

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:		NEW ASSIGNMENT	
NATURE OF CONVEYANCE:		Transaction Co-Operation Agreement	
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Blackwell Publishing, inc.		10/31/2006	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	John Wiley & Sons, Inc.		
Street Address:	111 River Street		
Internal Address:	Legal Department		
City:	Hoboken		
State/Country:	NEW JERSEY		
Postal Code:	07030		
Entity Type:	CORPORATION: NEW YORK		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	2565541	BLACKWELL SYNERGY	
CORRESPONDENCE DATA			
Fax Number:	(201)748-6500		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	201-748-5692		
Email:	jsavaser@mac.com		
Correspondent Name:	John Wiley & Sons, Inc.		
Address Line 1:	111 River Street		
Address Line 2:	Legal Department		
Address Line 4:	Hoboken, NEW JERSEY 07030		
ATTORNEY DOCKET NUMBER:	BLACKWELL SYNERGY		
NAME OF SUBMITTER:	Ashima Aggarwal		
Signature:	/aa/		

CH \$40.00 2565541

Date:

04/07/2009

Total Attachments: 50

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DATE

17 November

2006

WILEY EUROPE INVESTMENT HOLDINGS LIMITED

JOHN WILEY & SONS, INC.

BLACKWELL PUBLISHING (HOLDINGS) LIMITED

N S BLACKWELL

TRANSACTION CO-OPERATION AGREEMENT

Macfarlanes
10 Norwich Street
London EC4A 1BD

TRADEMARK

REEL: 003968 FRAME: 0133

CONTENTS

Clause		Page
1	Definitions and interpretation	1
2	Implementation of the Acquisition	6
3	Implementation of the Scheme	6
4	Information on Wiley, the Guarantor and Blackwell	9
5	Conditions to and timetable for the Scheme and the Acquisition	9
6	Covenants	11
7	Warranties	17
8	Termination	18
9	Damages and Inducement Fee	19
10	Confidentiality	20
11	Third party rights	21
12	General	22
13	Guarantee	23
14	Notices	25
15	Governing law and jurisdiction	27

Schedules

Schedule 1	Timetable
Schedule 2	Conditions
Schedule 3	Scheme
Schedule 4	Recommendation
Schedule 5	Pensions Agreement Letter
Schedule 6	Settlement Agreement

Agreed Form Documents

A	Cash Certificate
B1 to B5	Forms of Proxy
C	Announcement
D1 to D7	Resignation Letters
E	Option Holder Letters

TRANSACTION CO-OPERATION AGREEMENT

DATE

2006

PARTIES

- 1 **WILEY EUROPE INVESTMENT HOLDINGS LIMITED**, a company incorporated in England and Wales (registered number 4272510), whose registered office is at The Atrium, Southern Gate, Chichester, West Sussex ("Wiley");
- 2 **JOHN WILEY & SONS, INC.**, a corporation incorporated under the laws of New York, whose principal place of business is at 111 River Street, Hoboken, NJ 07030-5774 ("Guarantor");
- 3 **BLACKWELL PUBLISHING (HOLDINGS) LIMITED**, a company incorporated in England and Wales (registered number 3162848), whose registered office is at 9600 Garsington Road, Oxford OX4 2DQ ("Blackwell"); and
- 4 **NIGEL STIRLING BLACKWELL** of Lake House, Pusey, Nr Faringdon, Oxfordshire SN7 8QB ("Nigel Blackwell").

RECITALS

- A Wiley wishes to acquire the entire issued and to be issued share capital of Blackwell (the "Acquisition") and accordingly Wiley and Blackwell have entered into this Agreement to regulate the basis upon which the Acquisition is to be effected.
- B Wiley and Blackwell have agreed that the Acquisition will be implemented by means of a scheme of arrangement under section 425 of the Companies Act to be proposed by Blackwell to the Blackwell Shareholders under which all of the Scheme Shares (for the avoidance of doubt excluding, in certain circumstances, the Subscriber Shares) will be cancelled and the New Blackwell Shares will be issued to Wiley in consideration of which Wiley will pay the Consideration to the Blackwell Shareholders in accordance with Clause 2 of the Scheme.
- C The Acquisition will be on the terms and subject to the conditions contained in this Agreement as will be summarised in the Scheme Circular.
- D This Agreement has, to the extent set out in Clause 11, been made for the benefit of and may be enforced by the Blackwell Shareholders.
- E The Guarantor is the ultimate parent undertaking of Wiley and has agreed to guarantee all of Wiley's obligations under this Agreement.

AGREEMENT

- 1 **Definitions and interpretation**
 - 1.1 In this Agreement, the following words and expressions shall have the following meanings:

Acquisition: has the meaning given to it in Recital A;

Agreed Form: the form agreed (or as the case may be to be agreed) between, and signed for the purpose of identification by or on behalf of, the Guarantor and Blackwell;

Announcement: the announcement of the Acquisition in the Agreed Form marked "C";

A Shares: A (voting) shares of £0.10 each in the capital of Blackwell;

Blackwell Directors: the directors of Blackwell;

Blackwell EBTs: The Blackwell Publishers Limited Employee Share Trust, as established by a deed dated 10 August 1993 (as amended from time to time) and the Blackwell Scientific Publications Limited Employee Share Trust, as established by a deed dated 10 August 1993 (as amended from time to time);

Blackwell Group: Blackwell and its Group Companies;

Blackwell Options: options to acquire or subscribe for any shares in the capital of Blackwell pursuant to any of the Blackwell Share Schemes;

Blackwell Shareholder Representative: Nigel Blackwell or, in the event of his death or incapacity, such person (who at the date of this Agreement is a Blackwell Shareholder) as he shall have nominated in writing as his successor or, in the absence of any such nomination, René Olivieri of 18 Farndon Road, Oxford, Oxfordshire OX2 6RT;

Blackwell Shareholders: holders of Scheme Shares;

Blackwell Share Schemes: The Blackwell Publishing (Holdings) Limited Inland Revenue Approved Company Share Option Plan, The Blackwell Publishing (Holdings) Limited Unapproved Company Share Option Scheme, The Blackwell Science Limited Executive Share Option Scheme and The Blackwell Publishers Limited Share Option Scheme;

Blackwell's Solicitors: Macfarlanes of 10 Norwich Street, London, EC4A 1BD;

B Shares: B (restricted voting) shares of £0.10 each in the capital of Blackwell;

Business Day: any day (excluding Saturdays, Sundays and public holidays) on which banks are open for business in the City of London and in New York;

Business Hours: subject to Clause 8.3, 9.00 a.m. to 5.30 p.m. (in the place at or to which the notice is left or despatched) on a Business Day;

Cash: the aggregate cash balances shown in bank statements for each of the bank accounts held by each Blackwell Group Company as at the date of the Cash Certificate less an amount equal to the aggregate amount of any cheques drawn on such accounts which have not been presented as at the date of the Cash Certificate, plus the aggregate amount of any cheques received by each Group Company but not deposited and credited to such accounts plus the aggregate

amount of any petty cash held by any Group Company at any premises occupied by any Group Company;

Cash Certificate: the certificate in the Agreed Form marked "A" to be executed by Chris Hall or such other persons as the parties shall agree on behalf of Blackwell;

Companies Act: the Companies Act 1985, as amended;

Conditions: the conditions to the Acquisition and the Scheme referred to in Clause 5.1 and set out in Schedule 2 (and "Condition" means such one or more of them as the context may require);

Consideration: the consideration payable by Wiley to the Blackwell Shareholders pursuant to the Scheme upon the Scheme becoming Effective which, in aggregate, shall not exceed the aggregate amount specified in clause 5.7.2;

Court: the High Court of Justice in England and Wales;

Court Hearing: the hearing by the Court of the petition applying to the Court for the Court Order;

Court Order: the order of the Court confirming the reduction of share capital of Blackwell provided for by the Scheme under Section 137 of the Companies Act and sanctioning the Scheme under Section 425 of the Companies Act;

Court Meetings: together, the meetings of each class of Blackwell Shareholders to be convened pursuant to an order of the Court for the purposes of considering and, if thought fit, approving the Scheme, including any adjournment thereof and including, in the case of any class of Blackwell Shareholders comprised of only one member, a written resolution thereof approving the same (and "Court Meeting" shall be construed accordingly);

C Shares: C (restricted voting) shares of £0.01 each in the capital of Blackwell;

Disclosed: means disclosed in writing (which shall include, without limitation, by email) by René Olivieri or Chris Hall of Blackwell to Tim King or Ellis Cousens of Wiley as at the date of this Agreement, with sufficient detail to identify the nature and scope of the matter disclosed;

Effective: the Scheme becoming effective by registration of the Court Order by the Registrar and issue by the Registrar of a certificate under Section 138 of the Companies Act in relation to the reduction of share capital associated with the Scheme;

Effective Date: the date on which the Scheme becomes Effective;

Extraordinary General Meeting: the extraordinary general meeting of Blackwell to be convened for the purposes of considering and, if thought fit, approving the Scheme and the reduction of share capital provided for by the Scheme, including any adjournment of that meeting;

Forms of Proxy: the forms of proxy in the Agreed Form marked "B1" to "B5" for use by Blackwell Shareholders at the Meetings;

Fund: the Blackwell's Pension Fund;

Group Company: in relation to any body corporate, any other body corporate which is from time to time its parent undertaking or subsidiary undertaking or a subsidiary undertaking of its parent undertaking (and "Group Companies" shall be construed accordingly);

Hearing Date: the date of the Court Hearing;

HSR Act: the US Hart-Scott-Rodino Anti-trust Improvements Act of 1976, as amended, and the regulations promulgated thereunder;

Inducement Fee: an amount equal to one per cent. of the aggregate Consideration);

JPMorgan Cazenove: JPMorgan Cazenove Limited of 20 Moorgate, London EC2R 6DA;

Long-stop Date: 31 March 2007;

Meetings: the Court Meetings and the Extraordinary General Meeting;

New Blackwell Shares: A (voting) shares of £0.10 each, B (restricted voting) shares of £0.10 each, C (restricted voting) shares of £0.01 each and, if the Scheme is approved at the Court Meeting of the holders of the same only, subscriber shares of £1.00 each in the capital of Blackwell to be issued to Wiley pursuant to the Scheme;

Option Holder Letters: the letters to participants in the Blackwell Share Schemes in substantially the form of the Agreed Form marked "E";

parent undertaking: shall have the meaning given to it in section 258 of the Companies Act;

Parties: Wiley, the Guarantor and Blackwell (and "Party" shall be construed accordingly);

Pensions Agreement Letter: the letter dated 31 October 2006 made between Blackwell (1), Blackwell Publishing Limited (2), Wiley (3) and the Trustees of the Fund a copy of which is set out in Schedule 5;

Pensions Liability: the amount actually paid out by Blackwell as at the date of the Cash Certificate by way of investment in gilts or gilt funds in order to satisfy its obligation to make the Exit Payment (as defined in the Pensions Agreement Letter) to the Fund pursuant to the terms of the Pensions Agreement Letter;

Recommendation: the text set out in Schedule 4;

Record Date: 5.00 p.m. on the Business Day immediately preceding the Effective Date;

Registrar: the Registrar of Companies in England and Wales;

Regulatory Authority: any competent government department or regulatory authority that has jurisdiction over merger and acquisition transactions, including

the German Federal Cartel Office and, in the United States, the Department of Justice ("DoJ") and the Federal Trade Commission ("FTC");

Regulatory Clearance Applications: means the filings to be made in respect of the Acquisition with (i) the DoJ and the FTC under the HSR Act and (ii) the German Federal Cartel Office under the German Act Against Restraints of Competition, in each case as referred to in the Regulatory Conditions and in substantially the form initialled by or on behalf of each Party for the purpose of identification;

Regulatory Conditions: Conditions 5 and 6 set out in paragraphs 5 and 6 of Schedule 2;

Resignation Letters: the directors' resignation letters in the Agreed Form marked "D1 to D7";

Scheme: the proposed scheme of arrangement under Section 425 of the Companies Act between Blackwell and the holders of the Scheme Shares pursuant to which the Acquisition will be implemented, the text of which is set out in Schedule 3;

Scheme Circular: the circular proposed to be despatched to Blackwell Shareholders containing the details of the Acquisition and the Scheme and certain information about Wiley and Blackwell and containing notices of the Meetings and the text of the Scheme;

Scheme Shares: has the meaning set out in the Scheme;

Settlement Agreement: the letter dated 27 October 2006 from Blackwell Science Limited to Nigel Blackwell, a copy of which is set out in Schedule 6;

Shareholder Directors: Nigel Blackwell, Philip Blackwell, Robert Campbell and René Olivieri;

subsidiary undertaking: shall have the meaning given to it in section 258 of the Companies Act;

Subscriber Shares: the two subscriber shares of £1.00 each in the capital of Blackwell;

Timetable: the expected timetable of the principal events for the Scheme as set out in Schedule 1 (or as subsequently agreed in writing between the Guarantor and Blackwell); and

Total Cash Amount: has the meaning given to it in the Cash Certificate.

