

COMPLETED ACQUISITION BY GLOBAL RADIO HOLDINGS LIMITED OF GMG RADIO HOLDINGS LIMITED (NOW KNOWN AS REAL AND SMOOTH LIMITED)

Notice of further variation to undertakings given by This is Global Limited and Global Radio Holdings Limited to the Competition Commission pursuant to section 80 of the Enterprise Act 2002

Whereas:

1. On 11 October 2012 the OFT made a reference to the Competition Commission (the CC) under section 22 of the Enterprise Act 2002 (the Act) concerning the completed acquisition by Global Radio Holdings Limited of GMG Radio Holdings Limited, now known as Real and Smooth Limited.
2. On 18 October, pursuant to section 80(2) of the Act, This is Global Limited and Global Radio Holdings Limited gave to the CC, and the CC accepted, interim undertakings (the Undertakings) in order to ensure that no action is taken pending final determination of the reference which might prejudice that reference or impede the taking of any action by the CC under Part 3 of the Act which might be justified by the CC's decisions on the reference.
3. On 13 January 2013 the CC accepted variations to the Undertakings from This is Global Limited and Global Radio Holdings Limited.
4. On 21 May 2013 the CC published *Global Radio Holdings Limited and GMG Radio Holdings Limited: a report on the completed acquisition by Global Radio Holdings Limited of GMG Radio Holdings Limited* (the Report).
5. On 14 June 2013 Global Radio Holdings Limited made an application to the Competition Appeal Tribunal for an Order quashing parts of the Report and referring the matter back to the CC to reconsider and make a new decision in accordance with the ruling of the Tribunal.
6. The reference has not been finally determined in accordance with section 79(1) of the Act.

Now in further exercise of its powers under section 80 of the Act, the CC hereby accepts amendments further varying the Undertakings under section 80(5)(b) of the Act. A copy of the amendments are set out Annex 1 to this notice and published in accordance with section 107(2)(q) of the Act.

The Undertakings shall remain in full force in accordance with their terms as hereby varied and a copy of the consolidated text of the Undertakings is set out in Annex 2 to this notice.

(signed) SIMON POLITO
Group Chairman
22 July 2013

**COMPLETED ACQUISITION BY GLOBAL RADIO HOLDINGS LIMITED
OF GMG RADIO HOLDINGS LIMITED (NOW KNOWN AS REAL AND SMOOTH
LIMITED)**

**Further variation to undertakings given by This is Global Limited and Global
Radio Holdings Limited to the Competition Commission pursuant to section 80
of the Enterprise Act 2002**

This is Global Limited and Global Radio Holdings Limited hereby agree to further vary the interim undertakings given on 18 October 2012 pursuant to section 80 of the Act (the Undertakings).

1. The following amendments shall be made to the Undertakings:

1.1. At the end of paragraph 1, the following paragraph shall be added:

‘(e) otherwise prejudice the effective implementation of the Divestiture Remedy.’

1.2. At the end of paragraph 2, the following paragraph shall be added:

‘(k) all reasonable steps are taken to prevent any actions or circumstances that will impair the effective implementation of the Divestiture Remedy.’

1.3. After paragraph 2, the following text shall be added as a new paragraph 3 (the following paragraphs 3 to 11 shall be renumbered accordingly as 4 to 12 and internal cross-reference shall be updated):

‘3. Subject to the obligations in these Undertakings, This is Global Limited and Global Radio Holdings Limited may commence the preparations for the implementation of the Divestiture Remedy, including to establish a data room and to prepare marketing materials including any information memorandum, but will keep the Monitoring Trustee and the CC informed of any decisions or steps which are material to, and are intended to be taken in respect of, the implementation of the Divestiture Remedy. Moreover,

(a) This is Global Limited and Global Radio Holdings Limited each undertakes to inform each potential purchaser with whom they enter into a discussion that, in order to purchase one or more radio stations, a candidate purchaser must produce evidence to the CC demonstrating that it meets the conditions set out in paragraph 3.15 of the Merger Remedies Guidelines; and

(b) where in the reasonable opinion of This is Global Limited and Global Radio Holdings Limited they have identified a candidate purchaser with a real interest in the acquisition of one or more stations, they will promptly inform the Monitoring Trustee and the CC of the identity of such candidate purchaser, the conditions of the acquisition (including whether a brand-licence agreement or other transitional arrangements would be entered into) and assist the CC in obtaining further information from the candidate purchaser where necessary.’

- 1.4. In paragraph 6 (as renumbered), third line, after the words 'Real and Smooth Limited business', the following text shall be added: 'and to the effective implementation of the Divestiture Remedy'.
- 1.5. In paragraph 6 (as renumbered), after paragraph (a), the following text shall be added:
- '(b) progress that This is Global Limited and Global Radio Holdings Limited have made and the steps that have been taken to implement the Divestiture Remedy, in particular providing details of:
- any discussions that have been held by This is Global Limited and Global Radio Holdings Limited with candidate purchasers with a real interest in the acquisition of one or more stations, including whether such discussions concerned any brand-licence agreement and other transitional arrangements;
 - the identity of any independent expert or external adviser who has been formally engaged by This is Global and Global Radio Holdings Limited to assist in the implementation of the Divestiture Remedy (other than [X]);
 - any marketing materials including any information memoranda which have been circulated, the identities of the persons to whom they have been circulated and any responses from candidate purchasers with a real interest in the acquisition of one or more stations received by This is Global Limited and Global Radio Holdings Limited;
 - any data room, its contents and the persons who have had access to it;
 - the progress that has been made towards agreeing heads of terms (where relevant) relating to the divestment of a radio station; and
 - such other relevant matters as may be directed by the CC from time to time;'
- 1.6. In paragraph 11 (as renumbered), between the defined terms 'decisions' and 'Global Radio Holdings Limited business', the following text shall be added:
- 'the **Divestiture Remedy**' means the disposal of a combination of radio stations pursuant to paragraph 9.99 and Table 4 of the Report in order to remedy the SLC;'
- 1.7. In paragraph 11 (as renumbered), between the defined terms 'ordinary course of business' and 'specified period', the following text shall be added:
- '**the Report**' means the report published by the CC on 21 May 2013 entitled Global Radio Holdings Limited and GMG Radio Holdings Limited: a report on the completed acquisition by Global Radio Holdings Limited of GMG Radio Holdings Limited;'
- 1.8. In Appendix B, paragraph 9, after paragraph (e), the following text shall be added:
- 'With respect to the effective implementation of the Divestiture Remedy, the duties of the MT shall in particular include:
- (f) monitoring the progress made by Global Radio Holdings Limited and This is Global Limited towards implementation of the Divestiture Remedy and the

