

File No: 2(132)/AGR/EXM /CCP/2019 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), 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. National Foods Limited (hereinafter referred to as the 'Company')

Business address: 12 /CL-6, Claremont Road, Civil Lines, Karachi - 75530.

Second Party: <u>Standard Distributorship Agreement executed with 708</u>

distributors (List of distributors is attached as Annex - A)

Type of Agreement: Standard Distributorship Agreement

Date entered into: Different dates with different Distributors

Valid until: For a period of one (1) year - further renewable

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 Exemption certificate, shall in no way be construed as an approval for fixation or maintaining 'Minimum Retail Price' with reference to the products under the Standard Distributorship Agreement;
- ii. Any amendment(s) made in the Standard Distributorship Agreement shall be intimated to the Commission, once materialized;
- iii. Any addition or deletion made in the Products list of the standard distribution agreement shall be intimated to the Commission, once materialized;
- iv. Attested true copies of the Schedules mentioned in the agreement shall be provided to the Commission within fifteen (15) days from the receipt of this exemption certificate;
- v. The Applicant shall provide executed copy of the Standard distribution agreement along with an acknowledgement(s) received from the distributor(s) with respect to the intimation for seeking fresh exemption of the agreement;





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vi. The Applicant shall provide original renewed exemption certificate dated June 29, 2018 to the Commission for cancellation/withdrawn, within seven (7) days from the date of issuance of this exemption certificate;

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 24 day of June 2019 at Islamabad.



Bushra Naz Malik Member (Exemptions)

BUSHRA NAZ MALIK Member Competition Commission of Pakietan Government of Pakietan

Islamabad