

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 17 July 2017

Completed acquisition by Hunter Douglas (UK) Limited of Bellotto Holdings Limited

We refer to your letter dated 27 July 2017 and further telephone conversations and emails of 31 July 2017 and 2, 9 and 18 of August 2017, requesting that the CMA consents to a further derogation to the Initial Enforcement Order of 17 July 2017 (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, Hunter Douglas NV and Hunter Douglas (UK) Limited (together, **Hunter Douglas**) is required to hold separate its business from the Bellotto Holdings Limited (the **Target**) 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, Hunter Douglas may carry out the following actions, in respect of the specific paragraphs:

1. Paragraph 4, paragraph 5(a) and paragraph 5(g) of the Initial Order

In the interests of transparency, Hunter Douglas has requested a derogation in relation to:

a) Blaze Woven Blinds Manufacturing Limited (Blaze) (a joint venture based in Vietnam in which Hunter Douglas owns a minority stake) acting as Target's agent on arm's length commercial terms in dealings by Target with third party suppliers.

The CMA consents to this derogation as the agency arrangement will be on arm's length commercial terms as between independent operators and Hunter Douglas will ensure – in each compliance statement – that it does not receive any confidential information in respect of Target's activities from Blaze, it will therefore not constitute any pre-emptive action in the integration of the parties, nor will the agency arrangement be difficult or costly to reverse in the event that the Transaction does not proceed.