- 1.2 In this Agreement (unless the context requires otherwise):
- 1.2.1 any reference to a person includes a body corporate and an unincorporated association of persons;
- 1.2.2 references to a Party include references to the successors and permitted assigns (immediate or otherwise) of that Party;
- 1.2.3 words and expressions which are defined in the Companies Act have the same meanings as are given to them in the Companies Act;

- 1.2.4 any reference to any statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision before the date of this Agreement, to any modification, re-enactment or extension of that statute or statutory provision made before that date and to any former statute or statutory provision which it consolidated or re-enacted before that date;
- 1.2.5 one gender includes a reference to the other gender;
- 1.2.6 the singular includes a reference to the plural and vice versa;
- 1.2.7 references to the word "include" or "including" (or any similar term) are not to be construed as implying any limitation and general words introduced by the word "other" (or any similar term) shall not be given a restrictive meaning by reason of the fact that they are preceded or followed by words indicating a particular class of acts, matters or things;
- 1.2.8 any reference to a Recital, Clause or Schedule is to a recital, clause or schedule (as the case may be) of or to this Agreement;
- 1.2.9 "directly or indirectly" means (without limitation) either alone or jointly with any other person, firm or body corporate and whether on his own account or in partnership with another or others or as the holder of any interest in or as officer, employee or agent of or consultant to any other person, firm or body corporate; and
- 1.2.10 any reference to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include what most nearly approximates in that jurisdiction to the English legal term.
- 1.3 The headings in this Agreement do not form part of and shall not affect the interpretation of this Agreement or any part of it.
- 1.4 Unless otherwise stated, all references to time in this Agreement are to London time.

2 **Implementation of the Acquisition**

The terms and conditions of the Acquisition shall be as set forth or referred to in this Agreement together with such other and/or modified terms as the Parties may agree in writing. The terms of the Acquisition at the date of posting of the Scheme Circular shall be summarised in the Scheme Circular. The only conditions to the Acquisition and the Scheme shall be the Conditions.

3 **Implementation of the Scheme**

- 3.1 Subject to any applicable laws and regulations, Wiley and Blackwell shall take all such steps and actions and shall prepare, execute, agree, settle, publish and/or announce (and procure to be prepared, executed, agreed, settled, published and/or announced) all such documents as may be necessary or desirable in the opinion of the other (acting reasonably) for the implementation of the Scheme and the

Acquisition in accordance with the terms and conditions of this Agreement and complying with the Companies Act and the requirements of the Court.

- 3.2 Subject to any applicable laws and regulations, Blackwell shall (and Wiley shall co-operate with Blackwell for this purpose) promptly prepare, to the extent not in the Agreed Form on the date of this Agreement, all documentation necessary for the implementation of the Scheme upon the terms and conditions contained in this Agreement, including the Scheme Circular containing:
 - 3.2.1 the Scheme, complying with Section 425 of the Companies Act and with the requirements of the Court, which shall incorporate the terms set out in the Scheme Circular;
 - 3.2.2 an explanatory statement as required by Section 426 of the Companies Act in relation to the Scheme;
 - 3.2.3 an explanatory letter from the Chairman of Blackwell explaining the reasons for the Scheme;
 - 3.2.4 a timetable for the implementation of the Scheme;
 - 3.2.5 such other information as may be required by law;
 - 3.2.6 a notice convening the Court Meetings; and
 - 3.2.7 a notice convening the Extraordinary General Meeting.
- 3.3 Without prejudice to the generality of Clause 3.2 above, Blackwell agrees with Wiley that (to the extent that the same has not already been settled prior to the date of this Agreement) it will:
 - 3.3.1 consult in a timely manner with Wiley as to the form and content of all the documentation relating to the Scheme (including the Scheme Circular) for which Blackwell is responsible;
 - 3.3.2 use all reasonable endeavours to ensure that in each case the relevant draft(s) or redraft(s) of the documentation referred to in Clause 3.3.1 shall be provided as soon as practicable and in any event in sufficient time to enable Wiley and its professional advisers to review and provide comments on such draft(s) and redraft(s) in time for such comments to be included in the next subsequent redraft;
 - 3.3.3 take account of the reasonable comments of Wiley and its professional advisers on the drafts and redrafts referred to in Clauses 3.3.1 and 3.3.2;
 - 3.3.4 not finalise or post such documentation to Blackwell Shareholders unless Blackwell shall first have obtained the prior written approval of Wiley to the form and content of such documentation (such approval not to be unreasonably withheld or delayed).
- 3.4 Blackwell agrees that, subject to any applicable laws and regulations and to the fiduciary duties of the Blackwell Directors, the Scheme Circular will contain a recommendation in the Chairman's letter substantially in the form of the Recommendation.

- 3.5 Once the Scheme Circular has been issued, subject always to the requirements of the Court and appropriate law and regulations, Blackwell will not amend the Scheme in any way which is material to the obligations of Wiley under this Agreement or the Scheme without the prior written approval of Wiley (such approval not to be unreasonably withheld or delayed).
- 3.6 Subject to any applicable laws and regulations, and (other than in the case of Clauses 3.6.1 to 3.6.3 only) save where to do so would constitute a breach of the Blackwell Directors' fiduciary duties, Blackwell shall (and Wiley shall cooperate with Blackwell for this purpose to the extent that it is reasonably necessary to do so in order to enable Blackwell to fulfil its obligations under this Clause) take or cause to be taken all such steps as are within its power and necessary or reasonably required by Wiley to implement the Scheme in accordance with Section 425 of the Companies Act, including the following:
- 3.6.1 Blackwell shall apply to the Court by way of a claim form for leave to convene the Court Meetings;
- 3.6.2 upon the Court making the order upon the claim form and the Scheme Circular and Forms of Proxy being settled (to the extent required) with the Court and such documents being agreed by the Parties, Blackwell shall, in accordance with such Court order, despatch by first class post or air mail as appropriate the Scheme Circular and Forms of Proxy to the Blackwell Shareholders and thereafter publish and/or post the requisite advertisements and such other documents and information as the Court may approve or direct from time to time or as Wiley shall reasonably request, in connection with the due implementation of the Scheme in each case in such form as has been approved by Wiley (such approval not to be unreasonably withheld or delayed);
- 3.6.3 hold the Meetings;
- 3.6.4 if the necessary resolutions proposed at the Meetings are passed by the requisite majorities, seek the Court Order, take all necessary steps and prepare and issue, serve and lodge all such Court documents as may be necessary in connection therewith; and
- 3.6.5 subject to the grant of the Court Order, within two Business Days following such grant or on such date as may be agreed with Wiley (subject, if required, to the approval of the Court), cause an office copy of the Court Order and associated minute to be duly delivered to the Registrar for registration and obtain from the Registrar a certificate of registration in relation to the reduction of share capital involved in the Scheme,
- provided that, in the event that the Blackwell Directors shall resolve that for them to cause Blackwell to fulfil its obligations under Clauses 3.6.4 and/or 3.6.5 would constitute a breach of their fiduciary duties they shall in any event apply to the Court for Directions and take no steps that otherwise would cause or constitute a breach of this Agreement.
- 3.7 Without prejudice to any of Clauses 3.1 to 3.6 (inclusive) and subject to any applicable laws and regulation:
- 3.7.1 Wiley shall cooperate with Blackwell and the trustees of the Blackwell EBTs in making a cashless exercise facility available to allow participants in the Blackwell Share Schemes to exercise their Blackwell Options and thereby

acquire Scheme Shares prior to such shares being cancelled pursuant to the Scheme without providing the exercise price, with the exercise price (along with any applicable taxes and employee national insurance contributions) being withheld from the proceeds of sale of the applicable shares;

- 3.7.2 Blackwell shall prepare and, at the same time as or as soon as reasonably practicable following the despatch of the Scheme Circular and Forms of Proxy to the Blackwell Shareholders, despatch by first class post or air mail as appropriate the Option Holder Letters to participants in the Blackwell Share Schemes; and
- 3.7.3 the resolutions to be approved at the Extraordinary General Meeting shall include a resolution to amend the articles of association of Blackwell so that shares issued or transferred on the exercise of any options following the Effective Date will automatically be acquired by Wiley in consideration for a cash payment equal to the amount which would have been payable for such shares under the Scheme (less an amount equal to the stamp duty payable in respect of such acquisition).

4 **Information on Wiley, the Guarantor and Blackwell**

Each of Wiley, the Guarantor and Blackwell shall:

- 4.1 co-operate and consult with each other in the preparation, finalisation and/or publication of the Scheme Circular and any other document, notification or filing which is required to be made or which Wiley or Blackwell (as the case may be) reasonably considers to be necessary or appropriate for the purposes of implementing the Acquisition and the Scheme (including for the avoidance of doubt all anti-trust and other regulatory filings and all communications to participants in the Blackwell Share Schemes); and
- 4.2 use all reasonable endeavours to take all steps necessary (and shall procure that each of their respective Group Companies and their, and their respective Group Companies', directors and employees shall, and shall use all reasonable endeavours to procure that their respective auditors and other professional advisers shall, use all reasonable endeavours to take all steps necessary) to provide the information necessary or reasonably desirable for inclusion in the Scheme Circular and any other documentation, filings and/or notifications referred to in Clause 4.1 to the extent not already provided prior to the date of this Agreement.

5 **Conditions to and timetable for the Scheme and the Acquisition**

- 5.1 The Parties agree that the implementation of the Scheme is subject to:
- 5.1.1 the satisfaction or, where relevant, waiver of each of Conditions 1, 2, 4 to 6 (inclusive) and 8 at or prior to 8:00 a.m. on the Hearing Date or, if earlier, the time specified in the relevant Condition; and
- 5.1.2 none of Conditions 7, 9 and 10 having been invoked (such that for the purposes of this Agreement, Conditions 7, 9 and 10 shall be "invoked" if: (i) in the case of Condition 7, any Regulatory Authority has given a Regulatory Condition Notice (as defined in Condition 7), (ii) in the case of Condition 9, the provider(s) of funds to Wiley have invoked any Market Material Adverse Change clause (as defined in Condition 9), or (iii) in the case of Condition 10, a material adverse change (as defined in Condition 10) has occurred, and, in any such case, (iv)

Wiley gives notice to Blackwell prior to 8:00 a.m. on the Hearing Date that the relevant Condition is not satisfied.

