



File No: 2(687)/AGR/EXM/CCP/2023
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

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EXEMPTION CERTIFICATE

In pursuance of the powers conferred by Section 5 read with Section 9 of the Competition Act, 2010 (the "Act") and based on the information provided, the Competition Commission of Pakistan (the "Commission") hereby grants exemption to the relevant clauses of the agreement mentioned below from the application of Section 4 of the Act as per the conditions mentioned hereunder:

PARTICULARS OF THE AGREEMENT

1. First Party:	M/s ITRON, Inc., (hereinafter referred to as the 'Itron') having its registered office at 2111 N. Molter Road, Liberty Lake, Washington 99019, USA.
2. Second Party: (<i>The Applicant</i>)	M/s SUI SOUTHERN GAS COMPANY LIMITED (hereinafter referred to as the 'Company' or 'SSGC') having its registered office at ST – 4/B, Block 14, Sir Shah Muhammad, Suleman Road, Gulshan-e-Iqbal, Karachi – 75300.
3. Type of Agreement:	Technology Transfer and License Agreement (the "Agreement") – the initialed copy of the Agreement is attached herewith
4. Date entered:	25 th August 2022
5. Validity Period:	The agreement was executed on 25 August 2022. The duration of the agreement is 5 years from the effective date (extendable with mutual consent)
6. Product(s):	(i) SSGC 3 rd Generation G-4 (V-3) & G-1.6 gas meters, and (ii) SSGC G – 1.6 gas meters.



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PARTICULARS OF THE EXEMPTION GRANTED	
7. Exemption granted:	On non-transferable rights, territorial exclusivity (Pakistan – only) and non-compete clauses 2.1.1, 2.3 & 5.7 of the “Agreement”
8. Granted period:	From 25th August 2022 till 31st August 2025 (three years)
9. Conditions:	<ul style="list-style-type: none">i. By virtue of exclusivity/exemption granted, the parties to the above mentioned agreement shall not engage directly or indirectly in any practice(s) and/or conduct(s) prohibited under the Act;ii. This Exemption is being granted only to the extent of products as specified in the “Agreement”;iii. For maximum import substitution, the Applicant shall ensure adequate local production of the products (gas meters) to meet local demand including SNGPL’s requirements- pursuant to DG (Gas) letter No. NG (II) – 15(27)12.GC dated 28th July 2012;iv. In view of the export potential of the products submitted, the parties shall make concrete efforts to capitalize on the same and apprise the Commission of the efforts and outcome in this regard on annual basis in July 2024 and July 2025 respectively;v. The products shall be manufactured as per the specifications approved/allowed by relevant Regulator(s);vi. The Applicant shall intimate to the Commission in case of any amendment(s) made to the “Agreement” or any significant changes in the relevant market;vii. This Exemption is effective only for the territory of Pakistan;viii. If renewal of this Exemption is deemed required, it will be the prime responsibility of the Applicant to seek extension at least three (3) months prior to the expiry of this exemption;ix. The Commission reserves the right to review and revise the conditions of this Exemption, as deemed necessary;x. The Commission reserves the right to seek actual progress and data on financial and non-financial information provided in support of this exemption including the consumers’ benefit envisaged as submitted by the Applicant; andxi. Breach of terms of this exemption, shall have an immediate effect of cancellation of this exemption;



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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 at the time of this exemption being granted.

Granted on this the 14th day of February 2024 at Islamabad.

Seal of the Commission

Shahzad Hussain
Registrar
Competition Commission of Pakistan
Government of Pakistan
Islamabad