

**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 letter dated 18 January 2019 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.

1. Derogation consent of 20 September 2018 - Replacement of a Clean Team Member

PayPal requested the CMA's consent to replace [X], a member of the Information Security Clean Team listed in Annex 1 to the derogation consent of 20 September 2018, with [X].

The CMA consents to this request on the condition that [X] is subject to the same conditions as set out in the derogation consent of 20 September 2018. This derogation should not prevent any remedial action that the CMA may need to take regarding the transaction.

2. Derogation consents of 8 October 2018 and 7 November 2018 - Additional Clean Team Members

PayPal requested the CMA's consent to add further employees of iZettle and PayPal to the list of individuals covered by the derogation consents of 8 October 2018 and of 7 November 2018.

The derogation is granted on the condition that the individuals listed in **Annex 1**, and any further individuals agreed to in writing by the CMA, are subject to the same conditions as set out in the derogation consent of 8 October 2018.

This derogation should not prevent any remedial action that the CMA may need to take regarding the transaction.

Yours sincerely

Douglas Cooper
Project Director
22 January 2019

Annex 1

PayPal	
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[✂]	[✂]
iZettle	
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