- 5.1A The Parties agree that the Acquisition is subject to the satisfaction of Condition 3.
- 5.2 It is the Parties' intention that the principal events for the Scheme should take place in accordance with the Timetable and that the Scheme should become Effective on or about 22 January 2007. Nevertheless, each of Blackwell and Wiley acknowledges that the date on which each of the principal events for the Scheme actually takes place, and the date on which the Scheme actually becomes Effective, will be determined by a number of factors outside the control of either of them, including (without limitation) the availability of Court time.
- 5.3 Notwithstanding Clause 5.2, Blackwell undertakes to Wiley that it will use all reasonable endeavours to give effect to all reasonable requests by Wiley in respect of the dates and times upon which the principal events for the Scheme (including changes to the Hearing Date), are to take place.
- 5.4 Without prejudice to Clause 3.6, Wiley shall subject to any applicable laws and regulations and Blackwell shall (i) subject to any applicable laws and regulations and (ii) in the case of Clauses 5.4.2 and 5.4.3, save where to do so following the Meetings would constitute a breach of the fiduciary duties of the Blackwell Directors, use all reasonable endeavours to:
 - 5.4.1 procure that Conditions 1 and 2 are satisfied as soon as reasonably practicable;
 - 5.4.2 procure that Conditions 3 to 6 (inclusive) and 8 are satisfied as soon as reasonably practicable; and
 - 5.4.3 implement the Acquisition upon the terms of this Agreement.
- 5.5 Blackwell undertakes to Wiley that, subject to (i) each of Conditions 1, 2, 4 to 6 (inclusive) and 8 having been satisfied or, where relevant, waived, (ii) none of Conditions 7, 9 and 10 having been invoked, and (iii) the Scheme having been sanctioned by the Court, it will take all action necessary to make the Scheme Effective prior to the Long-stop Date.
- 5.6 Blackwell undertakes that it will not allot or issue any shares in the capital of Blackwell after the date of this Agreement other than the New Blackwell Shares to be issued in accordance with the Scheme until the time at which the Scheme and the reduction of share capital of Blackwell provided for by the Scheme become Effective.
- 5.7 Subject to (i) the satisfaction or waiver of Conditions 1, 2, 4 to 6 (inclusive) and 8 and (ii) none of Conditions 7, 9 and 10 having been invoked, in each case at or prior to the Court Hearing, Wiley undertakes to Blackwell and the Blackwell Shareholders that it will undertake to the Court to be bound by the Scheme and that it will:
 - 5.7.1 take all action necessary to make the Scheme Effective prior to the Long-stop Date;
 - 5.7.2 pay to, or for the account of, each of the Blackwell Shareholders a cash sum of:

- 5.7.2.1 £353.07 in cash for each A Share held by that Blackwell Shareholder;
- 5.7.2.2 £89.95 in cash for each B Share held by that Blackwell Shareholder;
- 5.7.2.3 £89.95 in cash for each C Share held by that Blackwell Shareholder; and
- 5.7.2.4 to the extent that the same constitute Scheme Shares only, £1.00 in cash for each Subscriber Share held by that Blackwell Shareholder,

and accordingly the aggregate consideration payable for the issued share capital of Blackwell shall be £564,632,193 (or, if the Scheme is not approved at the Court Meeting of the holders of the Subscriber Shares only, £564,632,191); and

- 5.7.3 as soon as reasonably practicable, and in any event within four Business Days, after the Effective Date, settle the total amount of consideration due to each Blackwell Shareholder in accordance with the Blackwell's register of members, in each case in accordance with the Scheme and the representations made to Blackwell Shareholders in the Scheme Circular.
- 5.8 Blackwell and Wiley shall co-operate together to agree a satisfactory mechanism for delivering payment of the amounts due to Blackwell Shareholders pursuant to Clause 5.7.3.

6 Covenants

6.1 Blackwell

6.1.1 During the period from the date of this Agreement and continuing until the earlier of the termination of this Agreement pursuant to Clause 8 or the Effective Date (the "Relevant Period"), Blackwell undertakes (and undertakes, so far as it is able, to cause its subsidiaries) to Wiley, except to the extent that Wiley shall otherwise consent in writing, to carry on its business in all material respects in the usual, regular and ordinary course and in substantially the same manner as conducted before the date of this Agreement.

6.1.2 In addition, and without prejudice to the generality of Clause 6.1.1 above, without the prior written consent of Wiley, such consent not to be unreasonably withheld or delayed, except as expressly contemplated by this Agreement in connection with the transactions contemplated by this Agreement or pursuant to commitments existing as at the date of this Agreement and Disclosed, Blackwell shall not, and shall procure that its subsidiaries shall not, do any of the following during the Relevant Period:

- 6.1.2.1 amend its memorandum or articles of association;
- 6.1.2.2 enter into any partnership, joint venture arrangement, distribution arrangement or strategic alliance;

- 6.1.2.3 adopt or amend any employee benefit, bonus or profit sharing scheme (including without limitation any scheme having share purchase or share option provisions) unless such amendment is required to preserve any statutory corporation tax deductions available to any member of the Blackwell Group;
- 6.1.2.4 declare, set aside or pay any dividends on or make any other distribution (whether in cash, shares or other property) in respect of any share capital, or split, combine or reclassify any share capital or issue or authorise the issuance of any other securities in respect of, in lieu of or in substitution for any share capital, except for the payment of dividends by subsidiaries of Blackwell which are wholly owned by Blackwell to Blackwell or to another wholly-owned subsidiary undertaking of Blackwell;
- 6.1.2.5 allot, issue, or authorise or propose the issuance of any share capital or any securities convertible into share capital, or rights, warrants or options to acquire any share capital, or any securities convertible into share capital, or enter into other agreements or commitments of any character obligating it to issue any such shares or convertible securities, or permit any subsidiary undertaking to do any of the foregoing, whether with respect to its own share capital (or securities convertible into or rights exercisable therefor or otherwise obligating the issuance thereof) or the share capital of Blackwell (or securities convertible into the same or rights exercisable therefor or otherwise obligating the issuance thereof), or purchase or redeem, or repay or announce any proposal to purchase, redeem or repay any of its own shares or other securities or reduce or make any other change to any part of its share capital;
- 6.1.2.6 acquire or agree to acquire by merging or consolidating with, or by purchasing any equity interest in or a material portion of the assets of, or by any other manner, any business or any body corporate, partnership interest, association or other business organisation or division thereof if the aggregate consideration payable by members of the Blackwell Group in respect of (i) any single transaction is in excess of £500,000 or (ii) all such transactions is in excess of £2 million;
- 6.1.2.7 sell, lease, license, encumber or otherwise dispose of any property or asset (including real estate), or any right (including intellectual property rights) (in the case of a sale, lease, license or other disposal of any intellectual property right, other than to another member of the Blackwell Group), if (i) the fair market value of any such individual property, asset or right is in excess of £500,000 or (ii) the aggregate fair market value of all such properties, assets and rights is in excess of £2 million or (iii) such property, right or asset is otherwise material to the Blackwell Group taken as a whole;
- 6.1.2.8 make any loan to any person or entity, or incur any indebtedness for borrowed money or guarantee any such indebtedness or issue or sell any debt securities or warrants or rights to acquire debt

securities of Blackwell or guarantee any debt securities of others, except for:

- (i) (in the case of loans) advances to employees for travel and business expenses in the ordinary course of business, consistent with past practices, or other loans by members of the Blackwell Group in an aggregate principal amount not exceeding £35,000; and
- (ii) (in the case of borrowings and guarantees) ordinary course trade payables and short-term borrowings (including the guarantee of subsidiary undertaking indebtedness) in the ordinary course of business pursuant to and within the limits imposed by facilities existing at the date of this Agreement;

- 6.1.2.9 either (i) incur any capital expenditure or any capital commitment which is in excess of £100,000 per individual item of capital expenditure or individual capital commitment, in either case which is not required to be incurred to complete an existing project or pursuant to a binding contractual obligation existing at the date of this Agreement which has been Disclosed, (ii) enter into any new capital expenditure commitment in excess of £100,000, (iii) increase any existing capital expenditure commitment by more than £100,000, or (iv) dispose of or realise any capital asset having a fair market value in excess of £100,000 or any interest in any such asset;
- 6.1.2.10 pay or delay paying any royalties, or any Blackwell Group Company's trade creditors, issue invoices, or seek to enforce payment from any Blackwell Group Company's trade debtors, in each case otherwise than in accordance with the relevant Blackwell Group Company's usual and established practice;
- 6.1.2.11 factor any of its debts or accounts receivable or accelerate the collection of accounts receivable by offering a discount not in the ordinary course;
- 6.1.2.12 other than in the ordinary course of its business, enter into any finance or operating lease or guarantee, hire purchase or other similar agreement;
- 6.1.2.13 take any action which is intended to, and does, result in any Blackwell Group Company collecting debts from any person (including but not limited to subscription agents or customers) more rapidly than is consistent with the Blackwell Group's usual and established practice save to the extent that the aggregate amount of all such more rapidly collected debts is less than £50,000;
- 6.1.2.14 provide any gratuitous payment or gratuitous benefit to any employee of the Blackwell Group or to any of his or her dependants or to any Blackwell Shareholder if the amount of such payment or the cost to the relevant member of the Blackwell Group of providing such benefit is in excess of £1,000;

- 6.1.2.15 amend in any material respect or terminate any contract which is material to any Blackwell Group Company ; or
- 6.1.2.16 enter into or agree to enter into or renew any non author or non society contract (including without limitation any purchasing or currency hedging contract which will require expenditure by the Blackwell Group of greater than £100,000 per annum;
- 6.1.2.17 prepay or accelerate, or otherwise amend to a material extent the terms of, the current debt facilities of the Blackwell Group or obtain any additional borrowing facility or grant any further new security for borrowing in the nature of indebtedness;
- 6.1.2.18 make any capital contribution or gift for share capital or securities in any other company;
- 6.1.2.19 save as provided for in the Settlement Agreement, either (i) employ or engage, or agree to employ or engage, for a period of more than 6 months, any person to whom a salary or fees in excess of £75,000 per annum is payable, (ii) terminate the employment or engagement of any such person otherwise than for reasonable cause, (iii) (other than in the ordinary course of such person's annual salary review) amend to a material extent the terms of employment or engagement of, or the terms of any bonus arrangement with, any such person, or (iv) (other than in the ordinary course of such person's annual salary review) enter into any new bonus arrangement with any such person;
- 6.1.2.20 unless required to comply with statutory requirements, introduce or amend any policy relating to the employment, benefits, or termination of employment (whether in connection with redundancy or otherwise) of any group of employees employed by any member of the Blackwell Group;
- 6.1.2.21 settle any litigation for an amount to be paid in excess of £50,000 or take or initiate any proceedings against Blackwell Limited in relation to any trademark registered in the name of, or applied for by, Blackwell Limited;
- 6.1.2.22 except in accordance with the Pensions Agreement Letter, enter into any agreement or arrangement with the trustees of the Fund with respect to any prospective variation of the contribution levels applicable to the Fund;
- 6.1.2.23 other than in respect of Blackwell Polity Limited wind-up, dissolve or reorganise any Blackwell Group Company or, subject always to the requirements of the Court, appoint a receiver, administrative receiver, administrator, trustee or similar officer in respect of all or any of the assets or revenues of any Blackwell Group Company or effect any analogous proceedings in any jurisdiction;
- 6.1.2.24 make any payment, grant any future benefit or transfer any asset to, or assume or incur any liability for the benefit of (or

indemnify any such person in respect of any such liability) any of the Blackwell Shareholders or any of their connected persons or any entity in which any Blackwell Shareholder has a financial or equity interest (whether by reason of a shareholding or otherwise) excluding payments of salary or bonus pursuant to any contract of employment, consultancy agreement or bonus scheme (as the case may be) details of which have been Disclosed, and director's fees paid in the ordinary course of business and in a manner consistent with past practice;

- 6.1.2.25 waive any amount in excess of £1,000 owed to any Group Company by any of the Blackwell Shareholders;
- 6.1.2.26 vary (otherwise than to the extent reasonably necessary to reflect the ongoing commercial requirements of the business) or terminate any of the insurance policies in force at the date of this Agreement or wilfully do or omit to do anything which may render any of such policies void or voidable prior to the Effective Date;
- 6.1.2.27 agree in writing or otherwise to take any of the actions described above.
- 6.1.3 To the extent that any existing insurance policy of any Blackwell Group Company is due to expire prior to the Effective Date, Blackwell shall consult with Wiley in respect of the renewal of such policy and shall act upon Wiley's reasonable requests in respect of such renewal, in each case to the extent reasonably practicable in the circumstances. Without prejudice to the foregoing, if any insurance policy of any Blackwell Group Company would otherwise expire prior to the Effective Date, Blackwell shall renew such insurance policy in the ordinary course of business for a term not exceeding one year from the date on which it is renewed.
- 6.1.4 Notwithstanding anything contained in this Clause 6, Blackwell shall be entitled to pay the professional fees and disbursements of PricewaterhouseCoopers LLP and Macfarlanes (including Counsel's fees and disbursements) and the fees and expenses JPMorgan Cazenove Limited and other relevant advisers incurred by Blackwell in connection with the transactions contemplated by this Agreement up to a maximum of £4,722,190 plus applicable VAT. Save as expressly provided in this Clause 6.1.4, Blackwell shall not undertake any obligation to pay any other fees incurred by Blackwell or the Blackwell Shareholders in connection with the transactions contemplated by this Agreement save to the extent that the Parties have agreed in writing to a corresponding reduction in the aggregate Consideration and in no event shall Wiley or the Guarantor directly or indirectly be responsible for any such fees except to the extent the Parties have agreed in writing to a corresponding reduction in the aggregate Consideration.
- 6.1.5 Blackwell shall duly file the Regulatory Clearance Applications as soon as reasonably practicable after the date of this Agreement (and in any event within 5 Business Days after the date of this Agreement).
- 6.1.6 Blackwell shall co-operate with Wiley (including providing to Wiley all reasonably requested information, to the extent possible taking into account any applicable legal, regulatory confidentiality obligations) in connection with the Regulatory Clearance Applications.

