

## DEROGATION LETTER IN RESPECT OF FINAL UNDERTAKINGS PURSUANT TO SECTION 82 ENTERPRISE ACT 2002

Consent under section 82 of the Enterprise Act 2002 to certain actions for the purposes of the Final Undertakings accepted by the Competition and Markets Authority ('CMA') on 10 February 2023.

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 11 May 2023 requesting that the CMA consents to derogations from section 5 of the Final Undertakings, as addressed to NEC Software Solutions UK Limited and NPS (Holdings) Limited (together, '**NECSWS**'), and SSS Public Safety Limited ('**SSS PSL'**) and accepted by the CMA on 10 February 2023 (the '**Final Undertakings**'). The terms defined in the Final Undertakings have the same meaning in this letter.

Under the Final Undertakings, save for written consent by the CMA, NECSWS is required to hold separate the NECSWS business from the SSS business and refrain from taking any action which might impede satisfaction of the Remedies.

After due consideration of your request for a derogation from the Final Undertakings, based on the information received from you and in the particular circumstances of this case, NECSWS and SSS may carry out the following action:

## • Paragraph 5.2(a), (g) and (l)of the Final Undertakings

The CMA understands that [ $\gg$ ] is currently considering its strategy in relation to the supply of [ $\gg$ ] integrating a Records Management System ("**RMS**") solution and a Computer Aided Dispatch ("**CAD**") solution. The CMA further understands that a decision in respect of 'Phase 1' (the integrated proposition of an RMS platform and the CAD behind it) of this project will be made before the end of [ $\gg$ ].

The CMA understands that  $[\aleph]$  wishes to  $[\aleph]$  for an integrated joint CAD/RMS solution with SSS in relation to this opportunity.

The CMA consents to grant a derogation from paragraphs 5.2(a), (g) and (l) of the Final Undertakings to permit the Parties to (i) engage in discussions between NECSWS, SSS and [ $\gg$ ] (bilaterally and trilaterally) to assess [ $\gg$ ] requirements and

to design and deliver a joint CAD and RMS proposition; (ii) work together to develop a joint CAD/RMS solution for this opportunity; (iii) exchange NECSWS and SSS confidential information for the limited purpose of pursuing this opportunity; and (iv) market that solution to [%] jointly.

This derogation is granted on the basis that:

- a) The extent of any joint work and exchange of NECSWS and SSS confidential information would be strictly limited to exploring and progressing this specific potential customer opportunity with [≫] (the "**Permitted Purpose**");
- b) the Parties will enter into a [≫] which will contain confidentiality provisions to prevent the confidential information exchanged between the Parties from being used or shared other than for the Permitted Purpose;
- c) Any coordination or exchange of information would be limited to that which is strictly necessary for the Permitted Purpose;
- d) Any confidential information received from the other party will be suitably ringfenced from individuals who are not permitted to see it;
- e) This derogation request does not involve ICCS or Duties, and would not in any way impact the Divestment Businesses; and
- f) The proposed joint work would not in any way compromise either Party's ability to deliver the Remedies as set out in the Final Undertakings.

## **Colin Garland**

Director Remedies, Business and Financial Analysis 15 May 2023