

INTERACTIVE DATA CORP/MA/

Form SC 13D/A

January 09, 2006

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934  
(Amendment No. 3)\***

INTERACTIVE DATA CORPORATION

(Name of Issuer)

Common Stock, par value \$.01 per share

(Title of Class of Securities)

237596101

(CUSIP Number)

Philip Hoffman

c/o Pearson Inc.

1330 Avenue of the Americas, 7th Floor

New York, New York 10019

(212) 641-2421

(Name, Address and Telephone Number of Person Authorized to  
Receive Notices and Communications)

With Copies To:

Charles E. Engros, Jr., Esq.

Morgan, Lewis & Bockius LLP

101 Park Avenue

New York, New York 10178

(212) 309-6000

January 6, 2006

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. o

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)

(Page 1 of 18 pages)

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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CUSIP No. 237596101

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NAMES OF REPORTING PERSONS:

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

1

PEARSON PLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a)

(b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

NOT APPLICABLE

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

5

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

ENGLAND & WALES

SOLE VOTING POWER:

7

NUMBER OF

SEE ITEM 5 OF ATTACHED SCHEDULE

SHARES  
BENEFICIALLY OWNED BY 8

SHARED VOTING POWER:

0

EACH REPORTING PERSON      **9**      SOLE DISPOSITIVE POWER:  
SEE ITEM 5 OF ATTACHED SCHEDULE

WITH      **10**      SHARED DISPOSITIVE POWER:  
0

**11**      AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
SEE ITEM 5 OF ATTACHED SCHEDULE

**12**      CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS):  
o

**13**      PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):  
SEE ITEM 5 OF ATTACHED SCHEDULE

**14**      TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
CO

CUSIP No. 237596101

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NAMES OF REPORTING PERSONS:

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

1

PEARSON OVERSEAS HOLDINGS LTD.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a)

(b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

NOT APPLICABLE

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

5

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

ENGLAND & WALES

SOLE VOTING POWER:

7

NUMBER OF SHARES SEE ITEM 5 OF ATTACHED SCHEDULE

SHARED VOTING POWER:

SHARES BENEFICIALLY OWNED BY 8

0

EACH REPORTING PERSON      **9**      SOLE DISPOSITIVE POWER:  
SEE ITEM 5 OF ATTACHED SCHEDULE

WITH      **10**      SHARED DISPOSITIVE POWER:  
0

**11**      AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
SEE ITEM 5 OF ATTACHED SCHEDULE

**12**      CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS):  
o

**13**      PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):  
SEE ITEM 5 OF ATTACHED SCHEDULE

**14**      TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
CO

CUSIP No. 237596101

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NAMES OF REPORTING PERSONS:

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

1

PEARSON NETHERLANDS B.V.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a)

(b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

NOT APPLICABLE

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

5

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

NETHERLANDS

SOLE VOTING POWER:

7

NUMBER OF

SEE ITEM 5 OF ATTACHED SCHEDULE

SHARES  
BENEFICIALLY OWNED BY 8

SHARED VOTING POWER:

0



EACH REPORTING PERSON      **9**      SOLE DISPOSITIVE POWER:  
SEE ITEM 5 OF ATTACHED SCHEDULE

WITH      **10**      SHARED DISPOSITIVE POWER:  
0

**11**      AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
SEE ITEM 5 OF ATTACHED SCHEDULE

**12**      CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS):  
o

**13**      PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):  
SEE ITEM 5 OF ATTACHED SCHEDULE

**14**      TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
CO

CUSIP No. 237596101

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NAMES OF REPORTING PERSONS:

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

1

PEARSON INC. EIN: 51-0261654

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a)

(b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

NOT APPLICABLE

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

5

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

DELAWARE

SOLE VOTING POWER:

7

NUMBER OF SEE ITEM 5 OF ATTACHED SCHEDULE

SHARED VOTING POWER:

SHARES BENEFICIALLY OWNED BY 8

0

EACH REPORTING PERSON      **9**      SOLE DISPOSITIVE POWER:  
SEE ITEM 5 OF ATTACHED SCHEDULE

WITH      **10**      SHARED DISPOSITIVE POWER:  
0

**11**      AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
SEE ITEM 5 OF ATTACHED SCHEDULE

**12**      CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS):  
o

**13**      PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):  
SEE ITEM 5 OF ATTACHED SCHEDULE

**14**      TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
CO

CUSIP No. 237596101

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NAMES OF REPORTING PERSONS:

