

Statutory Declaration of compliance with requirements on application for registration of a company

Please do not
write in
this margin

Pursuant to section 12(3) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

For official use

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--

Name of company

* insert full
name of Company

*

HEART OF ENGLAND RADIO LIMITED

I, MICHAEL RICHARD COUNSELL, signing on behalf

of SWIFT INCORPORATIONS LIMITED

2 BACHES STREET

LONDON N1 6UB

† delete as
appropriate

do solemnly and sincerely declare that I am a [~~Solicitor engaged in the formation of the~~
~~company~~] † [person named as director or secretary of the company in the statement delivered to
the registrar under section 10(2)† and that all the requirements of the above Act in respect of the
registration of the above company and of matters precedent and incidental to it have been
complied with,

And I make this solemn declaration conscientiously believing the same to be true and by virtue of
the provisions of the Statutory Declarations Act 1835

Declared at 11, SHIP STREET

Declarant to sign below

BRECON,

POWYS

Dated this 14th day of June 1993

before me

A Commissioner for Oaths or Notary Public or Justice of
the Peace or Solicitor having the powers conferred on a
Commissioner for Oaths.

Presenter's name, address and
reference (if any):

For official use

New Companies Section

Post room

Printed and supplied by

Jordans

Jordan & Sons Limited

21 St. Thomas Street, Bristol BS1 6JS
Tel: 0272 230600 Telex 449119

CHA108

This form should be completed in black.

10

**Statement of first directors and
secretary and intended situation
of registered office**

Company name (in full)

CN

For official use ☐

HEART OF ENGLAND RADIO LIMITED

Registered office of the company on
incorporation.

RO

CHRYSLER BUILDING

BRAMLEY ROAD

Post town LONDON

County/Region

Postcode W10 6SP

If the memorandum is delivered by an
agent for the subscribers of the
memorandum mark 'X' in the box
opposite and give the agent's name
and address.

X

Name JORDAN & SONS LIMITED

RA

21 ST. THOMAS STREET

Post town BRISTOL

County/Region

Postcode BS1 6JS

Number of continuation sheets attached ☐

To whom should Companies House
direct any enquiries about the
information shown in this form?

C.F.P.U. JORDAN & SONS LIMITED

21 ST. THOMAS STREET

BRISTOL

Postcode BS1 6JS

Telephone 0272 230600

Extension 349

JST10

Company Secretary (See notes 1 - 5)

Name

*Style/Title

Forenames

Surname

*Honours etc

Previous forenames

Previous surname

Address

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

CS

MR

CLIVE RONALD

POTTERILL

-

-

-

AD

42 CLAYGATE LANE

HINCHLEY WOOD

Post town Esher

County/Region SURREY

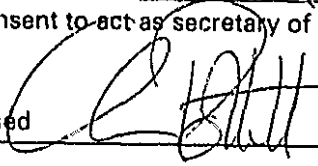
Postcode KT10 0AQ

Country

I consent to act as secretary of the company named on page 1

Consent signature

Signed



Date 28/5/93

Joint**Company Secretary** (See notes 1 - 5)

Name

*Style/Title

Forenames

Surname

*Honours etc

Previous forenames

Previous surname

Address

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

CS

N/A

N/A

SWIFT INCORPORATIONS LIMITED

N/A

N/A

N/A

AD

2 BACHES STREET

Post town LONDON

County/Region

Postcode N1 6UB

Country ENGLAND

I consent to act as secretary of the company named on page 1

Consent signature

Signed

(Authorised
Signatory)

Date

- 4 JUN 1993

03/06/93

Page 1

Current and Past Appointments up to Five Years Old for R N L Huntingford

Company Name	Appointed	Resigned
Current UK Appointments in Chrysalis Group plc		
Chrysalis Group plc	22/09/87	Current
Current Appointments in UK Companies Wholly-owned (100%) by Group		
Chrysalis Holdings Limited	27/07/90	Current
Chrysalis Television Group Limited	30/03/89	Current
Chrysalis Television Productions Limited	09/12/91	Current
Club Italia Limited	25/02/93	Current
The Games Channel Limited	20/08/92	Current
Past Appointments in UK Companies Wholly-owned (100%) by Group		
Airtv Facilities Limited	11/09/87	15/01/90
Blackrod Interactive Services Limited	15/01/89	15/01/90
Blackrod Limited	15/01/89	15/01/90
Chrysalis Television Limited	23/03/88	15/01/90
Chrysalis Television Mobiles Limited	11/09/87	15/01/90
Chrysalis Television Productions Limited	09/11/88	27/09/90
Chrysalis Television Training Ltd	06/04/89	15/01/90
Current Appointments in UK Companies Partly-owned (51-99%) by Group		
Macademy Limited	20/03/91	Current
Past Appointments in UK Companies Partly-owned (51-99%) by Group		
REM Video Hire Limited	16/10/87	15/01/90
Current Appointments in UK Associate Companies (up to 50% owned by Group)		
Air Studios (Lyndhurst) Limited	20/12/90	Current
Heart of the North West Radio Limited	08/02/93	Current
Past Appointments in UK Associate Companies (up to 50% owned by Group)		
Audio International Recording Studios Limited	31/08/88	10/04/89
Current Appointments in Independent UK Companies		
Pearhill PLC	14/01/92	Current

KH5021

Cont/...

03/06/93

Page 2

Current and Past Appointments up to Five Years Old for R M L Huntingford

Company Name	Appointed	Resigned
Past Appointments in Independent UK Companies		
Chrysalis Records International Limited	16/08/90	11/12/91
Other Current Statutory Appointments		
Air Studios (Lyndhurst) Limited		
Metro Radio Group Plc		
Pearhill Plc	17/12/90	Current Current Current
The Clean Car Wash Company Limited		
Other Past Statutory Appointments		
Hadleigh Wine Cellars Limited		07/05/91
Showplay Limited (in liquidation)		19/10/89

06.03.1993 15:40

FROM CHRYSLIS CORPORATE DEPARTMENT.

KH5021

Directors (See notes 1 - 5)

Please list directors in alphabetical order.

Name : *Style/Title
Forenames
Surname
*Honours etc
Previous forenames
Previous surname

Address

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

Date of birth

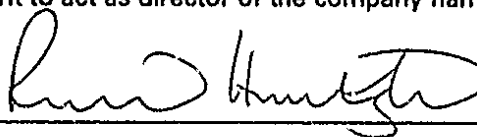
Business occupation


Other directorships

* Voluntary details

Consent signature

Delete if the form
is signed by the
subscribers.

CD	Mr
Richard Norman Leigh	
Huntingford	
—	
—	
—	
AD	39 AMERLAND ROAD
Post town LONDON	
County/Region	
Postcode SW18 1QA	
Country	
DO	14 015 516
Nationality	
NA	BRITISH
OC	CHARTERED ACCOUNTANT
OD	SEE ATTACHED
I consent to act as director of the company named on page 1	
Signed	 Date 28.5.93

	
Signature of agent on behalf of all subscribers	Date - 4 JUN 1993

THE COMPANIES ACTS 1985 to 1989



PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF

HEART OF ENGLAND RADIO LIMITED

139033

1. The Company's name is "HEART OF ENGLAND RADIO LIMITED".
2. The Company's registered office is to be situated in England and Wales.
3. (i) The object of the Company is to carry on business as a general commercial company.
(ii) Without prejudice to the generality of the object and the powers of the Company derived from Section 3A of the Act the Company has power to do all or any of the following things:-

OBMGEN

(a) To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.

(b) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.

(c) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

(d) To improve, manage, construnt, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.

(e) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

(f) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).

(g) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.

(h) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.

(i) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

(j) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

(k) To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

(l) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.

(m) To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.

(n) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.

(o) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.

(p) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.

(q) To distribute among the Members of the Company in kind any property of the Company of whatever nature.

(r) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.

(s) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance including insurance for any Director, officer or Auditor against any liability as is referred to in Section 310(1) of the Act; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.

(t) Subject to and in accordance with a due compliance with the provisions of Sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.

(u) To procure the Company to be registered or recognised in any part of the world.

(v) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

MGEN

(w) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's object or of any of the powers given to it by the Act or by this Clause.

AND so that:-

(1) None of the provisions set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such provision, and none of such provisions shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other provision set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company.



(2) The word "Company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

(3) In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the Members is limited.

5. The Company's share capital is £1000 divided into 1000 shares of £1 each.

We, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

Names and Addresses of Subscribers		Number of shares taken by each Subscriber
1.	For and on behalf of Instant Companies Limited 2 Baches Street London N1 6UB 	- One
2.	For and on behalf of Swift Incorporations Limited 2 Baches Street London N1 6UB 	- One
Total shares taken		- Two

Dated this 8th day of June, 1993.

Witness to the above signatures

Mark Anderson
2 Baches Street
London N1 6UB



THE COMPANIES ACTS 1985 to 1989
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF

HEART OF ENGLAND RADIO LIMITED

PRELIMINARY

1. (a) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.

(b) In these Articles the expression "the Act" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

ALLOTMENT OF SHARES

2. (a) Shares which are comprised in the authorised share capital with which the Company is incorporated shall be under the control of the Directors who may (subject to Section 80 of the Act and to paragraph (d) below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.

