

DEROGATION LETTER

IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002 COMPLETED ACQUISITION

Consent under section 72(3C) of the Enterprise Act 2002 (the Act) to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 18 June 2018

Completed acquisition by CD&R Firefly Bidco Limited of LSF9 Robin Topco Limited (the Transaction)

We refer to your email and submission dated 4 October 2018 requesting that the CMA consents to derogations to the Initial Enforcement Order of 18 June 2018 (as varied by the Variation Order) (the Initial Order). The terms not otherwise defined in this letter have the same meaning as in the Initial Order and the derogation dated 27 September 2018.

Under the Initial Order, save for written consent by the CMA, CD&R and CD&R Firefly Bidco are required to hold separate the LSF9 Robin business from the relevant CD&R 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.

On 27 September 2018, the CMA granted a derogation from paragraphs 5 and 6 of the Initial Order to allow the LSF9 Robin business to be integrated with the relevant CD&R business, with the exception of the Hold Separate Sites. This derogation was granted on the basis that the Hold Separate Sites would be managed and priced separately by the Hold Separate Team.

Derogation

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, CD&R and CD&R Firefly Bidco and the LSF9 Robin business may carry out the following actions, in respect of the specific paragraphs:

Paragraphs 5 and 6 of the Initial Order

The following individuals can be added to the Hold Separate Team:

- Two dedicated area managers ([X] and [X]); and

- A business analyst ([✂]).

This derogation is granted on the condition that the additional members of the Hold Separate Team will run the Hold Separate Sites in accordance with the pre-existing LSF9 Robin business plans and targets.

Each new member of the Hold Separate Team will sign a non-disclosure agreement in the form approved by the CMA in respect of their obligations under the Initial Order.

Yours sincerely,

Henry Mostyn

Assistant Director, Mergers
5 October 2018