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

1

PEARSON LONGMAN, INC. EIN: 13-2971110

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a)

(b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

NOT APPLICABLE

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

5

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

DELAWARE

SOLE VOTING POWER:

7

NUMBER OF SHARES SEE ITEM 5 OF ATTACHED SCHEDULE

SHARED VOTING POWER:

SHARES BENEFICIALLY OWNED BY 8

0

EACH REPORTING PERSON      **9**      SOLE DISPOSITIVE POWER:  
SEE ITEM 5 OF ATTACHED SCHEDULE

WITH      **10**      SHARED DISPOSITIVE POWER:  
0

**11**      AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
SEE ITEM 5 OF ATTACHED SCHEDULE

**12**      CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS):  
o

**13**      PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):  
SEE ITEM 5 OF ATTACHED SCHEDULE

**14**      TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
CO

CUSIP No. 237596101

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NAMES OF REPORTING PERSONS:

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

1

PEARSON DBC HOLDINGS INC. EIN: 13-4149604

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a)

(b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

NOT APPLICABLE

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

5

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

DELAWARE

SOLE VOTING POWER:

7

NUMBER OF 57,554,795

SHARED VOTING POWER:

SHARES BENEFICIALLY OWNED BY 8

0

EACH REPORTING PERSON	<b>9</b>	SOLE DISPOSITIVE POWER:  57,554,795
WITH	<b>10</b>	SHARED DISPOSITIVE POWER:  0

**11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
  
57,554,795

**12** CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS):  
  
o

**13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):  
  
61.7%

**14** TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
  
CO

Item 1. Security and Issuer

This Amendment No. 3 ( Amendment No.3 ) to the Statement on Schedule 13D, originally filed on November 24, 1999 (the Original Statement, as amended by Amendment No.1, filed on March 9, 2000 ( Amendment No.1 ) and Amendment No. 2, filed on January 8, 2001, and as so amended, the Statement ), with respect to the common stock, par value \$.01 per share ( Common Stock ) of Interactive Data Corporation, a Delaware corporation (the Company ), amends Items 2, 3, 4, 5, and 7 and Schedules A and B of the Statement. The principal executive office of the Company is 22 Crosby Drive, Bedford, MA 01730. Information given in response to each item shall be deemed incorporated by reference in all other items. Capitalized terms used but not defined in this Amendment No. 3 shall have the respective meanings ascribed to them in the Statement.

Item 2. Identity and Background

Item 2 as set forth in the Statement is amended and restated in its entirety as:

(a) This Statement is being filed by each of the following persons pursuant to Rule 13d-2(a) promulgated by the Securities and Exchange Commission (the Commission ): (i) Pearson plc, a corporation organized under the laws of England & Wales ( Pearson ); (ii) Pearson Overseas Holdings Ltd., a corporation organized under the laws of England & Wales ( Pearson Overseas ); (iii) Pearson Netherlands B.V., a corporation organized under the laws of the Netherlands ( Pearson Netherlands ); (iv) Pearson Inc., a corporation organized under the laws of Delaware ( Pearson Inc. ); (v) Pearson Longman, Inc., a corporation organized under the laws of Delaware ( Pearson Longman ); and (vi) Pearson DBC Holdings Inc. ( DBC Holdings ) and, collectively with Pearson, Pearson Overseas, Pearson Netherlands, Pearson Inc. and Pearson Longman, the Reporting Persons ). Pearson AG, a corporation organized under the laws of Switzerland ( Pearson AG ) has been dissolved and, as a result of which, is no longer a controlling person of the Company and, therefore, is no longer a reporting person for purposes of this Statement.

Pearson is an international media company which is the majority stockholder of Pearson Overseas. Pearson Overseas is an investment holding company which owns 100% of Pearson Netherlands. Pearson Netherlands is a holding company which is the majority stockholder of Pearson Inc. Pearson Inc. is a holding company which owns 100% of Pearson Longman. Pearson Longman is a holding company which owns 100% of DBC Holdings. DBC Holdings is a holding company which owns approximately 61.7% of the Company.

(b) The addresses of the principal offices of each of the Reporting Persons are as set forth on Schedule A. Schedule A is incorporated into and made a part of this Statement.

(c) Attached as Schedule B is the name, principal occupation (where applicable) and business address of each executive officer and/or director of each of the Reporting Persons. Schedule B is incorporated into and made a part of this Statement.

