

Ruby Newco LLC  
Form S-4/A  
November 06, 2007  
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As filed with the Securities and Exchange Commission on November 6, 2007

Registration No. 333 145925

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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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AMENDMENT NO. 3

TO

**FORM S-4**

REGISTRATION STATEMENT UNDER

THE SECURITIES ACT OF 1933

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**Ruby Newco LLC**

(Exact name of registrant as specified in its charter)

**News Corporation**

(Exact name of registrant as specified in its charter)

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Delaware  
(State of Incorporation)

2711  
(Primary Standard  
Industrial Classification  
Code Number)

26-0622811  
(I.R.S. Employer  
Identification No.)

Delaware  
(State of Incorporation)

2711  
(Primary Standard  
Industrial Classification  
Code Number)

26-0075658  
(I.R.S. Employer  
Identification No.)

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1211 Avenue of the Americas

New York, New York 10036

(212) 852-7000

(Address, including zip code, and telephone number, including area code, of registrants principal executive offices)

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Lawrence A. Jacobs

Senior Executive Vice President and Group General Counsel of News Corporation

Senior Executive Vice President and General Counsel of Ruby Newco LLC

1211 Avenue of the Americas

New York, New York 10036

(212) 852-7000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

*With copies to:*

<b>Lou R. Kling</b>	<b>Amy Bowerman Freed</b>	<b>Joseph A. Stern</b> Executive Vice President, General	<b>Arthur Fleischer, Jr.</b>
<b>Howard L. Ellin</b>	<b>Hogan &amp; Hartson LLP</b>	<b>Counsel and Corporate Secretary</b>	<b>Philip Richter</b>
<b>Skadden, Arps, Slate, Meagher &amp; Flom LLP</b>	<b>875 Third Avenue</b>	<b>Dow Jones &amp; Company, Inc.</b>	<b>Fried, Frank, Harris, Shriver &amp; Jacobson LLP</b>
<b>4 Times Square</b>	<b>New York, New York 10022</b>	<b>200 Liberty Street</b>	<b>One New York Plaza</b>
<b>New York, New York 10036</b>	<b>(212) 918-3000</b>	<b>New York, New York 10281</b>	<b>New York, New York 10004</b>
<b>(212) 735-3000</b>		<b>(212) 416-2000</b>	<b>(212) 859-8000</b>

Approximate date of commencement of proposed sale of securities to the public: As soon as practicable after this Registration Statement is declared effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

<b>Title of each class of securities to be registered</b>	<b>Amount to be Registered</b>	<b>Proposed maximum offering price per share</b>	<b>Proposed maximum aggregate offering price</b>	<b>Amount of registration fee</b>
Ruby Newco Class B Common Units	(1)	Not Applicable	\$ 506,490,465.10 <sup>(2)</sup>	\$ 15,549.26 <sup>(3)</sup>
News Corporation Class A Common Stock, \$0.01 par value per share	(1)	Not Applicable	Not Applicable <sup>(2)(4)</sup>	Not Applicable <sup>(3)(4)</sup>
News Corporation Restricted Stock	(1)	Not Applicable	\$ 6,335,284 <sup>(2)</sup>	\$ 194.49 <sup>(3)</sup>
News Corporation Restricted Stock Units	(1)	Not Applicable	\$ 36,454,741 <sup>(2)</sup>	\$ 1,119.16 <sup>(3)</sup>
Options to Purchase News Corporation Class A Common Stock	(1)	Not Applicable	\$ 442,149,754 <sup>(2)</sup>	\$ 13,574.00 <sup>(3)</sup>

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News Corporation Contingent Stock Rights	(1)	Not Applicable	\$	69,828,895 <sup>(2)</sup>	\$	2,143.75 <sup>(3)</sup>
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- (1) In accordance with Rule 457(o) under the Securities Act of 1933, as amended (the Securities Act), the number of shares is not set forth herein. Pursuant to Rule 457(o), the registration fee has been computed on the basis of the maximum aggregate offering price of the securities listed in the table herein to be issued pursuant to the merger agreement. The registration fee was previously paid in connection with the initial filing of this registration statement on September 7, 2007.
- (2) Pursuant to rules 457(f) and 457(c) under the Securities Act and solely for the purpose of calculating the registration fee, the proposed maximum aggregate offering price is calculated by multiplying (i) \$58.90 the average of the high and low per share prices of common stock of Dow Jones & Company, Inc. (Dow Jones) as reported on the NYSE on September 5, 2007 by (ii) the maximum number of (a) shares of Dow Jones common stock and Class B common stock, (b) restricted shares of Dow Jones common stock, (c) Dow Jones restricted stock units, (d) options to purchase Dow Jones common stock or (e) Dow Jones contingent stock rights to be cancelled in connection with the merger described in the accompanying proxy statement/prospectus.
- (3) Determined in accordance with Section 6(b) of the Securities Act at a rate equal to \$30.70 per \$1,000,000 of the proposed maximum aggregate offering price.
- (4) Also being registered are shares of News Corporation Class A common stock that may be issuable upon or in connection with the exchange of Ruby Newco LLC (Newco) Class B common units and issuable upon the vesting or exercise of News Corporation restricted stock, restricted stock units, contingent stock rights or options to purchase News Corporation Class A common stock being registered. No additional consideration will be received upon the issuance of News Corporation Class A common stock and, therefore, no registration fee is required pursuant to Rule 457(i).

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**The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Securities Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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**SUBJECT TO COMPLETION, DATED NOVEMBER 6, 2007**

**The information in this proxy statement/prospectus is not complete and may be changed. The registrants may not sell the securities described herein until the registration statement filed with the Securities and Exchange Commission is declared effective. This proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

November [ ], 2007

**Dow Jones & Company, Inc.**

200 Liberty Street, New York, New York 10281

To Our Stockholders:

You are cordially invited to attend a special meeting of stockholders of Dow Jones & Company, Inc., which will be held on Thursday, December 13, 2007 at 10:00 a.m. Eastern Time in the Grand Ballroom at the New York Marriott Financial Center, located at 85 West Street, New York, New York 10006.

At the special meeting, you will be asked to act on a proposed merger between Dow Jones and a subsidiary of News Corporation. If the merger is completed, Dow Jones will become an indirect subsidiary of News Corporation, and unless you make the unit election described below, you will receive \$60.00 in cash for each share of common stock or Class B common stock of Dow Jones that you own.

The \$60.00 per share to be paid for each share of Dow Jones common stock and Class B common stock in the merger represents a premium of approximately 65% over the closing sale price of Dow Jones common stock on April 30, 2007, which was the trading day immediately prior to the date on which News Corporation and Dow Jones confirmed news reports that News Corporation had made a proposal to acquire Dow Jones for \$60.00 per share.

Under the terms of the merger agreement, record holders of certificated Dow Jones shares (as more fully described in the accompanying proxy statement/prospectus) will have the opportunity to elect to exchange all or a portion of those Dow Jones shares for Class B common units of Ruby Newco LLC, a direct subsidiary of News Corporation that will, after the merger, own all of the shares of Dow Jones, instead of receiving \$60.00 in cash for each of those shares. The number of Newco Class B common units you may receive for each Dow Jones share for which a unit election is validly made will be determined before the closing of the merger by dividing \$60.00 by the volume weighted average price of News Corporation's Class A common stock on the New York Stock Exchange over the five (5) trading days ending on the last trading day preceding the closing date of the merger. The unit election right is subject to allocation and proration procedures designed to ensure that no more than 250 stockholders of record of Dow Jones receive Newco Class B common units in the merger, and that those Dow Jones stockholders receive Newco Class B common units in exchange for no more than 8,599,159, or approximately 10%, of the outstanding shares of Dow Jones. If more than 250 record holders elect to receive the unit consideration, only the elections of the 250 holders making a unit election with respect to the greatest number of Dow Jones shares will be honored. Certain members of the Bancroft family and trusts for the benefit of members of the Bancroft family have entered into a voting and support agreement with News Corporation in which they have agreed to vote Dow Jones shares representing approximately 37% of the aggregate voting power of all Dow Jones shares in favor of the adoption of the merger agreement. Based on the volume weighted average price of News Corporation Class A common stock on the New York Stock Exchange for the five (5) trading days ending on November 5, 2007, the last practicable date preceding the date of the accompanying proxy statement/prospectus, and assuming that Newco Class B common units were issued in exchange for 8,599,159 Dow Jones shares, the maximum number of Newco Class B common units to be issued in the merger would be approximately 24,176,535.

After a limited period of time following the closing of the merger, the Newco Class B common units will be exchangeable at the option of the holder, on a one-for-one basis (subject to adjustment), into shares of News Corporation's Class A common stock. The Newco Class B common units will not be listed on any securities exchange and will be subject to significant transfer restrictions. Shares of News Corporation's Class A common stock trade on the New York Stock Exchange under the symbol NWS-A.

**After careful consideration, your board of directors has determined that the terms of the merger agreement are fair to, and in the best interests of, Dow Jones and its stockholders and recommends that you vote FOR the adoption of the merger agreement. Your board of directors makes no recommendation as to whether you should elect to receive Newco Class B common units for your Dow Jones shares.**

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This proxy statement/prospectus describes the proposed merger and the merger agreement and the terms of the Newco Class B common units. Please give the information in this proxy statement/prospectus your careful attention. **In particular, you should carefully consider the discussion in the section entitled Risk Factors beginning on page 35.**

**Your vote is very important.** Because approval and adoption of the merger agreement requires the affirmative vote of a majority of the votes entitled to be cast by the holders of Dow Jones common stock and Class B common stock at the special meeting, voting together as a single class, a failure to vote will have the same effect as a vote against the approval and adoption of the merger agreement.

Regardless of the number of Dow Jones shares you own and whether or not you plan to attend, it is important that your shares are represented and voted at the special meeting. You are requested either to sign, date and return the enclosed proxy or to vote by telephone or via the Internet pursuant to the instructions in this proxy statement/prospectus promptly. If you do attend the special meeting, you may still vote in person if you desire.

Thank you for your cooperation and support.

Sincerely yours,

M. Peter McPherson

Chairman of the Board

November [ ], 2007

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the merger or the securities described in this proxy statement/prospectus or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

**This proxy statement/prospectus is dated November 6, 2007, and is first being mailed to Dow Jones stockholders on or about November [ ], 2007.**

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**Dow Jones & Company, Inc.**

200 Liberty Street, New York, New York 10281

**Notice of Special Meeting of Stockholders**

**to be held Thursday, December 13, 2007**

To the Stockholders of

DOW JONES & COMPANY, INC.

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Dow Jones & Company, Inc. will be held in the Grand Ballroom at the New York Marriott Financial Center, located at 85 West Street, New York, New York 10006 on Thursday, December 13, 2007 at 10:00 a.m. Eastern Time for the purposes of:

1. Acting on a proposal to approve and adopt an Agreement and Plan of Merger, dated as of July 31, 2007, by and among News Corporation, Ruby Newco LLC, Dow Jones & Company, Inc. and Diamond Merger Sub Corporation, as this agreement may be amended;
2. Acting on a proposal to adjourn the special meeting, if necessary to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve and adopt the merger agreement; and
3. Transacting any other business as may properly come before the special meeting or any adjournments or postponements thereof.

Your attention is directed to the accompanying proxy statement/prospectus for further information with respect to matters to be acted upon at the special meeting.

Only stockholders of record at the close of business on November 2, 2007 are entitled to notice of, and to vote at, the special meeting and any adjournments or postponements thereof. A list of stockholders of record will be available for examination by any stockholder for any purpose germane to the special meeting for a period of ten (10) days prior to the special meeting at Dow Jones offices, One World Financial Center, 200 Liberty Street, New York, New York 10281. The affirmative vote of a majority of the votes entitled to be cast by the holders of Dow Jones common stock and Class B common stock at the special meeting, voting together as a single class, is required to approve and adopt the merger agreement.

A copy of the merger agreement is attached as Annex A to this proxy statement/prospectus of which this notice is a part. The proposal to approve and adopt the merger agreement is described in more detail in the accompanying proxy statement/prospectus. You should read these documents carefully and in their entirety before voting.

Stockholders are requested to complete, date, sign and return the proxy in the enclosed postage prepaid envelope or to vote by telephone or via the Internet pursuant to the instructions in this proxy statement/prospectus. Until your proxy is voted, you may revoke it by executing a later-voted proxy by telephone, mail or the Internet or by ballot vote at the special meeting. Your prompt response will be appreciated.

By Order of the Board of Directors,

Joseph A. Stern

Secretary

November [ ], 2007

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**THIS PROXY STATEMENT/PROSPECTUS INCORPORATES ADDITIONAL INFORMATION**

This proxy statement/prospectus incorporates important business, financial and other information about Dow Jones and News Corporation from other documents filed by Dow Jones and News Corporation with the Securities and Exchange Commission, or the SEC, that is not included in, or delivered with, this proxy statement/prospectus. For more information regarding the documents incorporated by reference into this proxy statement/prospectus, see the section entitled "Where You Can Find More Information" beginning on page 183.

You may obtain copies of the documents incorporated by reference into this proxy statement/prospectus, without charge, by requesting them in writing or by telephone from Dow Jones or News Corporation at the following addresses and telephone numbers, respectively:

Dow Jones & Company, Inc.

P.O. Box 300

Princeton, New Jersey 08543

Attn: Investor Relations

Telephone: (609) 520-5660

or

News Corporation

1211 Avenue of the Americas

New York, New York 10036

Attn: Corporate Secretary

Telephone: (212) 852-7000

In addition, if you have questions about the merger or the special meeting, or if you need to obtain copies of this proxy statement/prospectus, proxy cards, election forms or other documents incorporated by reference into this proxy statement/prospectus, you may contact D.F. King & Co., Inc., Dow Jones proxy solicitor at the address and telephone number listed below. You will not be charged for any of the documents you request.

D.F. King & Co., Inc.

48 Wall Street

New York, New York 10005

Telephone: (800) 967-7635

TO RECEIVE TIMELY DELIVERY OF THE DOCUMENTS BEFORE THE SPECIAL MEETING, YOU MUST REQUEST THEM NO LATER THAN DECEMBER 6, 2007.

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**QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING**

The following questions and answers are intended to address briefly some commonly asked questions regarding the merger, the merger agreement, the special meeting and the method of electing to receive the unit consideration in the merger. These questions and answers may not address all questions that may be important to you as a Dow Jones stockholder. To better understand these matters, and for a description of the legal terms governing the merger, you should carefully read this entire proxy statement/prospectus, including the annexes, as well as the documents that we have incorporated by reference into this document. See *Where You Can Find More Information* beginning on page 183. Unless otherwise indicated or the context requires otherwise, all references in this document to *News Corporation* refer to News Corporation and its subsidiaries; all references in this document to *Newco* refer to Ruby Newco LLC, a direct subsidiary of News Corporation; all references in this document to *Dow Jones* refer to Dow Jones & Company, Inc. and its subsidiaries; all references to *Merger Sub* refer to Diamond Merger Sub Corporation, a wholly owned subsidiary of Newco; all references to the *merger agreement* refer to the Agreement and Plan of Merger, dated as of July 31, 2007, by and among Dow Jones, News Corporation, Newco and Merger Sub, a copy of which is attached as Annex A to this proxy statement/prospectus, as it may be amended from time to time; all references to *we* refer to Dow Jones; and all references to the *merger* refer to the merger contemplated by the merger agreement.

***About the Merger***

**Q: Why are Dow Jones stockholders receiving this proxy statement/prospectus?**

A: News Corporation and Dow Jones have agreed to the acquisition of Dow Jones by News Corporation on the terms and conditions of the merger agreement described in this proxy statement/prospectus. A copy of the merger agreement is attached to this proxy statement/prospectus as Annex A.

In order to complete the merger, the affirmative vote of a majority of the votes entitled to be cast by the holders of Dow Jones common stock and Class B common stock at the special meeting, voting together as a single class, must be obtained. This proxy statement/prospectus contains important information about the merger agreement, the merger and the special meeting. The enclosed proxy card allows you to vote without attending the special meeting. Your vote is very important. We encourage you to vote as soon as possible.

**Q: What will I receive for my Dow Jones shares if the merger is completed?**

A: Except for Dow Jones shares for which a valid unit election is made (as described below), each share of Dow Jones common stock and Class B common stock, other than shares held by Dow Jones stockholders who properly demand and perfect appraisal rights, will be converted in the merger into the right to receive \$60.00 in cash, without interest and less any applicable withholding taxes. We refer to this amount as the cash consideration.

Each Dow Jones stockholder who is a record holder (other than a broker, dealer, bank or similar nominee holding shares on behalf of the beneficial owner(s)) of certificated Dow Jones shares, meaning the stockholder holds Dow Jones shares in certificated form directly and not through a broker, dealer, bank or similar nominee, will have the opportunity to elect to receive Newco Class B common units for all or a portion of those certificated Dow Jones shares, instead of receiving the cash consideration for those shares. We have limited the right to make a unit election to record holders (other than brokers, dealers, banks or other similar nominees holding shares on behalf of their beneficial owners) who hold Dow Jones shares in certificated form to provide greater transparency to Newco regarding the identities of the holders actually obtaining beneficial ownership of Newco Class B common units in the merger and thereby increase the likelihood that Newco will be successful in enforcing limitations on the number of holders receiving Newco Class B common units in the merger and limitations on the transfer of Newco Class B common units following the merger. We refer to the election to receive Newco Class B common units as the unit election.

You may make an election to receive Newco Class B common units only for Dow Jones shares you hold in certificated form and for which you are the record holder and not for shares you hold in book-entry form or



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for shares you hold through a broker, dealer, bank or similar nominee. If you wish to make a unit election for Dow Jones shares that you hold in book-entry form or that you own under the Direct Registration System, also known as DRS, which we refer to in this proxy statement/prospectus as DRS, you will need to obtain a stock certificate for those shares sufficiently before the election deadline in order to give you ample time to make the unit election. You may request a stock certificate from Mellon Investor Services, Dow Jones exchange agent, on the Internet at [www.melloninvestor.com/isd](http://www.melloninvestor.com/isd) by logging into your Investor ServiceDirect<sup>®</sup>, account and clicking on Perform a Transaction , then clicking on the Request button next to where it says Request a Certificate, by phone by calling (800) 851-4228 or by writing to Dow Jones & Company, Inc., c/o Mellon Investor Services, P.O. Box 358010, Pittsburgh, Pennsylvania 15252. If you wish to make a unit election for Dow Jones shares that you hold in street name through a broker, dealer, bank or similar nominee, you will need to contact your broker, dealer, bank or nominee to arrange to have those shares issued in certificated form in your name sufficiently before the election deadline in order to give you ample time to make the unit election. You will be responsible for any fee that your broker, dealer, bank or nominee may charge to arrange to have shares issued in certificated form in your name whether or not you ultimately receive the unit consideration for those shares.

Under the merger agreement, the number of Newco Class B common units you will be entitled to receive for each Dow Jones share for which you make a valid unit election will be determined at closing by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the New York Stock Exchange, which we refer to as the NYSE, over the five (5) trading days ending on the last trading day preceding the closing date of the merger. If you wish to make a unit election for Dow Jones shares that you hold in book-entry form or that you own under DRS you will need to obtain a stock certificate for those shares sufficiently before the election deadline in order to give you ample time to make the unit election. Please refer to the separate section of this proxy statement/prospectus which describes the procedures related to the election to receive Newco Class B common units entitled Mechanics of Election to Receive Newco Class B Common Units beginning on page 109. We refer to the Newco Class B common units payable for each Dow Jones share as the unit consideration.

The exact number of Newco Class B common units that a unit electing holder of Dow Jones shares will receive in the merger for each Dow Jones share for which a unit election was made will not be determined until after the deadline for making a unit election. Therefore, stockholders making a unit election will not know this number at the time they make their unit election. Unless you make an election to receive the unit consideration with respect to a Dow Jones share owned by you, you will receive the cash consideration for that share.

**Q: What are some of the U.S. federal income tax consequences to Dow Jones stockholders of the merger?**

A: If you receive solely cash consideration in exchange for your Dow Jones shares, then you generally will recognize gain or loss equal to the difference between the amount of cash you receive and the tax basis in your Dow Jones shares.

The receipt of Newco Class B common units in the merger is intended to qualify as an exchange described in Section 351 of the Internal Revenue Code, or the Code. Assuming the receipt of Newco Class B common units qualifies as an exchange under Section 351 of the Code and the Newco Class B common units do not constitute nonqualified preferred stock within the meaning of Section 351(g) of the Code, in general:

If you receive solely unit consideration in exchange for your Dow Jones shares, then you generally should not recognize any gain or loss, except with respect to cash you receive in lieu of fractional Newco Class B common units.

If you receive a combination of the cash consideration and unit consideration in exchange for your Dow Jones shares and your tax basis in your Dow Jones shares is less than the sum of the cash and the fair market value, as of the closing date of the merger, of the Newco Class B common units received, you generally should recognize gain equal to the lesser of (1) the sum of the cash and the fair market value of the Newco Class B common units you receive, minus the tax basis of your shares of Dow

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Jones common stock and/or Class B common stock surrendered in the merger and (2) the amount of cash you receive in the merger. However, if your tax basis in the shares of Dow Jones common stock and/or Class B common stock surrendered in the merger is greater than the sum of the cash and the fair market value of the Newco Class B common units you receive, your loss generally should not be currently allowed or recognized for U.S. federal income tax purposes.

You should read *Certain U.S. Federal Income Tax Consequences* beginning on page 121 for a more complete discussion of certain U.S. federal income tax consequences of the merger. Tax matters are complicated and the consequences of the merger to any particular Dow Jones stockholder will depend on that stockholder's particular facts and circumstances. We strongly recommend that you consult with your tax advisor for a full understanding of the tax consequences of the merger to you.

**Q: When is the merger expected to be completed?**

A: Dow Jones and News Corporation are working hard to complete the merger as quickly as practicable. We anticipate that the merger will be completed in the fourth quarter of 2007. However, we cannot predict the exact timing of the completion of the merger or guarantee that the merger will be completed.

***About the Newco Class B Common Units***

**Q: Will the Newco Class B common units be transferable?**

A: Newco Class B common units will not be listed on any securities exchange. Furthermore, it is anticipated that Newco will not be required to file annual, quarterly or other reports with the SEC under the Exchange Act after filing an Annual Report on Form 10-K for the year ended December 31, 2007. Newco expects that the number of holders of Newco Class B common units, which will be limited to the 250 record holders making a unit election with respect to the greatest number of Dow Jones shares if more than 250 record holders make a unit election, will be substantially less than the number of holders of Dow Jones common stock and Class B common stock before the completion of the merger. Moreover, the Newco Class B common units will be subject to significant transfer restrictions. For example, any unit transfer that would result in the Newco Class B common units being held by more than 250 record holders, require registration or qualification of the applicable Newco Class B common units under any applicable state or federal securities laws or that would result in the creation or continuation of any reporting obligations of Newco under the Exchange Act will be prohibited. Consequently, trading activity, if any, in the Newco Class B common units is likely to be limited. In addition, because the Newco Class B common units will not be listed on a securities exchange, it may be difficult to obtain pricing information with respect to the Newco Class B common units. As a result, Newco expects that its Class B common units will be effectively illiquid.

**Q: Will holders of Newco Class B common units be entitled to receive dividends?**

A: Newco anticipates that it will pay distributions on Newco Class A common units and Newco Class B common units at the same time and in the same amount (subject to adjustment based on the exchange ratio then in effect) as News Corporation pays dividends on shares of News Corporation Class A common stock. However, distributions are payable only if, as and when declared by the Newco board of managers out of legally available funds and there is no guarantee that any distributions will be paid.

**Q: Will Newco Class B common units be exchangeable for News Corporation stock?**

A: For the first 120 days after the closing of the merger, the Newco Class B common units will not be exchangeable for News Corporation Class A common stock. Between the 121<sup>st</sup> and 180<sup>th</sup> day after the closing of the merger, each holder of Newco Class B common units will be permitted to exchange up to 25% of the total number of units that the holder received in the merger for shares of News Corporation Class A common stock. Following the 180<sup>th</sup> day after the closing of the merger, any or all Newco Class B common units may be freely

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exchanged for shares of News Corporation Class A common stock. The initial exchange rate will be one (1) share of News Corporation Class A common stock for each Newco Class B



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common unit, subject to adjustment under certain circumstances. For more information regarding the Newco Class B common units, see Comparison of Stockholders Rights beginning on page 144 and Amended and Restated Operating Agreement of Newco beginning on page 165.

**Q: What are some of the rights of holders of News Corporation Class A common stock?**

A: Shares of News Corporation Class A common stock trade on the NYSE under the symbol NWS-A. Holders of News Corporation Class A common stock receive the same dividends as those received by holders of News Corporation Class B common stock, if, as and when declared by the board of directors of News Corporation. Holders of News Corporation Class A common stock are entitled to vote with holders of News Corporation Class B common stock, on a one vote per share basis, only under limited circumstances.

***About the Special Meeting***

**Q: When and where is the special meeting?**

A: The special meeting of stockholders of Dow Jones will be held on Thursday, December 13, 2007, starting at 10:00 a.m., Eastern Time, in the Grand Ballroom at the New York Marriott Financial Center, located at 85 West Street, New York, New York, 10006, unless the special meeting is adjourned or postponed.

**Q: What matters will be voted on at the special meeting?**

A: At the special meeting, you will be asked to consider and vote on:

a proposal to approve and adopt the merger agreement; and

a proposal to adjourn the special meeting, if necessary to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve and adopt the merger agreement.

You may also be asked to act on other business, if any, that may properly come before the special meeting or any adjournment or postponement thereof. Dow Jones currently does not contemplate that any other business will be presented at the special meeting.

**Q: How does the Dow Jones board of directors recommend that I vote on the proposals?**

A: The Dow Jones board of directors recommends that you vote **FOR**:

the proposal to approve and adopt the merger agreement; and

the adjournment proposal.

**Q: Who is entitled to vote at the special meeting?**

A: You are entitled to receive notice of, and vote at, the special meeting and any adjournment of the special meeting only if you were a stockholder of Dow Jones at the close of business on November 2, 2007, the record date for the special meeting. On the record date, there were outstanding and entitled to vote approximately 67,434,089 shares of common stock and 18,999,608 shares of Class B common stock of Dow Jones. The holders of common stock and the holders of Class B common stock will vote together as a single class on the proposals that will be voted upon at the special meeting. On each of the proposals, you will be entitled to one (1) vote per share of common stock and ten (10) votes per share of Class B common stock you held as of the record date.

**Q: What vote is required for the Dow Jones stockholders to approve and adopt the merger agreement?**

A: The affirmative vote of a majority of the votes entitled to be cast by the holders of Dow Jones common stock and Class B common stock at the special meeting, voting together as a single class, is required to approve and adopt the merger agreement. No vote of News Corporation stockholders is required to approve the merger or the merger agreement.

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**Q: Are any Dow Jones stockholders already committed to vote in favor of the merger?**

A: Yes. Certain members of the Bancroft family and trusts for the benefit of certain members of the Bancroft family have entered into a voting and support agreement with News Corporation, which we refer to in this proxy statement/prospectus as the voting agreement, in which they have agreed to vote Dow Jones shares representing approximately 37% of the aggregate voting power of all Dow Jones shares in favor of the adoption of the merger agreement. The voting agreement is attached to this proxy statement/prospectus as Annex B.

**Q: Will any members of the Bancroft family and trusts for their benefit be receiving benefits in the merger different from other Dow Jones stockholders?**

A: Dow Jones agreed that, in connection with the closing of the merger, it would pay on behalf of, or reimburse, certain of the Bancroft family members and trusts for their benefit an aggregate of \$30 million in respect of fees and expenses of their financial, legal and other advisors incurred in connection with their evaluation and consideration of the proposed transaction with News Corporation.

News Corporation has agreed to take all requisite action to cause a member of the Bancroft family or another mutually agreed upon individual to become a member of the News Corporation board of directors as of the closing of the merger. If during the ten (10) year period after closing the seat on the News Corporation board of directors held by the Bancroft family director becomes vacant or the Bancroft family director is not re-nominated, the Chairman of the News Corporation board of directors will propose another member of the Bancroft family to the nominating committee of the News Corporation board of directors to nominate for appointment or election to the News Corporation board of directors, and take all necessary steps to enable that individual, subject to the procedures in the voting agreement, to join the News Corporation board.

The transaction was structured to give priority to the unit elections made by the 250 Dow Jones holders of record who make unit elections with respect to the greatest number of shares so that those Dow Jones stockholders who were willing to invest the most in Newco, based on the number of shares for which they make unit elections, would be most likely to have their elections honored. The Dow Jones board of directors was aware, however, that this prioritization could benefit members of the Bancroft family and trusts for their benefit or other Dow Jones stockholders with a significant share interest in Dow Jones if a significant number of them were to make a unit election with respect to a significant number of Dow Jones shares.

**Q: What vote is required for the Dow Jones stockholders to approve the adjournment proposal?**

A: The proposal to adjourn the special meeting, if necessary to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve and adopt the merger agreement requires the affirmative vote of a majority of the aggregate voting power of the shares of Dow Jones common stock and Class B common stock present in person or by proxy and entitled to vote at the special meeting, voting together as a single class.

**Q: What will happen if I abstain from voting or fail to vote on the proposal to approve and adopt the merger agreement?**

A: If you abstain or fail to vote, it will have the same effect as a vote against the proposal to approve and adopt the merger agreement. In addition, if your shares are held in the name of a broker, bank or other custodian, your broker, bank or other custodian will not vote your shares in the absence of specific instructions from you. Shares for which you abstain, or broker non-votes, will be counted for purposes of determining a quorum, but will have the same effect as a vote against the approval and adoption of the merger agreement.

**Q: How do I vote?**

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A: You are being asked to vote both any shares held directly in your name as a stockholder of record and any shares you hold in street name as a beneficial owner. Shares held in street name are shares held in a stock brokerage account or shares held by a bank, broker or other custodian.

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The method of voting differs for shares held as a record holder and shares held in street name. Record holders of Dow Jones shares will receive proxy cards, as further described below under **The Special Meeting Voting Procedures** beginning on page 48. Holders of shares in street name will receive voting instruction cards from their broker, bank or other custodian in order to instruct their brokers, bankers or other custodians how to vote.

Proxies are being solicited on behalf of the Dow Jones board of directors in connection with the special meeting.

### **Q: If I hold restricted shares of Dow Jones common stock, am I able to vote these restricted shares?**

A: Yes. If you hold restricted shares of Dow Jones common stock on the record date, you may vote those shares in the same manner as other shares of Dow Jones.

### **Q: How can I revoke or change my vote?**

A: You may change your vote at any time prior to the vote at the special meeting. If you are a Dow Jones stockholder of record, you may change your vote by delivering to Dow Jones Corporate Secretary, at Dow Jones offices, One World Financial Center, 200 Liberty Street, New York, New York 10281, a new, executed proxy card bearing a later date (which automatically revokes any earlier proxy) or a written notice of revocation or by submitting a new proxy by telephone or via the Internet or by attending the special meeting and voting in person. Attendance at the special meeting in and of itself will not cause your previously granted proxies to be revoked; you must vote at the special meeting to revoke a prior proxy.

If you hold Dow Jones shares in street name and have instructed a bank, broker or other custodian to vote your shares, you must follow directions you receive from your bank, broker or other custodian to change or revoke your vote. If you are a street-name stockholder and you vote by proxy, you may later revoke or change your proxy instructions by informing the holder of record in accordance with that entity's procedures.

### **Q: Can I vote through the Internet or by telephone?**

A: If you hold your shares in your name as a Dow Jones stockholder of record, you may vote your shares through the Internet or by telephone by following the instructions included with your proxy card. If your shares are held in street name through your broker, bank or other custodian, please check the voting instruction card you received or contact your broker, bank or other custodian to determine whether you will be able to vote your shares through the Internet or by telephone.

### **Q: My shares are held in street name by my broker, bank or other custodian. Will my broker, bank or other custodian vote my shares for me?**

A: Your broker, bank or other custodian will only be permitted to vote your shares if you instruct your broker, bank or other custodian how to vote. You should follow the procedures provided by your broker, bank or other custodian regarding the voting of your shares. If you do not instruct your broker, bank or other custodian how to vote your shares, your shares will not be voted and the effect will be the same as a vote against the approval and adoption of the merger agreement.

### **Q: What do I do if I receive more than one proxy card or set of voting instructions?**

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A: If you hold shares in both street name and directly as a record holder, you may receive more than one proxy card and/or voting instruction card relating to the special meeting. Please sign, date and return separately all of the proxy cards and voting instruction cards that you receive (or submit your proxy through the Internet or by telephone) to ensure that all of your shares are voted.

**Q: Should I send in my stock certificates now with my proxy card?**

A: No. Unless you are making an election to receive Newco Class B common units for some or all of your Dow Jones shares (in which case you should send your stock certificates along with your election form

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according to the instructions on the election form received with this proxy statement/prospectus), please DO NOT send your stock certificates in now. After the merger is completed, you will be sent a letter of transmittal with detailed written instructions for exchanging your Dow Jones shares for the cash consideration. If your shares are held in street name by your broker, bank or other custodian, you will receive instructions from your broker, bank or other custodian as to how to effect the surrender of your street name shares in exchange for the cash consideration.

***About Electing the Unit Consideration***

**Q: How and when do I make an election to receive Newco Class B common units?**

A: An election form is being mailed with this proxy statement/prospectus to all Dow Jones stockholders as of the close of business on the record date. If you become a holder of Dow Jones shares after the close of business on the record date, an election form will be mailed to you upon request by contacting Dow Jones or Mellon Investor Services, as the exchange agent. See the page at the front of this proxy statement/prospectus immediately before the table of contents for information regarding the telephone number and address of Dow Jones. The exchange agent may be contacted at (800) 851-4228.

You must complete and sign the election form if you would like to make an election to receive Newco Class B common units for some or all of your shares of Dow Jones common stock or Class B common stock. By signing the election form you will be making various representations described in the election form regarding your intention with respect to your ownership of the Newco Class B common units. You should not sign the election form and may not make a unit election if you are unable to make the representations described in the election form. The election form also contains instructions on how to complete the form, along with questions and answers relating to the election process. The deadline for making a unit election is 5:00 p.m., New York City time, on the later to occur of (1) the third (3rd) business day preceding the anticipated date for the completion of the merger and (2) December 12, 2007, the business day immediately preceding the date of the special meeting. This time is referred to in this proxy statement/prospectus as the election deadline.

News Corporation and Dow Jones will publicly announce the anticipated election deadline at least five (5) business days in advance of the anticipated election deadline.

You may make an election to receive Newco Class B common units only for Dow Jones shares you hold in certificated form and for which you are the record holder and the beneficial owner and not for shares you hold in book-entry form or for shares you hold through a broker, dealer, bank or similar nominee. If you wish to make a unit election for Dow Jones shares that you hold in book-entry form or that you own under DRS you will need to obtain a stock certificate for those shares sufficiently before the election deadline in order to give you ample time to make the unit election. You may request a stock certificate from Mellon Investor Services, Dow Jones exchange agent, on the Internet at [www.melloninvestor.com/isd](http://www.melloninvestor.com/isd) by logging into your Investor ServiceDirect<sup>®</sup>, account and clicking on Perform a Transaction, then clicking on the Request button next to where it says Request a Certificate, by phone by calling (800) 851-4228 or by writing to Dow Jones & Company, Inc., c/o Mellon Investor Services, P.O. Box 358010, Pittsburgh, Pennsylvania 15252. If you wish to make a unit election for Dow Jones shares that you hold in street name through a broker, dealer, bank or similar nominee, you will need to contact your broker, dealer, bank or nominee to arrange to have those shares issued in certificated form in your name sufficiently before the election deadline in order to give you ample time to make the unit election. You will be responsible for any fee that your broker, dealer, bank or nominee may charge to arrange to have shares issued in certificated form in your name whether or not you ultimately receive the unit consideration for those shares.

Obtaining your shares in certificated form may take time. Any Dow Jones stockholder who will need to obtain his or her shares in certificated form should act immediately to obtain those share certificates in order to be able to make a valid unit election before the election deadline.

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If you wish to make a unit election for Dow Jones shares that you hold in book-entry form or that you own under DRS you will need to obtain a stock certificate for those shares sufficiently before the election deadline in order to give you ample time to make the unit election. Please refer to the separate section of this proxy statement/prospectus which describes the procedures related to the election to receive Newco Class B common units entitled *Mechanics of Election to Receive Newco Class B Common Units* beginning on page 109. Please also refer to the election form being mailed with this proxy statement/prospectus as that form will have detailed instructions regarding how to make a timely and valid election to receive Newco Class B common units.

**Q: Does the Dow Jones board of directors recommend that I make a unit election?**

A: The Dow Jones board of directors makes no recommendation as to whether any stockholder should make a unit election and makes no recommendation regarding the Newco Class B common units or the shares of Class A common stock of News Corporation issuable upon the exchange of Newco Class B common units.

**Q: May I submit an election form to receive Newco Class B common units even if I do not vote to approve and adopt the merger agreement?**

A: Yes. You may submit an election form even if you vote against the approval and adoption of the merger agreement or abstain or do not register any vote with respect to the approval and adoption of the merger agreement. However, to be valid, your election form must be received by the exchange agent prior to the election deadline.

**Q: Can I make one election for some of my Dow Jones shares and another election for the rest?**

A: Yes. You may submit an election form with respect to only certain specified shares held, in which case the other shares held by you will be converted into the cash consideration.

**Q: Will each Dow Jones stockholder who makes a unit election be entitled to receive Newco Class B common units?**

A: The election to receive the unit consideration will be subject to allocation procedures designed to ensure that no more than 250 stockholders of record of Dow Jones receive Newco Class B common units in the merger. If unit elections are made by 250 or fewer Dow Jones stockholders of record, these allocation procedures will not apply and each electing stockholder will be entitled to receive Newco Class B common units subject to the proration procedures described below. However, if more than 250 Dow Jones record holders elect to receive the unit consideration, under the allocation procedures, only the elections of the 250 holders making a unit election with respect to the greatest number of Dow Jones shares will be honored, subject to the proration procedures described below.

Unit elections made by Dow Jones stockholders will also be subject to a limit on the aggregate number of Dow Jones shares that may be converted into the right to receive the unit consideration. If valid unit elections that are honored after giving effect to the allocation procedures described above are made with respect to more than 8,599,159 of the outstanding shares of Dow Jones (approximately 10% of the aggregate outstanding shares of Dow Jones common stock and Class B common stock), the number of shares of each electing stockholder that will be converted into the unit consideration will be prorated.

If allocation and/or proration procedures are necessary, Dow Jones stockholders will receive the cash consideration for any Dow Jones shares not converted into Newco Class B common units.

**Q:**



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**What is the purpose of the 8,599,159 share and 250 stockholder of record limitations described above? Also, why is priority being given to the Dow Jones stockholders who make unit elections for the greatest number of shares?**

- A: The 8,599,159 limitation on the number of outstanding shares of Dow Jones that may be converted into Newco Class B common units was intended to balance News Corporation's expressed desire to limit the

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number of Newco Class B common units issued in the merger with the desire of Dow Jones' board of directors to provide Dow Jones stockholders with an opportunity to obtain the possible tax benefits associated with receiving equity consideration. News Corporation's desire to limit the number of Dow Jones shares that would be converted into the unit consideration in the merger to 8,599,159, or approximately 10% of the aggregate outstanding shares of Dow Jones, was motivated by News Corporation's preference for a cash-based acquisition and its objective to ensure that Newco would be consolidated with News Corporation for tax purposes.

The 250 limit on the number of Dow Jones stockholders of record who could receive Newco Class B common units was required by News Corporation to ensure that there would be fewer than 300 record holders of Newco Class B common units so that News Corporation could achieve its objective that Newco not be required to file periodic and current reports with the SEC for years after 2007.

The transaction was structured to give priority to the unit elections made by the 250 Dow Jones stockholders of record who make unit elections for the greatest number of shares so that those Dow Jones stockholders who were willing to invest the most in Newco, based on the number of shares for which they make unit elections, would be most likely to have their elections honored. The Dow Jones board of directors was aware, however, that this prioritization could benefit members of the Bancroft family and trusts for their benefit or other Dow Jones stockholders with a significant share interest in Dow Jones if a significant number of them were to make a unit election with respect to a significant number of Dow Jones shares.

**Q: What if I do not make a unit election?**

A: If you do not submit a properly completed and signed election form to the exchange agent by the election deadline (or if you submit a properly completed and executed election form indicating no election), then you will receive the cash consideration in exchange for each of your shares of Dow Jones upon (1) the surrender of stock certificate(s) to the exchange agent together with a duly completed and executed letter of transmittal or (2) in the case of book-entry transfer of uncertificated shares, the exchange agent receiving an agent's message with respect to the uncertificated shares.

**Q: Can I change my election after I submit an election form?**

A: Yes. You may revoke your election to receive the unit consideration with respect to all or a portion of your shares by delivering written notice of your revocation to the exchange agent prior to the election deadline. You may change your election by delivering to the exchange agent a properly completed revised election form that identifies the shares of Dow Jones common stock and/or Class B common stock to which the revised election form applies. Delivery to the exchange agent of a revised election form with respect to any Dow Jones shares, prior to the election deadline, will result in the revocation of all prior election forms with respect to those shares.

If you properly revoke a unit election with respect to shares of Dow Jones, the certificates representing those shares will be promptly returned to you.

You will not be entitled to revoke or change your unit election following the election deadline. As a result, if you make a unit election, then you will be unable to revoke or change your unit election during the period between the election deadline and the date of completion of the merger. Any election of the unit consideration you make will automatically be revoked and the certificates representing the shares subject to that unit election will be promptly returned to you if the merger agreement is terminated.

**Q: Can I sell my shares after I submit an election form?**

A: Under the terms of the merger agreement, in the event that you make an election to receive Newco Class B common units, you will be required to deliver the stock certificates evidencing your shares to be converted into Newco Class B common units, in each case together with a properly completed and executed election form, to the exchange agent. In order to make a valid unit election, you must deliver the stock certificates



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and duly completed and executed election form on or before the election deadline, and there may be a period of up to three (3) business days between that date and the date the merger is completed. During the period from the date upon which you submit your election form until the closing of the merger, you will not be able to sell or otherwise transfer any Dow Jones shares subject to the unit election. However, if you revoke your unit election with respect to any of your Dow Jones shares prior to the election deadline, you will only be able to sell those shares following the return to you of the stock certificates evidencing those shares if there is sufficient time for the sale to be completed prior to the closing of the merger. If the merger agreement is terminated, any stock certificates evidencing shares of Dow Jones that you delivered to the exchange agent will be promptly returned to you and you will again be able to sell or otherwise transfer those shares.

***How to Get More Information***

**Q: How can I obtain additional information about Dow Jones and News Corporation?**

A: Dow Jones will provide a copy of its Annual Report on Form 10-K for the fiscal year ended December 31, 2006, excluding certain of its exhibits, and other documents incorporated by reference in this proxy statement/prospectus without charge to any Dow Jones stockholder who makes a request to Investor Relations, Dow Jones & Company, Inc., P.O. Box 300, Princeton, New Jersey 08543, at (609) 520-5660. Dow Jones' Annual Report on Form 10-K and other SEC filings also may be accessed on the Internet at <http://www.sec.gov> or on the Investor Relations page of Dow Jones' website at <http://www.dowjones.com>. Except for the Dow Jones SEC filings expressly incorporated by reference into this document, the information provided on Dow Jones' website is not part of this proxy statement/prospectus and is not incorporated by reference into this document. News Corporation will provide a copy of its Annual Report on Form 10-K for the fiscal year ended June 30, 2007, excluding certain of its exhibits, and other documents incorporated by reference in this proxy statement/prospectus without charge to any Dow Jones stockholder who makes a request to Corporate Secretary, News Corporation, 1211 Avenue of the Americas, New York, New York 10036, at (212) 852-7000. News Corporation's Annual Report on Form 10-K and other SEC filings also may be accessed on the Internet at <http://www.sec.gov> or on the Investor Relations page of News Corporation's website at <http://www.newscorp.com>. Except for News Corporation's SEC filings expressly incorporated by reference into this document, the information provided on News Corporation's website is not part of this proxy statement/prospectus and is not incorporated by reference into this document. For a more detailed description of the information available, please refer to *Where You Can Find More Information* beginning on page 183.

**Q: Who can help answer my questions?**

A: If you have additional questions about the merger after reading this proxy statement/prospectus, please call Dow Jones' proxy solicitor, D.F. King, toll-free at (800) 967-7635. If your broker holds your shares, you should also call your broker for additional information.

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**SUMMARY**

The following summary highlights selected information in this proxy statement/prospectus and may not contain all the information that may be important to you. Accordingly, you are encouraged to read this proxy statement/prospectus carefully and in its entirety, including its annexes and the documents incorporated by reference in this proxy statement/prospectus. See the section entitled "Where You Can Find More Information" on page 183.

**Parties to the Merger Agreement (Page 44)**

**Dow Jones & Company, Inc.**

200 Liberty Street

New York, NY 10281

Telephone: (212) 416-2000

Dow Jones & Company, Inc., a Delaware corporation, or Dow Jones, is a leading provider of global business and financial news and information through newspapers, newswires, magazines, the Internet, indexes, licensing, research products and services, television and radio. In addition, Dow Jones owns general-interest community newspapers throughout the U.S.

**News Corporation**

1211 Avenue of the Americas

New York, NY 10036

Telephone: (212) 852-7000

News Corporation, a Delaware corporation, is a diversified entertainment company with operations in eight industry segments: filmed entertainment; television; cable network programming; direct broadcast satellite television; magazines and inserts; newspapers; book publishing; and other. The activities of News Corporation are conducted principally in the United States, Continental Europe, the United Kingdom, Australia, Asia and the Pacific Basin. News Corporation had total assets as of June 30, 2007 of approximately US\$62 billion and total annual revenues of approximately US\$29 billion.

**Ruby Newco LLC**

1211 Avenue of the Americas

New York, NY 10036

Telephone: (212) 852-7000

Ruby Newco LLC, a Delaware limited liability company, or Newco, is a direct, wholly owned subsidiary of News Corporation. Newco was formed solely for the purpose of facilitating the merger. Newco has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the merger agreement. Upon completion of the merger, Dow Jones will be a wholly owned subsidiary of Newco, and Newco will be owned solely by News Corporation and former Dow Jones stockholders who receive the unit consideration in the merger, if any. Newco has made an election to be classified as a corporation for U.S. federal income tax purposes.



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**Diamond Merger Sub Corporation**

1211 Avenue of the Americas

New York, NY 10036

Telephone: (212) 852-7000

Diamond Merger Sub Corporation, a Delaware corporation and a wholly owned subsidiary of Newco, or Merger Sub, was formed solely for the purpose of facilitating the merger. Merger Sub has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the merger agreement. By operation of the merger, Merger Sub will be merged into Dow Jones, Merger Sub's separate existence will cease and Dow Jones will continue as a wholly owned subsidiary of Newco.

**The Merger (Page 50)**

Under the merger agreement, Merger Sub will be merged into Dow Jones. Dow Jones will be the surviving corporation in the merger. As a result of the merger, Dow Jones will become a wholly owned subsidiary of Newco, a direct subsidiary of News Corporation. As the surviving corporation following the merger, Dow Jones will continue to do business immediately following the merger as Dow Jones & Company, Inc.

**Merger Consideration; Election to Receive Newco Class B Common Units Instead of Cash (Page 86)**

Except for Dow Jones shares for which the unit election described below is made, each share of Dow Jones common stock and Class B common stock, other than shares held by stockholders who properly demand and perfect appraisal rights, will be converted in the merger into the right to receive \$60.00 in cash, without interest and less any applicable withholding taxes. We refer to this as the cash consideration.

Each Dow Jones stockholder who is a record holder (other than a broker, dealer, bank or similar nominee holding shares on behalf of the beneficial owner(s)) of certificated Dow Jones shares, meaning the stockholder holds Dow Jones shares in certificated form directly and not through a broker, dealer, bank or similar nominee, will have the opportunity to elect to receive Newco Class B common units for all or a portion of those certificated Dow Jones shares, instead of receiving the cash consideration for those shares. We have limited the right to make a unit election to record holders (other than brokers, dealers, banks or other similar nominees holding shares on behalf of their beneficial owners) who hold Dow Jones shares in certificated form to provide greater transparency to Newco regarding the identities of the holders actually obtaining beneficial ownership of Newco Class B common units in the merger and thereby increase the likelihood that Newco will be successful in enforcing limitations on the number of holders receiving Newco Class B common units in the merger and limitations on the transfer of Newco Class B common units following the merger. We refer to the election to receive Newco Class B common units as the unit election. Under the merger agreement, the number of Newco Class B common units you will be entitled to receive for each Dow Jones share for which you make a valid unit election will be determined at closing by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger. We refer to the Newco Class B common units payable for each Dow Jones share as the unit consideration.

Unless you make a valid election to receive the unit consideration with respect to a Dow Jones share owned by you, you will receive the cash consideration for that share.

Under the terms of the merger agreement, even if you properly elect the unit consideration for some or all of your shares of Dow Jones, your right to receive the unit consideration is subject to the following limitations:

the unit consideration will be paid to no more than 250 record holders of Dow Jones shares; if more than 250 record holders elect to receive the unit consideration, the unit consideration will be paid to the 250 record holders who elect the unit consideration for the greatest number of Dow Jones shares; and

elections to receive the unit consideration are subject to proration to ensure that no more than 8,599,159 shares (approximately 10% of the aggregate outstanding shares of Dow Jones) are converted





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into the right to receive the unit consideration; you will receive the cash consideration for any shares for which you make a unit election but are unable to receive the unit consideration as a result of proration.

Based on the volume weighted average price of News Corporation Class A common stock on the New York Stock Exchange for the five (5) trading days ending on November 5, 2007, the last practicable date preceding the date of this proxy statement/prospectus, and assuming that Newco Class B common units were issued in exchange for 8,599,159 Dow Jones shares, the maximum number of Newco Class B common units to be issued in the merger would be approximately 24,176,535. Based on the volume weighted average price of News Corporation Class A common stock on the New York Stock Exchange for the five (5) trading days ending on November 5, 2007, the last practicable date preceding the date of this proxy statement/prospectus, the maximum number of shares of News Corporation Class A common stock issuable upon the exchange of Newco Class B common units and upon exercise of News Corporation equity awards issued in exchange for Dow Jones equity awards in connection with the merger would be approximately 50,657,553.

The merger agreement contemplates that Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, will deliver to Dow Jones at the closing of the merger a legal opinion, which we refer to as the tax opinion, to the effect that the transaction should qualify for tax-free treatment under Section 351 of the Code and that the Newco Class B common units should not constitute nonqualified preferred stock within the meaning of Section 351(g) of the Code. Delivery of this tax opinion is not a condition to the closing of the merger.

If the Dow Jones board of directors determines in accordance with the terms of the merger agreement that Fried, Frank, Harris, Shriver & Jacobson, or other counsel satisfactory to Dow Jones, is unable to deliver the tax opinion at the closing of the merger or that the closing of the merger would be reasonably likely to be materially delayed or precluded because:

a stop order is issued suspending the registration statement of which this proxy statement/prospectus is a part; or

the shares of News Corporation Class A common stock that may be issued upon exchange of Newco Class B common units are not approved for listing on the NYSE or the Australian Stock Exchange, which we refer to as the ASX ; and Dow Jones provides notice of this determination to News Corporation before the later of the tenth (10<sup>th</sup>) business day before the closing date or the second (2<sup>nd</sup>) calendar day before the special meeting, under the terms of the merger agreement, the merger will be restructured to eliminate the unit election feature. In the event this restructuring occurs, each share of Dow Jones common stock and Class B common stock will be converted into the right to receive the cash consideration. This restructuring is referred to in this proxy statement/prospectus as a transaction restructuring.

In addition, if Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver to Dow Jones the tax opinion referred to above at the closing of the merger, but the Dow Jones board of directors does not make the determination referred to above before the later of the tenth (10<sup>th</sup>) business day before the closing date or the second (2<sup>nd</sup>) calendar day before the special meeting, the inability to receive this tax opinion will not result in a transaction restructuring and Dow Jones stockholders will continue to be able to make unit elections for their Dow Jones shares. However, Dow Jones and News Corporation will issue a public statement disclosing that Dow Jones will be unable to receive the tax opinion. Under this circumstance, the election deadline will be extended, as necessary, to ensure that Dow Jones stockholders who previously made a unit election for their shares have at least five (5) business days after the day Dow Jones and News Corporation issue this public statement to revoke their unit elections.

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In determining whether to vote to approve and adopt the merger agreement, Dow Jones stockholders should consider that, if a transaction restructuring occurs, they will not have the ability to make a unit election for their Dow Jones shares, and the cash consideration they will receive generally will be taxable to them for U.S. federal income tax purposes. They should also consider that the merger may be completed even if Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver to Dow Jones the tax opinion referred to above at the closing of the merger.

Dow Jones does not intend to resolicit its stockholders to approve and adopt the merger agreement in the event that a transaction restructuring occurs or, in the event that Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver to Dow Jones the tax opinion at the closing, after the Dow Jones stockholders approve and adopt the merger agreement.

### **Newco Class B Common Units (Page 144 & Page 165)**

For the first 120 days after the closing of the merger, the Newco Class B common units will not be exchangeable for News Corporation Class A common stock. Between the 121<sup>st</sup> and 180<sup>th</sup> day after the closing of the merger, each holder of Newco Class B common units will be permitted to exchange up to 25% of the total number of units that the holder received in the merger for shares of News Corporation Class A common stock. Following the 180<sup>th</sup> day after the closing of the merger, any or all Newco Class B common units may be freely exchanged for shares of News Corporation Class A common stock. The exchange rate will be one (1) share of News Corporation Class A common stock for each Newco Class B common unit, subject to adjustment under certain circumstances. For more information regarding the Newco Class B common units, see *Comparison of Stockholders Rights* beginning on page 144 and *Amended and Restated Operating Agreement of Newco* beginning on page 165.

Newco anticipates that it will pay distributions on Newco Class A common units and Newco Class B common units on a regular basis equal to the regular dividends paid on shares of News Corporation Class A common stock, subject to adjustment based on the exchange ratio then in effect. However, distributions are payable only when, as and if, declared by the Newco board of managers out of legally available funds and there is no guarantee that any distributions will be paid. Holders of Newco Class B common units will be entitled to vote in the election of managers of Newco and with respect to certain other matters as set forth in the amended and restated operating agreement of Newco.

Newco Class B common units will not be listed on any securities exchange and will be subject to significant restrictions on transfer. For example, any unit transfer that would result in Newco Class B common units being held by more than 250 record holders, require registration or qualification of the applicable Newco Class B common units under any applicable state or federal securities laws or would result in the creation or continuation of any reporting obligations of Newco pursuant to the Exchange Act will be prohibited. Consequently, trading activity, if any, in the Newco Class B common units is likely to be very limited. In addition, because the Newco Class B common units will not be listed on a securities exchange, it may be difficult to obtain pricing information with respect to Newco Class B common units. As a result, Newco expects that its Class B common units will be effectively illiquid.

### **Opinion of Dow Jones Financial Advisor (Page 71)**

Goldman Sachs & Co., referred to in this proxy statement/prospectus as Goldman Sachs, rendered its opinion to Dow Jones board of directors that, as of July 31, 2007 and based upon and subject to the factors and assumptions set forth in its opinion, the \$60.00 per share of Dow Jones common stock in cash to be received by the holders of Dow Jones common stock pursuant to the merger agreement was fair from a financial point of view to the holders of Dow Jones common stock.

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The full text of the written opinion of Goldman Sachs, dated July 31, 2007, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex E. Goldman Sachs provided its opinion for the information and assistance of Dow Jones board of directors in connection with its consideration of the transaction. Goldman Sachs opinion is not a recommendation as to how any holder of Dow Jones common stock should vote or make any election with respect to the transaction or any other matter. See the section **The Merger Opinion of Financial Advisor to Dow Jones** beginning on page 71.

**Recommendation of the Dow Jones Board of Directors (Page 62)**

The Dow Jones board of directors has, by the affirmative vote of all twelve (12) directors present at the special meeting of the Dow Jones board of directors held on July 31, 2007, approved and declared advisable the merger agreement and the transactions contemplated by the merger agreement, determined that the terms of the merger agreement are fair to, and in the best interests of, Dow Jones and its stockholders and recommended that Dow Jones stockholders vote FOR the approval and adoption of the merger agreement. Two former Dow Jones directors, Mr. von Holtzbrinck and Ms. Hill, who had at a previous meeting abstained from voting in support of a transaction with News Corporation, resigned from the Dow Jones board of directors prior to July 31, 2007 and, therefore, were not present at the July 31, 2007 meeting of the Dow Jones board of directors. In their letters of resignation, each of Mr. von Holtzbrinck and Ms. Hill expressed concerns about maintaining the editorial independence of the Dow Jones publications following the merger. The resignation letters of Mr. von Holtzbrinck and Ms. Hill are described in the section **Background of the Merger** beginning on page 50 of this proxy statement/prospectus. In addition, Dow Jones directors Christopher Bancroft and David K. P. Li were also not present at the July 31, 2007 meeting. The Dow Jones board of directors also recommends that Dow Jones stockholders vote FOR the adjournment of the special meeting, if necessary to solicit additional proxies.

**You should refer to the factors considered by the Dow Jones board of directors in making its decision to approve the merger agreement and recommend that Dow Jones stockholders vote FOR the approval and adoption of the merger agreement. See **Reasons for the Merger** beginning on page 62.**

The Dow Jones board of directors makes no recommendation as to whether any stockholder should make a unit election and makes no recommendation regarding the Newco Class B common units or the shares of Class A common stock of News Corporation issuable upon the exchange of Newco Class B common units. Dow Jones board of directors has not received an opinion from Goldman Sachs or any other advisor as to the fairness, from a financial point of view, of the unit consideration. A stockholder's determination to make a unit election is a voluntary decision. In making this decision, you will not have the benefit of any recommendation of Dow Jones board of directors or any opinion of the board of directors financial advisor. **In making a decision whether to make a unit election, you should carefully consider all of the information included or incorporated in this proxy statement/prospectus, including the Risk Factors beginning on page 35.**

**Interests of Dow Jones Directors and Executive Officers in the Merger (Page 65)**

When you consider the Dow Jones board of directors recommendation that Dow Jones stockholders vote in favor of the approval and adoption of the merger agreement, you should be aware that executive officers and directors may have interests in the merger that may be different from, or in addition to, the interests of other Dow Jones stockholders generally.

Each executive officer and other participant in the Dow Jones severance plan for senior management will be entitled to receive a lump sum severance payment (in the case of the executive officers, equal to eighteen or twenty-four months of salary, depending on the executive's salary grade), plus certain retirement, health and other benefits if his or her employment is terminated without cause or he or she resigns under circumstances

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constituting a constructive termination, in either case within twenty-four months following the closing of the merger. In addition, each of the executive officers of Dow Jones will be entitled to full indemnification for any golden parachute excise taxes. If the closing of the merger occurs on December 31, 2007 and all executive officers are terminated immediately after closing, the total value of these payments to and benefits for executive officers would be approximately \$34 million.

In addition, as a result of the merger, all contingent stock rights held by the executive officers of Dow Jones and other recipients will be valued at their target amount. After the closing, executive officers and other holders of contingent stock rights will be entitled to receive, for each quarter during the performance period applicable to their contingent stock rights, cash payments equal to the number of Dow Jones shares subject to their contingent stock rights immediately before the merger multiplied by \$0.25, the amount of the regular quarterly dividend currently paid on Dow Jones shares.

If an executive officer or any other holder of a Dow Jones equity award is terminated without cause or he or she resigns under circumstances constituting a constructive termination within twenty-four months following the closing:

all of his or her unvested stock options, or if those stock options became rights to receive a cash payment in the merger, those rights, will automatically vest;

a pro-rated number of his or her shares of restricted stock, or if those shares of restricted stock became rights to receive a cash payment in the merger, those rights, will automatically vest; and

he or she will be entitled to receive a pro-rated payout of his or her contingent stock rights.

If the closing of the merger occurs on December 31, 2007 and all executive officers are terminated immediately after the closing, the total value of the amounts that the Dow Jones executive officers would be entitled to receive in respect of their unvested stock options, restricted stock and contingent stock rights is approximately \$26 million. See Treatment of Dow Jones Stock Options and Other Equity Awards.

The Dow Jones board of directors was aware of these interests and considered them in approving and adopting the merger agreement and recommending that Dow Jones stockholders vote to approve and adopt the merger agreement.

### **Treatment of Dow Jones Stock Options and Other Equity Awards (Page 88)**

At the effective time, outstanding, in-the-money Dow Jones stock options and stock appreciation rights (SARs) (whether vested or unvested), shares of restricted Dow Jones common stock, Dow Jones restricted stock units and Dow Jones contingent stock rights will generally be converted into the right to receive, at the effective time, in the case of vested stock options or SARs, and at the time of vesting, in the case of all other equity awards, the cash consideration less any applicable exercise price, or at the election of the holder in accordance with the procedures described under the section entitled The Equity Awards Exchange beginning on page 175, into News Corporation equity awards, pursuant to which the holder would acquire a number of shares of News Corporation Class A common stock (or an option to acquire a number of shares in the case of optionees) determined in accordance with the merger agreement. Outstanding out-of-the-money Dow Jones stock options and SARs (whether or not vested) will be converted at the effective time into options to acquire a number of shares of News Corporation Class A common stock based on the exchange ratio. Neither the board of directors nor the management of Dow Jones is making any recommendation as to whether any holder of any Dow Jones equity awards should elect to convert his or her Dow Jones equity awards into News Corporation equity awards. They are also not making any recommendation regarding the shares of Class A common stock of News Corporation that underlie those News Corporation equity awards.

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**The Equity Awards Exchange (Page 175)**

The executive officers of Dow Jones and certain other award recipients hold Dow Jones equity awards in the form of vested and unvested stock options and SARs, shares of restricted stock, restricted stock units and contingent stock rights. In this proxy statement/prospectus, we refer to these Dow Jones vested and unvested stock options, SARs, shares of restricted stock, restricted stock units and contingent stock rights as Dow Jones equity awards. Pursuant to the terms of the merger agreement, holders of Dow Jones equity awards may elect to have some or all of their Dow Jones equity awards converted into News Corporation equity awards. The terms and conditions of the election, as well as detailed instructions for making an election, are described in the section "The Equity Awards Exchange", beginning on page 175 and in the election form being sent to the holders of Dow Jones equity awards together with this proxy statement/prospectus.

**Voting and Support Agreement / News Corporation Board Representation (Page 115)**

News Corporation has entered into a voting and support agreement, referred to in this proxy statement/prospectus as the voting agreement, with certain members of the Bancroft family and trustees of trusts for their benefit, referred to, collectively, in this proxy statement/prospectus as the Bancroft family member and trust stockholder signatories. Under the terms of the voting agreement, the Bancroft family member and trust stockholder signatories have agreed to vote Dow Jones shares held by them representing approximately 37% of the aggregate voting power of all Dow Jones shares in favor of the adoption of the merger agreement and against third party acquisition proposals and any action or proposal that would reasonably be expected to prevent or materially impede the merger.

Pursuant to the merger agreement, the News Corporation board of directors has agreed to take all requisite action to cause a member of the Bancroft family or another mutually agreed upon individual to become a member of the class of News Corporation's board of directors with the longest remaining term as of the closing of the merger. This individual is referred to in this proxy statement/prospectus as the initial Bancroft director.

Pursuant to the voting agreement, for a period of ten (10) years following the closing of the merger, if at any time the seat on the News Corporation board of directors held by the initial Bancroft director becomes vacant or the initial Bancroft director is not re-nominated, the Chairman of the News Corporation board of directors will

propose another member of the Bancroft family to the nominating and governance committee of the News Corporation board of directors for nomination for appointment or election to the News Corporation board of directors. Once the nominating and governance committee has approved the proposed Bancroft family member for nomination or appointment to the News Corporation board of directors, News Corporation will send a notice of the approval to the special committee established under the editorial agreement for its consent. If the nominating and governance committee does not approve or the special committee does not consent, the Chairman of the News Corporation board of directors will propose another member of the Bancroft family and the process described above will continue until a Bancroft family member is nominated. This nominee will then be submitted to News Corporation stockholders for election to the News Corporation board and if not so elected or not so submitted for election another Bancroft family member shall be nominated in accordance with the procedures described above and shall be appointed to the News Corporation board of directors. These obligations will also be applicable to the replacement of any successor to the initial Bancroft director in accordance with the voting agreement during the ten (10) year period. All commitments of the News Corporation board of directors and the Chairman of the News Corporation board of directors described in the preceding two sentences will terminate if the voting agreement is terminated for any reason other than the occurrence of the effective time of the merger.

The voting agreement will terminate upon the earliest to occur of: (i) the mutual agreement of all parties to the voting agreement; (ii) the effective time of the merger; (iii) the termination of the merger agreement in accordance with its terms; (iv) the vote of a majority (in terms of aggregate voting power) of the Dow Jones

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shares subject to the voting agreement by the Bancroft family member and trust stockholder signatories in connection with a superior acquisition proposal (as defined in the voting agreement); and (v) a public announcement by the Dow Jones board of directors expressly withdrawing its recommendation that Dow Jones stockholders approve and adopt the merger agreement. Additionally, subject to a specified exception, any Bancroft family member and trust stockholder signatory may terminate the voting agreement as to that Bancroft family member or trust stockholder signatory in the event the merger agreement is amended in a manner that results in any decrease in the merger consideration. The voting agreement is attached to this proxy statement/prospectus as Annex B.

K. Rupert Murdoch, Chairman and Chief Executive Officer of News Corporation, and the Murdoch Family Trust have entered into a separate agreement, which is an exhibit to the registration statement of which this proxy statement/prospectus is a part, obligating them, for a period of ten (10) years, to vote in favor of the election of the initial Bancroft director or any successor in accordance with the voting agreement at any meeting of News Corporation's stockholders at which the initial Bancroft director or any successor stands for election. All commitments of Mr. Murdoch and the Murdoch Family Trust described in the preceding sentence will terminate upon the termination of the voting agreement for any reason other than occurrence of the effective time of the merger.

**Certain Payments on Behalf of, or Reimbursement to, Certain Dow Jones Stockholders (Page 71)**

Dow Jones has agreed that, in connection with the closing of the merger, it will pay on behalf of, or reimburse, certain of the Bancroft family members and trusts for their benefit an aggregate of \$30 million in respect of fees and expenses of financial, legal and other advisors.

**Financing of the Merger (Page 80)**

Assuming Dow Jones stockholders make no unit elections with respect to shares of Dow Jones, News Corporation estimates that the total amount of funds necessary to complete the proposed merger and the related transactions is approximately \$5.3 billion. News Corporation intends to use cash on hand to pay the cash portion of the merger consideration.

**Editorial Agreement (Page 117)**

At the closing of the merger, News Corporation and Dow Jones will enter into an agreement relating to editorial and journalistic independence and integrity, which we refer to as the editorial agreement. The editorial agreement establishes a special committee comprised of five distinguished community or journalistic leaders who are independent of News Corporation, Dow Jones, the Murdoch family and the Bancroft family. The parties have agreed that the initial members of the special committee will be Louis Boccardi, Thomas Bray, Jennifer Dunn, Jack Fuller and Nicholas Negroponce. Thomas Bray will be chairman of the special committee. The special committee will be entitled to enforce its rights and the terms of, and any decisions or determinations made under, the editorial agreement against News Corporation or Dow Jones. The special committee will have rights of approval over, and the power to arbitrate disputes regarding, the appointment and removal of the managing editor of *The Wall Street Journal* and the editorial page editor of *The Wall Street Journal* and the managing editor of Dow Jones Newswires, as well as any changes to the authority of any of those editors. The form of editorial agreement is attached to this proxy statement/prospectus as Annex C.

**Newco Operating Agreement (Page 165)**

At the effective time, Newco will adopt an amended and restated operating agreement which will thereafter govern the conduct of the affairs of Newco as well as the rights of the holders of equity interests in Newco, including the Newco Class B common units, if any, issued to Dow Jones stockholders in the merger. The form of amended and restated operating agreement of Newco is attached to this proxy statement/prospectus as Annex D.

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**Ownership of Newco Following the Merger (Page 173)**

Immediately following the merger, former Dow Jones stockholders will own no greater than 10% of the outstanding equity interests of Newco through their ownership of Newco Class B common units and News Corporation will own no less than 90% of the outstanding equity interests of Newco through its ownership of Newco Class A common units.

**Conditions to the Merger (Page 104)**

Before the merger can be completed, a number of conditions must be satisfied or (to the extent permitted under applicable laws and the terms of the merger agreement) waived. These conditions include, among other conditions:

approval and adoption of the merger agreement by the affirmative vote of a majority of the votes entitled to be cast by the holders of Dow Jones common stock and Class B common stock at the special meeting, voting together as a single class, which we refer to as the Dow Jones stockholder approval;

absence of any injunction or order issued by any governmental entity of competent jurisdiction in the United States, the United Kingdom or Australia prohibiting the completion of the merger;

the expiration or earlier termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which we refer to as the HSR Act;

expiration of all waiting periods and receipt of all approvals required under the applicable competition and other laws of Germany, Austria, Ireland or, under certain circumstances, the European Union;

the SEC having declared effective the registration statement, of which this proxy statement/prospectus is a part, and the registration statement not being the subject of any stop order or threatened stop order;

with respect to the obligations of News Corporation, on the one hand, and of Dow Jones, on the other hand, the representations and warranties of the other party contained in the merger agreement being true and correct as of the closing date, except where the failure of the representations and warranties to be true and correct would not reasonably be expected to have a material adverse effect (as defined in the merger agreement) on the representing party;

with respect to the obligations of News Corporation, on the one hand, and of Dow Jones, on the other hand, the other party having performed, in all material respects, its covenants and agreements in the merger agreement;

solely with respect to the obligations of Dow Jones, News Corporation having entered into the editorial agreement, established the special committee and appointed the initial committee members to the special committee; under the merger agreement, Dow Jones may not waive this condition; and

solely with respect to the obligations of Dow Jones, News Corporation having entered into the amended and restated operating agreement of Newco and each of Newco and News Corporation having entered into an agreement pursuant to which News Corporation will be obligated, among other things, to provide shares of News Corporation Class A common stock to Newco in connection with any exchange of the Newco Class B common units.

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However, Dow Jones and News Corporation have agreed that, in the event of a transaction restructuring, the conditions to the closing of the merger relating to the effectiveness of the registration statement, of which this proxy statement/prospectus is a part, the listing of shares of News Corporation Class A common stock and certain of News Corporation's representations and warranties will be eliminated.

On August 28, 2007, the Premerger Notification Office of the Federal Trade Commission granted early termination of the waiting period under the HSR Act in connection with the merger. Consequently, the condition



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with respect to termination of the waiting period under the HSR Act has been satisfied. On September 10, 2007, the required approval was received from German authorities. On September 13, 2007, the required approval was received from Irish authorities. On September 20, 2007, the required approval was received from Austrian authorities. Consequently, the condition with respect to the receipt of required approvals under the laws of Germany, Austria and Ireland has been satisfied.

### **Restrictions on Recommendation Withdrawal (Page 98)**

The merger agreement generally restricts the ability of the Dow Jones board of directors to withdraw its recommendation that Dow Jones stockholders approve and adopt the merger agreement. However, if the Dow Jones board of directors (after consultation with its outside counsel) determines in good faith that the failure to withdraw this recommendation would be reasonably likely to be inconsistent with its fiduciary duties under applicable law, then the Dow Jones board of directors may withdraw this recommendation.

### **Restrictions on Solicitation of Third Party Acquisition Proposals (Page 99)**

The merger agreement generally restricts Dow Jones' ability to: (1) solicit or knowingly encourage the making of any third party proposal for the acquisition of a significant interest in Dow Jones' equity or assets or engage in any discussions with any person who has made, or Dow Jones knows may make, a third party proposal for the acquisition of a significant interest in Dow Jones' equity or assets, or (2) approve or recommend any third party proposal or enter into any definitive agreement providing for a third party proposal. However, under certain circumstances specified in the merger agreement, if the Dow Jones board of directors (after consultation with its independent financial advisors and outside counsel) determines in good faith that any unsolicited third party acquisition proposal constitutes or would reasonably be expected to result in a superior acquisition proposal, as defined in the merger agreement, then the Dow Jones board of directors may provide due diligence information to, and engage in discussion with, the party that made the acquisition proposal.