(b) All shares which are not comprised in the authorised share capital with which the Company is incorporated and which the Directors propose to issue shall first be offered to the Members in proportion as nearly as may be to the number of the existing shares held by them respectively unless the Company in General Meeting shall by Special Resolution otherwise direct. The offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than fourteen days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them;

such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this Article by any such Special Resolution as aforesaid shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the Members. The foregoing provisions of this paragraph (b) shall have effect subject to Section 80 of the Act.

(c) In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

(d) The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of five years from the date of incorporation and the Directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

SHARES

3. The lien conferred by Clause 8 in Table A shall attach also to fully paid-up shares, and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company. Clause 8 in Table A shall be modified accordingly.

4. The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of Clause 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

GENERAL MEETINGS AND RESOLUTIONS

5. (a) Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.

(b) No business shall be transacted at any General Meeting unless a quorum is present. Subject to paragraph (c) below two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.

(c) If and for so long as the Company has only one Member, that Member present in person or by proxy or if that Member is a corporation by a duly authorised representative shall be a quorum.

(d) If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine; and if at the adjourned General Meeting a quorum is not present within half an hour from the time appointed therefor such adjourned General Meeting shall be dissolved.

(e) Clauses 40 and 41 in Table A shall not apply to the Company.

6. (a) If and for so long as the Company has only one Member and that Member takes any decision which is required to be taken in General Meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting save that this paragraph shall not apply to resolutions passed pursuant to sections 303 and 391 of the Act.

(b) Any decision taken by a sole Member pursuant to paragraph (a) above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.

APPOINTMENT OF DIRECTORS

7. (a) Clause 64 in Table A shall not apply to the Company.

(b) The maximum number and minimum number respectively of the Directors may be determined from time to time by Ordinary Resolution in General Meeting of the Company. Subject to and in default of any such determination there shall be no maximum number of Directors and the minimum number of Directors shall be one. Whenever the minimum number of Directors shall be one, a sole Director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the Directors generally, and Clause 89 in Table A shall be modified accordingly.

(c) The Directors shall not be required to retire by rotation and Clauses 73 to 80 (inclusive) in Table A shall not apply to the Company.

(d) No person shall be appointed a Director at any General Meeting unless either:-

MGEN

(i) he is recommended by the Directors; or

(ii) not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting, notice signed by a Member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.

(e) Subject to paragraph (d) above, the Company may by Ordinary Resolution in General Meeting appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.

(f) The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with paragraph (b) above as the maximum number of Directors and for the time being in force.

(g) In any case where as the result of the death of a sole Member of the Company the Company has no Members and no Directors the personal representatives of such deceased member shall have the right by notice in writing to appoint a person to be a Director of the Company and such appointment shall be as effective as if made by the Company in General Meeting pursuant to paragraph (e) of this Article.

BORROWING POWERS

8. The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to Section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

ALTERNATE DIRECTORS

9. (a) An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, and the first sentence of Clause 66 in Table A shall be modified accordingly.

(b) A Director, or any such other person as is mentioned in Clause 65 in Table A, may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

GRATUITIES AND PENSIONS

10. (a) The Directors may exercise the powers of the Company conferred by Clause 3(ii)(s) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

(b) Clause 87 in Table A shall not apply to the Company.

PROCEEDINGS OF DIRECTORS

11. (a) A Director may vote, at any meeting of the Directors or of any committee of the Directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

(b) Clauses 94 to 97 (inclusive) in Table A shall not apply to the Company.

THE SEAL

12. (a) If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or second Director. The obligation under Clause 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Clause 101 of Table A shall not apply to the Company.

(b) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

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INDEMNITY

13. (a) Every Director or other officer or Auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, or in connection with any application under Section 144 or Section 727 of the Act in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

(b) The Directors shall have power to purchase and maintain for any Director, officer or Auditor of the Company insurance against any such liability as is referred to in Section 310(1) of the Act.

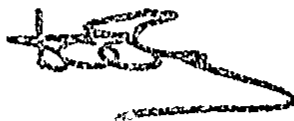
(c) Clause 118 in Table A shall not apply to the Company.

TRANSFER OF SHARES

14. The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of a share, whether or not it is a fully paid share, and the first sentence of Clause 24 in Table A shall not apply to the Company.

Names and Addresses of Subscribers

1. For and on behalf of
Instant Companies Limited
2 Baches Street
London N1 6UB



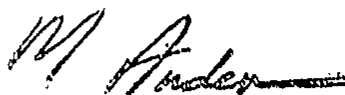
2. For and on behalf of
Swift Incorporations Limited
2 Baches Street
London N1 6UB



Dated this 8th day of June, 1993.

Witness to the above signatures

Mark Anderson
2 Baches Street
London N1 6UB



FILE COPY



**CERTIFICATE OF INCORPORATION
OF A PRIVATE LIMITED COMPANY**

No. 2828239

I hereby certify that

HEART OF ENGLAND RADIO LIMITED

is this day incorporated under the Companies Act 1985 as
a private company and that the Company is limited.

Given under my hand at the Companies Registration Office,
Cardiff the 18 JUNE 1993

A handwritten signature in black ink, appearing to read 'L. Parry'.

MRS. L. PARRY

an authorised officer

COMPANIES FORM No 224

G

Notice of accounting

reference date

(to be delivered within 9 months of incorporation)

224

Pursuant to section 224 of the Companies Act 1985
as inserted by section 3 of the Companies Act 1989

To the Registrar of Companies

For official use

Company Number

--	--	--

2828239

Name of Company

Heart Of England Radio Limited

gives notice that the date on which the company's accounting reference
period is to be treated as coming to an end in each successive year is
as shown below:

Day Month

3	1	0	8
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Signed

Designation

Company Secretary Date 24-6-93

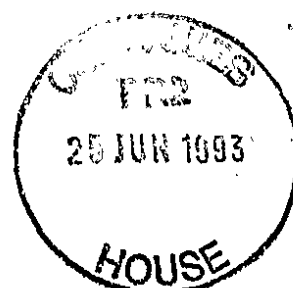
Presentor's name, address,
telephone number and
reference (if any):

Ref: cp
C R Potterell
The Chrysalis Building
Bramley Road
LONDON
W10 6SP

CHAPP

For official use
D E B

Post room



Number of Company: 2828239

The Companies Act 1985
(As amended by the Companies Act 1989)

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(Pursuant to S.378 (2) of the Companies Act 1985)

of

HEART OF ENGLAND RADIO LIMITED

Passed 25th August 1994

AT an EXTRAORDINARY GENERAL MEETING of the above-named Company, duly convened, and held at 111 Broad Street, Birmingham B15 14S

on the day of 1994 the subjoined SPECIAL AND ORDINARY RESOLUTIONS were duly passed viz:-

ORDINARY RESOLUTIONS

1. THAT The authorised share capital of the Company be and it is hereby increased from £1000 to £502,564 by:
 - a) the creation of an additional 99,000 Ordinary Shares of £1 12/100 each;
 - b) the creation of 2564 Convertible Non-voting "B" Ordinary Shares of £1 each; CNVB
 - c) the creation of 400,000 Redeemable 0% Preference Shares of £1 each
2. a) THAT The Directors shall have a general and unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any relevant securities (within the meaning of Section 80 of the Companies Act 1985 ("the Act")) of the Company on and subject to such terms as the Directors may determine. The authority hereby conferred shall subject to Section 80 of the Act be for a period expiring five years from the date of the passing of this resolution unless renewed varied or revoked by the Company in General Meeting and the maximum amount of relevant securities which may be allotted pursuant to such authority shall be 99,998 Ordinary Shares of £1, 2564 Convertible Non-voting "B" Ordinary Shares of £1 and 400,000 Redeemable 0% Preference Shares of £1 each being the authorised but as yet unissued share capital of the Company at the date hereof.

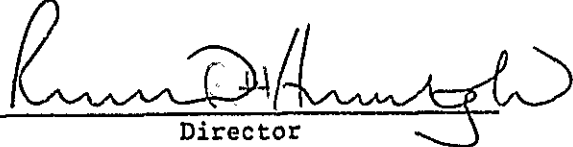


2. (Cont)

- (b) THAT the Directors shall be entitled under the authority conferred by paragraph (a) of this Resolution or under any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement which would or might require relevant securities of the Company to be allotted after the expiry of such authority.

SPECIAL RESOLUTIONS

3. THAT the Directors be empowered pursuant to Section 95 of the Act to allot equity securities (within the meaning of Section 94(2) of the Act) of the Company pursuant to the authority conferred by paragraph (a) of Resolution 5 as if Section 89(1) of the Act did not apply to such allotment and the Directors shall be entitled to make at any time prior to the expiry of the power hereby conferred any offer or agreement which would or might require equity securities to be allotted after the expiry of such power. Provided that such power shall subject as aforesaid cease to have effect when the said authority is revoked or would if not renewed expire but if that authority is renewed the said power may also be renewed for a period not longer than that for which the authority is renewed by a Special Resolution of the Company passed in General Meeting.
4. THAT the Memorandum of Association of the Company be amended with respect to its Objects by the deletion of Clauses 3(i) and (ii) and the substitution therefor of Clauses 3(i), (ii) and (iii) in the form now produced to the Meeting and signed by the Chairman for the purposes of identification
5. THAT the regulations contained in the document produced to the Meeting signed by the Chairman for the purpose of identification be and they are hereby adopted as the Articles of Association of the Company in substitution for the existing Articles of the Company and all regulations incorporated therein.