(d) During the last five years, none of the Reporting Persons nor any person listed on Schedule B has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).



(e) During the last five years, none of the Reporting Persons nor any person listed on Schedule B has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or State securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 as set forth in the Statement is amended and restated to read in its entirety as follows:

The shares of the Common Stock of the Company acquired pursuant to the Merger Agreement (as described in the response to Item 4) were purchased for the non-cash consideration as described therein.

The total amount of funds required by DBC Holdings to acquire the Common Stock of the Company pursuant to the Purchase Agreement (as described in the response to Item 4) is \$24,503,114.13 (the Purchase Price). DBC Holdings obtained the Purchase Price from internal sources of funds.

Item 4. Purposes of Transactions

Item 4 as set forth in the Statement is amended and restated to read in its entirety as:

(a) (j)

On November 14, 1999, the Company, Pearson Longman, Detective Merger-Sub, Inc., a wholly-owned subsidiary of the Company (the Merger-Sub), and Interactive Data Corporation, a corporation organized under the laws of Delaware and currently known as FT Interactive Data Corporation ( FTID ), and on such date a wholly owned subsidiary of Pearson Longman, entered into the Agreement and Plan of Merger (as amended by Amendment No.1 to the Agreement and Plan of Merger, dated as of January 10, 2000, the Merger Agreement ), a copy of which has been filed as an exhibit to Amendment No. 1. The Merger Agreement provided, among other things, for the merger of Merger-Sub with and into FTID (the Merger ), with FTID to be the surviving corporation and a wholly-owned subsidiary of the Company following the Merger. Upon the effectiveness of the Merger (the Effective Time ), each issued and outstanding share of capital stock of Merger-Sub was converted into and became one fully paid and non-assessable share of common stock of FTID. Further, upon the Merger, the issued and outstanding shares of capital stock of FTID were converted into 56,423,949 shares of the Company which, when added to the 107 additional shares of the Common Stock of the Company owned by Pearson Longman, resulted in the ownership by Pearson Longman, the previous owner of 100% of FTID, of approximately 61% of the Company.

On December 27, 2000, Pearson Longman and DBC Holdings entered into a Contribution Agreement (the Contribution Agreement ), a copy of which has been filed as an exhibit to Amendment No. 2. The Contribution Agreement provided for the contribution of the shares of the Common Stock of the Company owned by Pearson Longman to DBC Holdings effective as of December 27, 2000.

On January 6, 2006, DBC Holdings and Allan R. Tessler ( Mr. Tessler ), ART/FGT Family Partners Ltd. and Tessler Family Limited Partners (the

Tessler Sellers ) entered into a Stock Sale and Purchase Agreement (the Purchase Agreement ). A copy of the Purchase Agreement is attached hereto as Exhibit 2 and incorporated herein by reference. Pursuant to the Purchase Agreement, DBC Holdings has purchased 1,130,739 shares from the Tessler Sellers for \$24,503,114.13. Mr. Tessler is a director of the Company.

The Reporting Persons intend to review their holdings in the Company on a continuous basis and may, at any time, determine to acquire additional shares of Common Stock, sell all or part of their holdings in the Company, or engage or participate in a transaction or series of related transactions with the purpose or effect of influencing control over the Company. Such transactions may take place at any time, with or without prior notice, and may include, without limitation, (1) entering into one or more privately negotiated transactions for the purchase or sale of Common Stock, (2) effecting open market purchases or sales of Common Stock, (3) making a tender or exchange offer for some or all of the Common Stock, (4) engaging in proxy solicitations, (5) seeking a merger or other form of business combination involving the Company or (6) taking other actions that could have the purpose or effect of directly or indirectly influencing control over the Company. The Reporting Persons may engage legal, financial, accounting and other advisors to assist them in evaluating strategic alternatives with respect to their holdings in the Company.

Except as set forth in above, the Reporting Persons have no plans or proposals that relate to or would result in any of the matters described in subparagraphs (a) through (j) of Item 4 to Schedule 13D.