### **Termination of the Merger Agreement (Page 105)**

Dow Jones and News Corporation may terminate the merger agreement by mutual written consent at any time before the completion of the merger (including after the Dow Jones stockholders have approved and adopted the merger agreement). In addition, either Dow Jones or News Corporation may terminate the merger agreement if:

the merger has not been completed by the termination date specified in the merger agreement; this date is May 1, 2008. However, if any of the conditions relating to antitrust and competition law approvals (described in the second and third bullet points under "Conditions to the Merger" beginning on page 104) have not been satisfied by May 1, 2008, but all of the other conditions have been satisfied by May 1, 2008, then either Dow Jones or News Corporation may extend the termination date to August 1, 2008. In addition, News Corporation may extend the termination date to the date which is ten (10) days following the special meeting, if the special meeting has not occurred prior to May 1, 2008;

any judgment, injunction, ruling or order issued by any court of competent jurisdiction in the United States, the United Kingdom or Australia preventing the merger has become final and non-appealable; or

the merger agreement has been submitted to a Dow Jones stockholder vote at the special meeting and the Dow Jones stockholder approval has not been obtained.

In addition, Dow Jones may terminate the merger agreement if:

News Corporation breaches any of its representations, warranties, covenants or agreements in the merger agreement, or if any of its representations or warranties becomes untrue, in either case so that the conditions relating to the accuracy of its representations and warranties or the performance of its covenants or agreements could not be satisfied by the termination date; or



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prior to the receipt of the Dow Jones stockholder approval at the special meeting, the Dow Jones board of directors determines, in accordance with the merger agreement, that an unsolicited third party acquisition proposal constitutes a superior acquisition proposal (as defined in the merger agreement), Dow Jones determines to terminate the merger agreement and enter into a definitive agreement with respect to that superior acquisition proposal in accordance with the merger agreement and prior to or concurrently with this termination pays to News Corporation the \$165 million termination fee. See The Merger Agreement Termination in Connection with a Superior Proposal on page 100.

In addition, News Corporation may terminate the merger agreement:

if Dow Jones breaches any of its representations, warranties, covenants or agreements in the merger agreement, or if any of its representations or warranties becomes untrue, in either case so that the conditions relating to the accuracy of its representations and warranties or the performance of its covenants or agreements could not be satisfied by the termination date;

prior to the Dow Jones stockholders voting upon the approval and adoption of the merger agreement at the special meeting if:

the Dow Jones board of directors withdraws its recommendation in favor of the merger;

Dow Jones fails to include in this proxy statement/prospectus its recommendation to Dow Jones stockholders that they approve and adopt the merger agreement;

the Dow Jones board of directors recommends or fails to reject (within 30 business days of News Corporation's request that Dow Jones reject) any third party acquisition proposal;

the Dow Jones board of directors:

materially breaches the no-solicitation provisions of the merger agreement; or

fails to hold the special meeting or use its reasonable best efforts to solicit proxies in favor of the approval and adoption of the merger agreement, under circumstances where this failure constitutes a material breach of the merger agreement;

the Dow Jones board of directors has provided News Corporation with notice of a superior acquisition proposal and has not, within the period of time set forth in the merger agreement;

either recommended, or terminated the merger agreement to enter into a definitive agreement with respect to, in each case, a superior acquisition proposal; or

publicly reaffirmed this recommendation of the merger agreement; or

the voting agreement has been terminated by the Bancroft family member and trust stockholder signatories for a superior acquisition proposal (as defined in the voting agreement) and the Dow Jones board of directors has not publicly reaffirmed its recommendation in favor of the merger within five (5) business days after the date of this termination. We refer to each of the

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preceding events as a recommendation withdrawal termination event ; or

prior to 5:00 p.m. New York City time on the tenth (10<sup>th</sup>) business day after the termination right date, if (1) the voting agreement has been terminated by the Bancroft family member and trust stockholder signatories in connection with a superior acquisition proposal (as defined in the voting agreement), and (2) the stockholders of Dow Jones shall have not voted with respect to the merger as of the termination right date. In this proxy statement/prospectus references to the termination right date mean the later of (i) December 15, 2007 and (ii) the twentieth (20<sup>th</sup>) business day after the voting agreement has been terminated by the Bancroft family member and trust stockholder signatories in connection with a superior acquisition proposal (as defined in the voting agreement).

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### **Termination Fees (Page 107)**

Dow Jones must pay to News Corporation a break-up fee of \$165 million if:

Dow Jones terminates the merger agreement to accept a superior acquisition proposal;

News Corporation terminates the merger agreement on the basis of a recommendation withdrawal termination event, or either Dow Jones or News Corporation terminates the merger agreement at a time when News Corporation could have terminated the merger agreement on the basis of a recommendation withdrawal termination event;

Dow Jones or News Corporation terminates the merger agreement on the basis of a failure to obtain the Dow Jones stockholder approval at the special meeting or any adjournment or postponement thereof and, (1) prior to the special meeting, a third party acquisition proposal for at least a majority of Dow Jones' assets or equity interests was made known to the Dow Jones stockholders or was made public and not withdrawn, and (2) Dow Jones enters into a definitive agreement with respect to, or there is consummated a transaction in connection with, any third party acquisition proposal for at least a majority of the Dow Jones' assets or equity interests with any person within twelve (12) months after the termination of the merger agreement; or

News Corporation terminates the merger agreement on the basis of the termination of the voting agreement and Dow Jones enters into a definitive agreement with respect to, or there is consummated a transaction in connection with, any third party acquisition proposal for at least a majority of Dow Jones' assets or equity interests with any person within twelve (12) months after the termination of the merger agreement.

In addition, Dow Jones must pay the actual and reasonably documented out-of-pocket fees and expenses of News Corporation in connection with the transactions contemplated by the merger agreement, up to a maximum amount of \$25 million, if either News Corporation or Dow Jones terminates the merger agreement because of a failure to obtain the Dow Jones stockholder approval at the special meeting. In the event that the \$165 million break-up fee becomes payable, any amounts paid by Dow Jones in respect of the fees and expenses of News Corporation will be credited against the break-up fee.

For more information, see "The Merger Agreement - Termination Fees and Expenses" beginning on page 107.

### **Regulatory Approvals (Page 80)**

Under the HSR Act, the merger may not be completed until notification and report forms have been filed with the U.S. Federal Trade Commission, or the FTC, and the Antitrust Division of the U.S. Department of Justice, or the Antitrust Division, and the applicable waiting period has expired or been terminated. On August 16, 2007, each of Dow Jones and News Corporation filed its notification and report form under the HSR Act with the FTC and the Antitrust Division. On August 28, 2007, the Premerger Notification Office of the Federal Trade Commission granted early termination of the waiting period under the HSR Act in connection with the merger.

The merger is also subject to, and the parties' obligations to complete the merger are conditioned on, approval by governmental authorities in Germany, Ireland and Austria under the antitrust/competition laws of those jurisdictions. The competition filing required in Germany was made by the parties on August 21, 2007 and the required approval was received on September 10, 2007. The competition filing required in Ireland was made by the parties on August 27, 2007 and the required approval was received on September 13, 2007. The competition filing required in Austria was made by the parties on August 23, 2007 and the required approval was received on September 20, 2007.

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Subject to the terms and conditions of the merger agreement, News Corporation has agreed to take all actions necessary to obtain all regulatory clearances necessary to complete the merger before the termination date specified in the merger agreement.

### **Rights of Stockholders to Seek Appraisal (Page 129)**

Under Delaware law, holders of Dow Jones common stock or Class B common stock who do not vote in favor of adopting the merger agreement will have the right to seek appraisal of the fair value of their shares of Dow Jones common stock and/or Class B common stock as determined by the Delaware Court of Chancery if the merger is completed, but only if they comply with all applicable requirements of Delaware law. These requirements are summarized in this proxy statement/prospectus. This appraisal amount could be more than, the same as or less than the merger consideration. Among other requirements, any holder of Dow Jones common stock or Class B common stock intending to exercise appraisal rights must submit a written demand for an appraisal to Dow Jones prior to the vote on the adoption of the merger agreement and must not vote or otherwise submit a proxy in favor of the adoption of the merger agreement. Your failure to strictly follow exactly the procedures specified under Delaware law will result in the loss of your appraisal rights. See **Dissenters' Rights of Appraisal** beginning on page 129 for information regarding these procedures. The provisions of Delaware law that address appraisal rights and govern the required procedures are attached as Annex F to this proxy statement/prospectus.

### **Market Price of Dow Jones Common Stock (Page 32)**

Dow Jones common stock is listed on the NYSE under the trading symbol **DJ**. On April 30, 2007, which was the trading day immediately prior to the date on which News Corporation and Dow Jones confirmed news reports that News Corporation had made a proposal to acquire Dow Jones for \$60.00 per share, the closing sale price of Dow Jones common stock was \$36.33 per share. The closing sale price of Dow Jones common stock on the NYSE on July 31, 2007, the last trading day prior to the announcement of the merger, was \$57.38. The \$60.00 per share to be paid for each share of Dow Jones common stock and Class B common stock in the merger represents a premium of approximately 65% over the closing sale price of Dow Jones common stock on April 30, 2007. On November 5, 2007, the last trading day before the date of this proxy statement/prospectus, the closing sale price of Dow Jones common stock on the NYSE was \$59.62 per share.

### **Risks (Page 35)**

In evaluating the merger and the merger agreement, you should carefully read this proxy statement/prospectus and especially consider the factors discussed in the section entitled **Risk Factors** beginning on page 35.

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**SELECTED HISTORICAL FINANCIAL DATA OF NEWCO**

The following selected historical consolidated balance sheet data as of July 31, 2007, of Newco has been derived from Newco's historical audited consolidated balance sheet which is contained in this proxy statement/prospectus. This consolidated balance sheet has been audited by Ernst & Young LLP, an independent registered public accounting firm.

	<b>As of July 31, 2007</b>
<b>BALANCE SHEET DATA:</b>	
Assets	\$
Liabilities	
Common units	1
Receivable from News Corporation	(1)
Member's Equity	\$

**Table of Contents****SELECTED HISTORICAL FINANCIAL DATA OF DOW JONES**

The following selected historical consolidated financial data of Dow Jones for each of the years in the five-year period ended December 31, 2006 have been derived from Dow Jones' historical audited consolidated financial statements incorporated by reference into this proxy statement/prospectus. These financial statements have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm. The following selected historical consolidated financial data as of and for the six months ended June 30, 2007 and 2006 have been derived from Dow Jones' unaudited interim consolidated financial statements. In the opinion of Dow Jones' management, the unaudited interim consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and include all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the financial position and results of operations as of these dates and for these periods. Results for the interim periods are not necessarily indicative of the results to be expected for the full year. This information is only a summary, and should be read together with Dow Jones' *Management's Discussion and Analysis of Financial Condition and Results of Operations*, audited consolidated financial statements and related notes and unaudited consolidated financial statements and related notes, which are incorporated by reference into this proxy statement/prospectus.

	For the six months ended June 30,		For the years ended December 31,				
	2007 <sup>(1)</sup>	2006 <sup>(1)</sup>	2006 <sup>(2)</sup>	2005 <sup>(2)</sup>	2004 <sup>(2)</sup>	2003 <sup>(3)</sup>	2002 <sup>(4)</sup>
	(in thousands, except per share amounts)						
<b>Income Statement Data:</b>							
Revenues:							
Advertising	\$ 478,630	\$ 483,235	\$ 957,825	\$ 890,340	\$ 875,192	\$ 805,012	\$ 810,773
Information services	341,502	190,765	397,084	372,098	294,067	255,055	256,467
Circulation and other	216,728	212,090	428,961	410,509	405,048	395,254	398,268
Total revenues	1,036,860	886,090	1,783,870	1,672,947	1,574,307	1,455,321	1,456,508
Operating expenses	961,040	843,480	1,679,286	1,576,858	1,439,354	1,339,566	1,419,140
Operating income	75,820	42,610	104,584	96,089	134,953	115,755	46,368
Other income (expense)	(11,393)	47,527	31,473	(5,380)	(6,423)	76,526	190,649
Income taxes	24,880	10,150	7,970	26,154	45,046	39,246	52,973
Equity in earnings (losses) of associated companies, net of tax	4,106	4,055	25,068	(18,960)	(148)	1,198	165
Income from continuing operations	\$ 43,653	\$ 84,042	\$ 153,155	\$ 45,595	\$ 83,336	\$ 154,233	\$ 184,209
Income from continuing operations per share:							
Basic	\$ 0.52	\$ 1.01	\$ 1.84	\$ 0.55	\$ 1.02	\$ 1.89	\$ 2.21
Diluted	\$ 0.52	\$ 1.01	\$ 1.83	\$ 0.55	\$ 1.01	\$ 1.88	\$ 2.20
<b>Balance Sheet Data (at period end):</b>							
Cash and cash equivalents	\$ 27,510	\$ 20,436	\$ 13,237	\$ 10,633	\$ 17,237	\$ 23,514	\$ 39,346
Total assets	\$ 2,025,010	\$ 1,777,217	\$ 1,955,562	\$ 1,781,972	\$ 1,380,203	\$ 1,304,154	\$ 1,207,659
Long-term debt	\$	\$ 224,945	\$ 224,962	\$ 224,928	\$ 135,845	\$ 153,110	\$ 92,937
Total debt	\$ 392,005	\$ 674,483	\$ 447,086	\$ 472,395	\$ 145,843	\$ 153,110	\$ 92,937
Stockholders' equity	\$ 593,310	\$ 198,780	\$ 498,973	\$ 162,265	\$ 150,543	\$ 129,661	\$ 30,751
<b>Other Cash Flow and Operating Data:</b>							
Net cash provided by (used in) operating activities of continuing operations	\$ 87,579	\$ (135,289)	\$ 34,700	\$ 180,738	\$ 234,834	\$ 210,317	\$ 136,353
Cash dividends per share declared	\$ 0.75	\$ 0.75	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
<b>Advertising volume increase/(decrease):</b>							
The Wall Street Journal	(7.4)%	13.0%	6.0%	(0.7)%	(0.5)%	(1.3)%	(17.6)%
Barron's	16.7%	(3.7)%	0.7%	(12.5)%	11.7%	(16.0)%	(10.4)%
Local media	(11.1)%	(6.2)%	(7.4)%	(2.5)%	5.1%	(0.6)%	(4.5)%



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- (1) Refer to Certain Items Affecting Comparisons included in Management's Discussion and Analysis of Financial Condition and Results of Operations in the Dow Jones Quarterly Reports on Form 10-Q for the quarters ended June 30, 2006 and June 30, 2007, filed with the SEC on August 2, 2006 and August 3, 2007, respectively, for further information regarding items affecting comparisons of these figures.
  - (2) Refer to Certain Items Affecting Comparisons included in Management's Discussion and Analysis of Financial Condition and Results of Operations in the Dow Jones Annual Report on Form 10-K for the year ended December 31, 2006, filed with the SEC on March 1, 2007, for further information regarding items affecting comparisons of these figures.

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- (3) In 2003, certain items affecting comparisons include the following: (a) included within operating income was a gain of \$18.4 million (\$11.1 million, net of taxes) reflecting the settlement of a business interruption insurance claim for loss of operating income suffered as a result of the September 11 terrorist attacks on the World Trade Center; and, (b) included within non-operating income was a gain of \$18.7 million (\$11.4 million, net of taxes) from the disposal of Dow Jones' interest in Handelsblatt, a gain of \$59.8 million on the resolution of certain losses contingencies resulting from the sale of Telerate; and, a charge of \$9.5 million related to the accretion of discount on a contract guarantee.
- (4) In 2002, certain items affecting comparisons include the following: (a) included within operating income was a restructuring charge of \$26.9 million (\$15.8 million, net of taxes) related to a work-force reduction partially offset by a gain of \$3.1 million (\$1.8 million, net of taxes) reflecting insurance proceeds on assets destroyed as a result of the September 11 terrorist attack on the World Trade Center; and, (b) included within non-operating income was a gain of \$197.9 million (\$164.1 million, net of taxes) from the sale of certain local media newspapers; and a charge of \$11.9 million related to the accretion of discount on a contract guarantee.

**Table of Contents****SELECTED HISTORICAL FINANCIAL DATA OF NEWS CORPORATION**

The following selected historical consolidated financial data of News Corporation for each of the years in the five-year period ended June 30, 2007 have been derived from News Corporation's historical audited consolidated financial statements incorporated by reference into this proxy statement/prospectus. These financial statements have been audited by Ernst & Young, LLP, an independent registered public accounting firm. This information is only a summary, and should be read together with News Corporation's *Management's Discussion and Analysis of Financial Condition and Results of Operations*, audited consolidated financial statements and related notes which are incorporated by reference into this joint proxy statement/prospectus.

	2007 <sup>(1)</sup>	For the years ended June 30, 2006 <sup>(1)</sup> 2005 <sup>(1)</sup> 2004 <sup>(2)</sup>			2003 <sup>(3)</sup>	
	(in millions, except per share data)					
<b>STATEMENT OF OPERATIONS DATA:</b>						
Revenues	\$ 28,655	\$ 25,327	\$ 23,859	\$ 20,802	\$ 17,380	
Operating income	4,452	3,868	3,564	2,931	2,380	
Income from continuing operations	3,426	2,812	2,128	1,533	822	
Net income	3,426	2,314	2,128	1,533	822	
Basic income from continuing operations per share: <sup>(4)(5)</sup>						
Class A	\$ 1.14	\$ 0.92	\$ 0.74	\$ 0.58	\$ 0.33	
Class B	\$ 0.95	\$ 0.77	\$ 0.62	\$ 0.49	\$ 0.28	
Diluted income from continuing operations per share: <sup>(4)(5)</sup>						
Class A	\$ 1.14	\$ 0.92	\$ 0.73	\$ 0.58	\$ 0.33	
Class B	\$ 0.95	\$ 0.77	\$ 0.61	\$ 0.48	\$ 0.28	
Basic earnings per share: <sup>(4)(5)</sup>						
Class A	\$ 1.14	\$ 0.76	\$ 0.74	\$ 0.58	\$ 0.33	
Class B	\$ 0.95	\$ 0.63	\$ 0.62	\$ 0.49	\$ 0.28	
Diluted earnings per share: <sup>(4)(5)</sup>						
Class A	\$ 1.14	\$ 0.76	\$ 0.73	\$ 0.58	\$ 0.33	
Class B	\$ 0.95	\$ 0.63	\$ 0.61	\$ 0.48	\$ 0.28	
Cash dividend per share: <sup>(4)(5)(6)</sup>						
Class A	\$ 0.12	\$ 0.13	\$ 0.10	\$ 0.10	\$ 0.09	
Class B	\$ 0.10	\$ 0.13	\$ 0.04	\$ 0.04	\$ 0.04	
	2007	2006	As of June 30, 2005		2004	2003
	(in millions)					
<b>BALANCE SHEET DATA:</b>						
Cash and cash equivalents	\$ 7,654	\$ 5,783	\$ 6,470	\$ 4,051	\$ 4,477	
Total assets	62,343	56,649	54,692	48,343	42,149	
Borrowings and perpetual preference shares <sup>(7)</sup>	12,502	11,427	10,999	10,509	10,003	

- (1) See Notes 2, 3, 6 and 8 to the audited consolidated financial statements of News Corporation contained in its Annual Report on Form 10-K, filed August 23, 2007, for information with respect to significant acquisitions, disposals, changes in accounting and other transactions during fiscal 2007, 2006 and 2005.
- (2) Fiscal 2004 results include the sale of the Los Angeles Dodgers, Dodger Stadium and the team's training facilities in Vero Beach, Florida.
- (3) Fiscal 2003 results include News Corporation's acquisition of WPWR-TV for approximately \$425 million. Fiscal 2003 results also include News Corporation's acquisition of 80% of Telepiu, S.p.A. (Telepiu) for approximately \$874 million. Telepiu was merged with Stream S.p.A., (Stream) and the combined platform was renamed SKY Italia. As a result of the acquisition, commencing April 30, 2003, News Corporation ceased to equity account its share of Stream's results.

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- (4) Basic and diluted earnings from continuing operations per share, basic and diluted earnings per share and cash dividend per share reflect per share amounts based on the adjusted share amounts to reflect the November 12, 2004 one-for-two share exchange in the reincorporation of News Corporation.
- (5) Shares of News Corporation Class A common stock carry rights to a greater dividend than shares of News Corporation Class B common stock through fiscal 2007. As such, net income available to News Corporation's stockholders is allocated between shares of News Corporation Class A common stock and Class B common stock. The allocation between these classes of common stock was based upon the two-class method. See Notes 2 and 20 to the audited consolidated financial statements of News Corporation contained in its Annual Report on Form 10-K for the year ended June 30, 2007, filed with the SEC on August 23, 2007, for further discussion. Subsequent to the final fiscal 2007 dividend payment, shares of News Corporation's Class A common stock will cease to carry any rights to a greater dividend than shares of News Corporation's Class B common stock.
- (6) News Corporation's board of directors currently declares an interim and final dividend each fiscal year. The final dividend is determined by the News Corporation board of directors subsequent to the fiscal year end. The total dividends declared related to fiscal 2007 results were \$0.12 per share of News Corporation Class A common stock and \$0.10 per share of News Corporation Class B common stock. The total dividends declared related to fiscal 2006 results were \$0.12 per share of News Corporation Class A common stock and \$0.10 per share of News Corporation Class B common stock.
- (7) Each fiscal year presented prior to June 30, 2005 includes \$345 million of perpetual preference shares outstanding, which were redeemed at par by News Corporation in November 2004.

**Table of Contents****SELECTED UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL DATA FOR NEWCO**

The following selected unaudited pro forma condensed consolidated financial data is presented as if the merger were completed on January 1, 2006, for income statement purposes and on June 30, 2007, for balance sheet purposes. This data should be read in conjunction with (i) the unaudited pro forma condensed consolidated financial statements and notes of Newco, which appear in this proxy statement/prospectus beginning on page 133, (ii) Dow Jones historical consolidated financial statements and notes thereto contained in its Annual Report on Form 10-K for the year ended December 31, 2006 and its Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007 which have been incorporated by reference into this proxy statement/prospectus and (iii) the audited balance sheet of Newco which is contained in this proxy statement/prospectus. See the section entitled "Where You Can Find More Information" beginning on page 183.

	For the six months ended June 30, 2007	For the year ended December 31, 2006
	(in thousands, except per unit data)	
<b>STATEMENT OF OPERATIONS DATA:</b>		
Revenues	\$ 1,036,860	\$ 1,783,870
Operating income	42,820	34,584
Income from continuing operations	22,203	107,655
Income from continuing operations per unit basic and diluted	\$ 0.09	\$ 0.45
Cash dividend per unit	\$ 0.06	\$ 0.12
	<b>As of June 30, 2007 (in thousands)</b>	
<b>BALANCE SHEET DATA:</b>		
Cash and cash equivalents	\$ 27,510	
Total assets	7,332,181	
Borrowings	392,005	

**Table of Contents****COMPARATIVE PER SHARE INFORMATION**

The following table summarizes unaudited per share/unit information for News Corporation, Dow Jones and Newco separately on a historical basis, for News Corporation and Newco on an unaudited pro forma condensed consolidated basis and for Dow Jones on an equivalent pro forma per share basis. This information should be read in conjunction with the audited annual consolidated financial statements of News Corporation and Dow Jones and the unaudited consolidated financial statements of Dow Jones which are incorporated by reference into this proxy statement/prospectus and the audited consolidated balance sheet of Newco and unaudited pro forma condensed consolidated financial statements of Newco included in this proxy statement/prospectus beginning on page 133. The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the actual operating results or financial position that would have resulted if the merger had occurred at the beginning of the period presented, nor is it necessarily indicative of the future operating results or financial position of the consolidated company.

	As of and for the year ended December 31, 2006	As of and for the six months ended June 30, 2007
<b>News Corporation Historical Per Share Data:<sup>(1)</sup></b>		
Income from continuing operations per share of Class A common stock		
Basic	\$ 1.07	\$ 0.59
Diluted	\$ 1.06	\$ 0.58
Cash dividends per share of Class A common stock	\$ 0.12	\$ 0.06
Book value per share of Class A common stock	\$ 6.93	\$ 7.21
<b>News Corporation Pro Forma Per Share Data:<sup>(1)</sup></b>		
Income from continuing operations per share of Class A common stock		
Basic	\$ 1.05	\$ 0.57
Diluted	\$ 1.04	\$ 0.56
Cash dividends per share of Class A common stock	\$ 0.12	\$ 0.06
Book value per share of Class A common stock	\$ 6.93	\$ 7.21
<b>Dow Jones Historical Per Share Data:</b>		
Income from continuing operations per share		
Basic	\$ 1.84	\$ 0.52
Diluted	\$ 1.83	\$ 0.52
Cash dividends per share	\$ 1.00	\$ 0.75
Book value per share	\$ 5.97	\$ 6.91
<b>Dow Jones Equivalent Pro Forma Per Share Data:<sup>(2)</sup></b>		
Income from continuing operations per share		
Basic	\$ 2.94	\$ 1.60
Diluted	\$ 2.90	\$ 1.57
Cash dividends per share	\$ 0.33	\$ 0.17
Book value per share	\$ 19.35	\$ 20.12
<b>Newco Historical Per Unit Data:<sup>(3)</sup></b>		
Income from continuing operations per unit		
Basic and diluted	\$	\$
Cash dividends per unit	\$	\$
Book value per unit	\$	\$
<b>Newco Pro Forma Per Unit Data:<sup>(4)</sup></b>		
Income from continuing operations per unit		
Basic and diluted	\$ 0.45	\$ 0.09
Cash dividends per unit	\$ 0.12	\$ 0.06
Book value per unit	\$ 21.67	\$ 21.67

(1) Because News Corporation reports based on a fiscal year ended June 30<sup>th</sup>, the historical operating results included in the income from continuing operations per share calculations for the year ended December 31, 2006 were derived by adding the operating results for each of the four quarters included in the year ended December 31, 2006. The historical operating results included in the income from continuing operations per share calculations for the six months ended June 30, 2007 were derived by adding the operating results for each of the two quarters included in the six-month period ended June 30, 2007. Details related to the News Corporation pro forma adjustments are included in the unaudited Pro Forma Condensed Consolidated Financial Statements section beginning on page 133.

(2) The Dow Jones equivalent pro forma per share data was computed by multiplying the News Corporation pro forma per share data above by a ratio of approximately 2.79. The ratio represents the number of shares of News Corporation Class A common stock which a Dow Jones stockholder would receive for each Dow Jones share converted into the unit consideration in the merger, assuming such holder exchanged each Newco Class B common unit received by such holder in the merger for shares of News Corporation Class A common



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stock on a one-for-one basis at the effective time, and is determined by dividing \$60.00 by the daily volume weighted average price of News Corporation's Class A common stock on the New York Stock Exchange over the five trading days prior to June 30, 2007.

- (3) Newco was organized on July 30, 2007.
- (4) The Newco pro forma per unit data has been derived from the unaudited pro forma condensed consolidated financial statements of Newco beginning on page 133 of this proxy statement/prospectus. Dividends on Newco Class A common units and Newco Class B common units are assumed to be paid at the same time and in the same amount as News Corporation pays dividends on shares of News Corporation Class A common stock. However, distributions are payable only if, as and when declared by the Newco board of managers out of legally available funds and there is no guarantee that any distributions will be paid.



**Table of Contents****COMPARATIVE PER SHARE MARKET PRICE DATA AND DIVIDEND INFORMATION**

The following table sets forth the high and low price per share of News Corporation Class A common stock and Dow Jones common stock, as adjusted for all stock splits and as reported on the NYSE, for the periods indicated.

	News Corporation			Dow Jones		
	High	Low	Dividends Paid	High	Low	Dividends Paid
<i>For the quarterly period ended:</i>						
<b>2005</b>						
March 31, 2005	\$ 18.73	\$ 16.40	\$ 0.05	\$ 43.35	\$ 36.85	\$ 0.25
June 30, 2005	\$ 17.15	\$ 15.19		\$ 38.35	\$ 31.94	\$ 0.25
September 30, 2005	\$ 17.13	\$ 15.22	\$ 0.07	\$ 43.10	\$ 35.94	\$ 0.25
December 31, 2005	\$ 16.01	\$ 14.09		\$ 39.42	\$ 32.55	\$ 0.25
<b>2006</b>						
March 31, 2006	\$ 16.86	\$ 15.25	\$ 0.06	\$ 41.39	\$ 35.56	\$ 0.25
June 30, 2006	\$ 19.52	\$ 16.67		\$ 39.46	\$ 33.25	\$ 0.25
September 30, 2006	\$ 19.75	\$ 18.19	\$ 0.06	\$ 37.01	\$ 32.16	\$ 0.25
December 31, 2006	\$ 21.75	\$ 19.35		\$ 39.20	\$ 32.84	\$ 0.25
<b>2007</b>						
March 31, 2007	\$ 23.98	\$ 21.26	\$ 0.06	\$ 40.08	\$ 33.67	\$ 0.25
June 30, 2007	\$ 23.74	\$ 21.21		\$ 61.76	\$ 33.98	\$ 0.25

The following table sets forth the closing price per share of News Corporation Class A common stock into which, in certain circumstances, Newco Class B common units may be exchanged, and the closing price per share of Dow Jones common stock on April 30, 2007 (the trading day immediately prior to the date on which Dow Jones and News Corporation confirmed news reports that News Corporation had made a proposal to acquire Dow Jones for \$60.00 per share), July 31, 2007 (the last business day preceding the public announcement of the merger) and November 1, 2007 (the most recent practicable trading date prior to the date of this proxy statement/prospectus).

	Closing Price per Share		
	April 30, 2007	July 31, 2007	November 5, 2007
<b>News Corporation Class A common stock</b>	\$ 22.39	\$ 21.12	\$ 20.97
<b>Dow Jones common stock</b>	\$ 36.33	\$ 57.38	\$ 59.62

The above tables show only historical comparisons. Because the market prices of News Corporation Class A common stock and Dow Jones common stock likely will fluctuate prior to the completion of the merger, these comparisons may not provide meaningful information to Dow Jones stockholders in determining whether to approve and adopt the merger agreement. Dow Jones stockholders are encouraged to obtain current market quotations for News Corporation common stock, which trades on the NYSE under the symbol NWS.A, and Dow Jones common stock, which trades on the NYSE under the symbol DJ, before making a decision with respect to the merger and to review carefully the other information contained in this proxy statement/prospectus or incorporated by reference into this proxy statement/prospectus in considering their respective proposals. See the section entitled *Where You Can Find More Information* beginning on page 183.

No assurance can be given as to the market prices of News Corporation's Class A common stock at the time any former Dow Jones stockholder exchanges his or her units of Newco Class B common units for shares of News Corporation Class A common stock. The exchange ratio for the exchange of Newco Class B common units for shares of News Corporation Class A common stock will not be adjusted for changes in the market price of News Corporation Class A common stock following the closing of the merger. Because the Newco Class B common units may not be exchanged for shares of News Corporation Class A common stock until the 121<sup>st</sup> day following the merger the market value of the shares of News Corporation Class A common stock at the effective time of the merger, may vary significantly from the market value of the shares of News Corporation Class A common stock issuable upon the exchange of a Newco Class B common unit at the time that unit is actually exchanged for shares of News Corporation Class A common stock.



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**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This proxy statement/prospectus and the documents to which Dow Jones or News Corporation refer you in this proxy statement/prospectus contain or incorporate by reference forward-looking statements within the meaning of Section 27A of the Securities Act and 21E of the Exchange Act, which are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. You should not place undue reliance on these statements. You can identify these statements by the fact that they do not relate strictly to historical or current facts. Dow Jones and News Corporation base these statements on particular assumptions that they have made in light of their industry experience, as well as their perception of historical trends, current conditions, expected future developments and other factors that they believe are appropriate under the circumstances. Further, statements that include words such as may, will, project, might, expect, believe, anticipate, intend, could, would, estimate, continue or pursue, or the negative or other words or expressions of similar meaning, may include forward-looking statements. These forward-looking statements are found at various places throughout this proxy statement/prospectus. These forward-looking statements are necessarily estimates reflecting the judgment of Dow Jones and News Corporation's management and involve a number of risks and uncertainties that could affect the future results of News Corporation or Dow Jones and could cause actual results to differ materially from those expressed or implied by the forward-looking statements. These forward-looking statements should be considered in light of various important factors set forth from time to time in Dow Jones and News Corporation's filings with the SEC. In addition to other factors and matters contained or incorporated by reference in this document including those disclosed under Risk Factors beginning on page 35, these statements are subject to risks, uncertainties and other factors, including, among others:

the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement and the fact that a termination under some circumstances could require Dow Jones to reimburse News Corporation's actual and documented out-of-pocket transaction expenses up to a maximum amount of \$25 million and pay a termination fee of \$165 million (less any reimbursed transaction expenses);

the outcome of any litigation or judicial actions that have been or may be instituted against Dow Jones, News Corporation and others relating to the merger agreement;

the inability to complete the merger due to the failure to obtain the Dow Jones stockholder approval or the failure to satisfy other conditions to completion of the merger, including the inability of News Corporation, Newco and Merger Sub to obtain regulatory approvals, as required by the merger agreement;

the possibility that the merger may involve unexpected costs;

the failure of the merger to close for any other reason or any significant delay in the expected completion of the merger;

risks that the merger disrupts Dow Jones' current plans and operations, and the potential difficulties for Dow Jones' employee retention as a result of the announcement or completion of the merger;

the effect of the announcement or completion of the merger on Dow Jones' customer and supplier relationships, operating results and business generally;

the amount of costs, fees, expenses and charges related to the merger;

the diversion of Dow Jones' management's and employees' attention from day-to-day business;

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changes in laws, including increased tax rates, changes in regulations or accounting standards, third party relations and approvals, and decisions of courts, regulators and governmental bodies;

changes in consumer confidence and spending;

fluctuations in currency exchange rates and other risks inherent in international trade and business transactions;

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the loss of one or more significant customers;

competition in the markets and industries in which News Corporation, Dow Jones and their respective subsidiaries operate;

Dow Jones or News Corporation's ability to enforce or defend their respective ownership and use of intellectual property;

strikes, work stoppages and labor negotiations at Dow Jones and News Corporation's facilities or at a facility of one of their respective significant customers; or work stoppages at a common carrier or a major shipping location;

the outcome of pending or future litigation and administrative claims, including patent and environmental matters; and other risks detailed in Dow Jones and News Corporation's filings with the SEC, including News Corporation's Annual Report on Form 10-K for the fiscal year ended June 30, 2007, and Dow Jones' filings with the SEC, including Dow Jones' Annual Report on Form 10-K for the fiscal year ended December 31, 2006 and Dow Jones' Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2007 and June 30, 2007. See the section entitled "Where You Can Find More Information" beginning on page 183.

As you read and consider the information in this proxy statement/prospectus, you are cautioned to not place undue reliance on these forward-looking statements. These statements are not guarantees of performance or results and speak only as of the date of this proxy statement/prospectus, in the case of forward-looking statements contained in this proxy statement/prospectus, or the dates of the documents incorporated by reference into this proxy statement/prospectus, in the case of forward-looking statements made in those incorporated documents. These forward-looking statements involve risks, uncertainties and assumptions. In light of these risks and uncertainties, there can be no assurance that the results and events contemplated by the forward-looking statements contained in, or incorporated by reference into, this proxy statement/prospectus will in fact transpire. New factors emerge from time to time, and it is not possible for Dow Jones or News Corporation to predict all of them. Nor can Dow Jones or News Corporation assess the impact of each of these factors or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

Neither Dow Jones nor News Corporation undertake any obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events, except as required by law.

All subsequent written or oral forward-looking statements concerning the merger or other matters addressed in this proxy statement/prospectus and attributable to Dow Jones and/or News Corporation or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section of this proxy statement/prospectus.

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**RISK FACTORS**

In addition to the other information included in, incorporated by reference into and found in the Annexes attached to this proxy statement/prospectus, including the matters addressed in *Cautionary Statement Regarding Forward-Looking Statements* beginning on page 33, you should carefully consider the following risk factors in deciding whether to vote for the approval and adoption of the merger agreement and whether to make an election to receive the unit consideration in respect of shares of Dow Jones common stock or Class B common stock. Please see the section entitled *Where You Can Find More Information* beginning on page 183. This offering and an investment in Newco Class B common units and/or shares of News Corporation Class A common stock involve a high degree of risk. You should carefully consider the risks described below and the other information in this proxy statement/prospectus before making a decision to invest in Newco Class B common units and/or shares of News Corporation Class A common stock. We have described below the risks and uncertainties which we believe to be material to a decision to invest in Newco Class B common units and/or News Corporation Class A common stock, but there may be additional risks and uncertainties faced by Newco or News Corporation. If any of the following risks and uncertainties develops into actual events, the business, results of operations or financial condition of Newco or News Corporation could be adversely affected.

**Risks Related to the Election to Receive Newco Class B Common Units**

*Dow Jones stockholders may not receive Newco Class B common units in accordance with their elections or may receive Newco Class B common units even if Dow Jones does not receive the tax opinion.*

If you make an election to receive Newco Class B common units in connection with the merger, the actual mix of consideration you will receive will not be known until after all elections have been made. The merger agreement provides that no more than 250 holders of record of Dow Jones common stock and Class B common stock will be eligible to receive Newco Class B common units. If more than 250 record holders elect the unit consideration, the unit consideration will be received by the 250 record holders who elect the unit consideration for the greatest number of shares. Moreover, if the unit elections by those 250 holders are made with respect to more than 8,599,159 of the outstanding shares of Dow Jones capital stock (approximately 10% of the aggregate outstanding shares of Dow Jones common stock and Class B common stock), the number of shares of each holder converted into the unit consideration will be prorated. If proration is necessary, Dow Jones stockholders will receive the cash consideration for any Dow Jones shares not converted into Newco Class B common units.

As of October 11, 2007, the approximate number of Dow Jones stockholders of record was 10,735. As of October 11, 2007, the 250, 300 and 350 largest share entries in Dow Jones' share register (excluding shares held by Cede & Co., the nominee for the Depositary Trust Company) reflected ownership of 20,971,678, 21,046,573 and 21,106,250 Dow Jones shares, respectively. A record holder may be reflected more than once in the share register. In addition, some of these shares may be held in book-entry form or on behalf of a beneficial owner through a broker, dealer, bank or similar nominee and will need to be issued in certificated form to a person who is not a broker, dealer, bank or similar nominee in order for a unit election to be made with respect to those shares. Although Dow Jones is not aware of exactly how many Dow Jones shares held by Bancroft family members and trusts for their benefit are held in certificated form, Dow Jones believes that, based on information provided by representatives of Bancroft family members and trusts for their benefit, as of October 11, 2007, only a limited number of the shares held by Bancroft family members and trusts for their benefit were held in certificated form.

As a result of the allocation and proration procedures outlined in the preceding paragraph, holders of Dow Jones shares may receive the cash consideration for some or all of their shares despite the holders' election to receive the unit consideration. Any cash consideration received by these holders in the merger, unlike the unit consideration, generally will be immediately taxable to those holders for U.S. federal income tax purposes.

Furthermore, in accordance with the terms of the merger agreement, if the Dow Jones board of directors determines that Fried, Frank, Harris, Shriver & Jacobson, or other counsel satisfactory to Dow Jones, is unable to deliver the tax opinion at the closing of the merger or that the consummation of the merger would be reasonably

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likely to be materially delayed or precluded by reason of certain conditions to the merger and Dow Jones provides timely written notice of this determination to News Corporation in accordance with the merger agreement, then the transactions contemplated by the merger agreement will be restructured so each Dow Jones stockholder will only be entitled to receive the cash consideration in respect of his, her or its Dow Jones shares and certain conditions relating to the closing of the merger will be eliminated. If the transactions are so restructured, the full amount of the merger consideration payable to the Dow Jones stockholders generally will be immediately taxable for U.S. federal income tax purposes and, consequently, no portion of the stockholders' U.S. federal income tax liability in connection with the receipt of the merger consideration would be deferred, as may be the case, if any stockholder received the unit consideration in the merger. In addition, if Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver the tax opinion to Dow Jones at the closing of the merger, but the Dow Jones board of directors does not timely make the determination referred to above, Dow Jones stockholders will continue to be able to make unit elections and receive Newco Class B common units for their shares even though any unit consideration received by Dow Jones stockholders may be immediately taxable for U.S. federal income tax purposes.

***After submitting an election form to receive Newco Class B common units, a Dow Jones stockholder will not, subsequent to delivery of stock certificates to the exchange agent in connection with a unit election, be able to sell or otherwise transfer his or her shares of Dow Jones common stock or Class B common stock for which a unit election has been made, unless and until the Dow Jones stockholder properly revokes his or her unit election by the election deadline.***

Under the terms of the merger agreement, in the event that a Dow Jones stockholder makes a valid election to receive Newco Class B common units, he or she will be required to deliver his or her stock certificates evidencing his or her shares to be converted into Newco Class B common units, in each case together with a properly completed and executed election form, to the exchange agent. In order to make a valid unit election, a Dow Jones stockholder must deliver the stock certificates and duly completed and executed election form on or before the election deadline, and there may be a period of up to three (3) business days between that date and the date the merger is completed. During the period from the date upon which you submit your election form until the closing of the merger, you will not be able to sell or otherwise transfer any shares of Dow Jones common stock or Class B common stock subject to the unit election. However, if you revoke your unit election with respect to any of your Dow Jones shares prior to the election deadline, you will be able to sell those shares following the return to you of the stock certificates evidencing those shares as long as there is sufficient time for such a sale to be completed prior to the closing of the merger. If the merger agreement is terminated, any stock certificates evidencing shares of Dow Jones common stock or Class B common stock delivered to the exchange agent, will be promptly returned and Dow Jones stockholders will again be able to sell or otherwise transfer their shares, although the market price for shares of Dow Jones common stock could be significantly lower at the time the shares are returned than was the case when initial delivery was made.

***The Dow Jones board of directors has not made any recommendation with respect to whether a Dow Jones stockholder should make a unit election or regarding the Newco Class B common units or received an opinion from a financial advisor as to the unit consideration.***

The Dow Jones board of directors makes no recommendation as to whether any Dow Jones stockholder should make a unit election and makes no recommendation regarding the Newco Class B common units or the shares of News Corporation Class A common stock issuable upon the exchange of Newco Class B common units. Dow Jones' board of directors has not received an opinion from Goldman Sachs or any other financial advisor as to the fairness, from a financial point of view, of the unit consideration. A stockholder's determination to make a unit election is a purely voluntary decision. In making this decision, you will not have the benefit of any recommendation of Dow Jones' board of directors or any opinion of the board of directors' financial advisor.

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***Holders of Dow Jones common stock or Class B common stock who receive Newco Class B common units in the merger may recognize their full taxable gain, if any, in connection with the merger.***

It is intended that, for U.S. federal income tax purposes, the merger and the other transactions contemplated by the merger agreement should be treated as an exchange described in Section 351 of the Code, and the Newco Class B common units should not constitute nonqualified preferred stock within the meaning of Section 351(g) of the Code, in which case, holders of Dow Jones shares who receive Newco Class B common units should be treated as described below in the section entitled "Certain U.S. Federal Income Tax Consequences" beginning on page 121. However, there is a risk that the IRS may challenge this characterization and a court may sustain an IRS challenge, in which case all of the merger consideration received by holders of Dow Jones shares in the merger, both in the form of the cash consideration and in the form of the unit consideration, generally would be fully taxable for U.S. federal income tax purposes.

***The U.S. federal income tax rate applicable to long term capital gains is expected to increase.***

In general, for U.S. federal income tax purposes, the maximum tax rate currently applicable to long term capital gains attributable to the sale or exchange of securities is 15% for noncorporate taxpayers. The legislation providing for this 15% rate is scheduled to expire at the end of 2010, at which time, unless such legislation is extended, the rate applicable to long term capital gains from the sale or exchange of securities for U.S. federal income tax purposes generally will increase to 20% for noncorporate taxpayers. There can be no assurance that long term capital gain attributable to the sale or exchange of securities recognized after 2010 will be taxed at 15% for U.S. federal income tax purposes. Thus, for U.S. federal income tax purposes, a noncorporate holder of Dow Jones shares that receives the unit consideration in the merger may be taxed at a higher rate in the future upon a subsequent exchange or other disposition of Newco Class B common units than the rate at which such holder would be taxed currently if such holder were to receive solely the cash consideration in the merger.

**Risks Related to the Ownership of Newco Class B Common Units**

***Newco Class B common units will be effectively illiquid and may not be exchanged for more liquid shares of News Corporation Class A common stock during the first 120 days following the merger and only on a limited basis during the next 60 days thereafter.***

Newco Class B common units will not be listed on any securities exchange and will be subject to significant transfer restrictions. Furthermore, it is anticipated that Newco will not be required to file annual, quarterly or other reports with the SEC under the Exchange Act after filing an Annual Report on Form 10-K for the year ended December 31, 2007. Upon completion of the merger, the number of holders of record of Newco Class B common units, even assuming that the maximum number of Dow Jones stockholders receive the unit consideration in the merger, will be immediately following the merger no more than 250 and substantially less than the number of holders of record of Dow Jones common stock and Class B common stock outstanding before the completion of the merger, and could be just a handful. Moreover, any unit transfer that would result in Newco Class B common units being held by more than 250 record holders, require registration or qualification of the applicable Newco Class B common units under any applicable state or federal securities laws or would result in the creation or continuation of any reporting obligations of Newco pursuant to the Exchange Act will be prohibited. Consequently, trading activity, if any, in the Newco Class B common units is likely to be very limited. In addition, because the Newco Class B common units will not be listed on a securities exchange, it may be difficult to obtain pricing information with respect to Newco Class B common units. As a result, the Newco Class B common units are expected to be effectively illiquid.

In addition, for the first 120 days after the closing of the merger, the Newco Class B common units will not be exchangeable for more liquid shares of News Corporation Class A common stock, and between the 121st and 180th day after the closing of the merger, each holder of Newco Class B common units will be permitted to exchange only up to 25% of the total number of units that the holder received in the merger for shares of News Corporation Class A common stock. Moreover, any exchange by a holder of his or her Newco Class B common units is expected to be taxable to the holder for U.S. federal income tax purposes.



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*Newco is not expected to remain an Exchange Act reporting company and holders of Class B common units will receive more limited information than Dow Jones stockholders currently receive with respect to their shares of Dow Jones common stock or Class B common stock.*

If the merger is completed, we currently expect that Newco will not remain a reporting company under the Exchange Act following the filing of its Annual Report on Form 10-K for the year ended December 31, 2007. Thereafter, we do not expect that Newco will make any filings with the SEC or make any information publicly available relating to its operations or financial results other than the information included by News Corporation in its public filings with the SEC.

In addition, except under limited circumstances set forth in the amended and restated operating agreement, neither Newco nor News Corporation has any duty or obligation to provide any information or disclosure to any unitholder with respect to any matter or action reserved to the unitholders for decision pursuant to the amended and restated operating agreement or the Act. Newco's disclosure obligations are generally limited to the following: Newco will provide (1) each current or former holder of Newco Class B common units who received such Newco Class B common units pursuant to the merger (and in the case of holders that are trusts, certain donors, beneficiaries and successors) with such information as is reasonably and specifically requested by that holder in connection with confirming the U.S. federal income tax treatment of the merger; (2) a list of the then current holders of the Newco Class B common units to any then current holder of Newco Class B common units who requests a list in connection with that holder's good faith intention to effect a subsequent merger (as described in the section *Amended and Restated Operating Agreement of Newco Merger Right* beginning on page 170 below) or in connection with the exercise of the rights of the holders of Newco Class B common units to elect a manager of Newco under certain circumstances, in each case, pursuant to the terms of the amended and restated operating agreement; and (3) each former holder of Newco Class B common units who held such Newco Class B common units at the time a subsequent merger (subject to certain exceptions) was effected (and in the case of holders that are trusts, certain donors, beneficiaries and successors) with such information as is reasonably and specifically requested by that holder in connection with confirming the U.S. federal income tax treatment of such subsequent merger.

*Newco Class B common units will be subject to significant transfer restrictions.*

Upon completion of the merger, News Corporation will enter into an amended and restated operating agreement of Newco, which we refer to in this proxy statement/prospectus as the amended and restated operating agreement. The amended and restated operating agreement will provide that a holder of units (other than News Corporation) will be entitled to transfer his or her units only upon satisfaction of certain conditions (unless any condition to transfer is waived by the board of managers of Newco), including the following:

the transfer does not require the registration or qualification of the Newco Class B common units pursuant to any applicable federal or state securities laws, or result in the creation, or continuance of, any reporting obligation of the Newco under Section 12 or Section 15 of the Exchange Act;

subject to certain exceptions, the transfer is made to a person who qualifies as an accredited investor as defined in Rule 501 under the Securities Act; and

after giving effect to the transfer, the aggregate number of record holders of Newco Class B common units registered on Newco's books or with the transfer agent for Newco does not exceed 250 holders.

*Newco will be controlled by News Corporation and the interests of News Corporation may conflict with yours. The Newco Class B common units will entitle their holders to different rights than those conferred by ownership of the existing shares of Dow Jones common stock or Class B common stock.*

Upon completion of the merger, no less than 90% of the outstanding voting interests of Newco units will be held by News Corporation. Accordingly, News Corporation will control Newco and, through Newco, Dow Jones, and will have the power to elect all of the managers of Newco (except in certain limited circumstances as set forth in the amended and restated operating agreement), appoint new management and, subject to certain



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limitations, approve any action requiring the approval of the holders of Newco units, including adopting certain amendments to Newco's operating agreement and approving mergers or sales of all or substantially all of Newco's assets, including the common stock of Dow Jones. The managers elected by News Corporation will have the authority to make decisions affecting the capital structure of Newco, including, subject to certain limitations, the issuance of additional equity interests or options, the incurrence of additional indebtedness, the implementation of unit repurchase programs and the declaration of distributions. The interests of News Corporation may not coincide with the interests of the other Newco unitholders and, subject to the terms of the editorial agreement, the business, financial and operating policies of Dow Jones in effect prior to the completion of the merger may not continue following its completion.

The existence of News Corporation as the controlling unitholder of Newco will make it impossible for a third party to acquire a majority of the outstanding Newco common units without reaching agreement with News Corporation. A third party would be required to negotiate any transaction with News Corporation, and the interests of News Corporation with respect to a transaction may be different from the interests of other Newco unitholders. In addition, to the fullest extent permitted by the Delaware Limited Liability Company Act, none of News Corporation, any of its affiliates or the board of managers of Newco will owe any duties at law or in equity (including fiduciary duties) to any other unitholder other than duties and obligations expressly set forth in the amended and restated operating agreement.

You should carefully review Newco's amended and restated operating agreement (which will govern the Class B common units of Newco), a copy of which is attached to this proxy statement/prospectus as Annex D. See "Comparison of Stockholders' Rights" beginning on page 144 for a discussion of the rights associated with Newco Class B common units as compared to Dow Jones common stock and/or Class B common stock.

***The exchange of Newco Class B common units into News Corporation Class A common stock is subject to certain restrictions and the value of the News Corporation Class A common stock received in any exchange may fluctuate.***

Under the terms of the amended and restated operating agreement, for the first 120 days after the closing of the merger the Newco Class B common units will not be exchangeable for shares of News Corporation Class A common stock. Between the 121<sup>st</sup> and 180<sup>th</sup> day after the closing of the merger, a holder of Newco Class B common unit will be permitted to exchange up to 25% of the total number of units the holder received in the merger for shares of News Corporation Class A common stock. Following the 180th day after the closing of the merger, any or all Newco Class B common units may be exchanged for shares of News Corporation Class A common stock. While the exchange ratio governing the exchange of Newco Class B common units for News Corporation Class A common stock will be adjusted under certain circumstances, it will not be adjusted to reflect changes in the per share value of News Corporation Class A common stock following the effective time. The News Corporation Class A common stock into which Newco Class B common units may be exchanged may be subject to significant fluctuations in value for many reasons, including:

News Corporation's operating and financial performance and prospects;

general market conditions;

the risks described in this proxy statement/prospectus;

changes to the competitive landscape in the industries or markets in which News Corporation operates;

the arrival or departure of key personnel; and

speculation in the press or the investment community.

Consequently, due to the potential fluctuations in value, at the time that the exchange right of holders of Newco Class B common units becomes exercisable, the News Corporation Class A common stock into which the Newco Class B common units may be exchanged may have a value that differs from the cash consideration and/or the value of News Corporation Class A common stock as of the effective time. If a holder of Newco Class B



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common units elects to exchange his or her Newco Class B common units for shares of News Corporation Class A common stock, the exchange generally will be taxable for U.S. federal income tax purposes.

*Certain transactions that may occur following the merger could cause holders of Newco Class B common units to recognize income for U.S. federal income tax purposes with respect to the Newco Class B common units sooner than they otherwise anticipated.*

Certain events outside of your control may occur with respect to either News Corporation or Newco, including a merger, consolidation or other extraordinary transaction with respect to either News Corporation or Newco, that could cause holders of Newco Class B common units to recognize income for U.S. federal income tax purposes, including in connection with adjustments to the exchange ratio of the Newco Class B common units, or the receipt of cash or other consideration as a distribution on or in exchange for Newco Class B common units.

*News Corporation has other investment activities that may conflict with the interests of Dow Jones or Newco.*

News Corporation will be entitled to and may, from time to time, acquire and hold interests in businesses that are in direct or indirect competition with Dow Jones or Newco. Neither Dow Jones nor Newco will have any right in or to these other business interests or activities or to the income or proceeds derived therefrom, and the pursuit of these investments or business interests or activities, even if competitive with the business of Dow Jones, will not violate the certificate of formation or amended and restated operating agreement of Newco.

In addition, News Corporation may elect not to present any particular opportunity to Dow Jones or Newco or to conduct its other business and investment affairs in the best interests of Dow Jones or Newco, even if the opportunity is of a character that could be taken by Dow Jones or Newco.

*Two former directors of Dow Jones resigned from the Board of Directors due to their concerns about the editorial independence of the Dow Jones publications following the merger.*

Mr. von Holtzbrinck and Ms. Hill, two former directors of Dow Jones, abstained from voting in support of a transaction with News Corporation and resigned from the Dow Jones board of directors prior to the board's July 31, 2007 special meeting. In their letters of resignation, they indicated they had resigned because of their concerns about the ability to maintain the editorial independence of Dow Jones publications following the merger. The parties agreed that as a condition to closing, News Corporation will enter into an editorial agreement pursuant to which it will establish a special committee comprised of five distinguished, independent community or journalistic leaders. Although this committee will have a variety of rights and powers under the editorial agreement, including rights of approval over, and the power to arbitrate disputes regarding, the appointment and removal of the managing editor of *The Wall Street Journal* and the editorial page editor of *The Wall Street Journal* and the managing editor of Dow Jones Newswires, as well as changes to the authority of any of those editors after the closing of the merger. The special committee will face risks and challenges posed in ensuring the editorial independence of the Dow Jones publications following the merger. See the section entitled "Editorial Agreement" beginning on page 117 below.

### **Risks Related to News Corporation**

*A decline in advertising expenditures could cause News Corporation's revenues and operating results to decline significantly in any given period or in specific markets.*

News Corporation derives substantial revenues from the sale of advertising on or in its television stations, broadcast and cable networks, newspapers and inserts, websites and direct broadcast satellite, or DBS, services. Expenditures by advertisers tend to be cyclical, reflecting overall economic conditions, as well as budgeting and buying patterns. A decline in the economic prospects of advertisers or the economy in general could alter current or prospective advertisers' spending priorities. Demand for News Corporation's products is also a factor in determining advertising rates. For example, ratings points for News Corporation's television stations, broadcast and cable networks and circulation levels for News Corporation's newspapers are factors that are weighed when determining advertising rates, and with respect to News Corporation's television stations and broadcast and

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television networks, when determining the affiliate rates received by News Corporation. In addition, newer technologies, including new video formats, streaming and downloading capabilities via the Internet, video-on-demand, personal video recorders and other devices and technologies are increasing the number of media and entertainment choices available to audiences. Some of these devices and technologies allow users to view television or motion pictures from a remote location or on a time-delayed basis and provide users the ability for users to fast-forward, rewind, pause and skip programming. These technological developments are increasing the number of media and entertainment choices available to audiences and may cause changes in consumer behavior that could affect the attractiveness of News Corporation's offerings to viewers, advertisers and/or distributors. A decrease in advertising expenditures or reduced demand for News Corporation's offerings can lead to a reduction in pricing and advertising spending, which could have an adverse effect on News Corporation's businesses.

***Acceptance of News Corporation's film and television programming by the public is difficult to predict, which could lead to fluctuations in revenues.***

Feature film and television production and distribution are speculative businesses since the revenues derived from the production and distribution of a feature film or television series depend primarily upon its acceptance by the public, which is difficult to predict. The commercial success of a feature film or television series also depends upon the quality and acceptance of other competing films and television series released into the marketplace at or near the same time, the availability of a growing number of alternative forms of entertainment and leisure time activities, general economic conditions and other tangible and intangible factors, all of which can change and cannot be predicted with certainty. Further, the theatrical success of a feature film and the audience ratings for a television series are generally key factors in generating revenues from other distribution channels, such as home entertainment and premium pay television, with respect to feature films, and syndication, with respect to television series.

***The loss of carriage agreements could cause News Corporation's revenue and operating results to decline significantly in any given period or in specific markets.***

News Corporation is dependent upon the maintenance of affiliation agreements with third-party owned television stations, and there can be no assurance that these affiliation agreements will be renewed in the future on terms acceptable to News Corporation. The loss of a significant number of these affiliation arrangements could reduce the distribution of FOX Broadcasting Company, which we refer to as FOX and adversely affect News Corporation's ability to sell national advertising time. Similarly, News Corporation's cable networks maintain affiliation and carriage arrangements that enable them to reach a large percentage of cable and direct broadcast satellite households across the United States. The loss of a significant number of these arrangements or the loss of carriage on basic programming tiers could reduce the distribution of News Corporation's cable networks, which may adversely affect those networks' revenues from subscriber fees and their ability to sell national and local advertising time.

***The inability to renew sports programming rights could cause News Corporation's advertising revenue to decline significantly in any given period or in specific markets.***

The sports rights contracts between News Corporation, on the one hand, and various professional sports leagues and teams, on the other, have varying duration and renewal terms. As these contracts expire, renewals on favorable terms may be sought; however, third parties may outbid the current rights holders for the rights contracts. In addition, professional sports leagues or teams may create their own networks or the renewal costs could substantially exceed the original contract cost. The loss of rights could impact the extent of the sports coverage offered by News Corporation and its affiliates, as it relates to FOX, and could adversely affect News Corporation's advertising and affiliate revenues. Upon renewal, News Corporation's results could be adversely affected if escalations in sports programming rights costs are unmatched by increases in advertising rates and, in the case of cable networks, subscriber fees.

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***Technological developments may increase the threat of content piracy and signal theft and limit News Corporation's ability to protect its intellectual property rights.***

News Corporation seeks to limit the threat of content piracy and DBS programming signal theft; however, policing unauthorized use of News Corporation's products and services and related intellectual property is often difficult and the steps taken by News Corporation may not in every case prevent the infringement by unauthorized third parties. Developments in technology, including digital copying, file compressing and the growing penetration of high-bandwidth Internet connections, increase the threat of content piracy by making it easier to duplicate and widely distribute pirated material. In addition, developments in software or devices that circumvent encryption technology increase the threat of unauthorized use and distribution of DBS programming signals. News Corporation has taken, and will continue to take, a variety of actions to combat piracy and signal theft, both individually and, in some instances, together with industry associations. There can be no assurance that News Corporation's efforts to enforce its rights and protect its products, services and intellectual property will be successful in preventing content piracy or signal theft. Content piracy and signal theft present a threat to News Corporation's revenues from products and services, including, but not limited to, films, television shows, books and DBS programming.

***Labor disputes may have an adverse effect on News Corporation's business.***

In a variety of News Corporation's business, News Corporation and its partners engage the services of writers, directors, actors and other talent, trade employees and others who are subject to collective bargaining agreements, including employees of News Corporation's film and television studio operations and newspapers. If News Corporation or its partners are unable to renew expiring collective bargaining agreements, certain of which are expiring within the next year or so, it is possible that the affected unions could take action in the form of strikes or work stoppages. Actions by the unions, as well as higher costs in connection with these collective bargaining agreements or a significant labor dispute could have an adverse effect on News Corporation's business by causing delays in production or by reducing profit margins.

***Changes in U.S. or foreign communications laws and other regulations may have an adverse effect on News Corporation's business.***

In general, the television broadcasting and multichannel video programming and distribution industries in the United States are highly regulated by federal laws and regulations issued and administered by various federal agencies, including the Federal Communications Commission, which we refer to as the FCC. The FCC generally regulates, among other things, the ownership of media, broadcast and multichannel video programming and technical operations of broadcast and satellite licensees. Further, the United States Congress and the FCC currently have under consideration, and may in the future adopt, new laws, regulations and policies regarding a wide variety of matters, including technological changes, which could, directly or indirectly, affect the operations and ownership of News Corporation's U.S. media properties. Similarly, changes in regulations imposed by governments in other jurisdictions in which News Corporation, or entities in which News Corporation has an interest, operate could adversely affect its business and results of operations.

***Provisions in News Corporation's corporate documents, Delaware law and the ownership of News Corporation's Class B common stock by certain principal stockholders could delay or prevent a change of control of News Corporation, even if that change would be beneficial to News Corporation's stockholders.***

The existence of some provisions in News Corporation's corporate documents could delay or prevent a change of control of News Corporation, even if that change would be beneficial to News Corporation's stockholders. News Corporation's Restated Certificate of Incorporation and Amended and Restated By-laws, contain provisions that may make acquiring control of News Corporation difficult, including:

provisions relating to the classification, nomination and removal of directors;

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a provision prohibiting stockholder action by written consent;

provisions regulating the ability of News Corporation's stockholders to bring matters for action before annual and special meetings of News Corporation's stockholders; and

the authorization given to News Corporation's board of directors to issue and set the terms of preferred stock.

In addition, News Corporation currently has in place a stockholder rights plan, which would cause extreme dilution to any person or group that attempts to acquire a significant interest in News Corporation without advance approval of the News Corporation board of directors. Further, as a result of Mr. K. Rupert Murdoch's ability to appoint certain members of the board of directors of the corporate trustee of the Murdoch Family Trust, which, as of June 30, 2007, beneficially owned 1.6% of News Corporation's Class A common stock and 30.1% of the Class B common stock, Mr. K. Rupert Murdoch may be deemed to be a beneficial owner of the shares beneficially owned by the Murdoch Family Trust. Mr. K. Rupert Murdoch, however, disclaims any beneficial ownership of those shares. Also, Mr. K. Rupert Murdoch, as of June 30, 2007, beneficially owned an additional 1.2% of the News Corporation Class A common stock and 1.1% of the Class B common stock. Thus, Mr. K. Rupert Murdoch may be deemed to beneficially own, as of June 30, 2007, in the aggregate 2.7% of the News Corporation Class A common stock and 31.2% of the Class B common stock. If the transactions contemplated by the share exchange agreement by and among News Corporation, Liberty Media Corporation, and the other signatory parties thereto, dated December 22, 2006, referred to in this proxy statement/prospectus as the share exchange agreement, is consummated, News Corporation intends to redeem the rights issued under the stockholder rights plan at that time and to take the necessary steps to declassify its classified board structure. Further, if the transactions contemplated by share exchange agreement are consummated, the aggregate voting power represented by the shares of News Corporation Class B common stock held by Mr. K. Rupert Murdoch and the Murdoch Family Trust as of June 30, 2007, would increase to approximately 38.6% of News Corporation's aggregate voting power, subject to further increase to approximately 40.0% if News Corporation completes its previously announced stock repurchase program. For more information on the Share Exchange Agreement, please see the section entitled "Where You Can Find More Information" beginning on page 183.



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**THE PARTIES TO THE MERGER**

**Dow Jones & Company, Inc.**

200 Liberty Street

New York, NY 10281

Telephone: (212) 416-2000

Dow Jones & Company, Inc., a Delaware corporation, is a leading provider of global business and financial news and information through newspapers, newswires, magazines, the Internet, indexes, licensing, research products and services, television and radio. In addition, Dow Jones owns general-interest community newspapers throughout the U.S.

For more information about Dow Jones, please visit its website at [www.dowjones.com](http://www.dowjones.com). Dow Jones' website address is provided as an inactive textual reference only. The information provided on Dow Jones' website is not part of this proxy statement/prospectus and is not incorporated by reference. Dow Jones common stock is publicly traded on the NYSE under the symbol DJ. For more information on Dow Jones, see the section entitled "Where You Can Find More Information" beginning on page 183.

**News Corporation**

1211 Avenue of the Americas

New York, NY 10036

Telephone: (212) 852-7000

News Corporation, a Delaware corporation, is a diversified entertainment company with operations in eight industry segments: filmed entertainment; television; cable network programming; direct broadcast satellite television; magazines and inserts; newspapers; book publishing; and other. The activities of News Corporation are conducted principally in the United States, Continental Europe, the United Kingdom, Australia, Asia and the Pacific Basin. News Corporation had total assets as of June 30, 2007 of approximately US\$62 billion and total annual revenues of approximately US\$29 billion.

For more information about News Corporation, please visit its website at [www.newscorp.com](http://www.newscorp.com). News Corporation's website address is provided as an inactive textual reference only. The information provided on News Corporation's website is not part of this proxy statement/prospectus and is not incorporated by reference. News Corporation Class A common stock is publicly traded on the NYSE under the symbol NWS.A. For more information on News Corporation, see the section entitled "Where You Can Find More Information" beginning on page 183.

**Ruby Newco LLC**

c/o News Corporation

1211 Avenue of the Americas

New York, NY 10036

Telephone: (212) 852-7000

Ruby Newco LLC, a Delaware limited liability company and a direct, wholly owned subsidiary of News Corporation, was formed solely for the purpose of facilitating this merger. Newco has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the merger agreement. Upon completion of the proposed merger, Dow Jones will be a wholly owned subsidiary of Newco. Newco has made an election to be classified as a corporation for U.S. federal income tax purposes.



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**Diamond Merger Sub Corporation**

c/o News Corporation

1211 Avenue of the Americas

New York, NY 10036

Telephone: (212) 852-7000

Diamond Merger Sub Corporation, a Delaware corporation and a wholly owned subsidiary of Newco, was formed solely for the purpose of facilitating this merger. Merger Sub has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the merger agreement. Upon completion of the proposed merger, Merger Sub will be merged into Dow Jones, where upon its separate existence will cease to exist and Dow Jones will continue as a wholly owned subsidiary of Newco.

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**THE SPECIAL MEETING**

**Date, Time and Place**

Dow Jones will hold a special meeting of its stockholders at 10:00 a.m., Eastern Time, on Thursday, December 13, 2007 in the Grand Ballroom at the New York Marriott Financial Center, located at 85 West Street, New York, New York 10006, unless the special meeting is adjourned or postponed.

**Purpose of the Special Meeting**

At the special meeting, you will be asked to consider and vote on:

a proposal to approve and adopt the merger agreement; and

a proposal to adjourn the special meeting, if necessary to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve and adopt the merger agreement.

You may also be asked to act on other business, if any, that may properly come before the special meeting or any adjournment or postponement thereof. Dow Jones currently does not contemplate that any other business will be presented at the special meeting.

**Admission to the Special Meeting**

You are entitled to attend the special meeting only if you were a Dow Jones stockholder as of the close of business on November 2, 2007, the record date for the special meeting, or you hold a valid proxy for the special meeting. Dow Jones stockholders and their proxies who wish to attend the special meeting should be prepared to present photo identification at the special meeting. In addition, if you are a record holder of Dow Jones shares your ownership will need to be verified against the list of record holders as of the record date in order for you to be admitted to the special meeting. If you are not a record holder but hold Dow Jones shares through a broker, bank or other custodian (i.e., in street name), you will need to provide proof of beneficial ownership on the record date, such as your most recent account statement prior to the record or other similar evidence of ownership in order for you to be admitted to the special meeting. Anyone who does not provide photo identification or comply with the other procedures outlined above upon request will not be admitted to the special meeting.

**Method of Voting; Record Date; Stock Entitled to Vote**

You are being asked to vote both Dow Jones shares held directly in your name as a stockholder of record and any Dow Jones shares you hold in street name as a beneficial owner. Shares held in street name are shares held in a stock brokerage account or shares held by a broker, bank or other custodian.

The method of voting differs for shares held as a record holder and shares held in street name. Record holders will receive proxy cards, as further described below under Voting Procedures. Holders of shares in street name will receive voting instruction cards from their broker, bank or other custodian in order to instruct their brokers, banks or other custodians how to vote.

Proxies are being solicited on behalf of the Dow Jones board of directors in connection with the special meeting.

You may receive more than one set of voting materials, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you who hold Dow Jones shares in more than one brokerage account, you may receive a separate voting instruction card for each brokerage account in which your shares are held. If you are a Dow Jones stockholder of record whose shares are registered in more than one name, you will receive more than one proxy card. Therefore, the Dow Jones board of directors requests that you complete, sign, date and return each proxy card and voting instruction card you receive for the special meeting.

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You are entitled to receive notice of, and vote at, the special meeting and any adjournment of the special meeting only if you were a stockholder of Dow Jones at the close of business on November 2, 2007, the record date for the special meeting. On the record date, there were outstanding and entitled to vote approximately 67,434,089 shares of Dow Jones common stock and 18,999,608 shares of Class B common stock. The holders of Dow Jones common stock and the holders of Class B common stock will vote together as a single class on the proposals that will be voted upon at the special meeting. On each of the proposals, you will be entitled to one (1) vote per share of Dow Jones common stock you held as of the record date and ten votes (10) per share of Class B common stock you held as of the record date. A complete list of Dow Jones stockholders of record entitled to vote at the special meeting will be available during regular business hours for inspection for any purpose germane to the special meeting for a period of ten days prior to the special meeting at Dow Jones' offices, One World Financial Center, 200 Liberty Street, New York, New York 10281.

### **Quorum; Abstentions; Broker Non-Votes**

A quorum of Dow Jones stockholders is necessary to have a valid meeting of Dow Jones stockholders. A majority of the total voting power represented by the shares of Dow Jones common stock and Class B common stock outstanding on the record date and entitled to vote, counted together as a single class, must be present in person or by proxy at the special meeting in order for a quorum to be established.

Abstentions and broker non-votes count as present for establishing the quorum described above. A broker non-vote occurs when the broker has not received instructions from the beneficial owner of the shares as to how to vote the shares. It is expected that brokers, banks and other custodians, in the absence of instructions from the beneficial owners of Dow Jones shares will not have discretionary voting authority to vote those shares on the proposal to approve and adopt the merger agreement or the proposal to adjourn the special meeting, if necessary to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve and adopt the merger agreement.

Because the proposal to approve and adopt the merger agreement requires the affirmative vote of a majority of the votes entitled to be cast by the holders of Dow Jones common stock and Class B common stock at the special meeting, voting together as a single class, if any of you abstain, do not vote any of your Dow Jones shares on the merger proposal or fail to instruct your broker on how to vote any of your Dow Jones shares held on your behalf by the broker, this will have the same effect as a vote of these shares against the approval and adoption of the merger agreement.

The proposal to adjourn the special meeting, if necessary to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve and adopt the merger agreement requires the affirmative vote of a majority of the aggregate voting power of the shares of Dow Jones common stock and Class B common stock present in person or by proxy and entitled to vote at the special meeting, voting together as a single class. Accordingly, if you abstain or are present in person or by proxy and do not vote any of your Dow Jones shares on this proposal, this will have the same effect as a vote of these shares against this proposal. If you fail to instruct your broker on how to vote any of your Dow Jones shares held on your behalf by the broker with respect to this proposal, the resulting broker non-vote will not be counted as votes for or against this proposal.

### **Adjournment**

If the special meeting is adjourned to another time or place, notice of the adjourned meeting need not be given as long as the time and place thereof are announced at the special meeting at which the adjournment is taken, unless the adjournment is for more than thirty (30) days or a new record date is fixed for the adjourned meeting, in which event a notice of the adjourned meeting will be given to each Dow Jones stockholder of record entitled to vote at the adjourned special meeting.