steps that have otherwise been taken to comply with the Undertakings including:

- steps taken towards the selection of candidate purchasers and the preparation of heads of terms (where relevant) for the purpose of the implementation of the Divestiture Remedy;
- informing advisers of Global Radio Holdings Limited and This is Global Limited and candidate purchasers of the content of these Undertakings and of the Report;
- attending such meetings and monitoring such communications as the MT considers necessary that Global Radio Holdings Limited, This is Global Limited and/or their financial and other advisers have with possible candidate purchasers and/or those possible candidate purchasers' financial or other advisers in connection with the disposal process (save where those meetings and communications are properly the subject of legal privilege). Global Radio Holdings Limited and This is Global Limited undertakes to notify such communications to the MT as soon as practicable afterwards and, in any case, by way of the weekly compliance calls and/or fortnightly compliance logs. Global Radio Holdings Limited and This is Global Limited will have the right to proceed with any such meetings if two working days' prior notice of such meetings has been given to the MT. In the event the MT wishes but is unable to attend a meeting, Global Radio Holdings Limited and This is Global Limited and its advisers will use reasonable endeavours to reschedule the meeting;

(g) monitoring whether variations to the Interim Undertakings are necessary to effectively implement the Divestiture Remedy; and

(h) such other written direction as the CC may give from time to time.'

1.9. In Appendix B, paragraph 16(b) shall be replaced with the following:

'(b) details of any factors that might indicate (i) deterioration of the Real and Smooth Limited business or (ii) any circumstance which might prejudice the effective implementation of the Divestiture Remedy;'

1.10. In Appendix B, paragraph 18, second line, after the words 'have been breached' the following shall be added: 'that the effective implementation of the Divestiture Remedy might be prejudiced by any action or circumstance,'.

1.11. In Appendix C, paragraph 6(b)(i), fourth line, the words 'or 9(a) below' shall be added after the word 'above'.

1.12. In Appendix C, paragraph 6(b)(ii), fourth line, the words 'or 9(a) below' shall be added after the word 'above'.

1.13. In Appendix C, paragraph 6(c), second line, the words 'or 9(a) below' shall be added after the word 'above'.

1.14. In Appendix C, after paragraph 8, the following shall be added:

9. Paragraph 2(j) of the Undertakings:

(a) Global Radio Holdings Limited and Real and Smooth Limited may exchange certain confidential information to the extent strictly necessary for the effective implementation of the Divestiture Remedy including but not limited to the preparation of marketing materials (including an information memorandum) and the preparation of a data room, and on the condition that:

- this is limited to a small group of named representatives of Global Radio Holdings Limited and Real and Smooth Limited as agreed with the CC and identified in Appendix D. This is Global Limited and Global Radio Holdings Limited shall have the right to amend the list of named representatives identified in Appendix D with prior written consent from the CC.
- these representatives will keep the MT informed of any Confidential Information exchanged.

2. The Undertakings shall remain in full force in accordance with their terms as hereby varied.

FOR AND ON BEHALF OF THIS IS GLOBAL LIMITED

Signature

Signature

Name

Name

Title

Title

Date

Date

(Director)

(Director/Company Secretary)

FOR AND ON BEHALF OF GLOBAL RADIO HOLDINGS LIMITED

Signature

Signature

Name

Name

Title

Title

Date

Date

(Director)

(Director/Company Secretary)

Consolidated text of Varied Undertakings

COMPLETED ACQUISITION BY GLOBAL RADIO HOLDINGS LIMITED OF GMG RADIO HOLDINGS LIMITED (NOW KNOWN AS REAL AND SMOOTH LIMITED)

Undertakings given by This is Global Limited and Global Radio Holdings Limited to the Competition Commission pursuant to section 80 of the Enterprise Act 2002

WHEREAS:

On 24 June 2012 Global Radio Holdings Limited acquired GMG Radio Holdings Limited.

On 2 August 2012 the Secretary of State, in exercise of his powers under section 42(2) of the Enterprise Act 2002 (the Act), gave a public interest intervention notice to the Office of Fair Trading (the OFT) and OFCOM and required both of them to investigate and report on the merger in accordance with sections 44 and 44A of the Act within the period ending on 28 September 2012.

On 29 June 2012, the OFT accepted initial undertakings given by This is Global Limited (formerly known as Global Radio UK Limited) and Global Radio Holdings Limited pursuant to section 71 of the Act. The OFT subsequently directed that a Monitoring Trustee be appointed by Global Radio Holdings Limited and consented to GMG Radio Holdings Limited's name being changed to Real and Smooth Limited.

On 8 August 2012, the initial undertakings given by Global Radio UK Limited and Global Radio Holdings Limited to the OFT ceased to be in force.

On 11 October 2012, the Secretary of State concluded that there are no public interest considerations relevant to the merger and reverted the matter back to the OFT for decision.

