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**From:** Darbon, Cerry:CO (LN)  
**Sent:** 28 April 2011 17:44  
**To:** 'Nicholas Scola'; Sheldon Mills; Bavasso, Antonio:CO (LN)  
**Cc:** Jeff.Palker( [REDACTED] ); Andrea.Appella( [REDACTED] ); Long, Dominic:CO (LN);  
Stephen.Unger( [REDACTED] ); clive.carter( [REDACTED] ); Nathan Hinchliffe  
**Subject:** Newscorp/BSkyB - OFT/Ofcom Additional questions - Strictly Confidential (0012561-0000367)  
**Categories:** Copied to Virtual File  
**Attachments:** CO-#13995123-v1-Annex\_II\_response\_to\_19\_April\_OFT\_Ofcom.pdf; CO-#13993574-v5-Table\_of\_Changes\_to\_Third\_Revised\_Draft\_UIL.pdf; CO-#13984918-v3-Draft\_UIL\_April\_2011.pdf; CO-#13975440-v8-Draft\_response\_to\_19\_April\_OFT\_Ofcom\_-\_LATEST\_VERSION.pdf  
**FolderLibrary:** CO|CO  
**FolderNumber:** 12977143|12977136  
**MatterInformation:** MATTER\_ID:0000367|CLIENT\_ID:0012561  
**OriginalSubject:** Newscorp/BSkyB - OFT/Ofcom Additional questions - Strictly Confidential  
**ProfileOnSend:** YES  
Dear Sheldon/Nick

Please find attached News' response to your questions of 19 April 2011.

I also attach a new version of the UIL showing changes proposed by News, together with a table explaining those changes.

We look forward to hearing from you as to whether you consider that a meeting next Thursday would be helpful.

Kind Regards

Cerry

Cerry Darbon  
Senior Associate  
Allen & Overy LLP

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**From:** Nicholas Scola [REDACTED]  
**Sent:** 27 April 2011 16:48  
**To:** Darbon, Cerry:CO (LN); Sheldon Mills; Bavasso, Antonio:CO (LN)  
**Cc:** Jeff.Palker( [REDACTED] ); Andrea.Appella( [REDACTED] ); Long, Dominic:CO (LN);  
Stephen.Unger( [REDACTED] ); clive.carter( [REDACTED] ); Nathan Hinchliffe

**Subject:** RE: RESTRICTED: Newscorp/BSkyB - OFT/Ofcom Additional questions re the draft brand licensing and carriage agreements and responses to the DCMS consultation on the UIL (0012561-0000367)

Dear Cerry

Many thanks for your email. I am responding in Sheldon's absence.

We look forward to receiving your response tomorrow. It may be that, depending on your response, a meeting is unnecessary, but to the extent that there are still 'open' issues following your response, our view has been that a meeting would be helpful. I think we would agree the need for a clear agenda in order to ensure the meeting was properly structured.

My personal inclination would be for us provisionally to set up a meeting for Thursday (given the need to schedule diaries etc), on the understanding that this could be cancelled if it transpired it was unnecessary.

Would it be helpful for you to let us know what times you could do on Thursday 5 May?

Kind regards

Nick

Nicholas Scola | Deputy Director, Mergers | Office of Fair Trading  
Fleetbank House | 2-6 Salisbury Square | London EC4Y 8JX | [REDACTED]

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**From:** Cerry.Darbon [REDACTED]  
**Sent:** 27 April 2011 16:39  
**To:** Sheldon Mills; Antonio.Bavasso [REDACTED]  
**Cc:** Jeff.Palker [REDACTED]; Andrea.Appella@ [REDACTED]; Dominic.Long [REDACTED]; Stephen.Unger@ [REDACTED]; Nicholas Scola; clive.carter [REDACTED]  
**Subject:** RE: RESTRICTED: Newscorp/BSkyB - OFT/Ofcom Additional questions re the draft brand licensing and carriage agreements and responses to the DCMS consultation on the UIL (0012561-0000367)

Dear Sheldon

We are progressing responses to your questions and we should be able to provide you with a response during the course of tomorrow which will cover all issues (apologies for the slight delay).

Should the OFT/Ofcom still consider it helpful to have a meeting, News would be available, in principle, for a meeting next Thursday. In order to be productive we would prefer that a meeting only take place on the basis of a clear agenda provided in advance so that we understand the nature of any open issues.