Director

Note: to be filed within 15 days of the passing of the Resolutions.

h83/109879/HFM.res

G

COMPANIES FORM No. 123

**Notice of increase
in nominal capital****123**Please do not
write in
this margin

Pursuant to section 123 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf)

For official use

Company number

--	--	--	--

2828239

Name of company

* HEART OF ENGLAND RADIO LIMITED

* insert full name
of company

gives notice in accordance with section 123 of the above Act that by resolution of the company
dated 25TH AUGUST 1994 the nominal capital of the company has been
increased by £ 501,564.00 beyond the registered capital of £ 1,000.00.

§ the copy must be
printed or in some
other form approved
by the registrar

A copy of the resolution authorising the increase is attached. §

The conditions (eg. voting rights, dividend rights, winding-up rights etc.) subject to which the new
shares have been or are to be issued are as follow:

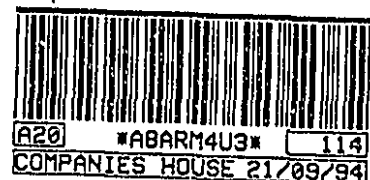
PLEASE SEE ATTACHED

Please tick here if
continued overleaf☐‡ Insert
Director,
Secretary,
Administrator,
Administrative
Receiver or
Receiver
(Scotland) as
appropriate

Signed

Designation: Company SecretaryDate 20/9/94Presentor's name address and
reference (if any):For official Use
General Section

Post room



Dated 25th August 1994

2828239.

ARTICLES OF ASSOCIATION

- of -

HEART OF ENGLAND RADIO LIMITED

Ref: 16/ah/109879/articles
Date: 14/6/94/5

HARBOTTLE
&
LEWIS

Hanover House
14 Hanover Square London W1R 0BE.



THE COMPANIES ACT 1985 to 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HEART OF ENGLAND RADIO LIMITED

PRELIMINARY

1. The regulations contained in Table A in the Companies (Tables A-F) Regulations 1985 as amended (hereinafter called "Table A") shall apply to the above-named Company (hereinafter called "the Company") so far as the same are not excluded varied or modified by these Articles to the exclusion of any other regulations.
2. Regulations 24, 35, 40, 41, 45, 49, 50, 53, 64, 65, 66, 67, 68, 69, 73, 74, 75, 76, 77, 78, 79, 80, 82, 83, 85, 87, 88, 89, 93, 94, 95, 96, 98, 100, 101 and 118, contained in Table A shall not apply to the Company.

INTERPRETATION

3. In these Articles unless there be something in the subject or if the context so admits, context inconsistent therewith:-

"the Act" means the Companies Act 1985 as amended or extended by any other enactment;

"the Authority" means the Radio Authority or its successor under the Broadcasting Act;

"The Broadcasting Act" means the Broadcasting Act 1990 and any statutory modification or re-enactment thereof;

"Chrysalis" means Chrysalis Holdings Limited;

"Directors" means the Directors for the time being of the Company or, if the context so admits, a quorum of such Directors present at a meeting of the Directors;

"Disqualified Person" means a person who is a disqualified person by virtue of Part II of Schedule 2 to the Broadcasting Act or upon whom restrictions are imposed under Parts III, IV or V of Schedule 2 to the Broadcasting Act;

"Holding Company" shall have the meaning assigned to that term by Sections 736 and 736A of the Act whether or not such company is registered or incorporated in Great Britain;

"Licence" means a Licence to provide a local sound broadcasting service pursuant to part III of the Broadcasting Act which is or will be held by the Company;

"Member of the same Group" means as regards any company, a company which is for the time being a Holding Company or a Subsidiary of that company or of any such Holding Company;

"Ordinary Shares" means ordinary shares of £1 each in the capital of the Company;

"Option Agreement" means the Option Agreement entered into on the date of adoption of these Articles between the Company and The Viscountess Cobham of Hagley Hall;

"Permitted Transfer" means a transfer of shares authorised by article 9(b);

"Permitted Transferee" means a person, firm or unincorporated association to whom or which shares have been transferred pursuant to a Permitted Transfer;

"Redeemable Preference Shares" means 0% Redeemable Preference Shares of £1 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles with respect to such shares;

"Restricted Investor" means any person to whom the Authority has notified the Company that a transfer of shares to such person or the holding of any interest in shares by such person:

- (a) would result in the Company or any of its Subsidiaries becoming a Disqualified Person in relation to any Licence; or
- (b) would otherwise give cause to the Authority to refuse to award or grant, revoke, suspend, remove, refuse to renew or extend, vary materially the terms or conditions of or impose onerous conditions on the award, grant or holding of any Licence;

"Subsidiary" shall have the meaning assigned to that term by sections 736 and 736A of the Act whether or not such company is registered or incorporated in Great Britain;

"B' Ordinary Shares" means 'B' convertible Ordinary Shares of £1 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles with respect to such shares;

The provisions of the Broadcasting Act are to be applied to determine whether a person has control over a body corporate or is interested in its share capital or voting rights exercisable at a general meeting of such body corporate.

SHARE CAPITAL AND VARIATION OF RIGHTS

4. 4.1 The Share Capital of the Company on the date of the adoption of these Articles is £502,564 divided into 100,000 Ordinary Shares of £1 each 400,000 Redeemable Preference Shares and 2,564 'B' Ordinary Shares of £1 each having the respective rights and obligations set out herein.

4.2 Ordinary Shares

The rights, privileges, restrictions and limitations attaching to the Ordinary Shares are as follows:

(1) As regards Income

The profits available for distribution shall be distributed by way of dividend among the holders of the Ordinary Shares and the Redeemable Preference Shares on a pro rata basis.

(2) As regards Capital

Subject to the Company having repaid to the holders of the Redeemable Preference Shares the paid up amount on each such share on a return of capital on a winding-up or otherwise (except on redemption or purchase of Redeemable Preference Shares) thereafter the remaining assets of the Company available for distribution among the shareholders shall belong to and be distributed among the holders of the Ordinary Shares rateably according to the amounts paid up on such shares held by them respectively.

(3) As regards Voting

The provisions of Table A which by virtue of these Articles apply to the Company and which relate to the votes of members shall apply in the case of the Company to the votes attaching to Ordinary Shares (and, accordingly, references to "shares" in such Articles of Table A shall be deemed for all purposes to be references to Ordinary Shares only except as provided by Article 4.3(5)).

4.3 Redeemable Preference Shares

The rights, privileges, restrictions and limitations attaching to the Redeemable Preference Shares are as follows:

(1) As regards Capital

On a return of capital on a winding-up or otherwise the assets of the Company available for distribution among shareholders shall be applied (in priority to other shares in the Company for the time being in issue) first in repaying to the holders of the Redeemable Preference Shares the paid up amount on each such share.

(2) As regards Redemption

- (a) Unless previously redeemed, the Company shall (subject to the Act) on the last business day of August 1998 redeem all the Redeemable Preference Shares then in issue.
- (b) In the event that at any relevant time it is required to do so but the Company is unable to redeem any Redeemable Preference Shares it shall nevertheless redeem such shares as soon thereafter as it is able to do so.
- (c) There shall be paid on each Redeemable Preference Share redeemed its paid up amount.
- (d) Notice of redemption under this Article shall be given by the Company to each holder of Redeemable Preference

Shares at least 28 days before any required or proposed date of redemption and shall specify:

- (i) the total number of Redeemable Preference Shares to be redeemed on that occasion; and
- (ii) the number of each holders' Redeemable Preference Shares to be redeemed; and
- (iii) the applicable redemption date and the time and place on such date at or before which the certificates for such Redeemable Preference Shares are to be presented for redemption.

(e) Upon such redemption date as may be specified in any notice given under paragraph (d) above, each of the holders of the Redeemable Preference Shares to be redeemed shall be bound to deliver to the Company at such time and place, the certificates for such of the Redeemable Preference Shares as are held by it. Upon such delivery the Company shall pay to (or to the order of) such holder the amount due to it in respect of such redemption. If any holder of Redeemable Preference Shares whose shares are liable to be redeemed shall fail or refuse to deliver a certificate for his Redeemable Preference Shares to the Company, the Company may retain the redemption monies until delivery of the certificate or an indemnity in respect thereof satisfactory to the Company and shall within seven days of receipt thereof pay the redemption monies to (or to the order of) such holder.