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### **Required Votes**

The affirmative vote of a majority of the votes entitled to be cast by the holders of Dow Jones common stock and Class B common stock at the special meeting, voting together as a single class, is required to approve and adopt the merger agreement. Certain holders of Dow Jones common stock and Class B common stock have agreed to vote Dow Jones shares representing approximately 37% of Dow Jones total voting power outstanding as of July 31, 2007 in favor of the adoption of the merger agreement. See the section entitled Voting and Support Agreement beginning on page 115 of this proxy statement/prospectus.

The proposal to adjourn the special meeting, if necessary to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve and adopt the merger agreement requires the affirmative vote of a majority of the aggregate voting power of the shares of Dow Jones common stock and Class B common stock present in person or by proxy and entitled to vote at the special meeting, voting together as a single class.

### **Share Ownership of Directors and Executive Officers of Dow Jones**

As of the close of business on November 2, 2007, directors and executive officers of Dow Jones held approximately 612,307 shares of Dow Jones common stock and 711,761 shares of Dow Jones Class B common stock, or approximately 3.0% of the total voting power, of Dow Jones outstanding on that date. These numbers do not include Dow Jones shares held in various trusts for the benefit of members of the Bancroft family in their capacity as trustees of those trusts. Certain directors of Dow Jones share voting power with other trustees over the Dow Jones shares held by those trusts.

### **Voting Procedures**

#### ***Submitting Proxies or Voting Instructions***

Whether you hold shares of Dow Jones common stock or Class B common stock directly as a stockholder of record or in street name, you may direct the voting of those shares without attending the special meeting. You may vote Dow Jones shares held directly by granting proxies or, for shares held in street name, by submitting voting instructions to your brokers, banks or other custodians.

If you are a record holder of shares of Dow Jones common stock and/or Class B common stock, you may submit a proxy:

by calling the toll-free telephone number specified on your proxy card;

via the Internet at the website specified on your proxy card; or

by completing, signing and dating your proxy card and mailing it in the accompanying pre-addressed envelopes.

To ensure that your proxy is voted, a telephonic or Internet vote should be received by 11:59 p.m. Eastern Time the day prior to the special meeting; a vote on a physical proxy card should be received prior to the closing of the polls at the special meeting.

If you are a Dow Jones stockholder of record and do not include instructions on how to vote your properly signed proxy card and do not revoke your proxy, your shares will be voted FOR the proposal to approve and adopt the merger agreement, FOR the proposal to adjourn the special meeting, if necessary to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve and adopt the merger agreement and (to the extent allowed by applicable law) in the discretion of the proxy holders on any other business that may properly come before the special meeting or any adjournment or postponement thereof.

If you are a Dow Jones stockholder of record, you may also vote in person at the special meeting by submitting your proxy card or by filling out a ballot at the special meeting.



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If you hold your Dow Jones shares in street name, you must follow the voting instructions on the form you receive from your bank, broker or other custodian. Although most banks and brokers now offer telephone and Internet voting, availability and specific processes will depend on their voting arrangements.

If you hold your shares of Dow Jones in street name, you may not vote those shares in person at the special meeting unless they bring a signed proxy from the record holder giving you the right to vote those shares and fill out a ballot at the special meeting.

### ***Revoking Proxies or Voting Instructions***

Dow Jones stockholders may change their votes at any time prior to the vote at the special meeting. If you are a Dow Jones stockholder of record, you may change your vote by delivering to Dow Jones Corporate Secretary, at Dow Jones offices, One World Financial Center, 200 Liberty Street, New York, New York 10281, a new, executed proxy card bearing a later date (which automatically revokes any earlier proxy) or a written notice of revocation or by submitting a new proxy by telephone or via the Internet or by attending the special meeting and voting in person. Attendance at the special meeting in and of itself will not cause your previously granted proxies to be revoked; you must vote at the special meeting to revoke a prior proxy.

For Dow Jones shares you hold in street name, you may change your vote by submitting new voting instructions to your bank, brokers or custodian or by attending the special meeting and voting in person, provided that you have obtained a signed proxy from the record holder giving you the right to vote those shares.

### ***Proxy Solicitation***

News Corporation and Dow Jones will share equally all fees and costs associated with printing and filing this proxy statement/prospectus and the registration statement, of which this proxy statement/prospectus forms a part, that has been filed with the SEC. Other than the costs shared with News Corporation noted above, the cost of soliciting proxies from Dow Jones stockholders will be paid by Dow Jones.

In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made in person or by telephone, facsimile, telegram or electronic means by Dow Jones directors, officers and employees, who will not receive any additional compensation for these solicitation activities.

Dow Jones has retained D.F. King to assist it in the solicitation of proxies. Dow Jones estimates that its proxy solicitor fees will be approximately \$15,000 plus out-of-pocket expenses.

### ***Contact for Questions and Assistance in Voting***

If you have a question about the merger, or how to vote or revoke a proxy, or you wish to obtain additional copies of this proxy statement/prospectus, please contact:

D.F. King & Co., Inc.

48 Wall Street

New York, New York 10005

Telephone: (800) 967-7635



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### **THE MERGER**

The following is a description of the material aspects of the merger. While we believe that the following description covers the material terms of the merger, the description may not contain all of the information that may be important to you. The discussion of the merger in this proxy statement/prospectus is qualified in its entirety by reference to the merger agreement, which is attached to this proxy statement/prospectus as Annex A. We encourage you to read carefully this entire proxy statement/prospectus, including the merger agreement, for a more complete understanding of the merger.

#### **Background of the Merger**

On March 14, 2007, K. Rupert Murdoch, chairman and chief executive officer of News Corporation, contacted Richard F. Zannino, chief executive officer and a director of Dow Jones, to arrange a meeting.

On March 29, 2007, Messrs. Murdoch and Zannino met for breakfast. At the end of the meeting, Mr. Murdoch reiterated his long-standing interest in acquiring Dow Jones and informed Mr. Zannino that News Corporation was considering making a proposal to acquire all of the outstanding shares of Dow Jones for \$60.00 per share. Mr. Zannino replied that Dow Jones could not be sold without the approval of the various Bancroft family members and the trustees of the trusts for the benefit of the Bancroft family members, and that the Bancroft family members and trustees, through their representatives on the Dow Jones board of directors, had repeatedly and very recently expressed their desire for Dow Jones to remain independent. Mr. Murdoch indicated that News Corporation was planning to make its proposal directly to the Dow Jones board of directors and that Mr. Murdoch intended to contact Harvey Golub, an outside director of Dow Jones, to discuss how to do so. Later on March 29, 2007, Mr. Murdoch left a message for Mr. Golub at his office.

Immediately after the breakfast meeting on March 29, 2007, Mr. Zannino informed Joseph A. Stern, Executive Vice President, General Counsel and Secretary of Dow Jones, of his conversations with Mr. Murdoch. Shortly thereafter, Messrs. Zannino and Stern consulted with Dow Jones outside legal counsel Fried, Frank, Harris, Shriver & Jacobson LLP and informed Peter Kann, then chairman of Dow Jones board of directors and former chief executive officer of Dow Jones, and Michael B. Elefante, a member of the board of directors of Dow Jones, a trustee for, and a partner of the law firm representing a significant number of, the trusts for the benefit of various Bancroft family members, of these conversations. Messrs. Zannino and Stern also attempted to contact Mr. Golub by telephone and e-mail, but he was out of the country at the time.

On March 30 and April 3, 2007 Messrs. Zannino and Stern briefed M. Peter McPherson, the incoming chairman of Dow Jones board of directors, and Mr. Golub, respectively, on the interest in a potential transaction conveyed by Mr. Murdoch at the March 29 breakfast meeting. Between April 4 and April 12, 2007, Mr. Stern individually contacted and advised various directors of Dow Jones of News Corporation's interest in acquiring Dow Jones.

Mr. Golub returned Mr. Murdoch's call on April 4, 2007 and was informed that Mr. Murdoch was out of the country. On April 11, 2007, Mr. Golub and Mr. Murdoch spoke directly by telephone. Mr. Murdoch stated that News Corporation was interested in acquiring Dow Jones and requested a meeting with Mr. Golub to discuss how he might proceed. Mr. Golub advised Mr. Murdoch that, if he wished to communicate with the Bancroft family, he should speak to Mr. Elefante and, if News Corporation wished to communicate with Dow Jones board of directors, News Corporation should do so formally and submit a letter to Dow Jones.

On April 13, 2007, Mr. Zannino received a telephone call from Mr. Murdoch advising him that News Corporation's board of directors was considering an offer to acquire Dow Jones and, if the offer was approved, News Corporation would send, prior to its next regularly scheduled board meeting to be held April 18, 2007, a written offer to acquire all of the outstanding shares of Dow Jones to the Dow Jones board of directors. Mr. Zannino informed Mr. Stern, several members of the Dow Jones board and representatives of Fried Frank of this conversation with Mr. Murdoch.

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On April 13, 2007, the Dow Jones board of directors held a special telephonic meeting. The board discussed Mr. Zannino's recent conversations with Mr. Murdoch. At the meeting, representatives of Fried Frank discussed with the members of the board of directors their duties under the circumstances.

On April 17, 2007, at a meeting of the board of directors of News Corporation, the board of directors of News Corporation formally approved the terms of a proposal to acquire all of the outstanding shares of Dow Jones' common stock and Class B common stock at a per share price of \$60.00.

Later on April 17, 2007, News Corporation sent a letter to Dow Jones presenting News Corporation's written proposal to acquire all of the outstanding shares of Dow Jones' common stock and Class B common stock for \$60.00 per share in cash or a combination of cash and securities. The letter indicated that the proposed transaction would not be subject to any financing condition or approval by the stockholders of News Corporation.

At a regularly scheduled meeting on April 18, 2007, the board of directors of Dow Jones discussed the News Corporation proposal. At the meeting, a representative of Fried Frank discussed with the members of the Dow Jones board of directors their fiduciary duties in light of the News Corporation proposal. Also at the meeting, the board of directors requested that Mr. Elefante determine the views of the various Bancroft family members and the trustees of trusts for the benefit of Bancroft family members with respect to the News Corporation proposal. Mr. Elefante advised the board of directors that certain Bancroft family trusts intended to engage Merrill Lynch & Co. as their financial advisor in connection with their evaluation of the News Corporation proposal, and that he would seek to inform the board of directors of the positions of various Bancroft family members and trustees with respect to the proposal by the end of the week of April 23, 2007.

Also, at its April 18 meeting, the Dow Jones board of directors established an ad-hoc committee of the board consisting of Lewis B. Campbell and Messrs. McPherson and Golub, with Mr. Zannino as an ex officio member. The board delegated to the ad-hoc committee the authority to oversee the process of considering the News Corporation proposal and to address any issues that might arise in connection with the News Corporation proposal.

Following the board meeting on April 18, the board of directors of Dow Jones retained Simpson Thacher & Bartlett LLP to represent the outside directors of Dow Jones, other than Mr. Elefante, Mr. Bancroft, Ms. Hill and Ms. Steele, who are referred to in this proxy statement/prospectus as the Bancroft family directors, in connection with their evaluation of the News Corporation proposal. Also, on April 18, Dow Jones sent a letter to News Corporation advising News Corporation that the board of directors of Dow Jones had asked representatives of the various Bancroft family members and trustees to inform the board as to the views of the various Bancroft family members and trustees concerning the News Corporation proposal.

During this period there were various informal communications between executives of News Corporation and executives of Dow Jones.

On April 26, 2007, News Corporation sent a letter to Dow Jones reaffirming News Corporation's interest in a transaction with Dow Jones. In the April 26 letter Mr. Murdoch requested that Mr. McPherson inform the Bancroft family members, trustees and advisors Mr. Murdoch's request to meet in person with members or representatives of the Bancroft family.

On April 27, 2007, Dow Jones sent a letter to News Corporation acknowledging that it had forwarded News Corporation's April 26, 2007 letter to representatives of the Bancroft family and the board of directors of Dow Jones. Also on April 27, 2007, the board of directors of Dow Jones held a special meeting by teleconference. At the meeting, the directors discussed News Corporation's April 26 letter. In addition, Mr. Elefante indicated that he was still in the process of seeking to ascertain from the various Bancroft family members and the trustees of trusts for their benefit their views on the News Corporation proposal. Mr. Elefante

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indicated that at that time the proposal had not been rejected by Bancroft family members and the trustees of trusts for their benefit holding a majority of the voting power of Dow Jones. Mr. Elefante also advised the board that certain of the Bancroft family stockholders could have interests that are different from those of the Dow Jones board of directors and that those stockholders may want to be involved and communicate directly with News Corporation regarding its proposal. After further discussion, the Bancroft-family directors departed from the meeting and the remaining directors held an executive session in which they discussed possible courses of action in light of the News Corporation proposal. Representatives of Fried Frank and Simpson Thacher reviewed certain legal implications following from Mr. Elefante's report. The non-family members of the board of directors discussed and recommended that the ad-hoc committee retain a financial advisor for Dow Jones to assist in the evaluation of the News Corporation proposal and any other transactions that may become available. Representatives of Fried Frank and Simpson Thacher discussed with the non-family board members factors the board should consider in the event News Corporation were to offer different prices for the shares held by members of the Bancroft family and trusts for their benefit and for the shares held by the public stockholders of Dow Jones. The board members directed Mr. McPherson to contact Mr. Elefante after the meeting adjourned and communicate to him that it was the board's objective that there be no such price differential in any transaction. Mr. McPherson informed Mr. Elefante of this message.

Following the board meeting on April 27, 2007, the ad-hoc committee held a telephonic meeting at which it determined to engage Goldman Sachs as the financial advisor to Dow Jones.

On May 1, 2007, the media reported on News Corporation's proposal to acquire Dow Jones at \$60.00 per share. Also on May 1, News Corporation sent a letter to Mr. Elefante which indicated that Mr. Murdoch and other members of his family, together with other representatives of News Corporation, would like to meet in person with members of the Bancroft family. Immediately following the news reports, Dow Jones and News Corporation issued separate press releases confirming the News Corporation proposal.

Later on May 1, 2007, the board of directors of Dow Jones held a special meeting by telephone to discuss the day's developments. At the May 1 meeting, Mr. Elefante informed the Dow Jones board of directors that members of the Bancroft family and the trustees of trusts for their benefit holding slightly more than 50% of Dow Jones' total voting power had advised him that they would vote their shares against the News Corporation proposal. On the evening of May 1, 2007, Dow Jones issued a press release announcing the position of the various Bancroft family members and trustees with respect to the News Corporation proposal and stating that the Dow Jones board of directors would factor this information into its evaluation.

On May 2, 2007, the Dow Jones board of directors held a special meeting to discuss the status of the News Corporation proposal. At the meeting, Mr. Zannino summarized the events of the last several days and reviewed in general terms the options available to Dow Jones, which included remaining an independent company or considering a strategic transaction, including the proposal from News Corporation. Representatives of Goldman Sachs discussed with the board of directors the News Corporation proposal, management's long range plan for Dow Jones on a stand-alone basis, general observations about the newspaper and information service industries and other potential transaction partners. Goldman Sachs also reported to the board of directors its previous business and banking relationships with News Corporation.

At the May 2 board meeting, Mr. Elefante reported to the board that, based on discussions with various Bancroft family members and trustees of trusts for their benefit, approximately 52% of the outstanding voting power of Dow Jones as of May 1, 2007, would vote against the News Corporation proposal. Messrs. Elefante and Bancroft and Mesdames Hill and Steele recused themselves from the meeting and the non-family directors discussed Mr. Elefante's report and considered various alternatives for addressing the situation. Representatives of Fried Frank and Simpson Thacher then reviewed with the non-family members of the board of directors their fiduciary duties in connection with their consideration of the proposal by News Corporation and any alternative transaction in the context of Mr. Elefante's report. In light of the report from Mr. Elefante and the fact that under Delaware law approval of a merger requires a vote of a majority of Dow Jones' outstanding voting power, and

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after consulting with representatives of Fried Frank and Simpson Thacher, the board of directors determined to take no action in response to the News Corporation proposal at that time. On the evening of May 2, 2007, Dow Jones issued a press release disclosing the board's determination. Also on May 2, Dow Jones sent a letter to News Corporation advising News Corporation of the board's determination.

During the week of May 7, 2007, a senior executive of Dow Jones Consumer Media Group was contacted by an executive at a subsidiary of a public company, which we refer to as Company A. The Company A executive indicated that Company A might be interested in pursuing an acquisition of Dow Jones, in partnership with a third-party. Mr. Zannino subsequently had conversations with senior executives of Company A reiterating its potential interest in acquiring Dow Jones, together with one or more other partners. Although the Company A executives mentioned a large technology company, which we refer to as Company B as a possible partner, neither Company A nor Company B provided price or other specific details about the structure or terms of a possible transaction between them and Dow Jones.

Also during the week of May 7, senior executives of Company C, a publicly traded international media company, contacted a representative of Goldman Sachs and expressed interest in a potential joint operating arrangement or other opportunities for possible collaboration with Dow Jones. No specific proposal was made.

On May 11, 2007, News Corporation sent a letter to the Bancroft family reiterating Mr. Murdoch's desire to meet with members of the Bancroft family. The letter described News Corporation's plans for investing in Dow Jones and indicated News Corporation would address various governance and journalistic integrity issues. In that connection, News Corporation stated that if it were to acquire Dow Jones it would be prepared to mirror the editorial board structure used at the *Times of London* with respect to *The Wall Street Journal* and Dow Jones' other publications and offered to appoint a member of the Bancroft family to the News Corporation board of directors.

On May 16, 2007, at a regularly scheduled meeting of the Dow Jones board of directors, the directors discussed the News Corporation proposal. The board also discussed the recently announced merger agreement between Reuters Group plc and The Thomson Corporation, as well as recent trends in the market for newspaper advertising. The board reviewed the events to date, including the communications with executives of Company A. The board of directors also discussed its prior determination to take no action with respect to the News Corporation proposal and requested that Mr. Elefante ascertain from the various Bancroft family members and trustees of trusts for their benefit their then current views on the News Corporation proposal in light of the events that had transpired since they had last advised Mr. Elefante of their views of the News Corporation proposal. Mr. Elefante agreed to do so.

At a special meeting of the Dow Jones board of directors held on May 31, 2007, Mr. Elefante informed the board of directors that a significant percentage of members of the Bancroft family and trustees of trusts for their benefit had reached a consensus that the mission of Dow Jones might be better accomplished in combination or collaboration with another organization, which could include News Corporation. Mr. Elefante also advised the board that, in light of this point of view, the Bancroft family directors intended to meet with representatives of News Corporation to determine whether, in the context of the current or any modified News Corporation proposal, an agreement could be reached to maintain the journalistic and editorial integrity and independence of Dow Jones and its publications. Mr. Elefante reported that a significant percentage of the Bancroft family members and trustees would also be receptive to other options that might achieve the same overarching objective. Mr. Elefante further stated that, if an agreement could be reached, he would report back to the board of directors and representatives of Bancroft family members and trustees would then work together with the board to negotiate all other terms of News Corporation's proposal, including price. Mr. Elefante also stated that representatives of Bancroft family members and trustees would discuss with senior management, including senior editors, their views on journalistic and editorial integrity and independence. In light of the consensus of the Bancroft family members and trustees, the board of directors determined to consider all strategic options available to Dow Jones, including the News Corporation proposal. In the evening on May 31, 2007, Dow Jones

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issued a press release announcing the board's determination. That evening a public statement was issued on behalf of Bancroft family members and trustees announcing the consensus of the Bancroft family members and trustees.

On June 4, 2007, Messrs. Elefante, Bancroft and McPherson, Mesdames Hill and Steele and representatives of Wachtell, Lipton, Rosen & Katz, counsel to certain Bancroft family members and trustees, met with Mr. Murdoch, James Murdoch, Chief Executive Officer of British Sky Broadcasting plc, Lawrence A. Jacobs, Senior Executive Vice President and Group General Counsel of News Corporation and David DeVoe, Senior Executive Vice President and Chief Financial Officer of News Corporation. At the meeting the parties exchanged proposals for structures to safeguard the journalistic and editorial integrity and independence of the Dow Jones publications in the event of a sale of Dow Jones to News Corporation.

On June 4, 2007, the Independent Association of Publishers' Employees (IAPE), a union that represents employees of Dow Jones, announced that it had retained advisors to explore alternatives to the News Corporation proposal to acquire Dow Jones. On June 5, 2007, an individual whom we refer to as Mr. D announced that he was interested in working with IAPE to explore strategic alternatives available to Dow Jones. Neither IAPE nor Mr. D subsequently made any proposal for a transaction with Dow Jones.

On June 6 and June 7, 2007, members of the ad-hoc committee, Mr. Stern and representatives of Goldman Sachs, Fried Frank and Simpson Thacher met with Mr. Elefante and representatives of Merrill Lynch and Wachtell Lipton to discuss the negotiations with News Corporation and the process for approaching and responding to proposals for alternative transactions. The participants agreed that Goldman Sachs and Merrill Lynch would coordinate their activities with the objective of generating value for all Dow Jones stockholders. In that connection, it was also agreed that Goldman Sachs and Merrill Lynch would, in coordination with each other, approach and respond to potential transaction partners for Dow Jones to ascertain their interest in a transaction with Dow Jones and report back to the ad-hoc committee on the results of these contacts. The participants also agreed that representatives of the various Bancroft family members and trustees would be responsible for negotiating with News Corporation with respect to the preservation of the journalistic and editorial integrity and independence of the Dow Jones publications. Furthermore, the ad-hoc committee agreed to consider whether, and to what extent, Dow Jones should pay the fees and expenses of Merrill Lynch.

Commencing on June 7, 2007 and continuing through July 27, 2007, Goldman Sachs and Merrill Lynch approached or were contacted by 18 potential transaction partners about their possible interest in a transaction with Dow Jones, in addition to the four parties, including News Corporation, that had previously indicated an interest in a transaction with Dow Jones.

On June 8, 2007, at a special meeting of the Dow Jones board of directors, Mr. McPherson updated the board of directors on the substance of the June 6 and June 7, 2007 committee meetings and on the status of the negotiations relating to the News Corporation proposal. In light of agreement at the June 6 and June 7, 2007 meetings that Goldman Sachs and Merrill Lynch would work closely with each other in connection with any potential transaction and in recognition of the critical nature of the support of Bancroft family members and trustees of any transaction involving Dow Jones, the board of directors voted to expand the ad-hoc committee to add Mr. Elefante as a member.

In early June, a Goldman Sachs representative contacted an executive of Company B to discuss Company B's potential interest in a transaction with Dow Jones. The Company B executive indicated that Company B would be interested in a transaction involving the purchase of select assets of Dow Jones, but not in an acquisition of the entire company.

Also in early June, representatives of Company C informed representatives of Goldman Sachs that Company C was conducting preliminary discussions with Company A regarding the possibility of a joint bid for Dow Jones.

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On June 19, 2007, the ad-hoc committee held a special meeting to discuss the status of the negotiations between representatives of the Bancroft family members and trustees and News Corporation regarding journalistic and editorial integrity and independence.

On June 20, 2007, at a regularly scheduled meeting of the board of directors of Dow Jones, the board of directors, including Bancroft family directors, concluded that the best way to continue to evaluate the News Corporation proposal was for the board of directors to take the lead in addressing all aspects of the proposal, including the method for safeguarding the journalistic and editorial integrity and independence of the Dow Jones publications, and all other strategic options available to Dow Jones, including remaining independent, with the recognition that the approval of a majority of the Dow Jones stockholders, including stockholders who are Bancroft family members and trustees, would be required in connection with any potential transaction. The board of directors believed that its involvement could facilitate the negotiations with News Corporation regarding journalistic and editorial integrity and independence. In that connection, the board of directors appreciated that the Bancroft family members and trustees remained firm in the view that any transaction must include appropriate provisions with respect to journalistic and editorial integrity and independence. After the meeting, Dow Jones issued a press release announcing the board's conclusion.

Also on June 20, 2007, the Dow Jones board of directors received a letter from an individual whom we refer to as Mr. E containing a proposal for a transaction in which a group of investors led by Mr. E would purchase from existing Dow Jones stockholders approximately 25% of the outstanding shares of Dow Jones at \$60.00 per share, purchase approximately \$250 million in stock from Dow Jones at \$60.00 per share and be granted the right to appoint two new directors to the Dow Jones board. The letter did not identify the members of Mr. E's investment group.

Later on June 20, 2007, Company F, a private investment company that had previously indicated an interest in acquiring Dow Jones, executed a confidentiality agreement with Dow Jones. On June 21, 2007, members of Dow Jones management made a presentation to Company F executives regarding Dow Jones. Representatives of Company F subsequently indicated that it would not be able to make a proposal for an acquisition of Dow Jones at a price per share of \$60.00 or more. No proposal was made by Company F for any transaction with Dow Jones.

Later on June 21, 2007 Company A and Company C each issued a statement acknowledging that they had conducted exploratory discussions with each other regarding a possible combination of a subsidiary of Company A, a subsidiary of Company C, and Dow Jones and announcing that they had decided not to pursue this combination.

On June 21, 2007, a representative of Goldman Sachs and Mr. DeVoe discussed the process for negotiating the terms of an agreement regarding journalistic and editorial integrity and independence of the Dow Jones publications. During that discussion, the Goldman Sachs representative indicated to Mr. DeVoe that the parties would still need to reach agreement on the other terms of any proposed transaction, including price, and that Dow Jones was seeking an increase in the \$60.00 price offered by News Corporation. The Goldman Sachs representative subsequently reiterated to Mr. DeVoe Dow Jones' request for a price increase on several occasions. On each such occasion, Mr. DeVoe indicated News Corporation's unwillingness to raise the \$60.00 price.

On June 21 and June 22, 2007, at meetings of the ad-hoc committee, Goldman Sachs summarized the status of recent discussions and meetings with various interested parties regarding a possible transaction with Dow Jones. The ad-hoc committee discussed a proposed term sheet for an agreement to maintain the journalistic and editorial integrity and independence of the Dow Jones publications. This term sheet was based on the term sheet the representatives of the Bancroft family members and trustees had previously prepared and included input from those representatives and senior editors at Dow Jones. Following these meetings, Goldman Sachs delivered the proposed term sheet to News Corporation.

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On June 23, 2007, the ad-hoc committee met to discuss the conversations that Mr. Zannino and representatives of Goldman Sachs had had with representatives of News Corporation concerning the proposed term sheet on journalistic and editorial integrity and independence.

On June 24, 2007, Mr. Jacobs of News Corporation delivered to representatives of Simpson Thacher and Wachtell Lipton a revised term sheet reflecting News Corporation's revised proposal on the agreement to maintain the journalistic and editorial integrity and independence of the Dow Jones publications. On June 24 and 25, 2007, members of senior management of Dow Jones conferred with senior editors of *The Wall Street Journal* concerning the revised term sheet and potential modifications. Also on June 24 and June 25, 2007, the ad-hoc committee met to discuss the revised term sheet and potential modifications. The discussions with the senior editors of *The Wall Street Journal* and amongst the members of the ad-hoc committee covered the structure and scope of authority and jurisdiction of the special committee as contemplated by the term sheet, the process for selecting members of the special committee, the importance of ensuring that Dow Jones' existing code of conduct would continue to apply to Dow Jones publications and journalists and the enforcement mechanism to be included in the definitive agreement that would be prepared based on the term sheet. On June 25, 2007, Mr. Stern and Mr. Jacobs engaged in a series of discussions and in-person meetings to review and negotiate the revised term sheet. Later on June 25, Mr. Stern reported to the ad-hoc committee on the discussions he had had with Mr. Jacobs regarding the term sheet.

On June 26, 2007, Dow Jones, with the concurrence of the senior editors of *The Wall Street Journal*, and News Corporation reached an agreement in principal on terms of an arrangement to protect the journalistic and editorial integrity and independence of the Dow Jones publications.

On June 27, 2007, Fried Frank delivered an initial draft of a proposed merger agreement to Skadden, Arps, Slate, Meagher & Flom LLP, News Corporation's outside legal counsel.

Early on June 28, 2007, News Corporation executed a confidentiality agreement with Dow Jones. Later that day, Dow Jones senior management made a presentation to executives of News Corporation regarding Dow Jones and its business. Subsequently, News Corporation and its representatives were provided access to an electronic data room. Beginning on June 28, 2007 and continuing through this period, News Corporation representatives conducted due diligence through this electronic data room and interactions with Dow Jones and its representatives.

Skadden Arps delivered comments on the draft merger agreement to Fried Frank on June 29, 2007. During the period from July 9, 2007 to July 31, 2007, Fried Frank and Skadden Arps exchanged multiple drafts of the merger agreement and held a number of meetings and conference calls to negotiate the terms of the merger agreement, including the structure of the proposed transaction. Simpson Thacher also participated in these negotiation sessions. Wachtell Lipton also reviewed, and discussed with Fried Frank and Simpson Thacher, these multiple drafts. The structure of the proposed transaction that was reflected in these multiple drafts was highly negotiated and was driven by each party's desire to meet particular objectives in the merger transaction. As described above, early on in the process News Corporation indicated its willingness to structure a transaction as part-cash, part-stock if that were desirable to Dow Jones. Dow Jones' board of directors was informed by representatives of the Bancroft family members and trustees that certain of the Bancroft family members and trusts might wish to receive equity consideration in the proposed transaction so that they could obtain the tax benefits associated with an equity exchange. The Dow Jones board of directors also believed that the possibility of an opportunity for some Dow Jones shares to be exchanged for equity could be attractive for Dow Jones stockholders generally. Accordingly, Dow Jones' board of directors sought a transaction structure that included an equity component so that Dow Jones stockholders would have an opportunity to receive tax-free treatment for a portion of the consideration that they would receive in the transaction. In that connection, Dow Jones' initial draft of the merger agreement proposed that the transaction be effected through the use of an acquisition structure under which an unlimited number of Dow Jones stockholders could receive possible tax-free treatment of the equity consideration, in the form of Class A common stock of News Corporation for an unlimited, and no minimum, number of Dow Jones shares. Although News Corporation preferred to effect an all-cash merger, it had previously offered, and was willing to enter into, a transaction providing for a combination of cash and

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equity securities. However, News Corporation believed that the proposed structure was unduly complicated and raised potential regulatory and other issues. Instead, News Corporation proposed an alternative transaction structure under which Dow Jones stockholders could elect to receive cash consideration or Class A common stock of News Corporation. However, under this structure, for the Dow Jones stockholders to benefit from possible tax-free treatment for their equity consideration, Dow Jones stockholders would have been required to receive equity consideration for at least 40% of the outstanding Dow Jones shares, even if holders of less than 40% of the Dow Jones shares elected to receive equity consideration. This structure was not acceptable to Dow Jones because it could have required what the Dow Jones board of directors believed was a significant number of Dow Jones stockholders who desired to receive cash for their Dow Jones shares to receive equity consideration instead. To balance these competing interests, the parties developed a cash-based structure with a unit election feature that would offer Dow Jones stockholders the opportunity to benefit from possible tax-free treatment of any equity consideration that they receive in the merger. In connection with News Corporation's objective that Newco not incur costs associated with Newco continuing as a reporting company under the Exchange Act for years following 2007 and keeping in view the fact that Exchange Act reporting requirements would continue in effect if there were 300 or more record holders of Newco securities after the merger, News Corporation insisted on limiting to 250 the number of Dow Jones stockholders who will be entitled to receive the unit consideration in the merger. The Dow Jones board of directors believed this to be an acceptable limitation because the board, after consultation with Goldman Sachs, was of the view that there would be a limited number of Dow Jones stockholders who would elect to receive equity securities rather than cash in the proposed transaction and the view of a representative of the Bancroft family members and trustees that it appeared unlikely that a significant amount of equity would be elected by Bancroft family members and trustees. The parties also agreed to limit to 8,599,159 the number of shares of Dow Jones that could be converted into Newco Class B common units. This was intended to balance News Corporation's expressed desire to limit the number of Newco Class B common units issued in the merger with the desire of Dow Jones' board of directors to provide Dow Jones stockholders with an opportunity to benefit from possible tax-free treatment of the equity consideration. News Corporation's desire to limit the number of Dow Jones shares convertible into unit consideration to 8,599,159, or approximately 10% of the aggregate outstanding shares of Dow Jones, was motivated by News Corporation's preference for a cash-based acquisition and its objective to ensure that Newco would be consolidated with News Corporation for tax purposes. The transaction was structured to give priority to the unit elections made by the 250 Dow Jones stockholders of record who make unit elections for the greatest number of shares so that those Dow Jones stockholders who are willing to invest the most in Newco, based on the number of shares for which they make unit elections, would be most likely to have their elections honored. The Dow Jones board of directors was aware, however, that this prioritization could benefit members of the Bancroft family and trusts for their benefit or other Dow Jones stockholders with a significant share interest in Dow Jones if a significant number of them were to make a unit election with respect to a significant number of Dow Jones shares.

During the same period, Skadden Arps provided Wachtell Lipton, Fried Frank and Simpson Thacher with a draft of a voting and support agreement which News Corporation sought from members of the Bancroft family and trustees of trusts for their benefit as a condition to entering into the merger agreement. Wachtell Lipton and Skadden Arps exchanged multiple drafts of this agreement and held discussions regarding the terms on which members of the Bancroft family and trustees of trusts for their benefit would agree to support a transaction with News Corporation by the execution of a voting and support agreement.

On July 3, 2007, at a special meeting of the Dow Jones board of directors Messrs. Zannino and Stern updated the directors on the progress of the negotiations relating to a potential transaction, including the status of the proposed agreement to maintain the journalistic and editorial integrity and independence of the Dow Jones publications. Representatives of Goldman Sachs reviewed their discussions about financial terms with News Corporation, including the objective that a portion of the consideration be in the form of securities that Dow Jones stockholders could receive on a tax-free basis. Goldman Sachs also discussed with the board of directors the status of its discussions with other potential transaction partners.

On July 9, 2007, after having received input from Mr. Stern, Simpson Thacher and Wachtell Lipton, Fried Frank delivered to Skadden Arps an initial draft of a proposed agreement reflecting the terms of the previously



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agreed upon arrangement for protecting the journalistic and editorial integrity and independence of the Dow Jones publications. We refer to this agreement as the editorial agreement. Skadden Arps delivered comments on the draft editorial agreement to Fried Frank on July 12, 2007. During the course of the subsequent two weeks Fried Frank, in close coordination with Mr. Stern and Wachtell Lipton and with additional input from Simpson Thacher, exchanged drafts and continued negotiations with Skadden Arps concerning the editorial agreement. Messrs. Stern and Jacobs also held a series of separate negotiations during this period in which they discussed various issues relating to the provisions of the draft merger agreement (including with respect to deal protection and certainty of closing), the voting agreement and the editorial agreement. Messrs. Stern and Jacobs, in consultation with the directors and members of management of their respective companies, also developed a list of the individuals whom the parties would ask to serve as the initial members of the special committee contemplated by the editorial agreement.

On July 10, 2007, representatives of Goldman Sachs and members of the ad-hoc committee met with Messrs. D and E, who had previously indicated that they were considering making a joint transaction proposal to Dow Jones.

On July 10, 2007, the ad-hoc committee held a meeting at which representatives of Goldman Sachs and Merrill Lynch reviewed with the committee the status of their discussions with the potential acquirers that they had solicited as well as the parties that had indicated an interest in a transaction with Dow Jones. The representatives of Goldman Sachs and Merrill Lynch indicated that they had solicited or been contacted by all parties they were aware had a bona fide interest in a transaction with Dow Jones and that, other than the proposal submitted by Mr. D, no formal proposals for a transaction with Dow Jones were received.

Also on July 10, 2007, Dow Jones received various communications indicating that Company F, an international oil and gas company, might be interested in acquiring Dow Jones. No specific proposal was received by Dow Jones from Company F.

On July 12, 2007, a representative of Goldman Sachs contacted Mr. DeVoe to arrange a meeting between the parties to discuss various aspects of the proposed transaction, including the price offered by News Corporation. During the conversation the Goldman Sachs representative indicated that Dow Jones was seeking an increase in the \$60.00 per share price offered by News Corporation. Mr. DeVoe indicated that News Corporation would not increase the price set forth in its proposal.

On July 14, 2007, the ad-hoc committee met to discuss next steps in the course of negotiating the proposed News Corporation transaction and the other potential proposals and indications of interest.

In the morning of July 16, 2007, Mr. Zannino and representatives of Goldman Sachs and Merrill Lynch met with Mr. DeVoe and John Nallen, Executive Vice President and Deputy Chief Financial Officer of News Corporation, to discuss various aspects of the proposed transaction with News Corporation including Dow Jones' request for an increase in News Corporation's offer price.

At lunch on July 16, Messrs. McPherson, Campbell and Zannino and representatives of Goldman Sachs and Merrill Lynch met with representatives of News Corporation, including Messrs. Murdoch, DeVoe, Nallen and Jacobs, to discuss the status of the negotiations between News Corporation and Dow Jones. In this meeting, Dow Jones again sought an increase in News Corporation's \$60.00 per share proposal. At a meeting later that afternoon, among Messrs. Zannino, Campbell, McPherson and representatives of Goldman Sachs and Merrill Lynch, on the one hand, and representatives of News Corporation, including Mr. Murdoch, on the other hand, Mr. Murdoch indicated that News Corporation would not increase the price set forth in its proposal. He also indicated that the News Corporation board of directors would authorize News Corporation to enter into a merger agreement with Dow Jones only if members of the Bancroft family and the trustees of trusts for their benefit holding Dow Jones shares with a level of voting power satisfactory to News Corporation indicated promptly

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their willingness to support a transaction with News Corporation by entering into a voting agreement. News Corporation did not indicate a specific level of Bancroft family member and trust support that would need to be obtained to be considered satisfactory. Mr. Murdoch requested that the Bancroft family members and trustees indicate within two weeks whether they were willing to support the proposed transaction by entering into the voting agreement with News Corporation.

At a meeting of the ad-hoc committee held on the morning of July 17, 2007, Messrs. McPherson, Campbell and Zannino reported to the ad-hoc committee on their July 16 meeting with News Corporation. Also on July 17, 2007, counsel to Dow Jones and News Corporation completed the principal terms of the draft editorial agreement and the principal terms of a draft merger agreement.

In the evening of July 17, 2007, the board of directors of Dow Jones held a special meeting. At the meeting, Mr. McPherson reported on the July 16 meeting between representatives of Dow Jones and News Corporation. Christopher Bancroft, a family member, trustee and Dow Jones director, then informed the Dow Jones board of directors that he may have a conflict of interest because he was interested in exploring the possibility of other alternatives for Dow Jones. After considering the advice of Fried Frank and Simpson Thacher, the board asked Mr. Bancroft to excuse himself from the board meeting. Following Mr. Bancroft's recusal, representatives of Fried Frank and Simpson Thacher and Mr. Stern reviewed in detail with the members of the board of directors their fiduciary duties and the principal terms of the draft merger, editorial and voting agreements and the principal terms of the Newco Class B common units and News Corporation's desire that, in the merger, not more than 250 Dow Jones stockholders receive those units. Representatives of Goldman Sachs presented a detailed financial analysis of Dow Jones and reported on discussions with other potential acquirers. Goldman Sachs also reviewed with the board of directors certain publicly available financial information regarding News Corporation. Furthermore, Goldman Sachs confirmed to the board of directors that, assuming that the merger consideration and final merger agreement would be in the form presented at the meeting, it expected to be in a position to render a fairness opinion to the Dow Jones board of directors. Fried Frank then discussed with the board of directors the features of, and the election provisions applicable to, the equity portion of the proposed merger consideration. Mr. Zannino then advised the board of directors it was the view of Dow Jones management that the proposed transaction with News Corporation was in the best interests of Dow Jones, its stockholders, customers and employees and that Dow Jones management recommended the News Corporation proposal. The Bancroft family directors and their advisors then left the meeting and the board of directors held an executive session in which the non-Bancroft family directors further discussed the proposed transaction with News Corporation. After the Bancroft family directors and their advisors returned to the meeting, the Dow Jones board of directors voted, by the affirmative vote of twelve (12) of the fourteen (14) members of the board of directors present, with Ms. Hill and Mr. von Holtzbrinck abstaining, that it would be prepared to approve, and recommend to all of the Dow Jones stockholders, including the Bancroft family member and trustee stockholders, a merger agreement reflecting News Corporation's proposal to acquire all of the outstanding shares of Dow Jones' common stock and Class B common stock for \$60.00 per share.

On July 19, 2007, Mr. von Holtzbrinck resigned as a director of Dow Jones. In his letter of resignation, Mr. von Holtzbrinck indicated that, although he was convinced that the News Corporation proposal was very generous in financial terms, he was worried that Dow Jones' unique journalistic values would suffer in the long-term after a sale to News Corporation.

Thereafter, members of the Bancroft family and trustees of trusts for the benefit of Bancroft family members held discussions to determine their willingness to execute the voting agreement sought by News Corporation in support of the News Corporation proposal.

On July 20, 2007, Mr. E issued a public letter to the Dow Jones stockholders expressing his continued interest in a potential business combination with Dow Jones. In this letter Mr. E proposed forming a new investment group that would loan up to \$600 million to existing Bancroft family members to fund the buyout of liquidity-seeking family members and trustees at \$60.00 per share, with all value above \$60.00 going to the

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investment group; effecting a leveraged recapitalization of Dow Jones to enable the repurchase of up to 50% of all outstanding shares at \$60.00 per share; incurring up to \$500 million of additional debt to fund digital media growth initiatives; granting the investment group two seats on the Dow Jones board; and creating at least four new joint ventures related to the digital/video assets of Dow Jones.

On July 23, 2007, various Bancroft family members and trustees and their advisors held a meeting to consider the proposed transaction with News Corporation. Messrs. McPherson and Campbell were invited to attend a portion of the meeting and were given an opportunity to present to the Bancroft family members and trustees the view of the Dow Jones board of directors that the transaction was in the best interest of all Dow Jones stockholders.

At a meeting of the ad-hoc committee held on July 25, 2007, Mr. Elefante provided an overview to the ad-hoc committee of the expected timing of the response of the Bancroft family members and trustees of trusts for the benefit of Bancroft family members to News Corporation's request for a voting and support agreement. Mr. Elefante advised the ad-hoc committee that the Bancroft family members and trustees had been requested to inform Mr. Elefante of whether they would be willing to execute the voting agreement sought by News Corporation by 5:00 p.m. on Monday, July 30, 2007.

Prior to July 27, 2007, the members of the ad-hoc committee had agreed that, in recognition of the assistance that Merrill Lynch had provided to the ad-hoc committee and the management of Dow Jones in connection with their evaluation of the News Corporation proposal and the other potential transaction proposals, the ad-hoc committee would recommend to the Dow Jones board of directors that Dow Jones pay up to \$18.5 million of the fees and expenses of Merrill Lynch.

Telephonic meetings of the ad-hoc committee were held on July 27, 29 and 30, 2007, respectively. At each of these meetings Mr. Elefante provided updates to the other members of the ad-hoc committee on the willingness of the Bancroft family members and trustees to execute the voting and support agreement.

Late in the evening on July 28, 2007, Ms. Hill informed Goldman Sachs and Merrill Lynch that an individual had advised her that a cable, entertainment and communications company was possibly interested in exploring a three-way joint venture alliance with Dow Jones and Company C. No specific proposal was received by Dow Jones from the cable, entertainment and communications company or Company C.

During this period certain members of the Bancroft family and trustees for certain Bancroft family trusts indicated their objective of receiving a premium for the shares of Class B common stock of Dow Jones as compared to the shares of common stock. These Bancroft family members and trustees were advised of the views of the non-Bancroft family directors on the ad-hoc committee and the Dow Jones board of directors that they would not support a transaction in which differential consideration would be offered to the different classes of Dow Jones stock. Representatives of News Corporation also indicated that News Corporation would not pay different prices for the two classes of Dow Jones stock. As the consideration of the voting agreement by the Bancroft family members and trustees progressed, certain of the family members and trustees seeking a premium for the shares of Class B common stock expressed the view that certain Bancroft family members and trustees had incurred significant fees and expenses of legal, financial and other advisors and, therefore, absent reimbursement, certain Bancroft family and trustee stockholders would receive less net consideration than \$60.00 per share. The Bancroft family members and trustees expressing this view indicated that they would consider entering into the voting agreement sought by News Corporation if Dow Jones agreed to pay the fees and expenses of legal, financial and other advisors to various Bancroft family members and trustees, in addition to paying the \$18.5 million in fees and expenses of Merrill Lynch. Excluding the fees and expenses of Merrill Lynch, the fees and expenses requested totaled \$17 million.

On July 30, 2007, Mr. Elefante reported to the ad-hoc committee that Bancroft family members and trusts for their benefit holding approximately 27% of the outstanding voting power of Dow Jones had indicated a

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willingness to execute the voting agreement sought by News Corporation. This figure excluded certain trusts which had not yet expressed their views as well as those trusts seeking additional expense reimbursement. At that meeting, the members of the ad-hoc committee and their advisors discussed the fact that representatives of News Corporation had advised representatives of Dow Jones, and that News Corporation had publicly indicated, that News Corporation was highly unlikely to proceed with the proposed transaction without a higher level of support from Bancroft family members and trustees in terms of executing the voting and support agreement.

On July 30 and July 31, 2007, members of the ad-hoc committee had a series of discussions with certain trustees and Bancroft family members and, after consulting with representatives of Fried Frank and Simpson Thacher, agreed that the ad-hoc committee would recommend to the Dow Jones board of directors that Dow Jones agree that in connection with the closing of the merger it would pay \$11.5 million of the \$17 million in fees and expenses being requested by certain trustees and Bancroft family members, in addition to the \$18.5 million of fees and expenses of Merrill Lynch, if those trustees and family members were prepared to enter into the voting and support agreement sought by News Corporation, so long as the payment of these fees and expenses would not result in a reduction in the price being offered by News Corporation. Representatives of News Corporation indicated that News Corporation did not object to Dow Jones agreeing to pay the additional \$11.5 million in fees and expenses being requested by certain trustees and Bancroft family members and that the payment would not result in a reduction of the \$60.00 per share offer set forth in News Corporation's proposal.

On July 30, 2007, the Dow Jones board of directors received a letter from Mr. E expressing his continued interest in exploring a possible transaction with Dow Jones. In his July 30 letter, Mr. E provided a list of potential investors in the proposed investment group and outlined the terms of his proposed transaction structure, which involved the direct purchase of Class B common stock of Dow Jones, a possible share buyback and the investment of up to \$600 million in capital and strategic resources to develop three new joint venture vehicles that would be majority owned by Dow Jones.

On July 31, 2007, Ms. Hill, a member of Dow Jones board of directors and its corporate governance committee, submitted her letter of resignation from the board, effective immediately, and stated (in part): I have reviewed the facts concerning the News Corporation proposal and understand the reasons that led a substantial majority of the Board of Directors to determine that they would vote to approve this transaction. I recognize that Dow Jones faces challenges ahead like many other news companies but I also believe in its people and powerful brands. If given the time to build upon them, I think there is the potential for even greater long term value than we see today. Unfortunately, I think it is clear we will not have that time, at least as an independent company. The short term financial benefit is difficult to deny. In my opinion, however, it [is] not enough to outweigh the potential ramifications of the loss of an independent global news organization with unmatched credibility and integrity. Although I respect the diligent efforts made to preserve the Journal's editorial independence, in the end, I do not believe that a special committee could ever be a match for true independence.

In the late afternoon of July 31, 2007, Mr. Elefante reported to Mr. McPherson and Goldman Sachs that Bancroft family members and trustees of trusts for their benefit holding shares representing approximately 37% of the voting power of Dow Jones were prepared to enter into the voting agreement with News Corporation in support of its proposed transaction. This information was subsequently communicated to News Corporation.

Later on July 31, 2007, the News Corporation board of directors held a special meeting and, following presentations from Skadden Arps and its financial advisors, unanimously approved the proposed transaction, subject to the approval of the board of directors of Dow Jones.

In the evening of July 31, 2007, a special meeting of the Dow Jones board of directors was convened. The meeting was attended by all directors then in office other than Mr. Bancroft. Representatives of Fried Frank, Simpson Thacher, Wachtell Lipton, Goldman Sachs and Merrill Lynch were present. Representatives of Fried Frank reviewed with the board of directors the changes to the terms and conditions of the transaction agreements since the July 17 meeting of the Dow Jones board of directors. Representatives of Fried Frank then discussed

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with the board of directors the equity holdings of, and severance payments that would be received by, Dow Jones senior executives if they were terminated in connection with a change of control transaction. Mr. Elefante reported that Bancroft family members and trustees of trusts for their benefit holding shares of Dow Jones common stock and Class B common stock representing approximately 37% of the aggregate voting power of Dow Jones had agreed to execute the voting agreement in support of the proposed transaction with News Corporation. Representatives of Fried Frank and Simpson Thacher also reviewed potential issues surrounding the payment of the \$30 million of fees and expenses of certain Bancroft family members and trustees by Dow Jones. Representatives of Goldman Sachs reviewed the other potential transaction proposals that had been submitted to Dow Jones or discussed with either Goldman Sachs or Merrill Lynch and advised the Dow Jones board of directors about various financial and non-financial aspects of these potential transaction proposals. After taking into account this review and advice, the board of directors concluded that the other potential transaction proposals were not attractive relative to the proposed transaction with News Corporation. At the request of the Dow Jones board, in connection with the board's review of the fees and expenses of various advisors to the Bancroft family members and trustees proposed to be paid or reimbursed by Dow Jones, Goldman Sachs discussed with the board an analysis of transactions involving deals with super and lesser voting stock in which the same or different amounts were paid for each class of stock. Goldman Sachs then provided the board of directors with an oral opinion, which was subsequently confirmed in writing, to the effect that, as of July 31, 2007 and based upon the assumptions made, matters considered and limits of review set forth in its written opinion, the \$60.00 in cash per share of Dow Jones common stock to be received by the holders of Dow Jones common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders. For further information regarding this opinion, see the section entitled *Opinion of Financial Advisor to Dow Jones* beginning on page 71. Following discussion, the Dow Jones board of directors, by the affirmative vote of all twelve (12) directors present at the special meeting, approved the merger agreement and the merger and determined that the merger, upon the terms and subject to the conditions set forth in the merger agreement, is advisable, fair to, and in the best interests of, Dow Jones stockholders, and recommended that the Dow Jones stockholders adopt the merger agreement. The Dow Jones board of directors also approved, by the affirmative vote of ten (10) of the twelve (12) directors present at the meeting, a resolution authorizing the payment or reimbursement of \$30 million of the fees and expenses incurred by certain Bancroft family members and trustees in connection with their consideration of the News Corporation transaction. Mr. Elefante and Ms. Steele abstained from the vote to reimburse expenses incurred by various Bancroft family members and trustees.

The definitive merger agreement with News Corporation was executed by representatives of Dow Jones, News Corporation, Ruby Newco and Merger Sub as of July 31, 2007. In addition, News Corporation entered into a voting agreement with Bancroft family members and trusts for their benefit reflecting approximately 37% of the aggregate voting power of Dow Jones.

On August 1, 2007, before the opening of business in New York City, Dow Jones and News Corporation issued a joint press release announcing that they had entered into the merger agreement.

On November 5, 2007, News Corporation and Dow Jones entered into an amendment to the merger agreement to modify the treatment under the merger agreement of certain vested stock options and certain outstanding awards granted pursuant to the Dow Jones Reuters Business Interactive, LLC Long-Term Incentive Plan, which we refer to in this proxy statement/ prospectus as the Factiva LTIP.

**Reasons for the Merger; Recommendation of the Dow Jones Board**

The Dow Jones board of directors, at a special meeting held on July 31, 2007, determined, by the affirmative vote of all twelve (12) directors present, that the merger on the terms and subject to the conditions set forth in the merger agreement, is advisable and fair to, and in the best interests of, the Dow Jones stockholders. The Dow Jones board of directors recommends that Dow Jones stockholders vote FOR the approval and adoption of the merger agreement.

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In reaching its decision, the Dow Jones board of directors consulted with Dow Jones management and its financial and legal advisors. In reaching its conclusion that the merger is in the best interests of the Dow Jones stockholders, the Dow Jones board of directors considered a variety of factors, including the following:

Based on financial analyses presented by Goldman Sachs, Dow Jones financial advisor, the board of directors believed that a price of \$60.00 per share for each of the common stock and Class B common stock was financially compelling. In that connection, the board of directors observed that the \$60.00 per share price exceeded the high end of the illustrative ranges of implied values for the Dow Jones shares derived by Goldman Sachs using all of the methods reflected in Goldman Sachs financial analyses.

The opinion of Goldman Sachs that, as of the date of the opinion, and based upon and subject to the factors and assumptions set forth in the opinion, the \$60.00 per share of Dow Jones common stock in cash to be received by the holders of Dow Jones common stock pursuant to the merger agreement was fair from a financial point of view to those holders. See the section entitled "Opinion of Financial Advisor to Dow Jones" beginning on page 71.

Its understanding of Dow Jones business, operations, financial condition, earnings and prospects on a stand-alone basis, in light of relevant factors, including increasing competition from much larger and better capitalized companies, material uncertainties confronting the newspaper industry, industry consolidation and current and anticipated pressure on print advertising revenues.

The belief of the Dow Jones board of directors that, in the context of current market conditions and trends in the newspaper industry, the timing of the transaction was favorable.

Goldman Sachs and Merrill Lynch approached or were contacted by 21 potential transaction partners other than News Corporation about their possible interest in a transaction with Dow Jones, including all parties they were aware had a bona fide interest in a transaction with Dow Jones. Although the News Corporation proposal became public on May 1, 2007, Dow Jones did not receive a competitive alternative proposal during the ensuing three months.

The fact that the merger agreement also permits Dow Jones, under certain circumstances, to provide information to and engage in discussions with third parties and to terminate the merger agreement for a superior acquisition proposal.

The cash consideration allows the Dow Jones stockholders to immediately realize value for their investment and provides certainty of value. Moreover, the merger agreement contains no financing condition, and it is the view of the Dow Jones board of directors that News Corporation can easily fund the cash consideration for the merger.

The fact that up to 250 Dow Jones stockholders, and with respect to not more than 10% of the outstanding shares of Dow Jones common stock and Class B common stock, in the aggregate, will have an opportunity to receive an equity stake in the form of Class B common units of Newco, a subsidiary of News Corporation, which are exchangeable for shares of Class A common stock of News Corporation on a one-for-one basis (subject to adjustment). This election affords Dow Jones stockholders a limited opportunity to participate in the future financial performance of a larger, more diversified, global entertainment company, and the exchange of shares of Dow Jones common stock or Class B common stock for Newco Class B common units in the merger is intended to be tax-free.

The number of underlying shares of Class A common stock of News Corporation issuable in connection with the merger (assuming the conversion of the Newco Class B common units receivable in the optional equity portion of the merger consideration) will be based upon a fixed value of \$60.00 divided by the volume weighted average price per share of News Corporation Class A common

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stock over a five (5) day period preceding the closing of the merger.

The fact that certain members of the Bancroft family and trustees of trusts for their benefit holding approximately 37% of the total voting power of Dow Jones have entered into the voting agreement to

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support the merger, which is subject to approval by a majority of the voting power of the outstanding shares of Dow Jones common stock and Class B common stock, voting together as a single class.

The terms and conditions of the merger agreement, including the limited nature of the closing conditions included in the merger agreement. The merger agreement contains no financing contingency and is not subject to approval by News Corporation stockholders. In reviewing the likelihood of satisfaction of the conditions to the consummation of the merger, the board of directors took into account the fact that News Corporation is required to take all actions necessary to obtain regulatory approvals. Furthermore, News Corporation is generally obligated to close the merger notwithstanding any breaches of Dow Jones representations and warranties, unless those breaches would in the aggregate have a material adverse effect on Dow Jones and its subsidiaries taken as a whole.

Dow Jones stockholders who do not vote in favor of the merger and who follow certain prescribed procedures are entitled to appraisal rights under Delaware law.

After announcement of the News Corporation proposal on May 1, 2007, significant turnover in the common stock of Dow Jones introduced a new body of stockholders at prices in excess of \$50 per share. In the view of the Dow Jones board of directors, after consulting with Fried, Frank and Goldman Sachs, these new stockholders could seek to pressure Dow Jones to engage in a sale or restructuring and thereby lead to instability.

In the course of its deliberations, the Dow Jones board of directors also considered a variety of risks and other potentially negative factors, including the following:

The proposed merger occurs at a time of transition in the newspaper industry and it is possible that greater value could be realized at some point in the future by expanded utilization of alternative forms of information distribution and communication, including through the Internet.

Dow Jones stockholders, other than in the limited circumstances for those who elect and are entitled to receive equity in the form of Newco Class B common units, would have no ongoing equity participation in Dow Jones following the merger and therefore will lose the opportunity to participate in any future earnings or growth of Dow Jones and will not benefit from any future appreciation in the value of Dow Jones.

The fact that only the 250 Dow Jones stockholders making a unit election with respect to the greatest number of Dow Jones shares, and with respect to not more than 10% of the outstanding Dow Jones shares, will have an opportunity to receive the unit consideration and benefit from the possible tax advantages associated with receiving equity consideration.

The fact that alternative transaction structures described beginning on page 56 of this proxy statement/prospectus that may have allowed all or a greater number of Dow Jones stockholders to elect to receive, or allowed for more Dow Jones shares to be converted into, equity consideration were either considered by News Corporation to be unduly complicated and raise potential regulatory and other issues or considered unacceptable by Dow Jones because they would have required what the Dow Jones board of directors believed could be a significant number of Dow Jones stockholders who desired to receive cash for their Dow Jones shares to receive equity consideration instead.

The Newco Class B common units that are received by Dow Jones stockholders who elect and are entitled to equity consideration will be subject to certain restrictions on transfer and may not be exchanged for shares of News Corporation Class A common stock until 120 days after the closing date, and then only on a limited basis until 180 days after the closing date, at which time the Newco Class B common units will be fully exchangeable.



The receipt of cash in exchange for shares of Dow Jones common stock and Class B common stock pursuant to the merger would be a taxable transaction for U.S. federal income tax purposes.

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It is possible that the so-called deal protection provisions in the merger agreement and in the voting agreement could discourage a competing proposal to acquire Dow Jones. These include the restrictions on solicitation of alternative proposals, the rights of News Corporation to obtain information with respect to any alternative acquisition proposals and to a three business day period matching right after receipt of a superior acquisition proposal, and the termination fee provisions.

Under the terms of the merger agreement News Corporation has the right to defend against any impediment regulators seek to impose and thereby could delay the closing until August 1, 2008.

If the Dow Jones stockholders fail to approve the merger, Dow Jones will be required to pay the reasonably documented out-of-pocket fees and expenses incurred by News Corporation in connection with the merger, up to a maximum of \$25 million.

The requirement to pay \$30 million in the aggregate on behalf of, or reimburse, certain Bancroft family members and trustees of trusts for their benefit for fees and expenses incurred by them in connection with their evaluation and consideration of the proposed transaction.

Certain of Dow Jones' directors and officers may have conflicts of interest in connection with the merger, as they may receive certain benefits that are different from, and in addition to, those of Dow Jones' other stockholders. See the description under the section entitled "Interests of Dow Jones' Directors and Executive Officers in the Merger" beginning on page 65.

Dow Jones may incur significant risks and costs if the merger does not close, including the diversion of management and employee attention during the period after the signing of the merger agreement, potential employee attrition and the possible adverse effects on Dow Jones' business and customer relations. In that regard, under the merger agreement, Dow Jones must conduct its business in the ordinary course and is subject to a variety of other restrictions on the conduct of its business prior to completion of the merger or termination of the merger agreement, which may delay or prevent Dow Jones from undertaking business opportunities that may arise or preclude actions that would be advisable if Dow Jones were to remain an independent public company.

The foregoing discussion of the information and factors considered by the Dow Jones board of directors is not exhaustive but is intended to reflect the material factors considered by the Dow Jones board of directors. The Dow Jones board of directors did not quantify or assign any relative or specific weight to the various factors that it considered. Rather, the Dow Jones board of directors based its recommendation on the totality of the information presented to and considered by it. In addition, individual members of the Dow Jones board of directors may have given different weights to different factors.

After careful consideration, at a special meeting held on July 31, 2007, the Dow Jones board of directors determined that the merger and the other transactions contemplated by the merger agreement are advisable and in the best interest of the Dow Jones stockholders and adopted the merger agreement. **The Dow Jones board of directors recommends that the holders of Dow Jones common stock and Class B common stock vote FOR approval and adoption of the merger agreement and the transactions contemplated thereby, including the merger.**

### **Interests of Dow Jones' Directors and Executive Officers in the Merger**

In considering the recommendation of the Dow Jones board of directors that Dow Jones stockholders vote FOR the approval and adoption of the merger agreement, Dow Jones stockholders should be aware that the executive officers and directors of Dow Jones have interests in the merger that are different from, or in addition to, those of the Dow Jones stockholders generally. The board of directors of Dow Jones was aware of these interests and considered them in reaching its decisions to approve and adopt the merger agreement and to recommend that the Dow Jones stockholders vote FOR the approval and adoption of the merger agreement.

**Table of Contents****Severance and Other Non-Equity Benefits Payable to Executive Officers**

Each of Dow Jones' executive officers participates in Dow Jones' Separation Plan for Senior Management. Under the terms of that plan, if a participant's employment is terminated without cause or the participant resigns under circumstances constituting a constructive termination (which include a substantial reduction of the participant's duties or a material reduction of the participant's compensation or benefits) within twenty-four months after the closing of the merger, he or she will be entitled to a lump sum severance payment (in the case of executive officers, equal to eighteen or twenty-four months of salary, depending on the executive's salary grade), plus certain retirement, health and other benefits, if he or she signs an agreement not to compete and a customary mutual waiver and release.

Under Dow Jones' Change in Control Excise Tax Policy, each of the executive officers of Dow Jones will be entitled to full indemnification for any golden parachute excise taxes.

The following chart sets forth for each executive officer of Dow Jones the estimated amount of cash severance pay, value of retirement, health and other benefits, and golden parachute indemnification to which the executive officer would be entitled assuming that the closing of the merger occurs on December 31, 2007 and that the executive's employment is terminated by Dow Jones without cause or the executive resigns under circumstances constituting a constructive termination immediately after the closing.

Name of Executive Officer and Position	Estimated Lump Sum Severance Payment	Estimated Retirement, Health & Other Benefits	Total of	
			Estimated Lump Sum Severance and Retirement, Health & Other Benefits	Estimated Golden Parachute Indemnification Amount
Richard F. Zannino Chief Executive Officer and Director	\$ 3,420,000	\$ 877,443	\$ 4,297,443	\$ 5,251,400
L. Gordon Crovitz Executive Vice President; Publisher, The Wall Street Journal; President, Consumer Media Group	\$ 1,977,600	\$ 563,437	\$ 2,541,037	\$ 2,240,753
Clare Hart Executive Vice President; President, Enterprise Media Group	\$ 1,596,500	\$ 513,973	\$ 2,110,473	\$ 1,774,697
William B. Plummer Executive Vice President; Chief Financial Officer	\$ 1,436,850	\$ 413,736	\$ 1,850,586	\$ 1,863,680
Joseph A. Stern Executive Vice President;	\$ 1,756,150	\$ 486,377	\$ 2,242,527	\$ 1,677,707

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General Counsel;

Corporate Secretary;

Director

Jorge L. Figueredo	\$ 957,000	\$ 304,003	\$ 1,261,003	\$ 891,613
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Senior Vice President Human Resources

John N. Wilcox	\$ 895,500	\$ 490,065	\$ 1,385,565	\$ 923,642
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Senior Vice President;

President, Local Media Group;

Chief Executive Officer, Ottaway

Newspapers, Inc.

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Name of Executive Officer and Position	Estimated Lump Sum Severance Payment	Estimated Retirement, Health & Other Benefits	Total of	
			Estimated Lump Sum Severance and Retirement, Health & Other Benefits	Estimated Golden Parachute Indemnification Amount
Ann M. Sarnoff President, Dow Jones Ventures	\$ 1,120,500	\$ 372,950	\$ 1,493,450	\$ 855,700
Linda E. Dunbar Vice President, Corporate Communications	\$ 682,500	\$ 216,905	\$ 899,405	\$ 450,958

Each of Dow Jones' executive officers participates in Dow Jones' 2007 Annual Incentive Plan, or the AIP. If the closing of the merger occurs on or before December 31, 2007, in accordance with the terms of the AIP, the financial performance measures under the AIP will be adjusted for all AIP participants to eliminate the effect of costs and other charges related to the merger, such financial performance measures will be deemed to have been achieved at a level that either reflects changes in the business in connection with the merger if the financial performance of Dow Jones is separately measured following the merger through December 31, 2007 or is based on the performance of Dow Jones through the last day of the month prior to the merger as compared to budgeted performance for such period, strategic performance measures under the AIP, which determine 40%, or in the case of the chief executive officer 30%, of an AIP participant's bonus, will be deemed to have been achieved at target levels, and final payouts will not be subject to adjustment on a discretionary basis. Under the terms of the AIP and the Separation Plan for Senior Management, if the closing of the merger occurs during 2007 and a participant's employment is terminated without cause or the participant resigns under circumstances constituting a constructive termination after closing but before the end of 2007, the participant would be entitled to a pro-rated portion of the annual bonus that would have been earned under the AIP.

Because the AIP participants were generally expected to earn at least a target bonus for 2007 based on the strategic measures that would be applicable to them under the AIP absent the merger, the participants will generally receive no incremental amount under the AIP due to the merger and may in fact receive less given that strategic measures have been achieved at higher than target levels in each of the past five (5) years.

***Value of Unvested Equity Awards Payable to Executive Officers***

No outstanding equity awards held by Dow Jones executive officers and other award recipients are subject to single-trigger vesting, meaning the awards do not vest solely by reason of the closing of the merger. However, under Dow Jones' equity incentive plans, if any award recipient's employment is terminated without cause or the award recipient resigns under circumstances constituting a constructive termination within twenty-four months after the closing of the merger:

all of his or her unvested stock options, or if those stock options become rights to receive a cash payment in accordance with the merger agreement as described below under *Treatment of Equity Awards under the Merger Agreement*, those rights, will automatically vest, and

a pro-rated number of his or her shares of restricted stock, or if those shares of restricted stock become rights to receive a cash payment in accordance with the merger agreement as described below under *Treatment of Equity Awards under the Merger Agreement*, those rights, will automatically vest. The pro-rated number will be determined based on the number of months of the original vesting period prior to termination plus the number of months of salary provided in the severance payment to which the award recipient is entitled under Dow Jones' Separation Plan for Senior management described above (in the case of executive officers, eighteen months or twenty-four months).

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Each of the executive officers holds contingent stock rights (CSRs) awarded under the Dow Jones 2001 Long Term Incentive Plan, or the 2001 LTIP. The CSRs held by the executive officers and other award recipients under the 2001 LTIP are designed to provide holders of CSRs with the opportunity to earn shares of Dow Jones based on its performance during overlapping three-year performance periods covering 2005 to 2007, 2006 to 2008 and 2007 to 2009. In general, the number of shares a holder of CSRs is entitled to receive in respect of his or her CSRs at the end of a performance period is normally based on total stockholder return during the performance period relative to an established group of publishing and media companies. The number of shares a holder of CSRs can receive in respect of his or her CSRs can range from 0% to 150% of the holder's target award.

Under the 2001 LTIP, upon closing of the merger, all CSRs then outstanding for all performance periods will be valued at target. Holders of CSRs will receive a payout in respect of their CSRs at the end of the applicable performance period if the holder is then employed by Dow Jones. After the closing, each executive officer and other holders of CSRs will be entitled to receive, for each quarter during the performance period applicable to their CSRs, cash payments equal to the maximum number of Dow Jones shares that the holder could have received in respect of his or her CSRs under their terms as in effect immediately before the merger multiplied by \$0.25, the amount of the regular quarterly dividend currently paid on Dow Jones shares.

Under the 2001 LTIP and the Separation Pay Plan for Senior Management, if a CSR holder's employment is terminated without cause or the holder resigns under circumstances constituting a constructive termination within twenty-four months after the closing of the merger and prior to the end of a performance period applicable to his or her CSRs, the holder will be entitled to receive a payout of the target award that is pro-rated for the portion of the performance period during which the holder was employed by Dow Jones plus the number of months of salary provided in the severance payment to which the holder is entitled under Dow Jones' Separation Plan for Senior Management described above (in the case of executive officers, eighteen or twenty-four months, as noted above).

The following chart sets forth the value of the unvested stock options, shares of restricted stock and CSRs for which each executive officer of Dow Jones would be entitled to receive payment assuming that the closing of the merger occurs on December 31, 2007 and that the executive's employment is terminated without cause or the executive resigns under circumstances constituting a constructive termination of employment immediately after closing. For purposes of this chart, the value of each unvested stock option was calculated by multiplying the excess of \$60.00 over the exercise price per share of that stock option by the number of Dow Jones shares subject to that stock option. The value of the shares of restricted stock that would vest, and the value of shares an executive would be entitled to receive in respect of his or her CSRs, upon the executive's termination or resignation was deemed to be \$60.00 per share.

Name of Executive Officer	Value of Unvested Options	Value of Restricted Stock	Value of CSRs (at target <sup>(1)</sup> )
Richard F. Zannino	\$ 3,546,547	\$ 2,466,000	\$ 5,287,980
L. Gordon Crovitz	\$ 1,416,526	\$ 786,000	\$ 1,940,020
Clare Hart	\$ 672,090	N/A	\$ 1,343,980
William B. Plummer	\$ 1,434,042	\$ 657,600	\$ 1,219,980
Joseph A. Stern	\$ 777,242	N/A	\$ 1,223,980
Jorge L. Figueredo	\$ 353,555	N/A	\$ 565,000
John N. Wilcox	\$ 467,961	N/A	\$ 680,667
Ann M. Sarnoff	\$ 707,228	N/A	\$ 296,667
Linda E. Dunbar	\$ 119,550	N/A	\$ 170,000

- (1) Reflects the CSRs for the 2006 to 2008 and 2007 to 2009 performance periods. Does not reflect the value of the shares the executive will be entitled to receive in respect of the CSRs for the 2005 to 2007 performance period because the executives were generally expected to receive at least their target awards for that period based on performance during that period and, therefore, will generally receive no incremental amount in respect of those CSRs due to the merger.

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### ***Treatment of Equity Awards under the Merger Agreement***

The executive officers of Dow Jones hold equity awards in the form of vested and unvested stock options, shares of restricted stock and CSRs. The following describes the provisions of the merger agreement governing the treatment of all outstanding vested and unvested stock options, shares of restricted stock and CSRs.

#### ***Stock Options***

Vested Dow Jones stock options that have an exercise price of less than \$60.00 will be converted into a right to receive, on the closing date, for each share of Dow Jones subject to the vested stock option, a cash payment equal to the difference between \$60.00 and the exercise price per share. Each holder of these vested stock options will be given the option to elect, before the closing date, to have all or a portion of the holder's vested Dow Jones stock options become vested stock options to acquire shares of Class A common stock of News Corporation. A holder who makes this election will not be entitled to receive any cash amount for the portion of the holder's Dow Jones vested stock options for which this election is made.

Unvested Dow Jones stock options that have an exercise price of less than \$60.00 per share will be converted into the right to receive, for each share of Dow Jones common stock subject to the unvested stock option, a cash amount equal to the difference between \$60.00 and the exercise price per share. The cash amount will be payable on the date that the Dow Jones stock option would have become exercisable absent the merger in accordance with the terms of the Dow Jones plan under which the stock option was granted. Each holder of these unvested stock options will be given the option to elect, before the closing date, to have all or a portion of the holder's unvested Dow Jones stock options become unvested stock options to acquire shares of Class A common stock of News Corporation. A holder who makes this election will not be entitled to receive any cash amount for the portion of the holder's unvested Dow Jones stock options for which this election is made.

All Dow Jones stock options that have an exercise price of \$60.00 or more will automatically be converted into stock options to acquire shares of Class A common stock of News Corporation.

