

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

Please note that [X] indicates figures or text which have been deleted at the request of the parties 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 issued by the Competition and Markets Authority (CMA) on 21 December 2021.

Acquisition by NEC Software Solutions UK Limited of SSS Public Safety Limited¹ and Secure Solutions USA LLC² from Capita Secure Information Solutions Limited and Capita (USA) Holdings Inc. (the Merger).

We refer to your email of 14 June 2022 requesting that the CMA consents to derogations 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 SSS Public Safety Limited (**SSS**), Secure Solutions USA LLC (**SUS**) and their subsidiaries (the **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 the SSS business, and in the particular circumstances of this case, the SSS business may carry out the following actions in relation to the specific paragraph of the Initial Order listed below.

Paragraph 6(e)(ii) of the Initial Order

¹ Formerly Capita (SSS) Limited.

² Formerly Capita Software (US) LLC.

The SSS business currently occupies four separate units (the Units) at [X]. Each unit and their specified uses are as follows:

- a) Unit [X]– this Unit is used by the SSS business for [X];
- b) Unit [X]– this Unit is used by the SSS business for [X];
- c) Unit [X] – this Unit is used by the SSS business for [X]; and
- d) Unit [X]– this Unit is used by the SSS business for [X].

The existing leases for each of the Units expire on [X] and the SSS business intends to renew the leases for units [X], [X] and [X] for a period of [X] for Units [X] and [X] and [X] for Unit [X]. The CMA understands that the SSS business has determined that [X] has become surplus to requirements as the SSS business' need for [X] can be effectively incorporated within Units [X] and [X]. This is because of the [X]. The CMA consents to this derogation for the disposal of Unit [X].

This derogation is provided on the basis that:

- i. this derogation will not impact the viability of the SSS business during the term of the Initial Order;
- ii. the disposal of the lease will not detrimentally affect the ability of staff at the site to perform their day-to-day tasks;
- iii. this derogation will not impact the ability of the SSS business to compete independently of NECSWS;
- iv. this derogation will not result in any integration between the SSS business and the NECSWS business; and
- v. this derogation shall not prevent any remedial action which the CMA may need to take regarding the Merger.

Lesley Moore
Director, Mergers
17 June 2022