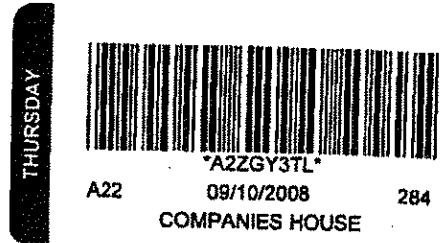


Company number 2671052



**PRIVATE COMPANY LIMITED BY SHARES**  
**RESOLUTIONS**  
**of**  
**THE AMBASSADOR THEATRE GROUP LIMITED**

Passed on 1<sup>st</sup> October 2008

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**SPECIAL RESOLUTIONS**

**Creation of "A" Ordinary Shares**

- 1 That 250 of the existing authorised but unissued ordinary shares of £1 each of the Company be sub-divided into and re-designated as 25,000 "A" ordinary shares of 1 pence each having the rights set out in respect of such shares in Attachment A to this Resolution

**Re-designation of existing ordinary shares as Preferred Ordinary Shares**

- 2 That each of the existing issued ordinary shares of £1 each of the Company and each of the existing authorised but unissued ordinary shares of £1 each of the Company (other than the 250 ordinary shares which have been sub-divided and re-designated pursuant to Resolution 1) be re-designated as preferred ordinary shares of £1 each having the rights set out in respect of such shares in Attachment A to this Resolution

**Share Rights**

- 3 That Article 21 of the Company's Articles of Association be deleted and that the Article set out in Attachment A to this Resolution be inserted in its place

#### **Directors' authority to allot shares**

- 4 That the Directors be and they are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "Act") to exercise all powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £701,862 (being the amount of the existing authorised but unissued share capital) provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire on the fifth anniversary of the passing of this Resolution, but the Company may, before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry, and the Directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority is in substitution for all previous authorities conferred upon the Directors pursuant to section 80 of the Act, but without prejudice to the allotment of any relevant securities already made or to be made pursuant to such authorities.

#### **Disapplication of pre-emption rights on issue of "A" ordinary shares**

- 5 That the Directors be authorised to issue "A" ordinary shares to senior managers of the Company without first offering such shares to the members in accordance with Article 2.3

#### **Drag-along and Tag-along rights regarding "A" ordinary shares**

- 6 That Article 4 of the Company's Articles of Association be amended by inserting after Article 4.2 the Articles set out in Attachment B to this Resolution.

#### **Voting rights held by holders of preferred ordinary shares only**

- 7 Article 5.5 of the Company's Articles of Association shall be amended so that it reads as follows

"On a show of hands every holder of preferred ordinary shares present in person or by proxy shall have one vote and on a poll every holder of preferred ordinary shares so present shall have one vote for every share of which he is the holder or in respect of which he holds a proxy. The holders of the "A" ordinary shares shall not be entitled to a vote."

## Attachment A

### (Resolution 3)

21 The share capital of the Company is £10,500,000 comprising 10,499,750 preferred ordinary shares of £1 each having the rights set out in (a) below and 25,000 "A" ordinary shares of 1 pence each having the rights set out in (b) below

(a) The preferred ordinary shares have the following rights

- (i) the holders of the preferred ordinary shares shall be entitled, on a pari passu basis in proportion to the number of shares held, to all dividends paid by the Company,
- (ii) the holders of the preferred ordinary shares shall be entitled, on a pari passu basis in proportion to the number of shares held, to 100% of any Realised Equity Value up to and including £40,000,000,
- (iii) the holders of the preferred ordinary shares shall be entitled, on a pari passu basis in proportion to the number of shares held, to the balance of any Realised Equity Value in excess of £40,000,000 which is not allocated to the holders of the "A" ordinary shares in issue at the time of the Realisation in accordance with Article 21(b) below,