#### ***Restricted Stock***

All shares of Dow Jones restricted stock will be converted into the right to receive \$60.00 in cash for each share of restricted stock. The cash amount will be payable on the date that the Dow Jones restricted stock would have vested absent the merger under the terms of the Dow Jones plan under which the restricted stock was granted. Each holder of shares of Dow Jones restricted stock will be given the option to elect, before the closing date, to have all or a portion of the holder's shares of Dow Jones restricted stock become restricted shares of Class A common stock of News Corporation. A holder who makes this election will not be entitled to receive any cash amount for the shares of restricted stock for which this election is made.

#### ***Contingent Stock Rights***

Outstanding CSRs will be valued at their target level, and each holder of a CSR will be entitled to receive a cash payout equal to \$60.00 multiplied by the number of Dow Jones shares constituting the CSR award at target. The cash amount will be payable on the date or the dates that the CSRs would have vested absent the merger in accordance with the terms of the Dow Jones plan under which the CSR was granted. Each holder of CSRs will be given the option to elect, before the closing date, to have all or a portion of the holder's CSRs converted into the right to receive shares of Class A common stock of News Corporation, payable on the date or dates that the CSRs would have vested absent the merger in accordance with the terms of the Dow Jones plan under which the CSR was granted.

#### ***General***

All Dow Jones stock options, restricted stock and CSRs that become stock options, restricted stock and CSRs in respect of shares of Class A common stock of News Corporation will remain subject to the terms, including with respect to vesting, of the Dow Jones plan, as amended, under which they were granted. The

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number of shares of Class A common stock of News Corporation to which those Dow Jones stock options, restricted stock and CSRs will become subject, will be determined by dividing \$60.00 by the volume weighted average price per share of Class A common stock of News Corporation on the NYSE over the five (5) consecutive trading days ending on the trading day before the closing of the merger.

***Continuation of Benefit Plans under the Merger Agreement***

News Corporation has agreed to maintain and perform each severance, termination, separation or similar agreement or program maintained by Dow Jones immediately before the merger for no less than two years following the merger or for any longer period provided in the Dow Jones agreement or program. News Corporation has also agreed to maintain and provide the post-retirement and post-termination benefits under Dow Jones health care plans for no less than two years following the merger; thereafter, News Corporation will provide former Dow Jones employees with health care benefits that are no less favorable than those provided to similarly situated former employees of News Corporation. In addition, News Corporation has agreed to maintain and continue Dow Jones Executive Annual Incentive Plan (including with respect to the 2007 Annual Incentive Plan Highlights) until the date on which payments are made with respect to the plan for the calendar year in which the merger occurs. Under the merger agreement, until at least December 31, 2008, News Corporation must provide each person employed by Dow Jones immediately prior to the merger base salary and wages, annual bonus opportunity and employee benefits that are in the aggregate no less favorable than those provided immediately before the merger; thereafter, News Corporation must provide these employees with base salary and wages, annual bonus opportunity and employee benefits that are in the aggregate no less favorable than those provided to similarly situated News Corporation employees.

***Directors and Officers Indemnification***

News Corporation has agreed, for a period of six (6) years following the closing of the merger, to cause Dow Jones to indemnify and hold harmless, and provide advancement of expenses to, all current and former directors and officers of Dow Jones and its subsidiaries and any fiduciaries under any Dow Jones employee benefit plan in respect of acts or omissions occurring at or prior to the closing of the merger, to the fullest extent permitted by applicable law. We refer to each of the persons entitled to indemnification as an indemnified person. News Corporation also agreed to cause Dow Jones to pay on an as-incurred basis the fees and expenses of an indemnified person (including the reasonable fees and expenses of counsel) in advance of the final disposition of any litigation or investigation that is the subject of the right to indemnification, upon ten (10) business days of receipt by the surviving corporation of a request for payment so long as the indemnified person undertakes in writing to reimburse Dow Jones for all amounts so advanced if a court of competent jurisdiction determines, by a final, non-appealable order, that the indemnified person is not entitled to indemnification. Each of the indemnified parties is an express third-party beneficiary of the agreements described in this paragraph and in the paragraphs below and is entitled to enforce those agreements.

News Corporation has agreed to cause Dow Jones to maintain, for a period of six (6) years after the closing of the merger, at no expense to the beneficiaries, the current policies of directors and officers liability insurance and fiduciary liability insurance maintained by Dow Jones with respect to matters existing or occurring at or prior to the merger, so long as the annual premiums in any one policy year would not be in excess of 300% of the last annual premium paid by Dow Jones prior to the closing of the merger. Alternatively News Corporation may purchase a six (6) year extended period endorsement with respect to the current policies and maintain this endorsement in full force and effect for the six year period. If Dow Jones existing insurance expires or is canceled during this six-year period or exceeds the 300% premium, News Corporation has agreed that it will cause Dow Jones to obtain as much directors and officers liability insurance and fiduciary liability insurance as can be obtained for the remainder of this period for an annualized premium not in excess of the 300% premium, on terms and conditions no less advantageous to the indemnified persons than Dow Jones existing directors and officers liability insurance and fiduciary liability insurance. Instead, Dow Jones may, prior to the closing of the merger, purchase a reporting tail endorsement. However, Dow Jones is not required to pay more than six



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(6) times the 300% premium for this reporting tail endorsement, in which case, as long as News Corporation causes Dow Jones to maintain this reporting tail endorsement in full force and effect for its full term, News Corporation will be relieved from the other obligations described in this paragraph.

News Corporation has agreed that, for six (6) years after the closing of the merger, it will cause Dow Jones to maintain in effect the existing provisions in its certificate of incorporation and bylaws providing for indemnification, advancement of expenses and exculpation of indemnified persons, as applicable, with respect to the facts or circumstances occurring at or prior to the closing of the merger, to the fullest extent permitted from time to time under Delaware law. These provisions may not be amended during that six (6) year period except as required by applicable law or except to make changes permitted by applicable law that would enlarge the scope of the indemnified persons' indemnification rights.

The rights of each indemnified person under the merger agreement are in addition to any rights those indemnified persons may have under the certificate of incorporation or bylaws of Dow Jones or any of its subsidiaries, under Delaware law or any other applicable law or under any agreement of any indemnified person with Dow Jones or any of its subsidiaries.

News Corporation has agreed that, if News Corporation, Dow Jones or any of its successors or assigns consolidates with or merges into any other person and is not the continuing or surviving corporation or entity of the consolidation or merger, or transfers or conveys all or substantially all of its properties and assets to any person, then, and in each case, to the extent necessary, proper provision must be made so that the successors and assigns of News Corporation or the surviving corporation, as the case may be, will assume the indemnification obligations of News Corporation, Dow Jones or any of its successors or assigns, as the case may be, as set forth in the merger agreement.

### **Certain Payments on Behalf of, or Reimbursement to, Certain Dow Jones Stockholders**

Dow Jones has agreed that, in connection with the closing of the merger, it will pay on behalf of, or reimburse, certain of the Bancroft family members and trusts for their benefit an aggregate of \$30 million in respect of fees and expenses of financial, legal and other advisors.

### **Opinion of Financial Advisor to Dow Jones**

Goldman Sachs rendered its opinion to Dow Jones' board of directors that, as of July 31, 2007 and based upon and subject to the factors and assumptions set forth in its opinion, the \$60.00 per share of Dow Jones common stock in cash to be received by the holders of Dow Jones common stock pursuant to the merger agreement was fair from a financial point of view to the holders of Dow Jones common stock.

**The full text of the written opinion of Goldman Sachs, dated July 31, 2007, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex E. Goldman Sachs provided its opinion for the information and assistance of Dow Jones' board of directors in connection with its consideration of the transaction. The Goldman Sachs' opinion is not a recommendation as to how any holder of Dow Jones' common stock should vote or make any election with respect to the transaction or any other matter.**

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

the merger agreement;

annual reports to stockholders and Annual Reports on Form 10-K of Dow Jones for the five fiscal years ended December 31, 2006;

certain interim reports to stockholders and Quarterly Reports on Form 10-Q of Dow Jones;

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certain other communications from Dow Jones to its stockholders; and

internal financial analyses and forecasts for Dow Jones prepared by its management.

Goldman Sachs also held discussions with members of the senior management of Dow Jones regarding their assessment of the past and current business operations, financial condition, and future prospects of Dow Jones. In addition, Goldman Sachs reviewed the reported price and trading activity for the Dow Jones common stock, compared certain financial and stock market information for Dow Jones with similar information for certain other companies the securities of which are publicly traded, and reviewed the financial terms of certain recent business combinations in the newspaper and information services industries specifically and in other industries generally and performed such other studies and analyses, and considered other factors, as it considered appropriate.

For purposes of rendering the opinion described above, Goldman Sachs relied upon and assumed, without assuming any responsibility for independent verification, the accuracy and completeness of all of the financial, legal, accounting, tax and other information provided to, discussed with or reviewed by it. In that regard, Goldman Sachs assumed, with the consent of the Dow Jones board of directors, that the internal financial analyses and forecasts prepared by Dow Jones management were reasonably prepared on a basis reflecting the best available estimates and judgments of the management of Dow Jones as of July 31, 2007. In addition, Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or off-balance-sheet assets and liabilities) of Dow Jones or any of its subsidiaries, nor was any evaluation or appraisal of the assets and liabilities furnished to Goldman Sachs. Goldman Sachs' opinion did not address any legal, regulatory or tax matters. Goldman Sachs' opinion did not address the underlying business decision of Dow Jones to engage in the transaction or the relative merits of the transaction as compared to any strategic alternatives that might be available to Dow Jones. Goldman Sachs' opinion addressed only the fairness from a financial point of view of the \$60.00 per share of Dow Jones common stock in cash to be received by the holders of Dow Jones common stock pursuant to the merger agreement, and Goldman Sachs expressed no opinion as to the allocation of the aggregate consideration among the holders of Dow Jones common stock and Class B common stock, the consideration to be received by the holders of Class B common stock pursuant to the merger agreement, the right of a limited number of holders of Dow Jones common stock and Class B common stock to elect to receive securities of Newco in lieu of cash consideration or any aspect of any other contractual arrangement News Corporation, Dow Jones or any holders of Dow Jones common stock or Class B common stock may enter into in connection with the transaction, including any editorial agreement or undertakings to appoint persons to the board of directors of News Corporation or any committee contemplated by an editorial agreement. Goldman Sachs noted that, while it analyzed the consideration paid to different classes of capital stock in sales of other companies with dual classes of capital stock and discussed with Dow Jones and its counsel the payments that Dow Jones intends to make on behalf of certain holders of Class B common stock in connection with the transaction, Goldman Sachs' opinion did not address these matters. Goldman Sachs' opinion was necessarily based on economic, monetary market and other conditions, as in effect on, and the information made available to it as of the date of the opinion and Goldman Sachs assumed no responsibility for updating, revising or reaffirming its opinion based on circumstances, developments or events occurring after the date of its opinion.

The following is a summary of the material financial analyses delivered by Goldman Sachs to the board of directors of Dow Jones in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Goldman Sachs' financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before July 30, 2007 and is not necessarily indicative of current market conditions.

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*Historical Stock Trading Analysis.* Goldman Sachs reviewed the historical trading prices and volumes for Dow Jones common stock for various trading periods ended July 30, 2007. This analysis indicated that the price per share of Dow Jones common stock to be paid pursuant to the merger agreement represented:

a premium of 16.4% based on the July 30, 2007 market price of \$51.56 per share of Dow Jones common stock;

a premium of 65.2% based on the April 30, 2007 market price of \$ 36.33 per share of Dow Jones common stock, the price on the day before the proposal by News Corporation to pay \$60.00 per share of Dow Jones common stock and Class B common stock became public;

a premium of 70.9% based on the April 16, 2007 market price of \$ 35.11 per share of Dow Jones common stock, the price on the day before News Corporation made its proposal to the board of directors of Dow Jones to pay \$60.00 per share of Dow Jones common stock and Class B common stock;

a premium of 71.3% based on the 30-day trading average market price as of April 30, 2007 of \$35.02 per share;

a discount of 2.0% based on the 52-week high market price of \$61.20 per share (on June 1, 2007);

a premium of 83.0% based on the 52-week low market price of \$32.79 per share (on September 19, 2006);

a premium of 60.3% based on the one-year average market price of \$37.42; and

a premium of premium of 56.1% based on the three-year average market price of \$38.43.

*Comparison of Selected Companies.* Goldman Sachs reviewed and compared certain financial information for Dow Jones to corresponding financial information, ratios and public market multiples for the following publicly traded corporations in the newspaper, information services, new media and media conglomerates industries.

Newspapers:

The McClatchy Company;

Gannett Company; and

New York Times Company.

Information Services:

Reuters Group PLC;

D & B Corporation;

FactSet Research Systems Inc.;

McGraw-Hill Companies Inc.;

Moody's Corporation; and

Thomson Corporation.

New Media:

Google, Inc.; and

Yahoo! Inc.

Media Conglomerates:

Time Warner Inc.; and

News Corporation.

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Although none of the selected companies is directly comparable to Dow Jones, the companies included were chosen because they are publicly traded companies with operations that for purposes of analysis may be considered similar to certain operations of Dow Jones.

Goldman Sachs also calculated and compared various financial multiples and ratios for Dow Jones and the selected companies. The multiples and ratios of Dow Jones were based on information provided by Dow Jones management and on the Dow Jones closing price on April 30, 2007 and the \$60.00 price per share of Dow Jones common stock and Class B common stock pursuant to the merger agreement. The multiples and ratios of the selected companies were based on the most recent publicly available information and on closing prices as of July 30, 2007.

With respect to the selected companies and Dow Jones, Goldman Sachs calculated estimated 2007 enterprise value as a multiple of estimated 2007 earnings before interest, taxes, depreciation and amortization (EBITDA (as calculated by Dow Jones management in the case of Dow Jones and based on publicly available information in the case of the selected companies)) and estimated 2007 price as a multiple of estimated earnings per share (as calculated by Dow Jones management in the case of Dow Jones and based on publicly available information in the case of the selected companies). The results of these analyses are summarized as follows:

Company	2007E EV / EBITDA	2007E P/E multiple
Dow Jones (merger agreement)	16.3x	40.0x
Dow Jones (April 30, 2007)	10.2x	24.2x
<b>Selected Companies</b>		
Newspapers	7.5x to 9.5x	10.7x to 21.1x
Information Services	10.8x to 17.3x	19.7x to 31.0x
New Media	22.2x to 23.4x	33.9x to 56.2x
Media Conglomerates	8.9x to 9.1x	19.2x to 20.0x

*Blended Trading Multiple Analysis.* Goldman Sachs also performed illustrative analyses to calculate implied prices per share based on Dow Jones management's projected 2007 EBITDA and multiples ranging from 9.2x to 11.2x and based on Dow Jones management's projected 2007 earnings per share and multiples ranging from 15.6x to 23.2x. These ranges of multiples were determined by taking ranges of multiples for selected companies in the newspaper and information services segments, applying a revenue weighting of 60% and 40%, respectively, based on Dow Jones management's allocation of its estimated 2007 revenues from its newspapers and information services businesses, and then calculating a weighted average range of multiples. The illustrative prices per share based on these analyses were \$32.30 to \$40.37 and \$23.39 to \$34.78.

The following table presents the results of this analysis:

**Illustrative Stock****Price Range**

Based on 9.2x to 11.2x Multiples of Management's 2007 Projected EBITDA	\$32.30 to \$40.37
Based on 15.6x to 23.2x Multiples of Management's 2007 Projected Earnings Per Share	\$ 23.39 to \$34.78

*Present Value of Future Share Price Analysis.* Goldman Sachs performed an illustrative analysis of the implied present value of future price per share of Dow Jones common stock, which is designed to provide an indication of the present value of a theoretical future value of a company's equity as a function of the company's estimated future earnings and its assumed price to future earnings per share multiple. For this analysis, Goldman Sachs used the internal financial analyses and forecasts prepared by Dow Jones management, multiples ranging from 15.0x to 20.0x and equity discount rates ranging from 10.0% to 12.0%. This analysis resulted in a range of implied present values of \$29.65 to \$41.65 per share. Additionally, Goldman Sachs calculated the illustrative impact of hypothetical year-on-year declines in advertising revenues of the Wall Street Journal ranging from

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2.5% to 7.5% to the 2009 estimated future stock price of \$44.10, which was calculated by applying a price to future earnings per share multiple of 17.5x. Goldman Sachs then calculated illustrative present values of these implied future prices per share of Dow Jones common stock, using discount rates of 10.0% to 12.0%. This additional analysis resulted in an illustrative range of implied present values of \$31.43 to \$35.16 per share.

The following table presents the results of this analysis:

	<b>Illustrative Range of Implied Present Values of Future Stock Price</b>
Based on 15.0x to 20.0x Multiples of Management Forecasts at 10.0% to 12.0% Discount Rates	\$ 29.65 to \$41.65
Based on 2009 Estimated Stock Price of \$44.10, assuming Hypothetical 2.5% to 7.5% Year-on-Year Advertising Revenue Decline at WSJ at 10% to 12% Discount Rates	\$31.43 to \$35.16

*Discounted Cash Flow Analysis.* Goldman Sachs performed an illustrative discounted cash flow analysis on Dow Jones using the internal financial analyses and forecasts prepared by Dow Jones management to determine a range of implied values per share of Dow Jones common stock. Goldman Sachs discounted back to June 30, 2007 the projected unlevered free cash flows for Dow Jones through the end of 2011, excluding non-consolidated assets and using a range of discount rates from 9% to 10%. The analysis was based upon perpetuity growth rates ranging from 2.00% to 3.00% and resulted in illustrative per share value indications ranging from \$32.31 to \$43.28 per share. Using the same internal financial analyses and forecasts prepared by Dow Jones management, Goldman Sachs also performed a sensitivity analysis to calculate the effect of increases or decreases in revenue growth in 2008 and beyond. The analysis utilized a range of movements in revenue growth of (2.5)% to 2.5% and discount rates of 9.0% to 10.0%. This analysis resulted in illustrative per share value indications ranging from \$31.06 to \$44.20 per share. Additionally, Goldman Sachs calculated the impact of hypothetical declines in advertising revenues of the Wall Street Journal ranging from 2.5% to 7.5% to the discounted cash flow value per share of \$40.19, which was calculated applying a perpetuity growth rate of 2.50% and a discount rate of 9.0% to the projected unlevered free cash flows for Dow Jones. This additional analysis resulted in an illustrative range of implied present values of \$35.54 to \$38.64 per share.

The following table presents the results of this analysis:

	<b>Illustrative Per Share Price Indications</b>
Based on Management's Projected Unlevered Free Cash Flow through 2011 Discounted Back to June 30, 2007 and Using Discount Rates of 9.0% to 10.0% and Perpetuity Growth Rates of 2.0% to 3.0%	\$32.31 to \$43.28
Based on Sensitivity Analysis Using a Range of Movements in Revenue Growth from (2.5%) to 2.5%	\$31.06 to \$44.20
Based on DCF Per Share Value of \$40.19, assuming Hypothetical 2.5% to 7.5% Year-on-Year Advertising Revenue Decline at WSJ	\$35.54 to \$38.64

*Selected Transactions Analysis.* Goldman Sachs analyzed certain information relating to the following selected transactions in the newspaper industry since March 2000:

Tribune Company's acquisition of The Times Mirror Company announced in March 2000;

The Barclay Brothers' acquisition of Daily Telegraph announced in June 2004;

The McClatchy Company's acquisition of Knight-Ridder Inc. announced in March 2006; and

Sam Zell led acquisition of Tribune Company announced in April 2007.



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In addition, Goldman Sachs analyzed certain information relating to the following selected transactions in the information services industry since April 2004:

Morgan Stanley Dean Witter & Company's acquisition of MCSI Barra in April 2004;

Valcon Acquisition B.V.'s acquisition of VNU N.V. in July 2006;

Dow Jones' acquisition of Factiva Inc. in October 2006; and

Thomson Corporation's acquisition of Reuters Group PLC in May 2007.

For each of the selected transactions and the merger, Goldman Sachs analyzed the multiple of enterprise value paid to last twelve months (LTM) EBITDA based on publicly available financial information.

The following tables present the results of this analysis:

Newspaper industry.

Enterprise Value as a multiple of:	Selected Transactions		Proposed Merger
	Range	Median	
LTM EBITDA	10.0x-19.0x	11.7x	21.0x

Information services industry.

Enterprise Value as a multiple of:	Selected Transactions		Proposed Merger
	Range	Median	
LTM EBITDA	13.7x-23.0x	14.9x	21.0x

*Illustrative Recapitalization Analysis.* Goldman Sachs analyzed an illustrative recapitalization transaction involving Dow Jones. In the illustrative recapitalization transaction, Goldman Sachs assumed that Dow Jones used excess cash and the proceeds of new debt financings to finance a repurchase of its capital stock. As a result of this recapitalization transaction, Goldman Sachs assumed debt to Dow Jones management's 2007 estimated LTM EBITDA (calculated at the end of the third quarter of 2007) ratios of 3.0x and 4.0x and calculated illustrative pro forma earnings per share for 2008 and 2009 representing accretion against the internal financial analyses and forecasts prepared by Dow Jones management of 5.4% to 9.0% and 7.2% and 12.4%, respectively. These scenarios, resulting in 3.0x and 4.0x debt ratios, assumed financing costs at LIBOR +150 basis points and LIBOR + 175 basis points, respectively. Goldman Sachs then calculated illustrative present values of the future stock price impact of this hypothetical recapitalization transaction by using estimated price to earnings multiples ranging from of 15.0x to 20.0x at the end of 2008 and discount rates ranging from 10% to 12%. The analysis resulted in a range of illustrative present values of \$33.51 to \$42.65 per share for the 3.0x leverage ratio scenario and of \$36.26 to \$43.72 per share for the 4.0x leverage ratio scenario.

The following table presents the results of this analysis:

	Illustrative Present Values
3.0x Leverage Ratio	\$33.51 to \$42.65
4.0x Leverage Ratio	\$36.26 to \$43.72



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*Illustrative Leveraged Buyout Analyses.* Goldman Sachs performed two illustrative leveraged buyout analyses using financial information included in the internal financial analyses and forecasts prepared by Dow Jones management, one assuming a sponsor leveraged buyout with leverage equal to 7.5x Dow Jones management's 2007 expected adjusted EBITDA (Sponsor LBO) and the other assuming an employee stock ownership plan leveraged buyout with leverage equal to 8.0x Dow Jones management's 2007 expected adjusted EBITDA (ESOP LBO). The 2007 expected adjusted EBITDA was calculated by adding back stock based compensation expense. In performing the illustrative Sponsor LBO and ESOP LBO analyses, Goldman Sachs

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assumed, among other things: (i) a range of illustrative forward entry multiples of Dow Jones management's 2008 expected EBITDA ranging from 8.2x to 9.3x (\$34.50 to \$39.50 per share) for the Sponsor LBO and of 9.2x to 10.2x for the ESOP LBO and (ii) a range of illustrative forward exit EBITDA multiples of 8.0x to 10.0x for the Sponsor LBO and of 9.0x to 11.0x (\$39.00 to \$44.00 per share) for the ESOP LBO for the assumed exit at the end of 2012. These analyses resulted in illustrative internal rates of equity returns to a hypothetical financial buyer ranging from 14.7% to 33.8% for the Sponsor LBO and from 16.1% to 31.5% for the ESOP LBO.

The following table presents the results of this analysis:

	<b>Illustrative Internal Rates of Equity Returns</b>
Sponsor LBO	14.7% to 33.8%
ESOP LBO	16.1% to 31.5%

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs' opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to Dow Jones or the contemplated merger.

Goldman Sachs prepared these analyses for purposes of Goldman Sachs providing its opinion to Dow Jones' board of directors as to the fairness from a financial point of view of the \$60.00 per share of Dow Jones common stock in cash to be received by the holders of Dow Jones common stock pursuant to the merger agreement. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of News Corporation, Dow Jones, Goldman Sachs or any other person assumes responsibility if future results are different from those forecast.

The merger consideration was determined through arms'-length negotiations between Dow Jones and News Corporation and was approved by Dow Jones' board of directors. Goldman Sachs provided advice to Dow Jones during these negotiations. Goldman Sachs did not, however, recommend any specific amount of consideration to Dow Jones or its board of directors or that any specific amount of consideration constituted the only appropriate consideration for the transaction.

As described above, Goldman Sachs' opinion to the Dow Jones board of directors was one of many factors taken into consideration by the Dow Jones board of directors in making its determination to approve the merger agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached as Annex E.

Goldman Sachs and its affiliates, as part of their investment banking business, are continually engaged in performing financial analyses with respect to businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and other transactions as well as for estate, corporate and other purposes. Goldman Sachs has provided certain investment banking and other financial services to Dow Jones and its affiliates from time to time. Goldman Sachs also has provided certain investment banking and other financial services to News Corporation and its affiliates from time to time, including having acted as:

- (i) financial advisor to News Corporation in connection with its reorganization as a Delaware corporation in November 2004;

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- (ii) sole bookrunner in connection with the public offering of News Corporation's 5.3% Senior Notes due 2014 (aggregate principal amount \$750,000,000) and News Corporation's 6.2% Senior Notes due 2034 (aggregate principal amount \$1,000,000,000) in November 2004;
- (iii) financial advisor to News Corporation in connection with the acquisition of the publicly held shares of Fox Entertainment Group Inc., a subsidiary of News Corporation, in January 2005;
- (iv) financial advisor to News Corporation in connection with its acquisition of IGN Entertainment Inc. in September 2005;
- (v) financial advisor to an entity in which News Corporation holds approximately a 39% equity interest in connection with its acquisition of Easyjet Group Plc in October 2005;
- (vi) financial advisor to News Corporation in connection with its sale of Sky Radio Ltd., a former subsidiary of News Corporation, in February 2006;
- (vii) financial advisor to News Corporation in connection with its acquisition of a minority stake in John Fairfax Holdings Ltd. in October 2006;
- (viii) financial advisor to News Corporation in connection with its acquisition of Federal Publishing Corp. in December 2006; and
- (ix) financial advisor to News Corporation in connection with its pending exchange of assets for the shares of Class A and Class B common stock of News Corporation held by Liberty Media Corporation pursuant to the share exchange agreement entered into in December 2006.

Goldman Sachs also may provide investment banking and other financial services to Dow Jones, News Corporation and their respective affiliates in the future. In connection with these services Goldman Sachs has received, and may receive, compensation.

Goldman Sachs is a full service securities firm engaged, either directly or through its affiliates, in securities trading, investment management, financial planning and benefits counseling, risk management, hedging, financing and brokerage activities for both companies and individuals. In the ordinary course of these activities, Goldman Sachs and its affiliates may provide these services to Dow Jones, News Corporation and their respective affiliates, may actively trade the debt and equity securities (or related derivative securities) of Dow Jones, News Corporation and their respective affiliates for their own account and for the accounts of their customers and may at any time hold long and short positions of these securities.

The board of directors of Dow Jones selected Goldman Sachs as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the merger. Pursuant to a letter agreement dated May 1, 2007, Dow Jones engaged Goldman Sachs to act as its financial advisor in connection with the contemplated merger. Pursuant to the terms of this engagement letter, Dow Jones has agreed to pay Goldman Sachs an announcement fee of \$5 million, the full amount of which was paid upon announcement of the transaction with News Corporation and will be credited against any transaction fee paid, and a transaction fee equal to 0.36% of the aggregate consideration paid in the merger, or approximately \$21 million, the principal portion of which is payable upon consummation of the merger. In addition, Dow Jones has agreed to reimburse Goldman Sachs for its expenses, including attorneys' fees and disbursements, and to indemnify Goldman Sachs and related persons against various liabilities, including certain liabilities under the federal securities laws.

**Dow Jones Internal Financial Forecasts**

As part of its annual financial planning process, the management of Dow Jones prepares a long-range plan containing internal financial forecasts of financial results for the three-year period beginning with that upcoming year. These internal financial forecasts are the responsibility of Dow Jones' management. Dow Jones does not, as a matter of course, publicly disclose these financial forecasts.

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In connection with News Corporation's due diligence process, Dow Jones provided to News Corporation its long-range plan containing internal financial forecasts for 2007-2009. These internal financial forecasts were also provided to Goldman Sachs, financial advisor to Dow Jones, and Merrill Lynch, the financial advisor to members of the Bancroft family and trusts for their benefit. A summary of the internal financial forecasts reflected in the Dow Jones long-range plan is set out below. These internal financial forecasts were prepared by Dow Jones management as of January 2007, when they were approved by the board of directors of Dow Jones.

**Dow Jones & Company, Inc.****Summary Internal Financial Forecast Information****2007 Long Range Plan (as of January 2007)**

	<b>For the Year Ending December 31,</b>		
	<b>2007</b>	<b>2008</b>	<b>2009</b>
	<b>(in millions, except per share amounts)</b>		
Revenues	\$ 2,136.3	\$ 2,234.2	\$ 2,337.6
Operating Income	\$ 234.5	\$ 292.5	\$ 337.4
Net Income	\$ 126.6 <sup>(1)</sup>	\$ 165.3	\$ 191.5
Earnings Per Share	\$ 1.50 <sup>(1)</sup>	\$ 1.95	\$ 2.25

- (1) The projected 2007 Net Income and Earnings Per Share exclude estimated expenses for special items including incremental stock-based compensation, restructuring and other items.

The internal financial forecasts summarized above were prepared based on estimates and assumptions that are subject to significant uncertainties and contingencies, all of which are difficult to predict and many of which are beyond Dow Jones' control. Consequently, there can be no assurance that the underlying assumptions will prove to be accurate, that the results reflected therein will be realized or that actual results will not be significantly different than those reflected. In the view of Dow Jones' management, the internal financial forecasts summarized above were prepared on a reasonable basis. However, the internal financial forecasts are not fact and should not be relied upon as being necessarily indicative of future results, and readers of this document are cautioned not to place undue reliance on these internal financial forecasts. None of the internal financial forecasts reflects any impact of the proposed merger. See Cautionary Statement Regarding Forward-Looking Statements beginning on page 33.

The internal financial forecasts summarized above were prepared solely for internal use and not for publication or with a view of complying with the published guidelines of the SEC regarding forecasts and projections or with guidelines established by the American Institute for Certified Public Accountants for preparation and presentation of prospective financial information. None of Dow Jones, News Corporation or Newco or any of their respective representatives has made or makes any representation to any person regarding the ultimate performance of Dow Jones compared to the information contained in the internal forecasts. As noted above, the internal financial forecasts were approved by the board of directors of Dow Jones in January 2007 and do not reflect events or circumstances occurring thereafter.

Neither News Corporation, Newco nor their respective managements participated in preparing, nor expresses any view on, the internal financial forecasts reflected in the Dow Jones long range plan, or the assumptions underlying such information. The summary of the Dow Jones internal financial forecasts is not included in this proxy statement/prospectus in order to induce any Dow Jones stockholder to vote in favor of the merger or to impact any investment decision with respect to Newco Class B common units or News Corporation Class A common stock.

**BY INCLUDING IN THIS PROXY STATEMENT/PROSPECTUS A SUMMARY OF THE INTERNAL FINANCIAL FORECASTS REFLECTED IN THE DOW JONES LONG RANGE PLAN, NONE OF DOW JONES, NEWS CORPORATION OR NEWCO UNDERTAKES ANY OBLIGATION TO UPDATE, OR PUBLICLY DISCLOSE ANY UPDATE TO, THE FINANCIAL FORECASTS TO**

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**REFLECT CIRCUMSTANCES OR EVENTS, INCLUDING UNANTICIPATED EVENTS, THAT MAY HAVE OCCURRED OR THAT MAY OCCUR AFTER THE APPROVAL OF THE DOW JONES LONG RANGE PLAN BY THE BOARD OF DIRECTORS OF DOW JONES, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING THE FINANCIAL FORECASTS ARE SHOWN TO BE IN ERROR.**

Neither Dow Jones, News Corporation or Newco's independent registered public accounting firm, nor any other independent accountants, have examined, compiled or otherwise performed any procedures with respect to the prospective financial information contained in these internal financial forecasts nor have they expressed any opinion or given any other form of assurance on this information or its achievability. The PricewaterhouseCoopers LLP report incorporated by reference into this proxy statement/prospectus relates to Dow Jones' historical financial information. It does not extend to the prospective financial information and should not be read to do so.

**Financing of the Merger**

Assuming Dow Jones stockholders make no unit elections with respect to shares of Dow Jones, News Corporation estimates that the total amount of funds necessary to complete the proposed merger and the related transactions is approximately \$5.3 billion. Assuming no unit elections, News Corporation intends to use cash on hand to pay the cash portion of the merger consideration. In connection with the merger, Dow Jones' obligations with respect to Dow Jones' 3.875% Senior Notes due February 15, 2008 and 6.08% Notes due May 15, 2017 and its outstanding indebtedness under its commercial paper program will remain outstanding, representing indebtedness in the aggregate, as of June 30, 2007, of \$392 million. See Unaudited Pro Forma Condensed Consolidated Financial Statements beginning on page 133.

**Regulatory Approvals**

Under the provisions of the HSR Act, the merger may not be completed until Dow Jones and News Corporation have filed notification and report forms with the FTC and the Antitrust Division and the applicable waiting period has expired or been terminated. On August 16, 2007, each of Dow Jones and News Corporation filed its notification and report form under the HSR Act with the FTC and the Antitrust Division. On August 28, 2007, the Premerger Notification Office of the Federal Trade Commission granted early termination of the waiting period under the HSR Act in connection with the merger.

At any time before or after the completion of the merger a state attorney general could take any action under state antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin the merger or seeking the divestiture of substantial assets of Dow Jones, News Corporation, or their subsidiaries and affiliates. Private parties may also bring legal actions under U.S. federal or state antitrust laws under certain circumstances. There can be no assurance that a challenge to the merger on antitrust grounds will not be made or, if a challenge is made, of the result of the challenge.

The merger is also subject to clearance by the governmental authorities of Germany, Ireland and Austria under the antitrust and competition laws and certain other laws of those jurisdictions. The competition filing required in Germany was made by the parties on August 21, 2007 and the required approval was received on September 10, 2007. The competition filing required in Ireland was made by the parties on August 27, 2007 and the required approval was received on September 13, 2007. The competition filing required in Austria was made by the parties on August 23, 2007 and the required approval was received on September 20, 2007. In addition, Dow Jones and News Corporation are required to make filings with two additional foreign competition authorities. The parties' obligations to complete the merger are not conditioned on these two filings being made or action being taken by these additional authorities.

Subject to the terms and conditions of the merger agreement, News Corporation has agreed to take all actions necessary to obtain all regulatory clearances necessary to complete the merger before the termination date specified in the merger agreement.

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Certain wholly owned subsidiaries of Dow Jones may be deemed to experience a change in control following the closing of the merger which necessitate certain filings with governmental authorities prior to the consummation of the transactions contemplated by the merger agreement. Dow Jones BD Services, Inc., a wholly owned subsidiary of Dow Jones, must make a filing to obtain the approval of the NASD pursuant to NASD Rule 1017 relating to the change in equity ownership of Dow Jones BD Services, Inc. that may be deemed to result as a consequence of the transactions contemplated by the merger agreement. Bergstresser Insurance Inc., a wholly owned subsidiary of Dow Jones and a New York domiciled captive insurance company, must make a written request to the New York Insurance Division in accordance with the terms of the New York Insurance Code for a change in Bergstresser's business plan due to a change of ultimate control of Bergstresser. The parties obligations to complete the merger are not conditioned on obtaining the NASD or New York Insurance Division approvals described above.

**Litigation Related to the Merger**

On May 3, 2007 and May 24, 2007, two putative class action complaints were filed against sixteen of Dow Jones's current and former directors (Christopher Bancroft, Jon E. Barfield, John Brock, Lewis B. Campbell, Eduardo Castro-Wright, Michael B. Elefante, John M. Engler, Harvey Golub, Leslie Hill, Dieter von Holtzbrinck, David K.P. Li, M. Peter McPherson, Frank N. Newman, Paul Sagan, Elizabeth Steele, and Richard F. Zannino), as well as the Bancroft Family and the Bancroft Trust in the Supreme Court of the State of New York, New York County: *Vides v. Bancroft Family, et al.*, No 07/650094, and *Cresh v. Bancroft, et al.*, No. 07/601755.

On July 6, 2007, pursuant to a court order, the *Cresh* and *Vides* lawsuits were consolidated into a single action (*In re: Dow Jones & Company, Inc. Shareholder Litigation* (N.Y. Sup., Index No. 07/601755)), and co-lead counsel for the plaintiffs were appointed. Pursuant to the July 6, 2007 order, plaintiffs were to file a consolidated amended complaint by August 20, 2007. The amended complaint was filed on August 30, 2007.

The Amended Complaint names the same sixteen current and former directors of Dow Jones as defendants: Christopher Bancroft, Jon E. Barfield, John Brock, Lewis B. Campbell, Eduardo Castro-Wright, Michael B. Elefante, John M. Engler, Harvey Golub, Leslie Hill, Dieter von Holtzbrinck, David K.P. Li, M. Peter McPherson, Frank N. Newman, Paul Sagan, Elizabeth Steele, and Richard F. Zannino. In addition, the Amended Complaint also names as defendants the Bancroft Trust and John and Jane Does 1-100 (who are alleged to be members of the Bancroft Family).

The plaintiffs purport to represent all stockholders of Dow Jones, other than the defendants and related persons or entities. The Amended Complaint asserts claims for breach of fiduciary duty against the defendants relating to the merger agreement between Dow Jones and News Corporation, based on the allegation that defendants have placed their interest before those of Dow Jones stockholders and have prevented those stockholders from obtaining appropriate consideration for their Dow Jones shares. Specifically, the plaintiffs allege that:

the defendants had, for over a decade, refused to consider the sale of Dow Jones until presented with News Corporation's bid;

[t]he Bancroft Defendants alleged unyielding insistence on maintaining the independence of editorial control of Dow Jones's publications disabled Dow Jones for many years, with the acquiescence of the director defendants, from exploring strategic alternatives to the detriment of the holders of Dow Jones's common stockholders. ;

no proper auction of Dow Jones was ever conducted because of the long-time resistance of the Bancroft defendants to any change of control of Dow Jones;

the defendants failed to negotiate with News Corporation or other possible bidders to obtain a higher price for Dow Jones;

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[d]efendants focus on editorial control scared other suitors away from making competitive bids, thereby giving News Corp[oration] no incentive to raise its initial, and ultimately only, bid. ;

the Bancroft defendants improperly attempted to obtain greater value for the shares they hold in Dow Jones, instead of attempting to maximize the benefits available to Dow Jones other stockholders;

Dow Jones agreement to pay an aggregate of \$30 million of the fees of advisors retained by the Bancroft Defendants constitutes a substantial and improper premium ;

Goldman Sachs, financial advisor to Dow Jones, and Merrill Lynch and Wachtell Lipton, financial and legal advisors to various Bancroft family members and trusts for their benefit were subject to conflicts of interests because these advisors stood to gain tremendous fees upon the consummation of a merger transaction and were working or in the past had worked for News Corporation;

the Dow Jones board of directors and its executive management were not disinterested regarding the News Corporation offer because they may receive additional compensation in the event of a sale of Dow Jones. In that connection, the Plaintiffs assert that on June 4, 2007, a month after the Dow Jones board of directors authorized the exploration of strategic alternatives for Dow Jones, Dow Jones upgraded its stock compensation plan and its severance arrangements with senior management in the event that Dow Jones were acquired; and

certain of the provisions in the merger agreement restrict the possibility of competing offers for Dow Jones.

The Amended Complaint seeks a declaration that the action is maintainable as a class action, a declaration that the defendants have committed a gross abuse of trust and breached their fiduciary duties to the putative class of plaintiffs, a direction to the defendants to ensure that no conflicts of interest exist between the defendants and their fiduciary obligations (and if such conflicts exist, to ensure that they are resolved in favor of Dow Jones stockholders), compensatory and rescissory damages, attorneys fees and costs, and further relief as determined by the court. A Second Amended Complaint was filed on September 25, 2007. The Second Amended Complaint names the same defendants named in the Amended Complaint and makes allegations identical to those contained in the Amended Complaint. In addition, the Second Amended Complaint also alleges that the preliminary proxy statement filed with the SEC on September 7, 2007 omits material information necessary to allow shareholders to make an informed decision concerning the Proposed Merger. Specifically, the plaintiffs allege that:

The Preliminary Proxy fails to disclose the conflict of interest that led to Defendant C. Bancroft's recusal from the Dow Jones Board meeting of July 17, 2007. ;

The preliminary proxy statement fails to make material disclosures regarding the financial advisors employed by Dow Jones. ;

The preliminary proxy statement does not disclose management projections or forecasts, and that these forecasts are material because they signal management's true opinion of the Company's value and future prospects.

The Second Amended Complaint seeks the same relief sought in the Amended Complaint.

The plaintiffs and Dow Jones reached a settlement in principle of the litigation on October 16, 2007. In connection with the settlement, Dow Jones has agreed to include in this proxy statement/prospectus the summary of internal financial forecasts beginning on page 78 of this proxy statement/prospectus. Dow Jones also agreed to include certain additional disclosures in this proxy statement/prospectus. The settlement will not affect the amount or form of the merger consideration that Dow Jones stockholders are entitled to receive in the proposed merger or otherwise modify the terms of the transaction.

## Edgar Filing: Ruby Newco LLC - Form S-4/A

Under the terms of the settlement, the plaintiffs and Dow Jones have agreed to enter into a stipulation of settlement which will release the defendants, Dow Jones, News Corporation, and their affiliates, representatives



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and advisors from all of the claims that were or could have been brought in the settled litigation, including all claims relating to the merger, the merger agreement and any disclosure made in connection therewith. Plaintiffs' counsel intend to apply to the court for an award of attorneys' fees and expenses of up to \$895,000, which Dow Jones has agreed to pay on behalf of all the defendants within ten (10) business days of the settlement becoming effective. The settlement will be contingent upon, among other things, consummation of the proposed transaction and final court approval.

### **Accounting Treatment**

The merger will be accounted for under the purchase method of accounting in accordance with U.S. generally accepted accounting principles which we refer to as GAAP. Under this method of accounting, since Newco will have the sole ownership of Dow Jones and will control Dow Jones' board of directors and management following consummation of the merger, Newco is deemed to be the acquirer of Dow Jones for financial reporting purposes. The purchase price will be determined based on the cash consideration and the fair value of the Newco Class B common units issued to Dow Jones stockholders to complete the merger, the fair value of equity based compensation of News Corporation Class A common stock issued in exchange for Dow Jones equity based compensation at the time of the merger and Newco transaction costs. The excess purchase price over the fair value of the tangible assets acquired will be allocated to identifiable intangible assets and goodwill. The results of operations of Dow Jones will be included in the results of operations of Newco beginning on the closing date of the merger. See Unaudited Pro Forma Condensed Consolidated Financial Statements beginning on page 133 for more information.

### **No Stock Exchange Listing of Newco Class B Common Units**

Newco Class B common units will not be listed on any securities exchange, such as the NYSE or Nasdaq Stock Market.

It is a condition to the merger that at or prior to the effective time, the shares of News Corporation Class A common stock which may be issued upon exchange of Newco Class B common units issued in the merger are approved for listing on the NYSE and the ASX, subject only to official notice of issuance. If a transaction restructuring occurs, this condition will be eliminated.

### **Resale of Newco Class B Common Units Following the Merger**

The Newco Class B common units issued in the merger will be registered with the SEC. Accordingly, the Newco Class B common units issued in the merger will not be subject to any restrictions on transfer arising under the Securities Act, except for shares issued to any Dow Jones stockholder who may be deemed to be an affiliate of Dow Jones or News Corporation for purposes of Rule 144 or Rule 145 under the Securities Act.

However, the amended and restated operating agreement of Newco will provide that the Newco Class B common units will be subject to significant transfer restrictions. The amended and restated operating agreement will provide that a holder of Newco Class B common units (other than News Corporation) will be entitled to transfer Newco Class B common units only upon satisfaction of each of the following conditions (unless any condition is waived by the board of managers of Newco):

the transfer does not require the registration or qualification of the units pursuant to any applicable federal or state securities laws or rules and regulations of the SEC or any state securities commission or result in the creation, or continuance of, any reporting obligation of Newco under Section 12 or Section 15 of the Exchange Act;

the transfer is not made to any person who lacks the legal right, power or capacity to own Newco Class B common units;

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other than in the case of any transfer to any lineal descendant, heir, spouse, executor, administrator, testamentary trustee, legatee or beneficiary of any holder of Newco Class B common units or any trust for the benefit of any of the foregoing, the transfer is made to a person who qualifies as an accredited investor as defined in Rule 501 under the Securities Act;

after giving effect to the transfer, the aggregate number of record holders of Newco Class B common units registered on Newco's books or with the transfer agent for Newco does not exceed 250 holders (calculated in accordance with the method set forth in Rule 12g5-1 of the Exchange Act for determining an issuer's status under Section 12(g) or Section 15(d) under the Exchange Act); and

to the extent any intended transferee is a broker dealer (as defined in the amended and restated operating agreement) (other than a trust or trustee or beneficiary of a trust), the transferee must be acquiring the transferred units for its own account, as principal.

In addition to the foregoing restrictions, prior to any transfer of Newco Class B common units pursuant to the terms of the amended and restated operating agreement, the transferee must agree in writing to be bound by the terms of the amended and restated operating agreement, provide an address to which notices may be delivered, and Newco may, as a condition to the transfer or the registration on the books of Newco of a transfer of Newco Class B common units to a purported transferee, require the furnishing of opinions, affidavits or other proof as it deems necessary to establish that the transferee is a permitted transferee under the terms of the amended and restated operating agreement.

**Newco Following the Merger**

If the merger is completed in accordance with the terms of the merger agreement, Newco will be a direct subsidiary of News Corporation and Dow Jones will be a wholly owned subsidiary of Newco. Prior to the merger, Newco will not engage in any business or operations, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement. As a result of the merger, the assets and business of Newco will consist exclusively of the capital stock of Dow Jones. Newco has made an election to be classified as a corporation for U.S. federal income tax purposes.

Upon completion of the merger, at least 90% of the outstanding voting interests of Newco will be held by News Corporation. Accordingly, News Corporation will control Newco and, through Newco, Dow Jones, and will have the power to elect all members of the Newco board of managers (except in certain limited circumstances described below), appoint new management and approve any action requiring the approval of the holders of Newco units, subject to certain limitations, including with respect to adopting certain amendments to Newco's operating agreement and approving mergers involving Newco or sales of all or substantially all of Newco's assets, including the common stock of Dow Jones. Under certain circumstances set forth in the amended and restated operating agreement, either Newco, News Corporation or the holders of a majority of the Newco Class B common units may cause Newco to merge with and into another News Corporation subsidiary. See the section entitled Amended and Restated Operating Agreement of Newco Merger Right beginning on page 170 for more information. The members of the Newco board of managers will have the authority to make decisions affecting the capital structure of Newco, including the incurrence of additional indebtedness, the implementation of unit repurchase programs and the declaration of distributions. The interests of News Corporation may not coincide with the interests of the other Newco unitholders and, subject to the terms of the editorial agreement, the business, financial and operating policies of Dow Jones in effect prior to the completion of the merger may not continue following its completion.

The existence of News Corporation as the controlling unitholder of Newco will make it impossible for a third party to acquire a majority of the outstanding Newco common units without reaching an agreement with News Corporation. A third party would be required to negotiate any transaction with News Corporation, and the interests of News Corporation with respect to that transaction may be different from the interests of other Newco unitholders. Furthermore, to the fullest extent permitted by the Act, neither News Corporation nor any of

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its affiliates will owe any duties at law or in equity (including fiduciary duties) to any other Newco unitholder other than the duties and obligations expressly set forth in the amended and restated operating agreement.

For the first 120 days after the closing of the merger, the Newco Class B common units will not be exchangeable for News Corporation stock. Between the 121<sup>st</sup> and 180<sup>th</sup> day after the closing of the merger, a holder of Newco Class B common unit will be permitted to exchange up to 25% of the total number of units the holder received in the merger for shares of News Corporation Class A common stock. Following the 180<sup>th</sup> day after the closing of the merger, any or all Newco Class B common units may be exchanged for shares of News Corporation Class A common stock. Each Newco Class B common unit will be exchangeable for one (1) share (subject to adjustment) of News Corporation Class A common stock. This one-to-one exchange ratio will be adjusted pursuant to the terms of the amended and restated operating agreement in certain circumstances, including, among other things, stock splits or stock dividends with respect to the News Corporation Class A common stock and certain, significant corporate transactions involving News Corporation. We refer to this ratio, as adjusted from time to time, as the exchange ratio.

Generally, Newco will pay all distributions (subject to certain exceptions) to the holders of the Class A common units and Class B common units, when, as, and if, declared by the Newco board of managers out of legally available funds, on a *pro rata* basis, subject to the right of the holders of Class A common units to receive a portion of any distribution in the form of additional Class A common units. However, so long as no distribution failure then exists, (1) other than any distribution paid in connection with an extraordinary dividend transaction, the holders of Newco Class B common units will not be entitled to receive in any News Corporation dividend period any distribution in excess of News Corporation's regular dividend in respect of a number of shares of News Corporation Class A common stock as adjusted by the exchange ratio then in effect under the amended and restated operating agreement, and (2) Newco may pay, when, as, and if, declared by the Newco board of managers out of legally available funds, distributions payable solely to the holders of Class A common units in any amount and at any time. Newco anticipates that holders of Newco Class A common units and Newco Class B common units will receive distributions from Newco equal to the regular dividends paid on shares of News Corporation Class A common stock, subject to adjustment based on the exchange ratio then in effect. However, distributions are payable only when, as and if, declared by the Newco board of managers out of legally available funds and there is no guarantee that any distributions will be paid.

As used in the this proxy statement/prospectus, *distribution failure* refers to Newco's failure to pay a matching dividend on the Newco Class B common units (after giving effect to the exchange ratio then in effect) within 45 days of the date on which News Corporation pays its regular dividend on News Corporation Class A common stock in any dividend period.

In the event that a distribution failure occurs and the distribution failure continues uncured for twelve (12) consecutive months, holders of a majority of the Newco Class B common units will be entitled to designate and appoint one individual to serve on the Newco board of managers until the distribution failure is cured.

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### **THE MERGER AGREEMENT**

The following summary describes certain material provisions of the merger agreement and is qualified in its entirety by reference to the merger agreement, a copy of which is attached to this proxy statement/prospectus as Annex A and which is incorporated by reference into this document. This summary may not contain all of the information about the merger agreement that may be important to you. We encourage you to read the merger agreement carefully and in its entirety.

#### **The Merger**

The merger agreement provides for the merger of Merger Sub with and into Dow Jones upon the terms and subject to the conditions of the merger agreement, with Dow Jones being the surviving corporation. As a result of the merger, Dow Jones will become a wholly owned subsidiary of Newco, a direct subsidiary of News Corporation, and all outstanding shares of Dow Jones common stock and Class B common stock will be delisted and deregistered and Dow Jones will cease to be an independent, publicly traded company. Upon completion of the merger, the directors of Merger Sub immediately prior to the effective time will be the directors of Dow Jones, as the surviving corporation, and the officers of Dow Jones immediately prior to the effective time will be the officers of Dow Jones, as the surviving corporation.

#### **Effective Time**

The effective time of the merger, which we refer to in this proxy statement/prospectus as the effective time, will occur at the time that Dow Jones files a certificate of merger with the Secretary of State of the State of Delaware on the closing date of the merger (or a later time as Dow Jones and News Corporation may agree and specify in the certificate of merger). The closing date will occur on the second (2<sup>nd</sup>) business day following the satisfaction or waiver (to the extent permitted under applicable laws and the terms of the merger agreement) of the conditions described under **Conditions to the Merger** beginning on page 104, or some other date as Dow Jones and News Corporation may agree in writing.

#### **Merger Consideration; Election to Receive Newco Class B Common Units Instead of Cash**

Except for Dow Jones shares for which the unit election described below is made, each share of Dow Jones common stock and Class B common stock, other than shares held by stockholders who properly demand and perfect appraisal rights, will be converted in the merger into the right to receive \$60.00 in cash, without interest and less any applicable withholding taxes. We refer to this amount as the cash consideration.

Each Dow Jones stockholder who is a record holder (other than a broker, dealer, bank or similar nominee holding shares on behalf of the beneficial owner(s)) of certificated Dow Jones shares, meaning the stockholder holds Dow Jones shares in certificated form directly and not through a broker, dealer, bank or similar nominee, will have the opportunity to elect to receive Newco Class B common units for all or a portion of those certificated Dow Jones shares, instead of receiving the cash consideration for those shares. We have limited the right to make a unit election to record holders (other than brokers, dealers, banks or other similar nominees holding shares on behalf of their beneficial owners) who hold Dow Jones shares in certificated form to provide greater transparency to Newco regarding the identities of the holders actually obtaining beneficial ownership of Newco Class B common units in the merger and thereby increase the likelihood that Newco will be successful in enforcing limitations on the number of holders receiving Newco Class B common units in the merger and limitations on the transfer of Newco Class B common units following the merger. We refer to the election to receive Newco Class B common units as the unit election. Under the merger agreement, the number of Newco Class B common units you will be entitled to receive for each Dow Jones share for which you make a valid unit election will be determined at closing by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger. We refer to the Newco Class B common units payable for each Dow Jones share as the unit consideration.

Unless you make a valid election to receive the unit consideration with respect to a Dow Jones share owned by you, you will receive the cash consideration for that share.

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Under the terms of the merger agreement, even if you properly elect the unit consideration for some or all of your shares of Dow Jones, your right to receive the unit consideration is subject to the following limitations:

the unit consideration will be paid to no more than 250 record holders of Dow Jones shares; if more than 250 record holders elect to receive the unit consideration, the unit consideration will be paid to the 250 record holders who elect the unit consideration for the greatest number of Dow Jones shares; and

elections to receive the unit consideration are subject to proration to ensure that no more than 8,599,159 shares (approximately 10% of the aggregate outstanding shares of Dow Jones) are converted into the right to receive the unit consideration; you will receive the cash consideration for any shares for which you make a unit election but are unable to receive the unit consideration as a result of proration.

The merger agreement contemplates that Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, will deliver to Dow Jones at the closing of the merger a legal opinion, which we refer to as the tax opinion, to the effect that the transaction should qualify for tax-free treatment under Section 351 of the Code and that the Newco Class B common units should not constitute nonqualified preferred stock within the meaning of Section 351(g) of the Code. Delivery of this tax opinion is not a condition to the closing of the merger.

If the Dow Jones board of directors determines in accordance with the terms of the merger agreement that Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver the tax opinion to Dow Jones at the closing of the merger or that the closing of the merger would be reasonably likely to be materially delayed or precluded because:

a stop order is issued suspending the registration statement of which this proxy statement/prospectus is a part; or

the shares of News Corporation Class A common stock that may be issued upon exchange of Newco Class B common units are not approved for listing on the NYSE or the Australian Stock Exchange, which we refer to as the ASX ;

and Dow Jones provides notice of this determination to News Corporation before the later of the tenth (10<sup>th</sup>) business day before the closing date or the second (2<sup>nd</sup>) calendar day before the special meeting, under the terms of the merger agreement, the merger will be restructured to eliminate the unit election feature. In the event this restructuring occurs, each share of Dow Jones common stock and Class B common stock will be converted into the right to receive the cash consideration. We refer to this restructuring as a transaction restructuring.

In addition, if Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver to Dow Jones the tax opinion referred to above at the closing of the merger, but the Dow Jones board of directors does not make the determination referred to above before the later of the tenth (10<sup>th</sup>) business day before the closing date or the second (2<sup>nd</sup>) calendar day before the special meeting, the inability to receive this tax opinion will not result in a transaction restructuring and Dow Jones stockholders will continue to be able to make unit elections for their Dow Jones shares. However, Dow Jones and News Corporation will issue a public statement disclosing that Dow Jones will be unable to receive the tax opinion. Under this circumstance, the election deadline will be extended, as necessary, to ensure that Dow Jones stockholders who previously made a unit election for their shares have at least five (5) business days after the day Dow Jones and News Corporation issue this public statement to revoke their unit elections.

If between the date of the merger agreement and the effective time of the merger, there is a reclassification, stock split, stock dividend or other similar transaction in respect of News Corporation Class A common stock or Dow Jones common stock or Class B common stock, the cash consideration and unit consideration, as applicable, will be adjusted accordingly to provide the Dow Jones stockholders with the same economic effect contemplated by the merger agreement.

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For a full description regarding the election process, the allocation and proration procedures relating to Newco Class B common units, and the election form, see the section of this proxy statement/prospectus entitled *Mechanics of Election to Receive Newco Class B Common Units* beginning on page 109.

### **Dissenters Shares**

Shares of Dow Jones common stock and Class B common stock held by any stockholder who properly demands and perfects appraisal rights with respect to his or her Dow Jones shares in connection with the merger in compliance with Section 262 of the Delaware General Corporation Law, or the DGCL, will not be converted into the right to receive the merger consideration. Dow Jones stockholders properly exercising appraisal rights will be entitled to payment as further described in the section of this proxy statement/prospectus entitled *Dissenters Rights of Appraisal* beginning on page 129. However, if any holder of Dow Jones common stock or Class B common stock withdraws his or her demand for appraisal in accordance with Delaware law, fails to perfect, or otherwise loses, his or her right of appraisal, then that stockholder will not receive payment for his or her shares in accordance with Section 262 of the DGCL, and the shares of Dow Jones common stock or Class B common stock held by that stockholder will be converted into the right to receive the cash consideration.

### **Treatment of Dow Jones Stock Options and Other Equity Awards**

#### ***Stock Options.***

*Vested Stock Options.* As of the effective time, each outstanding vested option to acquire shares of Dow Jones common stock and each outstanding vested stock appreciation right in respect of shares of Dow Jones common stock (other than any option or stock appreciation right with an exercise price or base price that exceeds the cash consideration, which we refer to as an *out-of-the-money option* ) will, subject to the right of the holder to make an option conversion election (as described below), be converted, in accordance with the terms of this option, into a right to receive from Dow Jones, for each share of Dow Jones common stock subject to this option (or stock appreciation right), an amount in cash equal to the excess of the cash consideration over the exercise price per share (or base price per share in the case of stock appreciation rights) of this option (or stock appreciation right). We refer to this cash amount as the *vested Dow Jones option payment*. The vested Dow Jones option payment with respect to each share of Dow Jones common stock subject to the vested option will be payable on the closing date of the merger.

*Unvested Stock Options.* As of the effective time, each outstanding unvested option to acquire shares of Dow Jones common stock and each outstanding unvested stock appreciation right in respect of shares of Dow Jones common stock (other than out-of-the-money options) will, subject to the right of the holder to make an option conversion election (as described below), be converted, in accordance with the terms of the option, into a right to receive from Dow Jones, for each share of Dow Jones common stock subject to the option (or stock appreciation right), an amount in cash equal to the excess of the cash consideration over the exercise price per share (or base price per share in the case of stock appreciation rights) of the unvested option (or stock appreciation right). We refer to this cash amount as the *unvested Dow Jones option payment*. The unvested Dow Jones option payment with respect to each share of Dow Jones subject to the unvested option common stock will be payable on the date, if any, upon which the applicable option (or stock appreciation right) would have become exercisable for the share of Dow Jones common stock under the terms and conditions that are applicable, and would be applicable, to the option (or stock appreciation right), in each case as of the date of the merger agreement (but taking into account any changes to the option under the terms of any applicable stock option or compensation plan, agreement or arrangement of Dow Jones occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement).

Each holder of an outstanding vested or unvested option to acquire shares of Dow Jones common stock or an outstanding vested or unvested stock appreciation right in respect of shares of Dow Jones common stock (other than out-of-the-money options) may elect, in accordance with the procedures described under the section entitled *The Equity Awards Exchange* beginning on page 175, to have all or a portion of the shares of

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Dow Jones common stock subject to this option or stock appreciation right converted at the effective time into an option to acquire a number of shares of (or a stock appreciation right with respect to) News Corporation Class A common stock (on the same terms and conditions as were applicable under this option or stock appreciation right, but taking into account any changes to this option under the terms of any applicable stock option or compensation plan, agreement or arrangement of Dow Jones occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement) that is equal to the number of shares of Dow Jones common stock subject to this outstanding vested or unvested option or stock appreciation right for which an election was made multiplied by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger. This option to acquire News Corporation Class A common stock will have an exercise price (or base price) equal to the per share exercise price (or base price) specified in this vested or unvested Dow Jones option or stock appreciation right divided by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger (rounded to the nearest cent). Any holder making the option conversion election will not be entitled to receive the vested or unvested Dow Jones option payment, as the case may be, with respect to any shares for which an election is validly made.

*Effect of Termination of Employment on Stock Options.* Upon an involuntary or constructive termination of employment within twenty-four months following the closing of the merger, the cash payable for unvested options or stock appreciation rights (or if the option or stock appreciation right conversion election is made, the holder's option to acquire shares of or stock appreciation rights in respect of News Corporation Class A common stock) will vest in full and be paid, or be exercisable, respectively.

*Out-of-the-Money Options.* As of the effective time, each outstanding out-of-the-money option (vested or unvested) will be converted into an option to acquire a number of shares of News Corporation Class A common stock that is equal to the number of shares of Dow Jones common stock subject to the out-of-the-money option multiplied by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger, and this option will have an exercise price (or base price) per share of News Corporation Class A common stock (rounded to the nearest cent) equal to the per share exercise price (or base price) specified in the out-of-the-money option divided by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger and will otherwise be subject to the same terms and conditions as were applicable to the applicable out-of-the-money option (but taking into account any changes to the out-of-the-money option under the terms of any applicable stock option or compensation plan, agreement or arrangement of Dow Jones occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement).

***Restricted Stock and Restricted Stock Units.***

As of the effective time, subject to the right of the holder to make an equity right conversion election (as described under the Section entitled "The Equity Awards Exchange" beginning on page 175), each outstanding share of restricted Dow Jones common stock will be converted, in accordance with its terms, into the right to receive the cash consideration, which we refer to as the restricted stock payment, and each outstanding restricted stock unit in respect of a share of Dow Jones common stock will be converted into the right to receive the cash consideration and all dividend equivalents accrued on the restricted stock unit through the closing of the merger, which we refer to as the restricted stock unit payment, in each case, on the date upon which the applicable share of restricted Dow Jones common stock or the applicable restricted stock unit would vest, and would have vested, under the terms and conditions that otherwise would have been applicable to that share of restricted Dow Jones common stock or restricted stock unit (but taking into account any changes to that share of restricted Dow Jones common stock or restricted stock unit under the terms of any applicable stock option or

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compensation plan, agreement or arrangement of Dow Jones occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement).

Each holder of an outstanding share of restricted Dow Jones common stock or an outstanding restricted stock unit in respect of a share of Dow Jones common stock may elect, in accordance with the procedures described under the section entitled "The Equity Awards Exchange" beginning on page 175, to have all or a portion of the shares of Dow Jones common stock represented by his or her share of restricted Dow Jones stock or restricted stock unit converted at the effective time into, as applicable, a number of restricted shares of News Corporation Class A common stock or restricted stock units in respect of shares of News Corporation Class A common stock equal to the number of shares of Dow Jones common stock represented by that share of restricted Dow Jones stock or restricted stock unit multiplied by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger (rounded to the nearest whole share) and otherwise subject to the same terms and conditions as were applicable to those shares of restricted Dow Jones stock or restricted stock units (but taking into account any changes to those shares of restricted Dow Jones stock or restricted stock units under the terms of any applicable stock option or compensation plan, agreement or arrangement of Dow Jones occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement). Any holder making the equity right conversion election will not be entitled to receive the restricted stock payment or the restricted stock unit payment, as the case may be, with respect to any shares with respect to which an election is validly made.

If a holder of shares of restricted Dow Jones common stock or restricted stock units in respect of Dow Jones common stock makes an equity right conversion election, the holder will be entitled to receive dividends in respect of restricted shares of News Corporation Class A common stock and accrue dividend equivalents on restricted stock units in respect of News Corporation Class A common stock if and when dividends on News Corporation Class A common stock are paid. All dividend equivalents accrued prior to closing in respect of Dow Jones restricted stock units and after closing in respect of News Corporation restricted units into which those Dow Jones restricted stock units are converted in the merger will be paid on vesting of the News Corporation restricted stock units.

A holder that has not made the equity right conversion election will not be entitled to receive dividends or accrue dividend equivalents for periods after the closing of the merger.

Upon an involuntary or constructive termination of employment within twenty-four months following the closing of the merger, the cash will be payable (or if the equity right conversion election is made, the restricted shares of or restricted stock units in respect of News Corporation Class A common stock will vest) on a pro-rata basis based on the holder's service during the vesting period (plus any applicable severance period).

***Contingent Stock Rights.***

Each outstanding Dow Jones contingent stock right (as defined in the 2001 LTIP) will, subject to the right of the holder to make a contingent stock right conversion election (as described below), be treated in accordance with the terms of the 2001 LTIP, and the Final Award (as defined in the 2001 LTIP) will be converted at the effective time into the right to receive from Dow Jones, at the time or times set forth in the 2001 LTIP, cash in an amount equal to the product of (1) the cash consideration and (2) the number of shares of Dow Jones common stock constituting the Final Award (generally the target number of shares), which we refer to as the "Dow Jones CSR payment."

Each holder of an outstanding Dow Jones contingent stock right may elect, in accordance with the procedures described under the section entitled "The Equity Awards Exchange" beginning on page 175, to have all or a portion of the shares of Dow Jones common stock constituting that holder's Final Award (again, generally the target number of share) converted at the effective time into the right to receive a contingent stock



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right with respect to a number of shares of News Corporation Class A common stock equal to the number of shares of Dow Jones common stock constituting that holder's Final Award multiplied by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger (rounded to the nearest whole share) and otherwise subject to the terms of the LTIP (but taking into account any changes under the LTIP occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement). Any holder making such a contingent stock right conversion election will not be entitled to receive the Dow Jones CSR payment in respect of any shares for which a contingent stock right conversion election was validly made.

After the closing, each executive officer and other holder of contingent stock rights will be entitled to receive, for each quarter during the performance period applicable to their contingent stock rights, cash payments equal to the maximum number of Dow Jones shares that the holder could have received in respect of his or her contingent stock rights under their terms as in effect immediately before the merger multiplied by \$0.25, the amount of the regular quarterly dividend currently paid on Dow Jones shares.

Upon an involuntary or constructive termination of employment within twenty-four months following the closing of the merger, the cash (or if the contingent stock right conversion election is made, the contingent stock rights in respect of shares of News Corporation Class A common stock) will be paid on a pro-rata basis based on the number of months of the holder's service during the performance period (plus any applicable severance period).

***Factiva LTIP Awards.***

Each outstanding award granted pursuant to the Dow Jones Reuters Business Interactive, LLC Long-Term Incentive Plan (which we refer to as the Factiva LTIP) with respect to the 2005-2007 performance period (which period we refer to as Cycle 4) will be measured at its target level on the closing date of the merger, and continue to be eligible to vest (subject to the original vesting schedule in the Factiva LTIP) on December 31, 2007. Each outstanding award granted pursuant to the Factiva LTIP with respect to the 2006-2008 performance period (which period we refer to as Cycle 5) will, subject to the right of the holder to make a Cycle 5 conversion election (as described below under Factiva LTIP Cycle 5 Conversion Election), be measured at its target level, multiplied by a performance factor equal to the ratio of \$60 to a base stock price of \$37.33, or 1.61, and will continue to be eligible to vest (subject to the original vesting conditions under the Factiva LTIP) on December 31, 2008.

Each holder of a Cycle 5 award granted pursuant to the Factiva LTIP may elect, in accordance with the procedures described under the section entitled The Equity Awards Exchange beginning on page 175, to have the portion of the amount of a holder's Cycle 5 award be measured pursuant to a formula based on the increase or decrease in the value of News Corporation Class A common stock between the date of the closing of the merger and December 31, 2008.

Upon an involuntary termination of employment within twenty-four months following the closing of the merger and prior to the end of 2007 for Cycle 4 awards or prior to the end of 2008 for Cycle 5 awards, a holder of a Factiva LTIP award will receive a pro-rated portion of the Cycle 4 and/or Cycle 5 award that remains outstanding on the date of termination. The amount that a holder will receive will be determined based on the payouts described above (and if the Factiva LTIP Cycle 5 conversion election is made, in accordance with that election) and will be pro-rated based on the number of whole months that have elapsed in Cycle 4 or Cycle 5, as applicable, as of the date of the holder's termination (plus any applicable severance period).

Following the effective time, News Corporation will maintain each equity or equity-based compensation plan of Dow Jones or any of its subsidiaries for purposes of administering the unvested stock options, out-of-the-money options, restricted stock, restricted stock units and contingent stock rights discussed above.

The Dow Jones board of directors makes no recommendation as to whether any holder of any Dow Jones equity awards should elect to receive News Corporation equity awards and makes no recommendation regarding

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the shares or options to acquire shares of Class A common stock of News Corporation issuable in respect of any News Corporation equity awards in accordance with the merger agreement.

**Exchange and Payment Procedures**

At the closing of the merger, Newco will cause to be deposited with Mellon Investor Services, the exchange agent chosen by News Corporation, referred to in this proxy statement/prospectus as the exchange agent, (a) cash in U.S. dollars sufficient to pay the aggregate cash consideration to be paid in connection with the merger and (b) certificates representing the Newco Class B common units to be issued in accordance with the merger agreement.

Promptly after the effective time each record holder of Dow Jones common stock or Class B common stock at the effective time (other than any record holder of Dow Jones common stock or Class B common stock who has previously made (and not revoked) a valid unit election with respect to all of such holder's shares) will be sent a letter of transmittal and instructions (which will specify that the delivery will be effected, and risk of loss and title will pass, only upon proper delivery of the certificates or transfer of the uncertificated shares to the exchange agent) for use in the exchange.

You should not return your stock certificates with the enclosed proxy card, and you should not forward your stock certificates to the exchange agent without an election form or letter of transmittal. Please see the description in the section entitled "Mechanics of Election to Receive Newco Class B Common Units - General Description of Election" beginning on page 109 for more information on surrendering your stock certificates.

In the case of shares of Dow Jones common stock and Class B common stock which are to be converted into the right to receive the cash consideration, you will not be entitled to receive the merger consideration until (1) you surrender your stock certificate(s) to the exchange agent together with a duly completed and executed letter of transmittal or (2) in the case of book-entry transfer of uncertificated shares, the exchange agent receives an agent's message with respect to your shares. Holders of Dow Jones shares that are to be converted into the right to receive the unit consideration will receive certificates of Newco Class B common units representing their unit consideration promptly after the closing of the merger. The merger consideration may be paid to a person other than the person in whose name the corresponding certificate is registered if the certificate is properly endorsed or is otherwise in the proper form for transfer. In addition, the person who surrenders such certificate must either pay any transfer or other applicable taxes or establish to the satisfaction of the exchange agent that those taxes have been paid or are not payable.

No interest will be paid or will accrue on the cash payable upon surrender of the shares of Dow Jones common stock and/or Class B common stock. The exchange agent will be entitled to deduct, withhold, and pay to the appropriate taxing authorities, any applicable taxes from the merger consideration. Any amounts that are withheld or deducted and paid to a taxing authority by the exchange agent will be deemed to have been paid to the person in respect of which the deduction or withholding was made.

After the effective time, Dow Jones' stock transfer books will be closed and there will be no further transfers on Dow Jones' stock transfer books of shares of Dow Jones common stock or Class B common stock that were outstanding immediately prior to the effective time of the merger. If, after the effective time, stock certificates or uncertificated shares are presented to the surviving corporation, they will be cancelled and exchanged for the cash consideration.

Any portion of the merger consideration deposited with the exchange agent that remains unclaimed by former holders of Dow Jones common stock and/or Class B common stock for nine (9) months after the effective time will be delivered, upon demand, to Newco. Former holders of Dow Jones common stock or Class B common stock who have not complied with the above-described exchange and payment procedures may thereafter only look to Newco, as a general creditor thereof, for payment of the merger consideration (without

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interest thereon), and any dividends and distributions with respect thereto, in respect of those Dow Jones shares without any interest thereon. None of Dow Jones, News Corporation, Newco, Merger Sub, the exchange agent, or any other person will be liable to any former holders of Dow Jones common stock or Class B common stock for any amounts paid to a public official pursuant to any applicable abandoned property, escheat or similar laws. Any amounts remaining unclaimed by holders of shares of Dow Jones common stock or Class B common stock two (2) years after the effective time (or that earlier date, immediately prior to the time when the amounts would otherwise escheat to or become property of any governmental entity) will become, to the extent permitted by applicable law, the property of Newco, free and clear of any claims or interest of any person previously entitled thereto.

