

**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 26 May 2021.**

**Completed acquisition by CHC Group LLC (‘CHC’) from Babcock International Group plc (‘Babcock’) of the oil and gas offshore crew transportation service business of Babcock (‘Babcock Offshore’) (the ‘Acquisition’). CHC and Babcock Offshore together are referred to as the ‘Parties’.**

We refer to your submission of 7 February 2022 requesting that the CMA consents to a derogation from the Initial Enforcement Order of 26 May 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, CHC Group LLC, EEA Helicopter Operations B.V., CHC Scotia Limited, Babcock Mission Critical Services Offshore Limited, Babcock Offshore Services Australasia Pty Ltd and Babcock Denmark A/S (the ‘**Addressees**’) are required to hold separate the Babcock Offshore business from the CHC 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 derogation request 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:

**Paragraphs 6(c) and 6(i) – Babcock Offshore Denmark key staff changes**

Babcock Offshore submits that the Babcock Offshore Denmark [X] and the Babcock Offshore Denmark [X] have handed in their resignations and such resignations have been accepted. It is expected that [X] will leave the Babcock Offshore Denmark business on 1 March 2022, while [X] will leave the Babcock Offshore Denmark business on 1 April

2022. The CMA understands that [REDACTED] has resigned to take up a position with his previous employer [REDACTED]. The CMA also understands that [REDACTED] decision to resign was related to a higher than expected workload.

Babcock Offshore Denmark further submits that both roles will be replaced by external candidates, with whom it is currently in discussions.

The CMA consents to a derogation from paragraphs 6(c) and 6(i) of the Initial Order to permit:

- a) a suitable replacement for [REDACTED], who is to leave the Babcock Offshore Denmark business, to be appointed in order to become Babcock Offshore Denmark [REDACTED];
- b) a suitable replacement for [REDACTED], who is to leave the Babcock Offshore Denmark business, to be appointed in order to become Babcock Offshore Denmark [REDACTED].

The CMA consents to this derogation strictly on the basis that:

- a) The above staffing changes will not have any impact on the ability of Babcock Offshore Denmark to compete independently of CHC.
- b) Babcock Offshore Denmark will have sufficient staff available with the necessary experience and expertise to absorb the responsibilities of any departing staff and will carefully assess on an ongoing basis the need for new staff to be appointed.

[SIGNED]

**Lesley Moore**  
**Director, Mergers**  
**25 February 2022**