

3353454.

DATE 4th March 1998

V2 MUSIC (HOLDINGS) LIMITED

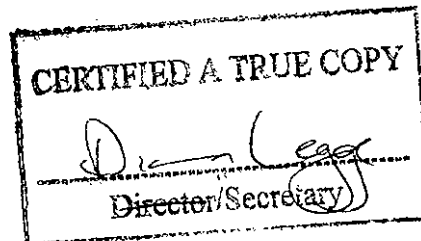
MORGAN GRENFELL TRUSTEE SERVICES (GUERNSEY) LIMITED

MV HOLDINGS LIMITED

V2 MUSIC PUBLISHING (HOLDINGS) LIMITED

McCARTHY CORPORATION PLC

SHARE PURCHASE AGREEMENT



Exempt. CMA 16/6/98

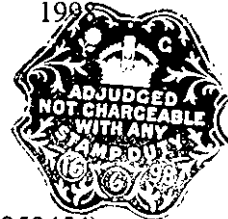
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# SHARE PURCHASE AGREEMENT

DATE

4<sup>th</sup> March

1998



## PARTIES

- 1 **V2 MUSIC (HOLDINGS) LIMITED** (registered in England number 3353454) whose registered office is at 120 Campden Hill Road, London W8 7NR ("the Purchaser")
- 2 **MORGAN GRENFELL TRUSTEE SERVICES (GUERNSEY) LIMITED** as Trustees of the Mars Trust whose registered office is at Morgan Grenfell House, Lefebvre Street, St Peter Port, Guernsey GY1 4BY ("the Mars Trustees")
- 3 **MV HOLDINGS LIMITED** (Registered in England under No. 3234635) whose registered office is at Second Floor, 346 Kensington High Street, London W14 8NS ("MVH")
- 4 **V2 MUSIC PUBLISHING (HOLDINGS) LIMITED** (registered in England number 3345243) whose registered office is at 120 Campden Hill Road, London W8 7NR ("V2 Publishing")
- 5 **McCARTHY CORPORATION PLC** (Registered in England under No. 2647653) whose registered office is at Second Floor, 346 Kensington High Street, London W14 8NS ("McCarthy")

## RECITALS

- A MVH is the registered holder and beneficial owner of 3,744 A ordinary shares of 2 pence each in the capital of V2 Publishing and the Mars Trustees are the registered holders of 50,000 A ordinary shares of 2 pence each in the capital of V2 Publishing which together represent the entire issued share capital of V2 Publishing.

B MVH has agreed to subscribe for further shares in the capital of V2 Publishing on the terms of this Agreement.

C The Mars Trustees and MVH wish to sell, and the Purchaser wishes to purchase, the Sale Shares on the terms of this Agreement.

## AGREEMENT

### 1 Definitions

1.1 The following words and expressions shall, unless the context requires otherwise, have the following meanings:-

**Completion Date:** shall mean the earliest of:-

- (i) 8 April 1998;
- (ii) the date two business days after the day on which the Tax Clearance is obtained;
- (iii) the date two business days after the day on which any of the Mars Trustees, MVH or the Purchaser notify each of the others of them in writing of the waiver of the Condition;

**the Condition:** the condition to the completion of the sale and purchase of the Sale Shares held by MVH as set out in clause 4.1;

**Consideration Shares:** means the ordinary shares of 0.5 pence each in the capital of the Purchaser set opposite the names of MVH and the Mars Trustees in column 2 of the Schedule to this Agreement;

**the Parties:** the parties to this Agreement;

**Sale Shares:** means the ordinary shares of 2 pence each in the capital of V2 Publishing set opposite the names of MVH and the Mars Trustees in column 3 of the Schedule to this Agreement;

**Tax Clearance:** means clearance from the Inland Revenue pursuant to the application for clearance on behalf of the Purchaser under Section 138 of the Taxation of Chargeable Gains Act 1992 dated 2 March 1998 in a form satisfactory to the Mars Trustees and MVH; and

**V2 Music Agreement:** the agreement relating to V2 Music dated 10 June 1997 entered into between MVH, the Mars Trustees, V2 Music and McCarthy; and

**V2 Publishing Agreement:** the agreement relating to V2 Publishing dated 10 June 1997 entered into between MVH, the Mars Trustees, V2 Publishing and McCarthy.

