

**DEROGATION LETTER  
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED  
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002  
COMPLETED ACQUISITION BY RENTOKIL INITIAL PLC OF MPCL  
LIMITED**

Dear Mr Chapman

**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 9 October 2018**

**Completed acquisition by Rentokil Initial PLC of MPCL Limited**

We refer to your emails of 23 and 28 January 2019 requesting that the CMA consents to derogations to the Initial Enforcement Order of 9 October 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, Rentokil Initial plc ('Rentokil Initial') is required to hold separate the MPCL business from the Rentokil Initial 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, Rentokil Initial and MPCL Ltd ('MPCL') may carry out the following actions, in respect of the specific paragraphs:

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

The CMA has consented to the appointment of the current interim Financial Director of MPCL as interim Managing Director of the business with effect from Friday, 25 January 2019. Rentokil Initial proposes to appoint [X] (MPCL's current interim Head of Finance) as the interim Finance Director of MPCL in his place to carry out the typical duties of a Finance Director.

Rentokil Initial submitted that [X] has the relevant industry expertise and familiarity with the MPCL business. Moreover, [X] will, if appointed, remain bound by the terms of the Initial Order, including the terms of any derogations which are granted by the CMA.

To allow MPCL to continue to be carried on as a going concern, the CMA consents to the appointment of [X] as interim Finance Director of MPCL under the terms set out below:

- (a) In his role as Finance Director of MPCL, [X] will continue to be fully briefed on his obligations under the Initial Order.
- (b) [X] will enter into a confidentiality agreement, the form of which will be agreed with the CMA.

***Paragraph 5(f) of the Initial Order***

The CMA consents that in order for MPCL Ireland to be properly transitioned away from MPCL's UK [X] system to Rentokil's [X] system in accordance with the CMA's previous derogation published on 20 December 2018, the affected customers will be transitioned from MPCL's customer-facing PestAlert system to Rentokil's customer-facing MyRentokil system. This will be effected under the same conditions as the transition of MPCL Ireland from MPCL UK's [X] system to Rentokil's [X] system, namely:

- (a) Rentokil Initial does not have access to the MPCL PestAlert system and will not gain access to this system in order to effect the migration of the PestAlert system to the MyRentokil system.
- (b) Following the transition of MPCL Ireland to MyRentokil, MPCL Ireland / Rentokil Initial will not be provided with access to the PestAlert system nor with any data which relates to the MPCL UK business or its customers.
- (c) In order to minimise customer disruption, there will be clear upfront communication to customers affected by the above transition, the wording of which is to be approved by the CMA.

In addition, the CMA consents that in order for MPCL Ireland to be properly transitioned away from MPCL UK's [X] system to Rentokil's [X] system in accordance with the CMA's previous derogation published on 20 December 2018, queries from the affected customers in ROI will be transitioned from MPCL UK's call centre to Rentokil's call centre within 24 hours of the transition from [X] to [X]. This will be effected under the same conditions as the transition of MPCL Ireland from MPCL UK's [X] system to Rentokil's [X] system, namely:

- (a) Rentokil Initial does not have access to the MPCL call centre and will not gain access to the MPCL call centre in order to effect the migration of queries from affected customers in ROI from the MPCL call centre to the Rentokil call centre.
- (b) Following the transition of MPCL Ireland to the Rentokil call centre, MPCL Ireland / Rentokil Initial will not be provided with access to the MPCL call centre nor with any data which relates to the MPCL UK business or its customers.
- (c) In order to minimise customer disruption, there will be clear upfront communication to customers affected by the above transition, the wording of which is to be approved by the CMA.

Alba Ziso

**Assistant Director, Mergers**

30 January 2019