

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 Cooperative Food Ltd and Cooperative Group Ltd of eight My Local Stores

We refer to your email and supporting evidence dated 9 August 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 maintain the closure of the convenience store business located at Widnes, Upton Rock until Wednesday 17 August 2016. This is permitted on the basis that the ongoing closure is necessary to rectify an unexpected fault with the refrigeration system which arose while CGL was undertaking the work which was the subject of the CMA's derogation letter dated 22 July 2016. The ongoing closure is required to enable CGL to source and install a replacement refrigeration unit and to restock the unit with perishable goods necessary to provide a food offering that is consistent with the convenience store business previously operated by MyLocal, as required by the Initial Order.