

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

**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 (together 'StubHub').**

We refer to your submissions of 19, 22, and 24 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(c) and 7(l) of the Initial Order – Information sharing and advice on [X]**

StubHub and viagogo submit that, in order to achieve [X] owing to the extraordinary circumstances of [X]. In light of viagogo's particular knowledge and expertise, StubHub and viagogo request the CMA's consent for StubHub to provide information [X] to viagogo and for viagogo to advise StubHub on its plan [X].

StubHub and viagogo submit that this derogation does not seek to integrate the StubHub and viagogo businesses nor to enable viagogo to control the StubHub business, but merely to share best practices and to assist StubHub in formulating [X]. StubHub will independently decide upon and implement its own plan [X].

1. The CMA consents to a derogation from paragraphs 7(c) and 7(l) of the Initial Order for the viagogo personnel listed in Annex 1 to this derogation letter to:

- (a) access information on [X] which is strictly necessary to understand the implications of [X] and to provide advice to StubHub on its plan to [X] in response to [X]; and
  - (b) act in a strictly advisory capacity to StubHub, at StubHub's request, on a course of action for StubHub to [X] in the best interests of StubHub as a standalone business.
2. This derogation is granted from paragraphs 7(c) and 7(l) strictly on the basis that:
- (a) the StubHub information shared with viagogo is limited to information related to StubHub's [X] which is strictly necessary to understand the implications of [X] and to provide advice on StubHub's plan to [X] in response to [X];
  - (b) such information will only be shared with the viagogo personnel listed in Annex 1 to this derogation letter, which can only be amended with written consent from the CMA (including via email);
  - (c) the Monitoring Trustee will be informed in advance of any information to be shared and any discussions to take place under this derogation, the Monitoring Trustee will, to the extent possible, have the opportunity to attend such discussions, including by phone (at its request), will be copied in all electronic communications between viagogo and StubHub (the **Parties**) in relation to this derogation, and will monitor compliance with the conditions of this derogation;
  - (d) StubHub will independently decide on any plan or course of action in relation to its [X] without interference from viagogo;
  - (e) for the avoidance of doubt, viagogo will not have any veto rights over any StubHub plans or decisions in relation to StubHub's [X];
  - (f) StubHub must comply with its obligations under the Initial Order, including with respect to any course of action to [X]; for the avoidance of doubt, no other action will be taken by StubHub which might prejudice a reference under section 22 of the Act or impede the taking by the CMA of any action which might be justified by the CMA's decisions on that reference without seeking a derogation from the CMA;
  - (g) any plans or actions taken by StubHub to [X], will not involve steps that amount to integration of the viagogo and StubHub businesses;
  - (h) no co-ordination of [X] between viagogo and StubHub is permitted and [X] its ability to operate on a standalone basis;
  - (i) all viagogo personnel receiving information under this derogation shall enter into a confidentiality undertaking in a form to be approved by the CMA;
  - (j) the viagogo personnel listed in Annex 1 to this derogation letter (as may be amended with written consent from the CMA) must not share the information received under this derogation with any other individuals at viagogo, or consult with any other individuals at viagogo in relation to the information received under this derogation;

- (k) the Parties will keep a record of all information shared and discussions between viagogo and StubHub in accordance with this derogation, such record to be provided to the Monitoring Trustee promptly and made available to the CMA on request;
- (l) firewalls and/or other ring-fencing measures will be put in place to prevent any individuals who are not listed in Annex 1 to this derogation letter (as may be amended with written consent from the CMA) from accessing the information shared in accordance with this derogation; and
- (m) should the transaction ultimately be prohibited, viagogo will ensure that any confidential information received from StubHub for the purposes of this derogation will be returned or destroyed, except to the extent that record retention is required by law or regulation.

## **2. Paragraphs 7(c) and 7(l) of the Initial Order – Information sharing and advice on StubHub's [X]**

StubHub and viagogo submit that, in order to achieve [X] owing to the extraordinary circumstances of [X], StubHub [X]. In light of viagogo's particular knowledge and expertise, StubHub and viagogo request the CMA's consent for StubHub to provide information on StubHub's [X] to viagogo and for StubHub to be advised by viagogo on its plans [X].

StubHub and viagogo submit that this derogation does not seek to integrate the StubHub and viagogo businesses nor to enable viagogo to control the StubHub business, but merely to share best practices and to assist StubHub in identifying [X]. StubHub will independently decide and implement any [X].

