

**APPLICATION FOR CONSENT IN RESPECT OF FINAL UNDERTAKINGS PURSUANT TO
SECTION 73 OF THE ENTERPRISE ACT 2002**

**Completed acquisition by Ardonagh Group Limited (Ardonagh) of Bennetts Motorcycling
Services Limited (Bennetts)**

**Consent to certain actions for the purposes of the Final Undertakings given to the Competition
and Markets Authority (CMA) on 20 November 2020**

We refer to the application by Bennetts dated 9 February 2021 that the CMA grant consent in relation to the Final Undertakings given by Ardonagh and Bennetts, dated 20 November 2020 (the 'Undertakings'). Terms defined in the Undertakings have the same meaning in this letter.

Under the Undertakings, save for the written consent of the CMA or in the ordinary course of business for the separate operation of the Bennetts business and the Ardonagh business, Ardonagh and Bennetts are required to maintain and preserve all of the assets of the Bennetts business, including facilities and goodwill, and no asset or interest in any asset is to be disposed of.

Further, under the Undertakings, the nature, description, range and quality of goods and services supplied in the UK by Bennetts must be maintained and preserved unless prior written consent is obtained from the CMA to do otherwise.

After due consideration of the application for consent in accordance with paragraph 12 of the Undertakings and based on the information received from Bennetts, Bennetts may carry out the following actions in relation to the specific paragraph of the Undertakings listed below.

Paragraph 12.2 (b) of the Undertakings

Bennetts submits that, following the preparation by Bennetts of its pre-merger business plan, one of Bennetts' providers of [redacted] services, namely [redacted], announced that it would [redacted] of its [redacted] service offering to Bennetts. Accordingly, it is necessary for Bennetts to find an alternative supplier of [redacted] services. Following a detailed assessment of the responses to its enquiries, Bennetts selected [redacted] to provide [redacted] services going forwards, which would replace [redacted], Bennetts' existing providers of [redacted] services.

The CMA understands that switching from [redacted] to [redacted] will [redacted] services by approximately [redacted]. Moreover, Bennetts had included only £[redacted] for [redacted] services in its pre-merger budget, as the [redacted] was not visible to Bennetts' management at the time it drew up Bennetts' pre-merger business plans. Bennetts submitted that [redacted] was one of only a limited number of potential suppliers which could offer Bennetts [redacted] services it requires, and which would be able to execute a [redacted]. Of the suppliers which met the aforementioned criteria, [redacted].

Nevertheless, Bennetts' proposed switch in [redacted] suppliers comprises a [redacted] that was not budgeted for pre-merger. Accordingly, Bennetts requested a derogation from paragraph 12.2 (b) of the Undertakings.

In light of the particular circumstances of the case, the CMA grants a derogation permitting Bennetts to enter into an agreement with [redacted] for the supply of [redacted] services. This consent is subject to the following conditions:

- a) such action is strictly necessary to ensure that Bennetts [redacted];
- b) Bennetts [redacted];
- c) the decision has been taken unilaterally by Bennetts in its own best commercial interests and without input from Ardonagh; and

d) no Bennetts information will be shared with Ardonagh as a result of this derogation.

Peter Park

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12 February 2021