On 11 October 2012 the OFT made a reference to the Competition Commission (the CC) under section 22 of the Act concerning the completed acquisition by Global Radio Holdings Limited of GMG Radio Holdings Limited, now known as Real and Smooth Limited.

The CC wishes to ensure that no action is taken pending final determination of the reference which might prejudice that reference or impede the taking of any action by the CC under Part 3 of the Act which might be justified by the CC's decisions on the reference.

On 18 October, pursuant to section 80(2) of the Act, This is Global Limited and Global Radio Holdings Limited gave to the CC, and the CC accepted, interim undertakings (the Undertakings) in order to ensure that no action is taken pending final determination of the reference which might prejudice that reference or impede the taking of any action by the CC under Part 3 of the Act which might be justified by the CC's decisions on the reference.

On 13 January 2013 the CC accepted variations to the Undertakings given by This is Global Limited and Global Radio Holdings Limited.

On 21 May 2013 the CC published *Global Radio Holdings Limited and GMG Radio Holdings Limited: a report on the completed acquisition by Global Radio Holdings Limited of GMG Radio Holdings Limited* (the Report).

On 14 June 2013 Global Radio Holdings Limited made an application to the Competition Appeal Tribunal for an Order quashing parts of the Report and referring the matter back to the CC to reconsider and make a new decision in accordance with the ruling of the Tribunal.

The reference has not been finally determined in accordance with section 79(1) of the Act.

This is Global Limited and Global Radio Holdings Limited hereby give to the CC the following undertakings (the Undertakings) pursuant to section 80 of the Act for the purpose of preventing pre-emptive action.

Management of the parties' respective businesses until determination of proceedings

1. Except with the prior written consent of the CC, and subject to paragraph 9, each of This is Global Limited and Global Radio Holdings Limited undertake that they will not during the specified period take any action which might:
 - (a) lead to the integration of the Global Radio Holdings Limited business with all or any part of the Real and Smooth Limited business;
 - (b) transfer the ownership or control of the Global Radio Holdings Limited business or the Real and Smooth Limited business or any part thereof;
 - (c) otherwise impair the ability of the Global Radio Holdings Limited business or the Real and Smooth Limited business to compete independently in any markets affected by the acquisition;
 - (d) otherwise prejudice the reference to the CC or impede the taking of any action under the Act which may be justified by the CC's decisions on the reference; or
 - (e) otherwise prejudice the effective implementation of the Divestiture Remedy.
2. Further, without prejudice to the generality of paragraph 1, except with the prior written consent of the CC, and subject to paragraph 8, each of This is Global Limited and Global Radio Holdings Limited will at all times during the specified period, procure that:
 - (a) the Real and Smooth Limited business is carried on separately and under a separate brand identity from the Global Radio Holdings Limited business and separate sales of the Real and Smooth Limited business are maintained;
 - (b) the Real and Smooth Limited business and the Global Radio Holdings Limited business are each maintained as a going concern and sufficient resources are made available for the development of the Real and Smooth Limited business and the Global Radio Holdings Limited business on the basis of their respective pre-merger plans;
 - (c) no substantive changes are made to key staff or to the organizational structure of, or the management responsibilities within the Real and Smooth Limited business or the Global Radio Holdings Limited business;
 - (d) in relation to the assets of each of the Real and Smooth Limited business and the Global Radio Holdings Limited business, and otherwise than in the ordinary course of business:
 - (i) the assets are maintained and preserved, including facilities and goodwill;

- (ii) none of the assets is disposed of; and
- (iii) no interest in the assets is created or disposed of;
- (e) the nature, description, range and standard of goods and/or services supplied in the UK by the Real and Smooth Limited business and the Global Radio Holdings Limited business at the date of these Undertakings are in all material respects maintained and preserved;
- (f) there is no integration of the information technology of the Real and Smooth Limited business with the information technology of the Global Radio Holdings Limited business and the respective software and hardware platforms of the Real and Smooth Limited business and the Global Radio Holdings Limited business shall remain unchanged, except for routine changes and maintenance;
- (g) the customer and supplier lists of each of the Real and Smooth Limited business and the Global Radio Holdings Limited business shall be operated and updated separately and any negotiations with the customers and suppliers in relation to the Real and Smooth Limited business will be carried out by the Real and Smooth Limited business alone and for the avoidance of doubt Global Radio Holdings Limited will not negotiate on behalf of Real and Smooth Limited or enter into any joint agreements with Real and Smooth Limited;
- (h) all existing contracts continue to be serviced by the business to which they were awarded;
- (i) all reasonable steps are taken to encourage all key staff of the Real and Smooth Limited business and the Global Radio Holdings Limited business to remain with the business in relation to which they were employed prior to the merger;
- (j) no business secrets, know-how, commercially sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to the Real and Smooth Limited business or the Global Radio Holdings Limited business (Confidential Information) shall pass, directly or indirectly from the Real and Smooth Limited business (or any of its employees, directors, agents or affiliates) to the Global Radio Holdings Limited business (or any of its employees, directors, agents or affiliates) or vice versa, except:
 - (i) where strictly necessary in the ordinary course of business, and subject to prior notification to the Monitoring Trustee, and on the basis that, should the merger be prohibited in whole or in part, any records or copies (electronic or otherwise) of such information wherever they may be held will be returned to the business to which it relates and any copies destroyed, other than as may be required for the purposes of regulatory compliance under applicable law; and
 - (ii) the flow of Confidential Information from the Real and Smooth Limited business (or any of its employees, directors, agents or affiliates) to the Global Radio Holdings Limited business (or any of its employees, directors, agents or affiliates) is permitted to the extent that such disclosure of information is strictly necessary for compliance with external regulatory and/or accounting obligations and subject to prior notification to the Monitoring Trustee; and
- (k) all reasonable steps are taken to prevent any actions or circumstances that will impair the effective implementation of the Divestiture Remedy.

