

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 recent emails and related discussions regarding a request by European Metal Recycling Limited ("**EMR**") that the CMA grant certain derogations to the Initial Enforcement Order served on Ausurus Group Limited and EMR on 11 September 2017 (the Order). Terms defined in the Order have the same meaning in this letter.

Under the Order, save for the written consent of the CMA, Ausurus Group Limited and EMR are required to hold separate the business of EMR (and its subsidiaries and group companies) from the business of CuFe Investments Limited (and its subsidiaries) ("**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 requests for derogations from the 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 relation to the specific paragraphs of the Order listed below:

Paragraph 5(l) of the Order

The CMA consents to EMR providing technical advice and support in relation to the operation of MWR's cable granulator and, specifically, technical and commercial support relating to the development of downstream non-metal waste income streams. Such support shall be provided by the following EMR staff only: [X], [X] and [X].

The CMA also consents to EMR and MWR communicating and EMR providing reports to MWR in respect of the arm's length sub-contracting arrangements put in place in respect of one particular contract (the contract between [X], which was previously serviced from [X]) prior to the Order coming into force. Such communication and reporting shall be between [X] of MWR and [X], [X] and [X] of EMR only.

The CMA further consents to EMR providing guidance, advice, training and support to MWR in relation to regulatory compliance matters, including in the areas of

environment and health and safety. Such support shall be provided by [REDACTED] (H&S) (for the Hitchin area); [REDACTED] (H&S) (for London); [REDACTED] (H&S) and [REDACTED] (Environment) (for the Midlands); and [REDACTED] (H&S) and [REDACTED] (Environment) (for the North East) of EMR only, with supervision from [REDACTED] and [REDACTED], both senior members of the EMR compliance team.

This derogation is granted on the basis of Ausurus and EMR's representations that such support is vital to ensure the continued effective, safe and compliant functioning of MWR; and to ensure that sufficient resources and expertise is made available to MWR.

Such support is conditional upon:

- the designated EMR and MWR staff entering into NDAs in the format approved by the CMA; and
- the designated EMR and MWR staff operating in accordance with guidelines approved by the Monitoring Trustee; and
- should the transaction be prohibited or remedies accepted, any records or copies (electronic or otherwise) of any information which has passed from MWR to EMR, will be returned to MWR (where necessary) or destroyed.

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