## **2 Subscription for Shares**

2.1 Immediately following execution of this Agreement the following events shall take place:-

2.1.1 MVH shall subscribe for 163 A Ordinary Shares of 2 pence each in the capital of V2 Publishing at £250 per share and shall telegraphically transfer the sum of £40,750 in full payment for such shares to Lloyds Bank City Office, Account name V2 Music Group Account Number 028415 sort code 30-00-02;

2.1.2 the Parties shall procure that the directors of V2 Publishing shall hold a Board Meeting and shall pass the necessary resolutions in order to allot the shares applied for to MVH; and

2.1.3 on conclusion of the Board Meeting referred to in 2.1.2 above V2 Publishing shall issue a share certificate to MVH in relation to the shares allotted and issued to it at that Board Meeting.

- 2.2 The performance by MVH of its obligations under this Clause 2 shall be a condition precedent to the performance by V2 Publishing of its obligations under this Clause 2 such that if MVH shall fail to perform its obligations then V2 Publishing shall at its option (and without prejudice to any other remedies or rights it may have) cease to be liable to perform its obligations under this Clause 2.

### 3 **The Sale and Purchase**

- 3.1 MVH hereby agrees to sell with full title guarantee free from all liens, charges, encumbrances and any other third party rights of any other nature and the Purchaser hereby agrees to purchase with effect from and including the Completion Date the Sale Shares set opposite its name in column 2 of the Schedule to the intent that as from that date all rights and advantages accruing to such Sale Shares, including any dividends or distributions declared or paid on such Sale Shares after that date, shall belong to the Purchaser.
- 3.2 The Mars Trustees hereby agrees to sell with limited title guarantee free from all liens, charges, encumbrances and any other third party rights of any other nature and the Purchaser hereby agrees to purchase with effect from and including the Completion Date the Sale Shares set opposite their name in column 2 of the Schedule to the intent that as from that date all rights and advantages accruing to such Sale Shares, including any dividends or distributions declared or paid on such Sale Shares after that date, shall belong to the Purchaser.
- 3.3 The consideration for the Sale Shares shall be:-
- 3.3.1 in relation to MVH, the issue to it of the number of Consideration Shares set opposite its name in the Schedule; and
- 3.3.2 in relation to the Mars Trustees, the issue to them of the number of Consideration Shares set opposite their name in the Schedule.

## Condition to Completion

- 4.1 Subject to Clause 4.2, the completion of the sale and purchase of those of the Sale Shares held by MVH shall be conditional upon Tax Clearance having been received by or on behalf of the Purchaser.
- 4.2 Each of the Purchaser, MVH and the Mars Trustees shall be entitled to waive the condition by written notice to each of the others provided that notice of waiver by the Purchaser or the Mars Trustees shall not be effective until 6 April 1998.

## Completion

Completion of the purchase of the Sale Shares shall take place on the Completion Date when:-

- 5.1 the Parties shall procure that:-
- 5.1.1 there shall be held a Board Meeting and an Extraordinary General Meeting of the Purchaser at which there shall be duly passed all resolutions necessary for the allotment of the Consideration Shares including, inter alia, the subdivision of each of the existing issued and unissued A Ordinary Shares of £1 each and the C Ordinary Shares of £1 each into 200 A Ordinary Shares of 0.5 pence each and the adoption of new Articles of Association of the Company;
- 5.1.2 subject to the satisfaction or waiver of the Condition, there shall be issued to MVH a share certificate for the Consideration Shares set opposite its name in column 3 of the Schedule;
- 5.1.3 there shall be issued to the Mars Trustees a share certificate for the Consideration Shares set opposite their name in column 3 of the Schedule; and
- 5.1.4 the statutory books of the Purchaser are written up accordingly.
- 5.2 Subject to the satisfaction or waiver of the Condition, MVH shall deliver to the Purchaser a duly executed transfer in favour of the Purchaser in respect of the Sale

Shares set opposite its name in the Schedule to this Agreement together with the relevant share certificate; and

- 5.3 the Mars Trustees shall deliver to the Purchaser a duly executed transfer in favour of the Purchaser in respect of the Sale Shares set opposite their name in the Schedule to this Agreement together with the relevant share certificate; and

## **6 Termination of V2 Publishing Agreement**

- 6.1 The Parties hereby agree that with effect from the Completion Date the V2 Publishing Agreement shall terminate and be of no further force or effect.

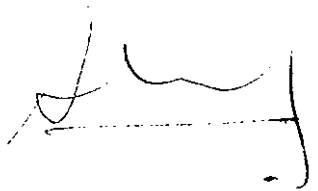
- 6.2 The Parties hereby consent to the transactions contemplated by this Agreement (including, without limitation, the transfer of shares in V2 Publishing, the allotment and issue of shares in each of V2 Music and V2 Publishing, the adoption of new Articles of Association of V2 Music and all ancillary matters thereto) and irrevocably waive all and any rights which exist in the V2 Music Agreement and the V2 Publishing Agreement or the Articles of Association of V2 Music or V2 Publishing or otherwise which would otherwise prevent such transactions.

