

## THE ORDER

### DEROGATION LETTER IN RESPECT OF INTERIM ORDER ISSUED PURSUANT TO SECTION 81 ENTERPRISE ACT 2002 COMPLETED ACQUISITION

**Consent under section 81 of the Enterprise Act 2002 to certain actions for the purposes of the Interim Order made by the Competition and Markets Authority ('CMA') on 26 November 2019**

#### **Completed acquisition by JD Sports Fashion plc of Footasylum plc (the Merger)**

We refer to your email of 27 March 2020 requesting that the CMA consents to derogations from the Interim Order of 26 November 2019 (which replaces the Initial Enforcement Order of 17 May 2019). The terms defined in the Interim Order have the same meaning in this letter.

Under the Interim Order, save for written consent by the CMA, Pentland Group Limited (Jersey) and Pentland Group Limited (together **Pentland**) and JD Sports Fashion plc (**JD Sports**) are required to hold separate the Footasylum Limited (**Footasylum**) business from the Pentland and JD Sports businesses 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 requests for derogations from the Interim Order, based on the information received from you and in the particular circumstances of this case, Footasylum may carry out the following actions, in respect of the specified paragraphs.

#### **Paragraphs 4 and 5(e) of the Interim Order**

The CMA understands that in order to secure improved commercial terms for [redacted] of its store leases due to [redacted] and the impact of COVID-19, Footasylum has requested an option to serve a break notice on the landlord of the following stores:

[redacted]

In light of the particular circumstances of this case, the CMA grants this derogation subject to the following conditions:

- Footasylum serves each break notice [redacted];

- Footasylum uses reasonable endeavours [✂]; and
- Footasylum must inform the CMA as soon as possible if Footasylum [✂]. In such circumstances, the CMA reserves the right to issue directions to Footasylum to [✂].