

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 11 September 2017

Completed acquisition by Ausurus Group Ltd, through its subsidiary European Metal Recycling Limited, of CuFe Investments Limited

We refer to your emails and related discussions regarding a request by European Metal Recycling Limited ('EMR') and Ausurus Group Ltd ('Ausurus') that the CMA consents to derogations to the Initial Enforcement Order of 11 September 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, Ausurus and EMR are required to hold separate the business of Ausurus (and its subsidiaries and group companies) from the business of CuFe Investments Limited (and its subsidiaries, including Metal & Waste Recycling Limited ('MWR')) ('CuFe') 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, EMR and CuFe may carry out the following actions, in respect of the specific paragraphs:

1. Paragraph 5(c), (i) and (j) of the Initial Order

The CMA consents to the provision of back office support to MWR by EMR's designated support staff in connection with MWR's use of Trade 2 (one of the systems used by both EMR and MWR). This support will include ad hoc assistance with Trade 2 as well as regular support with MWR's stock reconciliation process.

This derogation is granted on the basis of Ausurus and EMR's representations that the only potentially commercially sensitive information which could be assessed by providing such support would be MWR's current inventory levels at MWR Hitchin.

This derogation is granted on the conditions that:

- the provision of this back office support does not give EMR access to commercially sensitive information such as customer lists, pricing, tenders or suppliers in relation to MWR; and

- should the transaction be prohibited or remedies accepted, any records or copies (electronic or otherwise) of such information that have passed from MWR to EMR, wherever they may be held, will be returned to MWR (where necessary) or destroyed.

This derogation is granted subject to the condition that EMR's designated support staff sign written confidentiality agreements (in a form approved in advance by the CMA) to preserve the confidentiality of the information obtained for the purpose of this derogation and to use the information only for the purposes specified in this letter.

This derogation is granted on the basis of Ausurus and EMR's representations that this derogation is necessary to ensure that MWR is able to deal with troubleshooting issues and errors in using the Trade 2 system.

2. Paragraph 5(c), (i) and (j) of the Initial Order

The CMA consents to the provision of document production support to MWR by designated EMR administrative support staff.

This derogation is granted on the basis of Ausurus and EMR's representations that this derogation is necessary to ensure the viability of the MWR business, the development of the business and the maintenance and preservation of goods and services supplied.

This derogation is granted on the conditions that:

- the designated EMR administrative support staff are not involved in the negotiation of contracts with EMR's suppliers and customers and would have no direct contact with MWR's customers;
- should the transaction be prohibited or remedies accepted, any records or copies (electronic or otherwise) of such information that have passed from MWR to EMR, wherever they may be held, will be returned to MWR (where necessary) or destroyed; and
- the designated EMR administrative support staff sign written confidentiality agreements (in a form approved in advance by the CMA) to preserve the confidentiality of the information received for the purpose of this derogation and to use the information only for the purposes specified in this letter.

These derogations shall not prevent any remedial action that the CMA may need to take regarding the transaction.