3. Subject to the obligations in these Undertakings, This is Global Limited and Global Radio Holdings Limited may commence the preparations for the implementation of the Divestiture Remedy, including to establish a data room and to prepare marketing materials including any information memorandum, but will keep the Monitoring Trustee and the CC informed of any decisions or steps which are material to, and are intended to be taken in respect of, the implementation of the Divestiture Remedy. Moreover,
 - (a) This is Global Limited and Global Radio Holdings Limited each undertakes to inform each potential purchaser with whom they enter into a discussion that, in order to purchase one or more radio stations, a candidate purchaser must produce evidence to the CC demonstrating that it meets the conditions set out in paragraph 3.15 of the Merger Remedies Guidelines; and
 - (b) where in the reasonable opinion of This is Global Limited and Global Radio Holdings Limited they have identified a candidate purchaser with a real interest in the acquisition of one or more stations, they will promptly inform the Monitoring Trustee and the CC of the identity of such candidate purchaser, the conditions of the acquisition (including whether a brand-licence agreement or other transitional arrangements would be entered into) and assist the CC in obtaining further information from the candidate purchaser where necessary.

Compliance

4. This is Global Limited and Global Radio Holdings Limited shall procure that each of their subsidiaries complies with these Undertakings as if it had given them.
5. This is Global Limited and Global Radio Holdings Limited shall forthwith provide to the CC such information as the CC may from time to time require for the purposes of monitoring compliance by This is Global Limited and Global Radio Holdings Limited and their subsidiaries with these Undertakings. In particular, on a date as initially agreed by the CC and subsequently every ten working days thereafter (save where the obligation does not fall on a working day, in which case the first working day thereafter or as otherwise agreed with the CC), the Chief Executive Officer of This is Global Limited shall provide a statement to the CC on behalf of This is Global Limited confirming compliance with these Undertakings in the form set out in Appendix A to these Undertakings.
6. At all times, This is Global Limited and Global Radio Holdings Limited will actively keep the CC informed of any material developments relating to the Real and Smooth Limited business and to the effective implementation of the Divestiture Remedy, which includes, but is not limited to:
 - (a) details of key staff who leave or join the Real and Smooth Limited business or the Global Radio Holdings Limited business;
 - (b) progress that This is Global Limited and Global Radio Holdings Limited have made and the steps that have been taken to implement the Divestiture Remedy, in particular providing details of:
 - any discussions that have been held by This is Global Limited and Global Radio Holdings Limited with candidate purchasers with a real interest in the acquisition of one or more stations, including whether such discussions concerned any brand-licence agreement and other transitional arrangements;

- the identity of any independent expert or external adviser who has been formally engaged by This is Global and Global Radio Holdings Limited to assist in the implementation of the Divestiture Remedy (other than [X]);
 - any marketing materials including any information memoranda which have been circulated, the identities of the persons to whom they have been circulated and any responses from candidate purchasers with a real interest in the acquisition of one or more stations received by This is Global Limited and Global Radio Holdings Limited;
 - any data room, its contents and the persons who have had access to it;
 - the progress that has been made towards agreeing heads of terms (where relevant) relating to the divestment of a radio station; and
 - such other relevant matters as may be directed by the CC from time to time;
- (c) any Real and Smooth Limited or Global Radio Holdings Limited station being off-air for more than 24 hours; and
- (d) any substantial changes in approach to Real and Smooth Limited business' or Global Radio Holdings Limited business' customer or supplier contracts.
7. This is Global Limited and Global Radio Holdings Limited shall comply with such written directions as the CC may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with these Undertakings.
8. Global Radio Holdings Limited shall for the purposes of compliance with these Undertakings continue to retain the services of the Monitoring Trustee (the MT) appointed by it on 29 June 2012, provided that Global Radio Holdings Limited and This is Global Limited (a) ensure that the appointment reflects the directions (the Directions) in Appendix B and (b) comply with the obligations set out in the Directions.

Derogations

9. The obligations in paragraphs 1 and 2 shall be subject to the consents to certain actions hereby given by the CC as specified in Appendix C. For the avoidance of doubt, the consents are given based on the information currently available to the CC and may be withdrawn or modified in the event that the CC considers, based on further information, that the consents are no longer appropriate.

Interpretation

10. The Interpretation Act 1978 shall apply to these Undertakings as it does to Acts of Parliament.
11. For the purposes of these Undertakings:

'an affiliate' of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act;

'business' has the meaning given by section 129(1) and (3) of the Act;

'control' shall be construed in accordance with section 26 of the Act and in the case of a body corporate, a person shall be deemed to control it if he holds, or has an interest in, shares of that body corporate which amount to 10 per cent or more of its issued share capital or which carry an entitlement to vote at meetings of that body corporate of 10 per cent or more of the total number of votes which may be cast at such meetings;

'the decisions' means the decisions of the CC on the questions which it is required to answer by virtue of section 35 of the Act;

'the Divestiture Remedy' means the disposal of a combination of radio stations pursuant to paragraph 9.99 and Table 4 of the Report in order to remedy the SLC;

'the Global Radio Holdings Limited business' means the business of Global Radio Holdings Limited and its subsidiaries carried on as from 24 June 2012;

'the Real and Smooth Limited business' means the business of Real and Smooth Limited (company number 3739421) and its subsidiaries carried on as from 24 June 2012;

'key staff' means staff in positions of executive or managerial responsibility and/or whose performance could materially affect the viability of the business;

'the merger' means the creation of the relevant merger situation between the Global Radio Holdings Limited business and the Real and Smooth Limited business;

'the ordinary course of business' means matters connected to the day-to-day supply of goods and/or services by Real and Smooth Limited or Global Radio Holdings Limited and does not include matters involving significant changes to the organizational structure or related to the post-merger integration of Real and Smooth Limited or Global Radio Holdings Limited;

'the Report' means the report published by the CC on 21 May 2013 entitled *Global Radio Holdings Limited and GMG Radio Holdings Limited: a report on the completed acquisition by Global Radio Holdings Limited of GMG Radio Holdings Limited*;

'the specified period' means the period beginning on the date of these Undertakings and terminating at the end of the period specified in section 80(7) or (8) of the Act;

'subsidiary', unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006;

'working day' means any day of the week other than a Saturday, Sunday or any other day that is a public holiday in England;

In these Undertakings unless the context requires otherwise, the singular shall include the plural and vice versa.

