

**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 29 March 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 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:

**1. Paragraph 6(l) – Babcock Offshore’s collective negotiations in Denmark**

Babcock Offshore submits that it is currently engaging in collective negotiations with a pilot trade union in Denmark focusing on pilots’ salaries. It would like to share high level information about these negotiations with CHC due to the ongoing impact that the discussions are likely to have on CHC.

The CMA consents to a derogation from paragraph 6(l) of the Initial Order to permit

Babcock Offshore to provide high level information about the collective negotiations with a pilot trade union in Denmark to CHC. The CMA consents to this derogation strictly on the basis that:

- (a) The Babcock Offshore information provided to CHC will be limited to what is strictly necessary for the purposes of making CHC aware of the collective negotiations that are taking place and the potential impacts they might have on CHC at a high level.
- (b) Information will be provided by [REDACTED] ([REDACTED]) to [REDACTED] of CHC.
- (c) IT firewalls and/or other ring-fencing measures will be put in place to prevent any individuals within CHC other than [REDACTED] from accessing any confidential information.
- (d) Should the Acquisition be prohibited or if CHC is required to divest all, or part of, Babcock Offshore, CHC will ensure that any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from Babcock Offshore for the purposes of this derogation will be returned to Babcock Offshore and any copies destroyed, except to the extent that record retention is required by law or regulation.

[Signed]

**Lesley Moore,**  
**Director, Mergers**  
**30 March 2022**