- 6.1.7 Notwithstanding anything contained in Clause 6.1.2 and without prejudice to the generality of Clauses 6.1.5 and 6.1.6, Blackwell agrees to use all reasonable endeavours (and Wiley agrees that Blackwell is entitled to take all reasonable steps and incur all reasonable expense) to avoid the entry of, or to effect the dissolution of, any injunction, temporary restraining order or other order in any suit or proceedings that would otherwise prevent the Scheme becoming Effective, provided that Blackwell shall not be required to take any action under this Clause 6.1.7 which the Blackwell Directors acting reasonably and in good faith having taken professional legal advice conclude would be inconsistent with their fiduciary duties.
- 6.1.8 Blackwell shall consult with Wiley throughout all processes to be followed in relation to the Regulatory Clearance Applications and shall, as soon as is reasonably practicable, inform Wiley of the content of any filing, meeting or material conversation which takes place between any such competition authority and Blackwell or any of its employees, directors, officers or professional advisers in relation to any regulatory filings made by it pursuant to this Agreement taking into account any applicable confidentiality obligations.
- 6.1.9 Blackwell undertakes to Wiley that it shall not, and that it shall procure that no Blackwell Group Company nor any of its or their respective directors or professional advisers shall, solicit an offer or approach from any party:
- 6.1.9.1 to acquire all or a substantial part of the share capital or assets of Blackwell or any Blackwell Group Company; or
 - 6.1.9.2 with a view to undertaking a transaction which is an alternative to the Acquisition,
- and, shall (i) promptly inform Wiley of any such offer or approach from any party and, (ii) shall not enter into discussions or negotiations or enter into any agreement or arrangement with any person in relation to any such offer or approach except where to fail to do so would constitute a breach of the Blackwell Directors' fiduciary duties.
- 6.1.10 On or prior to 18 December 2006 Blackwell shall deliver the Cash Certificate to Wiley together with (i) copy bank statements of Blackwell Group Companies dated at 13 December 2006 and (ii) in respect of each account to which such copy bank statements relate, a schedule of receipts not lodged and payments drawn but not cleared as at the 15 December 2006. The amount of Cash in the Cash Certificate shall be stated in pounds sterling and for these purposes amounts in currencies other than pounds sterling which are to be taken into account in calculating the amount of Cash shall be converted at the pound sterling exchange rate for such currencies published in The Financial Times of London on 15 December 2006.
- 6.1.11 Wiley acknowledges and agrees that, notwithstanding that the Cash Certificate will be signed by a Blackwell Director for and on behalf of Blackwell, such Blackwell Director shall not under any circumstances incur any personal liability by reason of his being the officer of Blackwell who signs the Cash Certificate for and on behalf of Blackwell, save in the event of his fraud.
- 6.1.12 During the Relevant Period Blackwell shall co-operate with all reasonable proposals made by Wiley in relation to all intellectual property matters relating to

the use of the word "Blackwell" by Blackwell Limited in relation to publishing and, in that connection, any action relating to any trademarks registered in the name of, or applied for by, Blackwell Limited provided that nothing in this Clause 6.1.12 shall oblige Blackwell to take any action which Blackwell, acting reasonably, does not consider to be in the commercial best interests of Blackwell.

6.2 Wiley and the Guarantor

6.2.1 Wiley and the Guarantor shall duly make all regulatory filings required to be made by them respectively or jointly prior to the Effective Date in respect of this Agreement or the transactions contemplated hereby (including, without limitation, those necessary to procure satisfaction of the Regulatory Conditions) as soon as reasonably practicable after the date of this Agreement (and in any event within five Business Days after the date of this Agreement).

6.2.2 Wiley shall co-operate with Blackwell (including providing to Blackwell all reasonably requested information, to the extent possible taking into account any applicable legal, regulatory or confidentiality obligations) in connection with all regulatory filings to be made by Blackwell prior to the Effective Date in respect of this Agreement or the transactions contemplated hereby.

6.2.3 Without prejudice to the generality of Clauses 6.2.1 and 6.2.2, Wiley and the Guarantor each agrees to use reasonable endeavours to:

6.2.3.1 submit the Regulatory Clearance Applications to the relevant regulatory bodies as soon as reasonably practicable after the date of this Agreement (and in any event within five Business Days after the date of this Agreement);

6.2.3.2 comply with any request for additional information under the HSR Act;

6.2.3.3 obtain prompt termination of any waiting period in connection with the Regulatory Clearance Applications; and

6.2.3.4 avoid the entry of, or to effect the dissolution of, any injunction, temporary restraining order or other order in any suit or proceedings that would otherwise prevent the Scheme becoming Effective.

6.2.4 Wiley and the Guarantor shall consult with Blackwell throughout all processes to be followed in relation to the Regulatory Clearance Applications and shall, as soon as is reasonably practicable, inform Blackwell of the content of any filing, meeting or material conversation which takes place between any such competition authority and Wiley and/or the Guarantor or any of its employees, directors, officers or professional advisers in relation to any regulatory filings made by it pursuant to this Agreement taking into account any legal, regulatory or other applicable confidentiality obligations.

7 Warranties

7.1 Blackwell undertakes, represents and warrants to Wiley that, as at the date of this Agreement and as at the Effective Date:

- 7.1.1 it is, and will be, duly incorporated under the laws of England;
- 7.1.2 it has, and will have, all necessary power and authority to enter into this Agreement and, subject to satisfaction of the Conditions, to implement the Scheme;
- 7.1.3 this Agreement constitutes, and will constitute, a legally valid, binding and enforceable obligation of Blackwell; and
- 7.1.4 its entry into this Agreement will not result in any Blackwell Group Company breaching any agreement to which such company is a party, law or its constitutional documents.
- 7.2 The Guarantor and Wiley undertake, represent and warrant to Blackwell and the Blackwell Shareholders that, as at the date of this Agreement and as at the Effective Date:
 - 7.2.1 Wiley is, and will be, duly incorporated under the laws of England and is, and will remain as at the Effective Date, a wholly-owned subsidiary undertaking of the Guarantor;
 - 7.2.2 Wiley has, and will have, all necessary power and authority to enter into this Agreement and to implement the Scheme;
 - 7.2.3 this Agreement constitutes, and will constitute, a legally valid, binding and enforceable obligation of Wiley; and
 - 7.2.4 its entry into this Agreement will not result in Wiley breaching any agreement to which it is a party, law or its constitutional documents.
- 7.3 The Guarantor undertakes, represents and warrants to Blackwell and the Blackwell Shareholders that, as at the date of this Agreement and as at the Effective Date:
 - 7.3.1 it is, and will be, duly incorporated under the laws of New York;
 - 7.3.2 it has, and will have, all necessary power and authority to enter into this Agreement and to implement the Scheme;
 - 7.3.3 this Agreement constitutes, and will constitute, a legally valid, binding and enforceable obligation of the Guarantor; and
 - 7.3.4 its entry into this Agreement will not result in the Guarantor breaching any agreement to which it is a party, law or its constitutional documents.

8 **Termination**

- 8.1 The obligations of Wiley and Blackwell to implement the Scheme and consummate the Acquisition may be terminated at any time prior to 11:59 p.m. on the day immediately prior to the Hearing Date (for the avoidance of doubt, whether before or after the Court Meetings):
 - 8.1.1 by mutual written consent of the Parties;

8.1.2 by either Blackwell or Wiley by written notice to the other in accordance with Clause 14 if the resolutions proposed at any of the Meetings (excluding, for this purpose, the Court Meeting of the holders of the Subscriber Shares) are voted upon but shall not have been duly passed thereat (save to the extent that the non-satisfaction of the relevant Condition can be and is waived by the Parties). For the avoidance of doubt, if a meeting is adjourned, the date that a particular resolution is put to Blackwell Shareholders will, for all purposes, be the date of the reconvened meeting at which the vote on that resolution is actually held;

8.1.3 by Wiley by written notice to Blackwell in accordance with Clause 14:

8.1.3.1 in the event of the non-satisfaction of either or both of Conditions 4 and, in the case of non-satisfaction of the same as a result of non-compliance by Blackwell of its obligations pursuant to the same, Condition 8, or any or all of Conditions 7, 9 or 10 having been invoked; or

8.1.3.2 if Blackwell is in material breach of this Agreement.

8.1.4 by Blackwell by written notice to Wiley in accordance with Clause 14 if Wiley is in material breach of this Agreement or if Wiley is not or ceases to be a wholly-owned subsidiary undertaking of the Guarantor or if Condition 8 is not satisfied as a result of non-compliance by Wiley of its obligations pursuant thereto.

8.2 The obligations of Blackwell and Wiley to implement the Scheme and consummate the Acquisition shall be terminated (without prejudice to either Party's rights in respect of any prior breach of this Agreement) if the Effective Date shall not have occurred prior to the Long-stop Date (or such later date as the Parties may agree in writing).

8.3 Notice of termination under Clause 8.1 shall be given in accordance with Clause 14, provided that, in the case of such a notice served on the day immediately prior to the Hearing Date by hand or email only, the reference to "Business Hours" in Clause 14.2.1 shall mean 9.00 a.m. to 11.59 p.m. in the place at or to which the notice is left or despatched. In the event of termination pursuant to Clause 8.1 or 8.2, this Agreement shall be of no further force or effect except:

8.3.1 this Clause 8.3 and Clauses 9 to 11, 12.5, 12.6, 12.9 to 12.15, 13, 14 and 15 each of which shall survive such termination; and

8.3.2 nothing in this Clause 8 shall relieve any Party from liability for any prior breach of this Agreement.

