

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 14 November 2018

Completed acquisition by Global Radio Services Limited of Semper Veritas Holdings S.à.r.l

We refer to your emails and accompanying notes dated 6, 9, 13, 15 and 16 November 2018 requesting that the CMA consents to derogations to the Initial Enforcement Order of 14 November 2018 (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, Balnom and Global Radio are required to hold separate the Balnom business from the Semper Veritas 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, Balnom and Global Radio may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 5(c) and 5(l) of the Initial Order

The CMA understands that in order to maintain appropriate oversight and comply with Balnom's obligations to its shareholders, Balnom requires a limited amount of Semper Veritas commercially sensitive information, including periodic revenue, capex, cash flow and EBITDA data, all in aggregated form. The CMA also understands that [X], is accountable to Balnom's shareholders for the financial health of the Group and does not have any commercial role in day-to-day customer, pricing or marketing decisions in relation to the Balnom out of home advertising or radio businesses. The CMA consents to [X] receiving a monthly reporting pack in a format agreed with the CMA, subject to the following safeguards:

- the information shared will be limited to that agreed with the CMA; and
- [X] must sign a confidentiality agreement in a form agreed with the CMA.

2. Paragraph 5(a) and 5(l) of the Initial Order

The CMA understands that Semper Veritas currently operates under a delegation of authority from its current owner and the seller, Platinum Equity (**Platinum**). This

allows Semper Veritas to operate independently in the ordinary course of business but requires Semper Veritas to seek approval for certain key strategic decisions or high value transactions. The CMA further understands that, at completion, Semper Veritas will have a finalised 2019 business plan and budget, which will have been prepared and approved under Semper Veritas' customary annual business planning process (i.e. without Balnom's direction/approval). The CMA consents that the following matters - when outside the 2019 business plan and budget of Semper Veritas - are subject to approval by Balnom as shareholder of Semper Veritas:

Item	Approval required
Contracts containing change of control clauses	Contract value above [✂]
Contracts which incur liability beyond insured amounts	Liability beyond insured amounts above [✂]
Contracts which commit Semper Veritas to providing capex outside of that anticipated in the business plan or budget	Capex commitment above [✂] (i.e. proposed capex outside the business plan/budget, yet below [✂], will not require approval.) Note: all equivalently worded formulations in the rows below should be read in the same way.
Franchise agreements outside of the business plan or budget	Franchise agreements above [✂]
Mergers or acquisitions of other companies or businesses	[✂]
Settlement of legal claims (excl. VAT) (except compromise agreements with employees)	Above [✂]
Public statements made by the Semper Veritas Businesses or other entity	[✂]
Approval of IT expenditure (i.e. expenditure or assets relating to computer software or hardware, or other such information technology) outside of the business plan or budget	IT expenditure above [✂]
Dividends & capital contributions paid from Semper Veritas	[✂]
Taking of loans or other financial instruments from a third party	Any loan or financial instrument above [✂]
Liability incurred by granting of financial or non-financial guarantees	Liability incurred above [✂]
Any action that results in a commitment or liability	Commitment/liability above [✂]
Any change in a member of the executive team's compensation	Change above [✂]
Annual and discretionary bonuses awarded to the CEO or outside of bonus scheme allowed for in the business plan or budget	Any bonuses awarded [✂]

Engagement of, or instructions to, auditors regarding the Semper Veritas Businesses or any other entity	[X]
Commitments or any other liability under contracts outside of the business plan or budget	Commitment/liability above [X]
Transactions with related parties which are not on arm's length terms	Transaction value above [X]

[X] will act as Balnom's shareholder representative for these purposes.

The CMA's consent is also subject to the following safeguards:

- the information shared with [X] in order to seek Balnom's approval for strategic decisions or expenditure is kept to the minimum strictly necessary to allow Balnom to take a decision on the proposed expenditure and should not include any commercially sensitive information, including, but not limited to, information relating to customers including names and key contractual terms on price;
- the CMA will be notified at least two working days in advance of Balnom's exercising its right to veto any of the decisions described above, including the reasons for any proposed veto by Balnom;
- [X] will not be involved in commercial-decision making at Balnom in respect of any activities in markets where the Parties overlap or attend meetings where such commercial decisions are to be made, whilst the Initial Order is in place; and
- [X] must sign a confidentiality agreement in a form agreed with the CMA.

3. Paragraph 5(a), 5(g) and 5(l) of the Initial Order

The CMA understands that [X] subsidiary of Semper Veritas has the opportunity to [X] (the [X]). On the basis of Global Radio's submissions, the CMA understands that the subject matter of the [X] has no nexus to the Semper Veritas business in the UK or any other nexus to the UK market. The CMA further understands that the [X] requires a [X] financial commitment, of approximately [X], of which [X].

For the sole and specific purpose of the [X], the CMA consents to [X] and [X] liaising with Semper Veritas' [X] representatives to assess and approve the [X] of the [X], subject to the following safeguards:

- this consent to the derogation is granted solely for the purpose of permitting [X] and [X] to consult on and approve the [X] of the [X];

- the information shared with [X] and [X] will be limited to that which is strictly necessary to consult on and approve the [X] of the [X]; and
- [X] and [X] keep the information received in relation to the [X] in strictest confidence, and will sign confidentiality agreements in a form agreed with the CMA.

4. Paragraph 5(c), 5(i) and 5(l) of the Initial Order

The CMA understands that the SPA entered into by Platinum and Global Radio obliges Global Radio to grant a release and full discharge of the obligations and liabilities of the Semper Veritas directors upon completion and that this will be effected through the current directors' resignations. The CMA further understands that Luxembourg law obliges all Luxembourg registered companies to have at least one Luxembourg resident director. The CMA consents to the appointment of [X], a qualified Luxembourg professional director from [X], a local corporate services firm that provides services of local Luxembourg-based directors to ensure fulfilment of local Luxembourg residence requirements, to the board of Semper Veritas on completion. The CMA's consent is subject to [X] signing a confidentiality agreement in a form agreed with the CMA.

5. Paragraph 4(a) and 5(l) of the Initial Order

The CMA understands that, while under Platinum's ownership, Semper Veritas has made use of banking facilities for [X], which have generally been sufficient to enable Semper Veritas to operate autonomously of its shareholders. However, Semper Veritas' access to these arrangements will terminate upon completion of the acquisition. The CMA consents to Global Media & Entertainment Limited making funds of [X] available to Semper Veritas' UK business to cover [X].

6. Paragraph 4(a), 5(e)(iii) and 5(l) of the Initial Order

The CMA understands that the Global Group currently operates under a [X] facility (the **Facility**), of which [X]. The Facility extends to cover Semper Veritas and upon completion, Semper Veritas automatically acceded to the Facility. The CMA further understands that Global Radio is [X]. The terms of the [X]. As such, upon completion, [X]. The CMA consents to the accession of Semper Veritas to the Facility and the [X]. The CMA's consent is subject to the following safeguards:

- sufficient funds will be made available to Semper Veritas [X];
- [X], [X], and [X] may receive commercially-sensitive information of Semper Veritas (periodic revenue, capex, cash flow and EBITDA data, all in aggregated form and as outlined in the template agreed with the CMA) to the

extent necessary for the Global Group to comply with its obligations under the Facility or to respond to information requests from the banks;

- where commercially sensitive information beyond the scope outlined in the template agreed with the CMA regarding Semper Veritas is requested by the banks, Global Radio will inform the CMA and provide a copy of the request from the banks; and
- [REDACTED], [REDACTED], and [REDACTED] must sign confidentiality agreements in a form agreed with the CMA.