

**DEROGATION LETTER  
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED  
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002  
COMPLETED ACQUISITION**

Please note that [✂] indicates figures or text which have been deleted or replaced in ranges for reasons of commercial confidentiality.

**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 15 November 2021**

**Completed acquisition by VetPartners Limited ("VetPartners") of Goddard Holdco Limited ("Goddard"). VetPartners and Goddard are together referred to as the "Parties".**

Dear [✂]

We refer to your submissions of 22 November and 3, 13 and 29 December 2021 requesting that the CMA consent to derogations to the Initial Enforcement Order of 15 November 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, Scooby Lux Investment S.à r.l., Scooby Equityco Limited, Piper Topco Limited, Scooby Bidco Limited, VetPartners and Goddard (the **"Addressees"**) are required to hold separate the Acquirer Group business from the Goddard business 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, the Addressees may carry out the following actions, in respect of the specific paragraphs:

**1. Paragraphs 5(a), 5(g) and 5(h) of the Initial Order**

The Acquirer Group and Goddard (the **'Parties'**) submit that as part of the ordinary course of business, clinical referrals are made between sites of VetPartners Limited (**'VetPartners'**) and Goddard sites (the **'Referrals'**) where the customer's primary site (the **'Referring Site'**) does not have the relevant capability or the capacity to perform the relevant clinical procedures. The Parties further submit that, save for where customers request a particular site, Referrals are generally made by the Referring Site to the site which is considered to be clinically appropriate by the referring vet (the **'Referred Site'**). Exceptionally, a VetPartners site and a Goddard site may need to

communicate with each other about a temporary redirection of customers from one site to the other (the '**Redirections**'), in particular where a site has to close suddenly due to unforeseen circumstances. The Parties submit that there are no incentives, financial or otherwise, in place for the Referrals or Redirections.

In order to continue to uphold patient safety and well-being, the Parties are seeking the consent of the CMA to enable Referrals and Redirections to continue to be made in the ordinary course of business when deemed clinically appropriate, while the Initial Order is in force.

On the basis of the Parties' representations, the CMA consents to a derogation from paragraphs 5(a), 5(g) and 5(h) of the Initial Order, strictly on the basis that:

- (i) this derogation is strictly necessary to ensure the welfare of animals being treated by the VetPartners and Goddard businesses;
- (ii) all Referrals and Redirections will be reported to the CMA as part of the fortnightly compliance statements;
- (iii) Where Referrals and/or Redirections occur, the information which will be exchanged between the Referring Site and the Referred Site will be limited to that which is strictly necessary to enable the Referral and/or Redirection to take place, and will be limited to client, patient and/or treatment details. Any client/ patient/ treatment details exchanged will be treated confidentially under existing safeguards for such information;
- (iv) the Referring Site's employees will only contact a Referred Site for the purpose of clinically appropriate Referrals in the ordinary course of business and for no other reason;
- (v) Redirections will only take place in unforeseen circumstances;
- (vi) no incentives, financial or otherwise are currently in place, or will be put in place in respect of Referrals or Redirections;
- (vii) this derogation will not lead to any integration of the Acquirer Group business and the Goddard business; and
- (viii) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA's decisions on a reference.

Yours sincerely,

[✂]

Alex Knight

Assistant Director, Remedies, Business and Financial Analysis

6 January 2022