If you have lost a certificate, or if it has been stolen or destroyed, then before you will be entitled to receive the merger consideration, you must deliver an affidavit, in form and substance reasonably acceptable to Newco, regarding the loss, theft or destruction, and if required by Newco or News Corporation post an indemnity agreement or, at the election of Newco or News Corporation, a bond in a customary amount as indemnity against any claim that may be made against it or the surviving corporation with respect to that certificate. These procedures will be described in the letter of transmittal that you will receive, which you should read carefully in its entirety.

**Representations and Warranties**

The merger agreement contains representations and warranties which the parties made to each other. The statements embodied in those representations and warranties were made for purposes of the contract between the parties and are subject to qualifications and limitations agreed to by the parties in connection with negotiating the terms of that contract. Certain representations and warranties were made as of the date of the merger agreement (or other date specified in the merger agreement), may be subject to contractual standards of materiality different from those generally applicable to stockholders or may have been used for the purpose of allocating risk between the parties rather than establishing matters of fact. In addition, the representations and warranties are qualified by information in a confidential disclosure letter that Dow Jones provided to News Corporation in connection with signing the merger agreement. Accordingly, you should not rely on the representations and warranties as characterizations of the actual state of facts, since they are qualified as described above. Moreover, information concerning the subject matter of the representations and warranties may have changed since the date of the merger agreement, and these changes may or may not be fully reflected in our public disclosures. The merger agreement should not be read alone, but should instead be read in conjunction with the other information regarding Dow Jones, News Corporation and the merger that is contained in this proxy statement/prospectus as well as in the filings that Dow Jones and News Corporation make and have made with the SEC. The representations and warranties contained in the merger agreement may or may not have been accurate as of the date they were made and we make no assertion herein that they are accurate as of the date of this proxy statement/prospectus.

In the merger agreement, Dow Jones made various representations and warranties that are subject, in some cases, to specified exceptions and qualifications. Dow Jones representations and warranties relate to, among other things:

Dow Jones and Dow Jones subsidiaries organization, good standing, and qualification to do business;

Dow Jones subsidiaries and Dow Jones equity interests in them;

Dow Jones capitalization, including the particular number of outstanding shares of Dow Jones common stock and Class B common stock, stock options and other equity-based interests;

Dow Jones corporate power and authority to enter into the merger agreement and to consummate the transactions contemplated by the merger agreement;

The approval and authorization by the Dow Jones board of directors of the merger agreement and the other transactions contemplated by the merger agreement;

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The enforceability of the merger agreement against Dow Jones;

The vote of the holders of Dow Jones common stock and Class B common stock required to approve and adopt the merger agreement;

The absence of any violation or conflict with Dow Jones or Dow Jones subsidiaries governing documents, applicable law or certain agreements as a result of the execution of the merger agreement and consummation of the transactions contemplated by the merger agreement;

The required consents and approvals of governmental entities in connection with the transactions contemplated by the merger;

Dow Jones filings with the SEC since January 1, 2005, including financial statements and controls over financial reporting;

The absence of a Dow Jones Material Adverse Effect since December 31, 2006;

The absence of certain undisclosed liabilities;

Dow Jones and Dow Jones subsidiaries permits and compliance with applicable legal requirements;

The absence of investigations, legal proceedings and governmental orders;

Tax matters;

Employee benefit and labor matters;

Intellectual property;

Environmental matters;

Material contracts and performance of obligations thereunder;

The absence of related-party transactions;

Receipt by the Dow Jones board of directors of a fairness opinion from Goldman, Sachs & Co.;

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The absence of undisclosed brokers' fees;

Inapplicability of takeover statutes;

Information supplied by Dow Jones for this document; and

Real and personal property.

The representations and warranties of Dow Jones will not survive the closing of the merger or the termination of the merger agreement.

Many of Dow Jones' representations and warranties are qualified by reference to a Dow Jones Material Adverse Effect standard; that is, they will not be deemed to be untrue or incorrect unless their failure to be true and correct, individually or in the aggregate, would reasonably be expected to have a Dow Jones Material Adverse Effect. For purposes of the merger agreement, a Dow Jones Material Adverse Effect means any change, event, circumstance or effect that, individually or in the aggregate (x) would reasonably be expected to have a material adverse effect on the assets, properties, results of operations, business or financial condition of Dow Jones and its subsidiaries, taken as a whole, or (y) except for purposes of determining whether any closing condition under the merger agreement has been or is reasonably capable of being satisfied, would, individually or in the aggregate, reasonably be expected to prevent or materially delay the performance of the merger agreement by Dow Jones or the consummation of the merger.

Generally, a Dow Jones Material Adverse Effect will not have occurred, however, as a result of any change, event, circumstance or effect resulting from, among other things, any of the following:

Changes generally affecting companies operating in the industries or markets in which Dow Jones or any of its subsidiaries operates;

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Changes in general national or international political conditions;

Earthquakes, hurricanes, floods or other natural disasters or acts of God;

Changes in conditions in the U.S. or global economy or capital or financial markets generally, including changes in interest or exchange rates;

Labor disputes involving a work stoppage, labor strike, lockout or other work slowdown;

Any changes in applicable law, rules, regulations, or GAAP or other accounting standards;

The negotiation, execution, announcement or performance of the merger agreement, including a resulting decline in the share price of Dow Jones common stock, a resulting reduction in revenue due to a decrease in the price of advertising, any resulting litigation, or the impact thereof on relationships with customers, suppliers, lenders, investors, joint venture partners or employees;

Any failure by Dow Jones to meet any projections or forecasts for any period ending on or after the date of the merger agreement, in and of itself; or

Any decrease in the market price of the Dow Jones common stock; except to the extent that, in the case of the first, second and sixth bullets above, these changes materially and disproportionately have a greater adverse impact on Dow Jones and its subsidiaries, taken as a whole, as compared to the adverse impact these changes have on other persons operating in the same industries as Dow Jones and its subsidiaries, but taking into account for purposes of determining whether a Dow Jones Material Adverse Effect has occurred only the materially disproportionate adverse impact. Moreover any determination of whether a Dow Jones Material Adverse Effect has occurred in connection with these changes will be measured with respect to Dow Jones and its subsidiaries, taken as a whole, after giving effect to the impact of these changes at the level of impact generally experienced by other companies operating in the industries or markets in which Dow Jones or any of its subsidiaries operates, provides or sells its products or services or otherwise does business.

In the merger agreement, News Corporation also made various representations and warranties that are subject, in some cases, to specified exceptions and qualifications. News Corporation's representations and warranties relate to, among other things:

News Corporation's, Newco's, and Merger Sub's organization, good standing, and qualification to do business;

News Corporation's and Newco's capitalization;

News Corporation's, Newco's and Merger Sub's corporate power and authority to enter into the merger agreement and to consummate the transactions contemplated by the merger agreement;

The enforceability of the merger agreement against News Corporation, Newco, and Merger Sub;

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Execution and delivery of the merger agreement by each of News Corporation, Newco, and Merger Sub;

The absence of any violation or conflict with News Corporation's, Newco's, and Merger Sub's governing documents, applicable law or certain agreements as a result of the execution of the merger agreement and the consummation of the transactions contemplated by the merger agreement;

The required consents and approvals of governmental entities in connection with the transactions contemplated by the merger;

News Corporation's SEC filings since January 1, 2005, including financial statements;

The absence of investigations, legal proceedings and governmental orders;

News Corporation's equity interest in Newco;

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News Corporation's ability to pay the merger consideration at the closing of the merger;

Information supplied by News Corporation for this document;

The absence of undisclosed broker's fees; and

Absence of a News Corporation Material Adverse Effect.

The representations and warranties of News Corporation do not survive the closing of the merger or the termination of the merger agreement.

Many of News Corporation's representations and warranties are qualified by reference to a News Corporation Material Adverse Effect standard (that is, they will not be deemed to be untrue or incorrect unless their failure to be true and correct, individually or in the aggregate, would reasonably be expected to have a Ruby Material Adverse Effect). The definition of a News Corporation Material Adverse Effect under the merger agreement corresponds to the definition of Dow Jones Material Adverse Effect, substituting references to Dow Jones with references to News Corporation.

**Conduct of Dow Jones Business Pending the Merger**

Under the merger agreement, Dow Jones has agreed that, subject to specified exceptions and unless News Corporation gives its prior consent (which consent will not be unreasonably withheld or delayed), between the date of the merger agreement and the earlier of the effective time and the date, if any, on which the merger agreement is terminated, Dow Jones will, and will cause each of its subsidiaries to:

in all material respects carry on its respective businesses in the ordinary course and consistent with past practice;

use commercially reasonable efforts to maintain and preserve intact its respective business organization and business relationships with third parties; and

use commercially reasonable efforts to retain the services of its respective key officers and employees.

Dow Jones has also agreed that, between the date of the merger agreement and the earlier of the effective time and the date, if any, on which the merger agreement is terminated, subject to specified exceptions or unless News Corporation gives its prior consent (which consent will not be unreasonably withheld or delayed), it will not, and will cause each of its subsidiaries not to:

declare, set aside for payment or pay any dividends on, or make any distributions in respect of any share, or any class or series of capital stock, of Dow Jones or any of its subsidiaries other than: (1) regular cash dividends, in accordance with past practice, in an amount no greater than \$0.25 per share per quarter; and (2) dividends or distributions declared, set aside or paid by any wholly owned subsidiary to Dow Jones or any of its wholly owned subsidiaries;

split, combine, reclassify, purchase, redeem or otherwise acquire, or amend the terms of, any shares of any class or series of Dow Jones stock (other than under specified circumstances);

authorize for issuance, issue, sell, or grant any shares of any class or series of capital stock, any other securities or stock-based performance units of Dow Jones or any of its subsidiaries, or any option or other right to acquire any shares of any class or series of capital stock of Dow Jones or any of its subsidiaries (other than under specified circumstances);



amend the Certificate of Incorporation or the Bylaws of Dow Jones or the organizational documents of any subsidiary of Dow Jones or amend the terms of any equity or debt securities issued by Dow Jones or any of its subsidiaries (other than those held by Dow Jones or any of its wholly owned subsidiaries) or (a) adopt any stockholder rights plan or (b) take any action to exempt any third party from any applicable antitakeover law (except as otherwise required under the merger agreement);

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(A) acquire or agree to acquire a cognizable ownership interest in any broadcast radio or television station, daily English-language newspaper or cable television system; (B) acquire or agree to acquire any other assets other than (x) investments in publicly traded securities constituting three percent (3%) or less of an outstanding class of securities of any entity and involving consideration no greater than \$25 million, on an individual basis, and \$100 million, on an aggregate basis, (y) acquisitions involving an investment of less than \$25 million, on an individual basis, and \$100 million, on an aggregate basis or (z) the purchase of equipment, goods, services, raw materials and inventory in all material respects in the ordinary course of business consistent with past practice; or (C) sell, pledge, dispose of, transfer, lease (as lessor), abandon, or authorize any of these actions with respect to any assets or properties of Dow Jones or any of its subsidiaries, other than transactions involving assets or properties with a fair market value not in excess of \$25 million individually or \$100 million in the aggregate, except for sales or dispositions of equipment and inventory and licensing of intellectual property, in each case, in all material respects in the ordinary course of business consistent with past practice;

change any of its methods, principles or practices of financial accounting, other than as required by U.S. generally accepted accounting principles (GAAP) or regulatory guidelines;

adopt or change any of its material tax accounting methods, principles or practices, prepare or file any material tax return inconsistent in any material respect with past practice or, on any tax return, take any position that is inconsistent in any material respect with past practice, make or change or revoke any material election with respect to taxes, materially amend any tax return or settle or compromise any material claim or assessment relating to taxes, enter into any closing agreement relating to taxes or consent to any material claim or audit relating to taxes, in each case other than in the ordinary course of business, provided that the ordinary course of business action would not have the effect of materially increasing the tax liability of Dow Jones and its subsidiaries or materially decreasing any tax attribute of Dow Jones and its subsidiaries, in each case, for any taxable period that ends after the closing date;

terminate any Dow Jones employee benefit plan or amend any Dow Jones employee benefit plan with any executive officer or with any non-executive officer (other than in all material respects in the ordinary course of business consistent with past practice and subject to certain specified exceptions), or adopt any new employee benefit plan, incentive plan, severance agreement, bonus plan, compensation, special remuneration, retirement, health, life, disability, stock option or other plan, program, agreement or arrangement with any executive officer, or with any non-executive officer (other than in all material respects in the ordinary course of business consistent with past practice);

enter into any new, or amend (subject to certain specified exceptions) any existing, employment, severance, change in control, tax gross-up, deferred compensation or other similar agreement or arrangement with any non-executive officer other than in all material respects in the ordinary course of business consistent with past practice or with any executive officer;

establish, pay, agree to grant or increase any bonus, stay bonus, retention bonus or any similar benefit under any plan or arrangement with any non-executive officer other than in all material respects in the ordinary course of business consistent with past practice or with any executive officer;

hire or terminate (other than for cause) any executive officer;

increase any salary or other compensation of any employee of Dow Jones or any of its subsidiaries, other than in all material respects in the ordinary course of business consistent with past practice;

enter into any new, or amend any existing, labor agreement or collective bargaining agreement or similar arrangement with any labor union or labor organization;

commence an offering period under any of Dow Jones employee stock purchase plans;

settle or compromise any material litigation brought by or against Dow Jones or any of its subsidiaries;

enter into any material contract or other material transaction between Dow Jones or any of its subsidiaries and any affiliated person of Dow Jones, other than in the ordinary course of business on

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terms no less favorable to Dow Jones than the terms governing transactions with third parties as otherwise permitted under the foregoing, or amend or modify in any material respect, cancel or terminate other than in accordance with its terms, or waive, release or assign any material rights or claims with respect to, any material Dow Jones contract or enter into any contract that would be a material Dow Jones contract if entered into prior to the date of the merger agreement (subject to specified exceptions);

alter the corporate form of Dow Jones or any of its subsidiaries or the ownership of any of its subsidiaries;

incur or commit to any capital expenditures in excess of the aggregate amount set forth in the capital expenditure budget plan delivered to News Corporation prior to the date of the merger agreement, except that, during the fiscal year beginning on January 1, 2008, Dow Jones may incur or commit aggregate capital expenditures up to 115% of the aggregate amount set forth in the capital expenditure budget plan for that fiscal year;

other than in the ordinary course of business, grant or acquire, agree to grant to or acquire from any person, or dispose of or permit to lapse any rights to, any material intellectual property; or

enter into any binding agreement, understanding or arrangement take any of the actions prohibited by any of the foregoing.

**Restrictions on a Recommendation Withdrawal**

Subject to the Dow Jones board of directors withdrawing or modifying its recommendation that Dow Jones stockholders vote in favor of the approval and adoption of the merger agreement and the transactions contemplated by the merger agreement in accordance with the terms of the merger agreement, Dow Jones is required to use its reasonable best efforts to solicit proxies from its stockholders in favor of the approval and adoption of the merger agreement, including by recommending in this proxy statement/prospectus that stockholders of Dow Jones accept the merger agreement. The merger agreement restricts the ability of the Dow Jones board of directors to withdraw, qualify, modify or publicly announce its intent to withdraw, qualify or modify, in each case in a manner adverse to News Corporation, Newco or Merger Sub, its recommendation to the Dow Jones stockholders that the stockholders approve and adopt the merger agreement. As used in this proxy statement/prospectus, any action of the Dow Jones board of directors described in the preceding sentence is referred to as a recommendation withdrawal. The provision of factual information by Dow Jones to the Dow Jones stockholders will not be deemed to constitute a recommendation withdrawal so long as the disclosure through which this factual information is conveyed, taken as a whole, is not contrary to or materially inconsistent with the recommendation of the Dow Jones board of directors that its stockholders approve and adopt the merger agreement.

Notwithstanding the foregoing restrictions, at any time prior to the receipt of the Dow Jones stockholder approval, the Dow Jones board of directors may make a recommendation withdrawal if, prior to making a recommendation withdrawal, the Dow Jones board of directors (1) determines in good faith (after consultation with outside counsel) that failure to make a recommendation withdrawal would be reasonably likely to be inconsistent with its fiduciary duties under applicable law, and, (2) in the case of a recommendation withdrawal other than in connection with Dow Jones entering into a definitive agreement for, or recommending a superior acquisition proposal, Dow Jones provides News Corporation at least one (1) business day's prior written notice of its intention to make a recommendation withdrawal. In the event of any recommendation withdrawal or any recommendation of a superior acquisition proposal (in each case, not accompanied by the termination of the merger agreement by News Corporation or by Dow Jones to enter into a definitive agreement with respect to a superior acquisition proposal, as the case may be), Dow Jones will provide News Corporation with Dow Jones stockholder list and, following this recommendation withdrawal or recommendation of a superior acquisition proposal until the time as the merger agreement is terminated in accordance with its terms, News Corporation may contact Dow Jones stockholders and prospective investors without regard to the certain limitations set forth

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in the merger agreement. If the merger agreement is terminated pursuant to its terms, News Corporation must promptly return the stockholder list.

### **Restrictions on Solicitation of Third Party Acquisition Proposals**

From and after the date of the merger agreement until the earlier of the closing and the termination of the merger agreement, Dow Jones has agreed not to:

initiate, solicit or knowingly encourage (including by way of furnishing nonpublic information or providing access to the properties, books or records of Dow Jones) the submission of any inquiries or the making, of any proposal or offer that constitutes, or would reasonably be expected to lead to, a third party acquisition proposal or engage in any discussions or negotiations with any person who has made, or, to the knowledge of Dow Jones, may make, a third party acquisition proposal or otherwise knowingly cooperate with or knowingly assist or participate in, or knowingly encourage, any such inquiries, proposals, discussions or negotiations;

approve or recommend a third party acquisition proposal or enter into any definitive agreement providing for a third party acquisition proposal; or

submit to the stockholders of Dow Jones for their approval or adoption any third party acquisition proposal or, agree or publicly announce any intention to take any of the foregoing actions.

In addition, Dow Jones agreed to, and to cause each of its subsidiaries to, and to cause its and their respective officers to, and to use its reasonable best efforts to cause each of its representatives (other than officers) to, in each case, cease immediately and terminate any and all existing discussions, conversations, negotiations and other communications with any persons conducted prior to the date of the merger agreement, with respect to, or that could reasonably be expected to lead to, a third party acquisition proposal.

Notwithstanding the restrictions described above, at any time prior to the receipt of the Dow Jones stockholder approval, Dow Jones may (A) furnish information with respect to Dow Jones and its subsidiaries to the person or persons making a third party acquisition proposal and their respective representatives and financing sources and potential purchasers of a portion of Dow Jones' assets or businesses and their respective representatives and financing sources and (B) participate in discussions or negotiations with the person or persons making such third party acquisition proposal and their respective representatives and financing sources and potential purchasers of a portion of Dow Jones' assets or businesses and their respective representatives and financing sources, if:

Dow Jones receives from that person or persons a third party acquisition proposal that did not result from a breach of the merger agreement (and did not result from actions taken by a Dow Jones director that would have been a breach of the merger agreement if those actions had been taken by a Dow Jones officer); and

the Dow Jones board of directors determines in good faith, after consultation with its independent financial advisors and outside counsel, that the third party acquisition proposal constitutes or would reasonably be expected to result in a superior acquisition proposal.

In all these cases, the aggregate number of potential purchasers of a portion of Dow Jones' assets or business to whom information may be provided, or with whom discussions or negotiations may be had, may not exceed six (6). Furthermore, Dow Jones (a) will not, and will not allow its representatives to, disclose any material non-public information to any person making a third party acquisition proposal without entering into a confidentiality and standstill agreement that contains provisions that are no less favorable in the aggregate to Dow Jones than those contained in the confidentiality agreement entered into with News Corporation, and (b) will promptly provide to News Corporation any non-public information concerning Dow Jones or its subsidiaries provided to another person in connection with a third party acquisition proposal that was not previously provided to News Corporation or its representatives.



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From and after the date of the merger agreement, Dow Jones has agreed to promptly (within one (1) business day) notify News Corporation in the event that Dow Jones receives any third party acquisition proposal from a person or group of related persons, or any request or inquiry that would reasonably be expected to lead to a third party acquisition proposal, including by notifying News Corporation of the identity of the person making the third party acquisition proposal and the material terms and conditions thereof. Dow Jones has also agreed to inform News Corporation on a prompt and current basis of any material change in the material terms or conditions of any third party acquisition proposal (it being understood that any change in price will be deemed to be a material change in a material term) and promptly provide News Corporation with copies of any written third party acquisition proposals received by Dow Jones. In addition, Dow Jones has agreed to promptly (within one (1) business day) notify News Corporation orally and in writing if Dow Jones determines to begin providing information or to engage in negotiations concerning any third party acquisition proposal.

As used in this proxy statement/prospectus, **third party acquisition proposal** means any offer or proposal for any of the following (other than any offer proposed by News Corporation or any of its affiliates effected pursuant to the merger agreement): any direct or indirect acquisition or purchase, merger, business combination, liquidation, recapitalization or similar transaction, whether effected in a single transaction or series of related transactions, which would result in the offeror or any of its affiliates owning or controlling (A) 20% or more of the consolidated gross assets of Dow Jones and its subsidiaries, taken as a whole, or (B) 20% or more of the outstanding equity securities of Dow Jones, or, if Dow Jones is not the surviving entity in a transaction, the surviving entity of a transaction, or, if applicable, the ultimate parent of a surviving entity.

As used in this proxy statement/prospectus, **superior acquisition proposal** means a bona fide written third party acquisition proposal, which proposal was not the result of a breach of the merger agreement (or a result of actions taken by any director of Dow Jones that would have constituted a breach of the merger agreement if those actions had been taken by an officer of Dow Jones), made by a third party on terms that a majority of the Dow Jones board of directors determines in their good faith judgment (after consultation with outside counsel and its financial advisor) (x) would, if consummated, be more favorable to the holders of Dow Jones common stock from a financial point of view than the merger (taking into account any changes proposed by News Corporation to the terms of the merger agreement in response to a third party acquisition proposal) and (y) and is reasonably likely to be completed. For the purposes of the definition of **superior acquisition proposal**, the references to **20% or more** in the definition of **third party acquisition proposal** are deemed to be references to **60% or more**.

**Termination in Connection with a Superior Acquisition Proposal**

If at any time prior to the receipt of the Dow Jones stockholder approval at the special meeting, Dow Jones receives a third party acquisition proposal which the Dow Jones board of directors concludes in good faith is a superior acquisition proposal, the Dow Jones board of directors may recommend that third party acquisition proposal to Dow Jones stockholders, and, furthermore, if the Dow Jones board of directors determines in good faith, after consultation with its outside counsel, that the failure to terminate the merger agreement and concurrently enter into a definitive agreement with respect to that superior acquisition proposal would be reasonably likely to be inconsistent with its fiduciary duties under applicable law, terminate the merger agreement to enter into a definitive agreement with respect to that superior acquisition proposal. However, the Dow Jones board of directors may not make that recommendation, or terminate the merger agreement in connection with a superior acquisition proposal unless: (1) Dow Jones has provided prior written notice to News Corporation, at least three (3) business days in advance of its intention to recommend, or to terminate the merger agreement to enter into a definitive agreement with respect to, a superior acquisition proposal; (2) during the three (3) business day period, Dow Jones has negotiated in good faith with News Corporation to enable News Corporation to make a revised offer that would make the unsolicited third party acquisition proposal no longer a superior acquisition proposal; and (3) in the case of a termination, Dow Jones concurrently pays News Corporation the break-up fee of \$165 million described below under the section entitled **The Merger Agreement Termination Fees** beginning on page 107. Furthermore, in the event of any material change to the

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material terms of a superior acquisition proposal (it being understood that a change in price is regarded as a material change to a material term), the Dow Jones board of directors will deliver to News Corporation a written notice specifying the material terms and conditions of the modified superior acquisition proposal (including the terms of the consideration that the holders of Dow Jones shares will receive and including any written agreement providing for a superior acquisition proposal and the identity of the person making the superior acquisition proposal), and if the three (3) business day period referenced above would otherwise expire within forty-eight (48) hours after delivery of the notice specifying the material terms and conditions of the modified superior acquisition proposal, this period will be extended until forty-eight (48) hours from delivery of the notice. For purposes of this proxy statement/prospectus, we refer to the exercise of Dow Jones' termination right as described in this paragraph, as a superior acquisition proposal termination.

**Agreement to Take Further Action and Use Reasonable Best Efforts**

Each of News Corporation and Dow Jones has agreed to use its best efforts to complete the merger as promptly as practicable. They have each agreed not to: (i) acquire any business or collection of assets if doing so would reasonably be expected to materially delay completion of the merger, (ii) acquire any other assets if the party knows that doing so would reasonably be expected to materially delay completion of the merger or (iii) take any action if the party knows that doing so would reasonably be expected to prevent completion of the merger. In particular, the parties have agreed to use their best efforts to make necessary filings and obtain necessary governmental consents and approvals required by applicable law, including those required under the HSR Act.

In addition, News Corporation has agreed to take, and Dow Jones has agreed to use its best efforts to take, any and all actions necessary to: (i) avoid the entry of, or to have vacated, any order that would restrain, prevent or delay the closing from occurring on or before the termination date; (ii) avoid or eliminate each and every impediment under any regulatory law so as to enable the closing to occur no later than the termination date; and (iii) cause the expiration or termination of all applicable waiting periods under the HSR Act and any other laws and obtain any other approvals from any governmental entity necessary for the consummation of the merger so as to enable the closing to occur no later than the termination date. However, News Corporation and Dow Jones have agreed that (1) News Corporation will be entitled to engage in litigation, including to prevent the imposition by any governmental entity of any requirement (A) that a material business, product line or asset of News Corporation, Dow Jones or their respective affiliates or subsidiaries be divested, licensed or held separate or (B) that News Corporation, Dow Jones or their respective affiliates or subsidiaries materially limit their freedom of action with respect to, or ability to retain, any of their material businesses, product lines or assets, and (2) News Corporation will have the sole and exclusive right to direct and control any such litigation.

The parties have agreed to keep each other reasonably apprised of the status of matters relating to the completion of the merger and the other transactions contemplated by the merger agreement, including promptly furnishing each other with copies of notices or other written communications received from any third party and/or any governmental entity. The parties have also agreed to give each other a reasonable opportunity to review in advance, and will consider in good faith the views of the other party in connection with, any proposed written communication to a governmental entity. To the extent practicable under the circumstances, the parties will not participate in any substantive meeting or discussion with a governmental entity in connection with the proposed transactions without consulting with the other party in advance and, to the extent permitted, giving the other party the opportunity to attend and participate.

**Employee Benefits**

The parties have agreed that, after the completion of the merger, News Corporation will honor and perform, or cause the surviving corporation to honor and perform, all obligations of Dow Jones and its subsidiaries under Dow Jones' employee benefit plans. News Corporation will, or will cause the surviving corporation to, maintain and perform, without any modification that adversely affects the benefits of participants, each severance,



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termination, separation or similar agreement, program, policy or arrangement maintained by Dow Jones or any of its subsidiaries immediately prior to the effective time, each of which is referred to in this proxy statement/ prospectus as a Dow Jones severance plan, for no less than two (2) years immediately following the closing date or for that longer period as is provided in the Dow Jones severance plan. For no less than two (2) years immediately following the closing date, News Corporation has agreed to, or to cause the surviving corporation to, maintain and provide, without any modification that adversely affects the benefits of participants, the post-retirement and post-termination benefits under the health care plans of Dow Jones or any of its subsidiaries. Following the two (2) year period, News Corporation has agreed to, or to cause the surviving corporation to, provide each former employee of Dow Jones or any of its subsidiaries post-retirement and post-termination health care benefits that are no less favorable than those provided to similarly situated former employees of the applicable business unit of News Corporation and its subsidiaries.

Following the completion of the merger, News Corporation has agreed to, or to cause the surviving corporation to, maintain and perform, without any modification that adversely affects the benefits of participants, the Dow Jones Executive Annual Incentive Plan, as amended, until the date on which payments are made with respect to this plan for the calendar year in which the closing date occurs. Without limiting the foregoing, until December 31, 2008, News Corporation has agreed to provide, or to cause the surviving corporation to provide, to each individual employed by Dow Jones or any its subsidiaries immediately prior to the closing base salary and wages, annual bonus opportunity and employee benefits that are in the aggregate no less favorable than those provided to employees immediately before the closing of the merger, and to provide employees with base salary and wages, annual bonus opportunity and employee benefits that are in the aggregate no less favorable than those provided to similarly situated employees of the applicable business unit of News Corporation and its subsidiaries. The foregoing will in no way limit News Corporation's, Dow Jones' and the surviving corporation's obligation to honor all of their obligations to employees and former employees of Dow Jones, the surviving corporation and their respective subsidiaries under collectively bargained and similar labor agreements and otherwise to comply with applicable labor laws.

Dow Jones has agreed to, and will require its subsidiaries to, consult with News Corporation concerning collective bargaining negotiations with any labor organization and allow News Corporation and its counsel to be involved in developing and presenting proposals and counter-proposals in these negotiations.

**Director and Officer Indemnification and Insurance**

News Corporation has agreed, for a period of six (6) years following the closing of the merger, to cause Dow Jones, as the surviving corporation in the merger, to maintain all indemnification provisions in the charter documents and by laws of Dow Jones and its subsidiaries. News Corporation has agreed to cause Dow Jones to indemnify and hold harmless, and provide advancement of expenses to, all current and former directors and officers of Dow Jones and its subsidiaries and any fiduciaries under any Dow Jones employee benefit plan in respect of acts or omissions occurring at or prior to the closing of the merger, to the fullest extent permitted by applicable law. We refer to each of the persons entitled to indemnification as an indemnified person. News Corporation also agreed to cause Dow Jones to pay on an as-incurred basis the fees and expenses of an indemnified person (including the reasonable fees and expenses of counsel) in advance of the final disposition of any litigation or investigation that is the subject of the right to indemnification, upon ten (10) business days of receipt by the surviving corporation of a request for payment so long as the indemnified person undertakes in writing to reimburse Dow Jones for all amounts so advanced if a court of competent jurisdiction determines, by a final, non-appealable order, that the indemnified person is not entitled to indemnification. Each of the indemnified parties is an express third-party beneficiary of the agreements described in this paragraph and in the paragraphs below and is entitled to enforce those agreements.

News Corporation has agreed to cause Dow Jones to maintain, for a period of six (6) years after the closing of the merger, at no expense to the beneficiaries, the current policies of directors' and officers' liability insurance and fiduciary liability insurance maintained by Dow Jones with respect to matters existing or occurring at or

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prior to the merger, so long as the annual premiums in any one policy year would not be in excess of 300% of the last annual premium paid by Dow Jones prior to the closing of the merger agreement, or purchase a six (6) year extended period endorsement with respect to the current policies and maintain the endorsement in full force and effect for the six year period. If Dow Jones existing insurance expires or is canceled during this six-year period or exceeds the 300% premium, News Corporation has agreed that it will cause Dow Jones to obtain as much directors and officers liability insurance and fiduciary liability insurance as can be obtained for the remainder of this period for an annualized premium not in excess of the 300% premium, on terms and conditions no less advantageous to the indemnified persons than Dow Jones existing directors and officers liability insurance and fiduciary liability insurance. Alternatively, Dow Jones may, prior to the closing of the merger, purchase a reporting tail endorsement, provided that Dow Jones does not pay more than six (6) times the 300% premium for this reporting tail endorsement, in which case, as long as News Corporation causes Dow Jones to maintain this reporting tail endorsement in full force and effect for its full term, News Corporation will be relieved from the other obligations described in this paragraph.

News Corporation has agreed that, for six (6) years after the closing of the merger, it will cause Dow Jones to maintain in effect the existing provisions in its certificate of incorporation and bylaws providing for indemnification, advancement of expenses and exculpation of indemnified persons, as applicable, with respect to the facts or circumstances occurring at or prior to the closing of the merger, to the fullest extent permitted from time to time under Delaware law. These provisions may not be amended during that six (6) year period except as required by applicable law or except to make changes permitted by applicable law that would enlarge the scope of the indemnified persons indemnification rights.

The rights of each indemnified person under the merger agreement are in addition to any rights each indemnified person may have under the certificate of incorporation or bylaws of Dow Jones or any of its subsidiaries, under Delaware law or any other applicable law or under any agreement of any indemnified person with Dow Jones or any of its subsidiaries.

News Corporation has agreed that, if News Corporation, Dow Jones or any of its successors or assigns consolidates with or merges into any other person and is not the continuing or surviving corporation or entity of the consolidation or merger, or transfers or conveys all or substantially all of its properties and assets to any person, then, and in each case, to the extent necessary, proper provision must be made so that the successors and assigns of News Corporation or the surviving corporation, as the case may be, will assume the indemnification obligations of News Corporation, Dow Jones or any of its successors or assigns, as the case may be, as set forth in the merger agreement.

**Other Covenants and Agreements**

The merger agreement contains additional agreements among Dow Jones, News Corporation, Newco and Merger Sub relating to, among other things:

the filing of this proxy statement/prospectus with the SEC, and cooperation in preparing this proxy statement/prospectus and in responding to any comments received from the SEC on these documents;

coordination of press releases and other public statements about the merger and the merger agreement;

Dow Jones providing News Corporation and its advisors reasonable access to Dow Jones properties, contracts, books, records and employees;

causing the merger to qualify for tax-free treatment under Section 351 of the Code;

notices of certain events, and consultation to mitigate any adverse consequences of those events;

entering into the editorial agreement and establishing the special committee contemplated by the editorial agreement;

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obtaining affiliate letters from certain persons regarding post-merger restrictions under the Securities Act on transfers of Newco Class B common units received by these persons;

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the maintenance by Dow Jones of control over its operations until the effective time of the merger;

actions by News Corporation to cause Newco and Merger Sub to fulfill their respective obligations under the merger agreement;

delisting the Dow Jones common stock from the NYSE and terminating registration of the Dow Jones common stock under the Exchange Act;

registering with the SEC such number of shares of News Corporation Class A common stock as may be issued from time to time upon the exchange of Newco Class B common units;

Dow Jones providing prompt notice to News Corporation of any litigation brought by any stockholder of Dow Jones against Dow Jones or its directors relating to the merger agreement and/or the transactions contemplated by the merger agreement;

obtaining the approval of the NASD pursuant to NASD Rule 1017 relating to the change in equity ownership of Dow Jones BD Services, Inc. that may be deemed to result from the transactions contemplated by the merger agreement; and

executing the amended and restated operating agreement of Newco.

**Conditions to the Merger**

The obligations of each of the parties to complete the merger are subject to the satisfaction (or, to the extent permitted under applicable laws and the terms of the merger agreement, waiver), at or prior to the closing, of the following mutual conditions:

***Stockholder Approval.*** The Dow Jones stockholder approval must have been obtained.

***Regulatory Approvals.*** The waiting period under the HSR Act (and any extension thereof) applicable to the consummation of the merger must have expired or been terminated. On August 28, 2007, the Premerger Notification Office of the Federal Trade Commission granted early termination of the waiting period under the HSR Act in connection with the merger. Consequently, the condition with respect to termination of the waiting period under the HSR has been satisfied.

***Other Competition Approvals.*** All notifications required by the antitrust and competition laws and certain other laws of Germany, Austria, Ireland or, to the extent applicable, the European Union will have been made and all appropriate waiting periods (including any extensions thereof) in connection therewith will have expired, lapsed, or been terminated and all clearances or approvals in connection therewith will have been granted (or will have been deemed in accordance with the relevant law to have been granted) by the relevant governmental entity. The required approvals of Germany, Austria and Ireland have been granted. Consequently, this condition has been satisfied.

***No Legal Prohibition or Orders.*** No governmental entity of competent jurisdiction in the United States, the United Kingdom, or Australia will have enacted, issued, or entered any injunction or other order prohibiting the consummation of the merger, provided that, prior to asserting this condition, the party asserting this condition must have used its best efforts to prevent the entry of this injunction or other order and to appeal as promptly as possible any judgment that may be entered.

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**Form S-4.** The registration statement, of which this proxy statement/prospectus is a part, must have been filed with the SEC and declared effective and no stop order suspending the effectiveness of the registration statement will be in effect.

**Listing.** The shares of News Corporation Class A common stock which may be issued on exchange of the Newco Class B common units issued in the merger must have been approved for listing on the NYSE and the ASX, subject only to official notice of issuance.

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News Corporation's obligation to complete the merger is subject to the satisfaction (or, to the extent permitted under applicable laws and the terms of the merger agreement, waiver), at or prior to the closing, of several additional conditions, including:

***Performance of Covenants.*** Dow Jones must have performed and complied with, in all material respects, all of the covenants and obligations required to be performed or to be complied with by Dow Jones under the merger agreement at or prior to the closing.

***Representations and Warranties.*** Generally, Dow Jones' representations and warranties must be true and correct as of the date of the merger agreement and as of the closing date (except that, to the extent any representations and warranties speak as of an earlier date, these representations and warranties need only be true and correct as of that earlier date, and except where the failure of any representations and warranties to be true and correct would not, individually or in the aggregate, reasonably be expected to have a Dow Jones Material Adverse Effect).

Dow Jones' obligation to complete the merger is subject to the satisfaction (or, to the extent permitted under applicable laws and the terms of the merger agreement, waiver), at or prior to the closing, of several additional conditions, including:

***Performance of Covenants.*** News Corporation, Newco, and the Merger Sub must have performed and complied with, in all material respects, all of the covenants and obligations required to be performed or to be complied with by it under the merger agreement at or prior to the closing.

***Representations and Warranties.*** Generally, News Corporation's representations and warranties must be true and correct as of the date of the merger agreement and as of the closing date (except that, to the extent any representations and warranties speak as of an earlier date, these representations and warranties need only be true and correct as of that earlier date, except where the failure of any representations and warranties to be true and correct would not, individually or in the aggregate, reasonably be expected to have a News Corporation Material Adverse Effect).

***Editorial Agreement; Special Committee.*** News Corporation will have entered into the editorial agreement, established the special committee and appointed the initial committee members to the special committee. This condition is not waivable.

***Newco Operating Agreement.*** News Corporation will have entered into the amended and restated operating agreement of Newco and each of Newco and News Corporation must have entered into an agreement pursuant to which News Corporation will be obligated to provide shares of News Corporation Class A common stock to Newco in connection with any exchange of the Newco Class B common units.

However, in the event of a transaction restructuring, Dow Jones and News Corporation have agreed that the conditions to the closing of the merger relating to the effectiveness of the registration statement, the listing of shares of News Corporation Class A common stock, and News Corporation's representations and warranties (subject to certain exceptions) will be eliminated.

## **Termination**

Dow Jones and News Corporation may terminate the merger agreement by mutual written consent at any time before the closing of the merger (including after Dow Jones stockholders have adopted the merger agreement). In addition, either Dow Jones or News Corporation may terminate the merger agreement if:

the merger has not been completed on or prior to the termination date specified in the merger agreement; this date is May 1, 2008. However, if any of the conditions to closing relating to the antitrust and competition law approvals (described in the second and third bullet points under the section entitled "Conditions to the Merger" beginning on page 104) have not been satisfied by May 1, 2008, but

all other conditions to closing set forth in the merger agreement are satisfied or are capable of

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being satisfied by May 1, 2008, then the termination date will be extended to August 1, 2008, if News Corporation or Dow Jones notifies the other, on or prior to May 1, 2008, of its election to extend the termination date to August 1, 2008. Furthermore, News Corporation may, in the event that the Dow Jones stockholders have not voted upon the approval and adoption of the merger agreement at the special meeting prior to the termination date (as the termination date exists prior to giving effect to the extension in the preceding sentence), extend the termination date to the date that is ten (10) business days following the date upon which the Dow Jones stockholders will have voted upon the approval and adoption of the merger agreement. However, the right to terminate the merger agreement pursuant to the termination date is not available to any party whose breach of any provision of the merger agreement resulted in the failure of the merger to be consummated on or prior to the termination date;

any judgment, injunction, ruling, decree or order issued by any court of competent jurisdiction in the United States, the United Kingdom or Australia preventing the consummation of the merger has become final and non-appealable. However, the right to terminate the merger agreement on these grounds is not available to any party whose breach of any provision of the merger agreement resulted in the imposition of the judgment, injunction, ruling, decree or order; or

the merger agreement has been submitted to Dow Jones stockholders for adoption at the special meeting and the Dow Jones stockholder approval has not been obtained.

In addition, Dow Jones may terminate the merger agreement if:

News Corporation breaches any of its representations, warranties, covenants or agreements in the merger agreement, or if any representations or warranties of News Corporation becomes untrue, in either case so that the conditions relating to the accuracy of its representations and warranties or the performance of its covenants to the merger agreement are incapable of being satisfied by the termination date; or

prior to the receipt of the Dow Jones stockholder approval at the special meeting, there has been a superior acquisition proposal termination and, prior to or simultaneous with this termination, Dow Jones pays the \$165 million break-up fee to News Corporation.

In addition, News Corporation may terminate the merger agreement:

if Dow Jones breaches any of its representations, warranties, covenants or agreements in the merger agreement, or if any representations or warranties of Dow Jones becomes untrue, in either case so that the conditions relating to the accuracy of its representations and warranties or the performance of its covenants to the merger agreement are incapable of being satisfied by the termination date; or

prior to the Dow Jones stockholders having voted upon the adoption of the merger agreement at the special meeting if:

the Dow Jones board of directors effects a recommendation withdrawal;

Dow Jones fails to include in this proxy statement/prospectus its recommendation to Dow Jones stockholders that they adopt the merger agreement;

the Dow Jones board of directors (or any committee) (1) has publicly recommended or approved any third party acquisition proposal or (2) has recommend or failed to reject (within 30 business days of receipt of News Corporation's written request that the Dow Jones board of directors so reject) any third party acquisition proposal. However, if there is a material change to the material terms of a third party acquisition proposal (as defined in the merger agreement) (including any change in price),



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then the 30-day period will be extended for 15 calendar days);

the Dow Jones board of directors:

materially breaches Dow Jones no-solicitation covenants under the merger agreement; or

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fails (1) to hold the special meeting or (2) use its reasonable best efforts to solicit proxies in favor of the approval and adoption of the merger agreement and to obtain the Dow Jones stockholder approval at the special meeting, where this failure constitutes a material breach of the merger agreement;

the Dow Jones board of directors provides notice of a superior acquisition proposal and does not, within one (1) business day after the end of the three (3) business day period following the delivery of this notice, which period may be extended by forty-eight (48) hours in the event of a material change in the material terms and conditions of the superior acquisition proposal described in the notice);

recommend a superior acquisition proposal to the Dow Jones stockholders;

terminate the merger agreement to enter into a definitive agreement with respect to a superior acquisition proposal; or

publicly reaffirm its recommendation of the merger agreement; or

the voting agreement has been terminated by the vote of Bancroft family member and trust stockholder signatories holding a majority of the shares subject to the voting agreement, for a superior acquisition proposal and the Dow Jones board of directors has not publicly reaffirmed its recommendation to the Dow Jones stockholders within five (5) business days after the date of the voting agreement termination. We refer to each of the preceding events in this proxy statement/prospectus as a recommendation withdrawal termination event.

prior to 5:00 p.m. New York City time on the tenth (10<sup>th</sup>) business day after the termination right date, if (1) the voting agreement has been terminated by the Bancroft family member and trust stockholder signatories in connection with a superior acquisition proposal (as defined in the voting agreement), and (2) the stockholders of Dow Jones have not voted upon the merger agreement as of the termination right date. For the purposes of this proxy statement/prospectus references to the termination right date mean the later of (i) December 15, 2007 and (ii) the twentieth (20<sup>th</sup>) business day after the voting agreement has been terminated by the Bancroft family member and trust stockholder signatories in connection with a superior acquisition proposal (as defined in the voting agreement). This right to terminate the merger agreement will not be available to News Corporation if the failure of the stockholders of Dow Jones to have voted upon the merger agreement as of the termination right date resulted from a breach by News Corporation, Newco or Merger Sub of any provision of the merger agreement. We refer to each such termination right of News Corporation in this proxy statement/prospectus as a voting agreement termination event.

**Termination Fees and Expenses**

In general, all expenses incurred by a party to the merger agreement will be paid by that party, except that out-of-pocket costs and expenses incurred in connection with printing and mailing of this proxy statement/prospectus will be borne equally by News Corporation and Dow Jones. However, if the merger agreement is terminated in certain circumstances described below, Dow Jones may be required to pay certain termination fees or reimburse certain expenses to News Corporation.

***Fees and Expenses Payable by Dow Jones***

*Reimbursement of Expenses.* If the merger agreement is terminated by either News Corporation or Dow Jones because of a failure to obtain the Dow Jones stockholder approval at the special meeting, then Dow Jones will reimburse News Corporation, Newco and Merger Sub's actual and reasonably documented out-of-pocket fees and expenses, including reasonable legal fees and expenses, within two (2) business days of termination, up to a maximum amount of \$25 million.

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*Payment of Break-Up Fee.* Dow Jones must pay a \$165 million break-up fee to News Corporation if:

Dow Jones terminates the merger agreement in connection with a superior acquisition proposal termination as described under the section entitled in Termination in Connection with a Superior Proposal beginning on page 100 (in which case Dow Jones will pay the termination fee prior to or simultaneous with the termination of the merger agreement);

News Corporation terminates the merger agreement, prior to the receipt of the Dow Jones stockholder approval at the special meeting or any adjournment or postponement thereof, following a recommendation withdrawal termination event (in which case Dow Jones will pay the termination fee within two (2) business days of termination); or

either News Corporation or Dow Jones terminates the merger agreement for any reason at a time when News Corporation had the right to terminate the merger agreement on the basis of a recommendation withdrawal termination event (in which case Dow Jones will pay the termination fee within two (2) business days of termination).

Dow Jones must also pay the \$165 million break-up fee (less the amount of any expense reimbursement previously paid to News Corporation) to News Corporation promptly following the earlier of the execution of a definitive agreement with respect to, or the completion of any transaction contemplated by, a third party acquisition proposal (for this paragraph, substituting a majority for each reference to 20% or more in the definition of third party acquisition proposal ) if:

the merger agreement is terminated by either News Corporation or Dow Jones because the Dow Jones stockholder approval was not obtained at the special meeting and (A) any bona fide third party acquisition proposal was made known directly to the Dow Jones stockholders or was publicly announced by any third party, in each case, on or after the date of the merger agreement and was not withdrawn prior to the special meeting and (B) Dow Jones, within twelve (12) months of termination, enters into a definitive agreement or consummates a transaction with any person in connection with any third party acquisition proposal; or

the merger agreement is terminated by News Corporation following a voting agreement termination event and Dow Jones, within twelve (12) months of termination, enters into a definitive agreement or consummates a transaction in connection with any third party acquisition proposal.

**Amendment and Waiver**

The merger agreement may be amended by a written instrument signed by Dow Jones, News Corporation, Newco and Merger Sub at any time prior to the completion of the merger, whether or not Dow Jones stockholders have approved and adopted the merger agreement. However, any amendment made after the Dow Jones stockholder approval has been obtained will require further approval of the Dow Jones stockholders. At any time prior to the completion of the merger, Dow Jones, News Corporation, Newco or Merger Sub may waive (to the extent permitted by applicable laws and the terms of the merger agreement) the other party's compliance with certain provisions of the merger agreement.

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**MECHANICS OF ELECTION TO RECEIVE NEWCO CLASS B COMMON UNITS**

**General Description of Election**

Each person who is a record holder (other than a broker, dealer, bank or similar nominee holding shares on behalf of the beneficial owner(s)) of Dow Jones common stock or Class B common stock as evidenced by stock certificates as of the election deadline has the right to submit an election form specifying the number of Dow Jones shares the holder desires to be converted into the right to receive the unit consideration. Dow Jones stockholders may make this election with respect to some or all of their shares. Each holder's right to receive the unit consideration with respect to any or all of its shares is subject to the allocation and proration procedures described below. All shares of Dow Jones common stock or Class B common stock (other than those shares held by News Corporation, Dow Jones or any of their respective subsidiaries) for which no unit election is validly submitted will be converted into the right to receive the cash consideration. We have limited the right to make a unit election to record holders (other than brokers, dealers, banks or other similar nominees holding shares on behalf of their beneficial owners) who hold Dow Jones shares in certificated form to provide greater transparency to Newco regarding the identities of the holders actually obtaining beneficial ownership of Newco Class B common units in the merger and thereby increase the likelihood that Newco will be successful in enforcing limitations on the number of holders receiving Newco Class B common units in the merger and limitations on the transfer of Newco Class B common units following the merger.

All elections to receive the unit consideration in respect of certificated shares of Dow Jones common stock or Class B common stock must be submitted on the election form that is being mailed to stockholders together with this proxy statement/prospectus in accordance with all election procedures set forth in the merger agreement. All election forms must be received by the exchange agent by the election deadline which is 5:00 p.m., New York City time, on the later to occur of (x) the third (3<sup>rd</sup>) business day preceding the closing date of the merger and (y) December 12, 2007, the business day immediately preceding the date of the special meeting. This time is referred to in this proxy statement/prospectus as the election deadline. News Corporation and Dow Jones will publicly announce the anticipated election deadline at least five (5) business days in advance of the anticipated election deadline.

**You may make an election to receive Newco Class B common units only for Dow Jones shares you hold in certificated form and for which you are the record holder and not for shares you hold in book-entry form or for shares you hold through a broker, dealer, bank or similar nominee. If you wish to make a unit election for Dow Jones shares that you hold in book-entry form or that you own under DRS you will need to obtain a stock certificate for those shares sufficiently before the election deadline in order to give you ample time to make the unit election. You may request a stock certificate from Mellon Investor Services, Dow Jones' exchange agent, on the Internet at [www.melloninvestor.com/isd](http://www.melloninvestor.com/isd) by logging into your Investor ServiceDirect<sup>®</sup>, account and click on Perform a Transaction, then click on the Request button next to where it says Request a Certificate, by phone by calling (800) 851-4228 or by writing to Dow Jones & Company, Inc., c/o Mellon Investor Services, P.O. Box 358010, Pittsburgh, Pennsylvania 15252. If you wish to make a unit election for Dow Jones shares that you hold in street name through a broker, dealer, bank or similar nominee, you will need to contact your broker, dealer, bank or nominee to arrange to have those shares issued in certificated form in your name sufficiently before the election deadline in order to give you ample time to make the unit election. You will be responsible for any fee that your broker, dealer, bank or nominee may charge to arrange to have shares issued in certificated form in your name whether or not you ultimately receive the unit consideration for those shares.**

You may change your election by delivering to the exchange agent a properly completed revised election form that identifies the shares of Dow Jones common stock and/or Class B common stock to which the revised election form applies. Delivery to the exchange agent of a revised election form with respect to any Dow Jones shares prior to the election deadline will result in the revocation of all prior election forms with respect to those shares. Any election form relating to Dow Jones common stock or Class B common stock may be revoked by the stockholder submitting it by written notice to the exchange agent prior to the election deadline. All election forms

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will automatically be revoked if the merger agreement is terminated. If an election form is revoked, the certificate or certificates representing the shares of Dow Jones common stock or Class B common stock to which the revoked election form relates, will be promptly returned to the Dow Jones stockholder having submitted it to the exchange agent.

The Dow Jones board of directors is not making any recommendation as to whether Dow Jones stockholders should elect to receive the unit consideration in the merger. In addition, Goldman Sachs does not express any opinion, view or recommendation as to whether any Dow Jones stockholder should make or not make an election to receive the unit consideration instead of the cash consideration in the merger.

### **Allocation and Proration of Newco Class B Common Units**

#### ***Allocation***

The maximum aggregate number of holders of record of Dow Jones common stock and/or Class B common stock that will be entitled to convert all or any portion of their Dow Jones shares into Newco Class B common units is 250. If more than 250 holders of record of Dow Jones common stock or Class B common stock elect to receive Newco Class B common units, only the elections of the 250 holders making a unit election with respect to the greatest number of Dow Jones shares will be honored.

#### ***Proration***

Moreover, the maximum aggregate number of shares of Dow Jones that may be converted into Newco Class B common units is 8,599,159 (which is approximately ten percent (10%) of the aggregate outstanding shares of Dow Jones). If, after giving effect to the allocation procedure described above, unit elections are made in respect of more than 8,599,159 shares of Dow Jones, shares of Dow Jones common stock or Class B common stock will be converted to Newco Class B common units using the following methodology:

The proration factor will be determined by dividing (a) 8,599,159 by (b) the aggregate number of shares of Dow Jones in respect of which valid unit elections have been made.

The number of Dow Jones shares in respect of which a holder has made the unit election will be multiplied by the proration factor to calculate the total number of shares of that holder that will be converted into the right to receive the unit consideration. If, after giving effect to the allocation procedures described above, the aggregate number of Dow Jones shares with respect to which valid unit elections have been made (and not canceled pursuant to the allocation procedures described above or revoked) does not exceed 8,599,159, then each share of Dow Jones common stock and Class B common stock with respect to which a valid unit election was made (and not canceled pursuant to the allocation procedures described above or revoked) will be converted into the right to receive the unit consideration.

All shares of Dow Jones not converted into Newco Class B common units in accordance with the above proration methodology will be converted into the right to receive the cash consideration in the merger. No fractional shares of Newco Class B common units will be issued in the merger. Each Dow Jones stockholder who otherwise would have been entitled to a fraction of a Newco Class B common unit will receive cash (without interest and less any required withholding taxes) in an amount determined by multiplying the fractional share interest by \$60.00. See *The Merger Agreement Merger Consideration; Election to Receive Newco Class B Common Units Instead of Cash* on page 86 and *The Merger Agreement Treatment of Dow Jones Stock Options and Other Equity Awards* on page 88.

If valid unit elections are made by more than 250 holders of record or Dow Jones stockholders make valid unit elections in respect of more than 8,599,159 Dow Jones shares, the exchange agent will promptly return to

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electing Dow Jones stockholders any certificates representing Dow Jones shares that will not be converted into Newco Class B common units based on the proration methodology described above.

Some examples of the effects of the allocation and proration of the unit consideration are illustrated below (all percentages are approximate). These examples are shown for illustrative purposes only. The number of shares held by each of the hypothetical stockholders in the examples is not intended to be indicative of the number of shares for which a Dow Jones stockholder actually would be required to make a unit election in order to receive units in the merger, which number could be greater or less than the number of shares reflected in any of the examples. Nor has the number of shares attributed to any hypothetical stockholder been chosen to encourage or discourage any Dow Jones stockholder from making a unit election for any or all of its shares, regardless of the number of Dow Jones shares held. As the actual unit elections are likely to differ, perhaps significantly, from those reflected in the examples, a Dow Jones stockholder may receive unit consideration for some or all of its shares regardless of whether it makes unit elections for greater or fewer shares than the hypothetical stockholders in the following examples.

*Example 1 No Allocation Necessary; No Proration Necessary.* Assume 250 or fewer Dow Jones stockholders validly elect to receive the unit consideration in respect of 5,000,000 total Dow Jones shares. Because the number of Dow Jones stockholders electing to receive the unit consideration is not more than 250, each of the Dow Jones stockholders so electing will receive the unit consideration for some or all of its shares. Because the shares with respect to which the unit consideration has been elected is less than 8,599,159, no proration will be required. As a result, all Dow Jones shares with respect to which Dow Jones stockholders have made a valid unit election will be converted into the right to receive the unit consideration. All other Dow Jones shares will be converted into the right to receive the cash consideration.

*Example 2 No Allocation Necessary; Proration Necessary.* Assume 250 or fewer Dow Jones stockholders validly elect to receive the unit consideration in respect of 10,000,000 total Dow Jones shares. Because the number of Dow Jones stockholders electing to receive the unit consideration is not more than 250, each of the Dow Jones stockholders so electing will receive the unit consideration for some or all of its shares. Because the shares with respect to which the unit consideration has been elected exceeds 8,599,159, the number of Newco Class B common units to be issued in the merger will be prorated. The proration factor will be 0.8599159. As a result, 8,599,159 of the electing shares will be converted into the right to receive Newco Class B common units and 1,400,841 electing shares will be converted into the right to receive the cash consideration. The following describes the application of proration in this example for a partial and complete election for Newco Class B common units.

*Partial Election.* With respect to a hypothetical Dow Jones stockholder, assume the stockholder holds 6,000 Dow Jones shares and makes a valid unit election with respect to 3,000 of his Dow Jones shares. Under the proration described above, 2,579 of his 3,000 electing shares will be converted into the right to receive the unit consideration. The Dow Jones stockholder will receive the cash consideration for his 3,000 non-electing shares as well as the 421 electing shares that were not converted due to proration.

*Complete Election.* With respect to a hypothetical Dow Jones stockholder, assume the stockholder holds 6,000 Dow Jones shares and makes a valid unit election with respect to all of her Dow Jones shares. Under the proration described above, 5,159 of her 6,000 shares will be converted into the right to receive the unit consideration, and the remaining 841 shares will be converted into the right to receive the cash consideration.

*Example 3 Allocation Necessary; No Proration Necessary.*

Assume 280 Dow Jones stockholders validly elect to receive the unit consideration in respect of 6,000,000 total Dow Jones shares. Assume, for hypothetical purposes, one of the 280 Dow Jones stockholders electing units makes a valid unit election with respect to 1,000 shares.

*Allocation.* Because more than 250 Dow Jones stockholders have elected the unit consideration, and the unit elections will only be honored with respect to the Dow Jones shares held by the 250 Dow Jones

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stockholders electing the unit consideration with respect to the greatest number of Dow Jones shares, the allocation procedures will be employed to determine which Dow Jones stockholders will receive the unit consideration. The Dow Jones stockholders will be ranked in descending order of the number of shares for which they have elected the unit consideration, i.e. the stockholder who elected the unit consideration for the greatest number of shares will be ranked first. The unit elections of the Dow Jones stockholders ranking 1<sup>st</sup> through 250<sup>th</sup> by the allocation procedures will be honored and all other stockholders will receive the cash consideration, including, in this example, the 30 stockholders who elected the unit consideration but ranked below 250 by the allocation procedures. Assuming that the 1,000 shares with respect to which the hypothetical stockholder elected the unit consideration ranks the stockholder below 250<sup>th</sup> by the allocation procedures, the hypothetical stockholder will not receive the unit consideration for any of its shares, but will, instead, receive the cash consideration for all of its shares.

*Proration.* Assume further that, following the application of the allocation procedures, the 250 Dow Jones stockholders whose unit election will be honored have elected the unit consideration for, in the aggregate, 5,000,000 total Dow Jones shares. Because the 250 Dow Jones stockholders whose unit elections will be honored have elected to receive the unit consideration with respect to fewer than 8,599,159 shares, no proration will be required. As a result, all 5,000,000 Dow Jones shares held by the 250 Dow Jones stockholders whose unit elections will be honored will be converted into the right to receive the unit consideration. All other Dow Jones shares will be converted into the right to receive the cash consideration.

*Example 4 Allocation Necessary; Proration Necessary.*

Assume 280 Dow Jones stockholders validly elect to receive the unit consideration in respect of 11,000,000 total Dow Jones shares. Assume, for hypothetical purposes, one of the 280 Dow Jones stockholders electing units makes a valid unit election with respect to 50,000 shares.

Because more than 250 Dow Jones stockholders have elected the unit consideration, and the unit elections will only be honored with respect to the Dow Jones shares held by the 250 Dow Jones stockholders electing the unit consideration with respect to the greatest number of Dow Jones shares, the allocation procedures will be employed to determine which Dow Jones stockholders will receive the unit consideration. The Dow Jones stockholders will be ranked in descending order of the number of shares for which they have elected the unit consideration, i.e. the stockholder who elected the unit consideration for the greatest number of shares will be ranked first. The unit elections of the Dow Jones stockholders ranking 1<sup>st</sup> through 250<sup>th</sup> by the allocation procedures will be honored and all other stockholders will receive the cash consideration, including, in this example, the 30 stockholders who elected the unit consideration but ranked below 250 by the allocation procedures. Assuming that the 50,000 shares with respect to which the hypothetical stockholder elected the unit consideration ranks the stockholder 250<sup>th</sup> or above by the allocation procedures, the hypothetical stockholder will receive the unit consideration for some or all of its shares.

Assume further that following the application of the allocation procedures, the 250 Dow Jones stockholders whose unit elections will be honored have elected the unit consideration for, in the aggregate, 10,000,000 total Dow Jones shares. Because the total number of Dow Jones shares with respect to which a unit election had been made by the 250 Dow Jones stockholders whose unit elections will be honored exceeds 8,599,159, the number of Newco Class B common units to be issued in the merger will be prorated. The proration factor will be 0.8599159. As a result, 8,599,159 of the electing shares held by the 250 stockholders whose unit elections will be honored will be converted into the right to receive Newco Class B common units and 1,400,841 electing shares will be converted into the right to receive the cash consideration. The following describes the application of proration in this example for a partial and complete election for Newco Class B common units made by one of the 250 electing Dow Jones stockholders whose unit election will be honored.

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*Partial Election.* With respect to a hypothetical Dow Jones stockholder, assume the stockholder holds 100,000 Dow Jones shares and makes a valid unit election with respect to 50,000 of his Dow Jones shares. Under the proration described above, 42,995 of his 50,000 electing shares will be converted into the right to receive the unit consideration. The Dow Jones stockholder will receive the cash consideration for his 50,000 non-electing shares as well as the 7,005 (or a total of 57,005) electing shares that were not converted due to proration.

*Complete Election.* With respect to a hypothetical Dow Jones stockholder, assume the stockholder holds 100,000 Dow Jones shares and makes a valid unit election with respect to all of her Dow Jones shares. Under the proration described above, 85,991 of her 100,000 shares will be converted into the right to receive the unit consideration, and the remaining 14,009 shares will be converted into the right to receive the cash consideration.

Dow Jones and News Corporation expect to publicly announce whether the total number of Dow Jones stockholders who made a valid unit election exceeds 250 and whether the shares of the Dow Jones stockholders entitled to make a unit election are subject to proration as soon as practicable following the election deadline, but in no event later than the fifth (5<sup>th</sup>) business day following the election deadline.

News Corporation has appointed Mellon Investor Services as the exchange agent to coordinate the payment of the applicable merger consideration following the merger. An election form is being mailed with this proxy statement/prospectus to all holders of shares of Dow Jones common stock or Class B common stock as of the record date. In addition, the exchange agent will send, upon request by contacting Dow Jones or D.F. King, Dow Jones proxy solicitor, an election form to those stockholders who acquire Dow Jones shares after the record date. Please complete and sign the election form in the event you would like to make an election to receive Newco Class B common units. The election form also will contain detailed instructions on how to complete the form, along with various questions and answers relating to the election process. By signing the election form you will be making various representations described in the election form regarding your intention with respect to your ownership of the Newco Class B common units. You should not sign the election form and may not make a unit election if you are unable to make the representations described in the election form (subject to a limited exception for changes to the representations approved by tax counsel to Dow Jones in advance of your making the election).

As further described in the election form, holders of Dow Jones common stock and/or Class B common stock who wish to make a unit election will be required to properly complete, execute and return the documents described below, in the manner described below, by the election deadline:

*Election Form.* Complete the election form according to the instructions provided in the election form package.

*Stock Certificates.* Submit duly endorsed Dow Jones stock certificates for those shares subject to the unit election. If you wish to make a unit election for Dow Jones shares that you hold in book-entry form or that you own under the Direct Registration System, also known as DRS, you will need to obtain a stock certificate for those shares sufficiently before the election deadline in order to give you ample time to make the unit election. You may request a stock certificate from Mellon Investor Services, Dow Jones exchange agent, on the Internet at [www.melloninvestor.com/isd](http://www.melloninvestor.com/isd) by logging into your Investor ServiceDirect<sup>®</sup>, account and click on Perform a Transaction , then click on the Request button next to where it says Request a Certificate, by phone by calling (800) 851-4228 or by writing to Dow Jones & Company, Inc., c/o Mellon Investor Services, P.O. Box 358010, Pittsburgh, Pennsylvania 15252. If you wish to make a unit election for Dow Jones shares that you hold in street name through a broker, dealer, bank or similar nominee, you will need to contact your broker, dealer, bank or nominee to arrange to have those shares issued in certificated form in your name sufficiently before the election deadline in order to give you ample time to make the unit election. You will be responsible for any fee that your broker, dealer, bank or nominee may charge to arrange to have shares



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issued in certificated form in your name whether or not you ultimately receive the unit consideration for those shares.

*Form W-9.* Complete the Substitute Form W-9 provided with the election form, or if you are a non-U.S. person, request from Mellon Investor Services, as the exchange agent, and complete, sign and return an appropriate Form W-8.

Please carefully read the documents contained in the election form, including the information booklet provided in that package. Obtaining your shares in certificated form may take time. Any Dow Jones stockholder who will need to obtain his or her shares in certificated form should act immediately to obtain those share certificates in order to be able to make a valid unit election before the election deadline.

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**VOTING AND SUPPORT AGREEMENT AND NEWS CORPORATION BOARD REPRESENTATION**

In connection with the execution of the merger agreement, News Corporation has entered into a voting and support agreement, referred to in this proxy statement/prospectus as the voting agreement, with certain members of the Bancroft family and the trustees of trusts for their benefit, these stockholders are referred to in this proxy statement/prospectus as the Bancroft family member and trust stockholder signatories. The following summary describes certain material provisions of the voting agreement below and is qualified in its entirety by reference to the voting agreement, a copy of which is attached to this proxy statement/prospectus as Annex B and which is incorporated by reference into this proxy statement/prospectus. This summary may not contain all of the information about the voting agreement that is important to you. We encourage you to read the voting agreement carefully and in its entirety.

**Voting Covenants**

Under the voting agreement, the Bancroft family member and trust stockholder signatories have agreed to vote shares representing in the aggregate approximately 37% of the total voting power of Dow Jones in favor of the adoption of the merger agreement and the transactions contemplated by the merger agreement and against any third party acquisition proposal and any action or proposal that would reasonably be expected to prevent or materially impede the merger.

The Bancroft family member and trust stockholder signatories have also agreed not to transfer any of their Dow Jones shares that are subject to the voting agreement, subject to certain exceptions.

Under the merger agreement, the News Corporation board of directors has agreed to take all requisite action to cause a member of the Bancroft family or another mutually agreed upon individual to become a member of the class of the News Corporation board of directors with the longest remaining term as of the closing of the merger. This individual is referred to in this proxy statement/prospectus as the initial Bancroft director.

Pursuant to the voting agreement, for a period of ten (10) years following the closing of the merger, if at any time the seat on the News Corporation board of directors held by the initial Bancroft director becomes vacant or the initial Bancroft director is not re-nominated, the Chairman of the News Corporation board of directors will propose another member of the Bancroft family to the nominating and governance committee of the News Corporation board of directors for nomination for appointment or election to the News Corporation board of directors. Once the nominating and governance committee has approved the proposed Bancroft family member for nomination or appointment to the News Corporation board of directors, News Corporation will send a notice of the approval to the special committee established under the editorial agreement for its consent. If the nominating and governance committee does not approve or the special committee does not consent, the Chairman of the News Corporation board of directors will propose another member of the Bancroft family and the process described above will continue until a Bancroft family member is nominated. This nominee will then be submitted to News Corporation stockholders for election to the News Corporation board and if not so elected or not so submitted for election, another Bancroft family member shall be nominated in accordance with the procedures described above and shall be appointed to the board of directors of News Corporation. These obligations will also be applicable to the replacement of any successor to the initial Bancroft director in accordance with the voting agreement during the ten (10) year period. All commitments of the News Corporation board of directors and the Chairman of the News Corporation board of directors described in the preceding two sentences will terminate if the voting agreement is terminated for any reason other than the occurrence of the effective time of the merger.

The voting agreement will terminate upon the earliest to occur of: (i) the mutual agreement of all parties to the voting agreement; (ii) the effective time of the merger; (iii) the termination of the merger agreement in accordance with its terms; (iv) the vote of a majority (in terms of aggregate voting power) of the Dow Jones shares subject to the voting agreement by the stockholders party thereto in connection with a superior

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acquisition proposal (as defined in the voting agreement); and (v) a public announcement by the Dow Jones board of directors expressly withdrawing its recommendation that Dow Jones stockholders approve and adopt the merger agreement. Additionally, subject to a specified exception, any Bancroft family member and trust stockholder signatory may terminate the voting agreement as to that Bancroft family member or trust stockholder signatory in the event the merger agreement is amended in a manner that results in any decrease in the merger consideration.

For purposes of the voting agreement, a superior acquisition proposal means a third party acquisition proposal for 60% or more of the outstanding equity securities or assets of Dow Jones, which proposal was not the result of a breach of the standstill and no-solicitation provisions of the voting agreement, made on terms that holders of a majority (in terms of aggregate voting power) of the Dow Jones shares subject to the voting agreement determine in their good faith judgment (after consultation with their outside counsel and financial advisor) (1) would, if consummated, be more favorable to the majority of the beneficiaries of the Bancroft family member and trust stockholder signatories, taken as a whole, from a financial point of view than the transactions contemplated by the merger agreement and (2) and is reasonably likely to be completed.

**Murdoch Family Interest Letter**

Mr. K. Rupert Murdoch, Chairman and Chief Executive Officer of News Corporation, and the Murdoch Family Trust have entered into a separate letter agreement, which is attached as an exhibit to the registration statement of which this proxy statement/prospectus is a part, obligating them, for a period of ten (10) years, to vote in favor of the election of the initial Bancroft director or any successor thereto to the board of directors of News Corporation in accordance with the voting agreement at any meeting of the News Corporation stockholders at which the initial Bancroft director or any successor stands for election. All commitments of Mr. K. Rupert Murdoch and the Murdoch Family Trust described in the preceding sentence will terminate upon the earliest to occur of: (i) the termination of the merger agreement; (ii) the expiration of the ten (10) year period; and (iii) the termination of the voting agreement for any reason other than occurrence of the effective time of the merger.

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**EDITORIAL AGREEMENT**

Pursuant to the terms of the merger agreement, as a condition to the merger, at the closing of the merger, News Corporation and Dow Jones will enter into an agreement relating to editorial and journalistic independence and integrity, which we refer to in this proxy statement/prospectus as the editorial agreement. The following summary describes certain material provisions of the editorial agreement and is qualified in its entirety by reference to the editorial agreement, a copy of the form of which is attached to this proxy statement/prospectus as Annex C and which is incorporated by reference into this document. This summary may not contain all of the information about the editorial agreement that may be important to you. We encourage you to read the editorial agreement carefully and in its entirety.

**Special Committee**

The editorial agreement establishes a special committee comprised of five distinguished community or journalistic leaders who are independent of News Corporation, Dow Jones, the Murdoch family and the Bancroft family. This special committee is referred to in this proxy statement/prospectus as the special committee. The parties have agreed that the initial members of the special committee will be Louis Boccardi, Thomas Bray, Jennifer Dunn, Jack Fuller and Nicholas Negroponte. Thomas Bray will be chairman of the special committee. The special committee will be divided into three classes, with initial terms expiring at the end of 2012, 2013 and 2014, respectively, and subsequent terms of five years. Upon the expiration of the term of any class of members of the special committee, a majority of the remaining members of the special committee will reappoint or appoint successor members of that class, subject to the approval of News Corporation (which may not be unreasonably withheld or delayed).

Pursuant to the terms of the editorial agreement, the special committee will have rights of approval over, and the power to arbitrate disputes regarding, the following matters (which are referred to in this proxy statement/prospectus as the special committee matters):

the appointment and removal of the managing editor of *The Wall Street Journal*, the editorial page editor of *The Wall Street Journal* and (unless he or she reports to the managing editor of *The Wall Street Journal*) the managing editor of Dow Jones Newswires, each of which is referred to in this proxy statement/prospectus as an editor (including any material changes in the terms and conditions of employment of any editor that could give rise to constructive termination, such as a material reduction in compensation, relocation of principal place of employment, material change in duties or responsibilities and the like); and

any changes to the authority, reporting relationship and consultation rights of any of the editors as described below.

