

**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**

**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 26 and 28 June 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:

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

The CMA has previously consented to allow health and safety metrics reporting and the reporting of major incidents by MPCL to [X] under the conditions contained in paragraph 5 of the second derogation, dated 2 November 2018.

In order to enable MPCL to meet its statutory obligations, the CMA consents to allow [X] (or any other Rentokil Initial employee as agreed by the CMA in writing) to provide assistance to MPCL in relation to health and safety major incidents provided that:

- (a) The named individual(s) will enter into a confidentiality agreement, the form of which will be agreed with the CMA;
- (b) if assistance from Rentokil Initial to MPCL is required:

- (i) any commercially-sensitive information which is shared with Rentokil Initial will be limited to that strictly necessary in order to enable Rentokil Initial to comply with its statutory obligations, and
- (ii) the Monitoring Trustee will be informed in advance and the CMA will be provided with a summary of the MPCL information shared with Rentokil Initial.

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

On 30 April 2019, the CMA decided that there are reasonable grounds for believing that the proposed undertakings in lieu of reference (UILs) offered by Rentokil Initial, or a modified version of them, might be accepted by the CMA under section 73(2) of the Act. The CMA is currently giving detailed consideration to the UILs offered by Rentokil Initial. In order to enable Rentokil Initial to progress the next steps of the UILs process effectively, ie identifying the Divestment Business and non-divestment business, responding to the potential remedy taker's due diligence request, and drafting and negotiating the transaction documents such as the Share Purchase Agreement, Rentokil Initial has requested that [X] be given permission to access confidential MPCL information. [X] does not have a UK pest control business operational or customer-facing role.

The CMA consents to [X] (or any other Rentokil Initial employee as agreed by the CMA in writing) being provided the MPCL information required to respond to the potential remedy taker's due diligence request (including for the avoidance of doubt identifying the assets and liabilities comprising each of the Divestment Business and the non-divestment business), provided that

- (a) these actions are restricted to the named individual(s);
- (b) the named individual(s) adhere to signed NDAs as agreed with the CMA; and
- (c) the named individual(s) keep the Monitoring Trustee informed.

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

On 5 December 2018, the CMA granted a derogation to certain employees from Rentokil Initial's central finance team to receive confidential MPCL information in order to support Rentokil Initial's statutory quarterly reporting obligations in the form of monthly management accounts.

In order to prepare the half year report, Rentokil Initial has requested that [X] be given permission to access confidential MPCL information. The named individuals are employed at Rentokil Initial Group level, rather than Rentokil Initial's pest control business.

To allow Rentokil Initial to prepare the required half year report, the CMA consents to the named individuals (or any other Rentokil Initial employee as agreed by the CMA in writing) being provided the required MPCL information, provided that:

- (a) the required MPCL information will be first sent to the Monitoring Trustee who has final approval over whether that information will be shared with the Rentokil Initial named individuals;
- (b) Disclosure of information to the Rentokil Initial named individuals will be limited to what is strictly necessary for the purpose of preparing Rentokil Initial's half year report; and
- (c) The Rentokil Initial named individuals adhere to the terms of their confidentiality agreements.

3 July 2019