

Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 1 March 2019

Completed acquisition by Bauer Radio of certain assets of the Lincs business

We refer to your email dated 4 October 2019 requesting that the CMA consents to a derogation to the Initial Enforcement Order of 1 March 2019 (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, Bauer Radio and HBV (trading as Bauer Media Group (**Bauer**)) are required to hold separate the HBV business from the Lincs 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, HBV and Bauer Radio may carry out the following actions, in respect of the specific paragraphs:

1. Paragraph 5(l) of the Initial Order

On 15 March 2019, the CMA consented to a derogation (see section 2 of the CMA's derogation [letter](#) of 15 March 2019) permitting Bauer Radio to appoint Phil Riley as Senior Independent Advisor to the Lincs business, as well as a separate derogation (see section 3 of the CMA's derogation [letter](#) of 15 March 2019) permitting Phil Riley to share information with Peter Brimacombe, Bauer's Business Development Director, in exceptional circumstances for the purpose of ensuring the viability of the Lincs business.

Bauer Radio submits that to ensure all items escalated by Phil Riley are addressed by Bauer Radio effectively and on a timely basis, Bauer Radio requires an additional member of Bauer Radio staff to assist Peter Brimacombe in responding to inquiries or otherwise act as a substitute point of contact. Bauer Radio proposed on 4 October 2019 that Alice Douglas, a Senior Legal Counsel at Bauer, be authorised to receive inquiries from Phil Riley and to assist Peter Brimacombe in dealing with such inquiries on a timely basis.

On 11 October 2019, the CMA consented in writing to a derogation permitting Phil Riley to escalate matters in exceptional circumstances to Alice Douglas for the purpose of assisting Peter Brimacombe in responding to relevant inquiries or else act

as an alternate point of contact for Phil Riley, as appropriate. The CMA consented to this derogation on the understanding and condition that:

- [✂].
- Some of these requests are of an administrative nature and so do not require assistance from a member of Bauer Radio's senior UK management team.
- Alice Douglas, as a Senior Legal Counsel at Bauer, is well equipped to deal with requests of a more administrative nature and has no involvement in the operation or management of Bauer Radio.
- Alice Douglas will sign a non-disclosure agreement with terms substantially identical to those approved by the CMA previously and agreed by Peter Brimacombe as a condition to the derogations issued on 15 March (see section 3 of the CMA's derogation [letter](#) of 15 March 2019).
- The CMA and Grant Thornton, the Monitoring Trustee, will be copied on all email communications between Alice Douglas and Phil Riley.

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

Yours sincerely,

Douglas Cooper
Project Director, Mergers
14 November 2019