

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

**Completed acquisition of GHG Healthcare Holdings Limited by  
Circle Health Holdings Limited**

**Please note that [X] indicates figures or text which have been deleted at the request of the parties for reasons of commercial confidentiality.**

**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 11 March 2020.**

We refer to your letter dated 28 January 2020, requesting that the CMA consent to derogations to the Initial Enforcement Order of 20 December 2019, re-issued on 11 March 2020 (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, Penta Capital LLP ("**Penta**") and Circle Health Holdings Limited ("**Circle**") are required to hold separate the business of Penta (the "**Penta business**") from the business of GHG Healthcare Holdings Limited ("**GHG**") and its subsidiaries, 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. GHG is the parent company of BMI Healthcare Limited. GHG and its subsidiaries, including BMI Healthcare Limited are collectively referred to in this derogation as "**BMI**".

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, Circle may carry out the following actions, in respect of the specific paragraphs of the Initial Order:

**1. Regulatory planning information – paragraph 5(l) of the Initial Order**

The CMA understands that in order to plan for the efficient integration of BMI and Circle's clinical governance systems, it will be necessary for Circle to exchange information with BMI in respect of clinical governance. Based on the information provided to the CMA, the CMA understands that such a derogation would not prejudice a CMA reference or impede the taking of any action which may be justified by the

CMA's decision on a reference. The CMA therefore consents to [X] exchanging information with BMI for the purpose of integration planning in respect of clinical governance, including:

- (a) allowing [X] to have discussions with BMI staff employed in clinical governance functions in order to understand BMI's current clinical governance and reporting structures and processes (the "**CG Framework**"), including discussing Circle's own CG Framework and how this might differ from BMI's CG Framework; and
- (b) without limiting the permitted actions described in (a) above, exchanging information with [X] in respect of BMI and Circle's CG Frameworks, including reporting processes and systems and roles and responsibilities, to enable Circle to plan for the integration of Circle and BMI's existing clinical governance systems to ensure consistent compliance with the *Health and Social Care Act 2008 (Regulated Activities)* as quickly as possible following completion of the CMA's review of the Transaction.

This derogation is granted pursuant to the following conditions:

- (c) any information disclosed pursuant to this derogation would not include any commercially-sensitive or confidential information such as information on specific patients or current or proposed future prices and/or any commercial strategy, and would exclude any information relating specifically to either party's sites in Birmingham, Bath or Reading;
- (d) the derogation requested does not extend to any integration, but only to information exchange necessary to facilitate the development of functional integration models and plans;
- (e) all Circle and BMI employees receiving information under this derogation will sign suitable confidentiality undertakings in a form to be agreed with the CMA;
- (f) no further changes to the personnel covered by this derogation are permitted without consent from the CMA, such consent will be in writing (including via email); and
- (g) Circle and BMI will ensure that firewalls are put in place to prevent any other Circle and BMI employees (other than those identified in this derogation) from accessing this information.

**Clementine Messent**

Assistant Director, Mergers

5 February 2020 and re-issued on 11 March 2020