

**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 14 April 2022 and subsequent correspondence 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 pending final determination of the reference which might prejudice the reference or impede the taking of any remedial action which might be justified by the CMA’s decisions on the 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 action, in respect of the specific paragraphs:

1. Paragraphs 6(e) – Proposed Sale of an AW139 helicopter

Babcock Offshore submits that it intends to sell a AW139 helicopter [REDACTED]. Babcock Offshore is [REDACTED]. Babcock Offshore also submits that [REDACTED]. Babcock Offshore considers that this transaction is strictly necessary [REDACTED].

The CMA consents to a derogation from paragraph 6(e) of the Initial Order to permit Babcock Offshore to complete the sale of the AW139 helicopter [✂].

This derogation shall not prevent any remedial action which the CMA may need to take regarding the Acquisition, nor will it result in any integration between CHC and Babcock Offshore.

[SIGNED]

Alistair Thompson

Director, RBFA

7 July 2022