

AVALON TELEVISION LIMITED (THE "COMPANY"),

COMPANY NUMBER 02856604

WRITTEN RESOLUTIONS OF THE COMPANY

PURSUANT TO SECTION 288 OF THE COMPANIES ACT 2006

PASSED ON 2 APRIL 2008

FRIDAY



\*LP6H6YLM\*

LD2

04/04/2008

112

COMPANIES HOUSE

The following written resolutions having been duly proposed by the directors of the Company were duly passed by the Company as special resolutions

THAT.

- 1 1 the giving of financial assistance (as defined in Section 152 of the Companies Act 1985 (the "Act")) by the Company to Nolava Holdings Limited ("**Nolava**") for the purpose of the acquisition by it of certain shares in Avalon Entertainment Limited, the parent company of the Company (the "**Acquisition**") as described in the declaration pursuant to section 155(6) of the Companies Act 1985 (attached), be approved,
- 1 2 subject to compliance with sections 155 to 158 (inclusive) of the Act, the execution and performance by the Company of each of the following documents (together the "**Documents**") –
  - 1 2 1 an overdraft facility letter made between Company, Nolava, Avalon Entertainment Limited, Avalon Management Group Limited, Avalon Promotions Limited, Funnyfriend Limited, Avalon Public Relations Limited, Liberty Bell Productions Limited and Tinderbox Television Limited (together the "**Group**") and Barclays Bank PLC (the "**Overdraft**"),
  - 1 2 2 the CAS 2000 master agreement to be entered into between the Group and the Bank in respect of drawings of the Group under the Overdraft, (the "**Master Agreement**"),
  - 1 2 3 a CAS guarantee made between the Group and the Bank (the "**CAS Guarantee**"),
  - 1 2 4 the guarantee and debenture to be entered into between the Group and the Bank whereby, inter alia, the Company will give security over all its assets and undertaking to the Bank in respect of all monies owed to the Bank by the Group from time to time and the Company will guarantee all the obligations of the Group from time to time to the Bank, (the "**Guarantee and Debenture**"),
  - 1 2 5 an intra-group loan agreement made between Nolava as borrower and the Company, Tinderbox Television Limited, Avalon Management Group Limited, Avalon Promotions Limited, Funnyfriend Limited, Avalon Public Relations Limited, Liberty Bell Productions Limited and Avalon Entertainment Limited as lenders (the "**Intra Group Loan Agreement**"),
  - 1 2 6 a director's certificate, and
  - 1 2 7 any other documents considered necessary or expedient in connection with the documents listed above, to which the Company is to be a party or otherwise required to

be executed by the Company in connection with the transactions contained in the documents listed above,

execution forms of which have been provided to each member before the signing of this resolution, in each case be and is approved,

- 1 3 the execution of the Documents is in the best interests of the Company and the approval by the Company of the entry into those documents is given notwithstanding that the Company might be held to be giving financial assistance for the purposes of sections 151 and 152 of the Act,
- 1 4 this resolution shall have effect notwithstanding any provision of the Company's articles of association,
- 1 5 notwithstanding any provisions of the Memorandum and Articles of Association of the Company or any personal interest of any of the Directors of the Company, the Directors and/or the Secretary of the Company be and are hereby empowered and authorised to execute and deliver the Documents for and on behalf of the Company (in such manner and subject to such changes as they, in their absolute discretion, think fit), and
- 1 6 the giving of financial assistance to Nolava by Liberty Bell Productions Limited and Tinderbox Television Limited, (being a subsidiaries of the Company), within sections 151-158 (inclusive) of the Act for the acquisition of certain shares in the Company by Nolava by the execution, delivery and performance by such subsidiary of the following documents
- 1 6 1 the Overdraft,
- 1 6 2 the Master Agreement,
- 1 6 3 the CAS Guarantee,
- 1 6 4 the Intra Group Loan Agreement, and
- 1 6 5 the Guarantee and Debenture,

be and is approved

Signed

Director

for and on behalf of Avalon Television Limited



## BOARD MEMORANDUM

### AVALON TELEVISION LIMITED (the "Company")

Memorandum in connection with the proposed arrangement whereby Avalon Entertainment Limited ("AEL") will give financial assistance for the acquisition of its own shares, and the Company, a subsidiary of AEL, will also give financial assistance for the acquisition of AEL's shares, particulars of which are given in the statutory declaration made by the directors this day pursuant to Section 155(6) of the Companies Act 1985 (the "Act")

1 As at the close of business on <sup>29 February</sup> ~~1 April~~ 2008 the aggregate of the Company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated

2 From our knowledge of events since that date and of the likely course of the Company's business, the directors have formed the opinion that the aggregate of the Company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is given and that the giving of such financial assistance will not reduce the net assets of the Company

Signed on behalf of the Board

A handwritten signature in black ink, consisting of several loops and a final downward stroke, positioned to the right of the 'Signed on behalf of the Board' text.

Dated **2** April 2008