

**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, as revised on 21 December 2022.

Acquisition by NEC Software Solutions UK Limited of SSS Public Safety Limited and Secure Solutions USA LLC ('the Transaction').

We refer to your email of 8 February 2023 requesting that the CMA consents to derogations to the Initial Enforcement Order of 21 December 2021, as revised on 21 December 2022 (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 PSL**'), Secure Solutions USA LLC ('**SSU**') and their subsidiaries (the '**SSS business**') and refrain from taking any action which might impede the taking of remedial action following the reference made under section 22 of the Act.

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 and SSS PSL may carry out the following actions:

- **Paragraph 6(l) of the Initial Order**

The CMA understands that SSS PSL [✂] (the "**Accounts**"), [✂].

The CMA consents to grant a derogation from paragraph 6(l) of the Initial Order to permit the individuals at NECSWS below (the '**Authorised Persons**') to receive from SSS PSL the following information (the '**Accounts Information**'), in order to monitor the compliance of SSS PSL, a NECSWS subsidiary (the '**Permitted Purpose**')

1. [✂];

2. [REDACTED]; and

3. [REDACTED].

For the purpose of this derogation, the Authorised Persons are:

a) [REDACTED];

b) [REDACTED];

c) [REDACTED].

This derogation is granted on the basis that:

- a) each of the Authorised Persons shall enter into a confidentiality undertaking in a form agreed with the CMA;
- b) no changes to the list of Authorised Persons set out above are permitted without the prior written consent of the CMA (including via email);
- c) the information to be shared shall be limited to the Accounts Information, and no changes to the definition of Accounts Information set out above are permitted without the prior written consent of the CMA (including via email);
- d) NECSWS will implement strict access controls with the Authorised Persons to prevent unauthorised individuals from accessing any information of the SSS business obtained pursuant to this derogation;
- e) the Authorised Persons are prevented from sharing the Accounts Information with any individual at NECSWS who is not one of the Authorised Persons;
- f) the Authorised Persons are limited to those that strictly need to have access to the Accounts Information for the Permitted Purpose;
- g) the use to which the Accounts Information may be put is limited to the Permitted Purpose;
- h) NECSWS will record a summary of any and all Accounts Information shared by SSS PSL with the Authorised Persons, which shall be open to inspection by the CMA upon its request;
- i) granting this derogation will have no influence upon the commercial direction of the SSS business during the term of the Initial Order;

- j) this derogation will not impact the ability of the SSS business to compete independently of the NEC business;
- k) this derogation will not result in any integration between the SSS business and the NECSWS business; and
- l) this derogation will not impact any of the businesses that may be divested as set out in the CMA's Final Report.

Colin Garland

Director Remedies, Business and Financial Analysis

9 February 2023