

**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 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 Capita (SSS) Limited and Capita Software (US) LLC (the 'Merger').<sup>1</sup>**

We refer to your email of 15 September 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 your request for a derogation from the Initial Order, based on the information received from you and in the particular circumstances of this case, NECSWS may carry out the following actions, in respect of the specific paragraph:

**1. Paragraph 6(c) of the Initial Order**

The CMA understands that the following changes are intended at NECSWS:

- For certain changes to be made within one of NECSWS' subsidiaries, We are Snook Limited ("**Snook**"), namely:

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<sup>1</sup> Now SSS Public Safety Limited and Secure Solutions USA LLC, respectively, and further referred to in this request as 'SSS'

- The appointment of an additional [✂];
- The appointment of [✂]; and
- The appointment of a [✂] (together, the "**Snook Organisational Changes**").

In light of the above, the CMA consents to grant a derogation from paragraph 6(c) to permit the Snook Organisational Changes to be made.

These derogations are provided on the basis that:

- a) save for the changes described above, no other substantive organisational changes will be made;
- b) this derogation does not impact the viability of the NEC business during the term of the Initial Order;
- c) this derogation will not impact the ability of the SSS business to compete independently of the NEC business;
- d) this derogation will not result in any integration between the SSS business and the NEC business; and
- e) this derogation shall not prevent any remedial action which the CMA may need to take regarding the Transaction.

Lesley Moore  
Director, Mergers  
20 September 2022