

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

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 7 February 2020.

Completed acquisition by PUG LLC of StubHub, Inc., StubHub (UK) Limited, StubHub Europe S.à.r.l., StubHub India Private Limited, StubHub International Limited, StubHub Taiwan Co., Ltd., StubHub GmbH, and Todoentradas, S.L.

We refer to your submissions of 24 February and 3 March 2020 requesting that the CMA consent to derogations from the Initial Enforcement Order of 7 February 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, Pugnacious Endeavors, Inc., ("**viagogo**") and PUG LLC ("**PUG**") are required to hold separate the viagogo business from the StubHub business and refrain from taking any action which might prejudice a reference under section 22 or 33 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, viagogo, PUG and StubHub may carry out the following actions, in respect of the specific paragraphs.

**1. Paragraphs 7(a), 7(c) and 7(l) of the Initial Order**

The Parties submit that StubHub is currently litigating [X] relation to their agreement dated [X] concerning [X].

Based on the Parties' submission, the CMA understands that the [X] is an important and material contract for StubHub with revenues in excess of USD [X].

In order to ensure the ongoing viability of the StubHub business, and notwithstanding the derogations already in place, the Parties are requesting CMA consent for StubHub to seek approval from a designated individual within viagogo to proceed with a certain course of action.

1. The requirement to seek such approval from a designated individual within viagogo is strictly limited to any StubHub decision to:
  - (a) Materially amend the [X] as a result of the ongoing litigation. Material amendments are limited to the following: (i) changes in price of the [X] in excess of USD [X]; (ii) scope of the exclusivity clause; (iii) duration of the [X]; and (iv) any other amendment that is valued to exceed USD [X].
  - (b) Terminate [X] as a result of the ongoing litigation.

In the event that StubHub wishes to seek viagogo's approval to amend a provision of the [X] which is not covered by (a) or (b) above, the Parties will seek the written consent of the CMA (which can be provided via email).

2. The CMA consents to a derogation from paragraphs 7(a), 7(c), and 7(l) of the Initial Order, strictly on the basis that:
  - (a) A request by StubHub for approval from viagogo to amend or terminate [X] (according to paragraphs (a) and (b) above of this derogation) shall only be communicated to [X], viagogo) who will have authority to take a decision on the request and such a request from StubHub shall only be communicated to [X] by [X], StubHub) or [X], StubHub);
  - (b) [X] does not hold a commercial or strategic role within viagogo;
  - (c) Information shared with [X] shall be limited to that which is strictly necessary to allow [X] to approve or reject StubHub's decision to amend or terminate the [X] and shall be limited to: (i) [X] (to the extent strictly necessary); and (ii) StubHub's proposed amendment of [X] or its termination, supported by a high-level explanation of the rationale for such action;
  - (d) [X] must not consult with any other individual at viagogo in taking a decision on whether to approve the proposed amendment or termination request of StubHub connected with the [X];
  - (e) [X] must not advise StubHub in any way in connection with the [X] litigation, and will not negotiate on StubHub's behalf with [X];
  - (f) [X] will be subject to the confidentiality undertaking approved by the CMA and entered into by [X] as updated to include this derogation;
  - (g) The CMA will be notified in parallel of any requests made by StubHub to [X] in accordance with this derogation and the CMA will be provided with a copy of all StubHub business information (including the [X], if applicable) shared with [X] to allow him to approve or reject the decision taken by StubHub with respect to the [X];

- (h) The CMA is notified of any proposed rejection by [REDACTED] of the decision of StubHub to amend or terminate the [REDACTED], and the reasons for this in advance of any such rejection being exercised;
- (i) Firewalls and/or other ring-fencing measures will be put in place to prevent any unauthorised individuals within viagogo from accessing the information shared with [REDACTED] for the purposes of this derogation;
- (j) Should the merger be prohibited, viagogo will ensure that any commercially sensitive or confidential information received from StubHub for the purposes of this derogation will be returned to the StubHub business and any copies destroyed, except to the extent that record retention is required by law or regulation; and
- (k) For the avoidance of doubt, termination or material amendment of the [REDACTED] would only occur if it was subject to a further derogation from the CMA.

Yours sincerely

Susan Zhuang  
Assistant Director, Mergers  
11 March 2020