

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 27 August 2021 as varied on 30 September 2021

Completed acquisition by Dye & Durham Limited, through its subsidiary Dye & Durham (UK) Limited, of TM Group (UK) Limited (the 'Merger')

Dear [≫],

We refer to your submission dated 19 January 2022 requesting that the CMA consents to derogations to the Initial Enforcement Order of 27 August 2021 as varied on 30 September 2021 (the '**Initial Order**'). Unless otherwise stated, the terms defined in the Initial Order and related derogation from the Initial Order granted by the CMA on 26 October 2021, have the same meaning in this letter.

Under the Initial Order and related derogation from the Initial Order granted by the CMA on 26 October 2021, save for written consent by the CMA, Dye & Durham Limited (**D&D**) and Dye & Durham (UK) Limited ('**D&D UK**') are required to hold separate the D&D UK business and D&D's UK-related assets from the TM Group (UK) Limited ('**TMG**') 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 circumstances of this case, D&D and D&D UK may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 5(c) and 5(i) of the Initial Order

D&D submits that $[\aleph]$ has been appointed Chief Information Officer of D&D with effect from $[\aleph]$. In order to minimise the disruption to the D&D business, $[\aleph]$.

D&D wishes to extend [³] responsibilities as D&D's Chief Information Officer to include the D&D UK business to ensure effective running of the D&D UK business as a going concern.

On the basis of D&D's representations, the CMA consents to a derogation from paragraphs 5(c) and 5(i) of the Initial Order to permit the extension of [\gg] responsibilities as D&D's Chief Information Officer, to the D&D UK business, strictly on the basis that:

- (a) [≫] has the necessary capacity and experience to effectively fulfil the role as Chief Information Officer of D&D UK. As such, this appointment will not impact the viability or ongoing operation of the D&D business;
- (b) Save for the changes described above, no other organisational or key staff changes will be made to the D&D business as a result of the proposed appointment of [≫] as Chief Information Officer;
- (c) This derogation will not lead to any integration of the TMG and D&D businesses and for the avoidance of doubt, will not result in any TMG staff reporting to [%]; and
- (d) 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.

Adam Cooper Director, Remedies, Business and Financial Analysis 25 January 2022