FOR AND ON BEHALF OF THIS IS GLOBAL LIMITED

Signature

Signature

Name

Name

Title

Title

Date

Date

(Director)

(Director/Company Secretary)

FOR AND ON BEHALF OF GLOBAL RADIO HOLDINGS LIMITED

Signature

Signature

Name

Name

Title

Title

Date

Date

(Director)

(Director/Company Secretary)

Compliance statement for This is Global Limited

I [insert name] confirm on behalf of This is Global Limited that [except in relation to matters specified in the waiver letter dated] [●]:

- (a) This is Global Limited has complied with the Undertakings given by it and accepted by the CC on [insert date] (the Undertakings) in the period from [insert date] to [insert date].
- (b) This is Global Limited's subsidiaries have also complied with the Undertakings in the period from [insert date] to [insert date].
- (c) No action has been taken by This is Global Limited or its subsidiaries in the period from [insert date] to [insert date] that would prejudice the reference to the CC or impede the taking of any action under the Act which may be justified by the CC's decision on the reference.
- (d) This is Global Limited and its subsidiaries remain in full compliance with the Undertakings and will continue actively to keep the CC informed of any material developments relating to the Real and Smooth Limited business in accordance with paragraph 5 of the Undertakings.
- (e) The Real and Smooth Limited business and the Global Radio Holdings Limited business have each been maintained as a going concern and sufficient resources have been made available for the development of the Real and Smooth Limited business and the Global Radio Holdings Limited business on the basis of their respective pre-merger business plans.
- (f) The Real and Smooth Limited business's customer and supplier lists have been operated and updated by the Real and Smooth Limited business alone.
- (g) All customer and supplier negotiations for the Real and Smooth Limited business have been carried out independently of Global Radio Holdings Limited.
- (h) There have been no material changes to the nature, description, range and standard of goods and/or services currently supplied in the UK by the Real and Smooth Limited business and the Global Radio Holdings Limited business.

Assets—including facilities and goodwill

- (i) Except in the ordinary course of business, none of the assets of the Real and Smooth Limited business or the Global Radio Holdings Limited business have been disposed of.
- (j) Except in the ordinary course of business, no interest in the assets of the Real and Smooth Limited business or the Global Radio Holdings Limited business has been created or disposed of.
- (k) Except in the ordinary course of business, all of the assets of the Real and Smooth Limited business and the Global Radio Holdings Limited business have been maintained and preserved as they were before the merger.

Contracts

- (l) All existing contracts continue to be serviced by the business to which they were awarded.

Information technology systems

- (m) There have been no changes to the software and hardware platforms of the Real and Smooth Limited business or the Global Radio Holdings Limited business, except for routine changes and maintenance.

Staff

- (n) No substantive changes have been made to or to the key staff or the organizational structure or to the management responsibilities within the Real and Smooth Limited business or the Global Radio Holdings Limited business.

Material developments

- (o) Except as listed in paragraph (p) below:

- (i) no Real and Smooth Limited and/or Global Radio Holdings Limited station has been off-air for more than 24 hours;
- (ii) there have not been any substantial changes in approach to Real and Smooth Limited and/or Global Radio Holdings Limited customer or supplier contracts; or
- (iii) there have been no other material developments.

- (p) [List of material developments]

Confidential information

- (q) No business secrets, know-how, commercially sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to the Real and Smooth Limited business or the Global Radio Holdings Limited business has passed, directly or indirectly, from the Real and Smooth Limited business (or any of its employees, directors, agents or affiliates) to the Global Radio Holdings Limited business (or any of its employees, directors, agents or affiliates), or vice versa, except to the extent permitted by paragraph 2(j) of the Undertakings or paragraphs 6 and 7 of Appendix C.

FOR AND ON BEHALF OF THIS IS GLOBAL LIMITED

Signature

Name

Title

Date

Directions regarding the appointment of a Monitoring Trustee

1. Terms and expressions defined in the Undertakings have the same meaning in these Directions, unless the context requires otherwise.

Appointment

2. Global Radio Holdings Limited must retain the services of the MT in order to:
 - (a) support the CC taking any remedial action which may be required; and
 - (b) monitor compliance by Global Radio Holdings Limited and This is Global Limited with the Undertakings.
3. The MT must act on behalf of the CC and be under an obligation to the CC to carry out his or her functions to the best of his or her abilities.
4. Global Radio Holdings Limited and This is Global Limited must cooperate fully with the MT, in particular as set out below, and Global Radio Holdings Limited must ensure that the terms and conditions of appointment of the MT reflect and give effect to the functions and obligations of the MT and the obligations of Global Radio Holdings Limited and This is Global Limited as set out in these Directions.

General

5. The MT must continue to possess appropriate qualifications and experience to carry out his or her functions.
6. The MT must neither have nor become exposed to a conflict of interest that impairs the MT's objectivity and independence in discharging his or her duties under these Directions, unless it can be resolved in a manner and within a time frame acceptable to the CC.
7. Global Radio Holdings Limited shall continue to remunerate and reimburse the MT for all reasonable costs properly incurred in accordance with the terms and conditions of the appointment and in such a way so as not to impede the MT's independence or ability to effectively and properly carry out his or her functions.
8. The continued appointment of the MT by Global Radio Holdings Limited is at all times subject to the approval of the CC.

