



File No: 2(504)/AGR/EXM/CCP/2024
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

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RENEWED EXEMPTION CERTIFICATE

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

PARTICULARS OF THE AGREEMENT

First Party: ("Applicant")	M/s. Coca-Cola Beverages Pakistan Limited ("CCBPL") having its registered office at 26 F.C.C, Syed Maratab Ali Road, Gulberg-IV, Lahore.
Second Party:	504 Distributors under their respective agreements with the applicant.
Type of Agreement: (Template)	Distribution Agreement (the "Agreement") - An initialed copy of the agreement executed between the applicant and M/s. H&D Distributors on 29 th February 2024, submitted as a sample of an executed template "Agreement", is attached.
Date entered into:	Different dates with 504 Distributors (list attached)
Validity Period of the Agreement:	As per clause 3.1 of the template Distribution Agreement, the "Agreement" is valid from date of signing and will continue to be in force for a period of one (1) year unless terminated earlier. Thereafter, the "Agreement" shall be renewed automatically for successive periods unless terminated under said clause.
Product(s):	The initialed list of beverages covered under the "Agreement" is attached which includes: <ul style="list-style-type: none">▪ Energy drinks▪ Ice tea▪ Juices▪ Sparkling drinks



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PARTICULARS OF THE EXEMPTION GRANTED (EXTENSION)	
Exemption granted:	<ul style="list-style-type: none">▪ On clause 2.1 pertaining to the exclusivity in the territory;▪ On clause 8.2(iii) pertaining to restriction for distributor(s) on purchase of products from third party;▪ On clause 8.2(vii) pertaining to restriction for distributor(s) on appointment of sub-distributor(s) without consent of the applicant;▪ On clause 8.5 pertaining to the non-compete by distributor(s) during the term and after six (6) months of termination of the "Agreement";▪ On clause 8.6 pertaining to restriction for distributor(s) to sell to any person that may resell or redistribute the products outside territory;
Granted period:	From September 1 st April, 2024 to 30 th June, 2026
Conditions:	<ol style="list-style-type: none">1. By virtue of exemption granted on the relevant clauses of the Standard Agreement, the parties to the "Agreement" shall not engage directly or indirectly in any practice(s) and/or conduct(s) that are prohibited under the Act;2. It is the responsibility of the applicant to ensure that the template Agreement submitted to the Commission is used for all the dealers engaged for the purpose in the territory;3. If any change is made to the list of products covered under the "Agreement", the applicant will intimate the Commission within fifteen (15) days of such decision to change;4. In case, any consent is granted for appointment of sub-distributor(s) pursuant to clause 8.2(vii), the same will be communicated to the Commission with fifteen (15) days of such decision;5. In case, any change is made to the standard Sub-dealer agreement (initialled copy attached) executed pursuant to clause 8.2(vii), the applicant will intimate the Commission within fifteen (15) days of such change along with the copy of modified "Agreement";6. In case, any change is made to the Equipment Agreement(s) (initialled copy attached) executed pursuant to clause 5.1, the applicant will intimate the Commission within fifteen (15) days of such change along with the copy of modified "Agreement";7. If there is any change in the list of requirements as specified in clause 8.1(ii) of the "Agreement" and communicated vide email dated 23rd August' 24 (Annex-VII), the applicant will intimate the same to the Commission within fifteen (15) days of such change;8. This exemption does not entail any approval on pricing aspects of the products covered under the "Agreement";9. In case any change is made to the trademarks of products covered under the "Agreement", the applicant will intimate the Commission within fifteen (15) days of such change;



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PARTICULARS OF THE EXEMPTION GRANTED (EXTENSION)	
Conditions:	<ol style="list-style-type: none">10. During the exemption period, the applicant will submit by each 31st December the addition/deletion made to the list of 504 distributors that has been submitted as part of the application for this exemption;11. This Exemption is effective only for the territory of Pakistan;12. It is the responsibility of the applicant that other party(s) to the distribution agreement are aware of this exemption;13. If renewal is required/applicable for this exemption, it will be the responsibility of the Applicant to seek extension at least three (3) months prior to the expiry of this exemption;14. The Commission reserves the right to review and revise the conditions of this exemption;15. The Commission reserves the right to seek actual progress and data on forecasted financial and non-financial information provided by the applicant in support of this exemption; and16. Breach of terms of this exemption, shall have an immediate effect of cancellation of this exemption.17. The Applicant shall immediately intimate to the Commission in case of any amendment(s) made to the "Agreement";

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 template "Agreement"; (ii) the market share of the products covered under the "Agreement"; or (iii) the circumstances and/or regulatory framework in the relevant market in which the parties are operating.

Granted on the 6th day of September, 2024 at Islamabad.

Seal of the Commission

Shahzad Hussain
Registrar
Competition Commission of Pakistan
Government of Pakistan
Islamabad