Item 5. Interest in Securities of the Issuer

Item 5 as set forth in the Statement is amended and restated to read in its entirety as follows:

(a) DBC Holdings owns 57,554,795 (which includes the 1,130,739 shares DBC Holdings purchased from the Tessler Sellers) shares of Common Stock, representing approximately 61.7% of the issued and outstanding shares of Common Stock. For purposes of Rule 13d-3 promulgated under the Exchange Act, Pearson, Pearson Overseas, Pearson Netherlands, Pearson Inc. and Pearson Longman, which are affiliates of DBC Holdings, may be deemed to beneficially own the shares indirectly as a result of their control relationship with DBC Holdings. Any such beneficial ownership would represent the same sole voting and dispositive power exercised by DBC Holdings over the shares. Each of the Reporting Persons other than DBC Holdings disclaims beneficial ownership of the shares.

John C. Makinson owns 1,000 shares of Common Stock, representing less than 1% of the issued and outstanding shares of Common Stock. As noted on Schedule B, Mr. Makinson is an executive officer and/or director of certain of the Reporting Persons. Each of the Reporting Persons disclaims beneficial ownership of the shares owned by Mr. Makinson.

(b) The responses of the Reporting Persons to Items (7) through (11) of the portions of pages 2 through 7 hereto which relate to shares of Common Stock beneficially owned are incorporated herein by reference.

Mr. Makinson has sole voting and dispositive power with respect to the shares of Common Stock owned by him.

(c) Except as described in the response to Item 4, there have been no transactions in the shares of Common Stock during the past sixty days by any Reporting Person or any other person listed on Schedule B.

(d) No person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the shares of Common Stock beneficially owned by DBC Holdings or Mr. Makinson.

(e) Not applicable.

Except as described in this response to Item 5, none of the persons listed on Schedule B beneficially own any shares of Common Stock.

Item 7. Materials to Be Filed as Exhibits

The following additional materials are filed as Exhibits to this Amendment No. 3:

Exhibit 1: Joint filing agreement as required by Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended.

Exhibit 2: Stock Sale and Purchase Agreement, dated as of January 6, 2006, by and among Allan R. Tessler, ART/FGT Family Partners Ltd. and Tessler Family Limited Partners and DBC Holdings.

**SIGNATURE**

After reasonable inquiry and to the best of the knowledge and belief of each of the undersigned, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: January 6, 2006

PEARSON PLC

By: /s/ Philip Hoffman  
Name: Philip Hoffman  
Title: Secretary

PEARSON OVERSEAS HOLDINGS LTD.

By: /s/ Stephen Jones  
Name: Stephen Jones  
Title: Secretary

PEARSON NETHERLANDS B.V.

By: /s/ Jan Francis van der Drift  
Name: Jan Francis van der Drift  
Title: Director

PEARSON INC.

By: /s/ Thomas Wharton  
Name: Thomas Wharton  
Title: Vice President

PEARSON LONGMAN, INC.

By: /s/ Thomas Wharton  
Name: Thomas Wharton  
Title: Vice President

PEARSON DBC HOLDINGS INC.

By: /s/ Thomas Wharton  
Name: Thomas Wharton  
Title: Vice President

SCHEDULE A

Name of Reporting Person	Address of the Principal Office
Pearson	80 Strand, London WC2R 0RL, England
Pearson Overseas	80 Strand, London WC2R 0RL, England
Pearson Netherlands	Concertgebouwplein 25, 1071 LM Amsterdam, The Netherlands
Pearson Inc.	1330 Avenue of the Americas, 7th Floor, New York, New York 10019
Pearson Longman	c/o Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, New York 10019
DBC Holdings	c/o Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, New York 10019

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SCHEDULE B**Pearson plc**

Name	Position	Principal Occupation/Business Address
Glen Moreno	Chairman	Chairman/Pearson plc, 80 Strand, London, WC2R 0RL
Marjorie M. Scardino	Chief Executive	Director/Pearson plc, 80 Strand, London WC2R 0RL, England
David C. M. Bell	Director for People and Chairman of the FT Group	Director/Pearson plc, 80 Strand, London WC2R 0RL, England
Lord Burns	Non-Executive Director	Director/Pearson plc, 80 Strand, London, WC2R 0RL
Patrick Cescau	Non-Executive Director	Director/Pearson plc, 80 Strand, London, WC2R 0RL
Rona Fairhead	Finance Director	Director/Pearson plc, 80 Strand, London WC2R 0RL, England
Susan Fuhrman	Non-Executive Director	Director/Pearson plc, 80 Strand, London, WC2R 0RL
John C. Makinson	Chairman and Chief Executive, Penguin Group	Director/Pearson plc, 80 Strand, London, WC2R 0RL
Reuben Mark	Non-Executive Director	Director/Pearson plc, 80 Strand, London, WC2R 0RL
Vernon L. Sankey	Non-Executive Director	Director/Pearson plc, 80 Strand, London, WC2R 0RL
Rana Talwar	Non-Executive Director	Director/Pearson plc, 80 Strand, London, WC2R 0RL
Phil Hoffman	Executive Vice President, Director of Corporate Finance and Strategy and Secretary	Executive Vice President, Director of Corporate Finance and Strategy and Secretary/Pearson plc c/o Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, NY 10019

