

**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 25 July 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., (“**EHOB**”) 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, in respect of the specific paragraphs:

1. Paragraph 6(i) – Babcock Offshore key staff changes

Babcock Offshore submits that two of its UK postholders have handed in their resignations and replacements are required. Accordingly, Babcock Offshore proposes to:

- (i) appoint [✂] in the role of UK [✂] and make the required regulatory applications in order to effect this postholder replacement; and

- (ii) appoint [redacted] in the role of UK [redacted] and make the required regulatory applications in order to effect this postholder replacement.

The CMA consents to a derogation from paragraph 6(i) of the Initial Order to permit the appointment of the proposed individuals as postholders in the Babcock Offshore UK business.

[signed]

Alistair Thompson

Director, RBFA

1 August 2022