1. The CMA consents to a derogation from paragraphs 7(c) and 7(l) of the Initial Order for the viagogo personnel listed in Annex 1 to this derogation letter to:
  - (a) access information on StubHub's [X] which is strictly necessary in order to understand the implications of the [X] and to provide advice to StubHub on [X] in response to [X]; and
  - (b) act in a strictly advisory capacity to StubHub, at StubHub's request, [X] that are in the best interests of StubHub as a standalone business.
2. This derogation is granted from paragraphs 7(c) and 7(l) strictly on the basis that:
  - (a) [X] will not involve steps that amount to the integration of the StubHub and viagogo businesses;
  - (b) there will be no co-ordination between viagogo and StubHub to harmonise [X];
  - (c) the StubHub information shared with viagogo is limited to information related to StubHub's [X] which is strictly necessary to understand the implications of [X] and to provide advice on [X] in response to [X];

- (d) information will only be shared with the viagogo personnel listed in Annex 1 to this derogation letter, which can only be amended with written consent from the CMA (including via email);
- (e) the Monitoring Trustee will be informed in advance of any information to be shared and any discussions to take place under this derogation, the Monitoring Trustee will have the opportunity, to the extent possible, to attend such discussions, including by phone (at its request), will be copied in all electronic communications between the Parties in relation to this derogation, and will monitor compliance with the conditions of this derogation;
- (f) all viagogo personnel receiving information under this derogation shall enter into a confidentiality undertaking in a form to be approved by the CMA;
- (g) StubHub will independently decide on [X] without interference from viagogo;
- (h) for the avoidance of doubt, viagogo will not have any veto rights over any [X];
- (i) the viagogo personnel listed in Annex 1 to this derogation letter (as may be amended with written consent from the CMA) must not share the information received under this derogation with any other individuals at viagogo, or consult with any other individuals at viagogo in relation to the information received under this derogation;
- (j) the Parties will keep a record of all information shared and discussions between viagogo and StubHub in accordance with this derogation, such record to be provided to the Monitoring Trustee promptly and made available to the CMA on request;
- (k) firewalls and/or other ring-fencing measures will be put in place to prevent any individuals who are not listed in Annex 1 to this derogation letter (as may be amended with written consent from the CMA) from accessing the information shared in accordance with this derogation; and
- (l) should the transaction ultimately be prohibited, viagogo will ensure that any confidential information received from StubHub for the purposes of this derogation will be returned or destroyed, except to the extent that record retention is required by law or regulation.

### **3. Paragraphs 7(c) and 7(l) of the Initial Order – Information sharing and advice on StubHub's [X]**

StubHub and viagogo submit that, in order [X] owing to the extraordinary circumstances of [X], StubHub [X]. In light of viagogo's particular knowledge and expertise, StubHub and viagogo request the CMA's consent for StubHub to provide information on StubHub's [X] to viagogo and for viagogo to advise StubHub on its plan [X].

StubHub and viagogo submit that this derogation does not seek to integrate the StubHub and viagogo businesses nor to control the StubHub business, but merely to

share best practices and to assist StubHub in identifying [X]. StubHub will independently decide and implement [X].

1. The CMA consents to a derogation from paragraphs 7(c) and 7(l) of the Initial Order for viagogo personnel listed in Annex 1 to this derogation letter to:
  - (a) access StubHub information with respect to its [X] which is strictly necessary to understand the implications of [X] and to provide advice to StubHub [X] in response to [X]; and
  - (b) act in a strictly advisory capacity to StubHub, at StubHub's request, [X] that are in the best interests of StubHub as a standalone business.
2. This derogation is granted from paragraphs 7(c) and 7(l) strictly on the basis that:
  - (a) [X] will not involve steps that amount to integration of the StubHub and viagogo businesses;
  - (b) there will be no co-ordination between viagogo and StubHub to harmonise [X];
  - (c) the StubHub information shared with viagogo is limited to information related to StubHub's [X] which is strictly necessary to understand the implications of [X] and to provide advice on any [X] in response to [X];
  - (d) information will only be shared with the viagogo personnel listed in Annex 1 to this derogation letter, which can only be amended with written consent from the CMA (including via email);
  - (e) the Monitoring Trustee will be informed in advance of any information to be shared and any discussions to take place under this derogation, the Monitoring Trustee will, to the extent possible, have the opportunity to attend such discussions, including by phone (at its request), will be copied in all electronic communications between the Parties in relation to this derogation, and will monitor compliance with the conditions of this derogation;
  - (f) all viagogo personnel receiving information under this derogation shall enter into a confidentiality undertaking in a form to be approved by the CMA; and
  - (g) StubHub will independently decide on [X] without interference from viagogo; for the avoidance of doubt, viagogo will not have any veto rights in relation to [X];
  - (h) the viagogo personnel listed in Annex 1 to this derogation (as may be amended with written consent from the CMA) must not share the information received under this derogation with any other individuals at viagogo, or consult with any other individuals at viagogo in relation to the information received under this derogation;
  - (i) the Parties will keep a record of all information shared and discussions between viagogo and StubHub in accordance with this derogation, such record to be