**Pearson Overseas Holdings Ltd.**

Name	Position	Principal Occupation/Business Address
David H. Colville	Director	Group Tax Director/Pearson plc, 80 Strand, London WC2R 0RL, England
Rona Fairhead	Director	Finance Director/Pearson plc, 80 Strand, London WC2R 0RL, England
John C. Makinson	Director	Chairman and Chief Executive (Penguin Group)/Pearson plc, 80 Strand, London, WC2R 0RL, England
Alan C. Miller	Director	Director of Purchasing/Pearson plc, 80 Strand, London WC2R 0RL, England
Marjorie M. Scardino	Director	Chief Executive Officer /Pearson plc, 80 Strand, London WC2R 0RL, England
Stephen Jones	Secretary	Deputy Secretary/Pearson plc, 80 Strand, London WC2R 0RL, England

**Pearson Netherlands B.V.**

Name	Position	Principal Occupation/Business Address
MeesPierson Trust B.V.	Director	Director/Rokin 55, 1012 KK Amsterdam, The Netherlands
Jan Francis van der Drift	Director	Management Consultant/Drs. J.F. van der Drift, Beheer B.V., Leeteinde 20-22, 1151 AK Broek in Waterland, The Netherlands
Matthieu Ph. van Sint Truiden	Director	Attorney/Frederiksplein 42, 1017 XN Amsterdam, PO Box 545, 1000 AM Amsterdam.
David H. Colville	Director	Group Tax Director/Pearson plc, 80 Strand, London, WC2R 0RL, England

**Pearson Inc.**

Name	Position	Principal Occupation/Business Address
David C. M. Bell	Chairman and Director	Director/Pearson plc, 80 Strand, London WC2R 0RL, England
Jeffrey Taylor	President and Director	President/Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, NY 10019
Philip J. Hoffman	Executive Vice President and Director	Executive Vice President/Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, NY 10019
Rona Fairhead	Vice President and Director	Finance Director/Pearson plc, 80 Strand, London WC2R 0RL, England
Thomas Wharton	Vice President and Director	Vice President/Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, NY 10019



**Pearson Longman, Inc.**

Name	Position	Principal Occupation/Business Address
David C. M. Bell	Chairman and Director	Director/Pearson plc, 80 Strand, London WC2R 0RL, England
Jeffrey Taylor	President and Director	President/Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, NY 10019
Philip J. Hoffman	Executive Vice President and Director	Executive Vice President/Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, NY 10019
Rona Fairhead	Vice President and Director	Finance Director/Pearson plc, 80 Strand, London WC2R 0RL, England
Thomas Wharton	Vice President and Director	Vice President/Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, NY 10019

**Pearson DBC Holdings Inc.**

Name	Position	Principal Occupation/Business Address
David C. M. Bell	Director	Director/Pearson plc, 80 Strand, London WC2R 0RL, England
Thomas Wharton	Vice President and Director	Vice President of Taxation/Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, NY 10019
Shaheda Sayed	Treasurer, Secretary and Director	Vice President/Pearson Inc., 1330 Avenue of the Americas, 7th Floor, New York, NY 10019

### EXHIBIT INDEX

The following additional material is filed as an Exhibit to this Amendment No. 3:

Exhibit 1: Joint filing agreement as required by Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended.

Exhibit 2: Stock Sale and Purchase Agreement, dated as of January 6, 2006, by and among Allan R. Tessler, ART/FGT Family Partners Ltd. and Tessler Family Limited Partners and DBC Holdings.

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nbsp;14, 2013 shall be 30,000,000.

(b) A participant will have no interest or voting rights in shares covered by his or her option until such option has been exercised and the purchased shares deposited in the participant's account.