(f) If a Redeemable Preference Share is not redeemed by reason of any failure of the relevant shareholder to comply with his obligations under this Article 4.3(2), or it is redeemed in accordance with the Act and the Articles then as from the date fixed for redemption of that Redeemable Preference Share, such Redeemable Preference Share shall be extinguished and shall cease to confer further rights of any nature upon its holder, except the right to receive the redemption monies in respect of that Redeemable Preference Share. The Company shall not be liable to pay interest on any redemption monies which are not claimed on the date fixed for redemption of any Redeemable Preference Share. The receipt of the registered holder for the time being of any Redeemable Preference Shares, or in the case of joint registered holders, the receipt by any of them of the monies payable on redemption thereof, shall constitute an absolute discharge to the Company in respect thereof.

(3) As regards Income

The profits available for distribution shall be distributed by way of dividend among the holders of the Ordinary Shares and the Redeemable Preference Shares on a pro rata basis.

(4) As regards further participation

The Redeemable Preference Shares do not entitle the holders thereof to participate in the profits or assets of the Company beyond such rights as are expressly set out in paragraphs (1) to (3) inclusive above.

(5) As regards Voting

A holder of the Redeemable Preference Shares shall be entitled to receive notice of general meetings, but not to attend or vote thereat unless:-

- (i) the Company shall have defaulted in payment of redemption monies due in respect of its holding of Redeemable Preference Shares or any part thereof and shall continue so to default at the date when the Notice convening such general meeting is sent out to members; or
- (ii) the business of the Meeting includes a resolution for winding-up the Company or affecting, altering or abrogating the rights or privileges or restrictions attached to the Redeemable Preference Shares (in which event the Redeemable Preference Shares shall entitle the holders thereof to vote on such resolution only).

At every general meeting of the Company at which the holders of the Redeemable Preference Shares are entitled to vote the provisions of these Articles in respect of votes of Ordinary Shares shall apply mutatis mutandis.

4.4 'B' Ordinary Shares

The rights, privileges, restrictions and limitations attaching to the 'B' Ordinary Shares are as follows:-

(1) As regards Conversion

A holder of 'B' Ordinary Shares shall be entitled at any time after 31 August 1998 to convert part or the whole of the 'B' Ordinary Shares held by him into Ordinary Shares. The following provisions shall have effect:-

- (a) a holder wishing to convert any 'B' Ordinary Shares shall deposit at the office of the Company notice stating that he thereby converts the number of shares specified in the said notice;
- (b) the said holder shall deposit with the said notice the certificate or certificates relating to the 'B' Ordinary Shares to be converted;
- (c) the notice shall take effect immediately upon the same being deposited as aforesaid and thereupon the 'B' Ordinary Shares comprised in the notice shall be automatically converted into and thenceforth be called

and known as Ordinary Shares which will rank pari passu in all respects with the remaining Ordinary Shares;

- (d) such Ordinary Shares shall participate in full in all dividends declared on the Ordinary Shares after such conversion except in respect of the financial year immediately preceding the financial year in which the conversion was effected and on the footing that such Shares had at all times from and including the commencement of the financial year in which the same were converted been Ordinary Shares:
- (e) forthwith upon any such conversion the Company shall issue to the holder free of charge a new certificate for such Shares so converted as Ordinary Shares and if the notice of conversion does not relate to all the Shares comprised in the certificates so deposited the holders shall be entitled free of charge to a certificate for the balance.

(2) As regards further participation

The 'B' Ordinary Shares do not entitle the holders thereof to participate in the profits or assets of the Company.

(3) As regards Voting

A holder of the 'B' Ordinary Shares shall be entitled to receive notice of general meetings, but not to attend or vote thereat.

5. 5.1 Subject to any direction to the contrary that may be given in writing by holders of shares entitled to cast not less than 50% of the votes exercisable on a poll at a general meeting of the Company (an "Ordinary Resolution") any new shares from time to time to be created which are to be issued at any time after the date of adoption of these Articles shall be Ordinary Shares and shall be offered whether for cash or otherwise to the holders of the existing Ordinary Shares in proportion as nearly as may be to their existing holdings. Such offer shall be made by notice in writing specifying the number and class of shares offered and limiting a period (not less than 14 days) within which the offer if not accepted shall be deemed to be declined and after the expiration of such time or on the receipt of a written notice from the person to whom the offer is made that he declines to accept the shares offered, the Directors will offer the shares to the other member(s) of the same class who has/have accepted the first offer and, if more than one, in proportion as nearly as may be to their existing holdings. If any shares in such further offer are declined or deemed to be declined the Directors may dispose of the same to other members of the class in such proportions as may be resolved by Ordinary Resolution passed at a meeting of that class or if the shareholders of that class cannot so resolve the directors may dispose of the same in such manner as they think fit. Section 89(1) and Section 90 of the Act shall be excluded from applying to allotments of equity securities (as defined in section 94 of the Act) by the Company.

- 5.2 Prior to any issue of shares to any member or prospective member who is a Disqualified Person, the Directors shall (unless they shall

resolve otherwise by a majority of Directors excluding any Directors nominated by the member in question) make a request in writing to the Authority requesting the Authority to determine whether the issue of shares to such member or prospective member would constitute such member or prospective member a Restricted Investor. If the Authority determines that this is the case, the Directors shall endeavour to agree to put forward proposals to the Authority for any offer of an issue of shares to such member or prospective member on terms different from, but to the extent possible not worse nor better than, those on which shares were previously offered to such member or prospective member which would avoid constituting such member or prospective member a Restricted Investor. If the Authority accepts that such agreed proposed different terms would avoid constituting such member or prospective member or prospective member a Restricted Investor, the Directors shall offer to issue shares to such member or prospective member on such terms in proportion as nearly as may be to their existing holdings. If no such proposed terms are accepted by the Authority, the Directors may decline to offer that number of shares the issue of which would constitute such member or prospective member a Restricted Investor to such member or prospective member but shall offer such shares to the other members of the same class (not being Restricted Investors) in proportion as nearly as may be to their existing holdings.

6. Subject to the provisions of the Act and to Article 5.1 above:-
 - (a) and in particular subject to Chapter VII of Part V of the Act any shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may by special resolution determine and Regulation 3 of Table A shall be modified accordingly;
 - (b) the Company may purchase its own shares; and
 - (c) payment for any such purchase or redemption may (without limiting the generality of this Article) be made otherwise than out of the distributable profits of the Company or the proceeds of a fresh issue of shares.
7. In regulation 8 of Table A the words and brackets "(not being a fully paid share)" shall be deemed to be deleted.
8. In regulation 33 of Table A the words "any person (including, subject to the provisions of the Act, the company)" in the third line shall be deemed to be deleted and the words "any member of the company" inserted in their place.

TRANSFER OF SHARES

9. (a) Notwithstanding any other provisions of these Articles the Directors may refuse to register the transfer of any share:
 - (i) on which the Company has a lien; or
 - (ii) if the transfer is not presented in accordance with the circumstances referred to in sub-paragraphs (a) (b) and (c) of regulation 24 of Table A; or

(iii) where such transfer is to a person who the Authority has notified to the Company is a Restricted Investor; or

(iv) unless the provisions of this clause 9 have been duly complied with.

(b) Subject to the provisions of Article 9(a):

(i) Any shares may at any time be transferred by Chrysalis or its Permitted Transferee or any subsequent Permitted Transferee to the Holding Company of Chrysalis at the date hereof (if any) or to any of the shareholders at the date hereof of such Holding Company or Chrysalis or to any company which is ultimately wholly owned or controlled by shareholders of such Holding Company or Chrysalis at the date hereof ("Associated Person") provided that the Associated Person give an undertaking to the Company that in the event of his, her, their or it ceasing to be an Associated Person or such trustee or trustees, he, she, they or it will before so ceasing give notice of such event to the Company and transfer any shares held in their name to an Associated Person and provided further that if he, she, they or it shall fail to transfer such shares within a reasonable time of such cessation he, she, they or it shall be bound to give a Transfer Notice in respect of the shares held by him, her them or it and the relevant provisions of this Article shall take effect save that the Proposing Transferor in those circumstances shall have no right to withdraw the Transfer Notice; and

(ii) the 'B' Ordinary Shares may be transferred to Chrysalis pursuant to clauses 2 and 8 of the Option Agreement and to a third party pursuant to clause 9 of the Option Agreement.

(c) In the following provisions of this Article:-

"Transfer Notice" shall mean notice in writing given to the Company by a Proposing Transferor that he desires to transfer shares specifying the numbers and the class of shares and the intended Transferee (if any) ("Proposed Transferee") of such shares and the price at which he desires to sell or transfer such shares and whether or not it is conditional upon all the shares comprised in the Transfer Notice being sold and in the absence of such stipulation it shall be deemed not to be so conditional;

"Proposing Transferor" shall mean in relation to any proposed transfer of shares the person who gives or is deemed to give a Transfer Notice;

"the Sale Shares" shall mean the shares to be sold or transferred as specified in a Transfer Notice;

"the Prescribed Period" shall mean a period of three months from the date on which a Transfer Notice is given or deemed to be given or, if later the date on which the pre-emption procedure provided under this Article has been exhausted.