**Editorial Authority**

The authority of each editor will include:

the power to hire and remove subordinates (including any material changes in the terms and conditions of employment of any such subordinate that could give rise to constructive termination, such as a material reduction in compensation, relocation of principal place of employment, material change in duties, responsibilities or position and the like) within their respective publications and operations, in each case consistent with departmental budgets set by Dow Jones management or News Corporation following discussion with the relevant editor (the decisions of News Corporation or Dow Jones on departmental budgets will be final);

control over spending and allocation of resources within departmental budgets set by Dow Jones management or News Corporation following discussion with the relevant editor (the decisions of News Corporation or Dow Jones on departmental budgets will be final);

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in the case of the managing editor of *The Wall Street Journal*, and, so long as he or she is an editor, the managing editor of Dow Jones Newswires, authority over all news decisions with respect to *The Wall Street Journal* publications and the Dow Jones Newswires publications, as those terms are defined below, and use of staff of those publications by advertisers or other businesses, publications or services;

the managing editor of *The Wall Street Journal* will be consulted prior to the use of *The Wall Street Journal* or Dow Jones brand names by News Corporation or any other party to provide the managing editor the opportunity to raise any objections to and suggestions concerning the proposed use of the brand (decisions of News Corporation on branding matters will be final); and

in the case of the editorial page editor of *The Wall Street Journal*, authority to choose the editorial board members, the opinion columnists, the op-ed section editor and the editors of various other relevant sections of *The Wall Street Journal* publications and the use of the staff of any of the foregoing by advertisers or other businesses, publications or services; final determination over the positions taken by the editorial pages of *The Wall Street Journal* publications; and authority over the selection of op-ed pieces for *The Wall Street Journal* publications. The editorial page editor will continue to report to the publisher of *The Wall Street Journal*.

For purposes of the editorial agreement:

*The Wall Street Journal* publications includes (1) the print, online, video and other publications, within and outside the United States, of *The Wall Street Journal* or wsj.com or any successors to any of the foregoing, and (2) any other print, online, video or other form of distribution or publication, within and outside the United States, under *The Wall Street Journal*, wsj.com or any derivative brand names, in the case of this clause (2), that (A) are under the control or direction of the managing editor of *The Wall Street Journal*, the editorial page editor of *The Wall Street Journal* or the publisher of *The Wall Street Journal* or (B) use journalists or editors, or content written or produced by, or otherwise involving, journalists or editors, who, directly or indirectly, report to, or are under the supervision of, the managing editor of *The Wall Street Journal*, the editorial page editor of *The Wall Street Journal* or the publisher of *The Wall Street Journal*, but, in the case of this clause (B), only to the extent of such use.

Dow Jones Newswires publications includes print, wire services, online, video and any and all other forms of distribution and publication (within and outside the U.S.) under the Dow Jones Newswires and derivative brand names and any successor to any of the foregoing, in each case that (1) are under the control or direction of the managing editor of Dow Jones Newswires or (2) use journalists or editors, or content written or produced by, or otherwise involving, journalists or editors, who, directly or indirectly, report to, or are under the supervision of, the managing editor of Dow Jones Newswires, but, in the case of this clause (2), only to the extent of such use.

Dow Jones publications means *The Wall Street Journal*, wsj.com, Dow Jones Newswires and any other publications or services, whether print, online, video or otherwise and whether within or outside the United States (including any successors thereto or any derivatives therefrom) that are publications or services of Dow Jones or any of its subsidiaries as of the date of the editorial agreement or use the Dow Jones brand name or any brand name of any of the foregoing publications or services, whether print, online, video or otherwise and whether within or outside the United States.

**News Corporation Principles and Dow Jones Code of Conduct**

Pursuant to the terms of the editorial agreement, News Corporation will be required to adopt and maintain a set of principles aimed at ensuring the preservation of the integrity, editorial independence and freedom from bias of its publications and newsgathering services and the Dow Jones publications. These principles, which are

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referred to in this proxy statement/prospectus as the News Corporation principles, will ensure that in all publications and newsgathering services of the News Corporation and the Dow Jones publications:

facts are accurate and fairly presented;

analyses represent the publications' best independent judgments rather than their preferences, or those of their owner, sources, advertisers or information providers;

opinions represent only the applicable publication's own editorial philosophies centered around the core principle of free people and free markets ;

there are no hidden agendas in any journalistic undertakings; and

accuracy and fairness extends to coverage of any real or perceived business interests of News Corporation or its affiliates.

Pursuant to the terms of the editorial agreement, News Corporation will agree that the News Corporation principles will apply, and the existing Dow Jones Code of Conduct relating to appropriate professional conduct will continue to apply, following the merger, to Dow Jones and to all journalists and journalism of Dow Jones and to the Dow Jones publications, as defined above. The special committee will aid the preservation and promotion of the News Corporation principles and the Dow Jones Code of Conduct for this purpose.

**Enforcement**

Each editor will have the right to appeal to the special committee disputes with News Corporation, Dow Jones or their respective affiliates concerning the special committee matters described above and disputes relating to the News Corporation principles and the Dow Jones Code of Conduct (but only to the extent any dispute relates to Dow Jones, any of its subsidiaries, a Dow Jones publication or to journalists or journalism of Dow Jones or its subsidiaries or a Dow Jones publication). All decisions and determinations made by the special committee with respect to these disputes will be final and binding.

The special committee will be entitled to enforce its rights and the terms of, and any decisions or determinations made under, the editorial agreement against News Corporation or Dow Jones, and each of News Corporation and Dow Jones will be entitled to enforce its rights and the terms of the editorial agreement against the special committee. Any party will be entitled to seek specific performance or other injunctive relief in order to enforce or prevent any violations of any provision of the editorial agreement.

Any actions or decisions of the special committee may be made public by the special committee, including, if requested by the special committee, on the editorial page of all editions of *The Wall Street Journal*, subject to the approval of the editorial page editor or, if for any reason this approval is not granted for any edition of *The Wall Street Journal*, in a prominent location in that edition of *The Wall Street Journal*.

**Access to Information and Advisors**

The special committee will have full access to all books, records, facilities and personnel of News Corporation, Dow Jones and their respective affiliates as it may reasonably request to fulfill its duties and responsibilities.

The special committee will have the authority to retain legal, accounting and other advisors and investigators as it determines, in its good faith judgment, to be necessary or appropriate in connection with performing its duties and responsibilities, or exercising its rights under the editorial agreement. News Corporation will be responsible for paying the reasonable fees and expenses of any such advisors.

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**Fees**

News Corporation will pay each member of the special committee reasonable compensation for his or her services as a special committee member. The initial compensation payable to each member will be \$100,000 per year, payable in quarterly installments. The compensation amounts may be reasonably adjusted by the special committee, subject to the approval of News Corporation, which may not be unreasonably withheld or delayed. In addition, News Corporation will reimburse each member for reasonable out-of-pocket, documented travel, accommodation and other expenses incurred by any member attending any meeting of the special committee or otherwise discharging his or her duties under the editorial agreement.

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**CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES**

The following discussion summarizes certain U.S. federal income tax consequences to Dow Jones stockholders who, pursuant to the merger, exchange their shares of Dow Jones for Newco Class B common units and/or cash. This summary is based on the Internal Revenue Code of 1986, as amended (the Code), Treasury regulations, administrative rulings and court decisions, each as in effect as of the date of this proxy statement/prospectus, all of which are subject to change at any time, possibly with retroactive effect. Any such change could alter the tax consequences described herein. Dow Jones has not requested, and does not plan to request, any rulings from the Internal Revenue Service (IRS) concerning the matters discussed herein. This discussion is not binding on the IRS or any court, and there can be no assurance that the IRS will not take a contrary position or that any contrary position taken by the IRS will not be sustained by a court.

This discussion is not tax advice. This discussion only addresses certain U.S. federal income tax consequences for Dow Jones stockholders that are U.S. holders and hold their Dow Jones shares as a capital asset within the meaning of Section 1221 of the Code. This discussion does not purport to be a complete analysis of all potential tax effects of the merger, and, in particular, does not address U.S. federal income tax considerations applicable to stockholders subject to special treatment under U.S. federal income tax law (including, for example, non-U.S. holders, brokers or dealers in securities, financial institutions, mutual funds, partnerships and other pass-through entities, insurance companies, tax-exempt entities, holders who hold Dow Jones shares as part of a hedge, appreciated financial position, straddle, conversion transaction or other risk reduction strategy, holders who acquired shares of Dow Jones pursuant to the exercise of an employee stock option or right or otherwise as compensation, and U.S. holders liable for the alternative minimum tax). In addition, this discussion does not address U.S. federal income tax considerations applicable to holders of options or warrants to purchase Dow Jones common stock, or holders of debt instruments convertible into Dow Jones common stock. No information is provided herein with respect to the tax consequences of the merger under applicable state, local, non-U.S. or other laws, or under any proposed Treasury regulations that have not taken effect as of the date of this proxy statement/prospectus.

For purposes of this discussion, a U.S. holder means a holder of Dow Jones shares that is for U.S. federal income tax purposes one of the following:

a citizen or resident of the United States;

a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or any of its political subdivisions;

a trust if it (A) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (B) has a valid election in effect under applicable Treasury regulations to be treated as a United States person; or

an estate the income of which is subject to U.S. federal income taxation regardless of its source.

An individual may be treated as a resident of the U.S. in any calendar year for U.S. federal income tax purposes, instead of as a nonresident, by, among other ways, being present in the U.S. on at least 31 days in that calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year. For purposes of this calculation, an individual would count all of the days present in the current year, one-third of the days present in the immediately preceding year and one-sixth of the days present in the second preceding year. Residents are taxed for U.S. federal income purposes as if they were U.S. citizens.

If a partnership holds Dow Jones shares, the U.S. federal income tax treatment of a partner should generally depend upon the status of the partners and the activities of the partnership. If you are a partner of a partnership holding Dow Jones shares, you should consult your tax advisors.

Newco is a limited liability company. Newco has elected to be classified as a corporation for U.S. federal income tax purposes. As a result, units of Newco should generally be treated as stock for U.S. federal income tax





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purposes. Without the prior approval of a majority of the outstanding Newco Class B common units, Newco has agreed not to revoke the election for at least as long as there remain outstanding any Newco Class B common units. This discussion assumes Newco is classified as a corporation and that the Newco Class B common units will be treated as stock of Newco for U.S. federal income tax purposes at all relevant times. This discussion further assumes that the transactions contemplated by the merger agreement will be consummated in the manner contemplated by this registration statement, the merger agreement and the amended and restated operating agreement of Newco.

**ALL HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE SPECIFIC TAX CONSEQUENCES TO THEM OF THE MERGER AND THE UNIT ELECTION (AS APPLICABLE), INCLUDING THE APPLICABILITY AND EFFECT OF U.S. FEDERAL, STATE, LOCAL, NON-U.S. AND OTHER LAWS TO THEIR PARTICULAR CIRCUMSTANCES.**

The merger agreement contemplates that Fried, Frank, Harris Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, will deliver to Dow Jones an opinion, which we refer to as the tax opinion, dated the closing date, to the effect that the transaction, including the receipt of the Newco Class B common units in exchange for each Dow Jones share that is converted into the unit consideration, should qualify as an exchange described in Section 351 of the Code and that the Newco Class B common units should not constitute nonqualified preferred stock within the meaning of Section 351(g) of the Code. The tax opinion will rely on assumptions, representations and covenants, which may include assumptions regarding the absence of changes in existing facts and law and that the merger will be completed according to the terms of the merger agreement. In rendering the tax opinion, tax counsel may require and rely upon representations and assumptions, including those that will be contained in the certificates of officers of Dow Jones, News Corporation and Newco, which will be executed at the effective time of the merger, as well as representations made by Dow Jones stockholders in connection with the making of their election to receive the unit consideration. The various assumptions include, among other things, that (i) no person who will hold units of Newco immediately after the merger has any plan or intention to dispose of such units (including, in the case of holders of Newco Class B common units, any plan or intention to exchange such units for shares of News Corporation Class A common stock), (ii) no person who will hold units of Newco immediately after the merger has any intention to cause a subsequent merger (as defined below), and (iii) Newco will remain in existence and be classified as a corporation for U.S. federal income tax purposes at all relevant times. If any of those representations, covenants or assumptions is inaccurate, the U.S. federal income tax consequences of the transaction could differ from those described in the tax opinion. The tax opinion does not bind the IRS nor does it preclude the IRS from adopting a contrary position. Accordingly, there can be no assurance that the IRS will not challenge the conclusions set forth in the tax opinion or that a court will not sustain the IRS's challenge.

If the Dow Jones board of directors determines in accordance with the terms of the merger agreement that Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver the tax opinion to Dow Jones at the closing of the merger and Dow Jones provides notice of this determination to News Corporation before the later of the tenth (10<sup>th</sup>) business day before the closing date or the second (2<sup>nd</sup>) calendar day before the special meeting, under the terms of the merger agreement, the merger will be restructured to eliminate the unit election feature. In the event this restructuring occurs, each share of Dow Jones common stock and Class B common stock will be converted into the right to receive the cash consideration.

In addition, if Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver to Dow Jones the tax opinion referred to above at the closing, but the Dow Jones board of directors does not make the determination referred to above before the later of the tenth (10<sup>th</sup>) business day before the closing date or the second (2<sup>nd</sup>) calendar day before the special meeting, the inability to receive this tax opinion will not result in a transaction restructuring and Dow Jones stockholders will continue to be able to make unit elections for their Dow Jones shares. However, Dow Jones and News Corporation will issue a public statement disclosing that Dow Jones is unable to receive the tax opinion. Under this circumstance, the election deadline will be extended, as necessary, to ensure that Dow Jones stockholders who previously made a unit

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election for their shares have at least five (5) business days after the day Dow Jones and News Corporation issue this public statement to revoke their unit elections.

In determining whether to vote to approve and adopt the merger agreement, Dow Jones stockholders should consider that, if a transaction restructuring occurs, they will not have the ability to make a unit election for their Dow Jones shares. They should also consider that the merger may be completed even if Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver to Dow Jones the tax opinion referred to above at the closing.

Dow Jones does not intend to resolicit its stockholders to approve and adopt the merger agreement in the event that a transaction restructuring occurs, or Fried, Frank, Harris, Shriver & Jacobson LLP, or other counsel satisfactory to Dow Jones, is unable to deliver to Dow Jones the tax opinion at the closing, after the Dow Jones stockholders approve and adopt the merger agreement.

### **Certain U.S. Federal Income Tax Consequences of the Merger to Dow Jones Stockholders**

At the time that a U.S. holder makes a unit election to receive Newco Class B common units, the holder will not know if, and to what extent, the proration procedures will alter the mix of the consideration to be received. As a result, the precise number of Newco Class B common units and the amount of cash that a unit electing Dow Jones stockholder will receive in the merger may not be known until after the closing date. Subject to the conditions set forth herein, the following are certain U.S. federal income tax consequences of the merger.

#### ***Exchange of Dow Jones Shares Solely for Cash.***

A U.S. holder who exchanges shares of Dow Jones solely for cash generally will recognize capital gain or loss, for U.S. federal income tax purposes, equal to the difference between the amount of cash received and the holder's adjusted tax basis in the shares of Dow Jones surrendered therefor. This gain or loss should generally be long term capital gain or loss if, as of the effective time of the merger, the holding period for the surrendered Dow Jones shares is more than one year. If a U.S. holder purchased blocks of Dow Jones shares in different transactions, it must calculate gain or loss separately for each block of shares.

#### ***Exchange of Dow Jones Shares for Newco Class B Common Units.***

The following are certain U.S. federal income tax consequences of the merger to U.S. holders who receive Newco Class B common units in the merger, if the merger qualifies to be treated as an exchange described in Section 351 of the Code, if the Newco Class B common units do not constitute nonqualified preferred stock within the meaning of Section 351(g) of the Code and if the exchange right is not boot, except as discussed in *Receipt of Exchange Right*, below.

*Exchange of Dow Jones Shares Solely for Newco Class B Common Units.* A U.S. holder who exchanges shares of Dow Jones solely for Newco Class B common units generally should not recognize any gain or loss, for U.S. federal income tax purposes, upon the exchange, except in respect of cash received in respect of fractional Newco Class B common units, as discussed below. A U.S. holder's aggregate adjusted tax basis in the Newco Class B common units it receives in the merger generally should be equal to the aggregate adjusted tax basis of the Dow Jones shares it surrenders (excluding any portion of its basis in those shares that is allocated to the cash that it receives in lieu of fractional Newco Class B common units) and the holder's holding period for the Newco Class B common units generally should include its holding period for the Dow Jones shares that it surrenders.

*Exchange of Dow Jones Shares for a Combination of Newco Class B Common Units and Cash.* A U.S. holder who exchanges shares of Dow Jones for a combination of Newco Class B common units and cash generally should recognize gain, but not loss, on the exchange for U.S. federal income tax purposes. Gain

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recognized generally should equal the lesser of the amount of cash received and the gain realized. The gain realized generally should be the excess of (i) the sum of the fair market value of the Newco Class B common units received and the amount of cash received (aside from any cash received in respect of fractional Newco Class B common units, as discussed below) over (ii) the holder's adjusted tax basis in the Dow Jones shares surrendered. If a U.S. holder purchased blocks of Dow Jones shares in different transactions, it must calculate gain or loss separately for each block of shares, and the holder may not offset a loss realized on one block of the shares against gain realized on another block of the shares. Any gain recognized by a U.S. holder who exchanges Dow Jones shares for a combination of Newco Class B common units and cash should generally be treated as capital gain. Any gain that is treated as capital gain should generally be long term capital gain if the holding period for shares of Dow Jones that are surrendered in the exchange is more than one year as of the effective time of the merger.

A U.S. holder's aggregate adjusted tax basis in the Newco Class B common units it receives in the merger generally should be equal to the aggregate adjusted tax basis of the Dow Jones shares it surrenders, decreased by the amount of cash received and increased by the amount of gain recognized, and the holder's holding period for the Newco Class B common units generally should include its holding period for the Dow Jones shares that it surrenders.

*Receipt of Exchange Right.* In certain circumstances, the exchange right component of convertible stock is treated as separate property other than stock. Separate property other than stock is treated as boot in an exchange pursuant to Section 351 of the Code. The IRS announced in published guidance that where an exchange right component of convertible stock is exercisable solely against the issuing corporation it is not boot, but the exchange right is boot if it may be exercised against the corporation into whose stock the convertible stock is convertible. Since holders may exercise the right to exchange Newco Class B common units for shares of News Corporation Class A common stock (or, under certain circumstances, other property) solely against Newco, Dow Jones and Newco intend to take the position that the exchange right is not boot. However, the facts relating to a holder's exchange right are different in certain respects than the IRS guidance and as a result there can be no assurance that the IRS will not take a contrary position or that the IRS's contrary position will not be sustained by a court. If the exchange right were considered to be boot, a U.S. holder who exchanges Dow Jones shares for Newco Class B common units would generally be treated as if the U.S. holder received cash equal to the fair market value of the exchange right in the merger.

*Cash In Lieu of Fractional Shares.* Dow Jones and Newco intend to take the position that the receipt of cash in lieu of fractional Newco Class B common units is treated as if the U.S. holder received such fractional Newco Class B common units in the merger and then received the cash in redemption of such fractional Newco Class B common units. Accordingly, the U.S. holder should generally recognize capital gain or loss equal to the difference between the amount of the cash received in lieu of such fractional Newco Class B common units and the holder's adjusted tax basis allocable thereto. This gain or loss should generally be long term capital gain or loss if, as of the effective time of the merger, the holding period for shares of Dow Jones that are surrendered in the exchange is more than one year.

***Appraisal Rights.***

A U.S. holder who receives cash pursuant to the exercise of appraisal rights generally should recognize capital gain or loss equal to the difference between the amount of cash received and the holder's adjusted tax basis in the shares of Dow Jones surrendered therefor. This gain or loss should generally be long term capital gain or loss if, as of the effective time, the holding period for the surrendered Dow Jones shares is more than one year. If a U.S. holder purchased blocks of Dow Jones shares in different transactions, it must calculate gain or loss separately for each block of shares.

***Taxation of Capital Gain.***

In general, long term capital gain of individuals currently is subject to U.S. federal income tax at a maximum rate of 15%. The legislation providing for this 15% rate is scheduled to expire at the end of 2010, at

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which time, unless such legislation is extended, the rate applicable to long term capital gains from the sale or exchange of securities for U.S. federal income tax purposes generally will increase to 20% for noncorporate taxpayers. There can be no assurance that long term capital gain attributable to the sale or exchange of securities recognized after 2010 will be taxed at 15% for U.S. federal income tax purposes. Thus, for U.S. federal income tax purposes, a noncorporate holder of Dow Jones shares that receives the unit consideration in the merger may be taxed at a higher rate in the future upon a subsequent exchange or other disposition of Newco Class B common units than the rate at which such holder would be taxed currently if such holder were to receive solely the cash consideration in the merger. If an individual holder's holding period for Dow Jones shares is one year or less at the effective time of the merger, any recognized gain generally should be subject to U.S. federal income tax at the same rate as ordinary income (the maximum rate of which is currently 35%). There are limits on the deductibility of capital losses. For corporations, capital gain is taxed at the same rate as ordinary income, and capital loss in excess of capital gain is not deductible. Corporations, however, generally may carry back capital losses up to three taxable years and carry forward capital losses up to five taxable years.

**Certain U.S. Federal Income Tax Consequences if the Merger Does Not Qualify to Be Treated as an Exchange Described in Section 351 of the Code**

As discussed above, the merger agreement contemplates that Dow Jones may receive a tax opinion to the effect that, among other things, the transaction, including the receipt of the Newco Class B common units in exchange for each Dow Jones share that is converted into the unit consideration, should qualify as an exchange described in Section 351 of the Code. The tax opinion does not bind the IRS nor does it preclude the IRS from adopting a contrary position. If the merger were not to qualify as an exchange described in Section 351 of the Code, a U.S. holder who receives Newco Class B common units in the merger generally should recognize capital gain or loss, for U.S. federal income tax purposes, equal to the difference between (i) the sum of the fair market value of the Newco Class B common units received and the amount of cash, if any, received and (ii) the holder's adjusted tax basis in the Dow Jones shares surrendered. This gain or loss should generally be long term capital gain or loss if, as of the effective time of the merger, the holding period for the surrendered Dow Jones shares is more than one year. If a U.S. holder purchased blocks of Dow Jones shares in different transactions, it must calculate gain or loss separately for each block of shares.

**Certain U.S. Federal Income Tax Consequences to Holders of Newco Class B Common Units if the Newco Class B Common Units are Deemed to be Nonqualified Preferred Stock**

As discussed above, the merger agreement contemplates that Dow Jones may receive a tax opinion to the effect that, among other things, the Newco Class B common units should not constitute nonqualified preferred stock within the meaning of Section 351(g) of the Code. The tax opinion does not bind the IRS nor does it preclude the IRS from adopting a contrary position. If the Newco Class B common units are deemed to constitute nonqualified preferred stock, the receipt of Newco Class B common units in the merger generally should be taxable in full to a Dow Jones stockholder for U.S. federal income tax purposes. In that case, a U.S. holder generally should recognize at the time of the merger capital gain or loss for U.S. federal income tax purposes. Such gain or loss generally should equal the difference between (i) the sum of the fair market value of the Newco Class B common units received and the amount of cash, if any, received and (ii) the holder's adjusted tax basis in the Dow Jones shares surrendered. This gain or loss should generally be long term capital gain or loss if, as of the effective time of the merger, the holding period for the surrendered Dow Jones shares is more than one year. If a U.S. holder purchased blocks of Dow Jones shares in different transactions, it must calculate gain or loss separately for each block of shares.

Nonqualified preferred stock generally includes preferred stock if the holder has the right, exercisable within the 20-year period beginning on the issue date, to require the issuer or a related person to redeem or purchase the stock. Since holders of Newco Class B common units have the right to require Newco to redeem the Newco Class B common units in exchange for shares of News Corporation Class A common stock (or, under

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certain circumstances, other property), the question of whether the Newco Class B common units are nonqualified preferred stock turns upon whether the Newco Class B common units will be considered preferred stock for this purpose. Preferred stock for this purpose is stock which is limited and preferred as to dividends and does not participate in corporate growth to any significant extent. The legislative history of Section 351 of the Code provides that stock that is convertible or exchangeable into stock of a corporation other than the issuer (including, for example, stock of a parent corporation or other related corporation) is not considered to be stock that participates in corporate growth to any significant extent. It is not clear whether the intent of this statement is that stock with such an exchange privilege can never be considered to participate in corporate growth, or simply that this exchange feature is not taken into account in determining whether the stock participates in corporate growth. Accordingly, the Newco Class B common units, which are exchangeable into stock of News Corporation (or, under certain circumstances, other property), might not be considered to participate in corporate growth to any significant extent. There is no authority interpreting what type of stock is considered limited and preferred as to dividends within the meaning of Section 351(g). Certain features of the Newco Class B common units, such as the right to share equally with other classes of stock in liquidating distributions and the right to receive certain dividends on a pro rata basis with other classes of stock, have been found, under analogous provisions of the Code, to support a determination that stock is not preferred stock. Newco intends to take the position that the Newco Class B common units are not preferred stock. However, there can be no assurance that the IRS will not challenge Newco's position or that a court will not sustain an IRS challenge.

**Certain U.S. Federal Income Tax Consequences of Owning and Disposing of Newco Class B Common Units**

***Qualifying Dividends.***

In the event that dividends are paid on the Newco Class B common units, the gross amount of dividends paid to U.S. holders generally should be treated as dividend income to the U.S. holders, to the extent it is paid out of Newco's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. The dividend income generally should be includable in the gross income of a U.S. holder on the day it is actually or constructively received by the U.S. holder. Corporate U.S. holders may be entitled to a dividends received deduction with respect to distributions treated as dividend income for U.S. federal income tax purposes, subject to numerous limitations and requirements. Under current legislation, which is scheduled to expire at the end of 2010, dividends that are paid on the Newco Class B common units may be taxed to individual U.S. holders at rates applicable to long term capital gains, provided that a minimum holding period and other limitations and requirements are satisfied. A holding period with respect to a share of stock for purposes of such current legislation may be reduced in the event the holder of the stock has an option to sell substantially identical stock or securities or has diminished the holder's risk of loss by holding one or more other positions with respect to substantially similar or related property. It is not clear whether the exchange feature of the Newco Class B common units would cause a holder's holding period with respect to the Newco Class B common units to be so reduced. If a holder's holding period is reduced, then any dividends received with respect to the Newco Class B common units would not qualify to be taxed at long term capital gains rates and instead would be taxed at the rates applicable to ordinary income. There can be no assurance that the IRS would not assert that a holder's holding period is so reduced. Newco has not yet determined what position it will take for information reporting purposes as to whether a holder's holding period would be so reduced. Dividends received by individual U.S. holders after 2010 generally should be taxable at ordinary rates.

***Adjustment of Exchange Ratio.***

Under certain circumstances, the adjustment of an exchange ratio may be treated as the payment of a dividend for U.S. federal income tax purposes, even though a holder does not receive a payment in cash or other property. The exchange ratio of the Newco Class B common units may be adjusted from time to time to account for certain events that may take place with respect to the News Corporation Class A common stock or otherwise. This adjustment may be taxable to holders of Newco Class B common units for U.S. federal income tax purposes.

**Table of Contents*****Exchange.***

If a holder elects to exchange its Newco Class B common units for shares of News Corporation Class A common stock (or, under certain circumstances, other property), the exchange generally would be taxable for U.S. federal income tax purposes. A U.S. holder who exchanges Newco Class B common units pursuant to such exchange feature would generally recognize capital gain or loss, for U.S. federal income tax purposes, equal to the difference between (i) the sum of the fair market value of any property, including shares of News Corporation stock, received upon such exchange and the amount of any cash received upon such exchange and (ii) the holder's adjusted tax basis in the Newco Class B common units surrendered therefor. This gain or loss should generally be long term capital gain or loss if, as of the time of such exchange, the holding period for shares of Dow Jones that are surrendered in such exchange is more than one year. If a U.S. holder purchased blocks of Dow Jones shares in different transactions, it must calculate gain or loss separately for each block of Newco Class B common units for which each block of Dow Jones shares was exchanged in the merger.

When a holder elects to exchange its Newco Class B common units for shares of News Corporation Class A common stock (or, under certain circumstances, other property), the IRS may attempt to combine such exchange with the merger to assert that the merger did not qualify as an exchange described in Section 351 of the Code with respect to such holder. In that case, in addition to the U.S. federal income tax consequences for holders of Newco Class B common units upon such exchange as described in the immediately preceding paragraph, the IRS might assert, among other things, that such holder recognized capital gain or loss, for U.S. federal income tax purposes, upon and at the time of the merger equal to the difference between (i) the sum of the fair market value of the Newco Class B common units received and the amount of cash, if any, received and (ii) the holder's adjusted tax basis in the Dow Jones shares surrendered.

***Subsequent Merger.***

As described below under the section entitled Amended and Restated Operating Agreement of Newco Merger Right, under certain circumstances following the second anniversary of the merger, a merger or consolidation (for these purposes, a subsequent merger) of Newco may be effected pursuant to which each of the outstanding Newco Class B common units would be converted into the consideration for which the Newco Class B common units may then be exchanged with Newco pursuant to the exchange right. Under certain circumstances, such a subsequent merger may qualify as a reorganization within the meaning of Section 368 of the Code, in which case U.S. holders of Newco Class B common units may recognize less than their entire gain and may not recognize any loss, for U.S. federal income tax purposes, upon any such subsequent merger. Notwithstanding certain contractual protections, there can be no assurance that such a subsequent merger would qualify as a reorganization within the meaning of Section 368 of the Code. Accordingly, U.S. holders of Newco Class B common units may recognize their entire gain or loss, for U.S. federal income tax purposes, upon any such subsequent merger.

If such a subsequent merger occurs, the IRS may attempt to combine such subsequent merger with the merger (for these purposes, the initial merger) to assert that the initial merger did not qualify as an exchange described in Section 351 of the Code. In that case, in addition to any U.S. federal income tax consequences for holders of Newco Class B common units upon such subsequent merger as described in the immediately preceding paragraph, the IRS might assert, among other things, that holders who received Newco Class B common units in the initial merger, even if no longer holders of such Newco Class B common units at the time of the subsequent merger, recognized capital gain or loss, for U.S. federal income tax purposes, upon and at the time of the initial merger equal to the difference between (i) the sum of the fair market value of the Newco Class B common units received and the amount of cash, if any, received and (ii) the holder's adjusted tax basis in the Dow Jones shares surrendered. The closeness in time of two or more transactions is one of a number of factors the IRS typically considers in determining whether the transactions should be combined. The IRS announced in published guidance that a second transaction, which occurs five years or more following a first transaction, ordinarily will not be combined with the first. However, the IRS has since revoked this guidance. Accordingly, there can be no assurance that a subsequent merger, regardless of whether such subsequent merger occurs before or after five years, would not be combined with the initial merger for U.S. federal income tax purposes.

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### ***News Corporation Significant Transaction.***

Upon the occurrence of a News Corporation significant transaction that is a change of control transaction (as defined under the section entitled Amended and Restated Operations Agreement of Newco below), at the election of Newco, a holder of Newco Class B common units will be entitled to receive upon the exchange of Newco Class B common units either the kind and number of shares, other securities and/or cash or other property to which a holder of the number of shares of News Corporation Class A common stock deliverable upon exchange of such Newco Class B common units held by such holder would have been entitled in such News Corporation significant transaction or a cash payment of equal value. If Newco should elect to make the cash payment, holders of Newco Class B common units will lose certain of their rights under the amended and restated operating agreement of Newco, and, in particular, such holders will no longer be entitled to any dividend payments from Newco. There can be no assurance that the IRS would not assert that such election would cause the holders of Newco Class B common units to recognize gain or loss at such time for U.S. federal income tax purposes. Newco has not yet determined what position it would take in the event of such election.

**The receipt, ownership and disposition of Newco Class B common units raise complicated tax issues for which there are no clear answers. We strongly recommend that Dow Jones stockholders consult with their tax advisors regarding the tax consequences to them of receiving, owning and disposing of Newco Class B common units, including the effects of U.S. federal, state, local and other tax laws.**

### **Information Reporting and Backup Withholding**

#### ***Information on the Merger to Be Filed with Dow Jones Stockholders Returns.***

U.S. holders who receive Newco Class B common units and, upon consummation of the merger, own Newco Class B common units representing at least 1% of the total combined voting power or value of the total outstanding Newco common units, are required to attach to their tax returns for the year in which the merger is consummated, and maintain a permanent record of, a complete statement that contains the information listed in Treasury regulations section 1.351-3. This statement must include their aggregate fair market value and adjusted tax basis in their Dow Jones shares surrendered in the merger.

#### ***Backup Withholding.***

Under the Code, a Dow Jones stockholder may be subject, under certain circumstances, to backup withholding at a rate of 28% with respect to the amount of cash received in the merger, unless he, she or it provides proof of an applicable exemption or a correct taxpayer identification number, and otherwise complies with the applicable requirements of the backup withholding rules. Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules may be refunded or credited against your U.S. federal income tax liability, if any, provided that you furnish the required information to the IRS in a timely manner.

**We strongly recommend that you consult your own tax advisor to determine the particular tax consequences to you (including the application and effect of any state, local or foreign income and other tax laws) of the receipt of Newco Class B common units and/or cash in exchange for your Dow Jones shares pursuant to the merger.**



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**DISSENTERS RIGHTS OF APPRAISAL**

Under Delaware law, holders of Dow Jones common stock or Class B common stock who do not wish to accept the merger consideration have the right to dissent from the merger and to receive payment in cash for the fair value of their shares of Dow Jones common stock or Class B common stock together with a fair rate of interest, if any, as determined by the Delaware Court of Chancery. These rights are known as appraisal rights. Stockholders may only exercise these appraisal rights by strictly complying with the provisions of Section 262 of the Delaware General Corporation Law, which is referred to in this proxy statement/prospectus as Section 262.

**The following is intended as a brief summary of the material provisions of the Delaware statutory procedures required to be followed by a stockholder in order to dissent from the merger and perfect appraisal rights. This summary, however, is not a complete statement of all applicable requirements and is qualified in its entirety by reference to Section 262, the full text of which appears in Annex F to this proxy statement/prospectus. Failure to precisely follow any of the statutory procedures set forth in Section 262 may result in a termination or waiver of your appraisal rights. This summary does not constitute legal or other advice, nor does it constitute a recommendation that holders of Dow Jones common stock or Class B common stock exercise their appraisal rights.**

Section 262 requires that stockholders be notified that appraisal rights will be available not less than 20 days before the stockholders' meeting to vote on the merger. A copy of Section 262 must be included with the notice to stockholders. This proxy statement/prospectus constitutes Dow Jones' notice to its stockholders of the availability of appraisal rights in connection with the merger in compliance with the requirements of Section 262. If you wish to consider exercising your appraisal rights, you should carefully review the text of Section 262 contained in Annex F to this proxy statement/prospectus because failure to timely and properly comply with the requirements of Section 262 will result in the loss of your appraisal rights under Delaware law.

If you elect to demand appraisal of your shares, you must satisfy each of the following conditions:

You must deliver to Dow Jones a written demand for appraisal of your shares before the vote with respect to the merger is taken. This written demand for appraisal must be in addition to and separate from any proxy or vote abstaining from or voting against the approval and adoption of the merger agreement. Voting against or failing to vote for the approval and adoption of the merger agreement by itself does not constitute a demand for appraisal within the meaning of Section 262.

You must not vote in favor of the approval and adoption of the merger agreement. A vote in favor of the approval and adoption of the merger agreement, by proxy, through the Internet, by telephone or in person, will constitute a waiver of your appraisal rights in respect of the shares so voted and will nullify any previously filed written demands for appraisal. A proxy which does not contain voting instructions will, unless revoked, be voted in favor of the merger agreement. Therefore, a stockholder who votes by proxy and who wishes to exercise appraisal rights must vote against the merger agreement or abstain from voting on the merger agreement.

If you fail to comply with either of these conditions and the merger is completed, you will be entitled to receive the cash consideration for your shares of Dow Jones common stock or Class B common stock as provided for in the merger agreement, but you will have no appraisal rights with respect to your shares of Dow Jones common stock or Class B common stock.

All demands for appraisal should be addressed to Dow Jones & Company, Inc., 200 Liberty Street, New York, NY 10281, Attention: Corporate Secretary, and must be delivered before the vote on the merger agreement is taken at the special meeting, and should be executed by, or on behalf of, the record holder of the Dow Jones shares. The demand must reasonably inform Dow Jones of the identity of the stockholder and the intention of the stockholder to demand appraisal of his or her shares.

To be effective, a demand for appraisal by a holder of Dow Jones shares must be made by, or in the name of, the registered stockholder, fully and correctly, as the stockholder's name appears on the stockholder's stock

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certificate(s). Only a holder of record of Dow Jones common stock or Class B common stock on the record date for the special meeting is entitled to seek appraisal rights for the shares registered in that holder's name. Beneficial owners who do not also hold the shares of record may not directly make appraisal demands to Dow Jones. The beneficial owner must, in these cases, have the registered owner, such as a broker, bank or other custodian, submit the required demand in respect of those shares. If shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of a demand for appraisal should be made by or for the fiduciary; and if the shares are owned of record by more than one person, as in a joint tenancy or tenancy in common, the demand should be executed by or for all joint owners. An authorized agent, including an authorized agent for two or more joint owners, may execute the demand for appraisal for a stockholder of record; however, the agent must identify the record owner or owners and expressly disclose the fact that, in executing the demand, he or she is acting as agent for the record owner. A record owner, such as a broker, who holds shares as a custodian for others, may exercise the record owner's right of appraisal with respect to the shares held for one or more beneficial owners, while not exercising this right for other beneficial owners. In that case, the written demand should state the number of shares as to which appraisal is sought. Where no number of shares is expressly mentioned, the demand will be presumed to cover all shares held in the name of the record owner. In addition, the stockholder must continuously hold the shares of record from the date of making the demand through the effective time of the merger.

If you hold your shares of Dow Jones common stock or Class B common stock in a brokerage account or in other custodian form and you wish to exercise appraisal rights, you should consult with your bank, broker or other custodian to determine the appropriate procedures for the making of a demand for appraisal by the custodian.

Within ten (10) days after the effective time of the merger, the surviving corporation must give written notice that the merger has become effective to each stockholder who has properly filed a written demand for appraisal and who did not vote in favor of the merger agreement. At any time within sixty (60) days after the effective time, any stockholder who has demanded an appraisal has the right to withdraw the demand and to accept the cash consideration for his or her shares of common stock by delivering a written withdrawal of the stockholder's demands for appraisal.

If, following a demand for appraisal, you have withdrawn your demand for appraisal in accordance with Section 262, you will have the right to receive the merger consideration. However, if you have not made a valid election to receive Newco Class B common units and you withdraw your demand for appraisal following the election deadline, your shares of Dow Jones common stock or Class B common stock will be deemed to be converted as of the effective time of the merger into the right to receive the cash consideration.

Within 120 days after the effective date of the merger, any stockholder who has complied with Section 262 will, upon written request to the surviving corporation, be entitled to receive a written statement setting forth the aggregate number of shares not voted in favor of the merger agreement and with respect to which demands for appraisal rights have been received and the aggregate number of holders of these shares. This written statement will be mailed to the requesting stockholder within ten (10) days after the stockholder's written request is received by the surviving corporation or within ten (10) days after expiration of the period for delivery of demands for appraisal, whichever is later. Within 120 days after the effective date of the merger, either the surviving corporation or any stockholder who has complied with the requirements of Section 262 may file a petition in the Delaware Court of Chancery demanding a determination of the fair value of the shares held by all stockholders entitled to appraisal. Upon the filing of the petition by a stockholder, service of a copy of the petition must be made upon the surviving corporation. The surviving corporation has no obligation to file a petition in the Delaware Court of Chancery in the event there are dissenting stockholders and has no present intent to file a petition in the Delaware Court of Chancery. Accordingly, the failure of a stockholder to file a petition within the period specified could nullify the stockholder's previously written demand for appraisal.

If a petition for appraisal is duly filed by a stockholder and a copy of the petition is delivered to the surviving corporation, the surviving corporation will then be obligated, within twenty (20) days after receiving

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service of a copy of the petition, to provide the Delaware Court of Chancery with a duly verified list containing the names and addresses of all stockholders who have demanded an appraisal of their shares and with whom agreements as to the value of their shares have not been reached by the surviving corporation. After notice to dissenting stockholders who demanded appraisal of their shares, the Delaware Court of Chancery is empowered to conduct a hearing upon the petition, and to determine those stockholders who have complied with Section 262 and who have become entitled to the appraisal rights provided thereby. The Delaware Court of Chancery may require the stockholders who have demanded appraisal for their shares to submit their stock certificates to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with that direction, the Delaware Court of Chancery may dismiss the proceedings as to that stockholder.

After determination of the stockholders entitled to appraisal of their shares of common stock, the Delaware Court of Chancery will appraise the fair value of the shares owned by those stockholders. This value will be exclusive of any element of value arising from the accomplishment or expectation of the merger, but will include a fair rate of interest, if any, upon the amount determined to be the fair value. When the value is determined, the Delaware Court of Chancery will direct the payment of the value, with interest thereon accrued during the pendency of the proceeding, if the Delaware Court of Chancery so determines, to the stockholders entitled to receive the same, upon surrender by the holders of the certificates representing those shares.

In determining fair value, and, if applicable, a fair rate of interest, the Delaware Court of Chancery is required to take into account all relevant factors. In *Weinberger v. UOP, Inc.*, the Delaware Supreme Court discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court should be considered, and that fair price obviously requires consideration of all relevant factors involving the value of a company.

Section 262 provides that fair value is to be exclusive of any element of value arising from the accomplishment or expectation of the merger. In *Cede & Co. v. Technicolor, Inc.*, the Delaware Supreme Court stated that this exclusion is a narrow exclusion [that] does not encompass known elements of value, but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In *Weinberger*, the Delaware Supreme Court construed Section 262 to mean that elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered.

You should be aware that the fair value of your shares as determined under Section 262 could be more than, the same as, or less than the value that you are entitled to receive under the terms of the merger agreement.

Costs of the appraisal proceeding may be imposed upon the surviving corporation and the stockholders participating in the appraisal proceeding by the Delaware Court of Chancery as the Court deems equitable in the circumstances. Upon the application of a stockholder, the Delaware Court of Chancery may order all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorneys fees and the fees and expenses of experts, to be charged *pro rata* against the value of all shares entitled to appraisal. In the absence of such a determination of assessment, each party bears its own expenses. Any stockholder who had demanded appraisal rights will not, after the effective time of the merger, be entitled to vote shares subject to that demand for any purpose or to receive payments of dividends or any other distribution with respect to those shares, other than with respect to payment as of a record date prior to the effective time; however, if no petition for appraisal is filed within 120 days after the effective time of the merger, or if the stockholder delivers a written withdrawal of his or her demand for appraisal and an acceptance of the terms of the merger within 60 days after the effective time of the merger, then the right of that stockholder to appraisal will cease and that stockholder will be entitled to receive the cash consideration for shares of his or her Dow Jones common stock or Class B common stock pursuant to the merger agreement, but will not have the right to elect to convert his or her Dow Jones common stock or Class B common stock into Newco Class B common units. Any withdrawal of a demand for appraisal made more than 60 days after the effective time of the

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merger may only be made with the written approval of the surviving corporation. No appraisal proceeding in the Delaware Court of Chancery will be dismissed as to any stockholder without the approval of the Court.

Failure to follow the steps required by Section 262 for perfecting appraisal rights may result in the loss of appraisal rights. In view of the complexity of Section 262, stockholders who may wish to dissent from the merger and pursue appraisal rights should consult their legal advisors.

**Table of Contents****UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

On July 31, 2007, News Corporation entered into a definitive merger agreement (the "Merger Agreement") with Dow Jones, pursuant to which News Corporation agreed, subject to the terms and conditions of the Merger Agreement, to acquire Dow Jones in a transaction valued at approximately \$5.7 billion. Under the terms of the Merger Agreement, a subsidiary of News Corporation will be merged with and into Dow Jones, and Dow Jones stockholders will be entitled to receive in such merger \$60 in cash for each share of Dow Jones stock they own or to make an election to have some or all of their shares of Dow Jones converted into a number of Class B common units of a newly formed subsidiary of News Corporation, Ruby Newco LLC (each Class B common unit of Ruby Newco LLC will be exchangeable for (subject to adjustment) one share of the News Corporation's Class A Common Stock in accordance with the terms and conditions of such subsidiary's operating agreement). The allocation and proration procedures under the Merger Agreement provide that Ruby Newco LLC Class B common units will be received by no more than 250 record holders of Dow Jones shares and in exchange for not more than 10% of the outstanding shares of Dow Jones common stock and Dow Jones Class B common stock, in the aggregate. The obligations of News Corporation and Dow Jones to complete the merger are subject to customary closing conditions, including, among other things, adoption of the Merger Agreement by the affirmative vote of a majority of the votes entitled to be cast by the holders of Dow Jones common stock and Dow Jones Class B common stock at the Special Meeting, voting together as a single class, the execution of an editorial agreement, the establishment by News Corporation of a special committee as contemplated under such editorial agreement and regulatory approvals. The acquisition is expected to be completed in the fourth quarter of calendar 2007. News Corporation believes that this acquisition will position it as a leader in the financial news and information market and will enhance its ability to adapt to future challenges and opportunities within News Corporation's Newspapers segment and across News Corporation's other related business segments. See "The Merger Agreement" section beginning on page 86 for a summary of certain material provisions of the Merger Agreement and Annex A for the Merger Agreement in its entirety.

The following Unaudited Pro Forma Condensed Consolidated Statements of Operations give effect to the acquisition of Dow Jones by Newco, and the consolidation of Newco by News Corporation, as if the Dow Jones acquisition had occurred on January 1, 2006 and include adjustments which give effect to events that are directly attributable to the transaction and that are factually supportable. The Unaudited Pro Forma Condensed Consolidated Balance Sheet gives effect to the acquisition of Dow Jones by Newco, and the consolidation of Newco by News Corporation, as if the Dow Jones acquisition occurred as of June 30, 2007 and includes adjustments which give effect to events that are directly attributable to the acquisition and are factually supportable. The notes to the pro forma financial information describe the pro forma amounts and adjustments presented below.

The Unaudited Pro Forma Condensed Consolidated Financial Statements should be read in conjunction with Dow Jones' historical consolidated financial statements and accompanying notes in its Annual Report on Form 10-K for the year ended December 31, 2006 and its Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, which are on file with the SEC and the News Corporation Annual Report on Form 10-K for the year ended June 30, 2007 and its Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2006, which are on file with the SEC and the audited financial statements of Newco as of July 31, 2007 included in this proxy statement/prospectus beginning on page F-1.

As of the date of this proxy statement/prospectus, Newco/News Corporation have not finalized the detailed valuation studies necessary to arrive at the required estimates of the fair market value of the Dow Jones assets to be acquired and the liabilities to be assumed and the related allocations of purchase price, nor have they identified the adjustments necessary, if any, to conform Dow Jones' accounting policies to Newco's/News Corporation's accounting policies. In addition, the data does not reflect synergies that might be achieved from combining these operations. As indicated in the notes to the unaudited pro forma condensed consolidated financial statements, Newco/News Corporation have made certain adjustments to the historical book values of the assets and liabilities of Dow Jones to reflect certain preliminary estimates of the fair values necessary to prepare the Unaudited Pro Forma Condensed Consolidated Financial Statements, with the excess of the purchase

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price over the historical net assets of Dow Jones, as adjusted to reflect estimated fair values, recorded as goodwill. Actual results may differ from these Unaudited Pro Forma Condensed Consolidated Financial Statements once Newco/News Corporation have determined the final purchase price for Dow Jones and have completed the valuation studies necessary to finalize the required purchase price allocations and identified any necessary conforming accounting changes for Dow Jones. There can be no assurance that this finalization will not result in material changes.

The unaudited pro forma condensed consolidated financial information is provided for informational purposes only. The pro forma information is not necessarily indicative of what the companies' financial position or results of operations actually would have been had the acquisition been completed at the dates indicated. In addition, the unaudited pro forma condensed consolidated financial information does not purport to project the future financial position or operating results of Newco/News Corporation and Dow Jones.

**Table of Contents****Unaudited Pro Forma Condensed Consolidated Statement of Operations****For the year ended December 31, 2006**

(in millions, except per share/unit amounts)

	Newco <sup>(a)</sup>	Dow Jones <sup>(b)</sup>	Pro Forma Adjustments	Newco As Adjusted	News Corporation <sup>(g)</sup>	Pro Forma Adjustments	News Corporation As Adjusted
Revenues	\$	\$ 1,784	\$	\$ 1,784	26,738	\$	\$ 28,522
Expenses:							
Operating		887		887	17,568		18,455
Selling, general and administrative		651	14 <sup>(c)</sup>	665	4,300		4,965
Depreciation and amortization		98	56 <sup>(d)</sup>	154	816		970
Other operating charges		43		43	20		63
Operating income		105	(70)	35	4,034		4,069
Other income (expense):							
Interest expense, net		(29)		(29)	(541)	(222) <sup>(i)</sup>	(792)
Equity earnings of affiliates		31		31	1,034		1,065
Other, net		61		61	567		628
Income from continuing operations before income tax expense and minority interest in subsidiaries		168	(70)	98	5,094	(222)	4,970
Income tax expense		(14)	24 <sup>(e)</sup>	10	(1,821)	78 <sup>(e)</sup>	(1,733)
Minority interest in subsidiaries, net of tax					(70)	(11) <sup>(i)</sup>	(81)
Income from continuing operations	\$	\$ 154	\$ (46)	\$ 108	3,203	\$ (155)	3,156
Income from continuing operations per share/unit basic (Dow Jones)	\$	\$ 1.84					
Income from continuing operations per share/unit diluted (Dow Jones)		\$ 1.83					
Weighted average shares basic (Dow Jones)		83					
Weighted average shares diluted (Dow Jones)		84					
Income from continuing operations per unit basic and diluted Newco <sup>(a)</sup>				\$ 0.45 <sup>(f)</sup>			
Weighted average units outstanding basic and diluted Newco <sup>(a)</sup>				240 <sup>(f)</sup>			
Income from continuing operations per Class A share basic <sup>(b)</sup>					\$ 1.07		\$ 1.05
Income from continuing operations per Class B share basic <sup>(b)</sup>					\$ 0.89		\$ 0.88
Income from continuing operations per Class A share diluted <sup>(d)</sup>					\$ 1.06		\$ 1.04
Income from continuing operations per Class B share diluted <sup>(d)</sup>					\$ 0.88		\$ 0.87
Weighted average units outstanding News Corporation Class A basic <sup>(b)</sup>					2,175		2,175
Weighted average units outstanding News Corporation Class B basic and diluted <sup>(d)</sup>					991		991
Weighted average units outstanding News Corporation Class A diluted <sup>(d)</sup>					2,192		2,216 <sup>(k)</sup>

**Table of Contents****Unaudited Pro Forma Condensed Consolidated Statement of Operations****For the six months ended June 30, 2007**

(in millions, except per share/unit amounts)

	Newco <sup>(a)</sup>	Dow Jones <sup>(b)</sup>	Pro Forma Adjustments	Newco As Adjusted	News Corporation <sup>(g)</sup>	Pro Forma Adjustments	News Corporation As Adjusted
Revenues	\$	\$ 1,037	\$	\$ 1,037	\$ 14,897	\$	\$ 15,934
Expenses:							
Operating		488		488	9,560		10,048
Selling, general and administrative		411	7 <sup>(c)</sup>	418	2,400		2,818
Depreciation and amortization		52	26 <sup>(d)</sup>	78	466		544
Other operating charges		10		10	14		24
Operating income		76	(33)	43	2,457		2,500
Other income (expense):							
Interest expense, net		(11)		(11)	(259)	(111) <sup>(i)</sup>	(381)
Equity earnings of affiliates		6		6	527		533
Other, net					(87)		(87)
Income from continuing operations before income tax expense and minority interest in subsidiaries		71	(33)	38	2,638	(111)	2,565
Income tax expense		(27)	11 <sup>(e)</sup>	(16)	(845)	39 <sup>(e)</sup>	(822)
Minority interest in subsidiaries, net of tax					(32)	(2) <sup>(j)</sup>	(34)
Income from continuing operations	\$	\$ 44	\$ (22)	\$ 22	\$ 1,761	\$ (74)	\$ 1,709
Income from continuing operations per share/unit basic (Dow Jones)	\$	\$ 0.52					
Income from continuing operations per share/unit diluted (Dow Jones)		\$ 0.52					
Weighted average shares basic (Dow Jones)		84					
Weighted average shares diluted (Dow Jones)		85					
Income from continuing operations per unit basic and diluted Newco <sup>(a)</sup>				\$ 0.09 <sup>(f)</sup>			
Weighted average units outstanding basic and diluted Newco <sup>(a)</sup>				240 <sup>(f)</sup>			
Income from continuing operations per Class A share basic <sup>(b)</sup>					\$ 0.59		\$ 0.57
Income from continuing operations per Class B share basic <sup>(b)</sup>					\$ 0.49		\$ 0.48
Income from continuing operations per Class A share diluted <sup>(h)</sup>					\$ 0.58		\$ 0.56
Income from continuing operations per Class B share diluted <sup>(h)</sup>					\$ 0.49		\$ 0.47
Weighted average units outstanding News Corporation Class A basic <sup>(b)</sup>					2,166		2,166
Weighted average units outstanding News Corporation Class B basic and diluted <sup>(h)</sup>					987		987
Weighted average units outstanding News Corporation Class A diluted <sup>(h), (k)</sup>					2,188		2,212 <sup>(k)</sup>



**Table of Contents****Notes to the Unaudited Pro Forma Condensed Consolidated Statements of Operations**

Pro forma adjustments on the Unaudited December 31, 2006 and June 30, 2007 Condensed Consolidated Statements of Operations are as follows:

- a) Newco was organized on July 30, 2007 and accordingly had no operations in the periods presented.
- b) Reflects the historical operating results of Dow Jones.
- c) Represents incremental compensation expense for outstanding partially vested Dow Jones equity based awards. In accordance with the terms of the merger agreement, the holders of in-the-money equity based awards have the right to receive cash consideration of \$60 less the grant price of the respective Dow Jones equity based award or an equivalent equity based award from News Corporation. In preparing the unaudited pro forma financial data, all holders of in-the-money equity based awards are assumed to have elected cash.

Dow Jones stock-based compensation awards generally have a 3-year cliff vesting term. As of January 1, 2006, the assumed date of the acquisition for purposes of the pro forma income statement, approximately 2.6 million in-the-money stock-based compensation awards were partially vested. The total intrinsic value of these awards was \$56 million. This is calculated as 2.6 million partially vested awards outstanding multiplied by \$21.50 (representing the excess of the \$60 per share cash consideration over the \$38.50 weighted average exercise price). The intrinsic value of the unvested portion of these awards on January 1, 2006 would have been approximately \$41 million. This is calculated by multiplying the \$56 million by the weighted average portion of the service period not completed as of January 1, 2006 of 73%.

The incremental pro forma expense for 2006 was calculated as follows (dollars in millions):

Intrinsic value of unvested portion as of January 1	\$ 41
Divided by the remaining weighted average service period	2.4
	17
Less: historical stock-based expense	(3)
<b>Pro forma annual expense recorded</b>	<b>\$ 14</b>

The expense for the six months ended June 30, 2007 represents half of the pro forma annual expense above.

The costs associated with the establishment of the Special Committee have not been included in the pro forma adjustments as the expected costs of less than \$1 million are not material to the unaudited pro forma condensed consolidated financial statements. For a more detailed description of the Special Committee please refer to Editorial Agreement beginning on page 117. Dow Jones has agreed to pay \$30 million in the aggregate on behalf of, or to reimburse, certain Bancroft family members and trustees of trusts in respect of fees and expenses of financial, legal and other advisors. The \$30 million will be expensed by Dow Jones when incurred. As the costs are non-recurring they have not been included as a pro forma adjustment in the unaudited pro forma condensed consolidated statement of operations.

- d) Represents the pro forma adjustment to record the amortization relating to the finite lived intangible assets that is recognized in conjunction with the acquisition of Dow Jones by Newco of \$68 million and \$34 million for the year ended December 31, 2006 and six months ended June 30, 2007, respectively, and the elimination of the Dow Jones historical intangible asset amortization of \$12 million and \$8 million for the year ended December 31, 2006 and six months ended June 30, 2007, respectively.

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The expense was calculated based on the following allocation (dollars in millions):

<b>Intangible assets</b>	<b>Preliminary Fair Value of Finite Lived Intangibles</b>	<b>Estimated Useful Life</b>	<b>Annual Amortization</b>
Customer relationships	\$ 538	10	\$ 54
Acquired Technology	49	5	10
Advertising Relationships	19	4	4
	\$ 606		\$ 68

The expense for June 30, 2007 of \$34 million represents half of the annual amortization.

- e) Represents the income tax effect of the pro forma adjustments at the U. S. federal statutory rate of 35%.
- f) The pro forma basic and diluted earnings per common unit are computed assuming that all Dow Jones common stock and Class B common stock outstanding and common stock equivalents are acquired by Newco as follows:

Cash consideration of \$4,643 million, net of cash acquired of \$27 million.

The issuance of approximately 24 million Newco Class B common units with an approximate fair value of approximately \$508 million (based upon average closing prices of News Corporation Class A common stock (ticker NWS.A) for the 5-day period around June 30, 2007 of approximately \$21 as the Newco Class B common units are exchangeable into News Corporation Class A common stock and a conversion ratio of approximately 2.79).

The issuance of News Corporation equity based awards on behalf of Newco with an estimated fair value of \$8 million. In accordance with the terms of the merger agreement the holders of out-of-the-money Dow Jones equity based awards have the right to receive an equivalent equity based award from News Corporation.

Accordingly, the pro forma capital structure of Newco consists of the following issuances:

216 million Newco Class A common units issued to News Corporation in exchange for \$4,670 million of cash.

24 million Newco Class B common units issued to holders of Dow Jones common stock and Class B common stock. The 24 million Newco Class B common units represent the maximum amount of units to be issued by Newco in exchange for Dow Jones shares in accordance with the merger agreement.

For both the six and twelve month periods, the basic and diluted earnings per unit are the same because Newco does not have any equivalent units. Newco does not expect to issue equity based awards.

Pro forma earnings per share computations assume the issuance of 24 million Newco Class B common units, representing the maximum amount of units to be issued by Newco in exchange for Dow Jones shares in accordance with the merger agreement. Actual units issued could be less than 24 million which would impact the pro forma income from continuing operations per unit and the preliminary purchase price relating to

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Dow Jones shares. If 10% fewer Newco Class B common units were issued pro forma income from continuing operations per unit for the year ended December 31, 2006 and for the six months ended June 30, 2007 would not be materially impacted.

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Separate disclosure of earnings per share attributable to each class of Newco common units has not been provided as Newco does not currently expect, and has no current plan, to pay any additional distributions to holders of Newco Class A common units. Newco anticipates that amounts above the pro rata distribution will be available to Newco for operating, financing and investing needs. See Comparison of Stockholders Rights beginning on page 144.

- g) Because News Corporation reports based on a fiscal year ended June 30th, the historical operating results included in the unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2006 were derived by adding the operating results for each of the four quarters included in the period ended December 31, 2006. The historical operating results included in the income from continuing operations per share calculations for the six months ended June 30, 2007 were derived by adding the operating results for each of the two quarters included in the six-month period ended June 30, 2007.
- h) The Earnings Per Share (EPS) of News Corporation is computed individually for the Class A Common Stock and Class B Common Stock. Net income is apportioned to both Class A stockholders and Class B stockholders on the ratio of 1.2 to 1, respectively, in accordance with the rights of the stockholders as described in the Company's Restated Certificate of Incorporation. In order to give effect to this apportionment when determining EPS, the weighted average Class A Common Stock is increased by 20% (the Adjusted Class A) and is then compared to the sum of the weighted average Class B Common Stock and the weighted average Adjusted Class A. The resulting percentage is then applied to the income from continuing operations to determine the apportionment for the Class A stockholders with the balance attributable to the Class B stockholders.

Income has been allocated as follows (in millions):

	December 31, 2006	Pro Forma December 31, 2006	June 30, 2007	Pro Forma June 30, 2007
Class A Basic	2,322	2,287	1,276	1,239
Class B Basic	881	869	485	470
Class A Diluted	2,325	2,305	1,278	1,245
Class B Diluted	876	859	480	463

- i) As part of its formation, Newco will issue 216 million Newco Class A common units to News Corporation in exchange for \$4,670 million of cash. This cash will be utilized by Newco to purchase outstanding Dow Jones shares (\$4,636 million) and to purchase Dow Jones equity awards from holders electing to convert them into cash consideration (\$34 million). The adjustment to Interest expense, net reflects the foregone interest income earned during the period ended December 31, 2006 and the six months ended June 30, 2007, of \$222 million and \$111 million, respectively. The interest income was calculated using the average interest rate earned during the periods which was 4.75%.
- j) Represents the portion of income from continuing operations allocated to the Newco Class B common units issued in accordance with the merger agreement. The minority interest is calculated by multiplying the income from continuing operations of Newco (\$108 million and \$22 million for the year ended December 31, 2006 and the six months ended June 30, 2007, respectively.) by 10%. The 10% represents the maximum amount of units to be issued to third parties by Newco in accordance with the merger agreement.
- k) The inclusion of 24 million Newco Class B common units in the calculation of diluted earnings per share of News Corporation as the Newco Class B common units are convertible into News Corporation Class A common stock.

**Table of Contents****Unaudited Pro Forma Condensed Consolidated Balance Sheet**

As of June 30, 2007

(in millions)

	Newco <sup>(l)</sup>	Dow Jones <sup>(m)</sup>	Pro Forma Adjustments	Newco As Adjusted	News Corporation <sup>(p)</sup>	Pro Forma Adjustments	News Corporation As Adjusted
<b>Assets</b>							
<b>Current Assets:</b>							
Cash and cash equivalents	\$	\$ 27	\$	\$ 27	\$ 7,654	\$ (4,670) <sup>(q)</sup>	\$ 3,011
Receivables, net		259		259	5,842		6,101
Inventories, net		6		6	2,039		2,045
Other		52		52	371		423
<b>Total current assets</b>		<b>344</b>		<b>344</b>	<b>15,906</b>	<b>(4,670)</b>	<b>11,580</b>
<b>Non-current assets:</b>							
Receivables					437		437
Investments		19		19	11,413		11,432
Inventories, net					2,626		2,626
Property, plant and equipment, net		625		625	5,617		6,242
Intangible assets		206	1,427 <sup>(n)</sup>	1,633	11,703		13,336
Goodwill		797	3,808 <sup>(n)</sup>	4,605	13,819		18,424
Other non-current assets		34	72 <sup>(n)</sup>	106	822		928
<b>Total assets</b>	<b>\$</b>	<b>\$ 2,025</b>	<b>\$ 5,307</b>	<b>\$ 7,332</b>	<b>\$ 62,343</b>	<b>\$ (4,670)</b>	<b>\$ 65,005</b>
<b>Liabilities and Stockholders' Equity</b>							
<b>Current Liabilities:</b>							
Borrowings	\$	\$ 392	\$	\$ 392	\$ 355	\$	\$ 747
Accounts payable, accrued expenses and other current liabilities		352	143 <sup>(n)</sup>	495	4,545		5,040
Participations, residuals and royalties payable					1,185		1,185
Program rights payable					940		940
Deferred revenue		256		256	469		725
<b>Total current liabilities</b>		<b>1,000</b>	<b>143</b>	<b>1,143</b>	<b>7,494</b>		<b>8,637</b>
<b>Non-current liabilities:</b>							
Borrowings					12,147		12,147
Other liabilities		432		432	3,319		3,751
Deferred income taxes			571 <sup>(n)</sup>	571	5,899		6,470
Minority interest in subsidiaries					562	508 <sup>(q)</sup>	1,070
Commitments and contingencies							
<b>Stockholders' Equity:</b>		<b>593</b>	<b>4,593<sup>(o)</sup></b>	<b>5,186</b>	<b>32,922</b>	<b>(5,178)<sup>(q)</sup></b>	<b>32,930</b>
<b>Total stockholders' equity</b>		<b>593</b>	<b>4,593</b>	<b>5,186</b>	<b>32,922</b>	<b>(5,178)</b>	<b>32,930</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$</b>	<b>\$ 2,025</b>	<b>\$ 5,307</b>	<b>\$ 7,332</b>	<b>\$ 62,343</b>	<b>\$ (4,670)</b>	<b>\$ 65,005</b>



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The Unaudited Pro Forma Condensed Consolidated Balance Sheet gives effect to the proposed acquisition as noted above.

- l) Newco was organized on July 30, 2007.
- m) Reflects the historical financial position of Dow Jones.
- n) Represents pro forma adjustments to reflect the allocation of the preliminary purchase price resulting from the acquisition of Dow Jones by Newco.

The preliminary purchase price is calculated as follows in cash and stock (in millions):

	Cash Consideration	Equity Consideration	Total Consideration
Dow Jones shares settled in cash	\$ 4,636 <sup>(1)</sup>		\$ 4,636
Dow Jones shares converted		508 <sup>(3)</sup>	508
Equity awards converted to cash	34 <sup>(2)</sup>		34
Equity awards converted to News Corporation equity awards		8 <sup>(4)</sup>	8
Less: cash acquired	(27)		(27)
 Total cash and equity consideration	 \$ 4,643	 \$ 516	 \$ 5,159

1) Dow Jones shares outstanding at 6/30/07	86 million
Dow Jones shares converted to Newco shares	(8.6) million
 Dow Jones shares settled in cash	 77 million
Cash consideration per share	\$ 60
 Total consideration for shares settled in cash	 \$ 4,636 million

- 2) The value of fully vested equity based awards of \$34 million has been included in the preliminary purchase price and is calculated as cash consideration of \$60 less the grant price of the respective Dow Jones equity based award. In preparing the unaudited pro forma financial data, all holders of in-the-money equity based awards are assumed to have elected cash, but holders of vested equity based awards can elect to receive equivalent News Corporation equity based awards.

Holders of vested equity based awards can elect to receive equivalent News Corporation equity based awards, but the number of holders who will make this election is unknown at this time. The final election made by holders will impact the preliminary purchase price. If all holders of vested equity based awards elected to receive equivalent News Corporation equity based awards, the preliminary purchase price would increase by \$50 million to \$100 million due to the fair value of awards under Statement of Financial Accounting Standards ( SFAS ) No. 123 (Revised 2004), Share-Based Payment. The \$50 million to \$100 million increase in the purchase price was estimated using a Black-Scholes pricing model. The significant assumptions used in the calculation were volatility of 19% to 25%, an expected life of 2.5 to 5 years and a risk-free interest rate of 4.9%.

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- 3) The issuance of 24 million Newco Class B common units represents the maximum amount of units to be issued by Newco in exchange for approximately 8.6 million Dow Jones shares in accordance with the merger agreement. The estimated fair value of the 24 million Newco Class B common units to be issued was approximately \$508 million and was calculated based upon



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average closing prices of News Corporation Class A common stock (ticker NWS.A) for the 5-day period around June 30, 2007 of approximately \$21 and a conversion ratio of approximately 2.79.

- 4) The issuance of News Corporation equity based awards with an estimated value of \$8 million for the vested out-of-the-money options. The fair value of News Corporation equity based awards that will be issued in exchange for vested out-of-the-money Dow Jones options was estimated using the Black-Scholes option pricing model. The more significant assumptions used in estimating the fair value include volatility of 19%, an expected life of 2.5 years and a risk-free interest rate of 4.9%.

In addition, the purchase price reflects the following:

Assumption of approximately \$392 million of Dow Jones debt.

Transaction costs and other assumed obligations of approximately \$113 million. The estimated transaction costs to be incurred and other obligations assumed include the following: News Corporation's estimated investment banking, attorney, and independent accountant fees, transfer taxes and other transaction-related costs of approximately \$90 million and estimated costs of approximately \$23 million relating to the completed service for Dow Jones options for which only a portion of the requisite service period has been provided.

Dow Jones stock-based compensation awards generally have a 3-year cliff vesting term. As of June 30, 2007, the assumed date of the acquisition for purposes of the pro forma balance sheet, approximately 2.5 million in-the-money stock based awards were partially vested. The intrinsic value of the vested portion of these awards related to service rendered prior to acquisition is included as part of the purchase price estimated at \$23 million. This is calculated as 2.5 million partially vested awards outstanding multiplied by \$21.50 (representing the excess of the \$60 per share cash consideration over the \$38.50 weighted average exercise price) multiplied by the weighted average portion of the service period completed as of the balance sheet date of 43%. In preparing the unaudited pro forma financial data, all holders of in-the-money equity based awards are assumed to have elected cash.

Total consideration including the assumption of debt, transaction costs and other assumed obligations is \$5,664 million.

The total consideration of \$5,664 million is allocated as follows:

<i>Preliminary allocation (in millions)</i>	
Historical book value of assets	\$ 593
Intangible assets	(206)
Deferred tax liability on intangible assets historical	72
Goodwill	(797)
Debt assumed	392
Bancroft fees	(30)
Cash acquired	(27)
Historical book value of net liabilities acquired	(3)
Intangible asset indefinite (Masthead)	1,027
Intangible asset finite (Customer relationships)	606
Goodwill	4,605
Deferred tax liability on intangible assets	(571)
Total consideration allocated	\$ 5,664

The preliminary allocation reflected in the unaudited condensed consolidated pro forma financial information includes an initial estimate of the fair value of intangibles. Such initial estimate was based on general industry data (i.e., attrition rates, subscriber lives, etc.) and

publicly-available financial information on Dow Jones

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(historical revenue patterns, subscriber numbers, etc.). After the transaction closes, the fair value estimates for these intangibles will be finalized using more accurate internal data that will be obtained from Dow Jones. The preliminary purchase price has been reflected in the pro forma data through the following entries:

To eliminate Dow Jones historical goodwill and intangible assets balances (\$1,003 million) and deferred income taxes.

To record estimated identifiable intangible assets of \$1,633 million relating to mastheads which are not subject to amortization and customer relationships and other intangible assets subject to amortization.

To record the excess of the purchase price over the fair value of assets (tangible and intangible) and liabilities acquired to goodwill \$4,605 million.

To record liabilities assumed of \$30 million in fees that Dow Jones has agreed to pay in the aggregate on behalf of, or to reimburse, certain Bancroft family members and trustees of trusts in respect of fees and expenses of financial, legal and other advisors.

In accordance with SFAS No. 142, Goodwill and Other Intangible Assets, the excess purchase price that has been preliminarily allocated to goodwill is not amortized. News Corporation believes that this acquisition will position it as a leader in the financial news and information market and will enhance its ability to adapt to future challenges and opportunities within News Corporation's Newspapers segment and across News Corporation's other related business segments. Accordingly, the purchase price paid reflects a significant amount of goodwill. The amount of goodwill assumed in these pro forma financial statements will change depending on the fair values allocated to the tangible and intangible assets and liabilities acquired, including deferred revenue. For every \$10 million reduction in goodwill for additional value to be assigned to identifiable finite-lived intangible assets or tangible assets, Depreciation and amortization expense would increase by approximately \$1 million per fiscal year, representing amortization expense assuming an average useful life of ten years.

Total net pro forma adjustments to goodwill and intangible assets balances are \$5,235 million.

The \$72 million adjustment to other non-current assets represents the elimination of historical Dow Jones deferred income tax liabilities related to intangible assets and is calculated as follows:

Dow Jones historical intangible assets	\$ 206 million
U.S. federal statutory rate	35%
Deferred tax adjustment	\$ 72 million

o) Represents the following pro forma adjustments to reflect:

The issuance of 216 million Newco Class A common units issued to News Corporation in exchange for \$4,670 million of cash and \$8 million of News Corporation equity based awards.

The issuance of 24 million Newco Class B common units represent the maximum amount of units to be issued by Newco in exchange for Dow Jones common stock and Class B common stock in accordance with the merger agreement. The estimated fair value of the Newco units is \$508 million.

