

Consent to certain actions for the purposes of the initial undertakings accepted by the Office of Fair Trading ('OFT') on 28 March 2014

Completed acquisition by Interserve Plc ('Interserve') of the facilities management business of Rentokil Initial Plc (Initial Facilities) ('Target')

We refer to your letters dated 26 March 2014 and 28 March 2014 requesting that the OFT (or the Competition and Markets Authority, as appropriate) consents to derogations to the Initial Undertakings of 28 March 2014 (the 'Initial Undertakings').

Under the Initial Undertakings, save for written consent by the OFT/CMA, provision was made that Interserve will hold separate the Interserve business (as defined in the Initial Undertakings) from the Target. After due consideration of your request for a derogation to the Initial Undertakings, Interserve may carry out the following actions, in respect of the specific paragraphs:

Paragraphs 1(a) and 2(c) of the Initial Undertakings

During the specified period (as defined in the Initial Undertakings), in order to ensure appropriate corporate governance consistent with Interserve's status as a listed company, [] will act as Finance Director and [] as Secretary in relation to the Target. [] and [] will not disclose confidential information relating to one business to the other business, and will not be involved in commercial decisions regarding customers (such as price, quality, range and service relating to FM contracts).

During the specified period, in accordance with Interserve's existing corporate governance processes, a main board director or directors of Interserve will approve the Target's bids for contracts with an annual value of over £[] per annum or with a whole life value of over £[].

During the specified period, two Interserve Managing Directors will provide senior leadership and guidance to the Target, provided that such leadership and guidance relates only to the administration of existing contracts and the relevant individuals will not be involved in the negotiation of commercial terms. These two Managing Directors will not receive detailed contract-level information relating to the Target's business, and will not disclose confidential information relating to one business to the other business.

Paragraphs 1(a), 2(c), 2(h) and 2(j) of the Initial Undertakings

Interserve will provide a range of back office support to the Target ("Common Support"), where such Common Support had previously been provided by the vendor or by employees of the Target who did not transfer with the business. The Common Support comprises:

- The provision of vehicle fleet, mobile and fixed line telecoms, supply chain management and payroll services.
- The provision of banking facilities, treasury, tax arrangements, pensions, company secretarial services and insurance for the Target.
- Auditing of health and safety compliance at the Target's sites and upgrading health and safety practice to Interserve standards where required.
- The provision of accounting services, to the extent required to comply with legal/regulatory requirements and its lender obligations. Individuals involved in commercial activities for Interserve will not obtain access to the Target's confidential information, and vice versa.
- The provision of HR services, to the extent required to comply with legal/regulatory requirements and Interserve's best practice.
- The provision of in-house legal services from Interserve's in-house legal team.
- The separation of the Target's IT system from the vendor, to the extent required by the transaction agreements.
- The transfer of employees from Interserve to the Target, on an emergency basis, to ensure contracts are performed to the agreed service levels. Such employees will relinquish their Interserve duties during the period of their transfer.
- The provision by Interserve of Parent Company Guarantees in relation to certain current and future contracts of the Target, where they were previously provided by the vendor.

In providing the above Common Support, Interserve will ensure that confidential information relating to either business is only disclosed to employees of the other business where this is strictly necessary for the provision of Common Support and on the basis of paragraph 2(j) of the Initial Undertakings. The recipient of any confidential information relating to either business will treat and keep all such confidential information disclosed to him/her as confidential and will not disclose it to any other person nor use it for any purpose other than in either case for the provision of the

Common Support. Individuals involved in commercial decisions for one business will not receive confidential information or customer-specific information relating to the other business.

Paragraphs 1(a) of the Initial Undertakings

During the specified period, to the extent required by the loan facilities entered into by Interserve in relation to the transaction, relevant legal entities within the Target will provide security and guarantees to the relevant third party lenders.

Paragraphs 1(a) and 2(a) of the Initial Undertakings

A limited rebranding of vehicles is permitted, as part of their six-monthly servicing only, to the extent required in order to ensure that the [] time limit under the transaction documents is met. Separate asset registers of each party's vehicles will be maintained, such that any rebranded vehicles could be easily identified as the Target's assets.

Paragraphs 1(a) and 2(h) of the Initial Undertakings

To the extent required to reassure a customer of the Target that Interserve remains committed to its contract and will provide sufficient resources and support to the Target in continuing to deliver services, it is permitted for Interserve and the Target to enter into joint communications with customers. Where such joint communications take place, Interserve employees will not enter into discussions regarding commercial terms with the customer.

Paragraphs 1(a) and 2(j) of the Initial Undertakings

An external consultancy company, [], will collect and analyse relevant data from Interserve and the Target in order to identify merger synergies. To the extent [] reports its findings to the parties, it will use aggregated data only. No customer or contract-specific information will be indirectly exchanged between the parties via [].

None of the above derogations will allow commercially sensitive information to be passed from the Target to anyone within Interserve that is active in the operational aspects of the business unless otherwise provided.