INDEPENDENT TELEVISION COMMISSION

VARIATION NUMBER 3, DATED 23 September 1998

TO LICENCE GRANTED TO GRANADA TELEVISION LIMITED TO PROVIDE A REGIONAL CHANNEL 3 SERVICE UNDER PART I OF THE BROADCASTING ACT 1990 AND DATED 4 DECEMBER, 1991 AS AMENDED BY VARIATION NUMBER 1 DATED 31 JULY, 1996 AND VARIATION NUMBER 2 DATED 27 FEBRUARY, 1997 ("THE LICENCE")

WHEREAS

A. As a result of the enactment of the Broadcasting Act 1996 and of the Independent analogue Broadcasters (Reservation of Digital Capacity) Order 1996, the Licence requires variation to accommodate the provision of services in digital form and in particular to conform with the requirements of the 1996 Act.

B. The Commission has consulted with the Licensee regarding the variations set out in this document.

NOW THEREFORE the Licence shall be varied in the following manner:

THE LICENCE

1. By replacing in Clause 1 of the Licence the words "the regional Channel 3 service specified in the Annex ("the Licensed Service")" with "the Regional Channel 3 Service (as defined in Condition 1 of Part 1 of the Schedule to this Licence)".
THE SCHEDULE

PART 1

Condition 1 - Definitions

2. Except as otherwise indicated below, by replacing throughout the Licence the words "Licensed Service" with the words "Regional Channel 3 Service".

3. By inserting a new definition ""Analogue Regional Channel 3 Service" means the analogue television broadcasting service known as Granada."

4. By inserting a new definition ""Regional Channel 3 Service" means, prior to the Qualifying Regional Channel 3 Service Commencement Date, the Analogue Regional Channel 3 Service and thereafter the Analogue Regional Channel 3 Service and the Qualifying Regional Channel 3 Service, or either of them, as the context may require."

5. In the definition of "Distribution", by replacing the words "Channel 3 services" with the words "Analogue Regional Channel 3 Service".

6. By inserting a new definition ""Qualifying Regional Channel 3 Service" means the qualifying television broadcasting service in respect of which the Analogue Channel 3 Service is the corresponding analogue service."

7. By inserting a new definition ""Qualifying Regional Channel 3 Service Commencement Date" means 19th December, 1998 or such earlier date as the Licensee may notify to the Commission in writing or such later date as may be agreed in writing between the Commission and the Licensee."

8. By replacing throughout the definition of "Qualifying Revenue" the words "Licensed Service" with the words "Analogue Regional Channel 3 Service".
PART 2

Condition 2 - Provision of the Regional Channel 3 Service by the Licensee

9. By replacing throughout Condition 2(1) the words "Licensed Service" with the words "Analogue Regional Channel 3 Service".

10. By inserting a new Condition after Condition 2(1) "(1A) The Licensee shall provide the Qualifying Regional Channel 3 Service for broadcast by the holder of the C3/C4 multiplex licence as defined in the Independent Analogue Broadcasters (Reservation of Digital Capacity) Order 1996 (SI 1996/2760) from the Qualifying Regional Channel 3 Service Commencement Date to the end of the Licence Period."

11. By replacing throughout Conditions 16(1), (2), (3) and (4) the words "Licensed Service" with the words "Analogue Regional Channel 3 Service".

12. By replacing in Condition 16(5) the words "the Distribution of the programmes included in the Licensed Service" by the words "the Distribution of the programmes included in the Analogue Regional Channel 3 Service".

13. By replacing in Condition 17(1) the words "within the signals carrying the Licensed Service" with the words "within the signals carrying the Analogue Regional Channel 3 Service" and the words "part of the signals carrying the Licensed Service" with the words "part of the signals carrying the Analogue Regional Channel 3 Service".

14. By replacing in Condition 17(3) the words "Licensed Service" with the words "the Analogue Regional Channel 3 Service".
15. The variations to the Licence set out above shall come into force or as the case may be shall be deemed to have come into force on the date of this document.

16. This document shall be construed as if it formed part of the Licence and shall be governed by English law.

SIGNED FOR THE INDEPENDENT TELEVISION COMMISSION BY

[Signature]

Secretary