9 Damages and Inducement Fee

9.1 Notwithstanding Clause 9.2, in the event of any of the following:

9.1.1 the Meetings have not been held prior to the Long-stop Date in circumstances in which:

9.1.1.1 Conditions 5, 6 and 8 have each been satisfied prior to the Long-stop Date and none of Conditions 7, 9 and 10 has been invoked as at 00:01 a.m. on the Long-stop Date;

- 9.1.1.2 this Agreement has not been terminated pursuant to Clause 8.1.1 or 8.1.4; and
- 9.1.1.3 Wiley is not in material breach of any provision of this Agreement; or
- 9.1.2 the Blackwell Shareholders (excluding, for this purpose, the holders of the Subscriber Shares in respect of the Subscriber Shares only) do not approve the resolutions necessary to implement the Scheme in a manner which is consistent with this Agreement;
- 9.1.3 the Blackwell Directors shall resolve that for them to cause Blackwell to fulfil its obligations under any of Clauses 3.6.4, 3.6.5, 5.4.2 or 5.4.3 would constitute a breach of their fiduciary duties and the Scheme does not become Effective;
- then Blackwell shall pay to Wiley (if Clauses 9.1.1 or 9.1.3 applies, within ten Business Days of the Long-stop Date, or if Clause 9.1.2 applies, within ten Business Days of the first of the Meetings at which the Scheme fails to be so approved by the Blackwell Shareholders (excluding, for this purpose, the holders of the Subscriber Shares in respect of the Subscriber Shares only), as appropriate) the Inducement Fee.
- 9.2 In the event that either Wiley or Blackwell terminates this Agreement for a material breach by the other pursuant to Clause 8.1.3.2 or 8.1.4, the damages recoverable by Wiley, Blackwell or the Blackwell Shareholders (as the case may be) for any such breach shall be limited to the costs, liabilities and expenses directly incurred or suffered by such Party (whether before or after the date of this Agreement) in connection with or for the purposes of the transactions contemplated by this Agreement, including reasonable fees and disbursements of professional advisers, but for the avoidance of doubt excluding any losses incurred due to any change in the market value of the Scheme Shares and any costs or expenses associated with the Fund.
- 9.3 The amount of the Inducement Fee shall be exclusive of VAT (if any) payable thereon.
- 9.4 If:
- 9.4.1 the Inducement Fee shall become payable by Blackwell to Wiley by virtue of the provisions of Clause 9.1.2 only; and
- 9.4.2 at any time prior to the date 12 months after the date of this Agreement, (i) Wiley or any Group Company of Wiley and (ii) Blackwell, any member(s) of the Blackwell Group and/or holders of shares in the capital of Blackwell enter into legally binding arrangements for the sale and purchase of Blackwell, any member(s) of the Blackwell Group or the whole, or substantially the whole, of the business and assets of the Blackwell Group
- then the consideration payable by Wiley in respect of such sale and purchase shall be increased (on a pound for pound basis) by the amount of the Inducement Fee paid pursuant to Clause 9.1.

10

Confidentiality

10.1

Subject to the provisions of this Clause 10, none of the Parties shall prior to the Effective Date issue any press release or publish any circular or any other public document or make any public statement relating to or connected with or arising out of this Agreement, the Scheme, the Acquisition or the matters contemplated hereby, without first consulting with the other Parties and giving proper consideration to the reasonable requirements of the other Parties as to the content of such press release, circular, public document or public statement (where it is reasonably practicable to do so in the circumstances).

10.2

The provisions of Clause 10.1 do not apply to the Announcement or to any announcement relating to or connected with or arising out of this Agreement, the Scheme or the Acquisition required to be made by virtue of the requirements of any applicable law or regulation or, in the case of Wiley only, the New York Stock Exchange.

11

Third party rights

11.1

Save as provided in Clause 11.2 below, no term of this Agreement shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a third party but this does not affect any right or remedy of a third party which exists or is available apart from under that act.

11.2

The provisions of Clauses 5.7, 7.2, 7.3 and 13 are made for the benefit of Blackwell and the Blackwell Shareholders and, accordingly, may be enforced by the Blackwell Shareholders pursuant to, and subject to the conditions of, this Clause 11.

11.3

The provisions of Clause 6.1.11 are made for the benefit of the Blackwell Director who signs the Cash Certificate and, accordingly may be enforced by such Blackwell Director pursuant to, and subject to the conditions of, this Clause 11.

11.4

The Parties agree that the Blackwell Shareholders and the Blackwell Director who signs the Cash Certificate shall be entitled under the Contracts (Rights of Third Parties) Act 1999 to enforce the rights given to the Blackwell Shareholders and to such Blackwell Director pursuant to this Clause 11.

11.5

The right of the Blackwell Shareholders to enforce the terms referred to in Clause 11.4 is further subject to the following:

11.5.1

those rights may be enforced by the Blackwell Shareholders only through the Blackwell Shareholder Representative, acting on their behalf;

11.5.2

Clauses 9.2, 12.5 and Clauses 12.9 to 12.13 shall apply to the enforcement of those rights as though each Blackwell Shareholder were a Party;

11.5.3

Clause 14 shall apply to the service of notices by and to the Blackwell Shareholders Representatives.

11.6

Notwithstanding the provisions of this Clause 11 and that any term of this Agreement may be or become enforceable by a third party, the Parties agree that the terms of this Agreement or any of them may be varied, amended or modified

or this Agreement may be rescinded, suspended, cancelled or terminated by agreement in writing between the Parties without the consent of any such third party.

12 **General**

- 12.1 Blackwell shall do or procure to be done all such further acts and things and execute or procure the execution of all such other documents as Wiley may from time to time reasonably require for the purpose of giving Wiley the full benefit of the provisions of this Agreement enforceable by Wiley.
- 12.2 Wiley and the Guarantor shall do or procure to be done all such further acts and things and execute or procure the execution of all such other documents as Blackwell and/or the Blackwell Shareholder Representative may from time to time reasonably require for the purpose of giving Blackwell and/or the Blackwell Shareholders the full benefit of the provisions of this Agreement enforceable by them respectively.
- 12.3 In particular (and without prejudice to the provisions of Clauses 3 to 5), each Party agrees to use all reasonable endeavours (and Wiley agrees that notwithstanding anything contained in Clause 6, Blackwell is entitled to incur all reasonable expense for this purpose) to take, or cause to be taken, all actions, and to do, or cause to be done, and assist and co-operate with the other Parties in doing all things necessary, proper or advisable in connection with the transaction contemplated by this Agreement:
- 12.3.1 to obtain all necessary actions or confirmations, non-actions, waivers, consents and approvals from all relevant governmental and regulatory authorities and to make of all necessary registrations and filings (including filings with and notifications to such authorities, if any) and to take all reasonable steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any such authority;
- 12.3.2 to obtain all necessary consents, approvals or waivers from third persons;
- 12.3.3 to defend any lawsuits or other legal proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the transactions contemplated by this Agreement, including seeking to have any stay or temporary restraining order entered by any court or other governmental or legal authority vacated or reversed; and
- 12.3.4 to execute and deliver any additional deeds, agreements or instruments necessary to consummate the transactions contemplated by, and to fully carry out the purposes of this Agreement.
- 12.4 No provision of this Agreement is intended to, or shall, operate so as to prohibit Blackwell or Wiley (or any of their respective Group Companies) from taking all such steps as may be necessary to comply with the provisions of the Pensions Agreement Letter and the Settlement Agreement and any laws or regulatory provisions applicable to the matters envisaged therein.
- 12.5 Each Party acknowledges that damages may not be an adequate remedy to the other Parties for breach of this Agreement and that accordingly the Party not in breach may be entitled to obtain the remedy of specific performance and/or other

injunctive relief for breach (actual, anticipated or prospective) in addition to any other remedy.

- 12.6 This Agreement and the documents referred to herein constitute the entire agreement and understanding of the Parties with respect to the subject matter hereof. Each of the Parties acknowledges and agrees that in entering into this Agreement, and the documents referred to herein, it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether Party to this Agreement or not) other than as expressly set out in this Agreement. Nothing in this Clause 12.6 shall, however, operate to limit or exclude any liability for fraud.
- 12.7 Each Party shall pay its own costs and expenses of and incidental to this Agreement, the Scheme and the Acquisition.
- 12.8 This Agreement shall, as to any of its provisions remaining to be performed or capable of having or taking effect following the Effective Date remain in full force and effect notwithstanding the Effective Date.
- 12.9 This Agreement shall be binding upon and enure for the benefit of the successors and permitted assigns of the Parties.
- 12.10 No Party shall be entitled to assign its respective rights or obligations under this Agreement without the prior written consent of the other Parties provided that all or any of Wiley's rights under this Agreement may be assigned or transferred by Wiley to or in favour of any other then current member of the Wiley Group.
- 12.11 The failure of any Party at any time or times to require performance of any provision of this Agreement shall not affect its right to enforce such provision at a later time.
- 12.12 No waiver by any Party of any condition or of the breach of any term, covenant, representation, warranty or undertaking contained in this Agreement whether by conduct or otherwise, in any one or more instances shall be deemed to be construed as a further or continuing waiver of any such condition or breach or a waiver of any other condition or of the breach of any other term, covenant, representation, warranty or undertaking in this Agreement.
- 12.13 Any liability to any Party under this Agreement may in whole or in part be released, compounded or compromised and time or indulgence may be given by the other Parties in their absolute discretion without in any way prejudicing or affecting any of its other rights in relation to the same or similar matter.
- 12.14 This Agreement may be amended, modified, superseded or cancelled and any of its terms, covenants, representations, warranties or undertakings may be waived only by an instrument in writing signed by (or by some person duly authorised by) each of the Parties and following the Effective Date, the Shareholder Representative or, in the case of a waiver, by the Party (or Shareholder Representative for any waiver following the Effective Date) waiving compliance.
- 12.15 This Agreement may be executed in any number of counterparts, each of which when executed shall be an original, but all of which when taken together shall constitute a single instrument.

13

Guarantee

13.1

In consideration of Blackwell entering into this Agreement, the Guarantor hereby unconditionally and irrevocably guarantees to Blackwell and the Blackwell Shareholders the due and punctual performance and observance by Wiley of all its obligations, warranties and covenants under or pursuant to this Agreement (which term shall, where it is used in this Clause 13, include this Agreement as amended, supplemented or extended from time to time) and irrevocably and unconditionally undertakes to Blackwell and the Blackwell Shareholders that, if Wiley shall fail in any respect to fulfil any of such obligations or shall be in breach of any of such warranties or covenants, the Guarantor will indemnify Blackwell and the Blackwell Shareholders against all losses, damages, costs, charges and expenses which may be suffered or reasonably incurred by Blackwell and/or the Blackwell Shareholders (as the case may be) by reason of such failure or breach. The liability of the Guarantor under this Clause 13.1 shall not be released or diminished by any rearrangement or alteration of terms (whether of this Agreement or otherwise) or any forbearance, neglect or delay in seeking performance of the obligations hereby imposed or any granting of time for such performance.

13.2

If and whenever Wiley defaults for any reason whatsoever in the performance of any obligation or liability undertaken or expressed to be undertaken by it under or pursuant to this Agreement, the Guarantor shall forthwith upon demand unconditionally perform (or procure performance of) and satisfy (or procure the satisfaction of) the obligation or liability in regard to which such default has been made in the manner prescribed by this Agreement and so that the same benefits shall be conferred on Blackwell or (as the case may be) the Blackwell Shareholders as it or they would have received if such obligation or liability had been duly performed and satisfied by Wiley. The Guarantor hereby waives any rights which it may have to require Blackwell or the Blackwell Shareholders to proceed first against or claim payment from Wiley to the intent that as between Blackwell or, as the case may be, the Blackwell Shareholders and the Guarantor the latter shall be liable as principal obligor as if it has entered into all undertakings, agreements and other obligations jointly and severally with Wiley.

13.3

This guarantee is to be a continuing security to Blackwell and the Blackwell Shareholders for all obligations, warranties and covenants on the part of Wiley under or pursuant to this Agreement and shall not be satisfied, discharged or affected by an intermediate payment or settlement of account by, or change in the constitution or control of, or the insolvency of or winding-up or analogous proceeding relating to, Wiley or by any other matter or thing whatsoever.

13.4

The Guarantor's liability under Clause 13.1 shall not be affected by any arrangements which Blackwell or the Blackwell Shareholders may make with Wiley or with another person which (but for this Clause 13.4) might operate to diminish or discharge the liability of or otherwise provide a defence to a surety.

13.5

This guarantee and indemnity is in addition to and without prejudice to and not in substitution for any rights or security which Blackwell or the Blackwell Shareholders may now or hereafter have or hold for the performance and observance of the obligations, commitments, undertakings, covenants, indemnities and warranties of Wiley under or in connection with this Agreement.