#### 14. ADMINISTRATION.

(a) The Plan shall be administered by the Board. The Board may delegate some or all of its duties, rights, and authority under the Plan to a committee of members of the Board or to employees of the Company. The Board or its delegate shall have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility and to adjudicate all disputed claims filed under the Plan. Every finding, decision and determination made by the Board or its delegate shall, to the full extent permitted by law, be final and binding upon all parties.

(b) The Board or its delegate may adopt rules, procedures and/or sub-plans in accordance with the provisions of Section 25 designed for the purpose of satisfying applicable non-U.S. laws or to achieve desired tax or other objectives in particular locations outside the United States. Unless otherwise determined by the Board, the Employees eligible to participate in each such sub-plan will participate in a separate Offering. Such sub-plans may, but in the discretion of the Board need not, qualify as an employee stock purchase plan under Section 423 of the Code.

**15. PAYMENTS IN THE EVENT OF DEATH.** In the event of the death of a participant, the Company shall deliver any cash in the participant's account under the Plan to the executor or administrator of the estate of the participant; or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may reasonably determine.

**16. TRANSFERABILITY.** Neither payroll deductions credited to a participant's account nor any rights with regard to the exercise of an option or to receive shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than as provided in Section 15 hereof) by the participant. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw from the Plan in accordance with Section 10.

**17. USE OF FUNDS.** All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

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**18. REPORTS.** Individual accounts will be maintained for each participant in the Plan. Statements of account will be made available to participating Employees at least annually, and will set forth the amounts of payroll deductions, the Purchase Price, the number of shares purchased and the remaining cash balance to be refunded, if any.

**19. ADJUSTMENTS UPON CHANGES IN CAPITALIZATION.**

(a) **Changes in Capitalization.** Subject to any required action by the stockholders of the Company, the Reserves, the maximum number of shares each participant may purchase each Purchase Period (under Section 7), as well as the price per share and the number of shares of Common Stock covered by each option under the Plan that has not yet been exercised, shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, any other increase or decrease in the number of shares of Common Stock effected without receipt of consideration by the Company or if the Company effects one or more reorganizations, recapitalizations, or rights offerings; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been effected without receipt of consideration. Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock subject to option.

(b) **Dissolution or Liquidation.** In the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress will be shortened by setting a new Exercise Date (the New Exercise Date ), and shall terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless otherwise provided by the Board. The New Exercise Date shall be before the date of the Company's proposed dissolution or liquidation. The Company shall notify each participant in writing or electronically (which notice may be in the form of a notice on the Company's Intranet or notice to any e-mail or postal address maintained by the Company's Stock Administration office for the participant) at least ten business days prior to the New Exercise Date, that the Exercise Date for the participant's option has been changed to the New Exercise Date and that the participant's option shall be exercised automatically on the New Exercise Date, unless prior to such date the participant has withdrawn from the Plan pursuant to Section 10.

(c) **Merger or Change in Control.** In the event of a merger or Change in Control, each option under the Plan shall be assumed or an equivalent option shall be substituted by the successor corporation or a parent or Subsidiary of the successor corporation. If the successor corporation refuses to assume or substitute for the option, any Purchase Periods then in progress shall be shortened by setting a new Exercise Date (the New Exercise Date ) and any Offering Periods then in progress shall end on the New Exercise Date. The New Exercise Date shall be before the date of the Company's proposed sale or merger. The Company shall notify each participant in writing or electronically (which notice may be in the form of a notice on the Company's Intranet or notice to any e-mail or postal address maintained by the Company's Stock Administration office for the participant) prior to the New Exercise Date, that the Exercise Date

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for the participant's option has been changed to the New Exercise Date and that each participant's option will be exercised automatically on the New Exercise Date, unless prior to such date the participant has withdrawn from the Plan pursuant to Section 10.

**20. AMENDMENT OR TERMINATION.**

(a) The Board may at any time and for any reason terminate or amend the Plan. Except as provided in Section 19 and this Section 20, no such amendment will adversely affect options previously granted, provided, however, that an Offering Period may be terminated by the Board on any Exercise Date if the Board determines that the termination of the Offering Period or the Plan is in the best interests of the Company and its stockholders. In addition, if the Plan is terminated, the Board, in its discretion, may elect to terminate all outstanding Offering Periods either immediately or upon completion of the purchase of shares of Common Stock on the next Exercise Date (which may be sooner than originally scheduled, if determined by the Board in its discretion), or may elect to permit Offering Periods to expire in accordance with their terms (and subject to any adjustment pursuant to Section 19). If the Offering Periods are terminated prior to expiration, all amounts then credited to participants' accounts which are not used to purchase shares of Common Stock will be returned to the participants as soon as administratively practicable. Except as provided in Section 19 and this Section 20, no amendment may make any change in any option theretofore granted which adversely affects the rights of any participant. To the extent necessary to comply with Section 423 of the Code (or any successor rule or provision or any other applicable law, regulation or stock exchange rule), the Company shall obtain stockholder approval in such a manner and to such a degree as required prior to the effectiveness of any amendment.

