure agreement, in a form agreed by the CMA, prohibiting (1) the onward sharing of any confidential information relating to the Legal Post and First Post businesses with the DX (Group) business without the prior consent of the CMA and (2) the use of that information for any purpose other than to provide advice and guidance to the Managing Directors.
- (ii) the CCO submits to the CMA, on a weekly basis, a report summarising the matters which have been reported to him by the Managing Directors under (b) above.

10 August 2016