

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 10 June 2020

Completed acquisition by Elis UK Limited of Central Laundry Limited (the 'Merger')

Dear Ms [X],

We refer to your submissions dated 17, 19 and 30 June 2020 and 8 and 15 July 2020 requesting that the CMA consents to derogations to the Initial Enforcement Order of 10 June 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, Elis S.A., Berendsen Limited and Elis UK Limited (together '**Elis**') are required to hold separate the Elis S.A. business from the CLL business (together the '**Parties**') 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, Elis may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 4(a), 5(a) and 5(l) of the Initial Order

Elis submitted that, as a result of the Coronavirus pandemic, [X]. This has involved Elis participating in the [X]. Since the date of the acquisition of CLL, Elis UK's [X] has assisted CLL with implementing [X]. Elis UK will also be responsible for submitting [X]. CLL therefore requires the continued assistance of Elis UK [X] to administer [X] Coronavirus pandemic.

On this basis Elis has sought the CMA's consent to a derogation from paragraphs 4(a), 5(a) and 5(l) of the Initial Order permitting Elis UK to assist CLL with the administration of [X] on CLL's behalf.

The CMA consents to a derogation from paragraphs 4(a), 5(a) and 5(l) of the Initial Order strictly on the basis that:

- a) Elis UK assisting CLL with the administration and processing of [X] is strictly necessary to ensure the ongoing viability of CLL during the Coronavirus pandemic;
- b) Only the Elis UK staff listed in Annex 1 will have access to information received from CLL for the purposes of this derogation;

- c) The information that will be shared by CLL with Elis UK for the purposes of this derogation will be strictly limited to the following:
- a. [✂];
 - b. [✂];
 - c. [✂];
 - d. [✂];
 - e. [✂]; and
 - f. [✂].
- d) Firewalls and/or other ring-fencing measures will be put in place to prevent Elis staff not listed in Annex 1 from accessing the information shared with Elis UK for the purposes of this derogation;
- e) The Elis UK staff listed in Annex 1 will enter into non-disclosure agreements in a form approved by the CMA;
- f) No further changes to the Elis UK staff listed in Annex 1 are permitted without prior written consent from the CMA (including via email);
- g) The Parties will keep a record of all information shared in accordance with this derogation, and Elis UK will keep a list of persons which have assisted and have had access to the relevant information. Such records will be made available to the CMA on request;
- h) This derogation shall not prevent any remedial action that the CMA may need to take regarding the Merger; and
- i) Should the Merger ultimately be prohibited or undertakings in lieu accepted, Elis will ensure that any records or copies (electronic or otherwise) of information received from CLL for the purposes of this derogation, wherever they may be held, will be returned to CLL and any copies destroyed, except to the extent that record retention is required by law or regulation.

Karina Kucaidze
Assistant Director, Mergers
22 July 2020

Annex 1 – Permitted Elis Staff

Name	Role
[✂]	HR Business Partner, Elis UK
[✂]	Payroll Manager, Elis UK