

Consent to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 13 December 2017

Completed acquisition by Vanilla Group Limited of Washstation Limited

We refer to our telephone conversation of 18 December 2017 and your e-mails dated 20, 21 December 2017 and 8 January 2018 requesting that the CMA consents to derogations to the Initial Enforcement Order of 13 December 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, Vanilla Group Limited ("**Vanilla**") and JLA New Equityco Limited ("**JLA**") are required to hold separate the JLA business from the Washstation Limited ("**Washstation**") 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, Vanilla, JLA and Washstation may carry out the following actions:

Paragraphs 5(a), 5(b), 5(g), 5(h) and 5(l) of the Initial Order

JLA has informed the CMA that Washstation has been substantially integrated with JLA prior to the Commencement Date and, in particular, that:

- all remaining Washstation employees now handle both JLA and Washstation customers and suppliers together with JLA employees;
- Washstation no longer has its own IT system;
- all Washstation customers are on JLA's customer relationship management and commission payments system;
- all back-office functions (such as accounting, HR etc.) are performed by JLA; and
- that no pre-merger business plans exist for the Washstation business.

To allow the Washstation business to be carried on as a going concern, the CMA accepts to grant a derogation from the requirements contained in paragraphs 5(a), 5(b), 5(g), 5(h) and 5(l) of the Initial Order in the terms set out below.

1. The CMA accepts to grant a derogation from the requirements set out in paragraph 5(a) of the Initial Order provided that Washstation maintains its brand and website.
2. The CMA accepts to grant a derogation from the requirement in paragraph 5(b) of the Initial Order, provided that the Washstation business is maintained as a going concern and sufficient resources are made available for the development of the Washstation business.
3. The CMA accepts to grant a derogation from the requirements set out in paragraph 5(g) of the Initial Order provided that none of the Washstation contracts (that were not transferred to JLA contracts prior to the commencement of the Initial Order) are transferred to JLA or Vanilla, and that none of the Washstation contracts (if any) which are coming up for renewal are renewed as JLA or Vanilla contracts; and
4. The CMA accepts to grant a derogation from the requirements set out in paragraph 5(h) of the Initial Order provided that whoever contacts the JLA business referring to Washstation, or via the Washstation website or Washstation telephone number, receives a response in the name of Washstation.
5. The CMA accepts to grant a derogation from the requirements set out in paragraph 5(l) of the Initial Order provided that should the transaction be prohibited, any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature that have passed, wherever they may be held, will be returned to the business to which they relate and any copies destroyed.