"the Prescribed Price" shall (as applicable) mean:-

- (i) in relation to 'B' Ordinary Shares, such price as may be specified in the Transfer Notice or, if no price is specified, the sum of £1 per 'B' Ordinary Share; and
 - (ii) in relation to Ordinary Shares such price as may be specified in the Transfer Notice or, if no price is specified, or the Proposing Transferor so requests in his Transfer Notice, at the fair value being not less than £1 per Ordinary Share as determined and certified by the Auditors for the time being of the Company on the application of the Directors (such application to be made within seven days of the Transfer Notice). The Directors will use all reasonable endeavours to assist the Auditors to reach their opinion as quickly as possible. Such Auditors shall in so determining and certifying act as experts and not as arbitrators, and shall determine the fair value as an amount which in their opinion represents a fair value for such Ordinary Shares the subject of the Transfer Notice as between a willing vendor and a willing purchaser calculated on the basis of a fair value for the Company as a going concern. If the Auditors are asked to determine the fair value in accordance with this paragraph then within seven days of receipt of the said valuation the Board will notify the Proposing Transferor of the Prescribed Price thus determined. Unless the Proposing Transferor then confirms his desire to proceed with the sale or transfer of the Ordinary Shares within 14 days of being notified of the Auditors' determination of the fair value then the Transfer Notice served by the Proposing Transferor shall be deemed to have been withdrawn and the Board shall be deemed to have consented to that withdrawal, the Proposing Transferor being responsible upon such withdrawal for the costs of the Auditors in determining the Prescribed Price; and
 - (iii) in relation to Redeemable Preference Shares, such price as may be specified in the Transfer Notice or, if no price is specified the sum of £1 per Redeemable Preference Share.
- (d) In addition to the restrictions and provisions of Article 9(a) the right to transfer shares or any interest in such shares in the Company (except in the case of Permitted Transferees) shall be subject to the restrictions and provisions set out in the Articles 9 (e) to (o).
- (e) Subject to the provision of Article 9(b) before transferring any shares the person proposing to transfer such shares shall give a Transfer Notice which shall constitute the Company his agent for the sale of the Sale Shares at the Prescribed Price to any member or to the Company. Save as otherwise expressly provided a Transfer Notice once given or deemed to have been given shall not be revocable except with the consent of all of the Directors in writing unless the Authority shall determine that the Proposed Transferee is a Restricted Investor in which case the Proposing Transferor shall be deemed to have withdrawn its Transfer Notice. Shares of different classes shall not be included in the same Transfer Notice.
- (f) On receipt of a Transfer Notice the Directors shall immediately make a request in writing to the Authority for the Authority to determine

if possible within the Prescribed Period:

- (a) where there is a Proposed Transferee, whether or not such Proposed Transferee is a Restricted Investor (and if so determined by the Authority immediate notice of such determination shall be given to the Proposed Transferor); and
- (b) whether a transfer of any of the Sale Shares pursuant to Articles 9 (g) (i) (j) and (k) below to any member who is a Disqualified Person would constitute that member a Restricted Investor.

provided that if the Directors shall fail to make such request the Proposing Transferor may do so.

- (g) Whenever a Transfer Notice is given, the Company shall forthwith upon receipt thereof, or where the Auditors valuation is required upon receipt of such valuation and confirmation that the Proposing Transferor still wishes to sell its shares at the value certified by the Auditors, offer the Sale Shares (such offer to be accepted within such period being not less than one month or more than six weeks as the Directors shall think fit) in the first place to all the holders other than the Proposing Transferor of shares in the capital of the Company of the same class as the Sale Shares (other than Restricted Investors) pro rata as nearly as may be to the number of shares of that class in the capital of the Company registered in the names of such holders each such member being entitled to apply also for Sale Shares refused by other members of the same class entitled thereto and in the event of competition for the Sale Shares so refused they will be allocated amongst those interested pro-rata as nearly as may be to the number of shares of that class in the capital of the company registered in the names of such holders. If the Company shall not find prospective purchasers for all the Sale Shares from shareholders of that class (other than Restricted Investors) then the Company shall in the second place offer the number of Sale Shares for which it has not found prospective purchasers to the holders of Redeemable Preference Shares (where the Sale Shares are Ordinary Shares) or to the holders of Ordinary Shares (where the Sale Shares are 'B' Ordinary Shares or Redeemable Preference Shares) pro rata as nearly as may be to the number of shares of those other classes registered in the name of such holders. The offer shall specify the total number of shares to be sold and shall invite each such holder to notify the Directors of the maximum number of shares which he would wish to purchase if available. Any offer made by the Directors pursuant to this paragraph shall be made by notice in writing and where more than one offer is to be made, for example to the holders of different classes of shares these will be conducted by separate notices, the second (or subsequent notices) not being made until the first (or other immediately preceding notice) has expired without all the Sale Shares being taken up.
- (h) If the Company does not find prospective purchasers for all the Sale Shares then the Directors may if they think fit and subject to the provisions of the Act cause the Company to purchase some or all of the Sale Shares at the Prescribed Price.
- (i) (i) If the Company shall within the Prescribed Period find prospective purchasers for all of the Sale Shares or resolve to purchase any such shares for which a purchaser or purchasers

have not been found itself it shall so notify the Proposing Transferor and the prospective purchasers (if any) in writing and the Proposing Transferor shall be bound upon payment of the Prescribed Price to transfer the Sale Shares to the purchaser or purchasers. Any such notice to the Proposing Transferor and prospective purchasers ("the Allocation Notice") shall specify the name and address of each purchaser and the number of Sale Shares to be purchased by him and the time and place being not less than seven days after the date of such notice at which the sale and purchase of the Sale Shares shall be completed. Provided that if the directors have made a request to the Authority in accordance with Article 9 (f) in relation to a prospective purchaser and no determination has been made by the Authority prior to such time, such completion shall be delayed in relation to such purchaser until the Authority has confirmed that such purchaser would not be a Restricted Investor. If the Authority should indicate in response to such requests that they transfer of or any part of the Sale Shares to any prospective purchaser would constitute such prospective purchaser a Restricted Investor the relevant Sale Shares shall not be transferred to such prospective purchaser but shall be allocated if possible to any members who have indicated that the desired to purchase excess shares in accordance with the provisions of Article 9(g) and a revised Allocation Notice shall be served (provided all such relevant Sale Shares can be so allocated) and the provisions of this Article shall mutatis mutandis apply to such transfer.

- (ii) If in any case the Proposing Transferor after having become bound to transfer any shares to a purchaser shall make default in transferring the relevant Sale Shares the Directors may authorise any one Director or the Secretary of the Company to execute on behalf of and as attorney for the Proposing Transferor any necessary transfers or other documents. Such Director or Secretary shall then be deemed to be the duly appointed agent and attorney of such Proposing Transferor for such purpose and the Company may receive the purchase money from the purchaser and shall upon production of the share transfer (subject to the same being duly stamped) and any other necessary documents cause the name of the purchaser to be entered in the register as the holder of the shares and shall hold the purchase money in trust for the Proposing Transferor until he shall deliver to the Company a certificate or certificates for the Sale Shares and ratification (in a form reasonably satisfactory to the Directors) of the said transfer of the Sale Shares whereupon he shall be paid the purchase monies. The receipt of the Company for the purchase money shall be a good discharge to the purchaser who shall not be bound to see the application thereof and after the name of the purchaser has been properly entered in the register in exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.
- (j) If the Company shall not within the Prescribed Period either find purchasers willing to purchase all the Sale Shares or resolve to purchase all of the Sale Shares for which it has not found purchasers the Proposing Transferor at any time within one month after the date on which such notice is given shall identify and be at liberty

(subject only to the provisions of paragraph (a)) to identify and transfer the Sale Shares to the Proposed Transferee (if any) or, if not, any third party on a bona fide sale at any price not being less than the Prescribed Price such price being the Third Party Price Provided that in such case the Sale Shares shall be offered to other members of the Company once again pursuant to the provisions of this Article as if there had been a new Transfer Notice served specifying the identified proposed transferee as the Proposed Transferee and that the Prescribed Price is the Third Party Price and; Provided that the Directors may require to be reasonably satisfied in such a manner as they may reasonably specify and supported by such reasonable evidence including statutory declarations from the Proposing Transferor and transferee as they shall request that the Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction rebate or allowance whatsoever to the transferee and that the transferee is not a Restricted Investor and if not so satisfied the Directors may refuse to register the instrument of transfer.