13.6 In the event of the Guarantor having taken or taking any security from Wiley in connection with this guarantee and indemnity, the Guarantor hereby undertakes to hold the same in trust for Blackwell and the Blackwell Shareholders pending discharge in full of all Wiley's obligations under this Agreement. The Guarantor shall not, after any claim has been made pursuant to this Clause 13, claim from Wiley any sums which may be owing to it from Wiley or have the benefit of any set-off or counterclaim or proof of debt against Wiley or any composition or arrangement entered into by Wiley with its creditors or any other payment by Wiley to the Guarantor until all sums owing to Blackwell and the Blackwell Shareholders in respect hereof shall have been paid in full.

13.7 As a separate and independent stipulation, the Guarantor agrees that any obligation expressed to be undertaken by Wiley under this Agreement (including, without limitation, any monies expressed to be payable under this Agreement) which may not be enforceable against or recoverable from Wiley by reason of any legal limitation, disability or incapacity or any other fact or circumstance shall nevertheless be enforceable against or recoverable from the Guarantor as though the same has been incurred by the Guarantor and the Guarantor were sole or principal obligor in respect thereof and shall be performed or paid by the Guarantor on demand.

14 **Notices**

14.1 Any notice to be served in connection with this Agreement shall be in writing and shall be delivered by hand, sent by recorded delivery, first-class post transmitted by fax or email:

14.1.1 in the case of Wiley and the Guarantor to:

Sue Joshua
The Atrium
Southern Gate
Chichester
PO19 8SQ

Fax number: 01243 770481
Email: sjoshua@wiley.co.uk
For the attention of: Sue Joshua, Director of Legal Affairs

(or such other address and/or fax number in the United Kingdom and/or email address as may be notified in writing from time to time by Wiley or the Guarantor (as the case may be) to Blackwell and the Blackwell Shareholder Representative for the purposes of this Clause 14.1)

with a copy to Gary Rinck, 111 River Street, Hoboken, NJ 07 030-5774, USA;

14.1.2 in the case of Blackwell to:

Blackwell Publishing (Holdings) Limited
9600 Garsington Road
Oxford
OX4 2DQ

Fax number: 01865 476774
Email: rene.olivieri@oxon.blackwellpublishing.com
For the attention of: René Olivieri

(or such other address and/or fax number in the United Kingdom and/or email address as may be notified in writing from time to time by Blackwell to Wiley, and the Shareholder Representative for the purposes of this Clause 14.1)

with copies to each of Tim Lewis at Macfarlanes (10 Norwich Street, London EC4A 1BD; 020 7831 9607; tim.lewis@macfarlanes.com) and Charles Harman at JPMorgan Cazenove Limited (20 Moorgate, London EC2R 6DA; 020 7155 9602; charles.harman@jpmorgancazenove.com); and

14.1.3 in the case of the Blackwell Shareholder Representative to:

Nigel Blackwell
Lake House
Pusey
Nr Faringdon
Oxfordshire SN7 8QB

Fax number: 01865 791638
Email: nigel.bl@dial.pipex.com

(or such other address and/or fax number in the United Kingdom and/or email address as may be notified in writing from time to time by the Blackwell Shareholder Representative to the Parties for the purposes of this Clause 14.1)

with a copy to Tim Lewis at Macfarlanes (10 Norwich Street, London EC4A 1BD; 020 7831 9607; tim.lewis@macfarlanes.com).

14.2 Any such notice shall be deemed to have been served as follows:

14.2.1 in the case of delivery by hand, upon delivery (if delivered in Business Hours on a Business Day) or at 9.00 a.m. on the next Business Day (if delivered outside Business Hours);

14.2.2 in the case of service by post, on the third Business Day after the day on which it was posted; and

14.2.3 in the case of transmission by fax or email, at the time it is transmitted (if transmitted in Business Hours on a Business Day) or at 9.00 a.m. on the next Business Day (if delivered outside Business Hours) subject to the sender receiving a receipt indicating complete transmission of the notice.

14.3 Subject as provided in Clause 14.2, in proving such service it shall be sufficient to prove that the notice was properly addressed and left at, posted to or transmitted by fax to that address.

14.4 Each of Wiley and the Guarantor hereby irrevocably appoints the person whose contact details are set out in Clause 14.1.1 above as may be amended from time to time as its agent to receive on its behalf in England service of any notice or proceedings arising out of, or in connection with, this Agreement. Service on such agent in accordance with this Clause 14 shall be deemed completed on delivery to such agent (whether or not such notice or proceedings are forwarded to, and received by, Wiley or the Guarantor (as the case may be)).

15 **Governing law and jurisdiction**

15.1 This Agreement shall be governed by and construed in accordance with the laws of England.

15.2 The Parties hereby submit to the exclusive jurisdiction of the English Courts as regards any claim, dispute or matter arising out of or relating to this Agreement or any of the documents to be executed pursuant to this Agreement.

In witness whereof this Agreement has been executed as a deed on the date first stated above.

Schedule 1

Timetable

<u>Event</u>	<u>Time and/or date</u>
Latest time for lodging:	
the blue Form of Proxy for use at the Court Meeting of the holders of the A Shares	10.30 a.m. on 20 December 2006
the yellow Written Resolution	10.30 a.m. on 20 December 2006
the green Form of Proxy for use at the Court Meeting of the holders of the B Shares	10.35 a.m. on 20 December 2006
the orange Form of Proxy for use at the Court Meeting of the holders of the Subscriber Shares	10.40 a.m. on 20 December 2006
the white Form of Proxy for use at the Class Meeting	10.45 a.m. on 20 December 2006
the pink Form of Proxy for use at the Extraordinary General Meeting	10.50 a.m. on 20 December 2006
Voting Record Time	5.00 p.m. on 20 December 2006
Court Meeting of the holders of the A Shares	10.30 a.m. on 22 December 2006
Court Meeting of the holders of the B Shares	10.35 a.m. on 22 December 2006
Court Meeting of the holders of the Subscriber Shares	10.40 a.m. on 22 December 2006
Class Meeting	10.45 a.m. on 22 December 2006
Extraordinary General Meeting	10.50 a.m. on 22 December 2006
Court Hearing Date	19 January 2007
Scheme Record Time	5.00 p.m. on 19 January 2007
Effective Date	22 January 2007
Latest date of despatch of cheques in respect of Consideration	26 January 2007

Schedule 2

Conditions

- 1 The approval of the Scheme by a majority in number representing three-fourths or more in value of the holders of the Scheme Shares present and voting either in person or by proxy at each of the Court Meetings (or at any adjournment of any of the Court Meetings) (excluding, for this purpose, the Court Meeting of the holders of the Subscriber Shares) ("**Condition 1**").
- 2 The resolution(s) in the Agreed Form required to approve and implement the Scheme being duly passed by the requisite majority at the Extraordinary General Meeting (or at any adjournment of the Extraordinary General Meeting) ("**Condition 2**").
- 3 The Scheme becoming Effective in accordance with its terms by no later than 23:59 on the Long-stop Date ("**Condition 3**").
- 4 The delivery to Wiley of the duly executed Cash Certificate in accordance with Clause 6.1.10 showing a Total Cash Amount equal to or greater than the sum of £78,358,660 and an amount equal to the Pensions Liability ("**Condition 4**").
- 5 All waiting periods applicable to the consummation of the Acquisition under the HSR Act, having expired or been terminated and, on the Effective Date, no order having been entered under the HSR Act or other applicable law of the US that would prohibit the consummation of the Acquisition prior to the Court Hearing ("**Condition 5**").
- 6 One or more of the following events having occurred in respect of merger control in Germany (the earlier of which to occur being decisive):
 - 6.1 receipt by Wiley of a written notification or decision of the German Federal Cartel Office (*Bundeskartellamt*) that the acquisition of Blackwell by Wiley is not prohibited by the German Act Against Restraints of Competition (the "GWB"); or
 - 6.2 the expiry of a period of one month after the German Federal Cartel Office's receipt of the complete notification of the acquisition of Blackwell by Wiley, unless the German Federal Cartel Office has informed Wiley or Blackwell that an examination of the acquisition of Blackwell by Wiley has been initiated (under Section 40 paragraph 1 sentence 1 of the GWB) or has prohibited the acquisition of Blackwell by Wiley
- 7 No Regulatory Authority having given notice in writing (a "Regulatory Condition Notice") that it will permit the Acquisition only if certain conditions, obligations and/or undertakings are satisfied, accepted and/or given by Wiley the effect of which conditions, obligations and/or undertakings, taken together, is material.

For the purposes of this Condition, the effect of one or more conditions, obligations and/or undertakings will be material only if, taken together, it requires or they require the disposal of assets owned by any Blackwell Group Company or any Wiley Group Company (including shares in any Blackwell Group Company

or any Wiley Group Company) the aggregate fair market value of which is greater than the amount which is equal to 7.5 per cent. of the aggregate Consideration ("Condition 7").

8 Wiley and Blackwell having complied (where applicable) with their respective obligations under Sections D, F and G of the Pensions Agreement Letter in relation to the Fund ("Condition 8").

9 The provider(s) of funds to Wiley for the purposes of financing the Acquisition (whether in whole or in part) not having invoked any "Market Material Adverse Change" clause, being a clause:

(i) contained in documentation governing the provision of such funds to Wiley (notwithstanding that such documentation has not been executed prior to the date of this Agreement); and

(ii) in a form agreed by Blackwell (such agreement not to be unreasonably withheld) prior to the execution of such documentation

("Condition 9").

10 No adverse change having occurred to the business, operations, assets, financial condition or turnover of Blackwell and its subsidiaries which is material in the context of the Blackwell Group taken as a whole ("a material adverse change"), PROVIDED THAT:

10.1 none of the matters, changes or events referred to in sub-paragraphs (i) to (and including) (vi) of paragraph 10.2 below shall constitute, whether alone or in combination, a material adverse change; and

10.2 the effect on the Blackwell Group, taken as a whole (hereinafter, "Blackwell"), of each and all, and whether alone or in combination, of the matters, changes or events referred to in paragraphs (i) to (and including) (vi) below shall be deemed not to be or cause or contribute to, and shall not be taken into account in determining whether there has been, a material adverse change.

The matters, changes and events referred to above are:

(i) any announcement by or on behalf of Blackwell or any holder of shares in Blackwell of an intention to sell Blackwell or shares in Blackwell;

(ii) any announcement by or on behalf of Wiley or the Guarantor of an intention to buy Blackwell or shares in Blackwell;

(iii) any announcement related to the execution and delivery of this Agreement or the identity of Wiley or the Guarantor or any announcement relating to the Scheme;

(iv) the performance of this Agreement in accordance with the terms thereof (including, without limitation, the approval of the Scheme by the Blackwell Shareholders and the Scheme becoming Effective);

(v) any announcement, change or threat of change, whether of or by law, regulation, conduct, behaviour or otherwise concerning or relating to the provision by educational, research, medical and academic establishments,

institutes, schools, universities and faculties of open access to research, writings, papers, books, pamphlets or other work product; and

- (vi) changes in (x) economic, regulatory or political conditions (including acts of war, declared or undeclared, armed hostilities and terrorism) financial, securities or other general market conditions or prevailing interest rates (so long as they do not have a disproportionate effect on Blackwell), (y) conditions affecting the publishing industry or the academic and scientific publishing industry or any segment thereof (so long as they do not have a disproportionate effect on Blackwell), or (z) applicable law or accounting standards, principles or interpretations.

For the purposes of this Condition, an adverse change to the business, operations, assets, financial condition or turnover of Blackwell and its subsidiaries will be material in the context of the Blackwell Group taken as a whole only if such adverse change has caused or will cause economic loss to any member or members of the Blackwell Group, or a diminution in the aggregate fair market value of the entire issued share capital of Blackwell, in an amount equal to not less than 7.5 per cent. of the aggregate Consideration

("Condition 10").

