

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

**Completed acquisition by NEC Software Solutions UK Limited of
Capita (SSS) Limited and Capita Software (US) LLC¹**

We refer to the request by SSS dated 2 December 2022 that the CMA grant a derogation to the Initial Enforcement Order served on SSS and NEC Software Solutions UK Limited (“**NECSWS**”) on 21 December 2021 (the “**Initial Order**”). 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 SSS, and in the particular circumstances of this case, SSS may carry out the following actions in relation to the specific paragraphs of the Initial Order listed below.

Paragraph 6(l) of the Initial Order

The CMA understands that at times, SSS needs to provide information relating to NECSWS’s [✂] when SSS participates in tenders or upon request of its customers.

In light of the above, the CMA consents to SSS obtaining from NECSWS, and NECSWS providing to SSS, the following information (the **‘Information’**):

- A statement explaining why NECSWS [✂];
- A timeframe within which NECSWS [✂]; and

¹ Now SSS Public Safety Limited and Secure Solutions USA LLC, respectively, and further referred to as “SSS”.

- Any additional information that provides [REDACTED] on this matter and shows that SSS [REDACTED].

The following Named Individuals at SSS are permitted to obtain the Information from NECSWS:

- [REDACTED];
- [REDACTED];
- [REDACTED];
- [REDACTED];
- [REDACTED];
- [REDACTED];
- [REDACTED];
- [REDACTED]; and
- [REDACTED].

This derogation is provided on the basis that:

- a) no changes to the list of Named Individuals set out above are permitted without the prior written consent of the CMA (including via email);
- b) each of the Named Individuals shall enter into a confidentiality undertaking in a form agreed by the CMA;
- c) it does not impact the viability of the SSS business during the term of the Initial Order;
- d) it will not impact the ability of SSS to compete independently of NECSWS;
- e) it will not result in any integration between the SSS business and the NECSWS business;
- f) should part of the SSS business be divested, SSS 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 the NECSWS business in relation to this derogation

will be returned to the NECSWS business and any copies destroyed, except to the extent that record retention is required by law or regulation; and

- g) it shall not prevent any remedial action which the CMA may need to take regarding the transaction.

Colin Garland

Director, Remedies, Business and Financial Analysis

5 December 2022