- (k) If the Proposing Transferor shall have included in the Transfer Notice a provision that unless all the Sale Shares comprised therein are sold none shall be sold then if the total number of shares applied for is less than the number of Sale Shares the Allocation Notice shall refer to such provision and shall contain a further invitation open for at least 28 days but no more than 42 days to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the provisions of this Article shall be delayed until such a provision as aforesaid has been complied with in full. In addition if the above provision is included in the Transfer Notice and members of the Company or the Company itself shall not accept all the Sale Shares under the procedures outlined above then, unless the Proposing Transferor specifically agrees otherwise the Proposing Transferor shall not be bound to transfer any of the Sale Shares to such members and/or the Company but shall be entitled to sell or transfer all its Sale Shares to a third party in accordance with the provisions of sub-paragraph (j).
- (l) A person entitled to a share in consequence of the bankruptcy or liquidation of a member shall be bound at any time if and when called upon by the Directors so to do to give a Transfer Notice of all the shares then registered in the name of the member who is bankrupt or in liquidation.
- (m) A person entitled to a share in consequence of the death of a member or the personal representatives of a deceased member as the case may be must before the expiration of six months from the date of such death give a Transfer Notice in respect of all the shares registered in the name of the deceased member at the date of his death.
- (n) Where pursuant to sub-paragraphs (b) (l) (m) (o) and (p) or any other obligation binding on the members of the Company a Transfer Notice shall be required to be given in respect of any shares and such Transfer Notice is not duly given within a period of 14 days such Transfer Notice shall be deemed to have been given at the expiration of the said period or at the expiry of 14 days after the Directors

first become aware of the default and the provisions of this Article 9 shall take effect accordingly Provided That:

- (i) the Transfer Notice shall be deemed to relate to all the shares held by the member; and
 - (ii) the Transfer Notice shall be deemed to contain a proviso requiring all the shares comprised therein to be sold and in so far as it may then relate to more than one class of shares, shall for the purposes of compliance with the pre-emption provisions of this Article be deemed to be separate Transfer Notices, one for each class of shares held by the relevant member; and
 - (iii) the price shall be determined by the Auditors in accordance with the provisions of this Article and the Transfer Notice shall not require confirmation by the Proposing Transferor following receipt of a notification of the Prescribed Price as set out in paragraph (c) above.
- (o) For the purpose of determining:
- (i) that a transfer of shares is a Permitted Transfer; or
 - (ii) that no circumstances have arisen whereby a Transfer Notice is required to be given hereunder; or
 - (iii) whether any member or any person who has an interest in shares held by such member is a Disqualified Person or a Restricted Investor; or
 - (iv) whether there are reasonable grounds for apprehending that the Authority may revoke, suspend, remove, refuse to extend or renew, vary the terms or conditions of or impose onerous conditions on the holding of any Licence by reason of the interest of any person in shares of the Company or the influence exerted by any person over any member of the Company; or
 - (v) that an issue of shares is duly authorised hereunder or that a proposed allottee of shares is not or will not thereby become a Disqualified Person or a Restricted Investor.

the Directors may from time to time serve a notice on any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration or any person whom they have reasonable grounds for believing to have information concerning dealings with or interests in shares of the Company requiring such person to furnish to the Company such information and evidence as the Directors may reasonably think fit regarding any matter which they may reasonably deem relevant to such purpose and may reasonably further require such reasonable information and evidence to be in the form of a statutory declaration. Such Notice shall:

- (aa) refer the member concerned to the consequences of a failure to comply with the request as set out in Article 9(p);

- (bb) state for which purpose under this Article the information is required;
- (cc) in the case of information or evidence required pursuant to paragraphs (iii) or (iv) members shall only be required to supply such information or evidence as is requested in writing by the Authority.

If such information or evidence discloses that a Transfer Notice ought to have been given in respect of any shares the Directors may by notice in writing require that a Transfer Notice be given in respect of the shares concerned.

- (p) If a member is or becomes a Restricted Investor or fails to comply with a request for information or evidence pursuant to Article 9(o) to the reasonable satisfaction of the Directors within a period of ten business days after such request being made, the Directors shall be entitled to (but shall not be obliged to) do any or all of the following:
 - (i) serve a further notice on the member calling upon him within a specified period to furnish the Directors with such further information or evidence as they may require (and the provisions of this Article 9(o) shall mutatis mutandis apply to a failure to comply with such notice);
 - (ii) refuse to register any transfer in question;
 - (iii) if no transfer is in question require that all the shares owned by such member be transferred to a Permitted Transferee of such member within ten business days or failing which require a Transfer Notice to be given in respect of all of the shares held by the member in default.

- 10. The instrument of transfer of any share shall be executed in such form and with such formalities as may from time to time be authorised or required by law and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

REGISTERS

- 11. The Directors shall cause the following registers to be kept at the Registered Office of the Company or at such other place as they may determine:-
 - (a) a Register of Members;
 - (b) a Register of applications and allotments;
 - (c) a Register of transfers of shares;
 - (d) a Register of the interests of the Directors in shares in or debentures of the Company or its associated companies;
 - (e) a Register of Charges and Debentures;

- (f) copies of contracts of service of the Directors of the Company or (if such contracts are not in writing) written memoranda thereof.
12. The Directors shall cause such Registers and copies (or memoranda) as are kept under the provisions of the preceding Article to be completed and made available for inspection in accordance with the provisions of the Act.

GENERAL MEETINGS

13. No business shall be transacted at any general meeting unless the requisite quorum be present. Such quorum shall comprise at least one member.
- If within half an hour from the time appointed for the holding of any such meeting a quorum is not present the meeting shall stand adjourned to the same day two weeks later at the same time and place or to such other day and at such other time and place as all the Directors may determine and, provided that notice of such adjournment shall be given to all those entitled to attend the meeting within three days of the meeting being so adjourned, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then any holder of shares then in issue present in person or by proxy shall be a quorum. A corporate representative present at any general meeting by proxy shall be entitled to vote on a show of hands or on a poll. In Regulation 54 of Table A the words "or proxy" shall be added after the words "duly authorised representative".
14. The Chairman may with the consent of any meeting at which a quorum is present (including in any case the consent of the members entitled to appoint Directors pursuant to Article 20) (and will if so directed by the meeting) adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than business unfinished at the meeting from which the adjournment took place.
15. A poll may be demanded by the Chairman or by any shareholder present in person or by proxy and regulation 46 of Table A shall be modified accordingly. If a poll is demanded it shall be taken forthwith and in such manner as the Chairman may direct and regulation 51 of Table A shall be modified accordingly. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
16. The Chairman of the meeting shall not be entitled to a casting vote and accordingly in the case of an equality of votes whether on a show of hands or on a poll the resolution in respect of which such show of hands or poll took place shall be deemed not to have been passed.
17. Subject to the provisions of the Act a resolution in writing signed by all the members of the Company or of any class of shareholders (or their duly authorised attorneys) who at the date of such resolution were entitled to receive notice of and to attend and vote at general meetings or class meetings shall be as valid and effectual as if it had been passed at a General or class meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form each signed by one or more of the members or their attorneys and signature in the case of a corporate body which is a member shall be sufficient if made by a director thereof or its or his duly authorised attorney.

BORROWING POWERS

18. The Directors may exercise all the powers of the Company to borrow money, and to mortgage and charge all or any part of its undertaking, property and uncalled capital and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

DIRECTORS

19. The Directors shall not unless otherwise determined by a special resolution of the Company be less than two nor more than nine in number.
20. The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as the Directors think fit Provided That no meeting of Directors may validly take place unless each Director (or his alternate of which the Company has notice) is given at least 72 hours prior written notice specifying the time and place and in reasonable detail (with such supporting documentation as is then reasonably available) the business to be considered at that meeting. A Director subject thereto may and the secretary on the requisition of a Director shall at any time summon a meeting of the Directors. A Director absent from the United Kingdom shall notwithstanding such absence be entitled to notice of any such meeting provided that he shall have left an address to which the notice can be properly sent and notice shall be deemed to have been given to that Director by despatch to the given address.
21. The quorum necessary for a meeting of the Directors shall be two Directors. If within half an hour from the time appointed for the holding of any meeting of Directors a quorum is not present the meeting shall stand adjourned to the same day two weeks later at the same time and place and provided that notice of such adjournment shall be given to all those entitled to attend the meeting within three days of the meeting being so adjourned. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then any two Directors shall be a quorum.
22. Questions arising at any meeting of the Directors or of any committee of Directors shall be decided by a majority of the votes of the Directors.
23. A Director need not hold any share qualification but shall be entitled to receive notice of and to attend all General Meetings of the Company.
24. (a) A Director may appoint another person as his alternate and may at any time revoke any such appointment.

(b) An alternate Director shall be entitled to notice of meetings of Directors, to attend and vote as a Director at any meeting at which his appointor is not personally present and generally in the absence of his appointor to exercise all the functions of his appointor as the case may be.

(c) An alternate Director shall be deemed not to be an officer of the Company but shall be deemed to be the agent of his appointor.

(d) An alternate Director shall cease to be an alternate Director if for any reason his appointment is revoked or his appointor ceases to be a Director.

(e) All appointments and revocations of appointment of alternate Directors shall be in writing under the hand of the appointor left at the Company's registered office.

25. Every instrument appointing an alternate Director shall as nearly as circumstances will admit be in the following form or to the effect following on paper bearing the name of the Company:-

"I
"a Director of this Company in pursuance
"of the power in that behalf contained in
"the Articles of Association of the Company
"do hereby nominate and appoint
"
"of
"to act as alternate Director in my place
"at any meeting of the Directors which I
"am unable to attend and to exercise all
"my duties as a Director of the Company

"AS WITNESS my hand this day
of 19...."

26. The Directors shall be paid out of the funds of the Company all their travelling hotel and other expenses properly incurred by them in and about the business of the Company including their expenses of travelling to and from meetings of the Directors or committee meetings or General Meetings. The Directors shall also be paid out of the funds of the Company by way of remuneration for their services as Directors such sum as the Company in General Meeting shall from time to time determine.