(b) The "A" ordinary shares have the following rights

- (i) the holders of the "A" ordinary shares shall not be entitled to any dividends paid by the Company,
- (ii) if the Realised Equity Value is £40,000,000 or less the holders of the "A" ordinary shares shall not be entitled to any part of the Realised Equity Value,
- (iii) if the Realised Equity Value is more than £40,000,000 the holders of the "A" ordinary shares who are employees of the Company immediately before the Realisation shall be entitled, as between all members of

the Company, to receive in respect of each "A" ordinary share held by him/her at the time of the Realisation 1/25,000 of 25% (twenty five per cent) of that part of the Realised Equity Value as exceeds £40,000,000 (the "Realisation Value") and the holders of the "A" ordinary shares who are not employees of the Company immediately before the Realisation shall be entitled, as between all members of the Company, to receive in respect of each "A" ordinary share held by him/her at the time of the Realisation the lower of (A) Fair Value at the time the holder ceased to be employed by the Company or, if the Board so determines (in its absolute discretion) that a value which is lower than such Fair Value is more appropriate in the circumstances, such lower value and (B) the Realisation Value,

(c) For the purposes of these Articles

"Fair Value" at the time a holder of "A" ordinary shares ceased to be employed by the Company shall be calculated on the basis of whatever the entitlement of an "A" ordinary share would have been to share in Realised Equity Value in excess of £40,000,000 if there had been a Realisation at the time the holder ceased to be employed by the Company, the amount of the assumed Realised Equity Value being determined by reference to the Board's estimate of the then market value of the Company's equity (following consultation with the Company's auditors),

"Realisation" means a sale of the entire issued share capital of the Company or a liquidation of the Company or a payment of a special dividend or distribution to holders of the preferred ordinary shares following a sale of assets which in the reasonable opinion of the Board represents a substantial proportion of the assets of the Company and/or its subsidiaries,

"Realised Equity Value" means the value available for allocation amongst the members following a Realisation. In the event that consideration other than cash is payable on a Realisation or an element of the consideration is deferred or contingent the Board shall determine in its reasonable opinion the value of the non-cash consideration and/or the deferred or contingent consideration as at the date of the Realisation and, if

applicable, how the different elements of the consideration should fairly be allocated amongst the holders of the "A" ordinary shares,

If any additional preferred ordinary shares are issued following the first issue of the "A" ordinary shares the figure of £40,000,000 in Articles 21(a) and (b) and in the definition of "Fair Value" above shall be increased by an amount equal to the value of the consideration received in respect of the issue of such additional shares

22 A vesting period will operate in respect of each holder of the "A" ordinary shares in the period following the date of issue of "A" ordinary shares as follows

- (a) 25% of the "A" ordinary shares issued to the holder will vest immediately and 25% will vest on each of the first, second and third anniversaries of their issue provided that the holder is still employed by the Company on such anniversary,
- (b) if the holder ceases to be employed by the Company as a result of the holder being justifiably dismissed in accordance with his/her service contract (a "Bad Leaver") then the Company may (at its option) require any "A" ordinary shares held by him/her to be redeemed or purchased by the Company at their nominal value regardless of whether or not they have vested,
- (c) if the holder ceases to be employed by the Company during the 3 year vesting period by reason of retirement, incapacity (meaning incapacity through sickness or injury rendering the holder incapable of performing services in accordance with the provisions of his or her service agreement) or redundancy (a "Good Leaver") then all of the "A" ordinary shares held by him/her will vest on the date he/she ceases to be employed,
- (d) if the holder leaves the employment of the Company voluntarily (i.e. by giving notice of his/her resignation) (also a Good Leaver) within 3 years of the issue of the "A" ordinary shares to him/her then the Company may (at its option) require any "A" ordinary shares held by such holder which have not vested by that time to be redeemed or purchased by the Company at their nominal value

Any unvested "A" ordinary shares will automatically vest if there is a Realisation or a flotation of the Company during the 3 year vesting period

23 If a holder of "A" ordinary shares ceases to be employed by the Company the following provisions shall apply according to whether the holder is a Good Leaver or a Bad Leaver

