

L L Byrne
[] January 2012^{1st}
Exhibit LLB 1

IN THE MATTER OF THE LEVESON INQUIRY

EXHIBIT LLB 1 TO THE
WITNESS STATEMENT OF
LISA LORRAINE BYRNE



Northern & Shell Plc
Britain's Leading Independent Publisher

Ludgate House, 245 Blackfriars Road, London, SE1 9UX
TELEPHONE: 020 7928 8000 FACSIMILE: 020 7922 7789
www.nasnet.co.uk

Lisa Palta
Flat 1
9 Bishops Road
Highgate
London N6 4HP

2 April 2004

Dear Lisa,

I am pleased to confirm your promotion to the position of Editor of OK! magazine which will take effect from 19 April 2004. Your salary will increase to [REDACTED] and you will be required to give six months notice and entitled to receive six months notice with effect from this date.

In addition, you will be eligible to receive a discretionary bonus based on the profitability of OK! magazine as follows:

- In any month that profits are equivalent to £5m annualised, you will receive [REDACTED]
- In any month that profits are equivalent to £6m annualised, you will receive [REDACTED]
- In any month that profits are equivalent to £7m annualised, you will receive [REDACTED]
- In any month that profits are equivalent to £8m annualised, you will receive [REDACTED]

I enclose a Variation of Contract setting out your new terms and conditions including an amended set of restrictive covenants in recognition of your new role.

I wish you the very best in your new role.

Yours sincerely,

[REDACTED SIGNATURE]

Paul Ashford
Group Editorial Director



NORTHERN & SHELL

VARIATION OF CONTRACT

Name of Employee: Lisa Palta
Department/Section: OK! Editorial
Location: Ludgate House

This is to confirm that the terms and conditions of your contract have been amended as set out below.

Date change effective: 19 April 2004

Change: You have been promoted to the position of Editor of OK! magazine

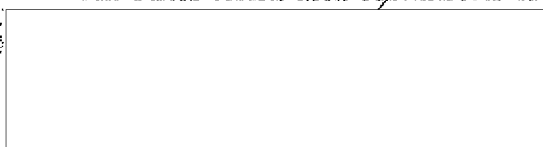
Your salary has been increased to [REDACTED] per annum

Your notice period has been increased to six months on either side

You agree to abide by the restrictive covenants and covenant supplements in Schedule 1 (attached)

This is an amendment under the Employment Rights Act 1996.

All other terms and conditions of employment remain unchanged.



Paul Ashford
Group Editorial Director

Date of Issue: 2 April 2004

Please acknowledge receipt of this document, confirming your acceptance of these amendments, by signing the attached copy and returning to the Human Resources Department within four weeks. You should retain the top copy with your contract of employment.

I confirm my acceptance of the Variation of Contract dated 2 April 2004 informing me of the amendment(s) to my employment.

Signed

Date

Schedule 1

1 RESTRICTIVE COVENANTS

1.1 The Employee acknowledges that the Company and Associated Companies are engaged in a highly competitive business such that the business connections that she acquires during her employment are of a nature that misuse of such connections might jeopardise the performance of the Company and Associated Companies.

1.2 The Company has a legitimate interest in protecting its commercial interests and goodwill. In order to safeguard this, the Employee covenants not to at any time during the continuance of this agreement, or for a period of 6 (six) months after termination hereof, howsoever occasioned, whether on the Employee's own account or on behalf of any other person, firm, company or other organisation, solicit custom from, deal with or supply to any person, firm, company or other organisation who or which has been a customer, client or supplier of the Company at any time during the last 6 (six) months of the Employee's employment hereunder and with whom the Employee had personal dealings as part of the course of her employment hereunder, any services that are the same in nature to those that the employee provided as part of the course of her employment hereunder during the last 6 (six) months thereof.

1.3 The Employee shall not at any time during the continuance of her employment hereunder, either on her own behalf or as an employee, director, principal, agent, partner, consultant or in any other capacity of any other person, firm, company or other organisation, engage in any other work, trade, business, profession or fee-earning activity without the prior written consent of the Company, such consent not to be unreasonably withheld.

1.4 The Employee hereby covenants that she shall not at any time, whether during the continuance of her employment hereunder or for a period of 6 (six) months following the termination of her employment hereunder, howsoever occasioned, employ, solicit, induce, entice away from the Company, whether on the Employee's own behalf or on behalf of any other person, firm, company or other organisation, any senior or key personnel who was still employed by the Company immediately prior to the termination of the Employee's employment hereunder.

1.5 The Employee covenants that she shall not following termination of her employment hereunder, howsoever occasioned, use the name of the Company in connection with her own name in any way calculated or likely to suggest that she continues to be employed by the Company or has in any way a continuing connection with the Company or a new connection likely to mislead a third party.

1.6 The Employee acknowledges that the Company's business relies substantially on personal contacts made and relationships developed with celebrities, and their agents or representatives and that the Employee's duties include direct responsibility for making and maintaining some or all of such contacts in order to gain access to celebrity news and features for the furtherance of the Company's business.

The Employee shall not (without the prior written consent of the Company) for a period of 6 (six) months after termination of this employment (howsoever caused) within the United Kingdom either on her own account or in conjunction with or on behalf of any other person, firm, company or other organisation whether as an employee, director, principal, agent, partner, consultant or in any other capacity directly or indirectly in competition with the Company:

- (i) be employed or engaged in; or
- (ii) perform services for; or
- (iii) be otherwise materially concerned with any business or activity which is or shall be connected with publishing celebrity magazines and/or newspaper supplements with substantial content of celebrity news material or shall be a Prohibited Company where there is a reasonable likelihood that their duties will involve contact, or attempted contact, with celebrities or their agents with whom the Employee has had a connection while working for the Company or in respect of whom the Company has, during the 12 months immediately prior to termination, published material in 'OK' magazine.

For the avoidance of doubt, in this clause the term "celebrity magazines" shall include but not be limited to the magazine titles 'Hello!', 'Hola', 'Now', 'Heat', 'More' and 'Closer'. A Prohibited Company shall be defined as Associated Newspapers Limited, Emap, IPC or any associated or subsidiary company thereof insofar as that company is concerned in the publication of magazines containing celebrity news content.

2 COVENANT SUPPLEMENTS

2.1 The Employee hereby acknowledges and agrees with the Company that:

- (i) each of the covenants contained in Clause 1 above constitutes separate and independent covenants and restrictions on her such that the enforceability of any one shall not affect the enforceability of the other;
- (ii) the duration and extent and application of each of the said covenants are not greater than is necessary or reasonable for the protection of the goodwill and trade connections of the members of the Company and Associated Companies;
- (iii) in the event that any restriction on the Employee contained in the said covenants shall be rendered void and unenforceable it shall be severable from the remainder of the restrictions or be modified so as to render it valid and as such shall not affect the enforceability of the remainder of the covenants.