

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

Consent under section 72(3)C 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 21 December 2021

Acquisition by NEC Software Solutions UK Limited of Capita (SSS) Limited and Capita Software (US) LLC¹

We refer to your email dated 11 April 2022 requesting that the CMA consents to derogation to the Initial Enforcement Order of 21 December 2021 (the “**Initial Order**”). 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, NEC Corporation (‘**NECJ**’), Garden Private Holdings Limited (‘**GPHL**’) and NEC Software Solutions UK Limited (‘**NECSWS**’) and its subsidiaries (‘**the NEC business**’) are required to hold separate the NEC business from Capita (SSS) Limited (‘**CSSS**’), Capita Software (US) LCC (‘**CSUS**’) and their subsidiaries (‘**the Capita SSS 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 the request for a derogation from the Initial Order, based on the information received from you, and in the particular circumstances of this case, NECSWS and SSS may carry out the following actions in relation to the specific paragraphs of the Initial Order listed below.

Paragraphs 6(c) and 6(i) of the Initial Order

The CMA understands that on [X], tendered his resignation from his role and is in the process of serving his [X] notice period which ends on [X]. Accordingly, SSS has requested the CMA for consent to replace [X] with [X], SSS’s current [X]. The CMA confirms its consent to the appointment of [X], to the role of [X] on a permanent basis.

This derogation is granted on the basis that:

- a) [X] has the relevant expertise and experience necessary to perform the role of [X];

¹ Referred to in this request as ‘SSS’

- b) this derogation does not impact the viability of the SSS business during the term of the Initial Order;
- c) this derogation will not impact the ability of SSS to compete independently of NECSWS;
- d) this derogation will not result in any integration between the SSS business and the NECSWS business; and
- e) this derogation shall not prevent any remedial action which the CMA may need to take regarding the Transaction.

Lasse Burmester
Assistant Director, Mergers
25 April 2022