27. The Directors may grant donations pensions annuities allowances gratuities benefits emoluments and bonuses or any share or interest in the profits of the Company's business or any part thereof to any directors or ex-directors employees or ex-employees of the Company or its predecessors in business or of any company which is a subsidiary company of or allied to or associated with the Company or any such subsidiary or the dependants of such persons set up establish support and maintain pension superannuation and other funds or schemes (whether contributory or non-contributory) and make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them and any Director shall be entitled to receive for his own benefit any such donation pension annuity allowance gratuity benefit emolument bonus or share or interest in profit (whether under such fund or scheme or otherwise) and shall be counted in any quorum of Directors and may vote as a Director in respect of any of the powers of this Article conferred on the Directors notwithstanding that he is or may be interested therein.

28. The Directors may grant special remuneration to any Director who being called on shall render or agree to render any special or extra service to the Company or go or reside abroad in connection with the conduct of any of the affairs of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration (if any) as a Director and may be payable by way of a lump sum participation in profits or otherwise as the Directors shall determine.

29. (a) A Director who is in any way directly or indirectly interested in a contract or a proposed contract transaction or arrangement with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with Section 317 of the Act and thereupon may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested.
- (b) A Director may vote as a Director in respect of any contract or arrangement in which he is interested or upon any matter arising therefrom and if he shall so vote his vote shall be counted and he shall be counted in a quorum when any such contract or arrangement is under consideration.
30. Any Director may continue to be or become a director of or hold any other office or place of profit under any other company in which the Company may be interested and no such Director shall be accountable for any remuneration salary profit or other benefits received by him as a Director of or holder of any other office or place of profit under or member of any such other company. The Directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors of such company or voting or providing for the payment of remuneration to the directors of such company) and any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to be appointed a director of such other company and as such is or may become interested in the exercise of such voting rights in manner aforesaid.
31. The Directors shall cause minutes to be made in books provided for the purpose:-
- (a) of the names of Directors present at each meeting of the Directors and
- (b) of all resolutions and proceedings at all meetings of the Company and of the Directors.
32. No Director shall vacate his office or be ineligible for re-appointment as a Director nor shall any person be ineligible for appointment as a Director by reason only of his having attained any particular age.
33. A resolution in writing signed by the Directors for the time being and entitled to vote shall be as valid and effectual as if it had been passed at a duly convened board meeting provided always that the resolution has been signed by at least the number of Directors required to constitute a quorum. Any such resolution may consist of several documents in the like form each signed by one or more Directors.
34. All or any of the members of the Board of Directors or any committee of the Board of Directors may participate in a meeting of the Board of Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person or persons so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and to be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest of the groups of those persons

participating in the meeting is assembled or, if there is no such group, where the Chairman of the meeting then is.

EXECUTIVE APPOINTMENTS

35. The Directors may from time to time by unanimous resolution appoint any person to an office or employment having a designation or title including the word "Director" or attach to any existing office or employment with the Company such a designation or title.

The inclusion of the word "Director" in the designation or title of any office or employment with the Company shall not imply that the holder thereof is a Director of the Company nor shall such holder thereby be empowered in any respect to act as a Director of the Company or be deemed to be a Director for any of the purposes of these regulations.

ACCOUNTS AND DIRECTORS REPORT

36. The Directors shall cause proper books of account to be kept in accordance with the provisions of Schedule 9 of the Act with respect to:-

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the Company;
- (c) the assets and liabilities of the Company and
- (d) all those matters required by the Act to be shown in the Accounts of the Company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

37. The Directors shall from time to time cause to be prepared and, if for the time being still required pursuant to the Act laid before the Company in General Meeting, such profit and loss accounts balance sheets group accounts (if any) and directors' reports as are required by the Act.

CAPITALISATION

38. In any case where unissued shares in the Capital of the Company are proposed to be paid up and distributed amongst the Shareholders by way of capitalisation of profits or reserves the shares so to be paid up and distributed to the Shareholders shall consist exclusively of shares of the class which they are holding and regulation 110 of Table A shall be modified accordingly.

WINDING UP

39. In regulation 117 of Table A the words "with the like sanction" shall be inserted immediately before the words "determine how the division".

EXECUTION OF DOCUMENTS

40. The seal, if any, shall only be used with the authority of the Directors or of a committee of the Directors authorised by the Directors.

The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise determined it shall be signed by a Director and by the Secretary or by a second Director. Any document signed by a Director and the Secretary of the Company or by two Directors of the Company and expressed (in whatever form of words) to be executed by the Company has the same effect as if executed under the seal of the Company. A document shall only be so signed with the authority of a resolution of the Directors or a committee of the Directors.

INDEMNITY

41. (a) Every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144 or Section 727 of the Act or in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company. No Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the proper execution of the duties of his office or in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by the Act.
- (b) The Directors shall have power to purchase and maintain for any Director, officer or auditor of the Company insurance against any such liability as is referred to in Section 310(1) of the Act.

SHARE CAPITAL AND VARIATION OF RIGHTS

4. 4.1 The Share Capital of the Company on the date of the adoption of these Articles is £502,564 divided into 100,000 Ordinary Shares of £1 each 400,000 Redeemable Preference Shares and 2,564 'B' Ordinary Shares of £1 each having the respective rights and obligations set out herein.

4.2 Ordinary Shares

The rights, privileges, restrictions and limitations attaching to the Ordinary Shares are as follows:

(1) As regards Income

The profits available for distribution shall be distributed by way of dividend among the holders of the Ordinary Shares and the Redeemable Preference Shares on a pro rata basis.

(2) As regards Capital

Subject to the Company having repaid to the holders of the Redeemable Preference Shares the paid up amount on each such share on a return of capital on a winding-up or otherwise (except on redemption or purchase of Redeemable Preference Shares) thereafter the remaining assets of the Company available for distribution among the shareholders shall belong to and be distributed among the holders of the Ordinary Shares rateably according to the amounts paid up on such shares held by them respectively.

(3) As regards Voting

The provisions of Table A which by virtue of these Articles apply to the Company and which relate to the votes of members shall apply in the case of the Company to the votes attaching to Ordinary Shares (and, accordingly, references to "shares" in such Articles of Table A shall be deemed for all purposes to be references to Ordinary Shares only except as provided by Article 4.3(5)).

4.3 Redeemable Preference Shares

The rights, privileges, restrictions and limitations attaching to the Redeemable Preference Shares are as follows:

(1) As regards Capital

On a return of capital on a winding-up or otherwise the assets of the Company available for distribution among shareholders shall be applied (in priority to other shares in the Company for the time being in issue) first in repaying to the holders of the Redeemable Preference Shares the paid up amount on each such share.

(2) As regards Redemption

- (a) Unless previously redeemed, the Company shall (subject to the Act) on the last business day of August 1998 redeem all the Redeemable Preference Shares then in issue.
- (b) In the event that at any relevant time it is required to do so but the Company is unable to redeem any Redeemable Preference Shares it shall nevertheless redeem such shares as soon thereafter as it is able to do so.
- (c) There shall be paid on each Redeemable Preference Share redeemed its paid up amount.
- (d) Notice of redemption under this Article shall be given by the Company to each holder of Redeemable Preference

Shares at least 28 days before any required or proposed date of redemption and shall specify:

- (i) the total number of Redeemable Preference Shares to be redeemed on that occasion; and
 - (ii) the number of each holders' Redeemable Preference Shares to be redeemed; and
 - (iii) the applicable redemption date and the time and place on such date at or before which the certificates for such Redeemable Preference Shares are to be presented for redemption.
- (e) Upon such redemption date as may be specified in any notice given under paragraph (d) above, each of the holders of the Redeemable Preference Shares to be redeemed shall be bound to deliver to the Company at such time and place, the certificates for such of the Redeemable Preference Shares as are held by it. Upon such delivery the Company shall pay to (or to the order of) such holder the amount due to it in respect of such redemption. If any holder of Redeemable Preference Shares whose shares are liable to be redeemed shall fail or refuse to deliver a certificate for his Redeemable Preference Shares to the Company, the Company may retain the redemption monies until delivery of the certificate or an indemnity in respect thereof satisfactory to the Company and shall within seven days of receipt thereof pay the redemption monies to (or to the order of) such holder.
- (f) If a Redeemable Preference Share is not redeemed by reason of any failure of the relevant shareholder to comply with his obligations under this Article 4.3(2), or it is redeemed in accordance with the Act and the Articles then as from the date fixed for redemption of that Redeemable Preference Share, such Redeemable Preference Share shall be extinguished and shall cease to confer further rights of any nature upon its holder, except the right to receive the redemption monies in respect of that Redeemable Preference Share. The Company shall not be liable to pay interest on any redemption monies which are not claimed on the date fixed for redemption of any Redeemable Preference Share. The receipt of the registered holder for the time being of any Redeemable Preference Shares, or in the case of joint registered holders, the receipt by any of them of the monies payable on redemption thereof, shall constitute an absolute discharge to the Company in respect thereof.

(3) As regards Income

The profits available for distribution shall be distributed by way of dividend among the holders of the Ordinary Shares and the Redeemable Preference Shares on a pro rata basis.