Please let me know if this suggestion works from your side.

Kind Regards

Cerry

Cerry Darbon  
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From: Sheldon Mills [REDACTED]  
Sent: 19 April 2011 21:48  
To: Bavasso, Antonio:CO (LN)  
Cc: Jeff.Palker [REDACTED]; Andrea.Appella [REDACTED]; Darbon, Cerrv:CO (LN); Long, Dominic:CO (LN); Stephen.Unger [REDACTED]; Nicholas Scola; clive.carter@ [REDACTED]

Subject: RESTRICTED: Newscorp/BSkyB - OFT/Ofcom Additional questions re the draft brand licensing and carriage agreements and responses to the DCMS consultation on the UIL

Dear Antonio,

Many thanks for your responses to our earlier questions relating to the draft brand licensing agreements and carriage agreements. I attach a further set of questions which relate to the following specific areas:

(1) further questions relating to the brand licensing and carriage agreements which take account of your responses dated 1 April and 12 April.

(2) questions which arise from third party responses to the consultation launched by DCMS on the UIL. As you will appreciate, the responses to the consultation have been voluminous and have necessitated detailed review in order to ensure that we ask appropriate questions which will serve to enhance the UIL proposal or, in respect of which, it is appropriate to seek your view/comment.

(3) detailed questions relating to the timing and mechanics of the UIL. I would urge you to respond in full to these questions since we wish to understand in some detail how, in practice, you understand the UIL will operate. We also include certain suggestions that we consider (following both responses to the third party consultation and further consideration) will lead to improvements to the UIL and its effective operation.

I anticipate, dependent on your responses, that this should be the final round of detailed questions prior to us providing our advice to the Secretary of State. I will endeavour to discuss with your team tomorrow both the timing for responses to these questions, the background to them and next steps.

In addition, in the interests of time, I would suggest that we schedule a meeting to discuss both your responses to the questions (including those attached to this email) and any issues which are

03/04/2012

pertinent to our advice to the Secretary of State (or issues which require resolution following receipt of your responses to the attached questions) in the week commencing 2 May. If you are amenable to this, we can arrange a convenient date and time.

Kind regards,

Sheldon

Sheldon Mills  
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**PROPOSED ACQUISITION BY NEWS CORPORATION OF UP TO 60.9 PER CENT OF BRITISH  
SKY BROADCASTING GROUP PLC**

**UNDERTAKINGS GIVEN BY NEWS CORPORATION PURSUANT TO PARAGRAPH 3 OF  
SCHEDULE 2 OF ENTERPRISE ACT (PROTECTION OF LEGITIMATE INTERESTS) ORDER 2003**

**WHEREAS:**

- (a) News Corporation proposes to acquire the shares in British Sky Broadcasting Group plc that it does not already own.
- (b) On 4 November 2010 the Secretary of State for Business, Innovation and Skills issued a European Intervention Notice under section 67(2) of the Act and the Order in connection with the Transaction.
- (c) On 31 December 2010, Ofcom provided its report to the Secretary of State on issues of media plurality (as provided for in Article 4A of the Order) and on 30 December 2010 the OFT provided its report to the Secretary of State on the creation of a European relevant merger situation pursuant to Article 4(4) of the Order.
- (d) The Secretary of State considers that the conditions for referring the Transaction to the CC under Article 5 of the Order are met and, absent any offer of undertakings from News, he would be minded to refer the Transaction to the CC.
- (e) The Secretary of State has a discretion to accept undertakings in lieu of reference from News under paragraph 3 of Schedule 2 of the Order:

*"The Secretary of State may, instead of making such a reference and for the purpose of remedying, mitigating or preventing any of the effects adverse to the public interest which have or may have resulted, or which may be expected to result, from the creation of the European relevant merger situation concerned accept from such of the parties concerned as [he] considers appropriate undertakings to take such action as [he] considers appropriate."*

- (f) The Secretary of State considers that the undertakings given below by News are appropriate to remedy, mitigate or prevent the effects adverse to the public interest which may be expected to result from the creation of the European relevant merger situation.

**NOW THEREFORE** News hereby gives to the Secretary of State the following undertakings for the purpose of remedying, mitigating or preventing the effects adverse to the public interest which may be expected to result from the Transaction.

**REDACTED**

**Comprising 11 pages**