Functions

9. The functions of the MT will be to:
 - (a) ascertain the current level of compliance by Global Radio Holdings Limited and This is Global Limited with the Undertakings; and
 - (b) assess the arrangements made by Global Radio Holdings Limited and This is Global Limited for compliance with the Undertakings and what changes to those arrangements, if any, are necessary to preserve the possibility of the CC taking any remedial action, if required.

The MT will also be required to:

- (c) identify and supervise if necessary the arrangements made by Global Radio Holdings Limited and This is Global Limited for ensuring compliance with the Undertakings;
- (d) monitor compliance by Global Radio Holdings Limited and This is Global Limited with the Undertakings; and
- (e) without prejudice to the right of Global Radio Holdings Limited to contact the CC, respond to any questions which Global Radio Holdings Limited may have in relation to compliance with the Undertakings, in consultation with the CC.

With respect to the effective implementation of the Divestiture Remedy, the duties of the MT shall in particular include:

- (f) monitoring the progress made by Global Radio Holdings Limited and This is Global Limited towards implementation of the Divestiture Remedy and the steps that have otherwise been taken to comply with the Undertakings including:
 - steps taken towards the selection of candidate purchasers and the preparation of heads of terms (where relevant) for the purpose of the implementation of the Divestiture Remedy;
 - informing advisers of Global Radio Holdings Limited and This is Global Limited and candidate purchasers of the content of these Undertakings and of the Report;
 - attending such meetings and monitoring such communications as the MT considers necessary that Global Radio Holdings Limited, This is Global Limited and/or their financial and other advisers have with possible candidate purchasers and/or those possible candidate purchasers' financial or other advisers in connection with the disposal process (save where those meetings and communications are properly the subject of legal privilege). Global Radio Holdings Limited and This is Global Limited undertakes to notify such communications to the MT as soon as practicable afterwards and, in any case, by way of the weekly compliance calls and/or fortnightly compliance logs. Global Radio Holdings Limited and This is Global Limited will have the right to proceed with any such meetings if two working days' prior notice of such meetings has been given to the MT. In the event the MT wishes but is unable to attend a meeting, Global Radio Holdings Limited and This is Global Limited and its advisers will use reasonable endeavours to reschedule the meeting.
 - (g) monitoring whether variations to the Interim Undertakings are necessary to effectively implement the Divestiture Remedy; and
 - (h) such other written direction as the CC may give from time to time.
10. The MT must take such steps as he or she reasonably considers necessary in order to carry out his or her functions effectively.
11. The MT must comply with any requests made by the CC for the purpose of ensuring the full and effective compliance by Global Radio Holdings Limited and This is Global Limited with the Undertakings.

Obligations of Global Radio

12. Global Radio Holdings Limited, This is Global Limited, and each of their affiliates and their employees, officers, directors, advisers and consultants must cooperate fully with the MT, in particular by providing the MT with all cooperation, assistance and information as the MT may reasonably require in order to discharge his or her functions, including but not limited to:
 - (a) the provision of full and complete access to all personnel, books, records, documents, facilities and information of Global Radio Holdings Limited and the Real and Smooth Limited business (as available to Global Radio Holdings Limited) as the MT may reasonably require; and
 - (b) the provision of such office and supporting facilities as the MT may reasonably require.
13. If Global Radio Holdings Limited or This is Global Limited or any of their subsidiaries is in any doubt as to whether any action or communication would infringe the Undertakings, it is required to contact the MT for clarification.
14. If Global Radio Holdings Limited or This is Global Limited or any of their subsidiaries has any reason to suspect that the Undertakings may have been breached, it must notify the MT and the CC immediately.

Reporting functions

15. The MT is required to provide an initial report to the CC no later than 26 October 2012 giving details of any arrangements which have been, or should be, put in place to ensure compliance with the Undertakings, and including among other things details of the current extent of compliance with the Undertakings.
16. In addition to providing the initial report referred to in paragraph 15 above, the MT must provide every fortnight thereafter (or otherwise as required by the CC) a statement to the CC stating whether or not, in his or her view, Global Radio Holdings Limited and This is Global Limited have complied with the Undertakings. At the same time, the MT must provide the CC with a report setting out the following:
 - (a) the basis for the MT's view that the Undertakings have or have not, as the case may be, been complied with and in particular whether:
 - (i) anything has caused him or her to be concerned as to whether Global Radio Holdings Limited and/or This is Global Limited have complied with the Undertakings, and if it has, whether those concerns have been resolved and why;
 - (ii) he or she has any remaining doubts or uncertainties as to whether Global Radio Holdings Limited and/or This is Global Limited have complied with the Undertakings; and
 - (iii) anything that causes him or her to be concerned about a possible future breach of the Undertakings (whether deliberate or inadvertent);
 - (b) details of any factors that might indicate (i) deterioration of the Real and Smooth Limited business or (ii) any circumstance which might prejudice the effective implementation of the Divestiture Remedy;

- (c) the extent to which Global Radio Holdings Limited and This is Global Limited have cooperated with the MT in his or her task of monitoring its compliance with the Undertakings and details of any aspects of the cooperation of Global Radio Holdings Limited that he or she considers could be improved;
 - (d) the extent to which the MT considers that he or she is in an appropriate position to monitor the compliance of Global Radio Holdings Limited and This is Global Limited with the Undertakings and if there is anything that the MT considers would assist him or her in monitoring compliance;
 - (e) any current or anticipated requests for consent to vary the Undertakings; and
 - (f) the information he or she used to compile the report.
17. When providing reports to the CC the MT must ensure that he or she does not disclose any information or documents to the CC which Global Radio Holdings Limited and/or This is Global Limited would be entitled to withhold from the CC on the grounds of legal privilege.
18. The MT must immediately notify the CC in writing if he or she forms a reasonable suspicion that the Undertakings have been breached, that the effective implementation of the Divestiture Remedy might be prejudiced by any action or circumstance, or if he or she considers that he or she is no longer in a position to effectively carry out his or her functions. In that situation, the MT must give reasons for this view; including any supporting evidence available (unless doing so would infringe the obligations referred to in paragraph 17 above).
19. All communications between the MT and the CC (including the statements and reports referred to in paragraphs 15 and 16) are confidential and should not be disclosed to Global Radio Holdings Limited or This is Global Limited, save with the prior written consent of the CC. The MT shall not disclose such communications to third parties.