provided to the Monitoring Trustee promptly and made available to the CMA on request;

- (j) firewalls and/or other ring-fencing measures will be put in place to prevent any individuals who are not listed in Annex 1 to this derogation letter (as may be amended with written consent from the CMA) from accessing the information shared in accordance with this derogation; and
- (k) should the transaction ultimately be prohibited, viagogo will ensure that any confidential information received from StubHub for the purposes of this derogation will be returned or destroyed, except to the extent that record retention is required by law or regulation;

#### **4. Paragraphs 7(l) of the Initial Order – Access to StubHub's [X]**

StubHub and viagogo submit that [X]. In order to be able to [X], and notwithstanding the derogations already in place, StubHub and viagogo are requesting the CMA's consent for StubHub to share confidential information with viagogo. The purpose of this derogation is to enable viagogo to receive information on [X].

StubHub and viagogo submit that this derogation does not seek to integrate the StubHub and viagogo businesses nor to control the StubHub business. The information shared will be limited to what is strictly necessary for the purposes of understanding [X] plans to address [X] resulting from [X].

1. The CMA consents to a derogation from paragraphs 7(l) of the IEO for:
  - (a) certain viagogo personnel (as listed in Annex 1 to this derogation letter) to receive information which is strictly necessary to understand [X] plans to address [X] resulting from [X].
2. The CMA consents to a derogation from paragraphs 7(l) of the Initial Order, strictly on the basis that:
  - (a) the information shared would be limited to what is strictly necessary for the purposes of [X];
  - (b) information will only be shared with the viagogo personnel listed in Annex 1 to this derogation letter, which can only be amended with written consent from the CMA (including via email);
  - (c) all viagogo personnel receiving information under this derogation shall enter into a confidentiality undertaking in a form to be approved by the CMA;
  - (d) the viagogo personnel listed in Annex 1 to this derogation letter (as may be amended with written consent from the CMA) must not share the information received under this derogation with any other individuals at viagogo, or consult with any other individuals at in relation to the information received under this derogation;

- (e) this derogation only relates to information sharing and does not allow any integration of the viagogo and StubHub businesses or any changes to the operation or functioning of the StubHub business or the viagogo business;
- (f) should viagogo consider that further action is necessary [~~✗~~] it shall seek an appropriate derogation from the CMA;
- (g) the Monitoring Trustee will be informed in advance of any information to be shared and any discussions to take place under this derogation, the Monitoring Trustee will, to the extent possible, have the opportunity to attend such discussions, including by phone (at its request), will be copied in all electronic communications between the Parties in relation to this derogation, and will monitor compliance with the conditions of this derogation;
- (h) the Parties will keep a record of all information shared in accordance with this derogation, such record to be shared with the Monitoring Trustee promptly and made available to the CMA on request;
- (i) firewalls and/or other ring-fencing measures will be put in place to prevent any individuals who are not listed in Annex 1 to this derogation letter (as may be amended with written consent from the CMA) from accessing the information shared in accordance with this derogation; and
- (j) should the transaction ultimately be prohibited, viagogo will ensure that any confidential information received from StubHub for the purposes of this derogation will be returned or destroyed, except to the extent that record retention is required by law or regulation.

**Alex Knight**  
**Assistant Director, Remedies, Business and Financial Analysis**  
**8 April 2020**

## Annex 1

Name	Title
[✂]	[✂]
[✂]	[✂]
[✂]	[✂]