(b) Without stockholder consent and without regard to whether any participant rights may be considered to have been adversely affected, the Board shall be entitled to change the Offering Periods and/or Purchase Periods, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each participant properly correspond with amounts withheld from the participant's Compensation and establish such other limitations or procedures as the Board determines in its sole discretion advisable which are consistent with the Plan.

(c) In the event the Board determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Board may, in its discretion and, to the extent necessary or desirable, modify, amend or terminate the Plan to reduce or eliminate such accounting consequence including, but not limited to:

- (i) amending the Plan to conform with the safe harbor definition under the Financial Accounting Standards Board Accounting Standards Codification Topic 718, including with respect to an Offering Period underway at the time;

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- (ii) altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;
- (iii) shortening any Offering Period so that the Offering Period ends on a new Exercise Date, including an Offering Period underway at the time of the Board action;
- (iv) reducing the maximum percentage of Compensation a participant may elect to set aside as payroll deductions; and
- (v) reducing the maximum number of Shares a participant may purchase during any Offering Period.

Such modifications or amendments shall not require stockholder approval or the consent of any Plan participants.

**21. NOTICES.** All notices or other communications by a participant to the Company in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof. Notices given by means of the Company's intranet, e-mail, or similar system will be deemed to be written notices under the Plan.

**22. CONDITIONS UPON ISSUANCE OF SHARES.**

(a) Shares shall not be issued with respect to an option unless the exercise of such option and the issuance and delivery of such shares pursuant thereto shall comply with all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act of 1933, the Securities Exchange Act of 1934, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance.

(b) As a condition to the exercise of an option, if required by applicable securities laws, the Company may require the participant for whose account the option is being exercised to represent and warrant at the time of such exercise that the shares are being purchased only for investment and without any present intention to sell or distribute such shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned applicable provisions of law.

**23. TERM OF PLAN.** The Plan shall continue in effect until May 14, 2023, unless sooner terminated under Section 20.

**24. EMPLOYMENT RELATIONSHIP.** Nothing in the Plan shall be construed as creating a contract for employment for any period or shall interfere with or limit in any way the right of the Company or of any Subsidiary to terminate any participant's employment relationship at any time, with or without cause, nor confer upon any participant any right to continue in the employ of the Company or any Subsidiary.

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**25. RULES FOR NON-U.S. JURISDICTIONS.**

(a) Notwithstanding any provision to the contrary in the Plan, the Board may adopt such rules, procedures and/or sub-plans relating to the operation and administration of the Plan as it deems necessary or desirable to accommodate the specific requirements of local laws or procedures in jurisdictions outside of the United States and/or to enable participants to be eligible for favorable tax treatment in jurisdictions outside of the United States. Without limiting the generality of the foregoing, the Board is specifically authorized to adopt rules and procedures regarding eligibility to participate, the definition of Compensation, handling of payroll deductions, making of contributions to the Plan in forms other than payroll deductions, establishment of bank or trust accounts to hold payroll deductions, payment of interest, conversion of local currency, obligations or agreements to pay payroll, social insurance, fringe benefit or other taxes, withholding procedures and handling of stock certificates which vary by jurisdiction.

(b) The Board may also adopt rules, procedures and/or sub-plans applicable to particular Employers, which sub-plans may be designed to be outside the scope of Section 423 of the Code. The rules of such sub-plans may take precedence over other provisions of this Plan, with the exception of Sections 13(a) and 20, and the 27-month maximum Offering Period limitation provided under Section 2(p), but unless otherwise superseded by the terms of such sub-plan, the provisions of this Plan shall govern the operation of such sub-plan. To the extent inconsistent with the requirements of Section 423 of the Code, the purchase of shares under such sub-plans shall not be considered to comply with Section 423 of the Code.

**26. GOVERNING LAW.** The Plan shall be construed in accordance with and governed by the laws of the State of Delaware.

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