

**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 6 August 2020**

**Acquisition by Ardonagh Group Limited of Bennetts Motorcycling Services  
Limited (the Merger)**

We refer to your submission of 4 September 2020 requesting that the CMA consents to a derogation to the Initial Enforcement Order of 6 August 2020 (the '**Initial Order**'). Unless otherwise stated, 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, Ardonagh Group Limited (**Ardonagh**), Ardonagh Midco 2 plc (**Ardonagh UK**) and Atlanta Investments Holdings C Limited (**Atlanta**) and their subsidiaries are required to hold separate the Ardonagh business from the business of Bennetts Motorcycling Services Limited (**Bennetts**) 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 a derogation from the Initial Order, based on the information received from you and in the particular circumstances of this case, the CMA consents to Bennetts carrying out the following actions, in respect of the specific paragraphs:

**1. Paragraph 6(c) and 6(i) of the Initial Order – Key Staff**

The CMA understands that Bennetts wishes to appoint a new Senior Marketing Manager (**SMM**), a new role which is currently the most senior marketing role at Bennetts. In order to maximise the opportunity for growth of the Bennetts' business, Bennetts is requesting CMA consent to make an offer of employment to a candidate to fill the vacancy.

The CMA consents to a derogation from paragraphs 6(c) and 6(i) of the Initial Order for Bennetts to appoint a new SMM, strictly on the basis that:

- (a) Bennetts has handled the recruitment process without any input from Ardonagh;
- (b) The successful candidate has no previous or current links to Ardonagh;

(c) This derogation will not lead to any integration of the Ardonagh or Bennetts businesses; and

(d) This derogation should not prevent any remedial action that the CMA may need to take regarding this merger.

**2. Paragraph 6(b) of the Initial Order – deviation from pre-merger business plan in respect of [REDACTED]**

The CMA understands that in June 2020, four months after agreeing its share purchase agreement with Ardonagh, Bennetts began discussing with its claims handler, [REDACTED] in order to reflect the effects of Coronavirus (COVID-19) on [REDACTED]. While not part a pre-merger business plan, the CMA recognises that this temporary arrangement is necessary [REDACTED] in unforeseen circumstances.

The CMA consents to a derogation from paragraph 6(b) of the Initial Order for Bennetts to agree to such an extension of the temporary arrangement with [REDACTED] from 1 July to 30 September 2020 strictly on the basis that:

(a) such action is strictly necessary [REDACTED];

(b) the decision has been taken unilaterally by Bennetts in its own best commercial interests and without input from Ardonagh;

(c) no Bennetts information will be shared with Ardonagh as a result of this derogation; and

(d) this derogation shall not prevent any remedial action which the CMA may need to take regarding the Merger.

Yours sincerely,

Maria Duarte

Director, Mergers

9 September 2020