

Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (CMA) on 3 March 2017, as varied by the Variation Order of 7 March 2017

Completed acquisition by Steven Eagell Limited of 7 Toyota dealerships and 2 Lexus dealerships from Lancaster Motor Company

We refer to your letter dated 10 May 2017 requesting that the CMA consents to derogations to the Initial Enforcement Order of 3 May 2017 (**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, Steven Eagell Limited is required to hold separate the Steven Eagell business from the T&L 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, Steven Eagell may carry out the following actions, in respect of the specific paragraph:

1. Paragraph 5(e)(iii) of the Initial Order

The CMA understands that the long-term lease for the [X] dealership at [X] is due to expire in [X] and that the lease is excluded from security of tenure rights under the Landlord & Tenants Act 1954. In order to allow the T&L business to be maintained as a going concern at [X] the CMA consents to allow Steven Eagell to purchase the freehold of [X]. This consent is granted on the basis that the day-to-day activities of [X] will remain unaffected and in the event that remedies are required Steven Eagell will retain the ability to grant a long-term lease of [X] to any third party on fair and reasonable commercial terms.