## **7 Governing Law and Jurisdiction**

- 7.1 This Agreement shall be governed by and construed in accordance with the laws of England.
- 7.2 The parties submit to the exclusive jurisdiction of the English Courts as regards any claim, dispute or matter arising out of or relating to this Agreement.

EXECUTED as a deed and delivered on the date set out at the head of this Agreement.

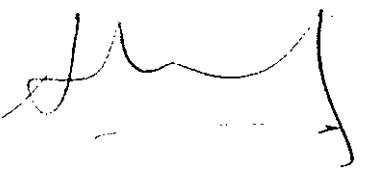
SIGNED as a DEED by V2 MUSIC )  
(HOLDINGS) LIMITED acting by )  
STEPHEN MURPHY )  
and TIM MCCARTHY )

  
x T. Mc (at) x

SIGNED as a DEED by MV )  
HOLDINGS LIMITED acting by )  
and )

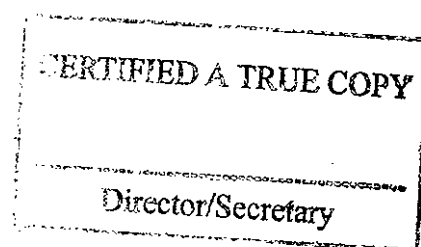
SIGNED as a DEED by )  
and )  
for and on behalf of MORGAN )  
GRENFELL TRUSTEE SERVICES )  
(GUERNSEY) LIMITED in its )  
capacity as Trustee of the Mars Trust )

SIGNED as a DEED by V2 MUSIC )  
PUBLISHING (HOLDINGS) LIMITED )  
acting by STEPHEN MURPHY )  
and TIM MCCARTHY )

  
x T. Mc (at) x



SIGNED as a DEED by McCARTHY )  
CORPORATION PLC acting by )  
and )



## SCHEDULE

<sup>1</sup> Name	<sup>2</sup> Sale Shares	<sup>3</sup> Consideration Shares
MVH	3,907	97,675
The Mars Trustees	50,000	1,250,000

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04/03 '98 WED 13:57 FAX +44 171 371 3647

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MCCARTHY CORP plc

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4. MAR 1998 8:40

MACFARLANES

NO. 0917 P. 55

SIGNED as a DEED by V2 MUSIC  
(HOLDINGS) LIMITED acting by

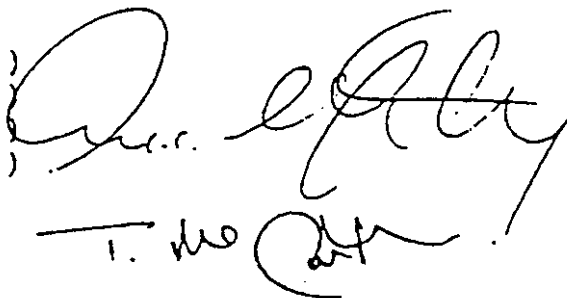
and

SIGNED as a DEED by MV  
HOLDINGS LIMITED acting by

ROBY MCCARTHY

and

TIM MCCARTHY



SIGNED as a DEED by

and

for and on behalf of MORGAN  
GRENFELL TRUSTEE SERVICES  
(GUERNSEY) LIMITED in its  
capacity as Trustee of the Mars Trust

SIGNED as a DEED by V2 MUSIC  
PUBLISHING (HOLDINGS) LIMITED)

acting by

and

SIGNED as a DEED by V2 MUSIC )  
 (HOLDINGS) LIMITED acting by )  
 )  
 and )

SIGNED as a DEED by MV )  
 HOLDINGS LIMITED acting by )  
 )  
 and )

SIGNED as a DEED by )  
 MARTIN ROBIN ODELL )  
 and AUSTIN JANE RENOLF )  
 for and on behalf of MORGAN )  
 GRENFELL TRUSTEE SERVICES )  
 (GUERNSEY) LIMITED in its )  
 capacity as Trustee of the Mars Trust )

*[Signature]*  
 Authorised Signatory

*[Signature]*  
 Authorised Signatory

SIGNED as a DEED by V2 MUSIC )  
 PUBLISHING (HOLDINGS) LIMITED )  
 acting by )  
 and )

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MCCARTHY CORP PLC

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4. MAR 1998 8:41

MACFARLANES

NO. 0917 P. 56

SIGNED as a DEED by MCCARTHY )  
CORPORATION PLC acting by )

and