Consents

1. Paragraphs 2(a), (g) and (j) of the Undertakings:
 - (a) Global Radio Holdings Limited may continue to negotiate on behalf of Real and Smooth Limited with advertising agencies and media buying groups which book advertising with or through Global Radio Holdings Limited's London-based advertising sales team and are agencies normally based within London and the South-East and with any advertisers which book directly with Global Radio Holdings Limited via its London-based advertising sales team in order to sell advertising for Real and Smooth Limited business' online services, including its websites and mobile phone services, pursuant to the sales agency agreement of 24 March 2011 between Real and Smooth Limited, Global Radio Services Limited, Global Radio Holdings Limited and Guardian Media Group plc (the Sales Agency Agreement), provided that Global Radio Holdings Limited continues to do this in the same way as before the completed acquisition of Real and Smooth Limited (the Acquisition).
 - (b) Global Radio Holdings Limited may continue to negotiate on behalf of Real and Smooth Limited with advertising agencies and media buying groups which book advertising with or through Global Radio Holdings Limited's London-based advertising sales team and are agencies normally based within London and the South-East, and with any advertisers which book directly with Global Radio Holdings Limited via its London-based advertising sales team, to sell airtime for advertising on an ad hoc (as opposed to annual) basis pursuant to the Sales Agency Agreement, provided that: (a) Global Radio Holdings Limited continues to do this in the same way as before the Acquisition; and (b) Global Radio Holdings Limited will not negotiate with such agencies and media buying groups that it had not previously dealt with in this role before the Acquisition until after it has notified the MT and the CC in writing of its intention to do so and obtained the CC's written consent.
 - (c) Global Radio Holdings Limited and Real and Smooth Limited may continue to prepare and make joint creative pitches for sponsorship and promotions that are necessary to enable them to compete with other media on a national scale, provided that: (a) they are approached by an advertising agency; (b) they continue to do this in the same way as before the Acquisition; and (c) following the joint creative pitch they have no further contact with each other in relation to the terms of the relevant sponsorship and promotions; however, for the avoidance of doubt, the parties may engage in any discussion concerning delivery of the campaign and to ensure that the overall campaign stays within the client's budget.
 - (d) Global Radio Holdings Limited and Real and Smooth Limited may continue to exchange information with each other regarding approaches by barter agencies for barter agreements, in the context of and to the extent required pursuant to the Sales Agency Agreement, and provided that Global Radio Holdings Limited and Real and Smooth Limited continue to do this in the same way as before the Acquisition. The information that may be exchanged under this consent is limited to the fact of an approach by a barter agency, the terms proposed by the barter agency, and Global Radio Holdings Limited's and Real and Smooth Limited's proposed response to the barter agency.

2. Paragraphs 2(a), (c) and (g) of the Undertakings:

(a) Since following the Acquisition Stuart Taylor resigned from his role as Real and Smooth Limited's CEO and Real and Smooth Limited lost the business services support provided by Guardian Media Group plc, Global Radio Holdings Limited may continue to employ Mark Lee (previously Global Radio Holdings Limited's MD for the regions) and Colin Everitt (previously Global Radio Holdings Limited's Group Financial Controller) as Chief Executive Officer and Chief Operating Officer of Real and Smooth Limited respectively. Mr Lee's PA, Heidi Llewellyn, may remain in her role and therefore transfer with Mr Lee to Real and Smooth Limited.

(b) This consent is given on condition that during the Specified Period Mr Lee, Mr Everitt and Ms Llewellyn:

- will have no role at Global Radio Holdings Limited business;
- will resign from the board of any affiliates of Global Radio Holdings Limited business (with the exception of Real and Smooth Limited) and will not attend meetings of these board(s);
- will not vote any shares that they hold in Global Radio Holdings Limited business or its affiliates;
- will relocate to Real and Smooth Limited's offices in Manchester and not have access to Global Radio Holdings Limited business' offices or IT systems;
- will not have contact with any employees or directors of Global Radio Holdings Limited business other than to the extent that such contact is not caught by the Undertakings or is strictly necessary for the actions approved by the CC; and
- will not receive Confidential Information relating to Global Radio Holdings Limited business and will not disclose Confidential Information relating to Global Radio Holdings Limited business or Real and Smooth Limited business, other than in accordance with paragraph 2(j) of the Undertakings or as approved by the CC.

3. Paragraphs 2(a), (g) and (j) of the Undertakings:

(a) Global Radio Holdings Limited may continue to negotiate contracts on behalf of Real and Smooth Limited pursuant to the Sales Agency Agreement with National Advertisers (as defined in such agreement) with respect to airtime on radio stations on an annual basis, provided that Global Radio Holdings Limited continues to do this in the same way as before the Acquisition.

4. Paragraph 2(a) of the Undertakings:

(a) Global Radio Holdings Limited will procure that Real and Smooth Limited ceases using any name, mark or logo that could be confused with the name, mark or logo associated with Guardian Media Group plc or its affiliates. However, no changes may be made to the 'Smooth' and 'Real' brand identities during the Specified Period.

