

**COMMUNICATIONS ACT 2003**

**Schedule 18, paragraph 62**

**Undertakings instead of conditions attached to the Secretary of State's consent to the transfer of The Times and The Sunday Times Newspapers to News Corp UK & Ireland Limited (formerly known as News International Limited)**

Whereas –

- (1) on 27 January 1981, the Secretary of State gave his consent under section 58 of the Fair Trading Act 1973 to the transfer of each of The Times and The Sunday Times newspapers from the Thomson Organisation Limited to News Corp UK & Ireland Limited (“News UK”), then known as News International Limited, without requiring a report from the Monopolies and Mergers Commission under section 59 of that Act;
- (2) the Secretary of State's consent to the transfer was subject to the conditions set forth in that consent (the “Conditions”);
- (3) the Secretary of State may, instead of any or all of the conditions attached to a consent given by him under section 58 of the Fair Trading Act 1973, accept undertakings under paragraph 62 of Schedule 18 to the Communications Act 2003 to take, or refrain from taking, action specified or described in the undertakings; and
- (4) the Secretary of State considers it appropriate, by reason of a material change in circumstances, to accept the undertakings given below by News UK instead of the Conditions;

Now, therefore, News UK hereby gives to the Secretary of State the following undertakings instead of the Conditions:

1. Publication of The Times and The Sunday Times (together, “the Newspapers”) shall be as separate newspapers.
2. News UK shall not without the consent of a majority of the ~~i~~Independent ~~n~~National ~~d~~Directors (INDs) for the time being of Times Newspapers Holdings Limited (“TNHL”) do anything, or procure or permit anything to be done, which shall result in-
  - (i) News UK, by reason of any transfer, ceasing to be a newspaper proprietor in relation to the Newspapers, or
  - (ii) either TNHL or Times Newspapers Limited (“TNL”) ceasing to be a subsidiary (within the meaning of Section 1159 of the Companies Act 2006) of News UK, or
  - (iii) TNL selling or otherwise disposing of any interest in the Newspapers.
3. (a) The Articles of Association of TNHL shall continue to give effect to the requirement set out below.  
(b) The said requirements are that-
  - (i) The Articles of Association of TNHL shall include a definition of “Independent National Director”, as approved by the Secretary of State.

(ii) ~~(a) The said requirement is that the number of independent national directors shall be 6. The number of INDs shall be six~~ and no person shall be appointed to or removed from the office of ~~independent national director~~ INDs, including such additional persons, without the approval of the majority of the ~~independent national directors~~ INDs at the time of the appointment or removal.

(iii) The period of office of each IND shall be limited to a maximum of nine years.

4. (a) The Articles of Association of TNL shall continue to give effect to the requirements set out below.

(b) The said requirements are that-

(i) The Editor of The Sunday Times and the Editor of The Times ("the Editors") shall not be appointed or dismissed without the approval of the majority of the independent national directors of TNHL.

(ii) The Editor of each Newspaper shall retain control over any political comment published in their Newspaper and, in particular, shall not be subject to any restraint or inhibition in expressing opinion or in reporting news that might directly or indirectly conflict with the opinions or interest of any of the newspaper proprietors (within the meaning of Section 57 of Fair Trading Act 1973) of the Newspapers.

(iii) Instructions to journalists shall be given only by the Editor or those to whom the Editor has delegated authority.

(iv) Subject only to ~~any~~ annual budgets for editorial space and expenditure determined by the directors of TNL for each Newspaper, the Editor of each Newspaper shall retain control over the appointment, disposition and dismissal of journalists on their Newspaper and of all other content of their Newspaper except that in the case of advertisements the Editor's rights may be limited to the right to refuse to publish any advertisement and where in the Newspaper advertisements in general are or an advertisement in particular is to appear;

(v) Any dispute between the Editors (or either of them) on the one hand and the Directors of TNL on the other is to be referred to the ~~independent national directors~~ INDs of TNHL or such one or more of the ~~independent national directors~~ INDs as they may themselves determine; and their decision shall be final and binding.

5. The Newspapers may share services and resources, including journalists, to such extent as the Editors agree.

6. The Articles of Association of TNHL shall require the INDs to report to the Secretary of State, copied to the CMA, on compliance with these undertakings. News UK shall provide such information as the Secretary of State or the CMA may request to determine if a breach of these undertakings has occurred, provided that News UK, TNHL and TNL shall not be required to disclose any information, documents or other material that is subject to legal or journalistic privilege.

7. These undertakings shall remain in force until such time as they are varied, released or superseded. In the event of a material change of circumstances, the Secretary of State may, in response to a written request from News UK, vary or release one or more of these undertakings. The variation, release or supersession of these undertakings shall not affect the validity and enforceability of any rights or obligations that arose prior to such variation, release or supersession.

- ~~6. The Articles of Association of TNHL and TNL-8.~~ The Articles of Association of TNHL and TNL, attached at Appendix 2 to these undertakings, shall not be altered in any way which affect or which may ~~effect~~affect, the operation of the foregoing requirements except with the written consent of the Secretary of State.
9. These undertakings shall be governed and construed in all respects in accordance with English law. Any dispute arising concerning these undertakings shall be subject to the jurisdictions of the courts of England and Wales. Any contractual obligations arising out of or in connection with these undertakings shall be governed and construed in all respects in accordance with English law.
10. These undertakings shall take effect from the date that, having been signed by News UK, they are accepted by the Secretary of State.

[Signatures]