



File No: 2(20)/AGR/EXM/CCP/2023
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(s), the Competition Commission of Pakistan (the "Commission") hereby grants exemption on 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

First Party: ("Applicant")	M/s. Hino Motors Limited 'HML' having its registered office at 1-1, Hinodai 3-chome, Hino-shi, Tokyo, Japan (hereinafter referred to as "Licensor").
Second Party: ("Applicant")	M/s. Hinopak Motors Limited 'HPML' having its registered office at D-2, S.I.T.E, Manghopir Road, P.O.Box#10714, Karachi-75700, Pakistan (hereinafter referred as to as "Licensee").
Type of Agreement:	Hino Distributorship Agreement (the "Agreement"); Initialed copy of the Agreement submitted to the Commission is attached herewith.
Date entered into:	1 st April 2023
Validity Period of the Agreement:	31 st March 2026
Product(s) covered under Agreement:	"Licensed products" as defined in Article 1(7) of the "Agreement": HINO vehicles, HINO Parts and HINO Accessories.

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PARTICULARS OF THE EXEMPTION GRANTED	
Exemption granted:	On Article 2 (exclusive distributorship) and 8.1 (non-compete requirements) of the "Agreement"
Granted period:	From 1 st April 2023 till 30 th June 2025
Conditions:	<ol style="list-style-type: none">i. By virtue of exclusivity/exemption granted on the relevant clauses of the "Agreement", the parties to the "Agreement" shall not engage directly or indirectly in any practice(s) and/or conduct(s) that is prohibited under the Competition Act, 2010;ii. The exemption is being granted to the extent of 'Products' as covered under the "Agreement";iii. In case of an appointment of supplier 'separately designated' by HML pursuant to Article 2-2, the same will be intimated to the Commission within 15 days of such decision;iv. In case of any amendment to Schedule 3-2 pursuant to Article 3-2 and Article 14-4 of the "Agreement", the same will be intimated to the Commission within 15 days of such decision;v. In case any approval is granted for competitive business pursuant to Article 8-1 of the "Agreement", the same will be intimated to the Commission within 15 days of such decision;vi. In case of a direct/indirect supply/sales in the territory by Hino Motors pursuant to Article 10 of the "Agreement"; the same will be communicated to the Commission by the Applicant(s) within 15 days of such decision;vii. In case of an approval granted to HPML for use of trademark pursuant to Article 17 of the "Agreement" or change in the registered trademarks allowed for use by HPML, the same will be intimated to the Commission within 15 days of such decision;viii. The Applicant(s) shall communicate to the Commission, the particulars of appointment of a person, firm and/or corporation pursuant to Article 14.2 and/or 27 of the "Agreement" within 15 days of such appointment;ix. It is the responsibility of the Applicant(s) to ensure compliance with the Auto Industry Development & Export Policy and other frameworks, as applicable from time to time;x. In case of termination pursuant to Chapter D of the "Agreement", the same will be communicated to the Commission within 15 days of such decision;xi. In case the HPML enters into exclusive contracts and/or requires territorial jurisdictions for its downstream agreements for the distribution of products covered under the "Agreement", the legal covenant and arrangement as agreed will be submitted to the Commission within 15 days of such arrangement decided upon;xii. The Applicant(s) shall intimate to the Commission within 15 days of



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Conditions:	any amendment(s) made to the "Agreement"; xiii. The Applicant will intimate the Commission in case of any substantial change in the market share of products covered under the "Agreement"; xiv. For renewal of this Exemption (if applicable/required), it will be the prime responsibility of the Applicants to seek extension as per relevant framework at least three (3) months prior to the expiry of this exemption; xv. 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 customers' benefit envisaged in the Application; xvi. The Commission reserves the right to review and revise the conditions of this Exemption, as deemed necessary; xvii. This Exemption is effective only for the 'Territory' of Pakistan; xviii. 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 products covered under the Agreement; or (iii) the circumstances and/or regulatory framework in the relevant market in which the parties are operating in the territory.

Granted on the 30th day of July, 2024 at Islamabad.

Seal of the Commission

Registrar
Shahzad Hussain
Registrar
Competition Commission of Pakistan
Government of Pakistan
Islamabad