

Completed acquisition by Universal Sealants (U.K.) Limited of Ekspan Limited

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 29 November 2017

We refer to your emails and supporting evidence dated 1 and 8 December requesting that the CMA consents to derogations to the Initial Enforcement Order of 29 November 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, RPM, Universal Sealants and Ekspan are required to hold separate the Ekspan business from the RPM 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, RPM and Universal Sealants may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 4(a), 5(e) and 5(l) of the Initial Order

The CMA consents to Universal Sealants opening new banking accounts for Ekspan with [X] and granting Ekspan access to [X].

In addition, the CMA consents to [X] reporting to [X] weekly cash flow forecast, [X]. For the avoidance of doubt, these weekly cash flow forecasts shall not contain any underlying project or customer details.

This derogation is granted on the basis of your representations that these banking facilities are strictly necessary to enable Ekspan to operate in the ordinary course of business.

This derogation does not grant permission for [X] to access information from Ekspan to deal with any other financial matters and it is granted subject to [X] signing written undertakings (in a form approved in advance by the CMA) to preserve

the confidentiality of the information and to use the information only for the purposes specified in this letter.

2. Paragraph 5(l) of the Initial Order

The CMA consents to Ekspan providing environmental, health and safety reports to Universal Sealant, who will then [REDACTED]. This derogation is granted on the basis of your representations that these reports are essential to enable Ekspan to maintain health and safety standards.

3. Paragraphs 4(a), 5(e) and 5(l) of the Initial Order

The CMA consents to:

- RPM providing funding for [REDACTED] Ekspan projects which were initiated prior to the Commencement Date and for which Ekspan requires CapX funding from RPM;
- [REDACTED] receiving information related to Ekspan applications for CapX funding of these projects, provided that this information does not contain any details of customers.

This derogation is granted on the basis of RPM and Universal Sealant's representations that this funding is essential for Ekspan to act in the ordinary course of business.

This derogation is granted subject to the following conditions:

- [REDACTED] signs written undertakings (in a form approved in advance by the CMA) to preserve the confidentiality of the information and to use the information only for the purposes specified in this letter;
- RPM's approval is only required for CapX funding requests above [REDACTED];
- RPM does not unreasonably withhold consent to Ekspan's CapX requests; and
- RPM promptly informing the CMA if it totally or partially rejects a CapX request from Ekspan.

Maria Duarte
Assistant Director, Mergers