

DEROGATION LETTER
IN RESPECT OF THE INITIAL ENFORCEMENT ORDER ISSUED
PURSUANT TO SECTION 72(2) OF THE ENTERPRISE ACT 2002

Consent under section 72(3C) of the Enterprise Act 2002 (the Act) for PayPal Holdings, Inc to take certain action that would otherwise constitute a contravention of the Initial Enforcement Order made by the Competition and Markets Authority (CMA) on 19 September 2018

We refer to your email dated 18 December 2018 requesting that the CMA consents to a derogation to the Initial Enforcement Order of 19 September 2018 (the Initial Order).

Under the Initial Order, save for the written consent of the CMA, PayPal Holdings, Inc, PayPal SE and PayPal (Europe) Sarl et Cie SCA (together PayPal) are required to hold separate the iZettle business from the PayPal 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.

The terms defined in the Initial Order have the same meaning in this letter.

Pursuant to paragraph 7 of the Initial Order, PayPal is required to provide to the CMA such information or statement of compliance with the Initial Order every two weeks.

On 18 December 2018, PayPal requested an extension of one week to the time by which it is required to provide its next statement of compliance in accordance with paragraph 7 of the Initial Order.

The CMA consents to this request, noting that the next compliance statement, for the period 14 December 2018 to 3 January 2019, is due on 3 January 2019 instead of the deadline of 27 December 2018. Thereafter the statement of compliance shall be provided every two weeks commencing from 3 January 2019 in accordance with the terms of paragraph 7 of the Initial Order.

Douglas Cooper

Project Director

19 December 2018