

**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.

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

We refer to your submissions of 2 June 2021 requesting that the CMA consent to derogations 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(a), 6(g), 6(h) and 6(l) – Insurance

The CMA understands that upon completion, as Cardtronics’ new owner, NCR will become responsible for ensuring that Cardtronics has effective access to Director and Officer (**D&O**) insurance coverage. The Addressees submit that the most effective way to ensure that Cardtronics has all the necessary D&O insurance cover immediately upon completion is to include Cardtronics in NCR’s coverage for D&O insurance.

The CMA consents to a derogation from paragraphs 6(a), 6(g), 6(h) and 6(l) of the Initial Order to permit (i) NCR to extend NCR’s existing D&O insurance coverage to Cardtronics; and (ii) NCR to receive information from Cardtronics in order to put in place and maintain

the requisite D&O insurance coverage for Cardtronics. The CMA grants this derogation strictly on the basis that:

- (a) Cardtronics information provided to NCR will be limited to what is strictly necessary for NCR to arrange D&O insurance coverage for Cardtronics and ensure compliance with any requirements of the insurance policies and the information provided by Cardtronics will not be used for any other purpose.
- (b) Information will only be provided to individuals listed in Annex 1 for whom it is strictly necessary to see Cardtronics information to ensure that the necessary D&O insurance arrangements are put in place. The individuals listed in Annex 1 shall enter into non-disclosure agreements in a form approved by the CMA. The Addressees shall submit to the CMA a summary of the information shared with the individuals listed in Annex 1, should the CMA request this.
- (c) The individuals listed in Annex 1 do not have any responsibility for the commercial or strategic operations of NCR and shall not use any information provided by Cardtronics in any way to intervene in the management or operation of Cardtronics.
- (d) IT firewalls and/or other ring-fencing measures will be put in place to prevent any unauthorised individuals within NCR from accessing the information shared with the individuals listed in Annex 1 for the purposes of this derogation.
- (e) NCR will ensure that any third party to whom it provides the information provided by Cardtronics is aware of the terms on which the information has been provided and that the information must not be provided to any individual other than in compliance with the Initial Order and this derogation;
- (f) No changes to the individuals listed in Annex 1 are permitted without the prior written consent of the CMA (including via email).
- (g) The inclusion of Cardtronics within NCR's insurance arrangements:
 - will not be difficult or costly to reverse; and
 - will have no influence upon the commercial direction of the Cardtronics business during the term of the Initial Order;
- (h) Should the Acquisition be prohibited or NCR be required to divest all, or part of, the Cardtronics business, NCR will ensure that any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information,

intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from Cardtronics for the purposes of this derogation will be returned to Cardtronics and any copies destroyed, except to the extent that record retention is required by law or regulation.

- (i) This derogation shall not prevent any remedial action which the CMA may need to take regarding the Acquisition.
- (j) This derogation will not result in any integration between the Cardtronics business and the NCR business.

Yours sincerely,

Andrew Hilland

Assistant Director, Mergers

17 June 2021

Annex 1

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