

**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 (the ‘Act’) to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (‘CMA’) on 15 June 2021.**

**Acquisition by NCR Corporation (‘NCR’) of Cardtronics plc (‘Cardtronics’) (the ‘Acquisition’).**

We refer to your submission of 2 June 2021 requesting that the CMA consents to a derogation from the Initial Enforcement Order of 15 June 2021 (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, NCR Corporation, NCR UK Group Limited, and Cardtronics plc (the ‘**Addressees**’) are required to hold separate the Cardtronics business from the NCR 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 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 the Addressees carrying out the following actions, in respect of the specific paragraphs:

**Paragraphs 6(c), 6(i), and 6(k) – Changes to Cardtronics’ board of directors**

The CMA understand that that at completion the existing directors will resign from the board of Cardtronics:

- (i) Mr Mark Rossi (Chair of the Board)
- (ii) Mr Douglas Braunstein (Director)
- (iii) Ms Julie Gardner (Director)
- (iv) Mr Patrick Philipps (Director)

- (v) Mr Warren Jensen (Director)
- (vi) Ms Juli Spottiswood (Director)
- (vii) Mr Rahul Gupta (Director)
- (viii) Mr Edward West (CEO and Director)

The CMA understands that other than Mr West these are all non-executive directors appointed to the board of Cardtronics given its status as a publicly listed company incorporated in England and Wales (the shares of which are listed on the Nasdaq Stock Market). Accordingly, their functions on the board of directors of Cardtronics are limited to providing independent oversight of the Cardtronics business through, for instance, monitoring the executive directors to ensure that the interests of the shareholders are protected. Mr West's role on the Cardtronics board of directors is primarily to report to the non-executive directors on Cardtronics' strategic direction and performance, for which he is responsible as the CEO of Cardtronics. Accordingly, post-completion, with Cardtronics ceasing to be a publicly traded company and becoming a wholly owned subsidiary company of NCR, the existing role of the Cardtronics board of directors will become redundant.

The CMA further understand that the articles of association of Cardtronics require that there are at least three board members. In order to fulfil this requirement, the Addressees propose to appoint existing Cardtronics employees, Erich Brad Conrad (EVP Treasurer at Cardtronics), Paul Carbonelli (Associate General Counsel at Cardtronics), Angela Weinstein (SVP Tax at Cardtronics), and Paul Gullo (Chief Accounting Officer at Cardtronics), as directors on a temporary basis (the '**Replacement Directors**'). Their appointments are in order to fulfil statutory requirements, and their role will be administrative. The Replacement Directors are individuals who discharge directorships in respect of other Cardtronics subsidiary companies and are therefore familiar with the administrative tasks subsidiary companies are required to undertake. The CMA notes that no NCR employee will be appointed to the board of Cardtronics.

Finally, the CMA understands that Mr West will continue to carry out his CEO role on an unchanged basis following his resignation from the board of Cardtronics. All of his executive responsibilities were, and will continue to be, delivered through his role of CEO of Cardtronics.

The CMA therefore consents to a derogation from paragraphs 6(c), 6(i) and 6(k) of the Initial Order to permit:

- (i) The existing directors to resign from their positions on the board of Cardtronics at closing.
- (ii) The Replacement Directors to be appointed to the board of Cardtronics.

The CMA consents to this derogation strictly on the basis that:

- a) The departure of the non-executive directors currently on the board of Cardtronics will not have an impact on Cardtronics' global, European or UK operations, which will continue to be the responsibility of Cardtronics' existing management. The purpose of the board of directors is to comply with external obligations, rather than to determine the strategic direction of the Cardtronics business.
- b) The appointment of the Replacement Directors will not have any impact on the ability of Cardtronics to compete independently of NCR.
- c) Mr West will continue to carry out his CEO role on an unchanged basis following his resignation from the board of Cardtronics.
- d) The Replacement Directors have the relevant expertise and experience necessary to perform the role of directors of Cardtronics.
- e) This derogation will not result in any integration between NCR and Cardtronics.
- f) This derogation shall not prevent any remedial action which the CMA may need to take regarding the Acquisition.

Yours sincerely,

Andrew Hilland

Assistant Director, Mergers

18 June 2021