Schedule 3

Scheme

IN THE HIGH COURT OF JUSTICE

No. of 2006

CHANCERY DIVISION

COMPANIES COURT

IN THE MATTER OF

BLACKWELL PUBLISHING (HOLDINGS) LIMITED

and

IN THE MATTER OF THE COMPANIES ACT 1985

SCHEME OF ARRANGEMENT

(UNDER SECTION 425 OF THE COMPANIES ACT 1985)

between

BLACKWELL PUBLISHING (HOLDINGS) LIMITED

and

THE SCHEME SHAREHOLDERS

(as hereinafter defined)

Preliminary

(A) In this Scheme the following expressions have the meanings stated, unless they are inconsistent with the subject or context:

A Shares: A (voting) shares of £0.10 each in the capital of the Company;

B Shares: B (restricted voting) shares of £0.10 each in the capital of the Company;

Business Day: any day (excluding Saturdays, Sundays and public holidays) on which banks are open for business in London;

Capital Reduction: the reduction of capital of the Company pursuant to Clause 1.1 of this Scheme;

Companies Act: the Companies Act 1985, as amended;

Company: Blackwell Publishing (Holdings) Limited, a private limited company incorporated in England and Wales under registered number 3162848;

Consideration: the cash consideration payable by Wiley to Scheme Shareholders pursuant to Clause 2 of this Scheme;

Court: the High Court of Justice in England and Wales;

Court Hearing: the hearing by the Court of the petition to sanction the Scheme and to confirm the Capital Reduction;

Court Meetings: the meetings of the holders of each class of the Scheme Shares (other than the C shares) to be convened pursuant to an order of the Court pursuant to section 425 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment) of which notice is set out in Part X of the Scheme Circular and any adjournment thereof (and "Court Meeting" shall be construed accordingly);

Court Order: the order of the Court (i) sanctioning the Scheme under section 425 of the Companies Act and (ii) confirming the Capital Reduction under section 137 of the Companies Act;

C Shares: C (restricted voting) shares of £0.01 each in the capital of the Company;

Effective Date: the date on which the Scheme becomes effective in accordance with its terms;

Guarantor: John Wiley & Sons, Inc., a corporation incorporated under the laws of New York, whose principal place of business is at 111 River Street, Hoboken, NJ 07030-5774;

Minute: the minute (approved by the Court) showing with respect to the Company's share capital, as altered by the Court Order, the information required by section 138 of the Companies Act;

New Shares: the Shares to be created and issued credited as fully paid to Wiley pursuant to the Scheme;

Scheme: this scheme of arrangement under section 425 of the Companies Act between the Company and the Scheme Shareholders in its present form with or subject to any modification hereof or addition hereto or condition approved or imposed by the Court and agreed by the Company;

Scheme Circular: the circular setting out details of this Scheme prepared by the Company and sent to the holders of Shares on 6 November 2006;

Scheme Record Time: 5.00 p.m. on the last Business Day immediately prior to the Effective Date;

Scheme Shareholders: the registered holders of Scheme Shares as appearing in the register of the members of the Company as at the Scheme Record Time (and "Scheme Shareholder" shall be construed accordingly);

Scheme Shares: Shares in issue as at the date of the Scheme Circular, namely 6 November 2006, excluding any Subscriber Shares in issue at such date if the Scheme is not approved at the Court Meeting of the holders of the Subscriber Shares;

Shares: together, A Shares, B Shares, C Shares and, if the Scheme is approved at the Court Meeting of the holders of the same only, Subscriber Shares;

Subscriber Shares: subscriber shares of £1.00 each in the capital of the Company;

Transaction Co-operation Agreement: the transaction co-operation agreement dated 6 November 2006 and made between the Company, Wiley, the Guarantor and Nigel Blackwell;

Voting Record Time: the time fixed by the Court and the Company for determining the entitlement to vote at the Court Meetings, as set out in the notice thereof and for the purposes of approving the passing of the Written Resolution;

Wiley: Wiley Europe Investment Holdings Limited, a company incorporated in England and Wales under registered number 4272510; and

Written Resolution: the written resolution of the holder of the C Shares proposed pursuant to an order of the Court pursuant to section 425 of the Companies Act for the purpose of approving the Scheme (with or without amendment).

- (B) The authorised share capital of the Company at 6 November 2006 is £789,615 divided into 254,800 A Shares, 6,000,000 B Shares, 2,500,000 C Shares, 1,390,270 G Shares and 100 Subscriber Shares, of which 239,880 A Shares, 5,135,606 B Shares, 200,000 C Shares and 2 Subscriber Shares have been issued and are fully paid up, or credited as fully paid up. The remainder are unissued.
- (C) As at the date of this Scheme, Wiley does not own any Shares.
- (D) Wiley has agreed to appear by Counsel on the hearing of the petition to sanction this Scheme, to consent to this Scheme and to undertake to the Court to be bound hereby and to execute and do, or procure to be executed and done, all such documents, acts or things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to the Scheme.

1 **Cancellation of Scheme Shares and Issue of New Shares**

- 1.1 The issued share capital of the Company shall be reduced by cancelling and extinguishing all the Scheme Shares.
- 1.2 Forthwith and contingently upon the Capital Reduction taking effect (and notwithstanding any provision in the Company's articles of association):
- 1.2.1 the share capital of the Company shall be increased to its former amount by the creation of such number of New Shares as shall be equal to the number of Scheme Shares cancelled as aforesaid and having the same rights as the Scheme Shares so cancelled; and
- 1.2.2 the Company shall appropriate and apply the amount credited to the books of account of the Company arising as a result of such reduction of capital taking effect in paying up in full all of the New Shares created pursuant to Clause 1.2.1, which shall be allotted and issued credited as fully paid to Wiley for the sums to be paid by Wiley as set out in Clause 2.

2 **Consideration for cancellation of Scheme Shares**

In consideration for the cancellation of the Scheme Shares and the issue to Wiley of the New Shares as provided in Clause 1, Wiley shall pay to, or for the account of, each of the Scheme Shareholder a cash sum of:

- 2.1 £353.07 in cash for each A Share held by that Scheme Shareholder;
 - 2.2 £89.95 in cash for each B Share held by that Scheme Shareholder;
 - 2.3 £89.95 in cash for each C Share held by that Scheme Shareholder; and
 - 2.4 to the extent that the same constitute Scheme Shares only, £1.00 in cash for each Subscriber Share held by that Scheme Shareholder
- and accordingly, the aggregate consideration payable shall be £564,632,193 (or, if the Scheme is not approved at the Court Meeting of the holders of the Subscriber Shares only, £564,632,191).

3 Settlement

- 3.1 As soon as reasonably practicable, and in any event within two Business Days, after the Effective Date, the total amount of Consideration due to each Scheme Shareholder shall be settled by cheque drawn on a branch of a clearing bank in the United Kingdom and despatched by first class post addressed to the person entitled thereto to the address appearing in the register of members of the Company or, in the case of joint holders, to the address of the holder whose name stands first in such register in respect of the joint holding concerned at the Scheme Record Time. Cheques shall be payable to the Scheme Shareholder concerned or, in the case of joint holders, to the holder whose name stands first in the register of members of the Company in respect of the joint holding concerned.
- 3.2 All such payments referred to in Clause 3.1 shall be made in pounds sterling.
- 3.3 Neither Wiley nor the Company nor their nominees shall be responsible for any loss or delay in the transmission of cheques sent in accordance with this Scheme which shall be sent at the risk of the addressee provided always that, if a Scheme Shareholder notifies Wiley within six months of despatch that any cheque has been lost or destroyed, Wiley will issue or procure the issue of a replacement cheque or otherwise tender payment.
- 3.4 The provisions of this Clause 3 shall take effect subject to any prohibition or condition imposed by law.

4 Certificates and Cancellation

With effect from, and including, the Effective Date all certificates representing Scheme Shares shall cease to be valid as documents of title to the Shares represented thereby and shall be cancelled and each Scheme Shareholder shall be bound at the request of the Company to deliver up the same to the Company or to any person nominated by the Company for cancellation.

5 Operation of this Scheme/Effective Date

- 5.1 This Scheme shall become effective as soon as office copies of (i) the Court Order sanctioning this Scheme under section 425 of the Companies Act and confirming under section 137 of the Companies Act the reduction of the capital of the Company provided for by Clause 1 and (ii) the Minute shall have been delivered by the Company to the Registrar of Companies for registration and, in the case of the confirmation of the Capital Reduction, registered by him.
- 5.2 This Scheme shall become effective in relation to the A Shares, the B Shares and the C Shares notwithstanding the fact, if so be the case, that the Scheme is not approved at the Court Meeting of the holders of the Subscriber Shares.

5.3 Unless this Scheme shall become effective on or before 31 March 2007 or such later date, if any, as Wiley and the Company may agree and the Court may allow, this Scheme shall never become effective.

6 **Modification**

Wiley and the Company may jointly consent on behalf of all persons concerned or affected to any modification of, or addition to, this Scheme or to any condition approved or imposed by the Court.

Dated: 2006

Schedule 4

Recommendation

- 1 The Blackwell Directors, having been so advised by JPMorgan Cazenove, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Blackwell Directors, JPMorgan Cazenove has taken account of the commercial assessments of the Blackwell Directors.

- 2 The Blackwell Directors believe that the terms of the Acquisition are in the best interests of Blackwell Shareholders as a whole and, accordingly, unanimously recommend Blackwell Shareholders to vote in favour of the Scheme and the special resolution to be proposed at the Extraordinary General Meeting. The Shareholder Directors have irrevocably undertaken to vote in favour of the Scheme in respect of their own beneficial holdings of Blackwell Shares. Taken together, the holdings of the Shareholder Directors represent approximately 51.47 per cent. of the issued A Shares, 17.61 per cent. of the issued B Shares, 100 per cent of the issued C Shares and 50 per cent. of the issued Subscriber Shares.

Schedule 5
Pensions Agreement Letter

To: Wiley Europe Investment Holdings Limited¹;
The Trustees of the Blackwell's Pension Fund²; and
Blackwell Publishing Limited



31st October 2006

Blackwell Publishing Ltd
9600 Garsington Road
Oxford OX4 2DQ, UK

Tel: + 44 (0)1865 776868
Fax: + 44 (0)1865 714591

Dear Sirs

Project Nancy - UK Pensions

A. Introduction

Blackwell Publishing (Holdings) Limited ("Betty")³ is in discussions with Wiley Europe Investment Holdings Limited ("Barney") with regard to the acquisition by Barney of the entire and to be issued share capital of Betty (the "Acquisition").

Betty and Barney have agreed that the Acquisition will be implemented by means of a scheme of arrangement under section 425 of the Companies Act 1985 (the "Scheme"), to be proposed by Betty to its shareholders. Under the Scheme, all of the current shares in Betty will be cancelled and new Betty shares will be issued to Barney. The Acquisition will include Blackwell Publishing Limited (the "Departing Employer")⁴.

Upon the date that the Acquisition completes and the Scheme becomes effective ("the Effective Date", which term has the same meaning in this letter as the equivalent term in the draft Transaction Co-operation Agreement dated governing the Acquisition (the "TCA")), the Departing Employer will become a member of the Barney group of companies, and will cease to participate in the Blackwell's Pension Fund (the "Plan").

This "employer-cessation event" will trigger a debt owed to the Trustees of the Plan (the "Trustees") under Section 75 of the Pensions Act 1995 (as amended). This statutory debt will be calculated as the Departing Employer's proportion of the total buy-out deficit of the Plan at the Effective Date, and will be due from the Departing Employer to the Trustees.

This letter, executed as a deed by its parties, sets out the agreement that has been reached between Betty, Barney, the Departing Employer and the Trustees.

¹ Company registered number - 04272510

² Care of Joanna Matthews, Capital Cranfield Pension Trustees Limited (registered number - 5125283)

³ Company registered number - 03162848

⁴ Company registered number - 00180277

Ames
Berlin
Boston
Copenhagen
Edinburgh
Melbourne
Oxford
Shanghai
Singapore
Tokyo

Registered office:
9600 Garsington Road, Oxford
OX4 2DQ, UK
Registration number:
0180277 England

B. Actuarial confirmations

Betty, Barney, the Departing Employer and the Trustees will provide all such information that is within their respective control to the Plan Actuary (i.e. Mr C F Bamford of Aon Consulting Limited), as the Plan Actuary reasonably requests in order to enable him to calculate as soon as possible after the Effective Date, the debt arising under Section 75 of the Pensions Act 1995 (as amended) as at the Effective Date.

