

**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 28 April 2022.

Acquisition by Riviera Bidco Limited (‘Riviera’) of Dental Partners Group Limited (‘Dental Partners’) (the ‘Acquisition’).

We refer to your submissions of 7 April 2022, 20 April 2022 and 27 April 2022 requesting that the CMA consents to derogations from the Initial Enforcement Order of 28 April 2022 (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, CapVest Equity Partners IV SCSp, CapVest Strategic Opportunities 8 SCSp, CapVest Partners LLP, Riviera TopCo Limited, Riviera, and Rodericks Dental Limited (referred to together as the ‘**Acquirer Group**’); and Dental Partners (together with the Acquirer Group, the ‘**Addressees**’) are required to hold separate the Acquirer Group business from the Dental Partners business and refrain from taking any action which might prejudice a reference under sections 33 or 22 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:

1. Paragraphs 5(a), 5(b), 6(a) and 6(e) – Riviera granting security over Dental Partners assets to Riviera’s lenders as part of Riviera’s existing financing arrangements

The CMA understands that Riviera’s existing financing arrangements include (i) a senior facilities agreement [✂], the ‘**Senior Facilities Agreement**’), (ii) an intercreditor agreement dated 12 November 2021 [✂] (the ‘**Intercreditor Agreement**’); and (iii) a debenture [✂] (the ‘**Debenture**’).

The CMA further understands that Riviera's existing financing agreements, as set out above, require the Dental Partners subsidiaries listed in Annex 1 (the '**Relevant Dental Partners Subsidiaries**') to enter into accession deeds with respect to these financing agreements. This would involve those Dental Partners subsidiaries granting security over [X].

The CMA consents to a derogation from paragraphs 5(a), 5(b), 6(a) and 6(e) of the Initial Order to permit Riviera to grant its lenders security over the Relevant Dental Partners Subsidiaries. The CMA grants this derogation strictly on the basis that:

- (a) The granting of security will not in any way restrict the ability of the Addressees to divest all, or a portion of, the relevant Acquirer Group business or Dental Partners business to the extent this is necessary either (i) as part of a voluntary offer by way of undertakings in lieu of reference to a Phase 2 investigation pursuant to section 73 of the Act or (ii) in order to comply with any order made by the CMA at Phase 2 under sections 41 and 84 of the Act to remedy any competition concerns identified by the CMA. The Addressees will take any steps necessary to ensure this, including through requiring Riviera's lenders to unconditionally release assets of the Relevant Dental Partners Subsidiaries from any security granted.
- (b) The granting of security will not impede or in any way interfere with the strategic, commercial, or operational decision-making ability of the Dental Partners business.
- (c) This derogation will not result in the exchange of commercially-sensitive information between the Acquirer Group and Dental Partners.
- (d) This derogation will not prevent any remedial action which the CMA may need to take regarding the Acquisition.
- (e) This derogation will not result in any integration between Riviera and Dental Partners.

Yours sincerely,

Faye Fullalove

Assistant Director, Mergers

13 May 2022

Annex 1 – Relevant Dental Partners Subsidiaries

[✂]