(a) if the holder is a Good Leaver (in accordance with Article 22(c) or (d)), the holder may retain the vested "A" ordinary shares held by him/her but the entitlement of each such share on a Realisation shall be determined in accordance with Article 21(b)(iii),

(b) if the holder is a Bad Leaver (in accordance with Article 22(b)) the Company may (at its option) require all or some of the "A" ordinary shares held by him/her to be redeemed or purchased by the Company at nominal value

24 In the event that the Company becomes entitled to redeem or purchase any of the "A" ordinary shares but does not have sufficient distributable reserves to enable it to redeem or purchase such "A" ordinary shares the Board may resolve (in its absolute discretion) that each such "A" ordinary share shall be re-designated as a deferred share of 1 pence each with identical rights and restrictions as an "A" ordinary share except that the right of a holder of a deferred share to participate in any Realised Equity Value shall be reduced to 0.0001% of the entitlement of a holder of an "A" ordinary share. A holder of a deferred share shall be obliged to transfer his/her entire holding of deferred shares to such person as the Board may by notice direct at a price per share equal to the nominal value and any member of the Board is hereby appointed as attorney for any holder of deferred shares for the purposes of executing any transfer of deferred shares in accordance with this Article

**Attachment B**

**(Resolution 6)**

- 43 If the holders of 90% of the preferred ordinary shares in issue for the time being ("**Selling Shareholders**") wish to transfer all of their interest in the shares ("**Sellers' Shares**") to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Selling Shareholders may require all holders of "A" ordinary shares ("**Called Shareholders**") to sell and transfer all their shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of Articles 4.4 to 4.10 (inclusive) ("**Drag Along Option**")
- 44 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify
- (a) that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to this Article,
  - (b) the person to whom the Called Shares are to be transferred,
  - (c) the consideration payable for the Called Shares which shall, for each Called Share, be an amount reflecting the entitlement in accordance with Article 2.1 calculated by reference to the price per share offered by the Proposed Buyer for the Sellers' Shares, and
  - (d) the proposed date of the transfer
- 45 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 30 days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 46 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article.
- 47 Completion of the sale of the Called Shares shall take place on the Completion Date. "**Completion Date**" means the date proposed for completion of the sale of the Sellers' Shares.

- 4 8 Within 7 days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their shares pursuant to Article 4 4(c) to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 4 4(c) in trust for the Called Shareholders without any obligation to pay interest.
- 4 9 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to Article 4 4(c), the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article in respect of their shares.
- 4 10 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article.
- 4 11 The provisions of Article 4 12 to Article 4 14 (inclusive) shall apply if, in one or a series of related transactions, one or more holders of preferred ordinary shares propose to transfer any of their shares ("Proposed Transfer") which would, if carried out, result in any person ("Buyer") acquiring a Controlling Interest in the Company. "Controlling Interest" means an interest in shares giving to the holder



or holders control of the Company within the meaning of section 840 of the Income and Corporation Taxes Act 1988

- 4 12 Before making a Proposed Transfer, a seller shall procure that the Buyer makes an offer ("Offer") to the holders of the "A" ordinary shares to purchase all of the shares held by them for a consideration in cash per share that reflects the entitlement of such share in accordance with Article 21 calculated by reference to the highest price per preferred ordinary share offered or paid by the Buyer in the Proposed Transfer ("**Specified Price**")
- 4 13 The Offer shall be given by written notice ("**Offer Notice**"), at least 7 days ("**Offer Period**") before the proposed sale date ("**Sale Date**") To the extent not described in any accompanying documents, the Offer Notice shall set out
- (a) the identity of the Buyer,
  - (b) the purchase price and other terms and conditions of payment,
  - (c) the Sale Date, and
  - (d) the number of preferred ordinary shares proposed to be purchased by the Buyer ("**Offer Shares**")
- 4 14 If the Buyer fails to make the Offer to all holders of shares in the Company in accordance with Article 4 12 and Article 4 13, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of shares effected in accordance with the Proposed Transfer