The elimination of the Dow Jones historical stockholders' equity balance of \$593 million. Total net pro forma adjustments to stockholders' equity are \$4,593 million.

p) Reflects the historical financial position of News Corporation.

q) The elimination of the cash consideration \$4,670 million, the elimination of the pro forma stockholders' equity of Newco and to record the minority interest liability of \$508 million.

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**COMPARISON OF STOCKHOLDERS' RIGHTS**

News Corporation and Dow Jones are Delaware corporations subject to the provisions of Delaware law. The rights of Dow Jones stockholders are governed by the DGCL, the Dow Jones restated certificate of incorporation, as amended, and the Dow Jones by-laws. The rights of holders of News Corporation Class A common stock are governed by the DGCL, the News Corporation certificate of incorporation and the News Corporation bylaws. The rights of holders of Newco common units are governed by the Delaware Limited Liability Company Act, and by Newco's certificate of formation, as amended, and the initial operating agreement of Newco. If, pursuant to the terms of the merger agreement, you elect to receive Newco Class B common units, and you receive Newco Class B common units, then your rights as a Newco unitholder will be governed by the Delaware Limited Liability Company Act and by Newco's certificate of formation, as amended, and the amended and restated operating agreement of Newco, copies of which are available to Dow Jones stockholders upon request without charge. See the section entitled "Where You Can Find More Information" beginning on page 183.

The following comparison chart summarizes the material differences that may affect the rights of Dow Jones and News Corporation stockholders and holders of Newco Class B common units, but does not purport to be a complete statement of all those differences, or a complete description of the specific provisions referred to in this summary. The identification of specific differences is not intended to indicate that other equally or more significant differences do not exist.

This summary contains a list of the material differences, but is not meant to be relied upon as an exhaustive list or a detailed description of the provisions discussed and is qualified in its entirety by reference to the governing instruments of Dow Jones, News Corporation and Newco. We recommend that you to read the governing instruments of each company and the provisions of the DGCL and the Delaware Limited Liability Company Act, or the Act, which are relevant to a full understanding of the governing instruments, carefully and in their entirety.

	<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
	<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
<b>Authorized Stock</b>	<p>The total number of shares of capital stock that Dow Jones has the authority to issue is 160,000,000 shares, consisting of 135,000,000 shares of Dow Jones common stock and 25,000,000 shares of Dow Jones Class B common stock.</p> <p>As of June 30, 2007, there were 66,150,531 shares of Dow Jones common stock and 19,700,852 shares of Dow Jones Class B common stock outstanding. Shares of Dow Jones common stock and Class B common stock are listed on the NYSE.</p>	<p>Subject to the limitations contained in the amended and restated operating agreement, the board of managers of Newco is authorized to issue such number of equity interests of Newco of any class, series or tranche as the board of managers may determine.</p> <p>The board of manager's authorization to issue Newco equity interests is subject to the following limitations:</p> <p>following the date of the amended and restated operating agreement, Newco will not issue additional Newco</p>	<p>News Corporation's certificate of incorporation authorizes News Corporation to issue 9,200,000,000 shares of capital stock consisting of 6,000,000,000 shares of Class A common stock, 3,000,000,000 shares of Class B common stock, 100,000,000 shares of series common stock and 100,000,000 shares of preferred stock, 9,000,000 of which have been designated as shares of News Corporation Series A junior participating preferred stock.</p> <p>News Corporation's board of directors has the</p>

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<p style="text-align: center;"><b>Common Stock</b></p> <p><i>No Further Issuance:</i></p> <p>Article Fourth, Section 5 of the Certificate provides that, other than in conjunction with distributions or dividends of stock, Dow Jones will not issue additional shares of Dow Jones Class B common stock after the initial issuance unless otherwise approved by the affirmative vote of the holders of a majority of the outstanding shares of stock of Dow Jones entitled to vote.</p>	<p style="text-align: center;"><b>Common Units</b></p> <p>Class B common units;</p> <p>initially, and for so long as there are Newco Class B common units outstanding, the capital structure of Newco will consist only of (1) Newco Class A common units and (2) Newco Class B common units;</p> <p>until the second anniversary of the date of the amended and restated operating agreement of Newco, additional equity interests may only be issued to News Corporation and to former holders of Dow Jones shares in the merger; and</p> <p>Newco generally may not issue any equity interests if the issuance would (1) cause the transactions contemplated by the merger agreement not to qualify as an exchange described in Section 351 of the Code or (2) for so long as there are any Newco Class B common units outstanding, cause a subsequent merger effected in accordance with the amended and restated operating</p>	<p style="text-align: center;"><b>Class A Common Stock</b></p> <p>authority to issue one or more series of preferred stock, having terms designated by News Corporation's board of directors.</p> <p>As of June 30, 2007, 2,139,585,571 shares of Class A Common Stock and 986,520,953 shares of Class B common stock, were outstanding. No shares of series common stock and no shares of preferred stock outstanding. News Corporation Class A and Class B common stock are listed on the NYSE.</p>

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	<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
	<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
		agreement at the request of a majority of the holders of Newco Class B common units not to qualify as a reorganization under Section 368(a) of the Code.	
<b>Voting Rights</b>	Dow Jones common stock is entitled to one (1) vote per share, and Dow Jones Class B common stock is entitled to ten (10) votes per share.	<p>                     Holders of Newco Class B common units are entitled to vote with holders of Newco Class A common units on a one vote per unit basis in the election of managers.                 </p> <p>                     Other than in the election of managers, holders of Newco Class B common units will not be entitled to vote on any matters submitted to members for decision, except that, for so long as any Newco Class B common units are outstanding, Newco cannot undertake any of the following actions without the consent of a majority of the outstanding Newco Class B common units:                 </p> <p>                     sale or other disposition of all or substantially all of the assets of the surviving corporation, unless the sale is for fair value;                 </p> <p>                     any merger or consolidation of Dow Jones or any subsidiary (other than any merger or consolidation approved by a majority of Dow Jones directors unaffiliated with the interested                 </p>	<p>                     Each of the shares of News Corporation Class A common stock entitles the record holders thereof, voting together with holders of News Corporation Class B common stock as a single class, to one vote per share in the following limited circumstances:                 </p> <p>                     on any proposal to dissolve News Corporation or to adopt a plan of liquidation of News Corporation and with respect to any matter to be voted on by the stockholders of News Corporation following adoption of a proposal to dissolve News Corporation or to adopt a plan of liquidation of News Corporation;                 </p> <p>                     on any proposal to sell, lease or exchange all or substantially all of the property and                 </p>
	<p>                     The affirmative vote of the holders of at least 80% of the voting power of the outstanding shares of capital stock of Dow Jones entitled to vote for the election of directors, voting together as a single class, is required in the following circumstances:                 </p> <p>                     to alter, amend, or adopt any provision inconsistent with, or repeal Article Fifth, Sections Fifth(c) and (d), Article Sixth and Article Seventh of the restated certificate of incorporation;                 </p>		
		<p>                     in the event that News Corporation paid a dividend on News Corporation Class A common stock and Newco failed to pay a matching dividend                 </p>	

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<p style="text-align: center;"><b>Common Stock</b></p> <p>stockholder) with (A) any interested stockholder or (B) any other person (whether or not itself an interested stockholder) which is, or after the merger or consolidation would be, an affiliate of any interested stockholder;</p> <p style="padding-left: 40px;">any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or in a series of transactions) to or with any interested stockholder or any affiliate of any interested stockholder of any assets of the corporation or any subsidiary having an aggregate fair market value of \$25 million or more;</p> <p style="padding-left: 40px;">the issuance or transfer by Dow Jones or any subsidiary of Dow Jones (in one transaction or in a series of transactions) of any securities of Dow Jones or any subsidiary of Dow Jones to any interested stockholder or any affiliate of any interested stockholder in exchange for cash, securities or other property (or a combination</p>	<p style="text-align: center;"><b>Common Units</b></p> <p>(after giving effect to the exchange ratio) on the Newco Class B common units within 45 days of the News Corporation dividend (a distribution failure), for so long as the distribution failure continues, repurchase or redeem any class of units (other than the Newco Class B common units) or make any loans or advances to News Corporation or any of its affiliates;</p> <p style="padding-left: 40px;">amend the amended and restated operating agreement of Newco to change or alter the rights of the Newco Class B common units or otherwise so as to adversely affect in any manner, including as to tax treatment, the Newco Class B common units or the holders thereof; or</p> <p style="padding-left: 40px;">except as required by a subsequent change in law, allow Newco to be classified for U.S. federal income tax purposes other than as a corporation.</p>	<p style="text-align: center;"><b>Class A Common Stock</b></p> <p>assets of News Corporation;</p> <p style="padding-left: 40px;">on any proposal to adopt an agreement of merger or consolidation in which News Corporation is a constituent corporation, as a result of which the stockholders of News Corporation prior to the merger or consolidation would own less than sixty percent (60%) of the voting power or capital stock of the surviving corporation or consolidated entity (or the direct or indirect parent of the surviving corporation or consolidated entity) following the merger or consolidation; or</p> <p style="padding-left: 40px;">with respect to any matter to be voted on by the stockholders of News Corporation during a period during which a dividend (or part of a dividend) in respect of News Corporation Class A common stock has been declared and remains unpaid following the payment date.</p> <p style="text-align: right;">Each share of News Corporation Class B</p>



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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<p style="text-align: center;"><b>Common Stock</b></p> <p>thereof) having an aggregate fair market value of \$25 million or more;</p> <p>the adoption of any plan or proposal for the liquidation or dissolution of Dow Jones proposed by or on behalf of any interested stockholder or any affiliate of any interested stockholder;</p> <p>any reclassification of securities (including any reverse stock split), or recapitalization of Dow Jones, or any merger or consolidation of Dow Jones with any subsidiary of Dow Jones or any other transaction (whether or not with or into or otherwise involving any interested stockholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity security of Dow Jones or any subsidiary of Dow Jones which is directly or indirectly owned by any interested stockholder or any affiliate of any interested stockholder.</p>	<p style="text-align: center;"><b>Common Units</b></p> <p><i>Subsequent Merger</i></p> <p>The ability of Newco to effect any merger or consolidation, which we refer to in this proxy statement/prospectus as a subsequent merger, is subject to significant restrictions. No merger or consolidation of Newco may occur prior to the second anniversary of the effective time of the merger. Any merger or consolidation of Newco must cause each of the outstanding Newco Class B common units to be converted into the consideration for which the Newco Class B common units may be exchanged with Newco as described in Amended and Restated Operating Agreement of Newco Exchange of Units.</p> <p>Prior to the fifth (5th) anniversary and after the second (2nd) anniversary of the effective time of the merger, any merger or consolidation of Newco may only be effected by Newco or News Corporation if (1) the aggregate number of outstanding Newco Class B common units is less than the threshold amount (as defined below) and (2) News Corporation has received an opinion of Skadden, Arps, Slate, Meagher &amp; Flom LLP or other nationally recognized tax</p>	<p style="text-align: center;"><b>Class A Common Stock</b></p> <p>common stock entitles the record holder thereof to one vote upon all matters on which stockholders have the right to vote.</p>

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
	<p>counsel satisfactory to News Corporation substantially to the effect that the merger or consolidation of Newco (a) should qualify as a reorganization within the meaning of Section 368 of the Code or, in the event that no Newco Class B common units are outstanding at the time, as a complete liquidation within the meaning of Section 332 of the Code, (b) subject to certain exceptions, should not result generally in the recognition of gain or loss under the Code by holders of Newco Class B common units and (c) assuming the transactions contemplated by the merger agreement qualified as an exchange described in Section 351 of the Code, the merger or consolidation of Newco should not cause the transactions contemplated by the merger agreement not to so qualify</p> <p>After the fifth (5<sup>th</sup>) anniversary of the effective time of the merger, any merger or consolidation of Newco may be effected by Newco or News Corporation if the merger or consolidation (1) qualifies as a reorganization within the meaning of Section 368 of the Code or, in the event that no Newco</p>	

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
	<p>Class B common units are outstanding at the time, as a complete liquidation within the meaning of Section 332 of the Code and (2) subject to certain exceptions, does not result generally in the recognition of gain or loss under the Code by holders of Newco Class B common units (provided that any merger or consolidation effected after the delivery of the Newco cash-out notice will be deemed to satisfy the conditions set forth in clauses (1) and (2)).</p> <p>After the fifth (5<sup>th</sup>) anniversary of the effective time of the merger, if requested by holders representing a majority of the outstanding Newco Class B common units, Newco must be merged with and into a limited liability company that is wholly owned by News Corporation and is a disregarded entity for U.S federal income tax purposes.</p> <p>After five and one-half (5.5) years after the effective time of the merger, each of Newco and News Corporation will be permitted to effect a merger or consolidation of Newco so long as Newco or the surviving entity in the merger or consolidation agrees to pay to each former holder of Dow</p>	

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
	<p>Jones common stock who received Newco Class B common units in the merger (and in the case of holders that are trusts, certain donors, beneficiaries and successors) an amount in cash equal to the excess of (A) the aggregate amount of U.S. federal, state, local and other taxes (including any interest or penalties thereon or additions to tax) actually paid by the holder, beneficiary or donor, including, for purposes of clarification, any amounts as may result from the receipt of this payment, over (B) the aggregate amount of U.S. federal, state, local and other taxes (including any interest or penalties thereon or additions to tax) that would have been paid by the holder, beneficiary or donor of Newco Class B common units if the merger had not occurred, as reasonably documented by the holder, beneficiary or donor.</p> <p>For a more detailed description see the section entitled Amended and Restated Operating Agreement of Newco Merger Right.</p> <p><i>Right to Designate Manager</i></p> <p>In the event that a distribution failure has occurred and not been cured within one (1) year, then the Newco</p>	

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	<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
	<b>Common Stock</b>	<b>Common Units</b> Class B unitholders,	<b>Class A Common Stock</b>
<b>Dividend Rights</b>	<p>Dividends upon the capital stock of Dow Jones may be declared by the Dow Jones board of directors at any regular or special meeting as provided by the laws of Delaware and the certificate of incorporation.</p> <p>No adjustments in respect of dividends is made upon the conversion of any share of Dow Jones Class B common stock, provided, however, that if a share is converted subsequent to the record date for the payment of a dividend or other distribution on shares of Dow Jones Class B common stock but prior to the payment, the registered holder of the share at the close of business on the record date will be entitled to receive the dividend or other distribution payable on that share on that date notwithstanding the conversion thereof or Dow Jones default in payment of the dividend due on that date.</p>	<p>by majority vote, may designate an additional manager to be added to the board of managers for so long as the distribution failure continues without cure.</p> <p>Aside from any dividend or distribution paid to the holders of Newco Class B common units in connection with any extraordinary dividend transaction (as defined under the section entitled <i>Amended and Restated Operating Agreement of Newco</i> below), generally, Newco will pay all distributions to the holders of the Newco Class A common units and Newco Class B common units, when, as, and if, declared by the board of managers out of legally available funds, on a <i>pro rata</i> basis, subject to the right of the holders of Newco Class A common units to receive a portion of the distribution in the form of additional Newco Class A common units. However, so long as no distribution failure exists, (1) other than any distribution paid in connection with an extraordinary dividend transaction, the holders of Newco Class B common units will not be entitled to receive in any News Corporation dividend period any distribution in excess of the dividend or</p>	<p>The holders of shares of News Corporation common stock receive dividends if and when declared by the News Corporation board of directors out of legally available funds.</p> <p>With respect to fiscal year 2008 and thereafter, each share of News Corporation Class A common stock confers on the holder a right to receive an amount equal to the dividends declared on the News Corporation Class B common stock in respect of that fiscal year, whether payable in cash, securities or property.</p>

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	<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
	<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
		distribution paid or made in that dividend period in respect of a number of shares of News Corporation Class A common stock as adjusted by the exchange ratio then in effect under the amended and restated operating agreement, aside from any dividend or distribution paid to the holders of Newco Class B common units in connection with an extraordinary dividend transaction, and (2) Newco may pay, when, as, and if, declared by the board of managers out of legally available funds, distributions payable solely to the holders of Newco Class A common units in any amount and at any time.	
<b>Conversion Rights</b>	<p>Voluntary conversion of each single share of Dow Jones Class B common stock into a single share of Dow Jones common stock at any time.</p> <p>When the number of outstanding shares of Dow Jones Class B common stock falls below 7,500,000, the outstanding shares of Dow Jones Class B common stock will automatically convert into the same number of shares of Dow Jones common stock.</p>	<p>The Class B common units may not be exchanged for shares of News Corporation Class A common stock until the 121<sup>st</sup> day following the effective time. Between the 121<sup>st</sup> and 180<sup>th</sup> day after the effective time, a holder of Newco Class B common units will be permitted to exchange up to 25% of the total number of units the holder received in the merger for shares of News Corporation Class A common stock.</p> <p>Following the 180<sup>th</sup> day after the effective time, any or all Newco Class B common units may be</p>	<p>News Corporation Class A and Class B common stock are not subject to any conversion rights.</p>

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b> exchanged for shares of News Corporation Class A common stock. While the exchange ratio governing the exchange of Newco Class B common units for News Corporation Class A common stock will be adjusted under certain circumstances, it will not be adjusted to reflect changes in the per share value of News Corporation Class A common stock following the effective time.	<b>Class A Common Stock</b>
	<i>Stock Splits; Stock Dividends</i>	
	Pursuant to the terms of the amended and restated operating agreement of Newco, the exchange ratio will generally be subject to adjustment in the event that News Corporation effects a stock split or stock dividend (other than a spin-off).	
	<i>News Corporation Significant Transactions</i>	
	If News Corporation is a party to a merger, consolidation, sale of all or substantially all of its assets or certain other significant transactions pursuant to which at least a majority of the then outstanding shares of News Corporation Class A common stock are converted into or exchanged for different securities of News Corporation, securities of another person and/or any cash or other	





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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
	<p>property (other than any transaction which constitutes an extraordinary divided transaction), then Newco will either (1) make provision so that the holders of Newco Class B common units will be entitled to exchange each of their units for the kind and number of shares, other securities and/or cash or other property to which each holder would have been entitled if that holder would have exchanged its units for shares of News Corporation Class A common stock immediately prior to the consummation of the transaction or (2) solely in the case of a transaction that is also a change of control transaction (as defined under the section entitled <i>Amended and Restated Operating Agreement of Newco</i>, below), make provision so that upon consummation of the transaction each holder of Newco Class B common units will thereafter be entitled to receive with respect to each Newco Class B common unit held by that holder, upon the exchange of any of that holder's Newco Class B common units, the value in cash, as of the close of business on the date of the consummation of the transaction, of the consideration to which a</p>	

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
	holder of the number of shares of News Corporation Class A common stock deliverable upon exchange of that Newco Class B common unit would have been entitled in the transaction immediately prior to the transaction. Extraordinary Dividend Transactions	
	<i>Certain Dividends, Self-Tender Offers and Below-Market Issuances.</i> Following the effective time, if News Corporation either (1) makes or pays any dividend or distribution in respect of all shares of News Corporation Class A common stock payable in the form of cash, assets, capital stock of any entity other than News Corporation, shares of any News Corporation tracking stock or otherwise payable in kind (excluding News Corporation's ordinary dividend), (2) makes any self-tender offer (including an offer by a subsidiary of News Corporation) at an offer price per share of News Corporation Class A common stock higher than the closing trading price on the NYSE of News Corporation Class A common stock on the business day immediately preceding commencement of the self-tender offer or	

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
	<p>(3) issues (subject to certain exceptions) any securities of, or rights, options or warrants entitling holders of News Corporation Class A common stock to subscribe for or purchase securities of, News Corporation or any affiliate at a price per share or for consideration per share which is below the then current market price thereof (if publicly traded) or below the fair market value thereof as determined by the News Corporation board of directors (if not publicly traded), each of which is referred to in this proxy statement/prospectus as an extraordinary dividend transaction, then, in the event of an extraordinary dividend transaction of the type described in clause (1) above, the board of managers of Newco may declare a cash distribution on each outstanding Newco Class B common unit in an amount equal to the product of the value of the consideration received for each share of News Corporation Class A common stock in such dividend or distribution (valuing any non-cash consideration as reasonably determined by the board of managers of Newco and using the same values, if any, as determined by the News</p>	

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	<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
	<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
		<p>Corporation board of directors for purposes of News Corporation common stock) and the exchange ratio then in effect, which distribution must be paid by Newco within fifteen (15) business days of the consummation of such dividend or distribution, and, if such distribution is not paid within such fifteen (15) day period, or in the event of an extraordinary dividend transaction defined in clause (2) or (3) above, Newco will adjust the exchange ratio in effect immediately prior to consummation of such extraordinary dividend transaction in accordance with the formula set forth in the amended and restated operating agreement. For a more detailed description see the section entitled Amended and Restated Operating Agreement of Newco Exchange of Units.</p>	
<b>Transfer Restrictions</b>	<p>Shares of Dow Jones Class B common stock may not be transferred to anyone other than certain permitted transferees; permitted transferees are limited, essentially, to members of the Class B holder's family, charitable trusts and corporations wholly owned by the Class B holder.</p>	<p>The amended and restated operating agreement provides that a holder of Newco Class B common units (other than News Corporation) is entitled to transfer Newco Class B common units only upon satisfaction of each of the following conditions:</p> <p style="padding-left: 40px;">the transfer does not require the registration or qualification of the</p>	N/A

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>

units pursuant to any applicable federal or state securities laws or result in the creation, or continuance of, any reporting obligation of Newco under Section 12 or Section 15 of the Exchange Act;

the transfer is not made to any person who lacks the legal right, power or capacity to own units of Newco; other than in the case of any transfer to any lineal descendant, heir, spouse, executor, administrator, testamentary trustee, legatee or beneficiary of a holder of units or any trust for the benefit of any of the foregoing, the transfer is made to a person who is any person who qualifies as an accredited investor as defined in Rule 501 under the Securities Act; after giving effect to the transfer, the aggregate number of record holders of Newco Class B common units registered on Newco's books or with the transfer agent for Newco will not exceed 250

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	<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
	<b>Common Stock</b>	<b>Common Units</b> holders (calculated in accordance with the method set forth in Rule 12g5-1 of the Exchange Act for determining an issuer's status under Section 12(g) or Section 15(d) under the Exchange Act); and to the extent any intended transferee is a broker dealer (as defined in the amended and restated operating agreement) (other than a trust or trustee or beneficiary of a trust), the transferee must be acquiring the transferred units for its own account, as principal.	<b>Class A Common Stock</b>
<b>Redemption Rights</b>	N/A	See the section entitled "Voting Rights - Subsequent Merger above"	The outstanding shares of common stock of News Corporation are subject to redemption by News Corporation upon action by the board of directors if the board of directors of News Corporation concludes that a transfer of shares of common stock (or any transfer of an interest in shares of common stock) could result in a violation of, or inconsistency with, any order, law or permit issued by a government body or any binding contract with a government body or certain other circumstances as described in News

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	<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
	<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b> Corporation's certificate of incorporation.
			The board of directors of News Corporation may also refuse to register  and honor an otherwise redeemable transfer and may suspend the rights attached to shares otherwise redeemable.
			If the board of directors of News Corporation opts to redeem the shares, then the redemption price will be equal to the fair market value of the redeemed shares. The redemption price may be paid in cash, certain securities or any combination thereof. If the board of directors of News Corporation opts to redeem less than all the outstanding shares, the board of directors will determine the manner in which the shares to be redeemed will be selected.
<b>Liquidation Rights</b>	N/A	In the event the board of managers determined to dissolve Newco and provided 45 days advance notice of the dissolution to the holders of Newco Class B common units, or in the event of a judicial order of dissolution, then Newco will be liquidated and its affairs will be wound up.  All proceeds from the liquidation will be distributed as set forth below:  to creditors, including Members who are (and to the	In the event of any voluntary or involuntary liquidation, dissolution or winding up of News Corporation, after distribution in full of the preferential and/or other amounts to be distributed to the holders of shares of any outstanding series of preferred stock or series common stock, the holders of shares of News Corporation Class A common stock, News Corporation Class B common stock and, to the extent fixed by the board of directors, the series common stock and preferred stock will





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	<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
	<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
		extent they are) creditors to the extent permitted by law, in satisfaction of Newco's liabilities; Corporation and	be entitled to receive all of the remaining assets of News Corporation
		then to holders of Newco Class A common units and Newco Class B common units, <i>pro rata</i> .	available for distribution to its stockholders, ratably in proportion to the number of shares held by them (or, with respect to any series of the series common stock or preferred stock, as so fixed by the board of directors).
<b>Fiduciary Duties of Directors/Managers; Corporate Opportunities; Disclosure Obligations</b>	The members of the Dow Jones board of directors owe fiduciary duties to Dow Jones stockholders in accordance with Delaware law.	<i>Fiduciary Duties</i>  The members of the Newco board of managers will, to the fullest extent permitted by law, owe no duties at law or in equity (including fiduciary duties) to any unitholder other than the duties and obligations expressly set forth in the amended and restated operating agreement.	The members of the News Corporation board of directors owe fiduciary duties to News Corporation stockholders in accordance with Delaware law.
		<i>Corporate Opportunities</i>  Except as required by law, neither News Corporation nor any of its affiliates will have any duty to communicate or offer any corporate opportunity to Newco or any of Newco's subsidiaries or to refrain from competition with Newco or any of Newco's subsidiaries.	
		<i>Disclosure Obligations</i>  Newco's disclosure obligations are generally limited to the following: Newco will provide	

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(1) each current or former holder  
of Newco

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b>	<b>Class A Common Stock</b>
	<p>Class B common units who received such Newco Class B common units pursuant to the merger (and in the case of holders that are trusts, certain donors, beneficiaries and successors) with such information as is reasonably and specifically requested by that holder in connection with confirming the U.S. federal income tax treatment of the merger; (2) a list of the then current holders of the Newco Class B common units to any then current holder of Newco Class B common units who requests a list in connection with that holder's good faith intention to effect a subsequent merger (as described in the section Merger Right below) or in connection with the exercise of the rights of the holders of Newco Class B common units to elect a manager of Newco under certain circumstances, in each case, pursuant to the terms of the amended and restated operating agreement; and (3) each former holder of Newco Class B common units who held such Newco Class B common units at the time a subsequent merger (subject to certain exceptions) was effected (and in the case of holders that are trusts, certain donors, beneficiaries and successors) with such</p>	

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<b>Dow Jones</b>	<b>Newco</b>	<b>News Corporation</b>
<b>Common Stock</b>	<b>Common Units</b> information as is reasonably and specifically requested by that holder in connection with confirming the U.S. federal income tax treatment of such subsequent merger.	<b>Class A Common Stock</b>

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**AMENDED AND RESTATED OPERATING AGREEMENT OF NEWCO**

The following summary describes certain material provisions of the amended and restated operating agreement of Newco and is qualified in its entirety by reference to the form of amended and restated operating agreement of Newco, a copy of which is attached to this proxy statement/prospectus as Annex D and which is incorporated by reference into this document. This summary may not contain all of the information about the amended and restated operating agreement that may be important to you. We encourage you to read the amended and restated operating agreement carefully and in its entirety.

The description of the amended and restated operating agreement in this proxy statement/prospectus has been included to provide you with information regarding its terms. It is not intended to provide any factual information about Dow Jones or News Corporation. This information can be found elsewhere in this proxy statement/prospectus and in the other filings Dow Jones and News Corporation make with the SEC, which are available without charge at <http://www.sec.gov>. See the section entitled "Where You Can Find More Information" beginning on page 183.

**Capital Structure and Unit Issuance**

Following the completion of the merger, and assuming that the transaction restructuring does not occur, the capital structure of Newco will consist of two classes of membership units: Newco Class A common units and Newco Class B common units. Immediately following the merger, all of the Newco Class A common units will be owned by News Corporation. The Newco board of managers is authorized to issue a number of equity interests of Newco of any class, series or tranche, subject to the following limitations: (1) no additional Newco Class B common units will be issued; (2) for so long as Newco Class B common units remain outstanding, the capital structure of Newco will consist only of Newco Class A common units and Newco Class B common units; (3) until the second (2<sup>nd</sup>) anniversary of the date of the amended and restated operating agreement, additional equity interests may only be issued to News Corporation and former holders of Dow Jones shares in the merger and (4) Newco generally may not issue any equity interests if the issuance would (A) cause the transactions contemplated by the merger agreement not to qualify as an exchange described in Section 351 of the Code or (B) for so long as there are any Newco Class B common units outstanding, cause a subsequent merger effected in accordance with the amended and restated operating agreement at the request of a majority of the holders of Newco Class B common units not to qualify as a reorganization under Section 368(a) of the Code.

**Manager-Managed Limited Liability Company; No Fiduciary Duties; Disclosure**

Newco is a manager-managed limited liability company. Other than with respect to matters or actions that are expressly reserved to the members for decision pursuant to the Act or pursuant to certain provisions of the amended and restated operating agreement, the business and affairs of Newco will be managed by a board of managers. The Newco board of managers will initially consist of the managers in office immediately prior to the effective time of the merger. See "Control and Management of Newco Board of Managers of Newco" on page 173. Each manager will hold office until the first anniversary of the election of that manager. Managers will be elected by the affirmative vote of the majority of the outstanding Newco Class A common units and Newco Class B common units, voting together as a class. News Corporation, as the holder of all of the Newco Class A common units, will be able to control the outcome of most matters related to corporate governance of Newco, including the election of the members of the Newco board of managers, by vote or by action by written consent.

The members of the Newco board of managers will, to the fullest extent permitted by law, owe no duties at law or in equity (including fiduciary duties) to any unitholder other than the duties and obligations expressly set forth in the amended and restated operating agreement. Furthermore, except as required by law, neither News Corporation nor any of its affiliates will have any duty to communicate or offer any corporate opportunity to Newco or any of Newco's subsidiaries or to refrain from competition with Newco or any of Newco's

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subsidiaries. Newco's disclosure obligations are generally limited to the following: Newco will provide (1) each current or former holder of Newco Class B common units who received such Newco Class B common units pursuant to the merger (and in the case of holders that are trusts, certain donors, beneficiaries and successors) with such information as is reasonably and specifically requested by that holder in connection with confirming the U.S. federal income tax treatment of the merger; (2) a list of the then current holders of the Newco Class B common units to any then current holder of Newco Class B common units who requests a list in connection with that holder's good faith intention to effect a subsequent merger (as described in the section "Merger Right" below) or in connection with the exercise of the rights of the holders of Newco Class B common units to elect a manager of Newco under certain circumstances, in each case, pursuant to the terms of the amended and restated operating agreement; and (3) each former holder of Newco Class B common units who held such Newco Class B common units at the time a subsequent merger (subject to certain exceptions) was effected (and in the case of holders that are trusts, certain donors, beneficiaries and successors) with such information as is reasonably and specifically requested by that holder in connection with confirming the U.S. federal income tax treatment of such subsequent merger.

**Voting Rights**

Holders of Newco Class B common units are entitled to vote with holders of Newco Class A common units, on a one vote per unit basis, in the election of managers. Other than in the election of managers, holders of Newco Class B common units will not be entitled to vote on any matters submitted to the members of Newco for decision, except that, for so long as any Newco Class B common units are outstanding, Newco cannot undertake any of the following actions without the consent of the holders of a majority of the outstanding Newco Class B common units:

the sale or disposition of all or substantially all of the assets of the surviving corporation, unless the sale or disposition is for fair value as reasonably determined by the board of managers;

in the event that News Corporation paid its regular dividend on News Corporation Class A common stock and Newco failed to pay a matching dividend on the Newco Class B common units within 45 days of the News Corporation dividend (which is referred to in this proxy statement/prospectus as a distribution failure), for so long as the distribution failure continues, repurchase or redeem any class of units (other than the Newco Class B common units) or make any loans or advances to News Corporation or any of its affiliates;

amend the amended and restated operating agreement to change or alter the rights of the Newco Class B common units or otherwise so as to adversely affect, in any manner, including as to tax treatment, the Newco Class B common units or the holders thereof; or

except as required by a subsequent change in law, allow Newco to be classified for U.S. federal income tax purposes other than as a corporation.

Other than with respect to the election of managers, matters reserved for approval by a majority of the outstanding Newco Class B common units described above and the matters discussed under "Merger Right" described below, holders of Newco Class A common units alone are entitled to vote, on a one vote per unit basis, with respect to all matters or actions reserved for approval by the members of Newco pursuant to the amended and restated operating agreement and the Limited Liability Company Act of the State of Delaware.

**Distributions; Distribution Failures**

Generally, Newco will pay all distributions, except as provided for under the amended and restated operating agreement in the event of an extraordinary dividend transaction (see "Exchange of Units" below), to the holders of the Newco Class A common units and Newco Class B common units, when, as, and if, declared by the Newco board of managers out of legally available funds, on a *pro rata* basis, subject to the right of the holders of Class A common units to receive a portion of a distribution in the form of additional Newco Class A common units. However, so long as no distribution failure exists, (1) other than any dividend or distribution paid

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in connection with an extraordinary dividend transaction, the holders of Newco Class B common units will not be entitled to receive in any News Corporation regular dividend period any distribution in excess of News Corporation's regular dividend in respect of a number of shares of News Corporation Class A common stock as adjusted to the exchange ratio then in effect under the amended and restated operating agreement, and (2) Newco may pay, when, as, and if, declared by the Newco board of managers out of legally available funds, distributions payable solely to the holders of Newco Class A common units in any amount and at any time. Newco anticipates that holders of Newco Class A common units and Newco Class B common units will receive distributions from Newco equal to the regular dividends paid on shares of News Corporation Class A common stock, subject to adjustment. However, distributions are payable only if, as and when declared by the Newco board of managers out of legally available funds and there is no guarantee that any distributions will be paid.

In the event of a distribution failure and until the distribution failure is cured, all distributions (other than any dividend or distribution in connection with an extraordinary dividend transaction) will be paid *pro rata* to Newco Class A unitholders and Newco Class B unitholders and Newco will be prohibited from repurchasing or redeeming any other class of units or making any loans or advances to News Corporation or any of its affiliates. In the event a distribution failure continues uncured for twelve (12) consecutive months, then the Newco Class B unitholders, by majority vote, may designate an additional manager to be added to the Newco board of managers to serve for so long as the distribution failure continues without cure.

## **Transfers**

Newco Class B common units will be subject to significant transfer restrictions. The amended and restated operating agreement will provide that a holder of Newco Class B common units (other than News Corporation) will be entitled to transfer Newco Class B common units only upon satisfaction of each of the following conditions (unless any condition is waived by the board of managers of Newco):

the transfer does not require the registration or qualification of the units pursuant to any applicable federal or state securities laws or rules and regulations of the SEC or any state securities commission or result in the creation, or continuance of, any reporting obligation of Newco under Section 12 or Section 15 of the Exchange Act;

the transfer is not made to any person who lacks the legal right, power or capacity to own Newco Class B common units;

other than in the case of any transfer to any lineal descendant, heir, spouse, executor, administrator, testamentary trustee, legatee or beneficiary of any holder of Newco Class B common units or any trust for the benefit of any of the foregoing, the transfer is made to a person who qualifies as an accredited investor as defined in Rule 501 under the Securities Act;

after giving effect to the transfer, the aggregate number of record holders of Newco Class B common units registered on Newco's books or with the transfer agent for Newco does not exceed 250 holders (calculated in accordance with the method set forth in Rule 12g5-1 of the Exchange Act for determining an issuer's status under Section 12(g) or Section 15(d) under the Exchange Act); and

to the extent any intended transferee is a broker dealer (as defined in the amended and restated operating agreement) (other than a trust or trustee or beneficiary of a trust), the transferee must be acquiring the transferred units for its own account, as principal.

In addition to the foregoing restrictions, prior to any transfer of Newco Class B common units pursuant the terms of the amended and restated operating agreement, the transferee must agree in writing to be bound by the terms of the amended and restated operating agreement, provide an address to which notices may be delivered, and Newco may, as a condition to the transfer or the registration on the books of Newco of a transfer of Newco Class B common units to a purported transferee, require the furnishing of opinions, affidavits or other proof as it deems necessary to establish that the transferee is a permitted transferee under the terms of the amended and restated operating agreement.

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**Exchange of Units**

For the first 120 days after the closing of the merger, the Newco Class B common units will not be exchangeable for News Corporation stock. Between the 121<sup>st</sup> and 180<sup>th</sup> day after the closing of the merger, each holder of Newco Class B common units will be permitted to exchange up to 25% of the total number of units that the holder received in the merger for shares of Class A common stock of News Corporation. Following the 180<sup>th</sup> day after the closing of the merger, any or all Newco Class B common units may be freely exchanged for shares of News Corporation Class A common stock. The initial exchange rate, which is referred to in this proxy statement/prospectus as the exchange ratio, will be one (1) share of News Corporation Class A common stock for each Newco Class B common unit, subject to adjustment pursuant to the terms of the amended and restated operating agreement.

The initial one-for-one exchange ratio will be subject to adjustment, as provided in the amended and restated operating agreement, including as follows:

*Stock Splits and Stock Dividends.* Following the effective time of the merger, if News Corporation effects a split or subdivision of the News Corporation Class A common stock or pays a dividend or other distribution in the form of additional shares of News Corporation stock (other than tracking stock), then, as of the record date of the split, subdivision, dividend or distribution (or the date of the split, subdivision, dividend or distribution if no record date is fixed), the exchange ratio will be appropriately adjusted such that the number of shares of News Corporation Class A common stock issuable on exchange of each Newco Class B common unit will be increased (or decreased) in proportion to the increase (or decrease) in the aggregate number of outstanding shares of News Corporation Class A common stock after giving effect to the dividend, distribution, split or subdivision.

*News Corporation Significant Transaction.* Following the effective time of the merger, if News Corporation is a constituent party to, or otherwise effects, any merger, consolidation, sale of all or substantially all of its assets, liquidation, dissolution or winding up, recapitalization, reorganization, reclassification, tender offer or exchange offer or other similar transaction pursuant to which at least a majority of the then outstanding shares of News Corporation Class A common stock are converted into or exchanged for different securities of News Corporation, securities of another person and/or any cash or other property (in this proxy statement/prospectus, we refer to any of the foregoing transactions, other than any transaction which constitutes an extraordinary dividend transaction, as a News Corporation significant transaction), then Newco will either (1) make provision so that, immediately following the consummation of the transaction, the holders of Newco Class B common units will be entitled to exchange each of their Newco Class B common units for the kind and number of shares, other securities and/or cash or other property to which each Newco Class B common unit holder would have been entitled if that holder would have exchanged each of its Newco Class B common units for shares of News Corporation Class A common stock immediately prior to the consummation of the transaction or (2) solely in the case of a News Corporation significant transaction that is a change of control transaction, no later than ten (10) days prior to the consummation of the transaction, deliver notice to the holders of Newco Class B common units of Newco's determination to make provision so that upon consummation of the transaction each holder of Newco Class B common units will thereafter be entitled to receive with respect to each Class B Common Unit held by that holder, upon the exchange of any of that holder's Newco Class B common units, the value in cash (valuing any non-cash consideration as reasonably determined by the board of managers of Newco and using the same values, if any, as determined by the News Corporation board of directors for purposes of News Corporation common stock), as of the close of business on the date of the consummation of the transaction, of the shares, other securities and/or cash or other property to which a holder of the number of shares of News Corporation Class A Common Stock deliverable upon exchange of that Newco Class B common unit would have been entitled in the transaction immediately prior to the transaction. In this proxy statement/prospectus, we refer to the notice delivered by Newco referenced in the previous sentence as a Newco cash-out notice.

As used in this proxy statement/prospectus, a change of control transaction means any News Corporation significant transaction, whether consummated in one or multiple steps, where the holders of all classes of News Corporation common stock at the time immediately before the transaction, collectively, own, directly or



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indirectly, immediately following the transaction stock representing less than 66<sup>2</sup>/<sub>3</sub>% of the voting power and value of the entity surviving or resulting from the transaction (or the ultimate sole parent thereof).

*Certain Dividends, Self-Tender Offers and Below-Market Issuances.* Following the effective time, if News Corporation either (1) makes or pays any dividend or distribution in respect of all shares of News Corporation Class A common stock payable in the form of cash, assets, capital stock of any entity other than News Corporation, shares of any News Corporation tracking stock or otherwise payable in kind (excluding News Corporation's ordinary dividend), (2) makes any self-tender offer (including an offer by a subsidiary of News Corporation) at an offer price per share of News Corporation Class A common stock higher than the closing trading price on the NYSE of News Corporation Class A common stock on the business day immediately preceding commencement of the self-tender offer or (3) issues (subject to certain exceptions) any securities of, or rights, options or warrants entitling holders of News Corporation Class A common stock to subscribe for or purchase securities of, News Corporation or any affiliate at a price per share or for consideration per share which is below the then current market price thereof (if publicly traded) or below the fair market value thereof as determined by the News Corporation board of directors (if not publicly traded), each of which is referred to in this proxy statement/prospectus as an extraordinary dividend transaction, then, in the event of an extraordinary dividend transaction of the type described in clause (1) above, the board of managers of Newco may declare a cash distribution on each outstanding Newco Class B common unit in an amount equal to the product of the value of the consideration received for each share of News Corporation Class A common stock in such dividend or distribution (valuing any non-cash consideration as reasonably determined by the board of managers of Newco and using the same values, if any, as determined by the News Corporation board of directors for purposes of News Corporation common stock) and the exchange ratio then in effect, which distribution must be paid by Newco within fifteen (15) business days of the consummation of such dividend or distribution, and, if such distribution is not paid within such fifteen (15) day period, or in the event of an extraordinary dividend transaction defined in clause (2) or (3) above, Newco will adjust the exchange ratio in effect immediately prior to consummation of such extraordinary dividend transaction in accordance with the formula set forth in the amended and restated operating agreement.

The provisions of the amended and restated operating agreement relating to extraordinary dividend transactions and News Corporation significant transactions do not apply to any transaction in which holders of News Corporation Class A common stock exchange some or all of their shares of News Corporation Class A common stock solely with News Corporation in a redemption transaction, other than any redemption transaction in which a majority of the holders of shares of News Corporation Class A common stock are provided the opportunity to elect to participate.

No fraction of a share of News Corporation Class A common stock will be issued upon the exchange of any Newco Class B common unit. In lieu of a fraction of a share of News Corporation Class A common stock, each holder of Newco Class B common units otherwise entitled to a fraction of a share of News Corporation Class A common stock will be entitled to receive a cash payment equal to the value of the fraction of a share, as reasonably determined by the board of managers, without interest.

**Loss of Rights upon a Newco Cash-out Notice**

Following Newco's delivery of a Newco cash-out notice, provided that no distribution failure exists, the holders of Newco Class B common units will lose all of their rights under the amended and restated operating agreement other than the following:

the right to approve of certain dispositions of Dow Jones' assets, to the extent necessary to permit Newco to make certain distribution in respect of Class B common units;

class voting rights on changes to Newco's classification as a corporation for U.S. federal income tax purposes;

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the right to effect an exchange of Newco Class B common units in accordance with the terms of the amended and restated operating agreement;

the right to receive the cash consideration provided for in the Newco cash-out notice;

certain information rights conferred under the amended and restated operating agreement;

the right to vote on the election of managers in accordance with the amended and restated operating agreement;

the indemnification rights and rights on liquidation conferred under the amended and restated operating agreement;

certain rights relating to subsequent mergers;

the benefits arising from, and the right to enforce as third party beneficiaries, News Corporation's and Newco's undertakings under the amended and restated operating relating to the maintenance of the merger's qualification for tax-free treatment under Section 351 of the Code;

certain rights in the event of liquidation; and

certain rights arising from Newco's status as a limited liability company that has elected to be treated as a corporation for U.S. federal tax purposes.

**Merger Right**

The ability of Newco to effect any merger or consolidation, which we refer to in this proxy statement/prospectus as a subsequent merger, is subject to significant restrictions. No merger or consolidation of Newco may occur prior to the second anniversary of the effective time of the merger. Any merger or consolidation of Newco must cause each of the outstanding Newco Class B common units to be converted into the consideration for which the Newco Class B common units may be exchanged with Newco as described in Amended and Restated Operating Agreement of Newco Exchange of Units beginning on page 168. In addition:

Prior to the fifth (5<sup>th</sup>) anniversary and after the second (2<sup>nd</sup>) anniversary of the effective time of the merger, any merger or consolidation of Newco may only be effected by Newco or News Corporation if (1) the aggregate number of outstanding Newco Class B common units is less than the threshold amount and (2) News Corporation has received an opinion of Skadden, Arps, Slate, Meagher & Flom LLP or other nationally recognized tax counsel satisfactory to News Corporation substantially to the effect that the merger or consolidation of Newco (a) should qualify as a reorganization within the meaning of Section 368 of the Code or, in the event that no Newco Class B common units are outstanding at the time, as a complete liquidation within the meaning of Section 332 of the Code, (b) subject to certain exceptions, should not result generally in the recognition of gain or loss under the Code by holders of Newco Class B common units and (c) assuming the transactions contemplated by the merger agreement qualified as an exchange described in Section 351 of the Code, the merger or consolidation of Newco should not cause the transactions contemplated by the merger agreement not to so qualify;

As used in this proxy statement/prospectus, threshold amount means the greater of (1) ten percent (10%) of the aggregate number of Newco Class B common units issued in the merger and (2) the product of (1) the sum of the aggregate amount of cash consideration into which shares of Dow Jones would have been converted in the merger assuming no unit elections had

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been made and the aggregate amount of cash consideration that would have been paid in respect of all Dow Jones equity awards in connection with the merger assuming no elections for News Corporation equity awards in the equity awards exchange and (II) 0.005 and (III) the quotient of one (1) divided by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger.

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After the fifth (5<sup>th</sup>) anniversary of the effective time of the merger, any merger or consolidation of Newco may be effected by Newco or News Corporation if the merger or consolidation (1) qualifies as a reorganization within the meaning of Section 368 of the Code or, in the event that no Newco Class B common units are outstanding at the time, as a complete liquidation within the meaning of Section 332 of the Code and (2) subject to certain exceptions, does not result generally in the recognition of gain or loss under the Code by holders of Newco Class B common units (provided that any merger or consolidation effected after the delivery of the Newco cash-out notice will be deemed to satisfy the conditions set forth in clauses (1) and (2)).

After the fifth (5<sup>th</sup>) anniversary of the effective time of the merger, if requested by holders representing a majority of the outstanding Newco Class B common units, Newco must be merged with and into a limited liability company that is wholly owned by News Corporation and a disregarded entity for U.S. federal income tax purposes.

After five and one-half (5.5) years after the effective time of the merger, each of Newco and News Corporation will be permitted to effect a merger or consolidation of Newco so long as Newco or the surviving entity in the merger or consolidation agrees to pay to each former holder of Dow Jones common stock who received Newco Class B common units in the merger (and in the case of holders that are trusts, certain donors, beneficiaries and successors) an amount in cash equal to the excess of (A) the aggregate amount of United States federal, state, local and other taxes (including any interest or penalties thereon or additions to tax) actually paid by the holder, beneficiary or donor, including, for purposes of clarification, any amounts as may result from the receipt of this payment, over (B) the aggregate amount of United States federal, state, local and other taxes (including any interest or penalties thereon or additions to tax) that would have been paid by the holder, beneficiary or donor if the merger or consolidation had not occurred, as reasonably documented by the holder, beneficiary or donor.

Newco will provide written notice to the members of Newco of any merger or consolidation involving Newco.

## **Certain Undertakings**

In the amended and restated operating agreement, News Corporation and Newco will undertake, subject to certain limitations, to preserve the tax treatment of the merger and certain other transactions to current and former holders of Newco Class B common units.

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**INFORMATION WITH RESPECT TO NEWCO BEFORE THE MERGER**

**Business and Operations of Newco**

Newco is newly formed Delaware limited liability company and a direct, wholly owned subsidiary of News Corporation. Newco was formed on July 30, 2007, and has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the merger agreement. Following the merger, Newco will have no significant assets other than the securities of Dow Jones. Newco has made an election to be classified as a corporation for U.S. federal income tax purposes.

**Legal Proceedings**

As of November 6, 2007, there were no outstanding legal proceedings in which Newco was a constituent party.

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**CONTROL AND MANAGEMENT OF NEWCO AFTER THE MERGER**

**News Corporation**

Upon completion of the merger, depending on the number of holders electing to receive the unit consideration, no less than 90% of the outstanding voting interests of Newco will be held by News Corporation. Accordingly, News Corporation will control Newco and, indirectly, Dow Jones, and will have the power to elect all of the managers of Newco (except in certain limited circumstances), appoint new management and, subject to certain limitations, approve any action requiring the approval of the holders of Newco units, including adopting certain amendments to Newco’s operating agreement and approving mergers or sales of all or substantially all of Newco’s assets for fair value, including, subject to certain limitations, the common stock of Dow Jones. The managers elected by News Corporation will have the authority to make decisions affecting the capital structure of Newco, including the issuance of additional equity interests or options, the incurrence of additional indebtedness, the implementation of unit repurchase programs and the declaration of distributions. Furthermore, to the fullest extent permitted by the Delaware Limited Liability Company Act, neither News Corporation nor any of its affiliates will owe any duties at law or in equity (including fiduciary duties) to any other unitholder other than duties and obligations expressly set forth in the amended and restated operating agreement.

**Board of Managers of Newco**

Upon completion of the merger, News Corporation, as owner of a majority of the outstanding Newco common units, will have the right to elect all of the members to Newco’s board of managers. Newco anticipates that its board of managers will be comprised of three individuals following the completion of the merger. The following table sets forth information regarding the persons expected to be managers of Newco upon the completion of the merger:

**Name and Age**

*K. Rupert Murdoch (76)*

**Business Experience and Directorships**

K. Rupert Murdoch has been a Manager of Newco since July 31, 2007 and has served as Chief Executive Officer of News Corporation since 1979 and its Chairman since 1991. Mr. K.R. Murdoch has served as a Director of British Sky Broadcasting plc ( BSKyB ) since 1990 and as its Chairman since 1999. Mr. K.R. Murdoch has served as a Director of Gemstar-TV Guide International Inc. ( Gemstar-TV Guide ) since 2001 and as Chairman of The DIRECTV Group, Inc. ( DIRECTV ) since 2003.

*David F. DeVoe (60)*

David F. DeVoe has been a Manager of Newco since July 31, 2007 and a Director of News Corporation and its Chief Financial Officer since 1990. Mr. DeVoe has served as Senior Executive Vice President of News Corporation since 1996. Mr. DeVoe has been a Director of BSKyB since 1994, a Director of NDS Group plc ( NDS ) since 1996, a Director of Gemstar-TV Guide since 2001 and a Director of DIRECTV since 2003.

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**Name and Age**

*Lawrence A. Jacobs (52)*

**Business Experience and Directorships**

Lawrence A. Jacobs has been a Manager of Newco since July 31, 2007 and a Senior Executive Vice President and Group General Counsel of the News Corporation since 2005. Mr. Jacobs served as News Corporation's Deputy General Counsel from 1996 to 2004, as Executive Vice President from 2001 to 2004 and as Senior Vice President from 1996 to 2001. Mr. Jacobs has been a Director of NDS since 2005 and served as a Director of Sky Brasil Servicos Ltda from 2002 to 2006 and a Director of Innova S. de R.L. de C.V. from 2002 to 2006. Mr. Jacobs has been a member of the Bar of the State of New York since 1982.

**Executive Officers of Newco**

Upon completion of the merger, the officers of Newco immediately prior to the effective time will be the initial officers of Newco and these officers will continue in the offices held by them immediately prior to the effective time.

**Name and Age**

*K. Rupert Murdoch (76)*

**Position with Newco**

Chairman and Chief Executive Officer

*Peter Chernin (56)*

President and Chief Operating Officer

*David F. Devoe (60)*

Senior Executive Vice President and Chief Financial Officer

*Lawrence A. Jacobs (52)*

Senior Executive Vice President and General Counsel

Information concerning Messrs. K.R. Murdoch, DeVoe and Jacobs can be found under the heading "Control and Management of Newco After the Merger" Board of Managers of Newco beginning on page 173.

Peter Chernin has been the President and Chief Operating Officer of Newco since July 31, 2007. Mr. Chernin has been a Director and the President and Chief Operating Officer of Fox Entertainment Group ( "FEG" ) since 1998. Mr. Chernin has been Chairman and Chief Executive Officer of NAI since 1996. Mr. Chernin has served in various executive capacities at various FEG subsidiaries since 1989. Mr. Chernin has served as a Director of Gemstar-TV Guide since 2002. Mr. Chernin has served as a Director of DIRECTV since 2003 and as a Director of American Express Company since January 2006.

**Executive Compensation of Newco**

Newco was formed on July 30, 2007 for the purpose of holding Dow Jones as wholly owned subsidiary following completion of the merger. As a newly formed limited liability company with no operations, Newco currently has no employees and, accordingly, has not paid any executive compensation or adopted any executive compensation programs. Newco does not expect to pay compensation to any of its managers or executive officers in the future.

**Certain Relationships and Related Transactions**

Newco has not engaged in any related party transactions since its formation that would require disclosure under the federal securities laws. As a newly formed limited liability company that will not fully constitute its board of managers until completion of the merger, Newco has not established, and does not plan to establish, any policies or procedures for the review, approval or ratification of transactions with managers, executive officers and other affiliates.

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**THE EQUITY AWARDS EXCHANGE**

The executive officers of Dow Jones and certain other award recipients hold Dow Jones equity awards in the form of vested and unvested stock options and stock appreciation rights (SARs), shares of restricted stock, restricted stock units and contingent stock rights. In this proxy statement/prospectus, we refer to these Dow Jones vested and unvested stock options, SARs, shares of restricted stock, restricted stock units and contingent stock rights as Dow Jones equity awards. The following section describes the treatment of Dow Jones equity awards pursuant to the terms of the merger agreement and mechanics by which holders of Dow Jones equity awards may elect to have some or all of their Dow Jones equity awards converted into News Corporation equity awards.

Neither the Dow Jones board of directors nor the management of Dow Jones is making any recommendation as to whether any holder of any Dow Jones equity awards should elect to convert his or her Dow Jones equity awards into News Corporation equity awards. They are also not making any recommendation regarding the shares of Class A common stock of News Corporation that underlie those News Corporation equity awards.

**Treatment of Dow Jones Stock Options and Other Equity Awards**

***Stock Options.***

*Vested Stock Options.* As of the effective time, each outstanding vested option to acquire shares of Dow Jones common stock and each outstanding vested stock appreciation right in respect of shares of Dow Jones common stock (other than any option or stock appreciation right with an exercise price or base price that exceeds the cash consideration, which we refer to as an out-of-the-money option ) will, subject to the right of the holder to make an option conversion election (as described below under Option Conversion Election ), be converted, in accordance with the terms of this option or SAR, into a right to receive from Dow Jones, for each share of Dow Jones common stock subject to this option or stock appreciation right, an amount in cash equal to the excess of the cash consideration over the exercise price per share (or in the case of stock appreciation rights, the base price per share) of this option (or stock appreciation right). In this proxy statement/prospectus, we refer to this cash amount as the vested Dow Jones option payment. The vested Dow Jones option payment will be paid on the closing date of the merger.

*Unvested Stock Options.* As of the effective time, each outstanding unvested option to acquire shares of Dow Jones common stock and each outstanding unvested stock appreciation right in respect of shares of Dow Jones common stock (other than an out-of-the-money options) will, subject to the right of the holder to make the Option Conversion Election, be converted, in accordance with the terms of the option or SAR, into a right to receive from Dow Jones, for each share of Dow Jones common stock subject to the option or stock appreciation right, an amount in cash equal to the excess of the cash consideration over the exercise price per share (or in the case of stock appreciation rights, the base price per share) of this option (or stock appreciation right). In this proxy statement/prospectus, we refer to this cash amount as the unvested Dow Jones option payment. The unvested Dow Jones option payment will be payable on the dates upon which the applicable option or stock appreciation right would have become exercisable under the terms and conditions that are applicable, and would be applicable, to the option or stock appreciation right as of the date of the merger agreement (but taking into account any changes to the option or SAR under the merger agreement and under the terms of any applicable stock option or compensation plan, agreement or arrangement of Dow Jones occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement).

*Option Conversion Election.* Each holder of an outstanding vested or unvested option to acquire shares of Dow Jones common stock or an outstanding vested or unvested stock appreciation right in respect of shares of Dow Jones common stock (other than an out-of-the-money option) may elect, in accordance with the procedures described under the section entitled The Equity Awards Exchange Election Mechanics beginning on page 179, to have all or a portion of the shares of Dow Jones common stock subject to this option or stock appreciation right converted at the effective time into an option to acquire a number of shares of (or a stock appreciation right with respect to) News Corporation Class A common stock (on the same terms and conditions as were applicable



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under this option or stock appreciation right, but taking into account any changes to this option or SAR under the terms of any applicable stock option or compensation plan, agreement or arrangement of Dow Jones occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement) that is equal to the number of shares of Dow Jones common stock subject to the outstanding option or stock appreciation right for which an election was made multiplied by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger. This option to acquire News Corporation Class A common stock (or SAR in respect of News Corporation Class A common stock) will have an exercise price (or base price) equal to the per share exercise price (or base price) specified in that vested Dow Jones option or unvested Dow Jones stock appreciation right divided by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger. Any holder making the option conversion election will not be entitled to receive the vested Dow Jones option payment or the unvested Dow Jones option payment, as applicable, with respect to any shares for which an election is validly made.

In the case of any Dow Jones option with respect to which the option conversion election was made and to which Section 421 of the Code applies as of the effective time by reason of its qualification under Section 422 of the Code, the exercise price (or base price), the number of shares of News Corporation Class A common stock subject to the News Corporation option into which this Dow Jones option is converted and the terms and conditions of exercise of that News Corporation option will be determined in a manner consistent with the requirements of Section 424(a) of the Code. Furthermore, in the case of any Dow Jones option with respect to which the option conversion election was made, the exercise price, the number of shares of News Corporation Class A common stock subject to the News Corporation Option into which this Dow Jones option is converted and the terms and conditions of exercise of that News Corporation option will be determined in a manner that satisfies the requirements of Section 409A of the Code.

*Effect of Termination of Employment on Options and SARs.* Upon an involuntary or constructive termination of employment within twenty-four months following the closing of the merger, the cash payable for unvested options or SARs (or if the option or SAR conversion election is made, the holder's option to acquire shares of or SARs in respect of News Corporation Class A common stock) will vest in full and be paid or be exercisable, respectively.

*Restricted Stock and Restricted Stock Units.* As of the effective time, subject to the right of the holder to make an equity right conversion election (as described below under *Equity Right Conversion Election*), each outstanding share of restricted Dow Jones common stock will be converted, in accordance with its terms, into the right to receive the cash consideration, which we refer to as the restricted stock payment, and each outstanding restricted stock unit in respect of a share of Dow Jones common stock will be converted into the right to receive the cash consideration and all dividend equivalents in respect thereof, which we refer to as the restricted stock unit payment, in each case, on the date upon which the applicable share of restricted Dow Jones common stock or the applicable Dow Jones restricted stock unit would vest, and would have vested, under the terms and conditions that otherwise would have been applicable to that share of restricted Dow Jones common stock or Dow Jones restricted stock unit (but taking into account any changes to that share of restricted Dow Jones common stock or Dow Jones restricted stock unit under the terms of any applicable stock option or compensation plan, agreement or arrangement of Dow Jones occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement).

*Equity Right Conversion Election.* Each holder of an outstanding share of restricted Dow Jones common stock or an outstanding restricted stock unit in respect of a share of Dow Jones common stock may elect, in accordance with the procedures described under the section entitled *The Equity Awards Exchange Election Mechanics* beginning on page 179, to have all or a portion of the shares of restricted Dow Jones common stock or Dow Jones common stock represented by his or her Dow Jones restricted stock unit converted at the effective

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time into a number of restricted shares of News Corporation Class A common stock or restricted stock units in respect of shares of News Corporation Class A common stock equal to the number of restricted shares of Dow Jones common stock or Dow Jones common stock represented by Dow Jones restricted stock unit multiplied by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger (rounded to the nearest whole share) and otherwise subject to the same terms and conditions as were applicable to those shares of restricted Dow Jones stock or restricted stock units (but taking into account any changes to those shares of restricted Dow Jones stock or Dow Jones restricted stock units under the terms of any applicable stock option or compensation plan, agreement or arrangement of Dow Jones occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement). Any holder making the equity right conversion election will not be entitled to receive the restricted stock payment or the restricted stock unit payment, as the case may be, with respect to any shares with respect to which an equity right conversion election is validly made.

*Dividends.* If a holder of shares of restricted Dow Jones common stock or restricted stock units in respect of Dow Jones common stock makes an equity right conversion election, the holder will be entitled to receive dividends in respect of restricted shares of News Corporation Class A common stock and to accrue dividend equivalents on restricted stock units in respect of News Corporation Class A common stock. All dividend equivalents accrued prior to closing in respect of Dow Jones restricted stock units and after closing in respect of News Corporation restricted units into which those Dow Jones restricted stock units are converted in the merger will be paid on vesting of the News Corporation restricted stock units.

A holder that has not made the equity right conversion election will not be entitled to receive dividends or accrue dividend equivalents for periods after the closing of the merger.

*Effect of Termination of Employment on Restricted Stock and Restricted Stock Units.* Upon an involuntary or constructive termination of employment within twenty-four months following the closing of the merger the cash will be payable (or if the equity right conversion election is made, the restricted shares of or restricted stock units in respect of News Corporation Class A common stock will vest) on a pro-rata basis, based on the holder's service during the vesting period (plus any applicable severance period).

*Contingent Stock Rights.* Each outstanding Dow Jones contingent stock right (as defined in the Dow Jones 2001 Long Term Incentive Plan, which we refer to as the "LTIP") will, subject to the right of the holder to make a contingent stock right conversion election (as described below under "Contingent Stock Right Conversion Election"), be treated in accordance with the terms of the LTIP, and the Final Award (as defined in the LTIP) will be converted at the effective time into the right to receive from Dow Jones, at the time or times set forth in the LTIP, cash in an amount equal to the product of (1) the cash consideration and (2) the number of shares of Dow Jones common stock constituting the Final Award (generally the target number of shares), which we refer to as the "Dow Jones CSR payment."

*Contingent Stock Right Conversion Election.* Each holder of an outstanding Dow Jones contingent stock right may elect, in accordance with the procedures described under the section entitled "Equity Awards Exchange Election Mechanics" beginning on page 179, to have all or a portion of the shares of Dow Jones common stock constituting that holder's Final Award (again, generally the target number of shares) converted at the effective time into the right to receive a contingent stock right with respect to a number of shares of News Corporation Class A common stock equal to the number of shares of Dow Jones common stock constituting that holder's Final Award multiplied by the number determined by dividing \$60.00 by the volume weighted average price per share of News Corporation Class A common stock on the NYSE over the five (5) trading days ending on the last trading day preceding the closing date of the merger (rounded to the nearest whole share) and otherwise subject to the terms of the LTIP (but taking into account any changes under the LTIP occurring by reason of the change of control resulting from the transactions contemplated by the merger agreement). Any holder making a contingent stock right conversion election will not be entitled to receive the Dow Jones CSR payment in respect of any shares for which a contingent stock right conversion election was validly made.

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*Dividends.* After the closing, each executive officer and other holder of contingent stock rights will be entitled to receive, for each quarter during the performance period applicable to their contingent stock rights, cash payments equal to the maximum number of Dow Jones shares that the holder could have received in respect of his or her contingent stock rights under their terms as in effect immediately before the merger multiplied by \$0.25, the amount of the regular quarterly dividend currently paid on Dow Jones shares.

*Effect of Termination of Employment on Contingent Stock Rights.* Upon an involuntary or constructive termination of employment within twenty-four months following the closing of the merger, the cash (or if the contingent stock right conversion election is made, the contingent stock rights in respect of shares of News Corporation Class A common stock) will be paid on a pro-rata basis based on the number of months of the holder's service during the performance period (plus any applicable severance period).

*Factiva LTIP Awards.* Each outstanding award granted pursuant to the Dow Jones Reuters Business Interactive, LLC Long-Term Incentive Plan (which we refer to as the Factiva LTIP) with respect to the 2005-2007 performance period (which period we refer to as Cycle 4) will be measured at its target level on the closing date of the merger, and continue to be eligible to vest (subject to the original vesting schedule in the Factiva LTIP) on December 31, 2007. Each outstanding award granted pursuant to the Factiva LTIP with respect to the 2006-2008 performance period (which period we refer to as Cycle 5) will, subject to the right of the holder to make a Cycle 5 conversion election (as described below under Factiva LTIP Cycle 5 Conversion Election), be measured at its target level, multiplied by a performance factor equal to the ratio of \$60 to a base stock price of \$37.33, or 1.61, and will continue to be eligible to vest (subject to the original vesting conditions under the Factiva LTIP) on December 31, 2008.

*Factiva LTIP Cycle 5 Conversion Election.* Each holder of a Cycle 5 award granted pursuant to the Factiva LTIP may elect, in accordance with the procedures described under the section entitled Equity Awards Exchange Election Mechanics beginning on page 179, to have the amount of a holder's Cycle 5 award be measured pursuant to a formula based on the increase or decrease in the value of News Corporation Class A common stock between the date of the closing of the merger and December 31, 2008.

*Effect of Termination of Employment on Factiva LTIP Awards.* Upon an involuntary termination of employment without cause within twenty-four months following the closing of the merger and prior to the end of 2007 for Cycle 4 awards or prior to the end of 2008 for Cycle 5 awards, a holder of a Factiva LTIP award will receive a pro-rated portion of the Cycle 4 and/or Cycle 5 award that remains outstanding on the date of termination. The amount that a holder will receive will be determined based on the payouts described above (and if the Factiva LTIP Cycle 5 conversion election is made, in accordance with that election) and will be pro-rated based on the number of whole months that have elapsed in Cycle 4 or Cycle 5, as applicable, as of the date of the holder's termination (plus any applicable severance period).

In this proxy statement/prospectus, we refer to the vested and unvested options to purchase shares of News Corporation Class A common stock, the restricted shares of News Corporation Class A common stock, the News Corporation restricted stock units and News Corporation contingent stock rights to be issued on conversion of Dow Jones equity awards issued pursuant to the Equity Awards Exchange as News Corporation equity awards. Following the effective time, News Corporation will maintain each equity or equity-based compensation plan of Dow Jones or any of its subsidiaries for purposes of administering the unvested stock options, vested stock options, out-of-the-money options, shares of restricted stock, restricted stock units and contingent stock rights discussed above.

The vested Dow Jones option payment and unvested Dow Jones option payment will generally be taxed to the recipient upon receipt as ordinary wage income for U.S. federal income tax purposes. We do not expect that a holder of a vested option (or stock appreciation right) or an unvested option (or stock appreciation right) who makes an option conversion election will be subject to U.S. federal income tax by reason of the conversion. Upon exercise of any converted award, the holder will generally be subject to U.S. federal income tax in the same manner as would have been applicable had the award been exercised in respect of Dow Jones common stock without regard to the conversion (substituting the value of New Corporation Class A common stock for Dow Jones common stock).

Similarly, the restricted stock payment and restricted stock unit payment will generally be taxed to the recipient upon receipt as ordinary wage income for U.S. federal income tax purposes, and we do not expect that a

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holder of a share of restricted Dow Jones common stock or a restricted stock unit in respect of a share of Dow Jones common stock who elects to convert this award to an award in respect of News Corporation Class A common stock will be subject to U.S. federal income tax by reason of the conversion. Upon settlement of the converted award, the holder will generally have ordinary wage income for U.S. federal income tax purposes equal to the value of the payment received.

Likewise, the Dow Jones CSR payment and payments in respect of Factiva LTIP awards will generally be taxed to the recipient upon receipt as ordinary wage income for federal income tax purposes, and we do not expect that a holder of a Dow Jones contingent stock right who elects to convert such award to an award in respect of News Corporation Class A common stock or a holder of a Factiva LTIP award who elects to convert such award as described under Factiva LTIP Cycle 5 Conversion Election above will be subject to federal income tax by reason of the conversion. Upon settlement of a converted contingent stock right or a converted Factiva LTIP Cycle 5 award, the holder generally will have ordinary wage income for federal income tax purposes equal to the value of the payment received.

### **Election Mechanics**

Each person who is a holder of a Dow Jones equity award as of the equity award election deadline (as defined below) has the right to submit an election form specifying the number of Dow Jones equity awards with respect to which that holder desires to make an option conversion election, a restricted stock conversion election, a restricted stock unit conversion election or a contingent stock right conversion election. Holders of Dow Jones equity awards may make this election with respect to some or all of those equity awards.

All option conversion elections, restricted stock conversion elections, restricted stock unit conversion elections and contingent stock right conversion elections must be submitted by completing an election form on-line as described in the election form that is being mailed to holders of Dow Jones equity awards together with this proxy statement/prospectus or by completing and returning the accompanying election form to the exchange agent. To be valid, an election form must be received by the exchange agent on-line or in hard copy by the equity award election deadline, which is 5:00 p.m., New York City time, on December 12, 2007, unless delayed.

You may change your elections by completing a revised on-line election form or by delivering to the exchange agent a properly completed revised election form. The receipt by the exchange agent of a revised election form with respect to any Dow Jones equity award prior to the election deadline will result in the revocation of all prior election forms with respect to those Dow Jones equity awards. Any election form relating to Dow Jones equity awards may be revoked by the holder submitting it on-line or by written notice to the exchange agent prior to the equity award election deadline. All election forms will automatically be revoked if the merger agreement is terminated.

### **Election Forms and Related Documents**

News Corporation has appointed Mellon Investor Services, as the exchange agent to coordinate the issuance of News Corporation equity awards pursuant to the equity award exchange. An applicable election form package is being mailed with this proxy statement/prospectus to all holders of Dow Jones equity awards as of the record date. In addition, the exchange agent will send an election form package to those holders of Dow Jones equity awards who acquire Dow Jones equity awards after the record date. The election form package contains a form to complete in the event the holder would like to make an election with respect to his or her Dow Jones equity awards. The election form package also contains detailed instructions on how to complete the form, along with various questions and answers relating to the election process.

As further described in the Dow Jones equity awards election form package, holders of Dow Jones equity awards who wish to make an election with respect to these equity awards will be required to properly complete the applicable election form according to the instructions provided on-line at <https://www.corp-action.net/DowJones/> or deliver a properly completed and executed election form to the exchange agent according to the instructions provided in the election form package by the Dow Jones equity award election deadline.

Please carefully read the documents contained in the Dow Jones election form package, including the information booklet provided in that package.

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**LEGAL MATTERS**

The validity of the Newco Class B common units, the News Corporation Class A common stock, the News Corporation restricted stock units, the News Corporation options to purchase News Corporation Class A common stock and the News Corporation contingent stock rights offered by this proxy statement/prospectus will be passed upon by Hogan & Hartson L.L.P.

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**EXPERTS**

The consolidated financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in *Management's Report on Internal Control over Financial Reporting*) incorporated in this proxy statement/prospectus by reference to the Annual Report on Form 10-K of Dow Jones & Company, Inc. for the year ended December 31, 2006 have been so incorporated in reliance on the report which contains an explanatory paragraph on management's assessment of the effectiveness of internal control over financial reporting and on the effectiveness of internal control over financial reporting due to the exclusion of certain elements of the internal control over financial reporting of the Factiva business that registrant acquired as of December 31, 2006 of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The consolidated financial statements of News Corporation appearing in News Corporation's Annual Report (Form 10-K) for the year ended June 30, 2007 and News Corporation management's assessment of the effectiveness of internal control over financial reporting as of June 30, 2007 included therein, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein and incorporated herein by reference. News Corporation's consolidated financial statements and management's assessment are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

The consolidated balance sheet of Ruby Newco LLC at July 31, 2007 included in this registration statement/proxy statement has been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and is included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

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**STOCKHOLDER PROPOSALS FOR 2008 ANNUAL MEETING OF DOW JONES STOCKHOLDERS**

If the merger is completed Dow Jones will not have public stockholders, and there will be no public participation in any future meetings of stockholders of Dow Jones. However, if the merger is not completed, Dow Jones expects to hold a 2008 annual meeting of stockholders.