The Trustees will use all of their reasonable endeavours to procure that within 3 weeks of receipt by the Plan Actuary of all of the information referred to in the preceding paragraph, the Plan Actuary will calculate the said debt, and then notify the Trustees, Betty, the Departing Employer and Barney of the amount of any Section 75 debt that has arisen as a result of the Departing Employer ceasing to participate in the Plan as at the Effective Date.

"Actuary" means a person who is a fellow of the Institute of Actuaries or a fellow of the Faculty of Actuaries in Scotland.

C. Additional Funding for the Plan

No later than 14 days after the Effective Date, Betty will make or procure to be made a payment to the Trustees of the Exit Payment on behalf of the Departing Employer.

The Trustees hereby agree that they will accept the Exit Payment from Betty as payment towards settlement of the Section 75 Debt which will arise on the Departing Employer ceasing to participate in the Plan on the Effective Date.

"Exit Payment" means the cash proceeds of the sale on the business day preceding the date of payment of the Exit Payment of a portfolio of index-linked gilts having a value of £21 million as at 12 October 2006, managed in line with the "FTSE Over 15 Year Index-Linked Gilt Index".

D. Barney Pension Plan

Barney agrees that, as at the Effective Date, it will have established a UK pension scheme which is a registered pension scheme for the purposes of Chapter 2 of Part 4 of the Finance Act 2004 (the "Barney Plan").

The rules of the Barney Plan will be drawn to provide benefits which are as close to being identical to the benefits of the Plan as practicable, having regard to the requirements of the Finance Act 2004, which will apply. The rules shall also contain any other such matters as may be agreed between Barney and the Trustees. Barney also reserves the right to insert a provision into the Barney Plan rules requiring the trustees of the Barney Plan to accept the bulk transfer referred to at E below.

Barney will use all reasonable endeavours to procure that the Barney Plan is registered (in accordance with the Finance Act 2004) at the Effective Date.

In addition, it is agreed that Barney will top-up the Barney Plan on an FRS17 basis (based on an estimated FRS17 figure made by the Actuary to the Plan as at 31 August 2006) by the payment

of £11.5 million following the bulk transfer of the Departing Employer's liabilities referred to at E below.

E. Transfer

Subject to the Barney Plan having been established in accordance with D above, as soon after the Effective Date as is reasonably practicable, Betty, the Trustees, the principal employer of the Barney Plan and the trustees of the Barney Plan shall enter into a transfer agreement in the form attached at Schedule 3, subject to such changes (if any) as may be subsequently agreed between its parties, under which:

1. the assets and liabilities of the Plan which are attributable to the Departing Employer will be transferred to the Barney Plan (subject to the Barney Plan being registered at the time of the transfer), including those liabilities associated with transferring employees who are currently directly employed by the Departing Employer in accordance with the Actuary's Letter.
2. the Barney Plan will also receive a transfer of assets and liabilities in respect of unallocated members of the Plan in accordance with the Actuary's Letter; and
3. the transfer will take place without the consent of members and subject to the Plan Actuary providing a GN16 certificate.

The "Actuary's Letter" means a letter dated 31st October 2006 from C.F. Bamford FIA to the Trustees, setting out the basis on which the transfer will be made and attached to this letter as Schedule 1.

The trustees of the Barney Plan and the principal employer of the Barney Plan are not parties to this letter, as the Barney Plan does not exist as at the date of this letter. Barney therefore enters this agreement and accepts the covenants given to it under this deed for its own benefit, and as trustee of the interests of the trustees of the Barney Plan which it shall have established and appointed. Barney also undertakes to procure that the trustees and principal employer of the Barney Plan agree to accept the transfer on the basis referred to above.

F. Pensions Regulator

It is agreed that the Pensions Regulator will be approached with a view to obtaining both (a) approval for a withdrawal arrangement (under the Occupational Pension Schemes (Employer Debt) Regulations 2005) to be entered into by the Departing Employer, the Trustees and Barney and (b) a Clearance Statement under the Pensions Act 2004, in relation to the terms of the Acquisition and how it may affect the Plan.

It shall also be a pre-condition of the TCA being signed, that the Clearance Statement referred to at (b) above shall be obtained to cover the applicants listed in it (in relation to the terms of the Acquisition), in a form satisfactory to Betty.

The approved withdrawal arrangement will be in the form attached at Schedule 2, subject to such changes (if any) as may be subsequently agreed between its parties, and will provide that:

1. "Amount A" is extinguished by the Exit Payment referred to at C above;

2. "Amount B" is:

- i) the Section 75 Debt that has arisen on the Departing Employer ceasing to participate in the Plan; less
- ii) the amount of the Exit Payment referred to at C above; less
- iii) the "relevant transferred liabilities deduction" calculated by the Plan Actuary by reference to regulation 7B(5) of the Occupational Pension Schemes (Employer Debt) Regulations 2005.

The parties expect that the "relevant transferred liabilities deduction" less the amount referred to at (ii) above should exceed the amount referred to at (i) above and thus extinguish Amount B (such that there is a "zero debt"), although it is recognised that this will depend on the valuation of assets and liabilities transferred at the relevant time.

On the Effective Date, Betty and Barney will procure that the Departing Employer notifies the Pensions Regulator that it proposes to enter into a withdrawal arrangement in accordance with regulation 7(2) of the Occupational Pension Schemes (Employer Debt) Regulations 2005. The notice that the Departing Employer shall send to the Pensions Regulator will be in the form attached at Schedule 4.

The parties to the withdrawal arrangement will seek to obtain approval "in principle" from the Pensions Regulator to the withdrawal arrangement before the TCA is signed, recognising that formal approval for the withdrawal arrangement cannot be given until the bulk transfer referred to at E above has taken place. The parties to the withdrawal arrangement will seek to obtain formal approval from the Pensions Regulator to the withdrawal arrangement as soon as practicable after the transfer referred to at E has taken place.

The parties to this letter will use their respective reasonable endeavours to enable the Pensions Regulator to give both the "in principle" and the formal approvals to the withdrawal arrangement, and also the Clearance Statement (in relation to the Acquisition) referred to above.

G Consultation

The parties to this letter acknowledge that the changes to the Plan arising in anticipation of, and as a result of, the Acquisition (as set out above) could give rise to a "listed change" under the Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006 (the "Consultation Regulations"). For these purposes, Betty shall procure (to the extent necessary) that the Consultation Regulations are complied with (in all material respects) for the purposes of consulting with those members of the Plan who will be the subject of the bulk transfer referred to at E above.

If necessary, such consultation shall have been completed in accordance with the Consultation Regulations, including the expiry of the "appropriate period" of no less than 60 days, before the Effective Date, unless the Pensions Regulator agrees in writing to such shorter period of consultation as is permitted under regulation 19 of the Consultation Regulations.

H General

Nothing in this letter is intended to confer on any person (other than the trustees of the Barney Plan and Nigel Stirling Blackwell⁵) any right to enforce any term or representation in this letter by virtue of the Contracts (Rights of Third Parties) Act 1999.

The Trustees have entered into Non-Disclosure Agreements relating to matters arising in connection with "Project Nancy", and by signing this letter the Trustees agree to accept that its contents are covered by the same non-disclosure terms as set out in their Non-Disclosure Agreements.

This letter can be signed in as many counterparts as there are parties to it, each of which when signed (and dated) being deemed to be an original, but all of the counterparts together shall constitute one and the same letter.

This letter shall be presumed to be delivered and is intended by its parties to be a deed (and shall be or take effect as a deed) only when, and not before, it has been dated.

Nothing in this letter shall be construed as a representation by any party to this letter to any other person, whether or not a party to this letter.

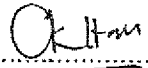
Yours faithfully

EXECUTED as a Deed by Blackwell Publishing (Holdings) Limited

acting by a director and its secretary, or by two directors

Signed.....

Name...RENE OLIVIERI

Signed.....

Name.....CHRIS HALL

⁵ Nigel Stirling Blackwell is listed as an applicant to the Clearance application referred to at Section F of this letter.

EXECUTED as a Deed by Wiley Europe Investment Holdings Limited

acting by a director and its secretary, or by two directors

Signed [Signature]
Name Ellis Couzens, Director

Signed [Signature]
Name IAN GARRARD, COMPANY SECRETARY.

EXECUTED as a Deed by Blackwell Publishing Limited

acting by a director and its secretary, or by two directors

Signed [Signature]
Name Kene Olivieri

Signed [Signature]
Name CHEN HALL

SIGNED as a Deed by *X* Dawn A. Price
Dawn Alexandra Price in the presence of:-

WITNESS Signature... *[Signature]*
Name... *C.E. Eccles*
Address... *26 Burdell Avenue, Headington*
Oxford OX3 8EB
Occupation... *P.A.*

SIGNED as a Deed by *X*
Timothy Eustace in the presence of:-

WITNESS Signature.....
Name.....
Address.....
Occupation.....

BB 14
PENSION

EXECUTED as a Deed by Capital Cranfield Trustees Limited
acting by a director and its secretary, or ~~by two directors~~

Signed... *[Signature]*
Name... *R. H. J. DEES*

Signed... *[Signature]*
Name... *R. J. YOUNG*

SIGNED as a Deed by *Dawn A. Price*
Dawn Alexandra Price in the presence of:-

WITNESS Signature.....*C. E. Eccles*.....
Name.....*C. E. Eccles*.....
Address.....*26 Burdell Avenue, Headington*
Oxford OX3 8EP.....
Occupation.....*P.A.*.....

SIGNED as a Deed by *[Signature]*
Timothy Eustace in the presence of:-

WITNESS Signature.....*[Signature]*.....
Name.....*MARTIN RAMSEY*.....
Address.....*19 GARDNER CLOSE, ABINGDON, OX14 3YA*.....
Occupation.....*PUBLIC SERVICE MANAGER*.....

EXECUTED as a Deed by Capital Cranfield Trustees Limited
acting by a director and its secretary, or by two directors

Signed.....

Name.....

Signed.....

Name.....

SIGNED as a Deed by *T Parsons*
Terence Parsons in the presence of:-

WITNESS Signature *Linda Hughes*
Name *Linda Hughes*
Address *65 Stanford Road, Ashchurch Gardens
Tewkesbury, Glas G20 8PU*
Occupation *Person's manager*

SIGNED as a Deed by *Celia Platt*
Celia Platt in the presence of:-

WITNESS Signature.....
Name.....
Address.....
Occupation.....

SIGNED as a Deed by *Bernard Ffoulkes Roberts*
Bernard Ffoulkes Roberts in the presence of:-

WITNESS Signature *M.H. Staddon*
Name *M.H. STADDON*
Address *36 LITTLE LEES, CHARBURY*
Occupation *SOFTWARE CONSULTANT*

SIGNED as a Deed by *David James Robinson*
David James Robinson in the presence of:-

WITNESS Signature *Cary Bull*
Name *CARY BULL*
Address *103, CARTER STREET, CONHAM, CELY, CAMBS
CB7 5TU*
Occupation *SECURITY ENGINEER*

SIGNED as a Deed by *X*
Terence Parsons in the presence of:-

WITNESS Signature.....
Name.....
Address.....
Occupation.....

SIGNED as a Deed by *X*
Celia Platt in the presence of:- *Celia Platt*

WITNESS Signature *Alison Clark*
Name *ALISON CLARK*
Address *19 FARM PIECE, STANFORD IN THE VALE, FARKINGOC*
Occupation *RESOURCING AND TRAINING MANAGER* *SN 7 8FA*

SIGNED as a Deed by *X*
Bernard Ffoulkes Roberts in the presence of:-

WITNESS Signature.....
Name.....
Address.....
Occupation.....

SIGNED as a Deed by *X*
David James Robinson in the presence of:-

WITNESS Signature.....
Name.....
Address.....
Occupation.....

30/10/2008BAZM13099327.7