

DEROGATION LETTER IN RESPECT OF INITIAL ENFORCEMENT ORDER ISSUED PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002 COMPLETED ACQUISITION

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 5 November 2024

Completed Acquisition by MRI Software LLC of Capita One Limited

We refer to your email dated 2 December 2024 requesting that the CMA consents to a derogation from the Initial Enforcement Order of 5 November 2024 (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, the Addressees are required to hold separate the Acquirer Group business from the Capita One 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 and based on the information received from you and in the particular circumstances of this case, the CMA consents that the Addressees may carry out the following actions, in respect of the specific paragraphs:

Paragraphs 5(c), 5(i) and 5(k) of the Initial Order

The CMA understands that, prior to the CMA imposing the Initial Order, MRI appointed certain MRI executives to Capita One's board of directors. The CMA also understands that, since their appointment, at least some of Capita One's new directors have: [redacted] ([redacted]) [redacted], [redacted] ([redacted]),[redacted].

On 25 November, the CMA informed MRI and Capita One (the **Parties**) that it was minded to impose directions under the Initial Order, requiring the Parties to suspend the following actions while the Initial Order is in force (except where otherwise consented to by existing derogations):

- (i) sharing of any CSI between Capita One's and MRI's employees with strategic roles;

- (ii) sharing of any CSI between Capita One's and any MRI's employees unless strictly necessary (within the meaning of paragraph 5(l) of the IEO);
- (iii) reporting between any Capita One's employees and MRI's employees with strategic roles;
- (iv) reporting between Capita One's employees and any MRI's employees, except where strictly necessary to ensure compliance with the IEO; and
- (v) any MRI's employees voting on, or otherwise deciding on, Capita One's proposals (including, for example, contract renewals with suppliers or customers).

In response to the above, the Parties have proposed to implement the following changes:

- (i) to remove MRI's employees from Capita One's board such that [X] ([X]) becomes its sole director.
- (ii) to amend Capita One's existing articles of association [X] ([X], [X]). Once the amended articles of association of Capita One have been adopted, the three MRI executives who currently sit on Capita One's board ([X], [X], [X]) will formally resign in their capacity as directors of Capita One.

The CMA consents to the Parties implementing the abovementioned changes to Capita One's board of directors and to the articles of association. The CMA consents to the derogation strictly on the basis that this derogation shall not prevent any remedial action which the CMA may need to take regarding the transaction.

Yours sincerely

Matteo Alchini
Assistant Director, Mergers
Competition and Markets Authority
4 December 2024