



File No: 2(571)/AGR/EXM/CCP/2019
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

7th Floor, ISE Towers,
55 – B, Jinnah Avenue,
Islamabad.
Tel: +92-51-9100263
Fax: +92-51-9100297

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 from the application of Section 4 of the Act, details whereof are given here below:-

Details of the Agreement:

First Party: **M/s. LG Electronics Inc. (LGE)**
Business address: **Twin Towers, 20, Yeouido-dong, Yeongdeungpo-gu, Seoul, Korea**

Second Party: **M/s. Lufthansa Technik AG (LHT)**
Business address: **Weg beim Jager 193, 22335 Hamburg, Germany**

Type of Agreement: **Joint Venture Agreement**

Date entered into: **October 23, 2018**

Valid until: **Subject to clauses 21.2.2 to 21.2.5, neither party may terminate this agreement within a period of ten (10) years as from the date of signing this agreement (The Lock –Up Period).**

Details of the Exemption:

Exemption granted to: **Non-Compete clause of the agreement**

Granted until: **15-05-2022**

Condition(s):

- i. Exemption for the Non-Compete clause is effective for a period of three (3) years from the date of issuance of exemption certificate ;
- ii. The grant of Exemption is limited to competing business of parties to the Agreement i.e. Products and services defined in the clause 2.2, 2.7, 2.8 of part A of clause - 2 of the Agreement;
- iii. The Applicants shall provide the Commission, detail of the any branch office or certificate of incorporation of each subsidiary established in Pakistan along with the detailed business mechanism, once materialized;
- iv. The Applicants shall provide copy of the amendment made in clause – 22 in particular or in Joint Venture in general to the Commission, once materialized;
- v. The Applicants shall provide the executed copy of the Joint Venture Agreement to the Commission, once executed;



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- vi. The Applicants shall provide the Commission copy(s) of any other agreement(s) for the provision of services and products by the JVCOs as defined in Clause - 2.2, 2.7 and 2.8 of the Joint Venture Agreement, once executed;
- vii. 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 subject matter of the Joint Venture Agreement;
- viii. The grant of Exemption is limited to the territory of Pakistan only;
- ix. The Commission reserves the right to impose any condition(s) at the time of considering extension, if any for this certificate or before the expiry of the instant certificate; and
- x. Breach of a condition shall have the effect of cancellation of the exemption.

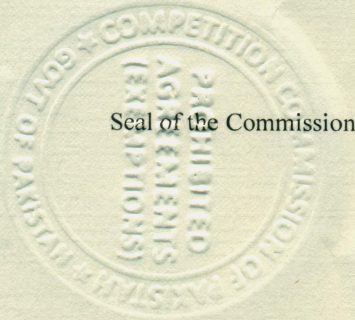
Without prejudice to the generality of Section 6 of the Act, the grantee of the exemption shall inform the Commission forthwith and seek clearance for continuation of the exemption if there is any material change, *inter alia*, in: (i) the terms of the agreement; (ii) the market share of the parties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

Granted on this the 15th day of May 2019 at Islamabad.



Dr. Muhammad Saleem
Member (Exemptions)

Dr. Muhammad Saleem
(Member)
(Exemptions, CP&R, IS&T)



Seal of the Commission