



File No: 2(151)/AGR/EXM /CCP/2019
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

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RENEWED EXEMPTION CERTIFICATE

In pursuance of the powers conferred by Section 5 read with Section 9 of the Competition Act, 2010 (the Act), the Competition Commission of Pakistan (the Commission) hereby grants exemption to the template agreements from the application of Section 4 of the Act, details whereof are given here below:-

Details of the Agreement:

First Party: **M/s. Otsuka Pakistan Limited**
Business address: **30-B, Sindhi Muslim Co-operative Housing Society, Korangi, Karachi – 74400.**
Second Party: **92 Distributors (copy of the agreement executed with M/s. Hospital Supply Corporation provided as standard agreement)**
Type of agreement: **Standard Distributorship Agreement**
Date entered into: **July 1st, 2014 and January 1st, 2019 (renewal of agreement)**
Valid until: **For a period of one (1) year from the effective date of the agreement and renewable for a successive period of one (1) year**

Details of the Exemption:

Exemption granted to: Non-Compete and Territorial Exclusivity clauses of the agreement
Granted until: **30-06-2022**
Condition(s):

- i. The Renewed Exemption certificate, shall in no way be construed as an approval for fixation or maintaining 'Minimum Retail Price' with reference to the products' subject matter of the Standard Distribution Agreement;
- ii. This Certificate shall take effect upon provision of the proof of Intimation to the other party(s) to the agreement. In case, the Proof of intimation is not provided to the Commission within fifteen (15) days from the date of the issuance of the certificate, the Certificate shall be deemed withdrawn with immediate effect;
- iii. Any change in the terms and conditions of the Standard Distribution agreement shall be intimated to the Commission, once materialized;
- iv. Regardless of any updates in the list of distributors, it shall be provided to the Commission on semi-annually basis;
- v. The Applicant shall provide copy(s) of the agreement(s) executed by the distributor(s) with sub-distributor(s), once executed;
- vi. This exemption certificate is effective for the territory of Pakistan only;
- vii. The Commission reserves the right to impose any condition(s) at the time of considering extension, if any;
- viii. Breach of a condition shall have the effect of cancellation of the exemption.

Without prejudice to the generality of Section 6 of the Act, the grantee of the exemption shall inform the Commission forthwith and seek clearance for continuation of the exemption if there is any material change, *inter alia*, in: (i) the terms of the agreement; (ii) the market share of the parties to the agreement; or (iii) the circumstances in the market in which the parties are operating.

Granted on this the 27th day of June 2019 at Islamabad.

Bushra Naz Malik
Member (Exemptions)

BUSHRA NAZ MALIK
Member
Competition Commission of Pakistan
Government of Pakistan
Islamabad