5. Paragraphs 2(a), (g) and (j) of the Undertakings:

- (a) Global Radio Holdings Limited and Real and Smooth Limited may jointly provide radio advertising to Asda on a non-contracted basis across Global Radio Holdings Limited's and Real and Smooth Limited business' radio stations in a number of regions, provided that Global Radio Holdings Limited's and Real and Smooth Limited continue to do this in the same way as before the Acquisition.

6. Paragraph 2(j) of the Undertakings:

- (a) Global Radio Holdings Limited and Real and Smooth Limited may exchange certain Confidential Information to the extent strictly necessary for integration planning on a basis agreed with the CC, and on condition that:
- this is limited to a small group of named representatives of Global Holdings Limited and Real and Smooth Limited as agreed with the CC;
 - for the purposes of integration planning only, these representatives may exchange certain confidential information concerning personnel, buildings, IT systems and historical revenue and cost data that is aggregated to a level agreed with the CC;
 - no member of the integration planning team will be involved in decisions on pricing or discounts, nor will any of the planning team come from the station sales teams of either Global Radio Holdings Limited or Real and Smooth Limited; there will be no discussion between members of the planning team about current trading;
 - any planning meetings will follow a strict agenda that has been pre-approved; the Chairman of these planning meetings will report to Stephen Miron, the CEO of Global Radio Holdings Limited, following each meeting to confirm that the requirements above have been complied with.
- (b) (i) In the event that Global Radio Holdings Limited is required to divest the whole of the Real and Smooth Limited business by the CC, any records or copies (electronic or otherwise) of all Confidential Information (disclosed pursuant to paragraph 6(a) above or 9(a) below) relating to the Real and Smooth Limited business wherever they may be held will be either returned to Real and Smooth Limited by Global Radio Holdings Limited or destroyed by Global Radio Holdings Limited as soon as practicable, other than as may be required for the purposes of regulatory compliance under applicable law and subject always to paragraph 6(c) below.
- (ii) In the event that Global Radio Holdings Limited is required to divest a part or parts of the Real and Smooth Limited business by the CC, any records or copies (electronic or otherwise) of all Confidential Information (disclosed pursuant to paragraph 6(a) above or 9(a) below) relating to the part or parts of the Real and Smooth Limited business to be divested wherever they may be held will be either returned to the relevant part or parts of the Real and Smooth Limited business by Global Radio Holdings Limited or destroyed by Global Radio Holdings Limited as soon as practicable, other than as may be required for the purposes of regulatory compliance under applicable law and subject always to paragraph 6(c) below.
- (c) If any Confidential Information (disclosed pursuant to paragraph 6(a) above or 9(a) below) is reasonably required for the purposes of a full or partial divestment of the Real and Smooth Limited business, Global Radio Holdings Limited shall notify the CC and agree a process with the CC pursuant to which Global Radio

Holdings Limited shall be allowed to use such Confidential Information solely for the purposes of such a divestment, provided that such Confidential Information shall either be returned to Real and Smooth Limited or the relevant part or parts of the Real and Smooth Limited business as the case may be or destroyed by Global Radio Holdings Limited in accordance with paragraphs 6(b)(i) and (ii) above as soon as practicable to the extent it is no longer required for the purposes of a divestment or regulatory compliance under applicable law.

(d) In the event that any records or copies (electronic or otherwise) of Confidential Information are either returned to Real and Smooth Limited or the relevant part or parts of the Real and Smooth Limited business as the case may be or destroyed by Global Radio Holdings Limited in accordance with paragraphs 6(b)(i) or 6(b)(ii) above, Global Radio Holdings shall provide the CC with written confirmation that such Confidential Information has been returned or destroyed as the case may be as soon as practicable.

(e) For the avoidance of doubt, paragraph 2(j)(i) of the Undertakings does not apply to Confidential Information disclosed pursuant to this paragraph 6.

7. Paragraph 2(j) of the Undertakings:

(a) The following financial information about Real and Smooth Limited aggregated at the level of Real and Smooth Limited may pass to Global Radio Holdings Limited's board on the basis set out under (i) of paragraph 2(j) of the Undertakings:

- aggregated turnover, cost and EBITDA information on a monthly (budget, actual and last year) and annual (forecast, budget and last year) basis;
- actual and forecast monthly cash balance and forecast monthly cash flow; and
- summary balance sheet drawn up to show the cash resources available to GMG Radio.

(b) For the avoidance of doubt this consent does not apply to disclosure of information at the level of stations, customers and customer groups unless the conditions provided for in paragraph 2(j) of the Initial Undertakings are met.

8. Paragraphs 2(c) and (i) of the Undertakings:

(a) Real and Smooth Limited may make Jonathan Gillespie redundant, who is Real and Smooth Limited's Group Commercial Director with responsibility for National S&P, Marketing, Digital and Commercial Strategy. Mr Gillespie falls within the definition of 'key staff' in the Undertakings. This is on condition that Real and Smooth Limited replaces Mr Gillespie in each of his areas of responsibility with sufficiently senior staff within a short period after Mr Gillespie's departure.

9. Paragraph 2(j) of the Undertakings:

(a) Global Radio Holdings Limited and Real and Smooth Limited may exchange certain confidential information to the extent strictly necessary for the effective implementation of the Divestiture Remedy including but not limited to the preparation of marketing materials (including an information memorandum) and the preparation of a data room, and on the condition that:

- this is limited to a small group of named representatives of Global Radio Holdings Limited and Real and Smooth Limited as agreed with the CC and identified in Appendix D. This is Global Limited and Global Radio Holdings Limited shall have the right to amend the list of named representatives identified in Appendix D with prior written consent from the CC.
- these representatives will keep the MT informed of any Confidential Information exchanged.

Clean team

List of Global Radio Holdings Limited and Real and Smooth Limited representatives who may exchange certain confidential information pursuant to Appendix C, paragraph 9, of the Undertakings.

Individual	Rationale
Global	
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
RSL	
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]