Pursuant to the Rule 14a-8 of the Exchange Act, stockholders may present proper proposals for inclusion in Dow Jones' proxy statement and for consideration at the next annual meeting of Dow Jones' stockholders by submitting their proposals to Dow Jones in a timely manner. Under Rule 14a-8(e) of the Exchange Act, a stockholder proposal intended for inclusion in next year's proxy statement must be received by Dow Jones at its principal executive offices no later than November 17, 2007, which is 120 calendar days prior to the anniversary of the mailing date of the proxy statement for Dow Jones' 2007 annual meeting, and must be in compliance with applicable laws and regulations in order to be considered for possible inclusion in the proxy statement and form of proxy for that meeting.

Rule 14a-4(c)(1) establishes a different deadline for submission of stockholder proposals that are not intended to be included in Dow Jones' proxy statement. Rule 14a-4(c)(1) relates to the discretionary voting authority retained by Dow Jones with respect to proxies. With respect to any stockholder proposal for Dow Jones' 2008 annual meeting submitted after January 31, 2008 (45 calendar days prior to the anniversary of the mailing date of the proxy statement for Dow Jones' 2007 annual meeting), Dow Jones retains discretion to vote proxies it receives as the board of directors sees fit. With respect to proposals submitted before January 31, 2008, Dow Jones retains discretion to vote proxies it receives as the board of directors sees fit, only if (i) Dow Jones includes in its proxy statement advice on the nature of the proposal and how it intends to exercise its voting discretion and (ii) the proponent does not issue a proxy statement with respect to the proposal in compliance with Rule 14a-4(c)(2).

For more detailed information regarding the process for submitting shareholder proposals, see Shareholder Proposals at [www.dowjones.com](http://www.dowjones.com). If you would like to have the information mailed to you, please submit your written request to Mr. Joseph A. Stern, Company Secretary, Dow Jones & Company, Inc., 200 Liberty Street, New York, New York 10281.

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**WHERE YOU CAN FIND MORE INFORMATION**

Dow Jones and News Corporation file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document Dow Jones or News Corporation files at the SEC's public reference room located at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at (800) SEC-0330 for further information on the public reference room. Dow Jones and News Corporation's SEC filings are also available to the public at the SEC's website at <http://www.sec.gov>. You also may obtain free copies of the documents Dow Jones files with the SEC by going to the Investor Relations section of Dow Jones' website at <http://www.dowjones.com>. You also may obtain free copies of the documents News Corporation files with the SEC by going to the Investor Relations section of News Corporation's website at <http://www.newscorp.com>. Dow Jones and News Corporation's website addresses are provided as inactive textual references only. The information provided on Dow Jones and News Corporation's websites is not part of this proxy statement/prospectus, and is not incorporated herein by reference.

Reports, proxy statements or other information concerning News Corporation and Dow Jones may also be inspected at the offices of the NYSE at 20 Broad Street, New York, New York 10005.

Statements contained in this proxy statement/prospectus, or in any document incorporated by reference in this proxy statement/prospectus regarding the contents of any contract or other document, are not necessarily complete, and each of these statements is qualified in its entirety by reference to that contract or other document filed as an exhibit with the SEC. The SEC allows Dow Jones and News Corporation to incorporate by reference into this proxy statement/prospectus documents it files with the SEC. This means that News Corporation and Dow Jones can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this proxy statement/prospectus, and later information that Dow Jones or News Corporation files with the SEC will update and supersede that information. Dow Jones and/or News Corporation, respectively, incorporates by reference the documents listed below and any documents filed by Dow Jones or News Corporation, respectively, pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this proxy statement/prospectus and before the date of the special meeting:

News Corporation Annual Report on Form 10-K for the fiscal year ended June 30, 2007;

News Corporation Current Reports on Form 8-K filed with the SEC on August 1, 2007, August 14, 2007, August 15, 2007, August 16, 2007, August 17, 2007, August 28, 2007, August 30, 2007, August 31, 2007 and September 4, 2007;

Dow Jones Annual Report on Form 10-K for the fiscal year ended December 31, 2006;

Dow Jones Quarterly Reports on Form 10-Q for the periods ended March 31, 2007 and June 30, 2007;

Dow Jones Current Reports on Form 8-K filed with the SEC on January 23 (as amended April 25), February 23, March 2, March 16, April 24, May 16, June 7 (as amended July 20), July 19 (with respect to resignation of directors), August 1, August 1 and August 23, 2007; and

The description of News Corporation's Class A common stock in the Current Report on Form 8-K12G3 filed with the SEC on November 12, 2004 and the description of the associated preferred stock purchase rights in the registration statement on Form 8-A filed with the SEC on November 12, 2004, together with any amendment or report filed for the purpose of updating that description.

Any person, including any beneficial owner, to whom this proxy statement/prospectus is delivered may request copies of this proxy statement/prospectus and any of the documents incorporated by reference in this document or other information concerning Dow Jones, without charge, by written or telephonic request directed to Investor Relations, Dow Jones & Company, Inc., P.O. Box 300, Princeton, New Jersey 08543, on the Investor Relations section of Dow Jones' website at <http://www.dowjones.com> or from the SEC through the SEC's website at the address provided above. Any person, including any beneficial owner, to whom this proxy statement/prospectus is delivered may request copies of this proxy statement/prospectus and any of the documents incorporated by reference in this document or other information concerning News Corporation,





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without charge, by written or telephonic request directed to Investor Relations, News Corporation, 1211 Avenue of the Americas, New York, New York 10036, on the Investor Relations section of News Corporation's website at <http://www.newscorp.com> or from the SEC through the SEC's website at the address provided above. Documents incorporated by reference are available without charge, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference into those documents.

Neither News Corporation nor Dow Jones has authorized anyone to give any information or make any representation about the merger or our companies that is different from, or in addition to, that contained in this joint proxy statement/prospectus or in any of the materials that are incorporated into this joint proxy statement/prospectus. Therefore, if anyone does give you information of this sort, you should not rely on it. If you are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this joint proxy statement/prospectus or the solicitation of proxies is unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this joint proxy statement/prospectus does not extend to you. The information contained in this joint proxy statement/prospectus is accurate only as of the date of this document unless the information specifically indicates that another date applies.

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**Report of Independent Registered Public Accounting Firm**

To the Board of Managers and Member of Ruby Newco LLC:

We have audited the accompanying consolidated balance sheet of Ruby Newco LLC as of July 31, 2007. This balance sheet is the responsibility of the Company's management. Our responsibility is to express an opinion on this balance sheet based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the balance sheet is free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the balance sheet. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall balance sheet presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the consolidated financial position of Ruby Newco LLC at July 31, 2007 in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

New York, New York

September 5, 2007

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**Ruby Newco LLC**  
**Consolidated Balance Sheet**  
**As of July 31, 2007**

Assets :	\$
Total Assets	\$
Liabilities:	\$
Member s Equity:	
Common units (1,000 units outstanding)	\$ 1
Receivable due from News Corporation	\$(1)
Total Liabilities and Member s Equity	\$

See accompanying Note to Consolidated Balance Sheet

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**Ruby Newco LLC**

**Note to Consolidated Balance Sheet**

Ruby Newco LLC ( Newco ), a Delaware limited liability company, is a direct, wholly owned subsidiary of News Corporation. Newco was formed on July 30, 2007, solely for the purpose of facilitating the acquisition of Dow Jones & Company, Inc. ( Dow Jones ) by News Corporation. Newco has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the agreement and plan of merger, dated as of July 31, 2007 (the Merger Agreement ), by and among Dow Jones, News Corporation, Newco and Diamond Merger Sub Corporation ( Merger Sub ), a wholly owned subsidiary of Newco. Such transactions will include (i) the contribution of cash by News Corporation in exchange for Newco Class A common units in an amount necessary to effect the acquisition by Newco of Dow Jones and Dow Jones subsequent merger into Merger Sub and (ii) the issuance of Newco Class B common units in an amount necessary to satisfy elections by Dow Jones stockholders, subject to the 10% maximum provided for in the Merger Agreement, to receive Newco Class B common units. Upon completion of the acquisition, Dow Jones will be a wholly owned subsidiary of Newco, and Newco will be owned solely by News Corporation and former Dow Jones stockholders who receive Newco Class B common units in the acquisition, if any. Immediately following the acquisition, former Dow Jones stockholders will own no greater than 10% of the outstanding equity interests of Newco through their ownership of Newco Class B common units and News Corporation will own no less than 90% of the outstanding equity interests of Newco through its ownership of Newco Class A common units.

The Consolidated Balance Sheet includes the accounts of Merger Sub. All intercompany transactions between Newco and Merger Sub have been eliminated in consolidation.

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**Annex A**

**AGREEMENT AND PLAN OF MERGER**

**dated as of July 31, 2007**

**by and among**

**NEWS CORPORATION,**

**RUBY NEWCO LLC,**

**DOW JONES & CO., INC.,**

**AND**

**DIAMOND MERGER SUB CORPORATION**

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**AGREEMENT AND PLAN OF MERGER**

This AGREEMENT AND PLAN OF MERGER, dated as of July 31, 2007 (this *Agreement* ), is by and among NEWS CORPORATION, a Delaware corporation ( *Ruby* ), RUBY NEWCO LLC, a Delaware limited liability company and a direct, wholly owned subsidiary of Ruby ( *Ruby Newco* ), DOW JONES & CO., INC., a Delaware corporation ( *Diamond* ), and DIAMOND MERGER SUB CORPORATION, a Delaware corporation and a wholly owned subsidiary of Ruby Newco ( *Merger Sub* ).

**RECITALS**

WHEREAS, the respective Boards of Directors of Ruby and Diamond have determined that it is consistent with and in furtherance of their respective long-term business strategies and fair to and in the best interests of their respective companies and stockholders to combine their respective businesses as set forth in this Agreement (the *Combination* );

WHEREAS, it is intended that the Combination shall be effected in accordance with the terms of this Agreement through (i) the contribution by Ruby of the aggregate amount of the Cash Consideration to Ruby Newco (the *Contribution* ), and (ii) the merger of Merger Sub with and into Diamond (the *Merger*, and together with the Contribution, the *Transaction* ), at which time the separate existence of Merger Sub shall cease, and Diamond shall be the surviving entity of the Merger (the surviving corporation in the Merger, the *Surviving Corporation* );

WHEREAS, as a result of the Merger, Ruby and potentially certain holders of Diamond Common Stock will together own all of the outstanding equity interests of Ruby Newco, and Ruby Newco will, in turn, own all of the outstanding shares of common stock of the Surviving Corporation;

WHEREAS, as a condition to and as an inducement to each of Ruby's, Ruby Newco's and Merger Sub's willingness to enter into this Agreement, the Bancroft Investors are, concurrently with the execution and delivery of this Agreement, entering into a voting and support agreement (the *Voting Agreement* ), pursuant to which, among other things, the Bancroft Investors agree, subject to the terms and conditions thereof, to vote in favor of the adoption of this Agreement;

WHEREAS, the respective Boards of Directors of Ruby, Diamond and Merger Sub and the board of managers of Ruby Newco, have approved and declared advisable this Agreement and the transactions contemplated herein, upon the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, the parties intend that the Transaction, including the receipt of the Unit Consideration in exchange for each Unit Electing Diamond Share, qualifies as an exchange described in Section 351 of the Internal Revenue Code of 1986, as amended (the *Code* ).

NOW, THEREFORE, in consideration of the foregoing and of the representations, warranties, covenants and agreements contained in this Agreement, the parties agree as follows:

**ARTICLE I**

**THE CONTRIBUTION AND THE MERGER**

Section 1.1 *Closing*. Unless this Agreement shall have been terminated pursuant to *Article VII*, and subject to satisfaction or waiver of the conditions in Article VI (and subject to Section 6.4), the closing of the Merger (the *Closing* ) shall take place at 10:00 a.m., New York City time, on the second Business Day after

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satisfaction, or to the extent permitted under this Agreement, waiver, of all the conditions to the Merger set forth in Article VI other than conditions that by their nature are to be satisfied at the Closing (the date on which the Closing occurs pursuant to this Section 1.1, the *Closing Date* ), at the offices of Fried, Frank, Harris, Shriver & Jacobson LLP in New York, New York, unless another time, date or place is agreed to in writing by the parties.

Section 1.2 *The Contribution*. Immediately prior to the Closing, Ruby shall cause the Contribution to occur.

Section 1.3 *The Merger*.

(a) At the Effective Time, Merger Sub shall be merged with and into Diamond in accordance with the DGCL and subject to and in accordance with the terms and conditions set forth in this Agreement, whereupon the separate existence of Merger Sub shall cease and Diamond shall continue to exist as the Surviving Corporation and as a wholly-owned subsidiary of Ruby Newco.

(b) Immediately following the Closing, Diamond shall file a certificate of merger (the *Certificate of Merger* ) with the Secretary of State of the State of Delaware and make all other filings or recordings required by the DGCL in connection with the Merger. The Merger shall become effective upon the filing of the Certificate of Merger with the Secretary of State of the State of Delaware or such other time as shall be agreed by Ruby and Diamond and specified in the Certificate of Merger (the time at which the Merger is effective in accordance, *Effective Time* ).

(i) From and after the Effective Time, the Surviving Corporation shall possess all the rights, powers, privileges and franchises and be subject to all of the obligations, liabilities, restrictions and disabilities of Diamond and Merger Sub, all as provided under the DGCL.

Section 1.4 *Certificate of Incorporation and Bylaws*. At the Effective Time, by virtue of the Merger, the Diamond Certificate of Incorporation shall be amended as set forth in *Exhibit A* and, as so amended, shall be the certificate of incorporation of the Surviving Corporation until thereafter amended in accordance with this certificate of incorporation and applicable Law. The by-laws of Merger Sub attached hereto as *Exhibit B* shall be the by-laws of the Surviving Corporation as of the Effective Time and following the Effective Time until thereafter amended in accordance with such by-laws, the certificate of incorporation of the Surviving Corporation and applicable Law. The Ruby Newco Operating Agreement shall be the operating agreement of Ruby Newco as of the Effective Time and following the Effective Time until thereafter changed or amended as provided therein or by the Limited Liability Company Act of the State of Delaware (together with the DGCL, the *Delaware Law* ).

Section 1.5 *Directors of Ruby and Directors and Officers of the Surviving Corporation*.

(a) The Board of Directors of Ruby shall take all requisite action to cause an individual to be mutually agreed upon pursuant to the procedures set forth in Section 1.5 of the Diamond Disclosure Letter, to become, as of the Closing Date, a member of the class of directors of Ruby which has the longest remaining term as of the Closing Date.

(b) The directors of Merger Sub immediately prior to the Effective Time shall be the directors of the Surviving Corporation upon the Effective Time until their respective successors are duly elected and qualified.

(c) The officers of Diamond immediately prior to the Effective Time shall be the officers of the Surviving Corporation as of the Effective Time until their respective successors are duly elected and qualified.

(d) The members of the board of managers of Ruby Newco immediately prior to the Effective Time shall be the members of the board of managers of Ruby Newco upon the Effective Time until their

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respective successors are duly elected and qualified. The officers of Ruby Newco immediately prior to the Effective Time shall be the officers of Ruby Newco as of the Effective Time until their respective successors are duly elected and qualified.

**ARTICLE II**

**CONVERSION OF SECURITIES**

Section 2.1 *Effect on Diamond and Merger Sub Stock.*

(a) At the Effective Time, by virtue of the Merger and without any action on the part of any party or any holder of shares of Diamond Common Stock or any capital stock of Merger Sub, the following shall occur:

(i) Each share of Diamond Common Stock that is owned by Ruby or Diamond or any of their respective Subsidiaries immediately prior to the Effective Time shall automatically be canceled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor.

(ii) Subject to Sections 2.1(e), 2.3 and 2.6, each issued and outstanding share of Diamond Common Stock (other than shares of Diamond Common Stock to be canceled in accordance with Section 2.1(a)(i)) shall be converted into the right to receive from Ruby Newco either the Unit Consideration or the Cash Consideration (the Unit Consideration or the Cash Consideration, as applicable, the *Merger Consideration*), with the form of Merger Consideration determined as follows:

(A) each share of Diamond Common Stock with respect to which an election to receive the Unit Consideration has been effectively made and not revoked or lost (and not converted into the right to receive the Cash Consideration pursuant to Sections 2.1(d)(iii) or 2.1(d)(iv)) (each, a *Unit Electing Diamond Share*) shall be converted into the right to receive from Ruby Newco that number (expressed as a decimal) of fully paid and nonassessable Ruby Newco Class B Units (the *Unit Consideration*) equal to the quotient of (A) \$60.00 divided by (B) the Average Ruby Trading Price, calculated to the nearest ten thousandth (i.e., four decimal places (.xxxx)) (the *Exchange Ratio*); and

(B) each other share of Diamond Common Stock shall be converted into the right to receive from Ruby Newco an amount equal to \$60.00 in cash without interest (the *Cash Consideration*).

(iii) Each share of common stock of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into one share of common stock of the Surviving Corporation.

(b) All shares of Diamond Common Stock to be converted into the Merger Consideration pursuant to this Section 2.1 shall, by virtue of the Merger and without any action on the part of the holders thereof, cease to be outstanding, be cancelled and retired and cease to exist; and each holder of a certificate representing prior to the Effective Time any such shares of Diamond Common Stock shall thereafter cease to have any rights with respect to such securities, except the right to receive (i) the Merger Consideration, (ii) any dividends and other distributions in accordance with Section 2.3(e) hereof and (iii) any cash to be paid in lieu of any fractional Ruby Newco Class B Unit in accordance with Section 2.4 hereof.

(c) *Elections.*

(i) Each Person (other than Ruby, Diamond or any of their respective Subsidiaries) who on or prior to the Election Deadline is a holder of record of shares of Diamond Common Stock as evidenced by Certificates (*provided* that, in order for a valid Unit Election to be made under this Section 2.1(c) with respect to shares of Diamond Common Stock held on behalf of a beneficial owner through a broker, dealer, bank or similar nominee (it being understood that a trust or trustee shall not be considered a nominee for this purpose) or in the name of a participant in the Depository Trust Company's book-entry transfer system, prior to such Unit Election such shares shall have been withdrawn from such arrangement and shall be held in the form of Certificates) shall be entitled, with respect to all or a portion of such shares of Diamond Common Stock, to make an election (a *Unit Election*), on or prior to the Election Deadline, to receive the Unit Consideration on the basis set forth in

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this Agreement. Each Person receiving the Unit Consideration pursuant to the Merger shall be deemed to have executed the Ruby Newco Operating Agreement as a Class B Unitholder (as defined thereunder) by virtue of such receipt and without any further action on any such Person's part.

(ii) Ruby shall prepare a form, in form and substance reasonably acceptable to Diamond (an *Election Form*), pursuant to which a holder of record of shares of Diamond Common Stock may make a Unit Election with respect to all or a portion of the shares of Diamond Common Stock held by such holder. The Election Form shall include statements and representations substantially in a form to be mutually agreed upon by Ruby and Diamond as promptly as practicable following the date of this Agreement (*Election Form Representations*) that would be made by each holder of record submitting an Election Form (or, if the record holder is not the Person having discretion as to the matters covered by the Election Form Representations, then on behalf of the Person having such discretion). The Election Form shall provide that the Election Form Representations are being made as of the date the Election Form is submitted and as of the Effective Time. Diamond shall mail the Election Form, together with the Proxy Statement, to each holder of record of shares of Diamond Common Stock on the record date for the Diamond Stockholder Meeting and shall use its reasonable best efforts to make the Election Form available to any person who becomes a record holder of shares of Diamond Common Stock during the period between the record date and the Election Deadline.

(iii) A Unit Election shall be effective only if (A) the Exchange Agent shall have received an Election Form covering the shares of Diamond Common Stock to which such Unit Election applies, executed and completed in accordance with the instructions set forth in such Election Form, together with the Certificates as to which the Unit Election is being made, no later than the later to occur of (subject to Section 6.4) (x) 5:00 p.m., New York City time, on the third (3rd) Business Day preceding the Closing Date and (y) the Business Day immediately preceding the date of the Diamond Stockholder Meeting (the *Election Deadline*) and (B) the Election Form Representations are properly made pursuant to the Election Form (or with changes to such Election Form Representations as may be acceptable to counsel delivering the Tax Opinion in counsel's sole discretion) and not withdrawn. Ruby and Diamond shall publicly announce the anticipated Election Deadline at least five (5) Business Days prior to the anticipated Election Deadline. If the anticipated Closing Date is delayed to a subsequent date, the anticipated Election Deadline shall be similarly delayed to a subsequent date, and Ruby and Diamond shall promptly publicly announce any delay and, when determined, the rescheduled anticipated Election Deadline. A Unit Election may be revoked or changed only by delivering to the Exchange Agent, prior to the Election Deadline, a written notice of revocation or, in the case of a change, a properly completed revised Election Form that identifies the shares of Diamond Common Stock to which the revised Election Form applies. Delivery to the Exchange Agent prior to the Election Deadline of a revised Election Form with respect to any shares of Diamond Common Stock shall result in the revocation of all prior Election Forms with respect to all such shares of Diamond Common Stock. Any termination of this Agreement in accordance with *Article VII* shall result in the revocation of all Election Forms delivered to the Exchange Agent on or prior to the date of termination. In the event of a revocation of a Unit Election with respect to any shares of Diamond Common Stock, the Exchange Agent shall immediately return any Certificates relating to such shares delivered to the Exchange Agent in connection with the making of such election to the Diamond stockholder that previously made such election.

(d) *Proration.*

(i) The number of holders of record (as defined for purposes of Rule 12g5-1 under the Exchange Act) of Diamond Common Stock eligible to receive the Unit Consideration shall not exceed 250 (the *Maximum Unitholder Number*).

(ii) The number of shares of Diamond Common Stock eligible to be converted into the right to receive the Unit Consideration at the Effective Time shall not exceed 8,599,159 shares of Diamond Common Stock (the *Unit Election Number*).

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(iii) If the number of holders making valid Unit Elections in accordance with Section 2.1(c) (each a *Unit Electing Holder* ) does not exceed the Maximum Unitholder Number, each Unit Electing Holder's Unit Electing Diamond Shares shall be converted into the Unit Consideration, subject to Section 2.1(d)(iv). If the number of Unit Electing Holders exceeds the Maximum Unitholder Number, the Unit Electing Diamond Shares of the 250 Unit Electing Holders that made (and did not revoke) a valid Unit Election with respect to the greatest number of shares of Diamond Common Stock shall be converted into the Unit Consideration, subject to Section 2.1(d)(iv); and the Unit Electing Diamond Shares of the remaining Unit Electing Holders shall be converted into the Cash Consideration as if the shares were not Unit Electing Diamond Shares.

(iv) After giving effect to the allocations and adjustments described in Section 2.1(d)(iii), if any,

(A) if the number of Unit Electing Diamond Shares exceeds the Unit Election Number, then the Unit Electing Diamond Shares shall be treated in the following manner:

(1) A unit proration factor (the *Unit Proration Factor* ) shall be determined by dividing the Unit Election Number by the total number of Unit Electing Diamond Shares.

(2) A number of Unit Electing Diamond Shares covered by each Unit Electing Holder's Unit Election equal to the product of (x) the Unit Proration Factor and (y) the total number of Unit Electing Diamond Shares covered by such Unit Election shall be converted into the right to receive the Unit Consideration.

(3) Each Unit Electing Diamond Share other than those converted into the right to receive the Unit Consideration in accordance with Sections 2.1(d)(iv)(1)(B), shall be converted into the right to receive the Cash Consideration as if the shares of Diamond Common Stock were not Unit Electing Diamond Shares.

(B) If the number of Unit Electing Diamond Shares is less than or equal to the Unit Election Number, then each Unit Electing Diamond Share shall be converted into the right to receive the Unit Consideration.

(e) *Dissenting Shares.* Notwithstanding Section 2.1(b) or anything to the contrary in this Agreement, shares of Diamond Common Stock outstanding immediately prior to the Effective Time and held by a holder who has not voted in favor of the Merger or consented to the Merger in writing and who has demanded appraisal for those shares in accordance with the DGCL shall not be converted into a right to receive the Merger Consideration, unless the holder fails to perfect, withdraws or otherwise loses its right to appraisal. If, after the Effective Time, the holder fails to perfect, withdraws or loses its right to appraisal, those shares of Diamond Common Stock shall be treated as if they had been converted as of the Effective Time into a right to receive the Cash Consideration. Diamond shall give Ruby prompt notice of any demands received by Diamond for appraisal of shares of Diamond Common Stock, and Ruby shall have the right to participate in all negotiations and proceedings with respect to those demands. Except with the prior written consent of Ruby, Diamond shall not make any payment with respect to, or offer to settle or settle, any demands for appraisal of shares of Diamond Common Stock. Diamond shall serve prompt notice (but in any event within four (4) Business Days) to Ruby of any demands for appraisal, withdrawals of such demands and any other instruments served pursuant to Section 262 of the DGCL received by Diamond in respect of any shares of Diamond Common Stock.

*Section 2.2 Diamond Stock Options; Restricted Stock Units; Contingent Stock Rights.*

(a) As of the Effective Time, each option to acquire shares of Diamond Common Stock (including each stock appreciation right in respect of shares of Diamond Common Stock) awarded under any stock option or compensation plan, agreement or arrangement of Diamond, to the extent such option (or stock appreciation right) is, immediately prior to the Effective Time, exercisable for the shares of Diamond Common Stock subject thereto, shall be cancelled and of no further force and effect with respect to the shares of Diamond Common Stock for which such option (or stock appreciation right) was exercisable immediately prior to the Effective

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Time. The holder of such option (or stock appreciation right) shall be entitled to receive from Diamond on the Closing Date an amount in cash equal to the product of (x) the number of shares of Diamond Common Stock for which such option (or stock appreciation right) was exercisable immediately prior to the Effective Time and (y) the excess, if any, of the Cash Consideration over the exercise price per share (or base price per share in the case of stock appreciation rights) of such option (or stock appreciation right) (the *Vested Diamond Option Payment* ). The foregoing shall not apply to any option (or stock appreciation right) with an exercise price (or base price) that equals or exceeds the Cash Consideration (an *Out-of-the-Money Diamond Option* ). Each Out-of-the-Money Diamond Option shall be adjusted at the Effective Time in accordance with Section 2.2(d).

(b) Subject to Section 2.2(c), as of the Effective Time, each option to acquire shares of Diamond Common Stock (including each stock appreciation right in respect of shares of Diamond Common Stock) awarded under any stock option or compensation plan, agreement or arrangement of Diamond, to the extent such option (or stock appreciation right) is, immediately prior to the Effective Time, not exercisable for the shares of Diamond Common Stock subject thereto (each, an *Unvested Diamond Option* ) shall be converted into a right to receive from Diamond, for each share of Diamond Common Stock subject to such option (or stock appreciation right) for which such option (or stock appreciation right) was not exercisable immediately prior to the Effective Time, an amount in cash equal to the excess, if any, of the Cash Consideration over the exercise price per share (or base price per share in the case of stock appreciation rights) of such option (or stock appreciation right) (the *Unvested Diamond Option Payment* ). The Unvested Diamond Option Payment with respect to each such share of Diamond Common Stock shall be payable on the date, if any, upon which the applicable option (or stock appreciation right) would have become exercisable for such share of Diamond Common Stock under the terms and conditions (including, but not limited to, vesting and accelerated vesting terms and conditions) that are applicable, and would be applicable, to such option (or stock appreciation right), in each case as of the date of this Agreement (as modified in accordance with this Agreement) absent this Section 2.2(b) (but taking into account any changes to such option under the terms of any applicable stock option or compensation plan, agreement or arrangement of Diamond occurring by reason of the change of control resulting from the transactions contemplated by this Agreement). The foregoing shall not apply to any Out-of-the-Money Diamond Option. Each Out-of-the-Money Diamond Option shall be adjusted at the Effective Time in accordance with Section 2.2(d).

(c) Each holder of an Unvested Diamond Option (that is not an Out-of-the-Money Diamond Option) may elect, by delivery to each of Diamond and Ruby no later than the third (3rd) Business Day preceding the Closing Date of a form of election prepared and distributed to such holders by Diamond, subject to review and approval by Ruby, which approval shall not be unreasonably withheld or delayed (an *Option Conversion Election* ), to have all or a portion of the shares of Diamond Common Stock subject to such Unvested Diamond Option for which such Unvested Diamond Option was not exercisable immediately prior to the Effective Time converted at the Effective Time into an option to acquire shares of (or a stock appreciation right with respect to) Ruby A Common Stock (on the same terms and conditions as were applicable under such Unvested Diamond Option, but taking into account any changes to such option under the terms of any applicable stock option or compensation plan, agreement or arrangement of Diamond occurring by reason of the change of control resulting from the transactions contemplated by this Agreement). If a holder of an Unvested Diamond Option makes the Option Conversion Election with respect to all or a portion of the shares of Diamond Common Stock subject to such Unvested Diamond Option, the holder shall not be entitled to receive the Unvested Diamond Option Payments in respect of such shares in accordance with Section 2.2(b), but instead such Unvested Diamond Option (solely with respect to the shares of Diamond Common Stock subject to such Unvested Diamond Option for which an Option Conversion Election was made) shall become, as of the Effective Time, an option to acquire (or a stock appreciation right with respect to) that number of shares of Ruby A Common Stock (a *Ruby Option* ) that is equal to the number of shares of Diamond Common Stock subject to such Unvested Diamond Option for which an Option Conversion Election was made multiplied by the Exchange Ratio (rounded to the nearest whole share) and such Ruby Option shall have an exercise price (or base price) per share of Ruby A Common Stock (rounded to the nearest cent) equal to the per share exercise price (or base price) specified in such Unvested Diamond Option divided by the Exchange Ratio and shall otherwise be subject to the



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same terms and conditions as were applicable to the applicable Unvested Diamond Option (but taking into account any changes to such option under the terms of any applicable stock option or compensation plan, agreement or arrangement of Diamond occurring by reason of the change of control resulting from the transactions contemplated by this Agreement); *provided* that, in the case of any Unvested Diamond Option to which Section 421 of the Code applies as of the Effective Time by reason of its qualification under Section 422 of the Code, the exercise price (or base price), the number of shares of Ruby A Common Stock subject to the Ruby Option into which it is converted and the terms and conditions of exercise of such Ruby Option shall be determined in a manner consistent with the requirements of Section 424(a) of the Code; and *provided, further*, that, in the case of any Unvested Diamond Option with respect to which the Option Conversion Election was made, the exercise price, the number of shares of Ruby A Common Stock subject to the Ruby Option into which it is converted and the terms and conditions of exercise of such Ruby Option shall be determined in a manner that satisfies the requirements of Section 409A of the Code.

(d) As of the Effective Time, each Out-of-the-Money Diamond Option that is outstanding immediately prior to the Effective Time (whether or not then exercisable) shall be converted into a Ruby Option for a number of shares of Ruby A Common Stock that is equal to the number of shares of Diamond Common Stock subject to such Out-of-the-Money Diamond Option multiplied by the Exchange Ratio (rounded to the nearest whole share), and such Ruby Option shall have an exercise price (or base price) per share of Ruby A Common Stock (rounded to the nearest cent) equal to the per share exercise price (or base price) specified in such Out-of-the-Money Diamond Option divided by the Exchange Ratio and shall otherwise be subject to the same terms and conditions as were applicable to the applicable Out-of-the-Money Diamond Option (but taking into account any changes to such option under the terms of any applicable stock option or compensation plan, agreement or arrangement of Diamond occurring by reason of the change of control resulting from the transactions contemplated by this Agreement); *provided* that, in the case of any Out-of-the-Money Diamond Option to which Section 421 of the Code applies as of the Effective Time by reason of its qualification under Section 422 of the Code, the exercise price (or base price), the number of shares of Ruby A Common Stock subject to the Ruby Option into which it is converted and the terms and conditions of exercise of such Ruby Option shall be determined in a manner consistent with the requirements of Section 424(a) of the Code; and *provided, further*, that, in the case of any Out-of-the-Money Diamond Option, the exercise price, the number of shares of Ruby A Common Stock subject to the Ruby Option into which it is converted and the terms and conditions of exercise of such Ruby Option shall be determined in a manner that satisfies the requirements of Section 409A of the Code.

(e) Subject to Section 2.2(g), as of the Effective Time, each outstanding share of restricted Diamond Common Stock awarded under any compensation plan, agreement or arrangement of Diamond (each, a share of *Diamond Restricted Stock* ) shall be converted into the right to receive the Cash Consideration (the *Diamond Restricted Stock Payment* ) on the date upon which the applicable share of Diamond Restricted Stock would vest, and would have vested, under the terms and conditions (including, but not limited to, vesting and accelerated vesting terms and conditions) that would have been applicable to such share of Diamond Restricted Stock absent the provisions of this Section 2.2(e) (but taking into account any changes to such Diamond Restricted Stock under the terms of any applicable stock option or compensation plan, agreement or arrangement of Diamond occurring by reason of the change of control resulting from the transactions contemplated by this Agreement).

(f) Subject to Section 2.2(g), as of the Effective Time, each outstanding restricted stock unit in respect of a share of Diamond Common Stock (each, a *Diamond Restricted Stock Unit*, and together with the Diamond Restricted Stock, a *Diamond Equity Right* ), shall be converted into the right to receive (i) the Cash Consideration and (ii) all dividend equivalents in respect thereof (the *Diamond Restricted Stock Unit Payment* ), on the date upon which the Diamond Restricted Stock Unit would vest, and would have vested, under the terms and conditions (including, but not limited to, vesting and accelerated vesting terms and conditions) that would have been applicable to such Diamond Restricted Stock Unit absent the provisions of this Section 2.2(f) (but taking into account any changes to such Diamond Restricted Stock Unit under the terms of any applicable stock

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option or compensation plan, agreement or arrangement of Diamond occurring by reason of the change of control resulting from the transactions contemplated by this Agreement).

(g) Each holder of a Diamond Equity Right may elect, by delivery to each of Diamond and Ruby no later than the third (3rd) Business Day preceding the Closing Date of a form of election prepared and distributed to such holder by Diamond, subject to review and approval by Ruby, which approval shall not be unreasonably withheld or delayed (an *Equity Right Conversion Election* ) to have all or a portion of the shares of Diamond Common Stock subject to such holder's Diamond Equity Rights converted at the Effective Time into, as applicable, restricted shares of Ruby A Common Stock or restricted stock units in respect of shares of Ruby A Common Stock (each, a *Ruby Equity Right* ), on the same terms and conditions as were applicable under the applicable Diamond Equity Right (but taking into account any changes to such Diamond Equity Right under the terms of any applicable stock option or compensation plan, agreement or arrangement of Diamond occurring by reason of the change of control resulting from the transactions contemplated by this Agreement). If the holder of a Diamond Equity Right makes the Equity Right Conversion Election with respect to all or a portion of the shares of Diamond Common Stock subject to such holder's Diamond Equity Rights, the holder shall not be entitled to receive a Diamond Restricted Stock Payment or a Diamond Restricted Stock Unit Payment in respect of such shares in accordance with Sections 2.2(e) and/or 2.2(f), as applicable, but instead such Diamond Equity Rights (solely with respect to the shares of Diamond Common Stock subject to such Diamond Equity Rights for which an Equity Rights Conversion Election was made) shall become, as of the Effective Time, a Ruby Equity Right with respect to a number of shares of Ruby A Common Stock equal to the number of shares of Diamond Common Stock subject to the Diamond Equity Right multiplied by the Exchange Ratio (rounded to the nearest whole share) and otherwise subject to the same terms and conditions as were applicable to the applicable Diamond Equity Right (but taking into account any changes to such Diamond Equity Right under the terms of any applicable stock option or compensation plan, agreement or arrangement of Diamond occurring by reason of the change of control resulting from the transactions contemplated by this Agreement). If a holder of a Diamond Equity Right makes the Equity Right Conversion Election with respect to all or a portion of the shares of Diamond Common Stock subject to such holder's Diamond Equity Rights, any dividend equivalents credited to the account of such holder as of the Effective Time with respect to such shares subject to such election shall be similarly converted in accordance with the foregoing provisions of this Section 2.2(g).

(h) Subject to Section 2.2(i), each outstanding Contingent Stock Right (as defined in the Diamond 2001 Long Term Incentive Plan (the *LTIP* )) shall be treated in accordance with the terms of the LTIP, and the Final Award (as defined in the LTIP) shall be converted at the Effective Time into the right to receive in cash from Diamond at the time or times set forth in the LTIP an amount equal to the product of (x) the Cash Consideration and (y) the number of shares of Diamond Common Stock constituting the Final Award (the *Diamond CSR Payment* ). Immediately prior to the Effective Time, the Factiva Long Term Incentive Plan shall terminate and substitute awards shall not be granted; each participant therein shall thereby receive at the Effective Time a cash payment in accordance with such plan.

(i) Each holder of a Contingent Stock Right may elect, by delivery to Diamond no later than the third (3rd) Business Day preceding the Closing Date of a form of election prepared and distributed to such holders by Diamond, subject to review and approval by Ruby, which approval shall not be unreasonably withheld or delayed (a *Contingent Stock Right Conversion Election* ) to have all or a portion of the shares constituting such holder's Final Award converted at the Effective Time into the right to receive shares of Ruby A Common Stock at the time or times set forth in the LTIP (but taking into account any changes under the LTIP occurring by reason of the change of control resulting from the transactions contemplated by this Agreement). If the holder of a Contingent Stock Right makes the Contingent Stock Right Conversion Election with respect to all or a portion of the shares of Diamond Common Stock constituting the Final Award, such holder shall not be entitled to receive a Diamond CSR Payment in respect of such shares in accordance with Section 2.2(h), but instead such Contingent Stock Right (solely with respect to the shares of Diamond Common Stock subject to such Contingent Stock Right for which a Contingent Stock Right Conversion Election was made) shall become, as of the Effective Time, a Contingent Stock Right in respect of a number of shares of Ruby A Common Stock (a *Ruby*

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*Contingent Stock Right* ) equal to the number of shares of Diamond Common Stock constituting the Final Award with respect to which the Contingent Stock Right Conversion Election was made multiplied by the Exchange Ratio (rounded to the nearest whole share) and otherwise on the terms as set forth in the LTIP (but taking into account any changes under the LTIP occurring by reason of the change of control resulting from the transactions contemplated by this Agreement).

(j) Following the Effective Time, Ruby shall maintain each equity or equity-based compensation plan of Diamond or any Diamond Subsidiary (collectively, the *Diamond Stock Plans* ) for purposes of administering the Ruby Options, Ruby Equity Rights and Contingent Stock Rights in respect of Ruby A Common Stock described in this Section 2.2 and granting future awards in accordance with NYSE rules. The provisions of such Diamond Stock Plans, including the respective terms of such plans, shall not be changed by Ruby (other than for technical amendments that are not adverse to participants in any such Diamond Stock Plan), except that (i) all awards issued by Ruby pursuant to the Diamond Stock Plans following the Effective Time shall be awards in respect of Ruby A Common Stock and (ii) the number of shares of Ruby A Common Stock available for future issuance pursuant to each Diamond Stock Plan following the Effective Time (the *Available Diamond Stock Plan Shares* ) shall be equal to the number of shares of Diamond Common Stock so available immediately prior to the Effective Time multiplied by the Exchange Ratio, rounded to the nearest whole share of Ruby A Common Stock.

(k) The Diamond Board of Directors or an appropriate committee of the Diamond Board of Directors shall take all necessary or appropriate action to effect the foregoing provisions of this Section 2.2. Ruby shall cause the Vested Diamond Option Payments, the Unvested Diamond Option Payments, the Diamond Restricted Stock Payments, the Diamond Restricted Stock Unit Payments and the Diamond CSR Payments to be made, and the Option Conversion Elections, the Equity Right Conversion Elections and the Contingent Stock Right Conversion Elections to be honored, in accordance with the foregoing provisions of this Section 2.2.

(l) Ruby shall use its reasonable best efforts to cause to be registered the Ruby Options, the Ruby Equity Rights and Ruby Contingent Stock Right to be issued pursuant to Sections 2.2(c), (d), (g) and (i) and the Ruby A Common Stock subject to Ruby Options, Ruby Equity Rights and Ruby Contingent Stock Rights described in this Section 2.2 (and the Available Diamond Stock Plan Shares, as appropriate), in each case, pursuant to the Registration Statement and shall maintain the effectiveness of a registration statement covering the Ruby A Common Stock subject to such Ruby Options, Ruby Equity Rights and Ruby Contingent Stock Rights (and maintain the current status of the prospectus or prospectuses contained therein) for so long as such Ruby Options, Ruby Equity Rights or Ruby Contingent Stock Rights remain outstanding. Ruby shall as promptly as reasonably practicable prepare and submit to the NYSE and the ASX applications covering the shares of Ruby A Common Stock which may be issued from time to time following the Effective Time upon exercise of Ruby Options or in connection with the Ruby Equity Rights or Ruby Contingent Stock Rights and shall use its reasonable best efforts to cause such securities to be approved for listing on the NYSE and the ASX, subject to official notice of issuance, prior to the Effective Time.

*Section 2.3 Exchange of and Payment for Securities.*

(a) Not less than three (3) Business Days prior to the mailing of the Proxy Statement, Ruby and Ruby Newco shall appoint an agent (the *Exchange Agent* ) for the purpose of (i) mailing and receiving Election Forms and determining, in accordance with this Article II, the form of Merger Consideration to be received by each holder of shares of Diamond Common Stock and (ii) exchanging the applicable Merger Consideration (A) for certificates representing shares of Diamond Common Stock (the *Certificates* ) or (B) for uncertificated shares of Diamond Common Stock (the *Uncertificated Shares* ). At the Closing, Ruby Newco shall cause to be deposited with the Exchange Agent, as needed, the applicable Merger Consideration to be issued or paid in respect of the Certificates and the Uncertificated Shares. Promptly after the Effective Time, Ruby Newco shall send, or shall cause the Exchange Agent to send, to each record holder of Diamond Common Stock at the Effective Time (other than any record holder of Diamond Common Stock who has previously made (and not

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revoked) a valid Unit Election with respect to all of such holder's shares of Diamond Common Stock) a letter of transmittal and instructions (which shall specify that the delivery shall be effected, and risk of loss and title shall pass, only upon proper delivery of the Certificates or transfer of the Uncertificated Shares to the Exchange Agent) for use in the exchange.

(b) Each holder of shares of Diamond Common Stock that have been converted into the right to receive the Merger Consideration shall be entitled to receive, (x) in the case of Unit Electing Diamond Shares, promptly after the Closing, and (y) in the case of all other shares of Diamond Common Stock, upon (i) surrender to the Exchange Agent of a Certificate, together with a properly completed letter of transmittal, or (ii) receipt of an agent's message by the Exchange Agent (or any other evidence of transfer as the Exchange Agent may reasonably request) in the case of a book-entry transfer of Uncertificated Shares, the Merger Consideration payable or issuable in respect of such Unit Electing Diamond Shares or Diamond Common Stock represented by a Certificate or Uncertificated Share, as applicable. The Ruby Newco Class B Units constituting part of such Merger Consideration (if any), at Ruby Newco's option, shall be issued in the form of physical certificates in accordance with the Ruby Newco Operating Agreement. Until so surrendered or transferred, as the case may be, each Certificate or Uncertificated Share shall represent after the Effective Time for all purposes only the right to receive such Merger Consideration.

(c) If any portion of the Cash Consideration is to be paid or issued to a Person other than the Person in whose name the surrendered Certificate or the transferred Uncertificated Share is registered, it shall be a condition to that payment that (i) either the Certificate shall be properly endorsed or shall otherwise be in proper form for transfer or the Uncertificated Share shall be properly transferred and (ii) the Person requesting the payment shall pay to the Exchange Agent any transfer Taxes required as a result of the payment to a Person other than the registered holder of such Certificate or Uncertificated Share or establish to the satisfaction of the Exchange Agent that such Taxes have been paid or are not payable.

(d) After the Effective Time, there shall be no further registration of transfers of shares of Diamond Common Stock. If, after the Effective Time, Certificates or Uncertificated Shares are presented to the Surviving Corporation, they shall be canceled and exchanged for the Merger Consideration, in accordance with the procedures set forth in this Section 2.3.

(e) Any portion of the Merger Consideration made available or caused to be made available by Ruby Newco to the Exchange Agent pursuant to Section 2.3(a) that remains unclaimed by the holders of shares of Diamond Common Stock nine (9) months after the Effective Time shall be delivered to Ruby Newco upon demand, and any holder who has not exchanged shares of Diamond Common Stock for the Merger Consideration in accordance with this Section 2.3 prior to that time shall thereafter look only to Ruby Newco, as a general creditor thereof, for payment of the Merger Consideration (without interest thereon), and any dividends and distributions with respect thereto, in respect of those shares without any interest thereon. Notwithstanding the foregoing, neither Ruby, Ruby Newco nor the Surviving Corporation shall be liable to any holder of shares of Diamond Common Stock for any amounts paid to a public official pursuant to applicable abandoned property, escheat or similar laws. Any amounts remaining unclaimed by holders of shares of Diamond Common Stock two years after the Effective Time (or that earlier date, immediately prior to the time when the amounts would otherwise escheat to or become property of any Governmental Entity) shall become, to the extent permitted by applicable Law, the property of Ruby Newco, free and clear of any claims or interest of any Person previously entitled thereto.

(f) Any portion of the Merger Consideration made available to the Exchange Agent pursuant to Section 2.3(a) or Section 2.4 to pay for shares of Diamond Common Stock for which appraisal rights have been demanded and not validly withdrawn, within sixty (60) days from the Effective Time, shall be returned to Ruby Newco upon demand.

Section 2.4 *No Fractional Ruby Newco Class B Units*. Notwithstanding any other provision of this Agreement, no fraction of a Ruby Newco Class B Unit will be issued and no dividend or other distribution, stock

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split or interest with respect to Ruby Newco Class B Units shall relate to any such fraction, and such fraction shall not entitle the owner thereof to vote or to any rights as a security holder of Ruby Newco Class B Units. In lieu of any such fraction of Ruby Newco Class B Units, each holder of shares of Diamond Common Stock otherwise entitled to a fraction of a Ruby Newco Class B Unit will be entitled to receive in accordance with the provisions of this Section 2.4 from the Exchange Agent a cash payment, without interest, equal to product of (x) the fractional interest in a Ruby Newco Class B Unit that such holder would be otherwise entitled to receive and (y) the amount of the Cash Consideration.

Section 2.5 *Adjustments to Prevent Dilution*. Without limiting the provisions of Section 5.1 hereof, if, between the date of this Agreement and the Effective Time, there is a reclassification, recapitalization, stock split, split-up, stock dividend, combination or exchange of shares with respect to, or rights issued in respect of, Ruby A Common Stock or Diamond Common Stock, the Merger Consideration shall be adjusted accordingly to provide to the holders of Diamond Common Stock the same economic effect as contemplated by this Agreement prior to such event.

Section 2.6 *Lost Certificates*. If any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by Ruby or Ruby Newco, the posting by the Person of a bond in the reasonable amount as Ruby Newco may direct as indemnity against any claim that may be made against Ruby, Ruby Newco or the Surviving Corporation with respect to such Certificate, the Exchange Agent will issue in exchange for such lost, stolen or destroyed Certificate, the applicable Merger Consideration with respect to the shares of Diamond Common Stock formerly represented thereby, and unpaid dividends and distributions on Ruby Newco Class B Units deliverable in respect thereof pursuant to this Agreement.

Section 2.7 *Withholding Rights*. Ruby, Ruby Newco or the Exchange Agent, as the case may be, shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement those amounts as it is required to deduct and withhold with respect to the making of that payment under the Code, or any provision of state, local or foreign Tax law. To the extent that amounts are so withheld or paid over to or deposited with the relevant Governmental Entity by or on behalf of Ruby or Ruby Newco, as the case may be, those withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which the deduction and withholding was made by or on behalf of Ruby or Ruby Newco, as the case may be.

Section 2.8 *Further Assurances*. At and after the Effective Time, the officers and directors of Ruby, Ruby Newco or the Surviving Corporation, as applicable, shall be authorized to execute and deliver, in the name and on behalf of the Surviving Corporation, Merger Sub, Ruby, Ruby Newco or Diamond, any deeds, bills of sale, assignments or assurances and to take and do, in the name and on behalf of the Surviving Corporation, Merger Sub, Ruby, Ruby Newco or Diamond, any other actions and things necessary to vest, perfect or confirm of record or otherwise in Ruby, Ruby Newco or the Surviving Corporation any and all right, title and interest in, to and under any of the rights, properties or assets acquired or to be acquired by Ruby, Ruby Newco or the Surviving Corporation, as applicable, as a result of, or in connection with, the Merger.

**ARTICLE III**

**REPRESENTATIONS AND WARRANTIES OF DIAMOND**

Except as set forth (a) solely with respect to the representations and warranties of Diamond set forth in Sections 3.1, 3.2, 3.3(c), 3.3(d), 3.6(d), 3.7(a), 3.7(b), 3.8, 3.9, 3.10, 3.12 (other than Section 3.12(f)), 3.13, 3.14, 3.15, 3.17 and 3.22, in the Annual Report on Form 10-K for the year ended December 31, 2006 filed by Diamond with the SEC on March 1, 2007 (including the 2007 definitive proxy statement of Diamond incorporated therein by reference), the Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 filed by Diamond on May 8, 2007 and the Current Reports on Form 8-K filed by Diamond with the SEC after December 31, 2006 and

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prior to the date of this Agreement, and all amendments to any of the foregoing filed with the SEC prior to the date of this Agreement (collectively, the *Diamond Recent Filings* ) (other than statements in the Risk Factors sections that do not relate to historical facts and are forward-looking in nature and other forward-looking statements set forth in such Diamond Recent Filings) (*provided* that this clause (a) shall apply only to the extent that the nature and content of the disclosure in the Diamond Recent Filings is reasonably apparent on the face of the text of such disclosure to be applicable to the subject matter of, and, in the case of Sections 3.7(b) and 3.8, reasonably specific as to matters and items that are the subject matter of, the representation or warranty set forth in the applicable Section identified in this clause (a)), or (b) in the disclosure letter, dated as of the date hereof and delivered to Ruby by Diamond in connection with the execution and delivery of this Agreement (the *Diamond Disclosure Letter* ), Diamond represents and warrants to Ruby as follows:

Section 3.1 *Organization and Good Standing*. Diamond is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. Diamond has all requisite corporate power and authority to own, lease, operate its properties, and to carry on its business as now being conducted, except where the absence thereof, individually or in the aggregate, would not reasonably be expected to have a Diamond Material Adverse Effect. Diamond is duly qualified or licensed to do business and is in good standing in each jurisdiction (to the extent that concept exists in such jurisdictions) in which the nature of the business it is conducting, or the ownership, operation or leasing of its properties makes this qualification or licensing necessary, except for those jurisdictions where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, would not reasonably be expected to have a Diamond Material Adverse Effect. Diamond has previously made available to Ruby complete and correct copies of Diamond's certificate of incorporation (the *Diamond Certificate of Incorporation* ) and bylaws (the *Diamond Bylaws* ) in each case as currently in effect, and no dissolution, revocation or forfeiture proceedings regarding Diamond have been commenced and Diamond is not in violation of any provision of the Diamond Certificate of Incorporation or the Diamond Bylaws in any material respect.

Section 3.2 *Diamond Subsidiaries*.

(a) Each Diamond Subsidiary is duly organized or formed, validly existing and in good standing under the Laws of its jurisdiction of organization or formation (to the extent that that concept exists in such jurisdiction) except where the failure thereof would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect. Each Diamond Subsidiary has all requisite corporate, partnership, limited liability company or other organizational power and authority to own, lease and operate its properties, and to carry on its business as now being conducted, except where the absence thereof would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect. Each Diamond Subsidiary is duly qualified or licensed to do business and is in good standing in each jurisdiction (to the extent that such concept exists in such jurisdiction) in which the nature of the business it is now conducting or the ownership, operation or leasing of its properties or the management of properties for others makes this qualification or licensing necessary, except for those jurisdictions where the failure to be so qualified or licensed or in good standing would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect. Diamond has previously made available to Ruby complete and correct copies of the charter and bylaws (or similar organizational documents) of each Key Diamond Subsidiary and such certificates of incorporation, bylaws or similar organizational documents are in full force and effect, no dissolution, revocation or forfeiture proceedings regarding any Key Diamond Subsidiary have been commenced and no Key Diamond Subsidiary is in violation of any provision of its certificate of incorporation, bylaws or similar organizational documents in any material respect.

(b) All outstanding equity interests in each Diamond Subsidiary that is not a Key Diamond Subsidiary have been duly authorized and are validly issued, fully paid and (except for partnership interests) non-assessable, and are not subject to any preemptive rights and are owned directly or indirectly by Diamond, free and clear of all pledges, claims, liens, charges, encumbrances and security interests of any kind or nature whatsoever (collectively, *Liens* ), except as would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect. All outstanding equity interests in each Key Diamond Subsidiary

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have been duly authorized and are validly issued, fully paid and (except for partnership interests) non-assessable, and are not subject to any preemptive rights and are owned directly or indirectly by Diamond, free and clear of all pledges, liens, or security interests of any kind or nature whatsoever or any material or, to the Knowledge of Diamond, any immaterial claim, charge or other encumbrance of any kind or nature. Except for the capital stock and equity interests of the Diamond Subsidiaries, Diamond does not own, directly or indirectly, any capital stock or other ownership interest in any corporation, partnership, joint venture, limited liability company or other entity, other than an investment in publicly traded securities constituting three percent (3%) or less of a class of outstanding securities of any entity.

Section 3.3 *Capitalization*.

(a) The authorized shares of capital stock of Diamond consist of (i) 135,000,000 shares of Diamond Class A Stock and (ii) 25,000,000 shares of Diamond Class B Stock. As of the close of business on July 29, 2007 (the *Capitalization Date* ), there are issued and outstanding: (a) 66,520,660 shares of Diamond Class A Stock (which amount includes 107,560 restricted shares of Diamond Class A Stock granted under any stock option or compensation plan, agreement or arrangement of Diamond) and (b) 19,470,932 shares of Diamond Class B Stock. As of the Capitalization Date, there are outstanding Diamond Options to purchase an aggregate of 7,511,287 shares of Diamond Class A Stock. Since the Capitalization Date and prior to the date of this Agreement, no equity securities of Diamond have been issued, other than pursuant to exercises of Diamond Options. Except as set forth in this Section 3.3 or in Section 3.3 of the Diamond Disclosure Letter, there are no issued and outstanding shares or other equity securities of Diamond (or shares or other equity securities of Diamond reserved for issuance), and there are no securities of Diamond or any Diamond Subsidiary convertible into or exchangeable for stock or other equity securities of Diamond, or other subscriptions, options, warrants, conversion rights, stock appreciation rights, phantom stock, stock units, calls, claims, rights of first refusal, rights (including preemptive rights), commitments, arrangements or agreements to which Diamond or any Diamond Subsidiary is a party or by which it is bound in any case obligating Diamond or any Diamond Subsidiary to issue, deliver, sell, purchase, redeem or acquire, or cause to be issued, delivered, sold, purchased, redeemed or acquired, stock or other equity securities of Diamond, or obligating Diamond to grant, extend or enter into any subscription, option, warrant, conversion right, stock appreciation right, call, right, commitment, arrangement or agreement to issue, deliver, sell, purchase, redeem or acquire stock or equity securities of Diamond (each of the foregoing, a *Diamond Convertible Security* ).

(b) All outstanding shares of Diamond are, and all shares reserved for issuance will be, upon issuance in accordance with the terms specified in the instruments or agreements pursuant to which they are issuable, duly authorized, validly issued, fully paid and nonassessable and not subject to or issued in violation of, any preemptive right, purchase option, call option, right of first refusal, subscription or any other similar right. Except as required by the terms of any Diamond Options, restricted stock, restricted stock units or Contingent Stock Right of Diamond, there are no outstanding obligations of Diamond to repurchase, redeem or otherwise acquire any shares of capital stock of Diamond or any Diamond Convertible Securities.

(c) Section 3.3 of the Diamond Disclosure Letter sets forth as of the date specified therein the number of shares of Diamond Common Stock subject to outstanding Diamond Options and the exercise prices of such Diamond Options.

(d) Section 3.3 of the Diamond Disclosure Letter sets forth as of the date specified therein the number of outstanding restricted stock units and Contingent Stock Rights of Diamond and the number of shares of Diamond Common Stock subject thereto.

(e) No bonds, debentures, notes or other indebtedness of Diamond having the right to vote (or which are convertible into or exercisable for securities having the right to vote) on any matters on which the holders of capital stock of Diamond may vote are issued or outstanding.

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(f) Except as set forth in Section 3.3 of the Diamond Disclosure Letter, other than shares or other securities owned by Diamond or a wholly owned Diamond Subsidiary:

(i) there are no issued and outstanding shares or other equity securities of any Key Diamond Subsidiary (or shares or other equity securities of any Key Diamond Subsidiary reserved for issuance), and there are no securities of Diamond or any Diamond Subsidiary convertible into or exchangeable for stock or other equity securities of any Key Diamond Subsidiary, or other subscriptions, options, warrants, conversion rights, stock appreciation rights, phantom stock, stock units, calls, claims, rights of first refusal, rights (including preemptive rights), commitments, arrangements or agreements to which Diamond or any Diamond Subsidiary is a party or by which it is bound in any case obligating Diamond or any Diamond Subsidiary to issue, deliver, sell, purchase, redeem or acquire, or cause to be issued, delivered, sold, purchased, redeemed or acquired, stock or other equity securities of any Key Diamond Subsidiary, or obligating Diamond or any Diamond Subsidiary to grant, extend or enter into any subscription, option, warrant, conversion right, stock appreciation right, call, right, commitment, arrangement or agreement to issue, deliver, sell, purchase, redeem or acquire stock or equity securities of any Key Diamond Subsidiary; and

(ii) there are no issued and outstanding shares or other equity securities of any Diamond Subsidiary that is not a Key Diamond Subsidiary (or shares or other equity securities of any Diamond Subsidiary that is not a Key Diamond Subsidiary reserved for issuance), and there are no securities of Diamond or any Diamond Subsidiary convertible into or exchangeable for stock or other equity securities of any Diamond Subsidiary that is not a Key Diamond Subsidiary, or other subscriptions, options, warrants, conversion rights, stock appreciation rights, phantom stock, stock units, calls, claims, rights of first refusal, rights (including preemptive rights), commitments, arrangements or agreements to which Diamond or any Diamond Subsidiary is a party or by which it is bound in any case obligating Diamond or any Diamond Subsidiary to issue, deliver, sell, purchase, redeem or acquire, or cause to be issued, delivered, sold, purchased, redeemed or acquired, stock or other equity securities of any Diamond Subsidiary that is not a Key Diamond Subsidiary, or obligating Diamond or any Diamond Subsidiary to grant, extend or enter into any subscription, option, warrant, conversion right, stock appreciation right, call, right, commitment, arrangement or agreement to issue, deliver, sell, purchase, redeem or acquire stock or equity securities of any Diamond Subsidiary that is not a Key Diamond Subsidiary other than, in the case of any of the foregoing, as would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect.

Section 3.4 *Authority; No Violations.*

(a) Diamond has all requisite corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby, subject to receipt of the Diamond Stockholder Approval. The Diamond Board of Directors has duly and validly authorized and approved the execution, delivery and performance of this Agreement by Diamond and the consummation of the Merger and the other transactions contemplated by this Agreement, and Diamond Board of Directors has (i) determined that the Merger, upon the terms and subject to the conditions set forth in this Agreement, is advisable, fair to, and in the best interests of, holders of the Diamond Common Stock, (ii) recommended the adoption of this Agreement by the stockholders of Diamond at a special meeting of the holders of Diamond Common Stock (the *Diamond Stockholder Meeting* ) subject to the terms and conditions set forth in this Agreement, and (iii) approved the Merger and this Agreement and the transactions contemplated hereby for purposes of Section 203 of the DGCL. Such resolutions have not been subsequently rescinded, modified or amended in any way adverse to Ruby, except as contemplated by this Agreement. No other corporate proceedings on the part of Diamond are necessary to authorize this Agreement or to consummate the Merger other than the receipt of the Diamond Stockholder Approval.

(b) This Agreement has been duly and validly executed and delivered by Diamond, and assuming due authorization, execution and delivery by the other parties thereto, constitutes a legal, valid and binding obligation of Diamond, enforceable against Diamond in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other Laws of general applicability



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relating to or affecting creditors' rights and by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(c)(i) Subject to receipt of the affirmative vote of a majority of the votes entitled to be cast by the holders of Diamond Common Stock at the Diamond Stockholder Meeting (the *Diamond Stockholder Approval*) with respect to consummation of the Merger, the execution and delivery of this Agreement by Diamond do not, and the performance and consummation by Diamond of its obligations hereunder and under the transactions contemplated hereby, will not, conflict with, violate or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, amendment, cancellation, vesting or acceleration of any obligation, or result in the triggering of any payments or the loss of a benefit under, or give rise to a right of purchase under, result in the creation of any Lien upon any of the properties or assets of Diamond or any Diamond Subsidiary under, or require the consent or approval of or notice to any third party under, any provision of (1) the Diamond Certificate of Incorporation or the Diamond Bylaws or any provision of the charter, bylaws or other organizational documents of any of the Key Diamond Subsidiaries, (2) any provision of the charter, bylaws or other organizational documents of any of the Diamond Subsidiaries that are not Key Diamond Subsidiaries, (3) any Contract to which Diamond or any Diamond Subsidiary is a party or by which any of them or their assets are bound or (4) assuming the Governmental Consents and Filings referred to in Section 3.5 are duly and timely obtained or made and the Diamond Stockholder Approval has been obtained, any Law or Order applicable to or binding upon Diamond, other than, in the case of any of the foregoing clauses (2), (3) and (4), any of the foregoing that would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect.

(d) The Diamond Stockholder Approval is the only vote of Diamond's stockholders required to approve and adopt the Agreement.

Section 3.5 *Governmental Approvals and Notices*. No consent, approval, waiver, order or authorization of, or registration, declaration or filing with, notice to or permit from, any Governmental Entity (individually, a *Governmental Consent or Filing*, and, collectively, *Governmental Consents and Filings*) is required by or on behalf of Diamond or any of the Diamond Subsidiaries in connection with the execution and delivery of this Agreement by Diamond, the consummation by Diamond of the transactions contemplated hereby and the performance of its obligations hereunder, except for: (a)(i) a proxy statement in preliminary and definitive form relating to the Diamond Stockholder Meeting to be held in connection with the Merger or (ii) other documents otherwise required to be filed under, and any other compliance with, applicable federal, state and foreign securities laws; (b) the filing of the Certificate of Merger with, and the acceptance for record of the Certificate of Merger by, the Delaware Secretary of State; (c) any filings or notices required under the rules and regulations of the NYSE; (d) those Governmental Consents and Filings as may be required in connection with state or local transfer and gains taxes; (e) compliance with any applicable requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the *HSR Act*) and of laws, rules and regulations in foreign jurisdictions analogous to the HSR Act or otherwise governing antitrust or merger control matters; (f) those Governmental Consents and Filings as may be required by reason of the business or identity of Ruby or any of its Affiliates; (g) any filings under the New Jersey Industrial Site Recovery Act; (h) the NASD Approval; and (i) any other Governmental Consent or Filing where the failure to obtain or make the same would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect.

Section 3.6 *Diamond SEC Documents; Financial Statements*.

(a) Diamond has made available to Ruby (by public filing with the SEC or otherwise) each report, schedule, registration statement, other statement (including proxy statements) and information filed by Diamond with the SEC since January 1, 2005 (the *Applicable Date*) (the forms, statements, certifications, reports and documents filed or furnished since the Applicable Date and those filed or furnished subsequent to the date of this Agreement, including any amendments, the *Diamond SEC Documents*).

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(b) Diamond has timely filed all reports, proxy statements, registrations statements, forms, schedules and other documents (including all exhibits, schedules and annexes thereto) required to be filed by it under the Securities Act or the Exchange Act, as the case may be, with the SEC since the Applicable Date. No Diamond Subsidiary is required to file any report, proxy statement, registration statement, form, schedule or other document with the SEC. The Diamond SEC Documents, as finally amended and publicly available and except to the extent that statements in the Diamond SEC Documents have been modified or superseded by later Diamond SEC Documents filed and publicly available prior to the date of this Agreement: (i) complied or, if not yet filed or furnished, will comply in all material respects with the applicable requirements of the Securities Act or the Exchange Act, as the case may be, and the rules and regulations of the SEC promulgated thereunder applicable to the Diamond SEC Documents, in each case as in effect at the time of its filing and (ii) did not, and any Diamond SEC Documents filed or furnished subsequent to the date of this Agreement will not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(c)(i) Each of the consolidated balance sheets included in or incorporated by reference into the Diamond SEC Documents filed prior to the date of this Agreement present fairly, and each of the consolidated balance sheets included in or incorporated by reference into Diamond SEC Documents filed on or after the date of this Agreement, will present fairly, in all material respects as of their respective dates, the consolidated financial position of Diamond and its consolidated Subsidiaries as of its date, and (ii) each of the consolidated statements of income, stockholders' equity and comprehensive income and cash flows included in or incorporated by reference into the Diamond SEC Documents filed prior to the date of this Agreement, present fairly and each of the consolidated statements of income, stockholders' equity and comprehensive income and cash flows included in or incorporated by reference into the Diamond SEC Documents filed on or after the date of this Agreement, will present fairly, in all material respects for the respective periods covered, the results of operations and cash flows of Diamond and its consolidated Subsidiaries for the periods set forth therein, in each case in accordance with GAAP consistently applied except as noted therein (subject, in the case of unaudited statements, to the absence of information or notes not required by GAAP to be included in interim financial statements and to normal year-end adjustments).

(d) Diamond maintains a system of internal control over financial reporting (within the meaning of Rules 13a-15(f) and 15d-15(f) of the Exchange Act) designed to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Diamond (1) maintains disclosure controls and procedures (within the meaning of Rules 13a-15(e) and 15d-15(e) of the Exchange Act) designed to ensure that information required to be disclosed by Diamond in the reports that it files and submits under the Exchange Act is recorded, processed, summarized and reported within the times periods specified in the SEC's rules and forms, including that information required to be disclosed by Diamond in the reports that it files and submits under the Exchange Act is accumulated and communicated to management of Diamond as appropriate to allow timely decisions regarding required disclosure and (2) has disclosed, based upon the most recent (prior to the date of this Agreement) evaluation by the chief executive officer and chief financial officer of Diamond of Diamond's internal control over financial reporting, to its auditors and the audit committee of Diamond Board of Directors (A) all significant deficiencies and material weaknesses in the design or operation of Diamond's internal control over financial reporting which are reasonably likely to adversely affect in any material respect its ability to record, process, summarize and report financial data and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in Diamond's internal control over financial reporting.

(e) Since the Applicable Date through the date of this Agreement, (x) neither Diamond nor any Diamond Subsidiary has received any material complaint regarding accounting, internal accounting controls or auditing matters of Diamond or any Diamond Subsidiary or any material concerns from employees of Diamond or any Diamond Subsidiary regarding questionable accounting or auditing matters with respect to Diamond or any Diamond Subsidiary and (y) no attorney representing Diamond or any Diamond Subsidiary, whether or not employed by Diamond or any Diamond Subsidiary, has reported evidence of a violation of securities laws,

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breach of fiduciary duty or similar violation by Diamond or any of its officers, directors, employees or agents to Diamond Board of Directors or any committee thereof or to the General Counsel or Chief Executive Officer of Diamond pursuant to the rules of the SEC adopted under Section 307 of Sarbanes-Oxley.

(f) Since the Applicable Date, Diamond has complied in all material respects with the provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated under such act and the Exchange Act (collectively *Sarbanes Oxley* ) and the rules and regulations of the NYSE that are applicable to Diamond. Since the Applicable Date, Diamond's auditors and chief executive officer and chief financial officer have given all certifications, attestations and reports required pursuant to the rules and regulations adopted pursuant to Section 404 of Sarbanes Oxley.

Section 3.7 *Absence of Certain Changes.*

(a) Since the Balance Sheet Date and until the date of this Agreement, Diamond and each of the Diamond Subsidiaries have in all material respects conducted their business in the ordinary course consistent with past practice (other than activities in connection with and arising out of this Agreement).

(b) Since the Balance Sheet Date and until the date of this Agreement, there has not been a Diamond Material Adverse Effect.

(c) Since the date of this Agreement, there has not been a Diamond Material Adverse Effect.

Section 3.8 *No Undisclosed Liabilities.* Neither Diamond nor any of the Diamond Subsidiaries has any liabilities or obligations of a kind (whether or not required by GAAP to be reflected on Diamond's financial statements), other than: (a) Liabilities reflected or provided for in the consolidated balance sheets included in or incorporated by reference into the Diamond SEC Documents filed prior to the date of this Agreement or in the notes thereto, (b) Liabilities incurred in the ordinary course of business since the Balance Sheet Date, (c) Liabilities arising, or permitted to be incurred, under this Agreement (including Section 5.1), and (d) those other Liabilities as would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect.

Section 3.9 *Compliance with Applicable Laws.*

(a) Diamond and the Diamond Subsidiaries hold all permits, licenses, certificates, registrations, variances, exemptions, orders, franchises and approvals of all Governmental Entities necessary or required for the lawful conduct of their respective businesses and for the ownership, operation or lease of their respective properties (the *Diamond Permits* ), except where the failure to so hold would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect. Diamond and the Diamond Subsidiaries are in compliance with the terms of Diamond Permits and, to the Knowledge of Diamond, no suspension or cancellation thereof is pending or threatened, except where the failure to so comply or any such suspension or cancellation would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect.

(b) The conduct by Diamond and the Diamond Subsidiaries of their respective businesses currently and since the Applicable Date is and has been in compliance with applicable Law, except where the failure to comply has not had and would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect.

(c) To the Knowledge of Diamond, no investigation or review by any Governmental Entity with respect to Diamond or any Diamond Subsidiary or any of their respective properties or assets or any of their respective officers or directors in their capacity as officers or directors is pending or threatened, other than those the outcome of which would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect.

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Section 3.10 *Litigation*. There is no litigation, arbitration, suit, claim, action, charge or proceeding ( *Litigation* ) pending, or, to the Knowledge of Diamond, threatened in writing against Diamond or any Diamond Subsidiary or any of their respective properties or assets or any of their respective officers or directors that has a reasonable likelihood of a determination adverse to Diamond or the Diamond Subsidiaries, which determination would reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect. There is no Order outstanding against Diamond or any Diamond Subsidiary which would reasonably be expected to have, individually or in the aggregate with all other Orders, a Diamond Material Adverse Effect.

Section 3.11 *Taxes*.

(a) Except as would not reasonably be expected to have, individually or in the aggregate, a Diamond Material Adverse Effect:

(i) Diamond and the Diamond Subsidiaries each (x) has filed (or had filed on its behalf) all Tax Returns required to be filed by any of them (after giving effect to any filing extension granted by a Governmental Entity) and (y) has paid (or had paid on its behalf) all Taxes required to be paid by Diamond or any of the Diamond Subsidiaries. All Taxes which Diamond or any of the Diamond Subsidiaries are required to withhold under applicable Law have been withheld and timely paid to the appropriate Governmental Entity. To the Knowledge of Diamond, such Tax Returns are true and complete. True and complete copies of all federal Tax Returns that have been filed with the Internal Revenue Service (the *IRS* ) by Diamond with respect to the taxable years commencing on or after January 1, 2003 have been provided or made available to representatives of Ruby. There is no audit, claim or assessment pending or proposed in writing with respect to Taxes of Diamond or any of the Diamond Subsidiaries. Neither Diamond nor any of the Diamond Subsidiaries has executed or filed with the IRS or any other taxing authority any agreement, waiver or other document or arrangement extending the period for assessment or collection of income or other material Taxes (including any applicable statute of limitation), which waiver or extension is currently in effect. There are no Liens for Taxes upon the assets of Diamond or any of the Diamond Subsidiaries, except Liens for Taxes not yet due and payable, or being contested in good faith by appropriate proceedings and *provided* that adequate reserves in accordance with GAAP have been set aside for the payment thereof.

(ii) Neither Diamond nor any of the Diamond Subsidiaries is a party to any Tax sharing or similar agreement or arrangement other than any agreement or arrangement solely between Diamond and any Diamond Subsidiaries, pursuant to which it will have any obligation to make any payment