(4) As regards further participation

The Redeemable Preference Shares do not entitle the holder thereof to participate in the profits or assets of the Company beyond such rights as are expressly set out in paragraphs (1) to (3) inclusive above.

(5) As regards Voting

A holder of the Redeemable Preference Shares shall be entitled to receive notice of general meetings, but not to attend or vote thereat unless:-

- (i) the Company shall have defaulted in payment of redemption monies due in respect of its holding of Redeemable Preference Shares or any part thereof and shall continue so to default at the date when the Notice convening such general meeting is sent out to members; or
- (ii) the business of the Meeting includes a resolution for winding-up the Company or affecting, altering or abrogating the rights or privileges or restrictions attached to the Redeemable Preference Shares (in which event the Redeemable Preference Shares shall entitle the holders thereof to vote on such resolution only).

At every general meeting of the Company at which the holders of the Redeemable Preference Shares are entitled to vote the provisions of these Articles in respect of votes of Ordinary Shares shall apply mutatis mutandis.

4.4 'B' Ordinary Shares

The rights, privileges, restrictions and limitations attaching to the 'B' Ordinary Shares are as follows:-

(1) As regards Conversion

A holder of 'B' Ordinary Shares shall be entitled at any time after 31 August 1998 to convert part or the whole of the 'B' Ordinary Shares held by him into Ordinary Shares. The following provisions shall have effect:-

- (a) a holder wishing to convert any 'B' Ordinary Shares shall deposit at the office of the Company notice stating that he thereby converts the number of shares specified in the said notice;
- (b) the said holder shall deposit with the said notice the certificate or certificates relating to the 'B' Ordinary Shares to be converted;
- (c) the notice shall take effect immediately upon the same being deposited as aforesaid and thereupon the 'B' Ordinary Shares comprised in the notice shall be automatically converted into and thenceforth be called

and known as Ordinary Shares which will rank pari passu in all respects with the remaining Ordinary Shares;

- (d) such Ordinary Shares shall participate in full in all dividends declared on the Ordinary Shares after such conversion except in respect of the financial year immediately preceding the financial year in which the conversion was effected and on the footing that such Shares had at all times from and including the commencement of the financial year in which the same were converted been Ordinary Shares;
- (e) forthwith upon any such conversion the Company shall issue to the holder free of charge a new certificate for such Shares so converted as Ordinary Shares and if the notice of conversion does not relate to all the Shares comprised in the certificates so deposited the holders shall be entitled free of charge to a certificate for the balance.

(2) As regards further participation

The 'B' Ordinary Shares do not entitle the holders thereof to participate in the profits or assets of the Company.

(3) As regards Voting

A holder of the 'B' Ordinary Shares shall be entitled to receive notice of general meetings, but not to attend or vote thereat.

5. 5.1 Subject to any direction to the contrary that may be given in writing by holders of shares entitled to cast not less than 50% of the votes exercisable on a poll at a general meeting of the Company (an "Ordinary Resolution") any new shares from time to time to be created which are to be issued at any time after the date of adoption of these Articles shall be Ordinary Shares and shall be offered whether for cash or otherwise to the holders of the existing Ordinary Shares in proportion as nearly as may be to their existing holdings. Such offer shall be made by notice in writing specifying the number and class of shares offered and limiting a period (not less than 14 days) within which the offer if not accepted shall be deemed to be declined and after the expiration of such time or on the receipt of a written notice from the person to whom the offer is made that he declines to accept the shares offered, the Directors will offer the shares to the other member(s) of the same class who has/have accepted the first offer and, if more than one, in proportion as nearly as may be to their existing holdings. If any shares in such further offer are declined or deemed to be declined the Directors may dispose of the same to other members of the class in such proportions as may be resolved by Ordinary Resolution passed at a meeting of that class or if the shareholders of that class cannot so resolve the directors may dispose of the same in such manner as they think fit. Section 89(1) and Section 90 of the Act shall be excluded from applying to allotments of equity securities (as defined in section 94 of the Act) by the Company.

- 5.2 Prior to any issue of shares to any member or prospective member who is a Disqualified Person, the Directors shall (unless they shall

resolve otherwise by a majority of Directors excluding any Directors nominated by the member in question) make a request in writing to the Authority requesting the Authority to determine whether the issue of shares to such member or prospective member would constitute such member or prospective member a Restricted Investor. If the Authority determines that this is the case, the Directors shall endeavour to agree to put forward proposals to the Authority for any offer of an issue of shares to such member or prospective member on terms different from, but to the extent possible not worse nor better than, those on which shares were previously offered to such member or prospective member which would avoid constituting such member or prospective member a Restricted Investor. If the Authority accepts that such agreed proposed different terms would avoid constituting such member or prospective member or prospective member a Restricted Investor, the Directors shall offer to issue shares to such member or prospective member on such terms in proportion as nearly as may be to their existing holdings. If no such proposed terms are accepted by the Authority, the Directors may decline to offer that number of shares the issue of which would constitute such member or prospective member a Restricted Investor to such member or prospective member but shall offer such shares to the other members of the same class (not being Restricted Investors) in proportion as nearly as may be to their existing holdings.

6. Subject to the provisions of the Act and to Article 5.1 above:-
 - (a) and in particular subject to Chapter VII of Part V of the Act any shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may by special resolution determine and Regulation 3 of Table A shall be modified accordingly;
 - (b) the Company may purchase its own shares; and
 - (c) payment for any such purchase or redemption may (without limiting the generality of this Article) be made otherwise than out of the distributable profits of the Company or the proceeds of a fresh issue of shares.
7. In regulation 8 of Table A the words and brackets "(not being a fully paid share)" shall be deemed to be deleted.
8. In regulation 33 of Table A the words "any person (including, subject to the provisions of the Act, the company)" in the third line shall be deemed to be deleted and the words "any member of the company" inserted in their place.

Number of Company: 2828239

The Companies Act 1985
(As amended by the Companies Act 1989)

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(Pursuant to S.378 (2) of the Companies Act 1985)

of

HEART OF ENGLAND RADIO LIMITED

Passed 25th August 1994

AT an EXTRAORDINARY GENERAL MEETING of the above-named Company, duly convened, and held at 111 Broad Street, Birmingham B15 1AS

on the day of 1994 the subjoined SPECIAL AND ORDINARY RESOLUTIONS were duly passed viz:-

ORDINARY RESOLUTIONS

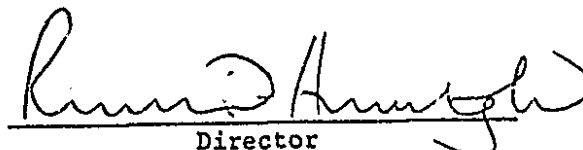
1. THAT The authorised share capital of the Company be and it is hereby increased from £1000 to £502,564 by:
 - a) the creation of an additional 99,000 Ordinary Shares of £1 each; 1R/P
 - b) the creation of 2564 Convertible Non-voting "B" Ordinary Shares of £1 each; CNVB
 - c) the creation of 400,000 Redeemable 0% Preference Shares of £1 each
2. a) THAT The Directors shall have a general and unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any relevant securities (within the meaning of Section 80 of the Companies Act 1985 ("the Act")) of the Company on and subject to such terms as the Directors may determine. The authority hereby conferred shall subject to Section 80 of the Act be for a period expiring five years from the date of the passing of this resolution unless renewed varied or revoked by the Company in General Meeting and the maximum amount of relevant securities which may be allotted pursuant to such authority shall be 99,998 Ordinary Shares of £1, 2564 Convertible Non-voting "B" Ordinary Shares of £1 and 400,000 Redeemable 0% Preference Shares of £1 each being the authorised but as yet unissued share capital of the Company at the date hereof.

2. (Cont)

- (b) THAT the Directors shall be entitled under the authority conferred by paragraph (a) of this Resolution or under any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement which would or might require relevant securities of the Company to be allotted after the expiry of such authority.

SPECIAL RESOLUTIONS

3. THAT the Directors be empowered pursuant to Section 95 of the Act to allot equity securities (within the meaning of Section 94(2) of the Act) of the Company pursuant to the authority conferred by paragraph (a) of Resolution 5 as if Section 89(1) of the Act did not apply to such allotment and the Directors shall be entitled to make at any time prior to the expiry of the power hereby conferred any offer or agreement which would or might require equity securities to be allotted after the expiry of such power. Provided that such power shall subject as aforesaid cease to have effect when the said authority is revoked or would if not renewed expire but if that authority is renewed the said power may also be renewed for a period not longer than that for which the authority is renewed by a Special Resolution of the Company passed in General Meeting.
4. THAT the Memorandum of Association of the Company be amended with respect to its Objects by the deletion of Clauses 3(i) and (ii) and the substitution therefor of Clauses 3(i), (ii) and (iii) in the form now produced to the Meeting and signed by the Chairman for the purposes of identification
5. THAT the regulations contained in the document produced to the Meeting signed by the Chairman for the purpose of identification be and they are hereby adopted as the Articles of Association of the Company in substitution for the existing Articles of the Company and all regulations incorporated therein.


Director

Note: to be filed within 15 days of the passing of the Resolutions.

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